



# ADVANCING SUSTAINABLE LIFE SCIENCES MANUFACTURING

**Embedding sustainability  
across operations**

Driving long-term value through responsible  
manufacturing, innovation, and alignment with global  
ESG and GRI standards

## Disclaimer:

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Viyash Life Sciences (“Viyash”) is an India-based pharmaceutical manufacturer specializing in high-quality bulk APIs and intermediates for regulated global markets.

With a strong focus on process excellence, quality compliance, and responsible manufacturing, Viyash continues to strengthen its operations in line with evolving global sustainability and ESG expectations. This reflects the company’s commitment to building a compliant, resilient, and future-ready life sciences platform.

## ENVIRONMENT



**3.2+ GWh**

Renewable Power sourced in FY24-25

**~88%**

Waste Diverted from Landfill

**~50tCO<sub>2</sub>e**

per Crore of Revenue (₹)  
(Scope 1 and 2 Emissions)

## SOCIAL



**~9**

Average Annual OHS Training Hours Per Employee\*

**₹2.4m**

Annual Spend on Total Employee Training and Development

## GOVERNANCE



**100%**

Employees completed Code of Conduct Training

**Zero**

Reported Corruption and Whistleblower Cases

\* See Pg 69 for details

# About the report

This ESG Report presents the outcomes of Viyash’s sustainability initiatives during FY2024-25, covering the Company’s operations in India. The Report includes disclosures across manufacturing facilities, research and development centres, and corporate offices operating under its direct operational control.

Viyash currently operates primarily within India, and this Report covers all facilities and business units within the defined reporting boundary. It reflects the Company’s commitment to transparency, responsible business conduct, and continuous improvement, and provides stakeholders with an overview of how sustainability considerations are integrated into business operations to support long-term value creation.

### Reporting period

1<sup>st</sup> April 2024 to  
31<sup>st</sup> March 2025

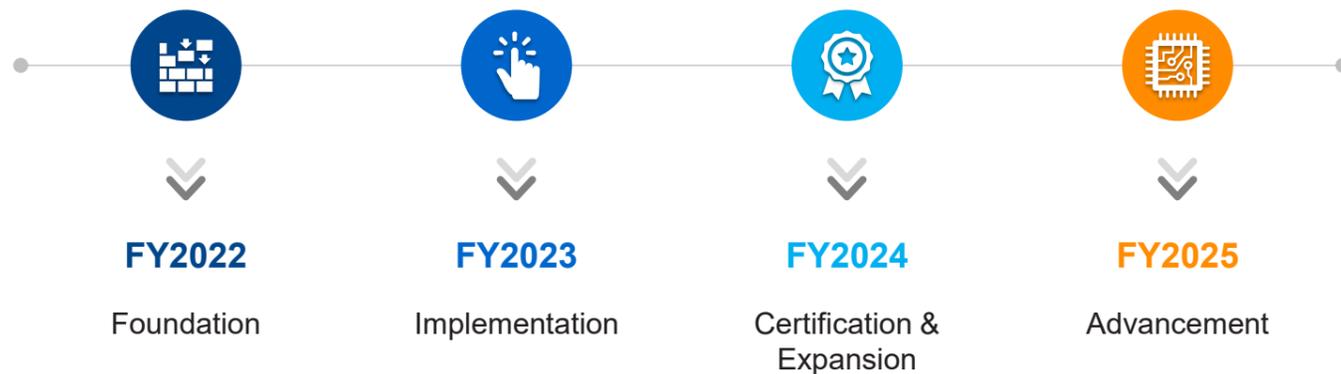
### Reporting frequency

Annual

### Reporting approach

Viyash is committed to transparent, consistent, and meaningful communication with stakeholders. In line with this commitment, the ESG Report provides a structured overview of the Company’s sustainability performance, key priorities, and progress during the reporting period.

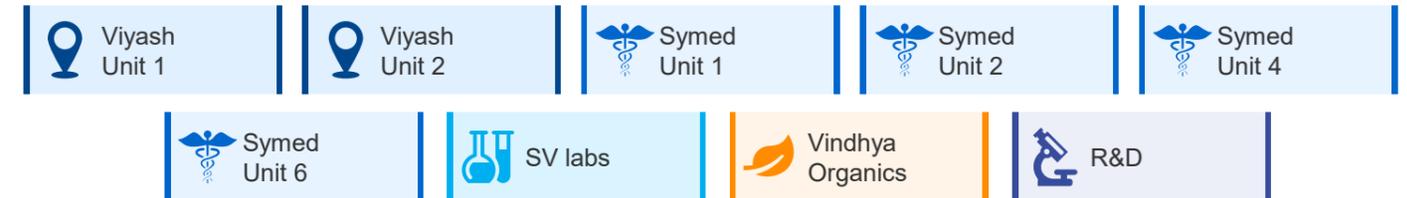
### Viyash’s Sustainability Journey over the years



This Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards 2021 and is designed to offer stakeholders a comprehensive and balanced view of the Company’s sustainability approach, governance, and overall ESG performance. The disclosures articulate Viyash’s sustainability strategy, key risks and opportunities, and material ESG topics, demonstrating how the Company seeks to create sustainable value across its operations.

### Scope of Reporting and Boundary

The entities included in this sustainability report comprise eight manufacturing units, one research and development centre, and corporate functions operating under Viyash’s direct operational control.



### Reporting Principles and Frameworks

The scope of this Report extends beyond financial performance to include non-financial environmental, social, and governance performance, as well as associated risks, opportunities, and outcomes relevant to long-term value creation.

The Report presents Key Performance Indicators (KPIs) and qualitative disclosures aligned with the Global Reporting Initiative (GRI) Standards 2021, relevant United Nations Sustainable Development Goals (UN SDGs), and applicable regulatory and industry expectations.

### Responsibility Statement

The Board and Senior Management of Viyash have endorsed the preparation of this ESG Report in line with the Global Reporting Initiative (GRI) Standards. The Report reflects the Board’s belief that strong sustainability practices support business resilience, risk management, and stakeholder trust.

The Board has approved the scope and objectives of this Report, and mechanisms are being strengthened to review ESG performance, ensure regulatory compliance, and respond to evolving stakeholder expectations.

### Restatements of Information

Previously disclosed Scope 1 Greenhouse Gas Emissions for the prior reporting period have been restated from 60,548tCO<sub>2</sub>e to 46,065tCO<sub>2</sub>e following a detailed review and refinement of calculation methodologies and enhanced data validation procedures. This restatement improves data accuracy and comparability and does not represent a change in underlying operational activity.

### Forward-Looking Statements

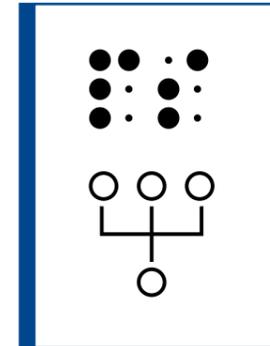
This Report contains certain forward-looking statements relating to Viyash’s sustainability objectives, future performance, and strategic priorities. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied. The Company undertakes no obligation to update such forward-looking statements except as required under applicable laws and regulations.

# ESG Highlights from FY24-25

## Our Key Sustainability Achievements for the Year



**Published our Second Sustainability Report aligned with GRI Standards**



**Completed a detailed Scope 3 GHG emissions assessment covering key value chain categories**



**Developed a comprehensive Net Zero Roadmap, with targets validated by SBTi**



**Improved EcoVadis sustainability rating, increasing the Overall Score from 54 to 59**



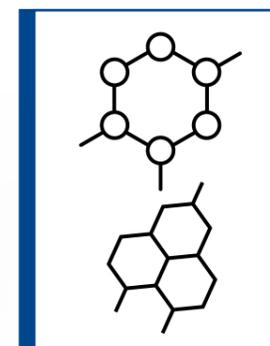
**Became the first API manufacturer in India to achieve certification under the AMRIA Standard**



**Achieved the first external assurance of GHG emissions in accordance with ISO 14064**



**Conducted a Life Cycle Assessment (LCA) for our flagship API, Linezolid**



**Assessed Process Mass Intensity (PMI) for three products to identify solvent and material hotspots**



**Message from  
the Managing Director  
and CEO**

At Viyash Life Sciences, ESG is integral to how we build resilient operations, manage risk, and create long-term value.

Our approach is grounded in quality, compliance, and responsible manufacturing, with sustainability increasingly shaping our strategic and operational decisions.

In a rapidly evolving global pharmaceutical landscape, long-term success depends on an organisation's ability to anticipate risk, adapt to change, and create value responsibly. At Viyash, Environmental, Social, and Governance (ESG) considerations are not an adjunct to business strategy, they are central to building resilience, competitiveness, and sustainable growth.

Over the past several years, we have taken deliberate steps to integrate ESG principles into how we design our operations, allocate capital, manage risk, and pursue expansion. This disciplined approach has strengthened our ability to meet rising regulatory expectations, serve global customers with confidence, and build enduring trust with patients, partners, communities, and investors.

Decarbonisation is a defining pillar of our sustainability strategy. Our commitment to the Science Based Targets initiative (SBTi) reflects a clear intent to align our greenhouse gas emissions reduction pathway with climate science. This commitment is complemented by efforts to enhance energy efficiency, fuel transition, renewable energy adoption, and robust greenhouse gas management. We view decarbonization as essential to future-proofing our business and maintaining competitiveness within global pharmaceutical supply chains.

Renewable energy - particularly solar power - plays a central role in this transition. We have defined a structured roadmap to progressively power our manufacturing operations through renewable sources, combining on-site installations with Open Access and PPA models. This balanced approach enables us to reduce carbon intensity while enhancing long-term energy cost stability and operational resilience.

Water stewardship is equally critical, particularly in regions facing increasing resource stress. We are strengthening segregation at source, improving recycling efficiency, and maximising reuse across our facilities to reduce freshwater dependency and reinforce responsible water management as a foundation of resilient manufacturing.

From a people and governance perspective, safety remains foundational. Sustained performance is possible only when our workforce operates in a safe, well-controlled environment. We continue to invest in robust infrastructure, disciplined operational controls, and leadership accountability to ensure that health, safety, and ethical conduct remain non-negotiable across our operations.

Looking ahead, our ambition is clear: to build an organization that is resilient to climate, resource risks, trusted by global customers, and positioned for long-term value creation. ESG will continue to guide our strategic choices, not as a compliance exercise, but as a driver of enduring business strength.

I thank our employees, partners, and stakeholders for their continued trust and commitment as we advance this journey together.

Warm regards,  
**Dr. Hari Babu**  
**Managing Director & Chief Executive Officer,**  
**Viyash Life Sciences**



**Message from  
the Head EHS  
and ESG**

Our sustainability journey is anchored in strong systems, scientific discipline, and shared ownership as the foundation for responsible growth.

Over the past four years, we have translated a structured ESG roadmap into execution by strengthening world-class EHS systems, governance, and operational discipline.

Our sustainability journey has been shaped by a simple belief: strong systems, scientific discipline, and shared ownership are the foundations of responsible growth.

Four years ago, we defined a structured ESG roadmap - grounded in safety excellence, environmental responsibility, and transparent governance. Since then, our focus has been on translating intent into execution by strengthening management systems, embedding sustainability into daily operations, and building organizational capability.

We began by reinforcing world-class EHS foundations, aligned with DuPont safety principles and certified integrated management systems under ISO 14001 and ISO 45001. These fundamentals enabled us to progress toward more advanced risk governance, including the establishment of dedicated Process Safety and Potent API Handling Laboratories, ensuring science-based control of high-hazard and high-potency operations.

As an API manufacturer, we recognize our responsibility in addressing antimicrobial resistance (AMR). Significant investments were made to upgrade ETP and Zero Liquid Discharge systems, incorporating AMR detoxification capabilities. Achieving AMR certification for our antibacterial products reflects our commitment to responsible manufacturing that protects both public health and the environment.

Decarbonisation and resource stewardship have been integrated systematically into operations. Following our SBTi commitment, we established robust GHG accounting, verification, and GRI-aligned disclosures, supported by energy efficiency programs, fuel transition initiatives, and renewable energy integration. In parallel, enhanced water segregation, recycling, and reuse of treated water have reduced freshwater dependence and environmental impact.

Safety and occupational health remain non-negotiable priorities. Our approach emphasizes controlling personal exposure to chemicals, strengthening safeguards for hazardous operations, and reinforcing safe behaviors through structured training, competent supervision, and fit-for-purpose engineering controls. We continue to invest in both infrastructure and capability, recognizing that culture and systems must advance together.

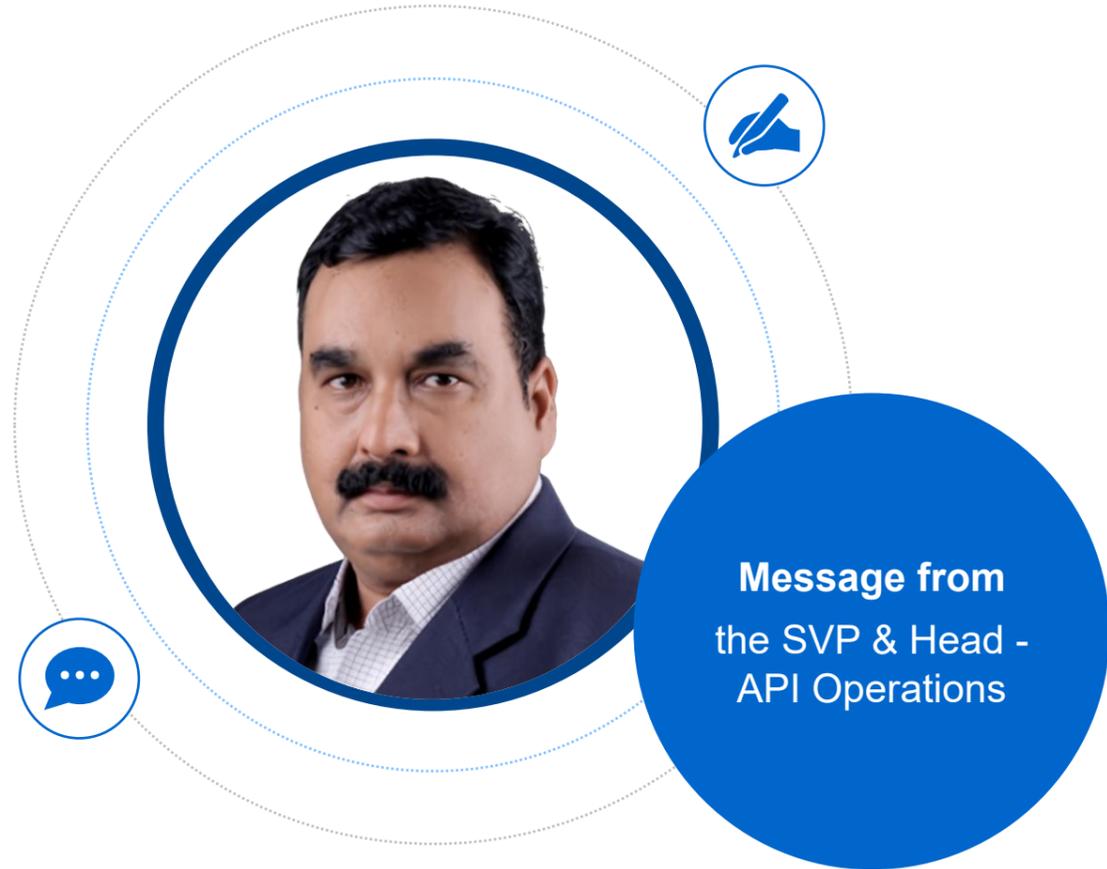
A defining strength of our ESG progress has been cross-functional ownership. Operations, Engineering, Quality, HR, Supply Chain, Business Development, Finance, and EHS teams have collectively embedded sustainability into execution. ESG outcomes today are the result of collaboration, not silos.

We also acknowledge the strategic guidance and capacity-building support of Carlyle Group, which strengthened governance maturity and enabled alignment with global best practices.

As we look ahead, our focus is on deepening decarbonization, strengthening value-chain ESG integration, enhancing data-driven decision-making, and continuously raising standards in safety, environmental performance, and ethical conduct. Sustainability, for us, is a journey of continuous improvement, one that strengthens trust, resilience, and long-term value.

Warm regards,

**Dr. Samson Ponselvan JK**  
Head, EHS & ESG  
Viyash Life Sciences



**Message from  
the SVP & Head -  
API Operations**

**Mr. Vasireddy Srinivas**

From an operations perspective, sustainability is about disciplined execution, resilient systems, and safe, reliable performance every day. Over the past few years, we have focused on embedding ESG principles into core operating processes, capital planning, and risk controls across our manufacturing footprint.

Our priorities include world-class safety, robust process and quality systems, responsible resource use, and climate-resilient operations aligned with our SBTi commitment. Investments in energy efficiency, renewable energy, water reuse, and high-risk operational controls are strengthening reliability while reducing long-term risk.



**Message from  
the Vice president -  
Engg. & Projects**

**Mr. Sarat Koneru**

From an engineering and projects standpoint, sustainability is delivered through prudent technology choices, strong design discipline, and execution rigour.

A key area of focus has been pilot and trial initiatives to transition to biomass as fuel instead of coal. In parallel, renewable energy, particularly solar, has been integrated into engineering roadmaps through a balanced mix of on-site installations and Open Access and PPA models.

These initiatives are strengthening energy efficiency, informing scalable decarbonisation pathways, and improving long-term asset resilience.

# Guide to this report

## TOPICS



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## OUR STAKEHOLDERS



**Customers**



**Investors**



**Employees**



**Vendors/Suppliers/  
Contractors/Service Providers**



**Community**



**NGOs**



**Government /  
Regulators**



# 1. Our Business Model and Foundations



## How value is created

Viyash's business model integrates:

- Process chemistry and manufacturing excellence
- GMP - compliant production and quality systems
- Operational efficiency and cost control
- Risk-managed, environmentally responsible operations



## Revenue model

Revenue is generated through:

- Long-term and repeat supply contracts with pharmaceutical customers
- Sale of APIs manufactured in-house
- Value creation through process optimisation, yield improvement, and scale efficiencies



## Operating model

- In-house API manufacturing facilities
- Batch-based chemical synthesis and purification
- Robust QC, testing, and compliant documentation
- Centralised procurement of raw materials and utilities
- Customer audits and regulatory inspections as part of ongoing operations



## Cost structure

Key cost drivers include:

- Raw materials and solvents
- Energy, water, and utilities
- Skilled technical and quality personnel
- Compliance, testing, and waste management
- Environmental and safety controls



### Inputs

- ❖ Chemical raw materials & solvents
- ❖ Energy & water
- ❖ Skilled workforce
- ❖ Process technology & quality systems




### Activities

- ❖ API synthesis & purification
- ❖ Quality testing & validation
- ❖ Environmental monitoring
- ❖ Regulatory compliance & audits




### Outputs

- ✓ GMP-compliant APIs
- ✓ Regulatory documentation
- ✓ Reliable supply to customers

## Viyash's excellence in APIs and Intermediates Manufacturing

Viyash's business model is executed through an integrated network of manufacturing and R&D facilities that collectively enable process development, scale-up, and commercial supply of intermediates, and active pharmaceutical ingredients (APIs). Each facility performs a defined role within the value chain, ensuring operational continuity, and regulatory alignment.



### Manufacturing facilities – Intermediates and APIs

- **Viyash Unit I** (*Taloja, Maharashtra*) – High-potent and Cytotoxic API manufacturing facility supporting specialized and regulated product requirements
- **Viyash Unit II** (*Visakhapatnam, Andhra Pradesh*) – Cytotoxic API manufacturing unit contributing to in-house API production capabilities
- **Vindhya Organics** (*Telangana*) – Intermediate manufacturing facility supporting upstream integration through multi-reaction chemistry capabilities
- **SV Labs** (*Telangana*) – Intermediate manufacturing unit strengthening supply continuity and process scalability
- **Symed Labs Limited – Units I, II, IV & VI** (*Telangana*) – API manufacturing facilities supporting commercial-scale production across diverse chemistry platforms



### Research & Development facilities

- **API R&D Centre** (*Hyderabad, Telangana*) – Facilities supporting process development, analytical method development, route optimization, and continuous improvement, enabling effective translation from laboratory development to commercial manufacturing



### Integrated Operating Model (Manufacturing and R&D)

- Together, Viyash's facilities function as an integrated operating system where R&D capabilities inform manufacturing execution, and manufacturing feedback supports ongoing process optimization, enabling consistent quality, scalability, and responsiveness across the value chain

## Viyash's strategic expansion through merger with SeQuent group

In FY2024-25, Viyash embarked on a strategic consolidation with SeQuent Scientific Limited, a publicly listed global animal health company backed by The Carlyle Group. The amalgamation, approved by the National Company Law Tribunal (NCLT) in late 2025, represents a transformational step in Viyash's growth journey and strengthens its operational foundation under a larger merged entity.

### Key Strategic Foundations Post-Merger

- ✓ Integration into a larger operating entity with increased scale and capability depth
- ✓ Combination of API manufacturing strengths with formulation expertise and global presence
- ✓ Expanded geographic footprint and diversified operating platform

### Implications for Capability, Scale and Long-Term Value Creation

#### A. R&D and Innovation Strength

The integration expands R&D resources and talent, combining scientific capabilities and process development efforts. With an enlarged R&D pool and deeper analytical expertise, the entity is better positioned for innovation, regulatory readiness, and customer-centric product development across human and animal health value chains.

#### B. Broadened Market Access

The combined organization leverages an extended footprint with access to over 150 global markets. This diversified customer base enables more resilient business performance, expanded market penetration, and enriched sector knowledge across life science segments.

#### C. Future-Ready Foundation for Sustainable Growth

By embedding resilience and capability breadth into its core operating model, Viyash under the SeQuent Group is positioned to deliver sustained performance while advancing its ESG commitments across product quality, supply continuity, environmental stewardship, and stakeholder impact.





## Economic Performance and Business Impact

At Viyash, sustainable business performance is closely linked to responsible value creation and distribution. Our economic contributions extend across employees, suppliers, customers, governments, and local communities, reinforcing our role in supporting industrial development and employment within the life sciences value chain.

In FY2024-25, Viyash maintained stable operations while continuing to strengthen the foundations for long-term business resilience. Alongside core manufacturing and R&D activities, the Company progressed initiatives focused on improving operational efficiency, resource management, and cost discipline, aligned with its sustainability priorities.

Efficiency-driven practices - including energy optimisation, improved material utilisation, and waste reduction measures - supported productivity improvements across operations. Together, these initiatives enhanced operational performance while reinforcing the Company's long-term competitiveness and commitment to responsible value creation.

During the reporting period, Viyash delivered resilient economic performance supported by disciplined cost management and sustained demand across key pharmaceutical segments. The Company recorded revenue of INR 1,458 crores, with a diversified customer portfolio and long-term supply arrangements. EBITDA stood at INR 254.6 crores, reflecting continued focus on operational efficiency and process optimisation amid volatile raw material and utility costs.

In addition, over 79.8% of total procurement spend was sourced domestically, reflecting an increase from 74% in FY2023 - 24. This continued focus on local sourcing supports supply chain resilience, strengthens local supplier ecosystems, and contributes to regional economic development.

Viyash's strong economic fundamentals enable sustained reinvestment in people, environmental improvements, and responsible business practices, reinforcing long-term stakeholder value creation and business continuity.

As part of its value-chain strategy, Viyash continues to enhance procurement practices by increasing engagement with local suppliers while strengthening expectations related to ethics, quality, environmental responsibility, and regulatory compliance. Supplier engagement remains a key element of the Company's sustainability approach, supporting alignment with responsible business conduct standards.

By fostering responsible practices across its supply chain, Viyash builds trusted partnerships that strengthen supply chain resilience and support its broader ESG objectives.

### Tax strategy - Our Approach to Taxation

At Viyash, we adopt a responsible and transparent approach to tax management. Our dedicated tax team manages the calculation and filing of statutory taxes, including TDS, GST, and Advance Tax, ensuring compliance with all applicable tax-related regulations and standards. To ensure accuracy and integrity, annual tax returns are reviewed and audited by appointed external tax auditors.

### Responsible Tax Management: Governance, Control, and Risk

Tax governance and risk management at Viyash are overseen by the Audit Committee, supported by a skilled internal tax team and independent external experts. Together, they ensure robust compliance and proactive identification of potential tax-related risks.

External tax audits are conducted across all legal entities, with findings integrated into the Company's annual tax returns and compliance processes. This disciplined approach supports transparency, regulatory compliance, and responsible financial practices.



#### Accountability

We act with integrity and transparency in meeting our tax obligations, supporting national development



#### Contribution

Our tax payments strengthen local economies and directly support community growth



#### Stewardship

We extend our impact through initiatives in education, skills, health, and wellbeing



## 2. Governance Structure and Material Topics

### Role of the Board and the ESG committee

At Viyash, governance underpins the way the Company operates, manages risk, and ensures accountability across its business activities. The governance framework is designed to provide strategic direction, effective oversight, and ethical safeguards, supporting responsible decision-making and long-term value creation.

As part of its sustainability journey, Viyash continues to strengthen governance mechanisms to integrate ESG-related considerations into planning, management, and oversight.

#### Governance framework and leadership

The Board of Directors is the highest governing body at Viyash and is responsible for providing strategic oversight and guiding the Company's long-term direction. The Board oversees matters relating to regulatory compliance, risk management, and ethical conduct, ensuring alignment with the Company's values and stakeholder expectations.

The effectiveness of the Board is reviewed periodically by the Chairman to ensure robust accountability and transparency. This independent review process supports effective oversight of operational performance and sustainability priorities aligned with the Company's long-term vision.

As part of its governance structure, the following Board-level committees play a critical role in oversight and decision-making:

1

#### Audit Committee

Provides oversight of financial reporting, internal controls, compliance, and integrity in reporting processes

2

#### Nomination and Remuneration Committee

Oversees leadership selection, performance evaluation, and remuneration practices, promoting transparency, accountability, and ethical governance

3

#### CSR Committee

Guides community initiatives, environmental stewardship efforts, and the implementation of CSR programmes in line with applicable regulations

#### ESG Committee

Viyash's commitment to sustainability is led by a ten-member ESG Committee, chaired by Dr. Samson JK from EHS & ESG.

The team includes Dr. Pramod Kumar focusing on green chemistry in API R&D, Mr. Vasireddy Srinivas managing API operations and quality, and Mr. Ramakant Singani heading finance.

Dr. AJ Reddy leads sustainable procurement, Mr. Rajkamal Varshney manages business development and logistics, Mr. Srinivas Muncheti drives HR and Ethics, Mr. Sarat Koneru oversees water and energy management, and Ms. Janaki S ensures legal compliance, and Mr. Kiran Varma manages IT and data security. Together, the ESG Committee integrates ESG principles across Viyash's operations.



**Dr. Hari Babu Bodepudi**

Whole-time Director & CEO

#### Board *(leading the overall ESG programme)*



**Dr. Srihari Raju Kalidindi**  
Non-Executive Director



**Mr. Pradip Kanakia**  
Independent Director



**Dr. Kamal K Sharma**  
Independent Director



**Mrs. Gurveen Singh**  
Independent Director



**Mr. Amit Jain**  
Nominee Director



**Mr. Neeraj Bharadwaj**  
Nominee Director



**Mr. Sunil Kaul**  
Nominee Director



**Mr. Anuj Poddar**  
Nominee Director

#### ESG Committee



**Dr. Samson J K**  
Vice President & Head – EHS & ESG



**Dr. Pramod Kumar**  
SVP & Head - API R&D



**Mr. Vasireddy Srinivas**  
SVP & Head - API Operations



**Mr. Ramakant Singani**  
Chief Financial Officer



**Dr. AJ Reddy**  
SVP & Head - SCM



**Mr. Rajkamal Varshney**  
SVP & Head - API Sales



**Mr. Srinivas Muncheti**  
Vice President - HR



**Mr. Sarat Koneru**  
Vice President - Engg.& Projects



**Ms. Janaki S**  
Head - Legal and Secretarial



**Mr. Kiran Varma**  
Head - IT



## Our Commitment to Ethics and Compliance

### Upholding Integrity: Conflicts of Interest

Viyash Life Sciences addresses conflicts of interest through defined governance processes to ensure ethical conduct and regulatory compliance. Potential conflicts are disclosed through appropriate channels and managed transparently, with confidentiality maintained where required.

### Fair Pay for Fair Work

Compensation practices at Viyash are designed to be fair, competitive, and aligned with market benchmarks. Senior executive remuneration is governed by established policies, with a highest-to-average salary ratio of 21:1, reflecting the commitment to pay equity.

### Human Rights: Commitment to Fairness and Respect

Viyash upholds internationally recognised human rights standards across its operations. The Company aligns its practices with the Pharmaceutical Supply Chain Initiative (PSCI) framework to promote fair employment, equal treatment, and respect for individual dignity.



#### Employees

We provide a safe and inclusive workplace, with mechanisms in place to report and address grievances



#### Local Communities

We engage with local communities through ongoing dialogue to understand and respond to their needs and concerns



#### Supply Chain Partners

We work with suppliers to promote responsible sourcing, ethical business practices, and adherence to human rights standards

### Stakeholder Engagement and Ethical Conduct

The governance framework supports regular engagement with stakeholders to promote integrity, transparency, and accountability. Insights from stakeholder interactions are used to strengthen policies, processes, and ethical business practices.

### Whistleblowing and Grievance Mechanisms

Viyash maintains confidential channels for reporting unethical behaviour, misconduct, or concerns without fear of retaliation. All reports are handled with due seriousness and confidentiality.

### Turning Challenges into Solutions: Our Approach to Remediation

Viyash follows a structured approach to identifying, addressing, and preventing adverse environmental, social, and economic impacts arising from its operations. Key elements of this approach include:





## Our Material Topics and Prioritisation

At Viyash, material topics represent the environmental, social, and governance issues that are most significant to the Company's long-term business resilience, operational continuity, and contribution to society. These topics reflect areas where Viyash's activities, products, and operations have the greatest potential impact on stakeholders, as well as areas where external ESG factors may influence business performance.

The identified material topics form the basis of Viyash's sustainability priorities and guide the focus of its ESG initiatives and disclosures, in alignment with recognised reporting frameworks and stakeholder expectations.

As a baseline, Viyash conducted its materiality assessment with reference to the SASB Materiality Map to identify and evaluate ESG topics relevant to the life sciences and pharmaceutical manufacturing sector.



## Process of identifying Material Topics



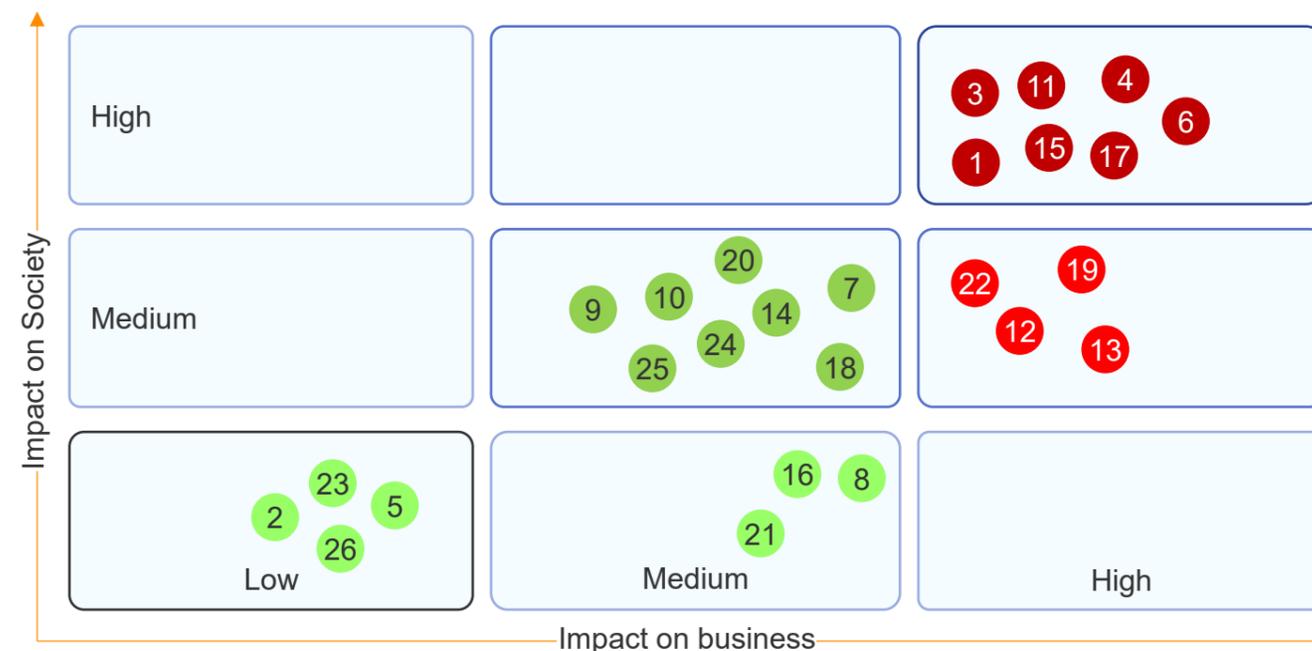


## Our Material Topics and Prioritisation

Based on the materiality assessment, Viyash identified seven topics with a high impact on business performance and a high impact on society. These topics represent priority focus areas for the Company's ESG programme.

Material Topic	Impact on Business	Impact on Society	Rationale for Impact Scores
GHG Emissions	High	High	High emissions from energy-intensive API manufacturing present need to be materially reduced to meet future decarbonisation ambitions and meet global Net Zero pathways
Energy Management	High	High	Energy consumption is a key cost and emissions driver in API manufacturing. Effective energy management supports operational efficiency, cost optimisation, and decarbonisation efforts.
Water & Wastewater Management	High	High	Water is a critical operational input. Inadequate management can disrupt production and adversely affect communities, particularly in water-stressed regions.
Waste & Hazardous Materials Management	High	High	Improper handling of solvents, APIs, and effluents can result in regulatory non-compliance, environmental harm, and reputational risk.
Product Quality & Safety	High	High	Product quality and safety are directly linked to patient safety, regulatory compliance, and market access, making them critical for both business performance and public health.
Employee Health & Safety	High	High	Operational activities involve exposure to chemicals and high-potency APIs. Strong health and safety practices are essential to protect employees and ensure operational continuity.
Business Model & Innovation	High	High	A strong innovation pipeline is essential for long-term growth, operational efficiency, and maintaining competitiveness in a sustainability-focused pharmaceutical landscape.

## Double Materiality Matrix



- 1. Greenhouse gas (GHG) emissions
- 2. Air Quality
- 3. Energy management
- 4. Water and wastewater management
- 5. Ecological Impacts
- 6. Waste and hazardous materials management
- 7. Human rights and community relations
- 8. Customer Privacy
- 9. Data Security
- 10. Access & Affordability
- 11. Product Quality & Safety
- 12. Customer Welfare
- 13. Selling Practices & Product Labelling
- 14. Labor Practices
- 15. Employee Health & Safety
- 16. Employee Engagement, Diversity & Inclusion
- 17. Business Model & Innovation
- 18. Product Design & Lifecycle Management
- 19. Supply Chain Management
- 20. Materials Sourcing & Efficiency
- 21. Physical Impacts of Climate Change
- 22. Business Ethics
- 23. Competitive Behaviour
- 24. Management of Legal & Regulatory Environment
- 25. Critical Incident Risk Management
- 26. Systematic Risk Management

## Our ESG goals



1. All projections are based on 2024 baseline; 2. ZLD applicable to 6 units at Viyash

## 3. Decarbonisation & Environmental Stewardship

### Key focus themes under Viyash's Environment pillar



#### SBTi-aligned Decarbonisation

- ❖ Aligning emissions reduction targets with the Science Based Targets initiative (SBTi) and the 1.5°C pathway, covering near- and long-term horizons
- ❖ Tracking facility-level GHG performance against an SBTi-aligned roadmap to enable data-driven action and accountability
- ❖ Reviewing progress periodically by integrating renewable energy sourcing, process optimization, and energy-efficiency improvements



#### Water and Waste Management

- ❖ Reducing freshwater consumption through conservation measures, reuse initiatives, and advanced treatment technologies
- ❖ Implementing structured wastewater management practices in line with applicable regulatory standards
- ❖ Strengthening segregation and treatment of hazardous and non-hazardous waste, with a significant proportion diverted away from landfill



#### Fuel transition to Biomass and Renewable Energy

- ❖ Transitioning thermal energy systems from coal to biomass and renewable fuels to reduce reliance on fossil fuels
- ❖ Implementing pilot programmes for bio-briquettes and rice husk co-firing while maintaining process stability and product quality
- ❖ Expanding renewable electricity sourcing through on-site solar installations and third-party power purchase agreements, supported by fuel-mix monitoring, emissions tracking, and regulatory assessments



#### Process optimization through Green Chemistry, Process Mass Index (PMI) and Life Cycle Assessment (LCA)

- ❖ Integrating green chemistry principles and process-efficiency metrics at the design stage to optimise resource use and minimise environmental impact
- ❖ Adopting Process Mass Intensity (PMI) as a key performance indicator to improve material efficiency, reduce waste, and enhance process yields
- ❖ Conducting Life Cycle Assessments (LCA) for key products on a cradle-to-grave basis, with plans to expand coverage across additional products



#### Energy Efficiency Enhancement

- ❖ Optimizing energy use through advanced energy management systems and continuous performance monitoring
- ❖ Upgrading to energy-efficient equipment, improving insulation, and optimizing lighting systems to reduce overall energy demand
- ❖ Achieving lower emissions and operating costs while strengthening operational efficiency



#### Sustainability Performance Tracking and Review

- ❖ Leveraging renewable energy adoption, operational efficiency initiatives, and green chemistry innovation to reduce environmental impact and enhance resilience
- ❖ Integrating climate-related opportunities into business strategy to drive innovation, efficiency, and long-term value creation
- ❖ Identifying and managing climate-related risks while capturing opportunities to strengthen competitiveness and support a sustainable future for stakeholders

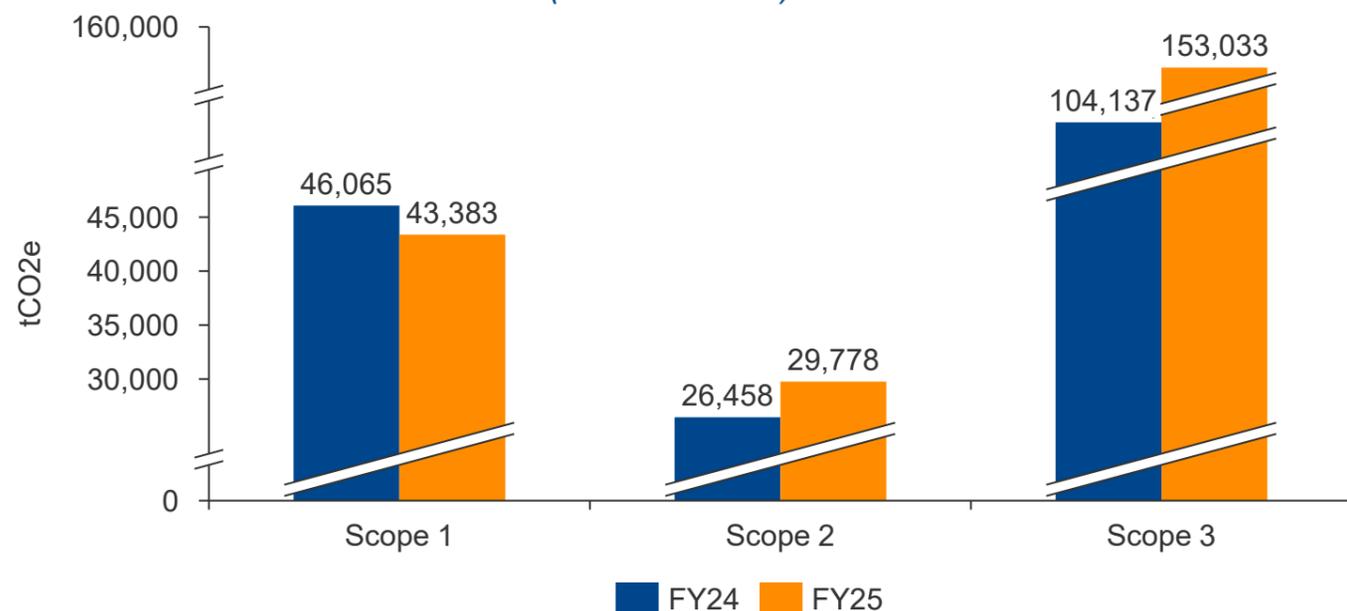


## GHG Emissions

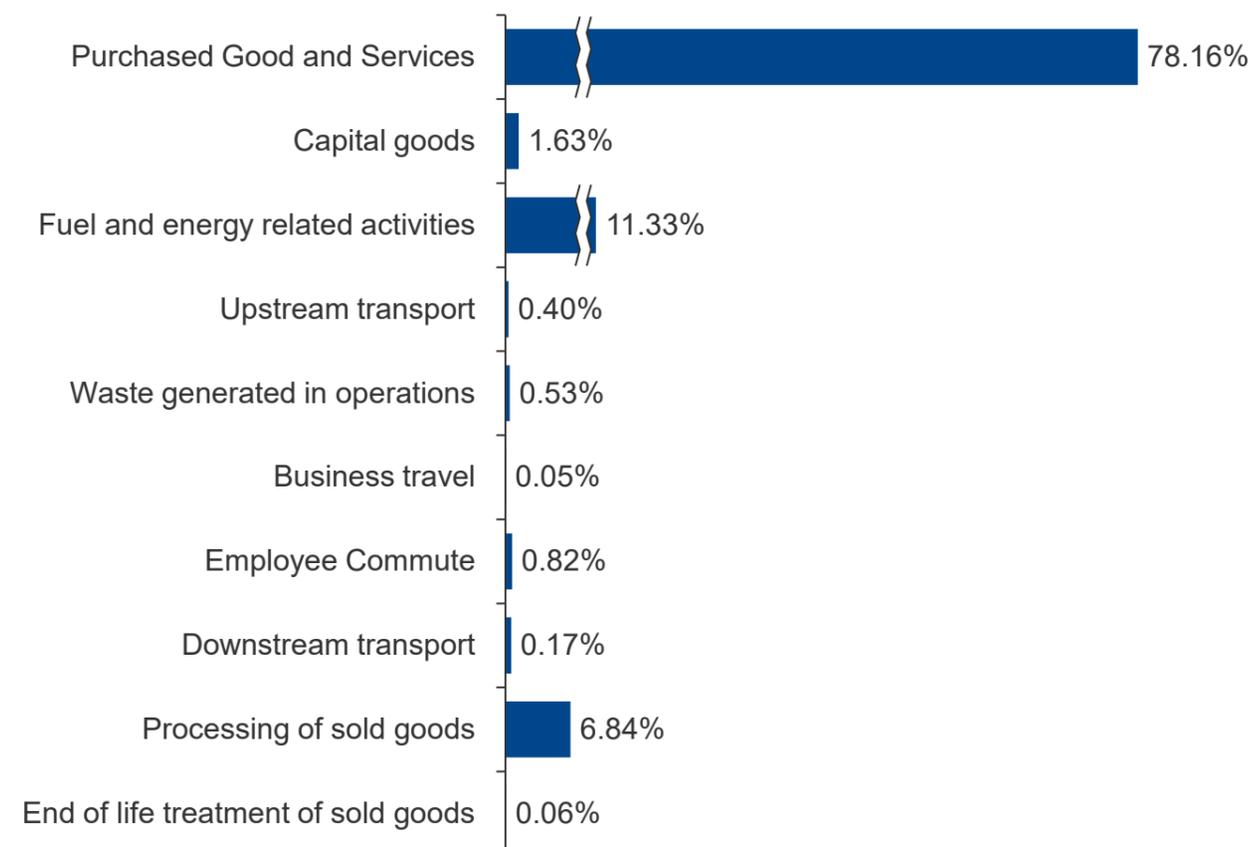
Viyash has established a comprehensive greenhouse gas (GHG) emissions inventory covering Scope 1 (Direct), Scope 2 (Energy Indirect), and Scope 3 (Other Indirect) emissions across its Indian operations, including all manufacturing facilities, R&D centres, and corporate offices.

FY2023-24 has been designated as the **base year** for GHG emissions. Emissions are quantified in accordance with the **GHG Protocol** and **ISO 14064** standards.

**Emissions by scope**  
(FY24 vs FY25)



**Scope 3 GHG emissions - Category-wise Contribution (FY25)**

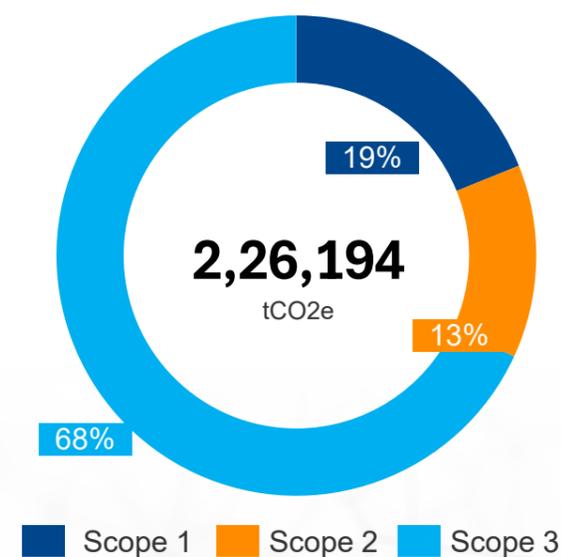


### Emission Trend Analysis and Key Drivers of Change

- The year-on-year variation in emissions is primarily driven by methodological improvements, with FY2024-25 calculations transitioning from a spend-based approach to activity-based emission factors, particularly for Scope 3 categories. This has resulted in more accurate and representative emissions accounting.
- Going forward, Viyash will continue to improve data quality by transitioning to supplier-specific emissions data, supporting more targeted decarbonization actions across the value chain.



**GHG emissions split by scope (FY25)**



## Science-Based Targets (SBTi validated)

Viyash has established ambitious, science-based greenhouse gas (GHG) emissions reduction targets that have been validated by the Science Based Targets initiative (SBTi). These targets align Viyash's decarbonisation pathway with the goals of the Paris Agreement, including the 1.5°C temperature ambition.

The official SBTi validation confirms that Viyash's targets are consistent with SBTi criteria and sectoral guidance, covering Scope 1, Scope 2, and Scope 3 emissions.

**SCIENCE BASED TARGETS**  
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**APPROVED**

**NET-ZERO SCIENCE-BASED TARGETS**

SBTi Services has validated that the science-based greenhouse gas emissions reductions target(s) submitted by Viyash Life Sciences conform with the SBTi Corporate Net Zero Standards and Guidance.

SBTi Services has classified your company's scope 1 and 2 target ambition in conformance with the SBTi Standards and Guidance.

The official net-zero science-based target language:

**Overall Net-Zero Target:** Viyash Life Sciences commits to reach net-zero greenhouse gas emissions across the value chain by FY2050.

**Near-Term Targets:** Viyash Life Sciences commits to reduce absolute scope 1 and 2 GHG emissions 58.8% by FY2034 from a FY2024 base year.\* Viyash Life Sciences also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, capital goods, fuel- and energy-related activities and waste generated in operations 35% within timeframe.\*

\*The target boundary includes land-related emissions and removals from bioenergy feedstocks.

**Long-Term Targets:** Viyash Life Sciences commits to reduce absolute scope 1 and 2 GHG emissions 90% by FY2050 from a FY2024 base year.\* Viyash Life Sciences also commits to reduce absolute scope 3 GHG emissions 90% within timeframe.\*

\*The target boundary includes land-related emissions and removals from bioenergy feedstocks.

These targets have been formally approved by SBTi and place Viyash on a credible pathway to decarbonisation grounded in climate science.

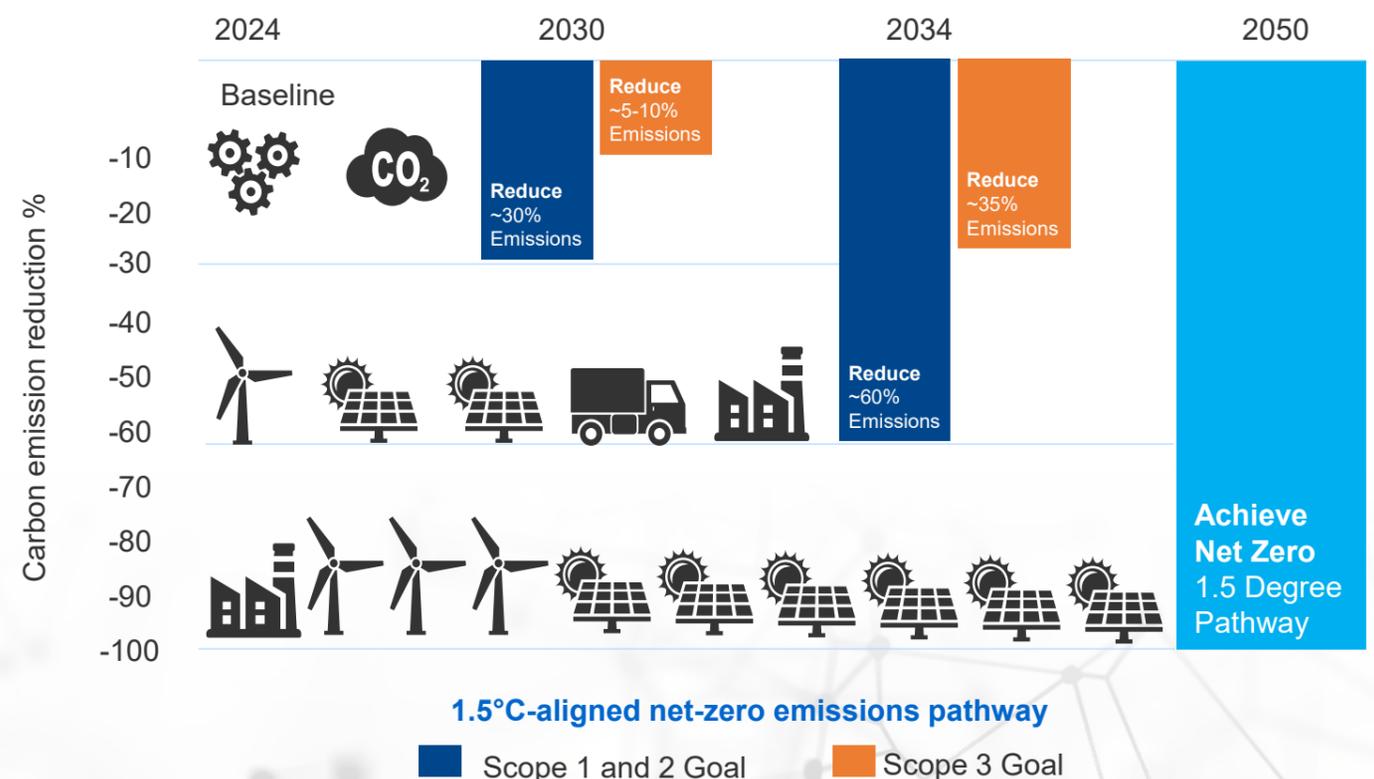
To ensure continued alignment, progress against targets will be tracked annually, with recalculations undertaken in line with SBTi requirements in the event of significant changes to the emissions baseline.

## Decarbonization Plan and Key Initiatives

Viyash's decarbonisation strategy focuses on reducing direct (Scope 1 and 2) emissions while also addressing value chain (Scope 3) emissions in priority areas.

Key initiatives include:

- 1 Transitioning to renewable energy**  
Procuring renewable electricity through long-term Power Purchase Agreements (PPAs) and expanding on-site solar capacity, including installations for key manufacturing units
- 2 Phasing out coal-based fuels**  
Gradually replacing coal boilers with bio-briquettes and other lower-carbon alternatives from FY2026 onwards at selected facilities, reducing reliance on fossil fuels
- 3 Improving energy efficiency**  
Continuously enhancing energy performance through equipment upgrades and optimisation of energy-intensive systems such as heat exchangers and steam traps
- 4 Engaging with key suppliers**  
Supporting priority suppliers in setting GHG reduction targets and enabling their transition towards renewable energy, addressing Scope 3 emissions
- 5 Strengthening waste management practices**  
Refining waste handling processes to improve segregation, reduce hazardous waste, and maximise responsible disposal outcomes, prioritising waste-to-incineration over landfilling where appropriate





## Decarbonization Initiatives

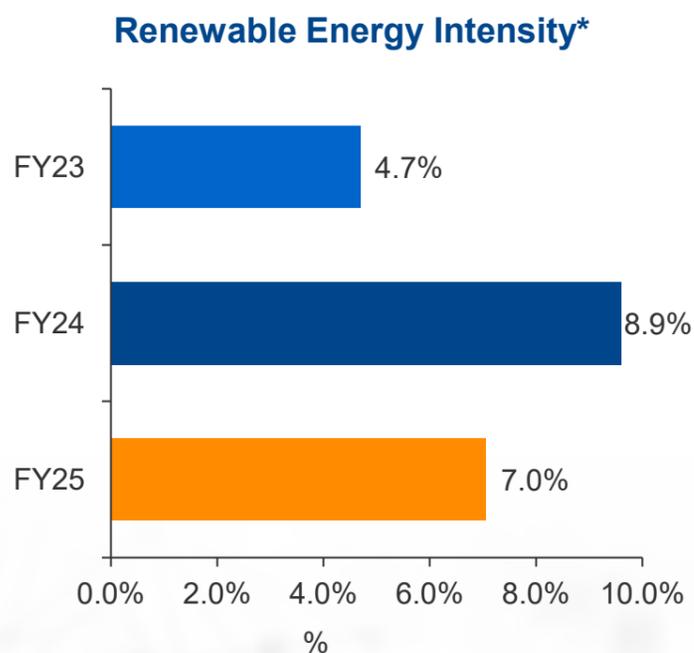
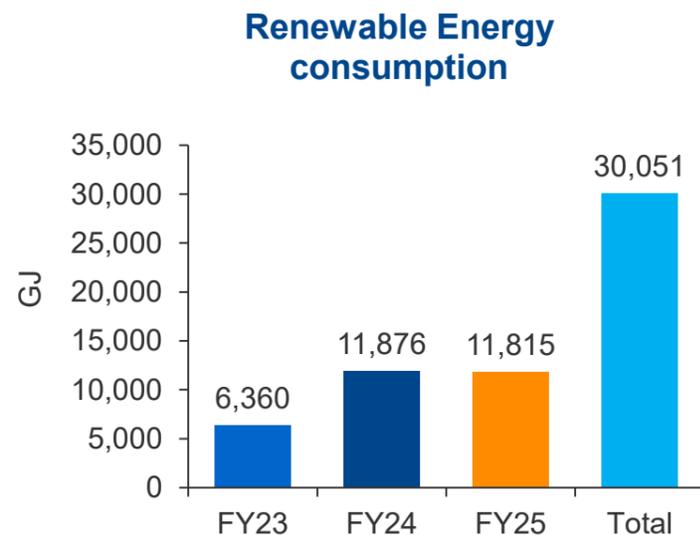
### Scaling up renewable capacity

Viyash is advancing its decarbonization strategy by increasing the share of renewable electricity across its operations. A structured roadmap aligned with SBTi ambitions has been developed to expand renewable sourcing.

Available rooftop and permissible ground spaces across manufacturing sites have been assessed to support on-site photovoltaic installations, ensuring compliance with regulatory requirements and maximising on-site renewable generation.

To further scale renewable electricity sourcing, Viyash is actively evaluating third-party power purchase agreements (PPAs) across multiple locations, including Telangana, Andhra Pradesh, and Mumbai. Engagements with renewable energy developers are ongoing to identify viable off-site sourcing options, with regulatory approvals in progress, particularly in Telangana, to accelerate implementation.

**11,815<sub>GJ</sub>**  
RE in FY25 with  
50% ▲ planned in the next 2 years



### Moving away from Coal to Biomass for Steam Generation

Thermal energy generation is a material contributor to Scope 1 emissions. To address this, Viyash has initiated the partial substitution of coal with biomass-based fuels, including rice husk and bio-briquettes, at selected manufacturing facilities.

Facilities equipped with fluidised bed boilers have enabled biomass co-firing due to their inherent fuel flexibility and stable combustion characteristics.

Structured pilot trials are being conducted to evaluate technical feasibility, operational reliability, emissions performance, and supply chain robustness. Initial results indicate a reduction in coal consumption and associated emissions without compromising process stability.



Variability in biomass fuel quality remains a key operational consideration and is being addressed through tighter fuel specifications, diversified supplier selection, and improved handling practices.

Learnings from these pilots are informing a phased scale-up strategy, aligned with fuel availability, cost competitiveness, operational performance, and emissions reduction outcomes. The decarbonization roadmap will continue to be refined as pilots progress and data maturity improves.



**>80%**  
Reduction in Scope 1 Emissions feasible if Biomass could be adopted at scale instead of Coal

Note: \*Renewable intensity per Total Electricity Consumption



## Energy management

Viyash continues to strengthen energy efficiency and renewable energy integration as part of its low-carbon and resilient business model.

In FY25, total energy consumption stood at **868,336 GJ**, sourced from grid electricity, solar energy, and other fuels. Energy management initiatives undertaken during the year focused on reducing energy intensity, improving operational efficiency, and lowering associated emissions.

### Key initiatives

- 1 Expanding renewable energy integration** by deploying on-site solar photovoltaic installations, reducing reliance on grid electricity and associated Scope 2 emissions
- 2 Improving energy efficiency and operational safety** through advanced motor protection systems, preventing dry-run conditions and equipment damage
- 3 Strengthening electricity demand management** using digital timers for automatic streetlight shut-off and maximum demand (MD) controllers to support peak load reduction and energy optimisation
- 4 Enhancing process energy efficiency** through digital temperature controllers that automatically regulate cooling tower operations based on process demand

### Energy Consumption Breakdown by Source (GJ)

Energy type	FY24	FY25
Electricity	134,156	155,586
Renewable energy	11,876	11,815
Diesel	9,567	10,597
Natural Gas	10,319	11,934
Coal	580,214	678,404



Double Stage Scrubber

**587 GJ**  
Energy Intensity per crore of Revenue\* (FY25)

## Air Emissions

Effective air emissions management is a key component of Viyash's environmental stewardship and regulatory compliance framework. Emissions generated from manufacturing operations are systematically managed through a combination of engineered controls, disciplined operational practices, and regular monitoring.

Key air emission parameters, including nitrogen oxides (NOx), sulphur oxides (SOx), and particulate matter (SPM<sub>2.5</sub> and SPM<sub>100</sub>), are monitored in line with statutory requirements. The Company operates dedicated air pollution control systems such as scrubbers, bag filters, and appropriately designed stacks to minimise emissions and ensure effective dispersion.

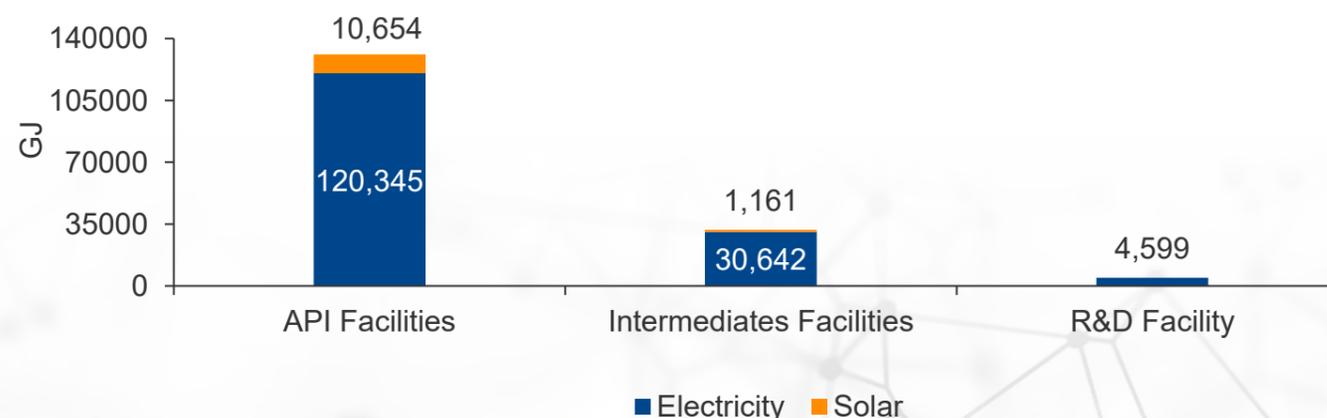
Viyash continues to strengthen its air emissions management practices in alignment with GRI 305-7, reinforcing its commitment to responsible manufacturing and environmental performance.



**0%**

Instances of regulatory non-compliance related to air emissions  
(emission levels consistently maintained within prescribed limits)

### Total Electricity Consumption (FY25)



\*Energy Intensity calculations exclude renewable energy consumption and reflect only energy sources associated with direct and indirect emissions.



## Water management

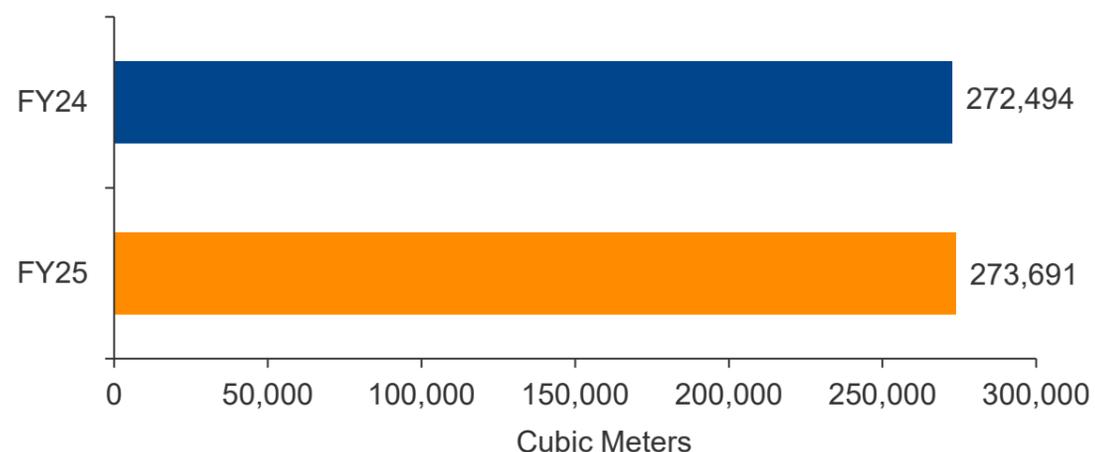
Water is a critical resource for Viyash, central to core manufacturing processes and utilities across operations. As a pharmaceutical and API manufacturer, Viyash's value chain - from synthesis and formulation to cleaning and utilities - relies on assured water availability. This makes water stewardship a strategic priority and a key environmental responsibility.

Viyash is committed to reducing its freshwater footprint through a balanced approach combining conservation, reuse, and advanced treatment technologies. The Company's water management strategy addresses operational needs while managing environmental risks, aligning with regulatory requirements, site-specific availability, and long-term sustainability objectives.

Continuous investments are made to improve water efficiency, strengthen reuse and recycling infrastructure, and promote responsible sourcing of industrial water. Manufacturing locations are evaluated for water-related risks, including groundwater dependency, seasonal variability, and regulatory thresholds, enabling data-driven and location-specific water management strategies.

In FY25, Viyash focused on maximising circularity in water use while maintaining quality and compliance across all stages of the production cycle. This approach also supports resilience planning for climate-related risks such as prolonged dry periods and water stress.

### Total Fresh Water Consumption



**13 %**

Increase in water recycling in FY25



**Zero**

discharge of effluents in 6 units

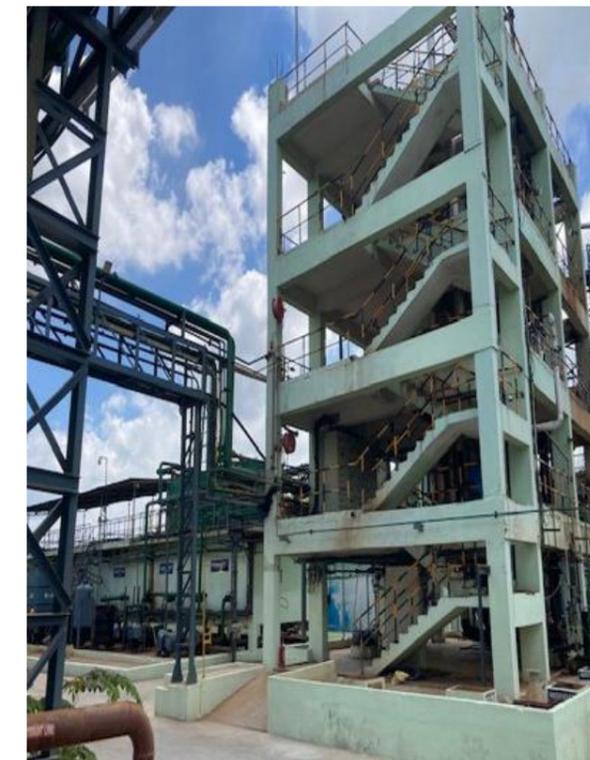
### Wastewater Treatment, Reuse & Recycling

Viyash's wastewater management strategy is built on the principles of prevention, control, and circularity. Every manufacturing site is equipped with Effluent Treatment Plants (ETPs) designed to handle the nature and load of wastewater generated from production, cleaning, and utility operations.

Where feasible, sites operate Zero Liquid Discharge (ZLD) systems, ensuring treated wastewater is fully recovered, processed, and reused within operations. These systems typically include multi-effect evaporators (MEE), biological treatment, and reverse osmosis units. For non-ZLD sites, wastewater is treated and routed to Common Effluent Treatment Plants (CETPs) in compliance with regulatory requirements.

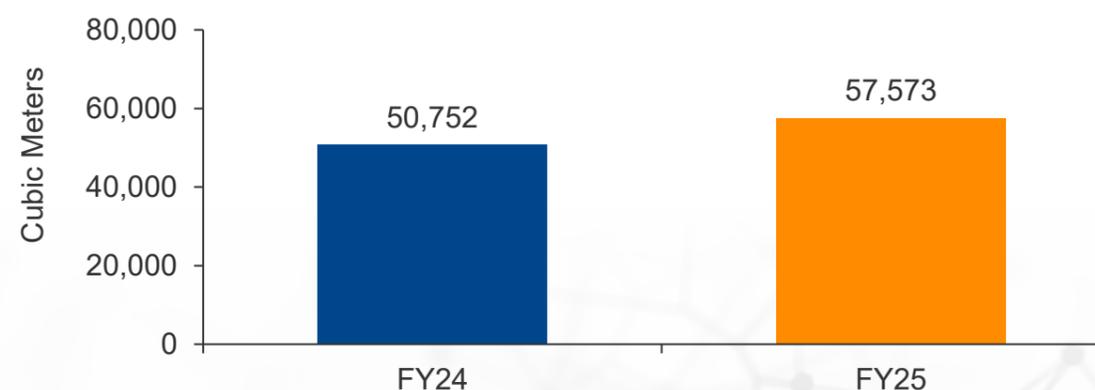
In FY25, Viyash reused over 57,573 m<sup>3</sup> of treated wastewater, significantly reducing freshwater dependency and enhancing operational resilience in water-scarce regions. This circular approach minimises environmental impact while also contributing to cost efficiency and long-term risk mitigation.

Water quality for treated and reused streams is regularly monitored, and treatment infrastructure performance is periodically reviewed to ensure alignment with evolving regulatory requirements.



**MEE Plant - ETP Area**

### Total Waste Water Recycled





## AMR Stewardship approach

### Demonstrating leadership in responsible Antimicrobial Manufacturing

Antimicrobial Resistance (AMR) is recognised globally as a critical public health challenge, with responsible pharmaceutical manufacturing playing an important role in preventing environmental contributions to AMR. At Viyash, responsible production of antimicrobial APIs is embedded into the Company's environmental stewardship and product responsibility framework.

Viyash has implemented robust controls to minimise the environmental release of antibacterial API residues, supported by a comprehensive, end-to-end AMR risk management system aligned with recognised global standards.

### Adoption of the AMRIA Standard

Viyash has adopted the AMR Industry Alliance (AMRIA) Standard and has implemented AMR stewardship controls under its ISO 14001 Environmental Management System at units where antibacterial APIs are manufactured.

Detailed, site-specific AMR analyses and hotspot assessments were conducted across production stages to identify potential AMR-related risks, effluent generation points, and control requirements. These assessments ensure that AMR considerations are embedded into routine environmental and operational decision-making.



Reactor & CF washings Collection



AMR Treatment facility

### Robust Segregation and Treatment Controls

A core element of Viyash's AMR stewardship approach is the segregation and dedicated treatment of AMR-related waste streams. All liquid and solid effluents associated with Linezolid and other AMR-relevant manufacturing processes are segregated at source and collected separately to prevent mixing with general effluents. These streams are routed to a dedicated AMR detoxification facility, followed by treatment through the site's Zero Liquid Discharge (ZLD) system. Treated water is fully recycled back into utility operations, ensuring zero discharge of AMR effluents outside the facility.

### Scientific Monitoring and Risk Assessment

The effectiveness of AMR treatment systems is validated through structured monitoring and scientific risk assessment. Separate sampling plans are implemented for AMR effluents, with analysis conducted using in-house and external laboratories to verify antimicrobial API concentrations at parts-per-billion (ppb) levels. Environmental risk is assessed using Risk Quotient (PEC/PNEC) analysis, confirming that residual risk remains well below levels of concern. Monitoring results are periodically reviewed to ensure continued compliance and improvement.

### Training, Governance, and Continuous Oversight

Personnel involved in antimicrobial manufacturing and effluent management receive regular training on AMR risks, segregation protocols, and control measures. AMR-related procedures are routinely monitored and reviewed through cross-functional governance mechanisms. Following successful implementation, Viyash achieved independent AMR certification through BSI, including the BSI Kitemark, providing third-party assurance of compliance with the AMRIA Standard.



### ESG Impact



**Environmental (E):** Zero discharge of AMR effluents through advanced treatment systems and full water recycling



**Social (S):** Protection of public health by preventing environmental contributions to antimicrobial resistance



**Governance (G):** Strong integration of global standards, scientific risk assessment, and independent third-party certification

Through this initiative, Viyash demonstrates that responsible antimicrobial manufacturing is both achievable and essential, setting a benchmark for product stewardship, environmental protection, and ESG-driven leadership in the pharmaceutical sector.

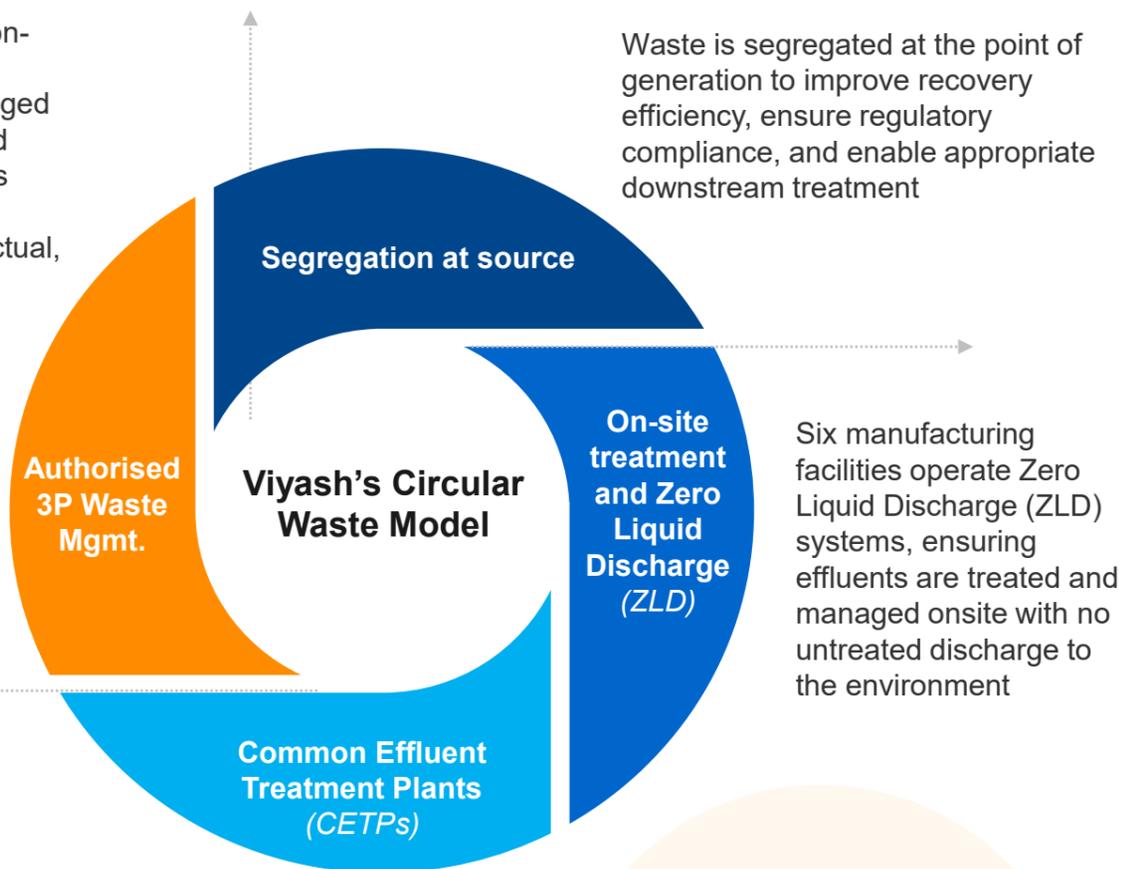


## Waste & circularity

### Management of significant Waste-Related Impacts

As a pharmaceutical manufacturer, Viyash generates waste across manufacturing, packaging, and facility operations. The Company manages waste-related impacts through structured practices aligned with regulatory requirements and circular economy principles, with a focus on minimisation, segregation at source, recovery, and responsible treatment.

Hazardous and non-hazardous waste streams are managed through authorised third-party vendors selected based on regulatory, contractual, and legislative requirements



In select units, treated effluents are routed to authorised Common Effluent Treatment Plants (CETPs) in line with Pollution Control Board guidelines

**10,666t**

Absolute Waste (incl. Hazardous and Non-Hazardous)

**5.5t**

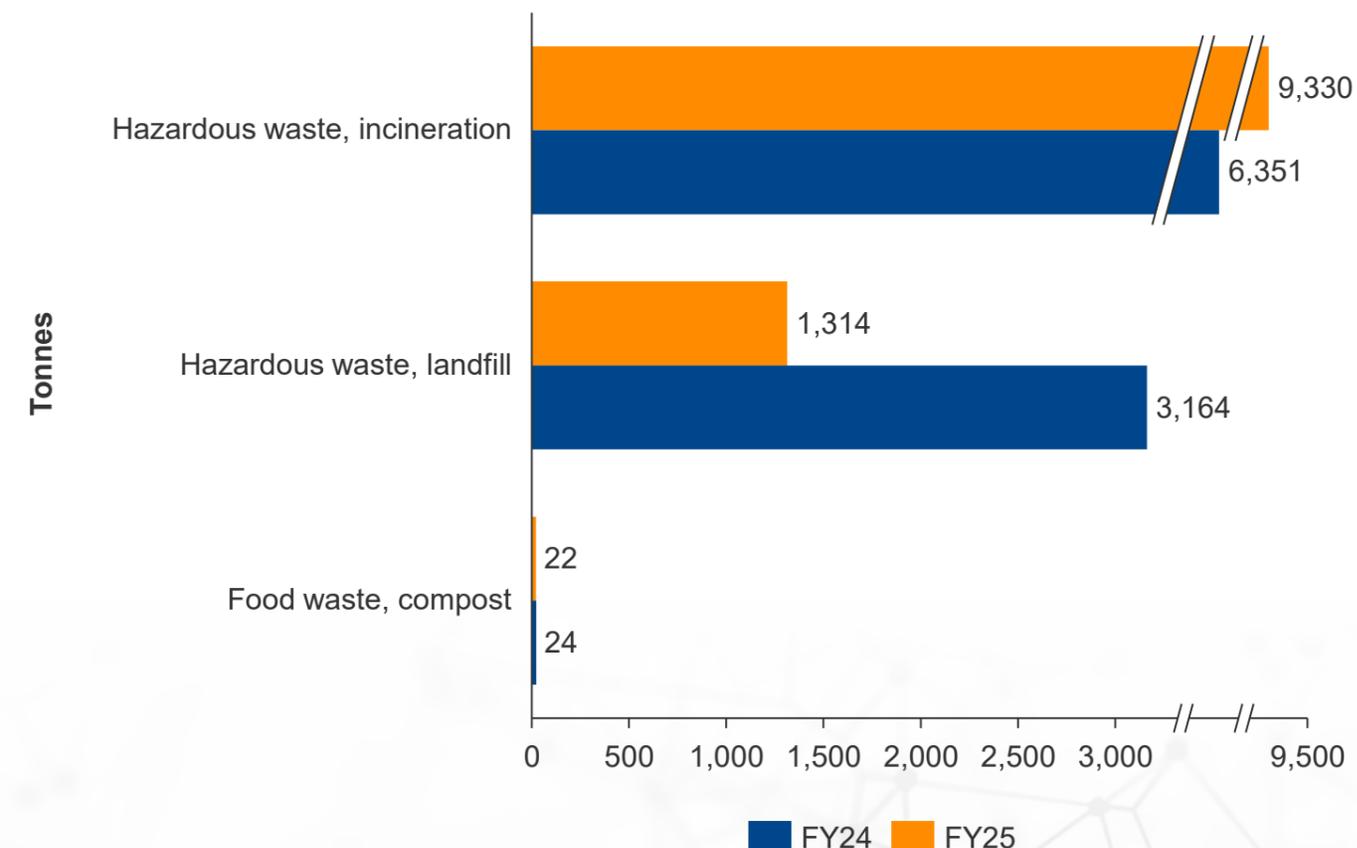
Waste intensity per tonne of production\*

\* Absolute Waste and Waste Intensity metric also includes the liquid waste and sludges.

### Inputs, Activities, and Outputs leading to Waste Impacts

- ❖ Our substantial waste-related impacts primarily emanate from key sources within our organisation.
- ❖ **Production processes:** Operating across eight manufacturing units, the production of APIs and intermediates involves intricate chemical processes and material inputs. These operations result in the generation of waste, incl. by-products, excess raw materials, and used chemical containers.
- ❖ **Packaging and logistics:** The packaging and transportation of products to customers and distributors contribute to the generation of waste materials, including cardboard, plastic, and, on occasion, waste arising from expired products.
- ❖ **Maintenance and facility operations:** Routine maintenance and facility operations can lead to waste generation, including discarded equipment components and consumable items.
- ❖ **Relation of impacts to the value chain:** At present, waste-related impacts primarily pertain to waste generated from internal activities, including manufacturing, packaging, and maintenance operations. A comprehensive assessment of waste generated upstream (e.g., by suppliers) or downstream (e.g., by customers or end-users) across the value chain is yet to be undertaken.

### Waste Treatment by Type



\* Waste data includes only comparable waste streams reported in FY24.

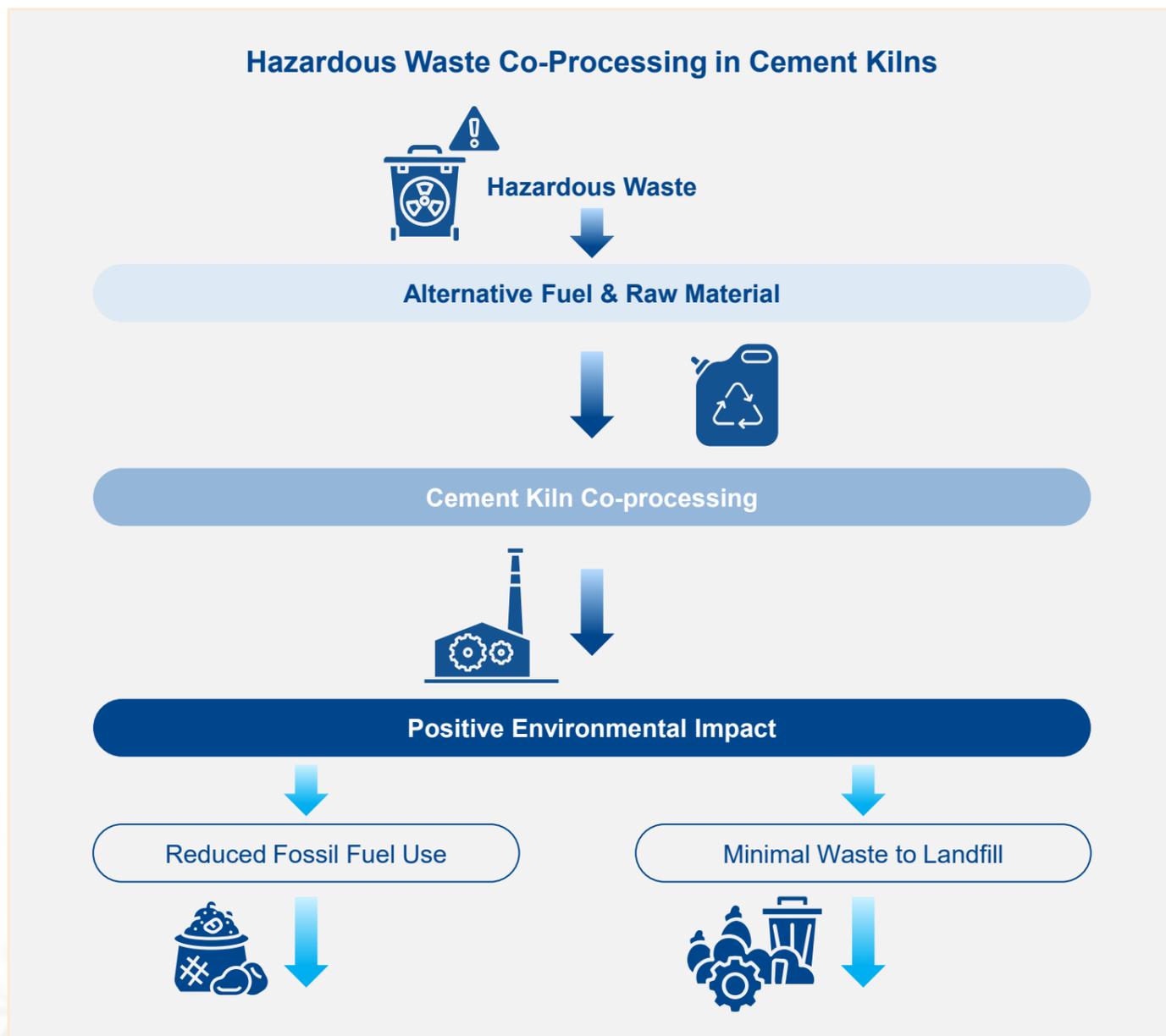


## Waste & circularity

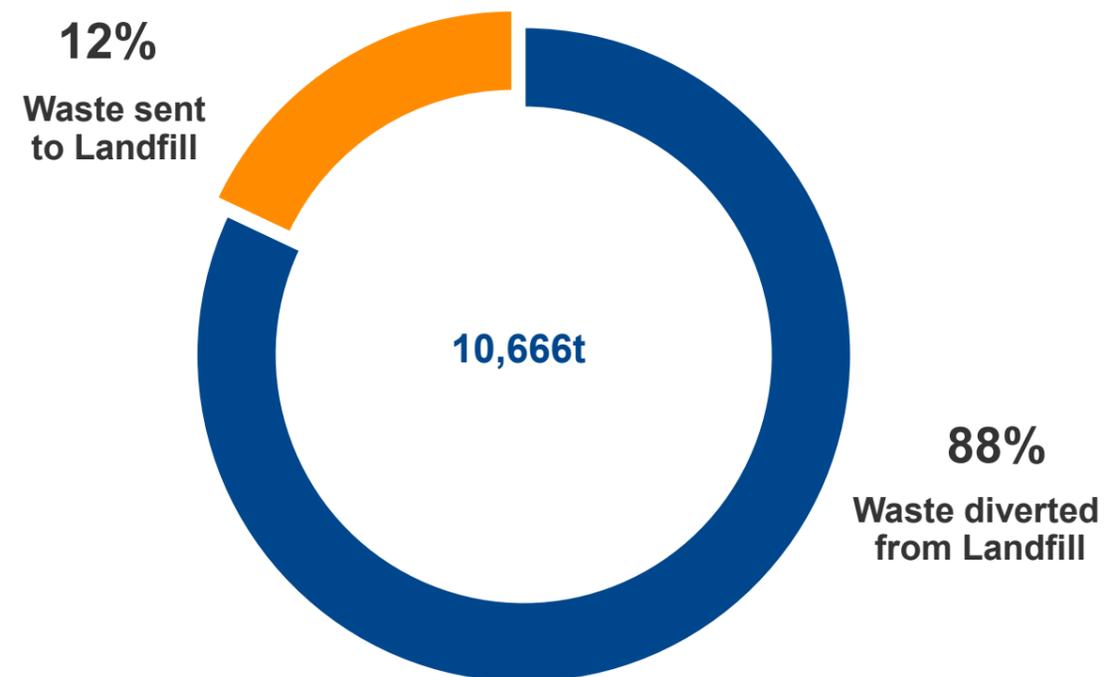
In addition to conventional recycling and treatment practices, the Company places particular focus on recovery-based solutions for hazardous waste. A significant portion of hazardous waste generated is diverted to waste co-processing manufacturing facilities. In this process, hazardous waste is utilized as an alternative fuel and raw material substitute within cement kilns, enabling both energy recovery and material utilisation under controlled, high-temperature conditions.

Co-processing in cement kilns is recognized as an environmentally sound waste management practice, as it ensures complete thermal destruction of hazardous constituents while simultaneously reducing dependence on fossil fuels in cement production. This approach significantly decreases the generation of residual ash requiring disposal and supports the efficient use of resources, making it a preferred alternative to landfilling and standalone incineration. By adopting this pathway, Viyash contributes to broader industrial symbiosis and circularity outcomes beyond its own operations.

Other hazardous waste streams, including chemical waste, pharmaceutical waste, and electronic waste, are managed through approved recyclers and treatment facilities in line with statutory requirements. Waste is segregated at source, stored in designated areas, and transported only through authorized vendors to ensure traceability and environmental protection.



### Waste Disposal Profile



Through a combination of co-processing, recycling, and responsible disposal, the Company continues to maximize waste diversion from landfill. These practices support Viyash's long-term commitment towards zero waste to landfill, while strengthening operational discipline, environmental performance, and alignment with circular economy principles.



## Circular Economy

As part of its Environmental, Social, and Governance (ESG) commitments, Viyash has embedded circular economy principles across its procurement, material handling, and supplier engagement practices. These initiatives focus on resource efficiency, waste minimisation, supplier responsibility, and lifecycle management of hazardous and specialty chemicals, thereby reducing environmental impact while strengthening operational safety and regulatory compliance.



### Closed-Loop and Take-Back Systems

The company has implemented multiple closed-loop and supplier take-back mechanisms across critical raw materials and utilities:

- **Industrial and specialty gases** such as Hydrogen, Zero Air, Liquid Nitrogen/Nitrogen, Ammonia, and Dry HCl are procured in reusable cylinders that are returned to suppliers after use. This ensures repeated reuse and refilling of cylinders, eliminating single-use packaging waste and supporting circular packaging models
- **Bromine** is supplied in **returnable glass bottles**, which are sent back to the supplier for reuse or controlled recycling, enabling material recovery and reducing hazardous packaging waste
- **Organometallic compounds** (including NBL, Mg HMDS, and Na HMDS) are sourced under take-back arrangements with local vendors, ensuring safe return, reuse, or responsible end-of-life handling
- **Borane DMS**, recently developed with a local supplier, has been integrated into a formal take-back scheme, strengthening circular sourcing and supplier accountability
- **A proposed take-back mechanism for Sodium Cyanide** with the manufacturer is under discussion and, once finalized, will further expand circular material stewardship for high-risk chemicals



### Environmental and ESG Benefits

These circular practices deliver measurable ESG value:

- ✓ **Reduction in hazardous waste generation**, transportation, and disposal
- ✓ **Lower environmental footprint** through reuse of containers and controlled material recovery
- ✓ **Improved compliance** with Circular Economy frameworks, ESG disclosure expectations, and responsible production standards
- ✓ **Enhanced process safety and risk management**, especially for hazardous and reactive chemicals
- ✓ **Stronger supplier engagement and traceability**, ensuring shared responsibility across the value chain



### Alignment with ESG and Sustainability Frameworks

The above initiatives demonstrate alignment with:

- Circular Economy and waste hierarchy principles (reduce–reuse–recover)
- Responsible Care and chemical stewardship practices
- ESG environmental indicators related to waste reduction, resource efficiency, and supplier responsibility



### Conclusion

By systematically implementing returnable packaging, take-back schemes, and closed-loop sourcing for critical chemicals and gases, the company is actively transitioning from linear consumption to circular material management. These efforts reinforce the organization's commitment to sustainable manufacturing, environmental protection, and long-term ESG value creation.





## Materials and Process Efficiency

Viyash integrates green chemistry principles into its pharmaceutical manufacturing approach, supported by detailed cradle-to-gate Life Cycle Assessments (LCAs) conducted in accordance with ISO 14040, ISO 14044, ISO 14025, PAS 2090:2020, and relevant pharmaceutical product category rules for environmental life cycle assessment.

The LCA conducted for Pharmaceutical API - Linezolid provides science-based insights to support continuous improvement in material efficiency, energy use, and overall environmental performance across the product lifecycle.

### Key Environmental Hotspots and Mitigation actions

- Life Cycle Assessment (LCA) identifies precursor chemical production and API synthesis as the primary contributors to greenhouse gas emissions and fossil energy use across the product lifecycle.
- Material efficiency improvements and upstream sourcing optimization are prioritized as the most effective levers for reducing environmental impacts.
- Material hotspot analysis highlights lower-emission raw material pathways, such as natural gas-based methanol, which demonstrate significantly lower carbon intensity compared to coal-based alternatives, supporting informed supplier selection and potential material substitution.
- Energy consumption during API production is a key environmental hotspot, with coal-based energy contributing a significant share of production-related emissions, driving efforts in process energy optimization and efficiency improvements.

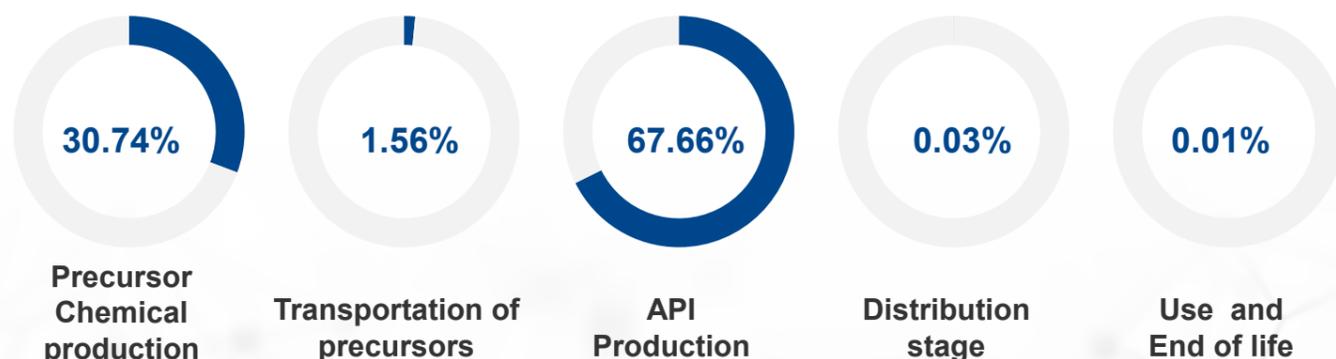
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Cradle-to-grave LCA completed for the AMR product, the Company's flagship API

3+

Number of Cradle-to-Grave LCA are in plan for 2026

### Emission contribution by Life Cycle Stage



### System boundary across Product Life Cycle Stages

Upstream	Upstream/ Core	Upstream/ Core/ Downstream	Core/ Downstream	Downstream		
Production of precursor chemicals	API synthesis	Galenic formulation	Packaging	Distribution	Use	End of life
Cradle to API						
Cradle to galenic form						
Cradle to preparation						
Cradle to grave						

\*Galenic formation and its corresponding packaging are excluded from the study

## Materials Efficiency



### Enhancing Material Efficiency through Process Mass Intensity (PMI)

At Viyash, improving material efficiency and reducing environmental footprint are integral to responsible pharmaceutical manufacturing. Process Mass Intensity (PMI) is a key sustainability metric adopted by the Company to systematically evaluate and improve the efficiency of chemical processes. PMI measures the ratio of the total mass of all raw materials, solvents, reagents, and auxiliary inputs consumed to the mass of the final product, providing a clear and quantitative view of material utilisation and waste generation.



### Driving Sustainable Process Design

A lower PMI value indicates a more efficient and environmentally responsible process, reflecting reduced material consumption, lower waste generation, and improved resource utilisation. By applying PMI analysis, Viyash aligns its manufacturing practices with the principles of green chemistry, supporting informed decision-making across process development, scale-up, and optimisation.

PMI assessments enable early identification of high material losses, solvent-intensive steps, and opportunities for process simplification, helping engineers and scientists prioritise improvements that deliver both environmental and operational benefits.



### Integration into Continuous Improvement

During FY2024–25, Viyash conducted detailed PMI studies for Ketorolac Tromethamine, Levocetirizine Dihydrochloride, and Linezolid as part of its continuous improvement initiatives. These studies provided actionable insights into material efficiency across reaction steps, solvent usage, and downstream operations.

Learnings from these assessments are being actively applied to optimise manufacturing processes, reduce waste generation, and enhance overall process robustness. PMI outcomes also support cross-functional discussions on solvent selection, yield improvement, and waste minimisation strategies.



### Environmental Benefits

From an ESG perspective, PMI serves as a powerful tool under the Environmental (E) pillar, enabling measurable progress towards sustainability goals:

- + **Reduced waste and emissions:** Lower material input directly translates into reduced effluent, solid waste, and solvent emissions.
- + **Improved resource efficiency:** Optimised raw material and solvent use conserves natural resources and reduces environmental burden.
- + **Data-driven sustainability:** PMI provides quantifiable metrics that support transparent tracking of environmental performance over time.



### Commitment to Sustainable Manufacturing

Through the adoption of PMI as a key performance indicator, Viyash demonstrates its commitment to responsible manufacturing, continuous improvement, and ESG-driven value creation. As the Company continues to expand its PMI coverage across products and processes, it reinforces a culture of efficiency, innovation, and environmental stewardship, supporting long-term sustainability for the business and its stakeholders.



### R&D Process Improvement Steps Enabling Responsible Innovation

Embedded sustainability into R&D and technology transfer by applying green chemistry principles, optimising solvent systems, and designing energy-efficient processes during scale-up



Achieved measurable environmental improvements at commercial scale by reducing solvent intensity, phasing down high-boiling solvents, and optimising energy consumption without compromising quality or regulatory compliance



Strengthened safety and social outcomes through process design by substituting safer solvents, reducing operational risks, and enabling consistent supply of essential APIs across critical therapeutic areas

More details are shared on the next page, including case studies on impactful R&D process improvements.

## Materials and Process Efficiency



### Process Improvements across 5+ APIs

Building on the improvement themes outlined on the previous page, Viyash has delivered measurable enhancements across multiple API manufacturing processes through energy-efficient operations, solvent optimisation, and scalable process design during FY2024-25.

The outcomes below reflect improvements implemented across more than five APIs.

<b>Heating and Cooling Optimisation</b>	<b>10-20%</b> Reduction in energy consumption achieved
<b>Yield Improvement</b>	upto <b>50%</b> Increase in process yield
<b>Solvent Reduction</b>	<b>20-25%</b> Reduction in solvent usage
<b>Waste Reduction</b>	<b>Significant</b> Reduction in hazardous neutralisation sludge



### Process improvement case study: Mavacamten API



#### Product context

Mavacamten is a cardiac myosin inhibitor indicated for the treatment of adults with obstructive hypertrophic cardiomyopathy (HCM).



#### Objective

Improve process efficiency and environmental performance during scale-up, while ensuring product quality, safety, and supply continuity.



#### Key improvements and outcomes

Material Topic	Rationale for Impact Scores
Carbon footprint	Optimized heating and cooling profile during scale-up reduced batch energy consumption by ~10% compared to literature benchmarks
Resource Efficiency	Overall process yield improved from ~15% at plant scale
Solvent use	Reduced use of chlorinated solvents; methanol, 1-propanol, and acetic acid were adopted as preferred alternatives
Water & Effluent	Elimination of unnecessary aqueous wash steps reduced total effluent volume and COD load
Waste Generation	Less hazardous chemicals used in the optimised process, reducing hazardous waste generation
Employee Health & Safety	Improved worker safety and enabled consistent supply of a critical API for patients with HCM



# Turning Climate Risk challenges into Opportunities for growth and resilience

## Our Approach to Climate Risk Assessment

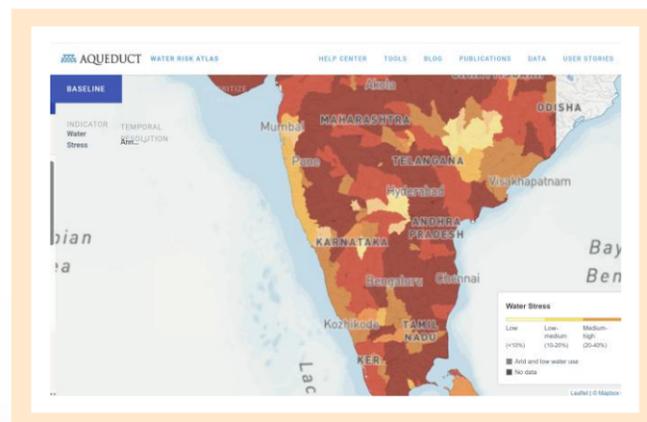
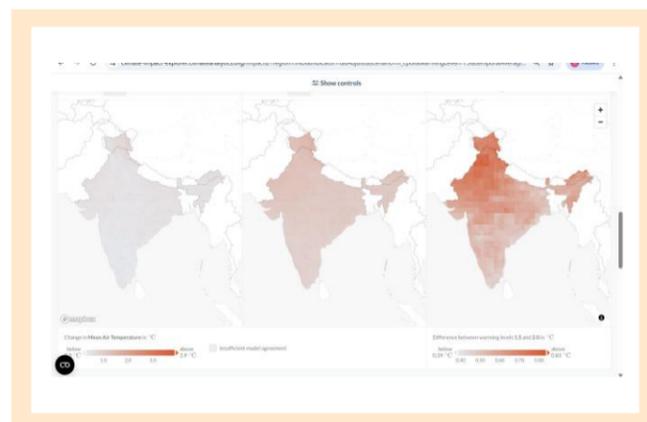
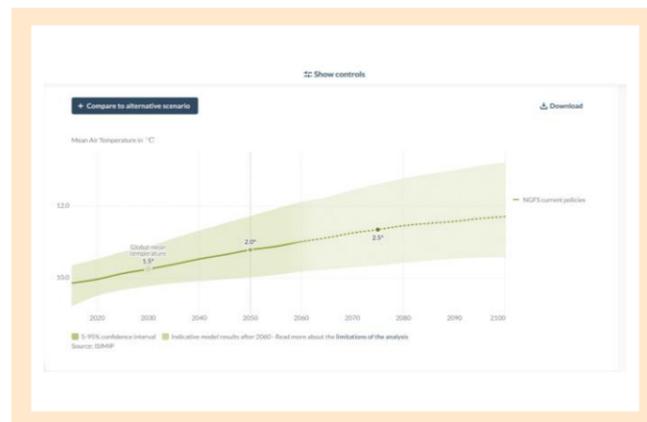
To address climate-related risks and opportunities (CRROs), Viyash is implementing a structured, forward-looking climate scenario analysis. This assessment evaluates physical and transition risks, as well as potential opportunities, using robust methodologies and healthcare industry best practices.

- Our approach includes:**
- ❖ Industry-specific literature review
  - ❖ Benchmarking with peer healthcare companies
  - ❖ Screening acute and chronic physical risks using WWF Biodiversity Risk Methodology
  - ❖ Utilizing S&P Global's physical risk datasets

More than 20 climate-related risk factors are assessed and refined through internal workshops to align with operational priorities. Physical risks are modelled using IPCC's Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs), while transition risks are analysed using NGFS scenarios. Assessments are conducted across two time horizons: 2030 and 2050.

This CRRO assessment enables Viyash to embed climate considerations into strategic planning, location and site selection, and infrastructure resilience - prioritizing regions with lower risk from flooding, heat, and water stress.

The insights also inform supply chain resilience by identifying high-risk areas and supporting alternative sourcing strategies. In response to potential carbon pricing impacts, Viyash plans to accelerate renewable energy adoption and low-carbon investments. Overall, CRRO integration strengthens risk preparedness and supports sustainable, climate-resilient growth.



Risk levels	Definition
LOW	Below 0.5% of Annual Sales
MODERATE	0.5% to 1.0% of Annual Sales
HIGH	above 1% of Annual Sales

Risk Type	Risk Indicator	Risk Description	Potential Financial Impact 2030
Physical Risk	Water Stress	Increasing water stress may lead to operational disruptions, particularly in water-intensive processes and supply chains. Climate models indicate an increase of 2–10 consecutive dry days under multiple scenarios, signalling growing water availability constraints in key regions.	MODERATE
	Extreme Heat	Rising temperatures are expected to increase cooling demand due to higher reliance on air-conditioning and HVAC systems. Sustained exposure to heat stress may also reduce on-site workforce productivity, particularly in high-temperature process zones and loading/unloading areas.	LOW
	Riverine Flood	Flooding and heavy rainfall events pose risks to plant infrastructure, utilities, and transportation access. Potential impacts include damage to property and machinery, repair costs, and supply chain delays, especially in regions with monsoon-driven hydrology.	LOW
	Tropical Cyclone	Tropical cyclones may cause business interruptions due to power outages, structural damage, or transportation delays, affecting operational continuity and logistics.	LOW
Transition Risk	Carbon Price	The introduction of carbon pricing mechanisms could increase operating costs. As a mitigation measure, Viyash plans to accelerate renewable energy adoption and low-carbon investments.	HIGH
	Technology Risk	Achieving net-zero targets will require adoption of abatement technologies. Delays or gaps in technology deployment may result in cost overruns or regulatory non-compliance over time.	LOW



## Environmental and sustainability management

### Certified Systems, Transparent Tracking

#### Environmental Management

- Viyash is **ISO 14001 certified across 100% of operational sites**, demonstrating a structured and internationally recognised environmental management system
- Regular audits under the **Integrated Management System (IMS)** ensure regulatory compliance and support continuous improvement in environmental performance
- Viyash has implemented a **complete Life Cycle Assessment (LCA)** for one of its key pharmaceutical APIs, **Linezolid**

#### Health and Safety

- Viyash is **ISO 45001 certified**, reflecting a systematic approach to occupational health and safety management across all operations
- The certification supports risk identification, incident prevention, and continuous improvement, ensuring a safe and healthy workplace for employees

#### Energy Management

- Energy monitoring systems are implemented across manufacturing sites, enabling tracking of energy consumption by fuel type and electricity use
- Energy data is **consistently reviewed and reported** as part of the Environmental Stewardship disclosures to support efficiency and reduction initiatives

#### Digital Carbon & ESG Data Management

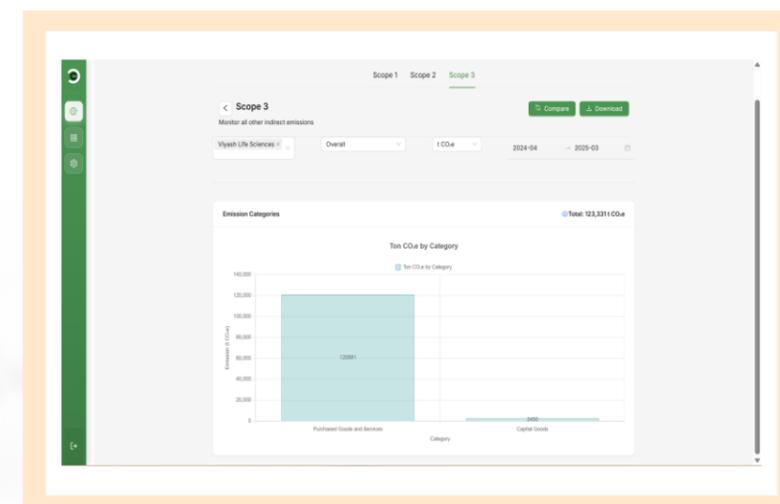
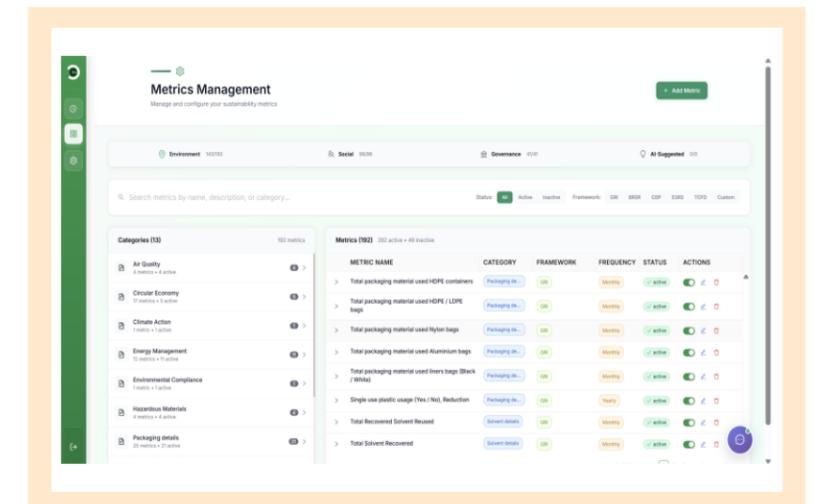
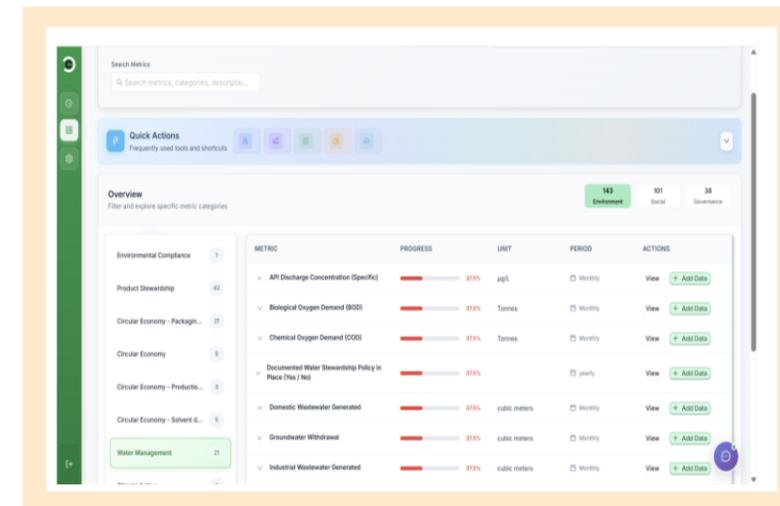
- Viyash follows **structured GHG accounting practices** covering Scope 1, Scope 2, and Scope 3 emissions, in line with **GHG Protocol** and **ISO 14064** standards.
- This enables **accurate, transparent, and audit-ready ESG reporting**, strengthening Viyash's ESG maturity within the MSME pharmaceutical sector.

#### Collaboration and Affiliations

- Viyash is proud to be affiliated with industry bodies like BDMAI and to partner with experts such as RE Sustainability Private Limited and Jeedimetla Effluent Treatment Plant
- These partnerships reflect our deep commitment to responsible environmental practices and sustainable operations



### Overview of our Digital Carbon and ESG Management Solution

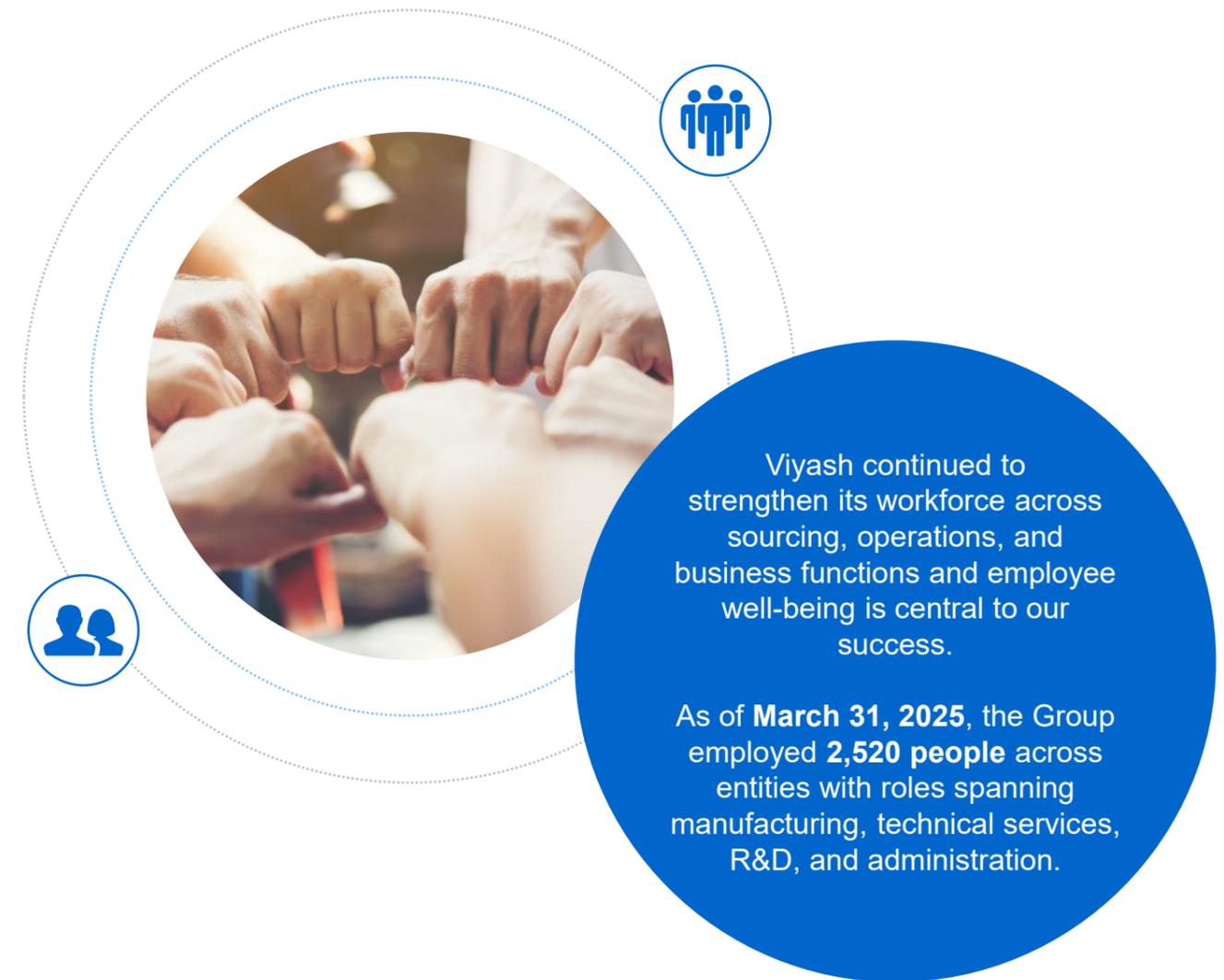




# 4. Empowering People and Communities

## Focus Themes for Viyash under the Social Pillar

 <p><b>Advancing Fair Employment and Workforce Stability</b></p>	<ul style="list-style-type: none"> <li>• Workforce composition disclosed by gender, role, and employment type</li> <li>• Employment practices aligned with fairness, compliance, and equal opportunity</li> <li>• Stable workforce supported by retention performance and low attrition</li> </ul>
 <p><b>Empowering Employees through Continuous Training and Skill Development</b></p>	<ul style="list-style-type: none"> <li>• Standardised capability building through TNA-led, SOP-mapped training delivered consistently across all eight manufacturing units</li> <li>• Strengthened operational readiness through monthly, risk-based scenario mock drills supported by corrective actions and leadership oversight</li> <li>• ESG embedded into operations by translating ESG boot-camp learnings into an internally driven, phased roadmap with defined governance and reporting</li> </ul>
 <p><b>Building Stronger Local Communities</b></p>	<ul style="list-style-type: none"> <li>• Improved rural connectivity through the construction of CC roads in villages surrounding operations</li> <li>• Enhanced access to essential services by upgrading local transport infrastructure</li> <li>• Supported learning environments through school infrastructure maintenance and upgrades</li> </ul>



Viyash continued to strengthen its workforce across sourcing, operations, and business functions and employee well-being is central to our success.

As of **March 31, 2025**, the Group employed **2,520 people** across entities with roles spanning manufacturing, technical services, R&D, and administration.



## Workforce Composition and Employment



At Viyash, people are central to long-term performance and operational excellence, with employee well-being forming a core part of the Company’s success. Viyash’s workforce comprises employees across manufacturing, research and development, ground workers, quality, technical, and corporate functions, supporting operations across its manufacturing and R&D facilities.

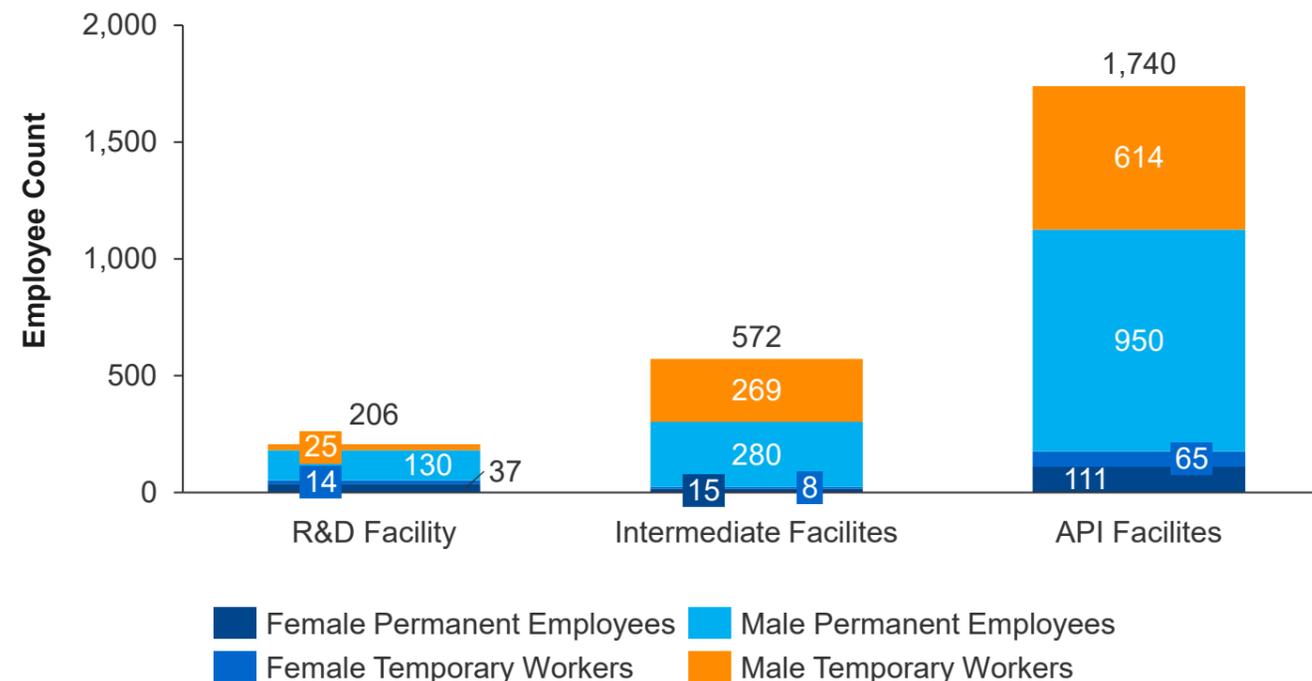
Employees play a critical role in ensuring product quality, regulatory compliance, and safe operations within a highly regulated life sciences environment. The Company places emphasis on building technical capability, maintaining high standards of health and safety, and fostering a culture of responsibility and continuous improvement across its workforce.

The workforce profile reflects a balanced mix of experience, diversity, and stability. Women constitute a meaningful share of the overall workforce, with stronger representation in select social and community-focused functions. The Company also plays an active role in creating employment opportunities and supporting the development of early-career professionals within the life sciences sector.

### Total Workforce Composition by Gender

Employee Type	Gender	FY24	FY25
Permanent	Male	1,330	1,360
	Female	216	163
Temporary	Male	938	908
	Female	86	87

### Workforce Breakdown by Facility Type



### Non-employee workforce

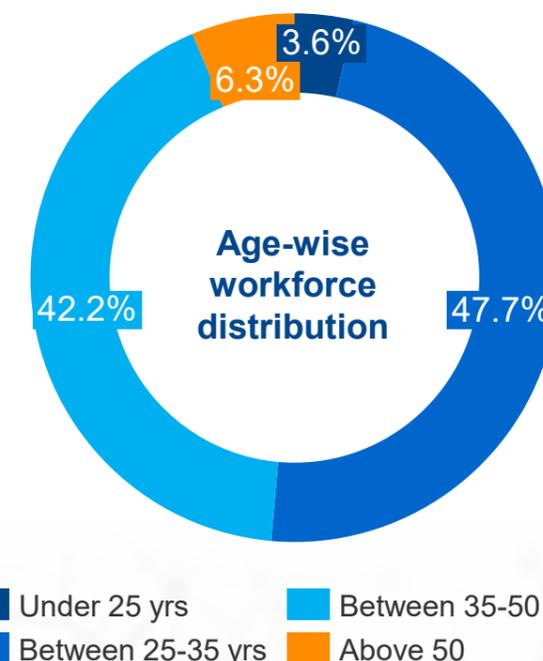
Viyash does not engage non-employee workers in its operations. All individuals contributing to the Company’s activities are classified as employees, ensuring consistency and fairness in employment conditions, benefits, and workplace protections.

### Hiring and workforce growth

During FY2024–25, Viyash welcomed 544 new employees across entities, strengthening capacity across functions. This hiring reflects the Company’s continued expansion while also supporting gender balance and providing opportunities for younger talent.

### Workforce age profile

The workforce comprises a healthy mix of early-career, mid-career, and experienced professionals, supporting knowledge continuity, operational resilience, and long-term capability development.





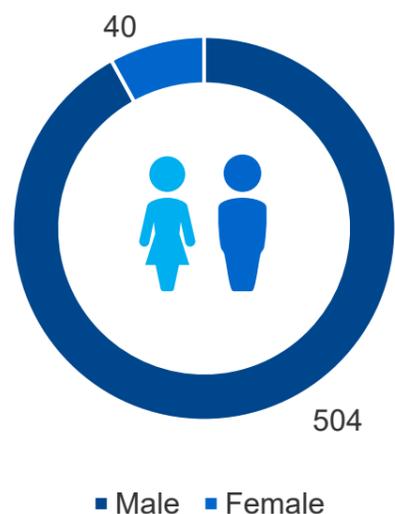
## Workforce & Social Equity

### Key insights from our Hiring Practices

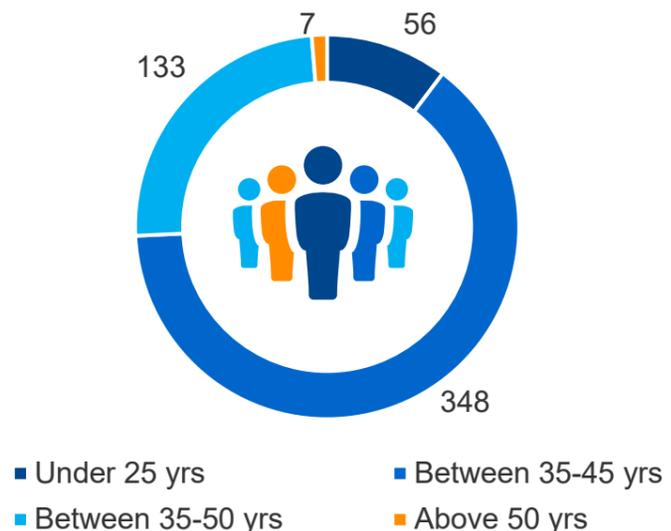
During FY2024-25, Viyash continued to strengthen its workforce across sourcing, operations, and business functions, with a focus on attracting young talent and promoting diversity.

- **73% of new hires** were under 35 years of age, reflecting Viyash's support for youth employment
- **11% of new hires** were under 25 years of age, with key focus to providing opportunity to future generation of the sector
- **8% of hires were women**, strengthening diversity, particularly in education and administrative roles

New Hire Breakdown by Gender



New Hire Breakdown by Age Group



### Turnover and Retention

During the reporting period, the overall employee turnover rate was 26%, representing c.7% reduction compared to the previous year. This improvement indicates positive momentum in workforce stability. While the inflow of new talent reflects organisational growth, understanding and addressing retention drivers remains a priority to support a stable, motivated, and engaged workforce.

### Benefits and Employee Wellbeing

All full-time employees at Viyash are entitled to a comprehensive range of benefits, including healthcare, accident insurance, disability and invalidity coverage, parental leave, and retirement provisions. In addition, the ESOP (Employee Stock Ownership Plan) is extended to select full-time employees, reinforcing the Company's commitment to recognising long-term contribution and promoting financial well-being.

### Policy Commitments and Workplace Integrity



#### Freedom of Association and Collective Bargaining:

Viyash promotes awareness of freedom of association and ensures that all employees are eligible for collective bargaining. While there is currently no recognised union within the organisation, open dialogue and transparent communication between employees and management are actively encouraged.



#### Incidents of Discrimination and Corrective Actions Taken:

During the reporting period, zero cases of discrimination were identified across Viyash facilities. The Company maintains internal assessment mechanisms and open communication channels to enable the reporting and resolution of any discrimination-related concerns.



#### No Child Labor policy:

Viyash strictly adheres to a no-child-labour policy, ensuring that no individuals below the age of 18 are employed. No complaints related to child labour were received during the reporting period, reinforcing the Company's commitment to ethical labour practices.



**100%**

**Return to work after completion of Parental Leave**



## Training and Safety

### Need-based Training Assessment

At Viyash, continuous learning and systematic capability development are integral to ensuring safe operations, regulatory compliance, and consistent ESG performance across all locations. Training is governed through a structured framework that combines a formal Training Needs Assessment (TNA), a robust SOP architecture, and centralised monitoring, ensuring both depth and uniformity of learning across the organisation's eight manufacturing units.

### SOP-centric Training Framework

Viyash has established a comprehensive SOP ecosystem comprising 95 Standard Operating Procedures (SOPs), structured under seven critical categories:

- ❖ General Safety
- ❖ Health and Hygiene
- ❖ High-Risk Works
- ❖ Integrated Management System
- ❖ Process Safety Management
- ❖ Product Stewardship
- ❖ Environment – General and Operations

30

Structured Training Programs completed

46

Individual Training Topics, enabling comprehensive, and role-specific coverage

15,334

Total OHS Training Man-Hours

~9

Average OHS Training Hours\* per Employee



SOP-Centric Training



Completion of an SOP Training Structure



Classroom-based Training Module

Each training programme is directly mapped to applicable SOPs and includes evaluation questionnaires to assess understanding, reinforce learning, and ensure effective knowledge transfer. This SOP-linked approach strengthens compliance, operational discipline, and accountability.

### Planned and Uniform Training Delivery

Training requirements are identified through unit-level TNAs, and annual training calendars are prepared for each site based on operational risk profiles, regulatory requirements, and ESG priorities. This planning ensures uniformity in training delivery while enabling consistent capability development and standardised practices across the organisation.

Training is delivered through a blended learning model, including classroom sessions, SOP-based training, on-the-job learning, and selected external programmes. This approach supports broad participation across operational, technical, and managerial roles.

### Central Monitoring and Performance Tracking

Training implementation is centrally monitored, with monthly tracking of progress, coverage, and completion status across all units. Automated alerts and periodic reviews enable timely corrective actions, reinforcing governance and ensuring training commitments are met.

Training effectiveness is measured through defined indicators such as training man-hours, participation levels, and evaluation outcomes.

\* Permanent employees only.



## Training and capacity building

### Localized Scenario-Based Mock Drills

#### Emergency and Scenario-based Mock Drills

At Viyash Life Sciences, emergency preparedness is embedded as a core pillar of operational risk management. Beyond statutory compliance, the Company has implemented a structured programme of localized, scenario-based mock drills designed to build real-time response capability across all operational zones.

#### Scenario Selection Based on Risk Profiles

Each Viyash site develops mock drill scenarios through systematic risk assessments and Emergency Response Plans (ERPs). Scenarios are tailored to realistic, site-specific risks that employees may encounter during routine operations or abnormal situations.



Material handling fires



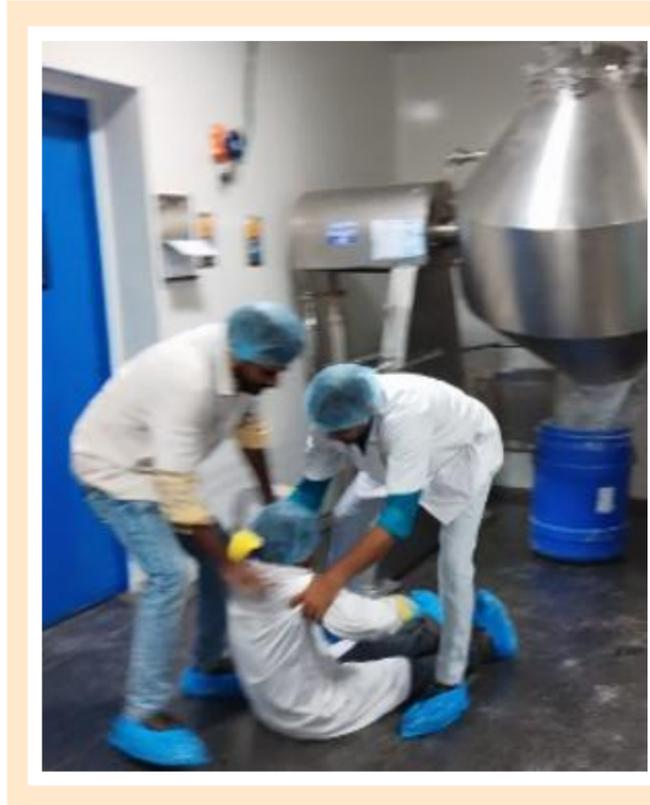
Chemical spills or exposure



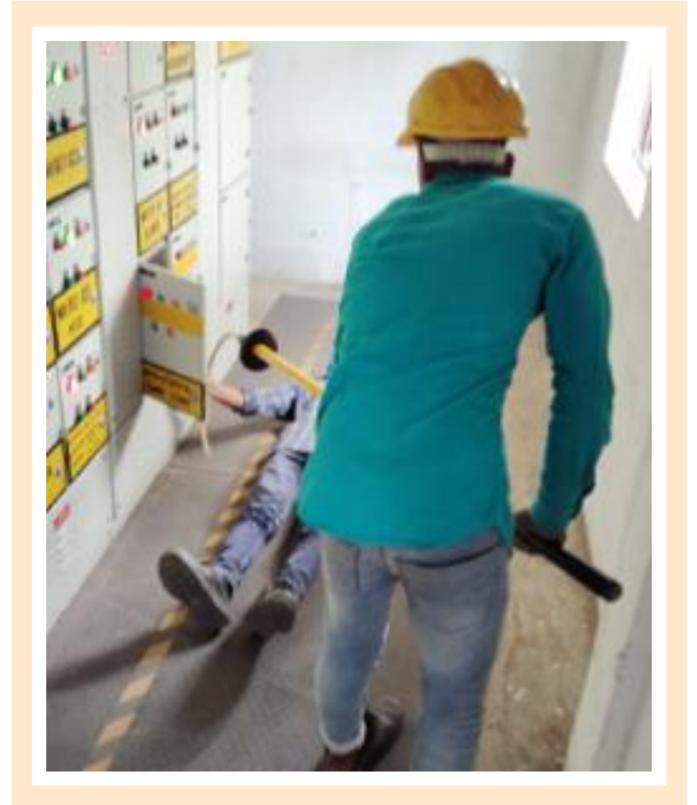
Solvent incompatibility incidents



Medical emergencies and localized evacuations



Gas leaks (including hydrogen gas)



Equipment malfunction and electrical Shocks

#### Drill Execution and Performance Monitoring

Each drill is conducted with the actual work area, using available emergency equipment and predefined roles and responsibilities. Departments are accountable for execution, ensuring ownership and realism. Drills are planned monthly and aligned with the annual preparedness calendar. Performance is monitored through real-time observation, evaluating response time, adherence to safety procedures, equipment readiness, and team coordination.

Gaps identified during drills are addressed through corrective and preventive actions (CAPAs) and reviewed by site leadership and the APEX Committee.

#### Building Operational Resilience

By embedding this targeted, risk-based approach, Viyash strengthens employee confidence, operational readiness, and site-level resilience - reinforcing that safety preparedness is an ongoing operational discipline, not a checklist exercise.



## Training and capacity building

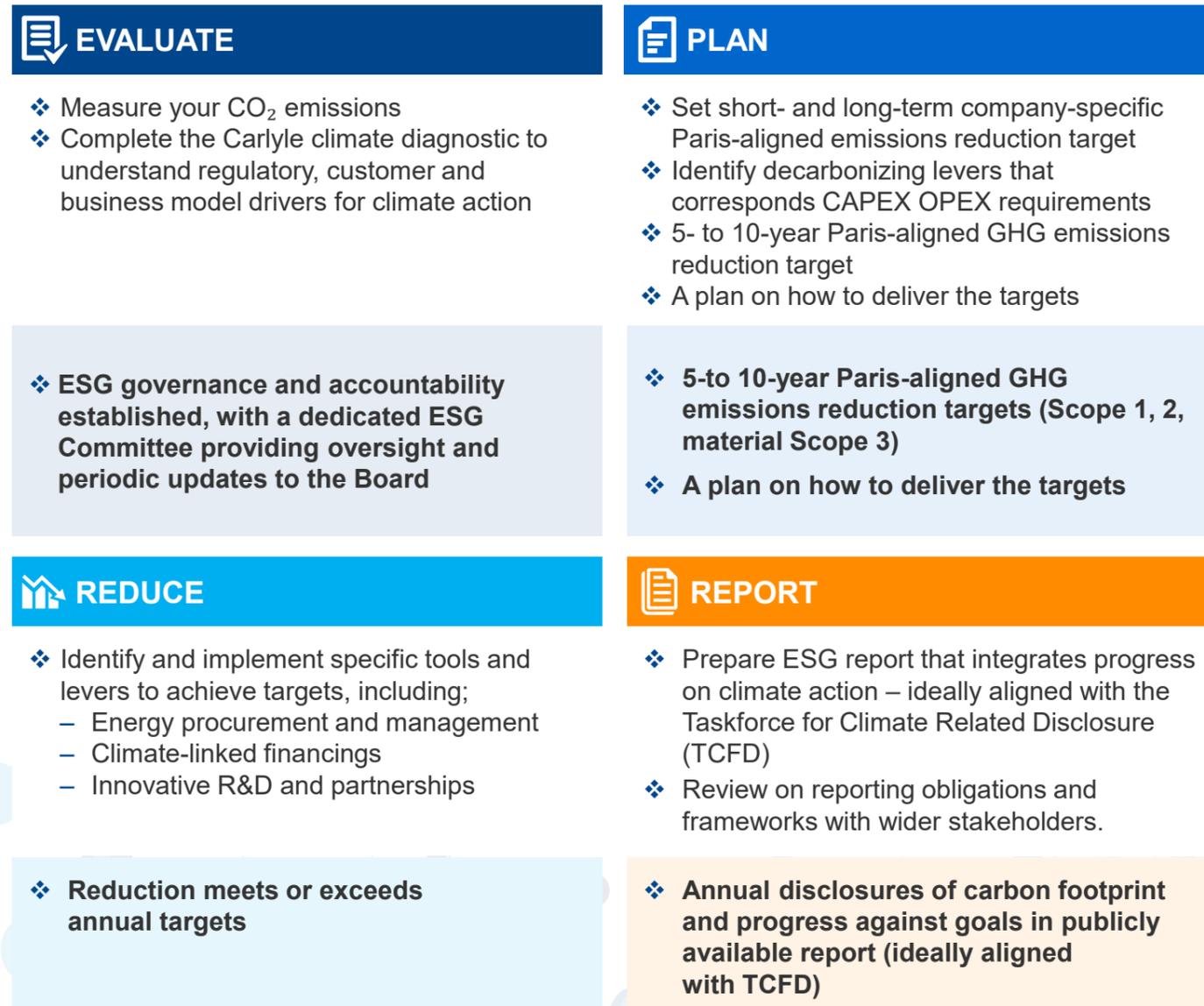
### ESG capability building: Through Carlyle's Decarbonization Boot Camp



Viyash participated in Carlyle's ESG Decarbonization Boot Camp for portfolio companies to strengthen internal capabilities on climate strategy, emissions management, and ESG governance. The programme is designed to support portfolio companies in embedding Paris-aligned decarbonization pathways into business strategy and operations.

The Boot Camp provided Viyash with a structured framework to evaluate emissions, plan credible reduction pathways, identify operational levers, and strengthen ESG disclosures, enabling the Company to move from compliance-led reporting to execution-focused ESG integration.

### Carlyle's structured ESG Capability Framework



### Skill development complemented by a culture of continuous improvement

- Viyash promotes a culture of continuous improvement and personal development through initiatives focused on process excellence, teamwork, and employee well-being. These efforts reinforce learning as an ongoing journey and support the development of a capable and engaged workforce.
- Structured performance appraisals ensure employees receive regular feedback and inputs to strengthen both technical and soft skills.
- In addition to personal development programmes, all employees undergo mandatory training on business ethics, anti-corruption, and the Company's Code of Conduct. These programmes reinforce ethical decision-making, regulatory compliance, and a culture of integrity across all levels of the organisation. In FY25, Viyash reported zero incidents of anti-corruption.

### Workforce appraisals by Gender

Level of Seniority	Manufacturing and service facilities
Male	<p>88%</p>
Female	<p>85%</p>
Overall Appraisal Percentage	<p>87%</p>



## Safety advances - Potent Lab

### High-containment R&D LAB: Safeguarding People and Enabling Innovation

As the pharmaceutical industry advances towards highly potent and low-volume APIs, the safe handling of high-potency active ingredients (OEB 4 and OEB 5) has become critical. At Viyash, safeguarding people is integral to responsible innovation.

Accordingly, Viyash has established a high-containment R&D laboratory with flexible isolator and canopy systems, ensuring robust personal and environmental protection from the earliest stages of research and development.

### Proactive Risk Management at the R&D stage

Unlike conventional approaches where high-containment controls are introduced at pilot or manufacturing stages, Viyash embeds advanced containment solutions directly at the R&D stage. This forward-looking design ensures scientists are protected from potential occupational exposure during synthesis, weighing, drying, analytical testing, and material transfer operations.

This early-stage intervention reflects Viyash's commitment to prevention-first risk management and ESG excellence across the product lifecycle.

### Flexible Isolator Systems for Potent API operations

The high-containment R&D laboratory is equipped with flexible containment systems tailored for different pharmaceutical operations, including synthesis and material handling.

Flexible canopy systems are deployed for fume hood operations, while flexible isolators are used for vacuum tray dryer (VTD) activities, enabling fully contained handling of potent compounds.



### Engineering Controls and Exposure prevention

All systems are integrated with HEPA filtration and controlled airflow, delivering a high level of operator protection while preventing environmental contamination and cross-exposure.

### Verified Occupational Exposure Control through Independent Validation

From an industrial hygiene standpoint, Viyash has gone beyond installation and design intent by scientifically validating containment performance.

Occupational Exposure Limit (OEL) validation studies were conducted for flexible isolators by Certified Industrial Hygienists (CIH). Personal and area air samples were collected during representative operations and analysed at AIHA-accredited laboratories in the United States.

This independent, internationally recognised verification confirms that operator exposures remain within acceptable limits for OEB 4-level compounds, providing objective evidence of control effectiveness.

### ESG value and Impact



**Environmental (E):** Contained handling of potent compounds minimises fugitive emissions, solvent losses, and contaminated laboratory waste



**Social (S):** Protecting scientists from chronic and acute exposure risks reinforces Viyash's commitment to employee health, safety, and well-being



**Governance (G):** Independent OEL validation by qualified CIH professionals and accredited laboratories reflects strong governance, regulatory foresight, and accountability

### Enabling Responsible and Future-Ready Innovation

Beyond risk mitigation, this infrastructure enables Viyash to confidently pursue next-generation patented APIs and complex molecular entities, supporting long-term R&D competitiveness. By embedding engineering controls, independent validation, and global standards into its research ecosystem, Viyash ensures that innovation progresses responsibly, without compromising people or the environment.





## Safety advances – Process Safety Lab

### Strengthening Process Safety and Environmental Stewardship through In-House Capability

At Viyash, process safety and environmental responsibility are foundational to sustainable pharmaceutical manufacturing. Recognizing that robust hazard identification and scientific characterization are essential for preventing incidents, protecting people, and minimizing environmental impact, Viyash has established a dedicated in-house Process Safety and Environmental Characterization Laboratory.

This facility serves all eight Viyash manufacturing units, enabling a consistent, science-based approach to risk assessment and process improvement across the organization.

#### Enabling Proactive Risk Identification

The Process Safety Laboratory plays a critical role in identifying and understanding thermal hazards, reaction hazards, powder safety risks, and environmental effluent characteristics at early stages of development and scale-up.

By generating reliable experimental data in-house, Viyash strengthens its Process Hazard Analysis (PHA), risk assessments, and Management of Change (MoC) decisions - supporting a shift from reactive risk management to proactive risk prevention.

#### Advanced Testing and Analytical Capabilities

##### A. Thermal and reaction hazards

Differential Scanning Calorimetry (DSC) and Accelerating Rate Calorimetry (ARC) are used to assess thermal stability, exothermic behaviour, onset temperatures, and runaway reaction potential. These insights are critical for defining safe operating limits, emergency relief design, and scale-up strategies.

##### B. Powder safety and combustibility risks

Powder safety testing - including Minimum Ignition Energy (MIE), Minimum Ignition Temperature (MIT), Layer Ignition Temperature (LIT), and BAM Fall Hammer impact sensitivity - is conducted to characterize dust explosion and ignition risks. This data is essential for safe material handling, drying, milling, and packaging operations.



### Environmental Hazard Characterization

The laboratory also supports environmental risk evaluation by analysing effluents for parameters such as Chemical Oxygen Demand (COD), Total Dissolved Solids (TDS), and related indicators. These analyses strengthen pollution prevention, wastewater treatment design, and regulatory compliance.

#### ESG value and impact

**Environmental (E):** Improved understanding of reaction behavior and effluent characteristics enables waste minimization, safer solvent selection, optimized effluent treatment, and reduced risk of uncontrolled releases.

**Social (S):** Enhanced process safety protects employees, contractors, and neighboring communities by reducing the likelihood of fires, explosions, and chemical exposures.

**Governance (G):** Scientific, data-driven decision-making reinforces strong governance, regulatory compliance, and accountability in process design and operations.



### A Strategic Shift from External Dependency to Internal Excellence

By establishing this laboratory in-house, Viyash has significantly reduced dependence on external testing for critical safety evaluations. This enables faster decision-making, better confidentiality for proprietary processes, improved consistency across sites, and deeper internal capability building.

More importantly, it embeds process safety thinking directly within development, scale-up, and manufacturing teams, strengthening organizational learning and ownership.

#### Driving Continuous Improvement

The Process Safety Laboratory is not only a testing facility but a cornerstone of continuous improvement. Data generated is actively used to refine operating procedures, improve engineering controls, strengthen emergency preparedness, and support ongoing process optimization initiatives across all Viyash units.

Through this strategic investment, Viyash Life Sciences demonstrates leadership in integrating process safety science with ESG excellence, reinforcing its commitment to safe operations, environmental protection, and long-term sustainable value creation.



## Occupational Health and Safety Management



### OHS Management Framework

- Policies and Coverage:** As outlined in the FY2024 ESG Report, Viyash has established occupational health and safety policies and procedures applicable across its manufacturing and R&D operations. These frameworks are designed to support safe working conditions, regulatory compliance, and risk mitigation across employee and on-site workforce categories.
- Health Services:** Viyash provides access to essential occupational health services at its operational locations, including first-aid facilities and statutory health arrangements in line with applicable labour and safety regulations. Periodic medical assessments are undertaken for employees exposed to occupational health risks, supporting preventive health management.



### Respiratory Protection and Fit Testing Program

To protect employees working in areas with potential chemical and high-potency API exposure, Viyash implements a structured Respiratory Protection and Fit Testing Programme as part of its occupational hygiene framework.

Personnel required to use respiratory protective equipment undergo periodic fit testing conducted by qualified medical professionals using certified equipment. The programme includes medical evaluation, selection of appropriate respiratory protection, and quantitative or qualitative fit testing to ensure effective face seal and adequate protection.



Employees are trained on correct use, seal checks, maintenance, and safe handling practices. This approach strengthens exposure control, enhances worker safety, and reinforces compliance with regulatory requirements and preventive health standards.



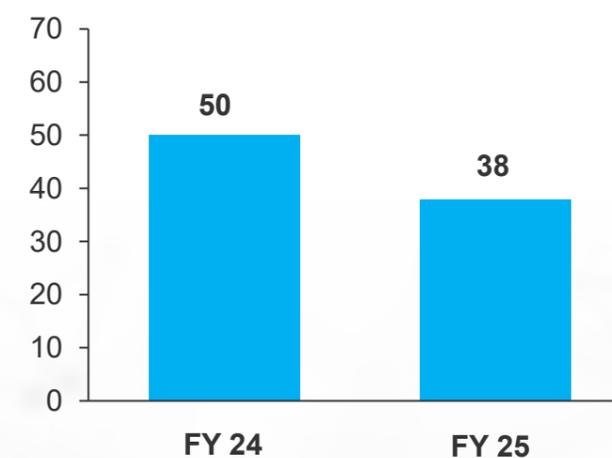
### Occupational Health and Safety Performance Metrics

Indicator	Manufacturing and service facilities
OHS System integrated across entity	Yes
Lost Time Injury Frequency Rate (LTIFR)	0.82%
Safety Drills Conducted	49

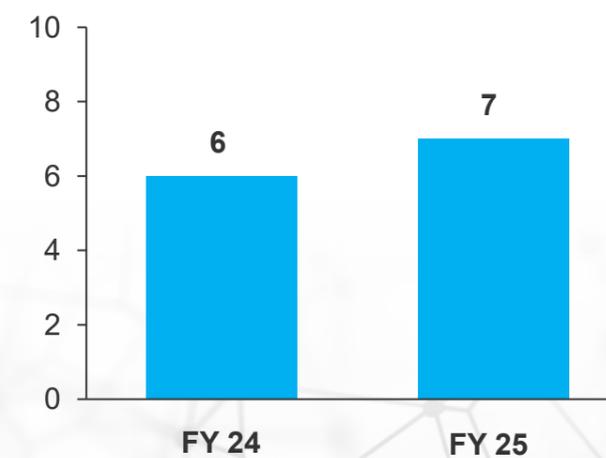


### Incident trends

No. of Process, Distribution, Fire & Environment related incidents



No. of Medical Treatment Cases





## Community Development Initiatives (FY2024–25)

### Infrastructure Development

Viyash supported the development of essential rural infrastructure to improve connectivity and access to basic services in communities surrounding its operations.

During the year, cement concrete (CC) roads were constructed in:

- **Pemmapalli village** (Chityala Mandal, Nalgonda District)
- **Chinna Konduru and Yellambavi villages** (Choutuppal Mandal, Yadadri Bhuvanagiri District)

These interventions enhanced local mobility, safety, and access to essential services for residents. In addition, school infrastructure improvements were undertaken at the Bongoni Cheruvu village school, including painting and maintenance works, contributing to a safer and more conducive learning environment for students.



### Education & Social Inclusion

The Company continued to support education and social inclusion through targeted interventions focused on student welfare and learning outcomes.

- **Evening meals** were provided to Class X students at Zilla Parishad High School (ZPHS), Koyyalagudem, supporting students during annual examination preparations
- Viyash supported ZPHS, Kistapur, by **providing school uniforms and sports materials** and by participating in celebrations of the 76th Republic Day with students
- Support was extended to Balavikas Disabled Society, Kukatpally, Hyderabad, through contributions towards **school building rent and teachers' salaries**, reinforcing inclusive education for children with disabilities



## Community Development Initiatives (FY2024–25)

### Health, Water & Community Welfare

- ❖ Healthcare access and water security remained key focus areas for community engagement during the reporting year.
- ❖ An **ambulance and food grains** were provided to **Amma Nanna Ashramam, Choutuppal**, strengthening access to healthcare services and supporting individuals in need. In addition, financial assistance was extended to support medical treatment for individuals from the surrounding communities.
- ❖ To improve access to safe drinking water, a **RO water plant** was installed in **Koyyalagudem village**, enhancing the availability of clean water for residents.
- ❖ Further, **borewell motor repairs** were carried out in **Pimpalpally village** to ensure continued water availability for agricultural activities, supporting local livelihoods and community resilience.



## United Nations Sustainable Development

## GRI Index

GRI Standards	Description Title	Page no.	Notes
<b>GRI 2: General Disclosures 2021</b>			
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2-6	Activities, value chain and other business relationships	18	
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2-8	Non-working Employees	65	
2-9	Governance structure and composition	22, 23	
2-10	Nomination and selection of the highest governance body	22	
2-11	Chair of the highest governance body	22	
2-12	Role of the highest governance body in overseeing the management of impacts	22	
2-14	Role of the highest governance body in sustainability reporting	22	
2-15	Conflicts of interests	24	
2-16	Communication of critical concerns	25	
2-17	Collective knowledge of the highest governance body	22	
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2-23	Policy commitments	24, 25	
2-24	Embedding policy commitments	25	
2-25	Processes to remediate negative impacts	25	
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2-27	Compliance with laws and regulations	No non-compliance or fines in the past reporting year	
2-28	Membership associations	60	
2-29	Approach to stakeholder engagement	24	

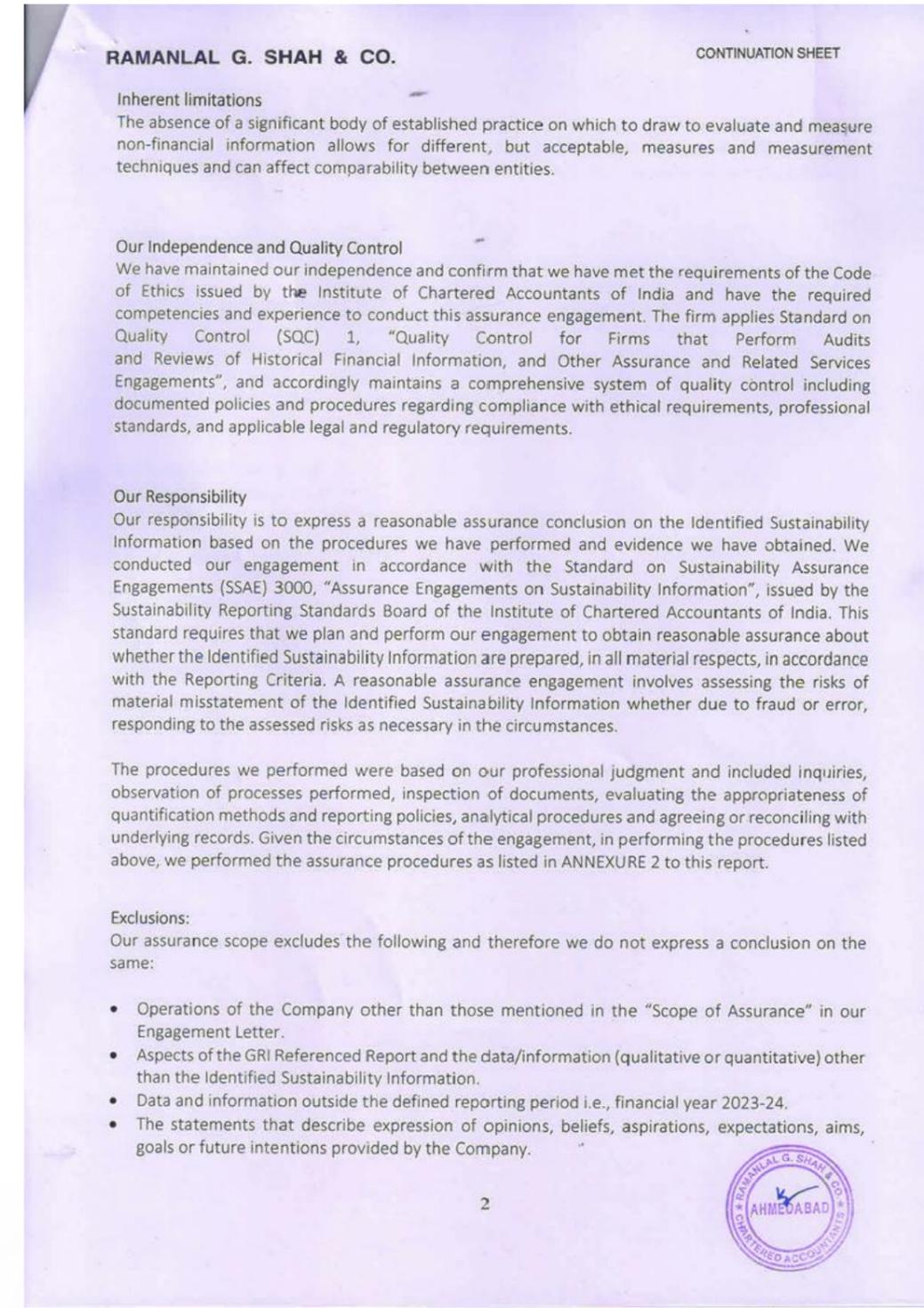
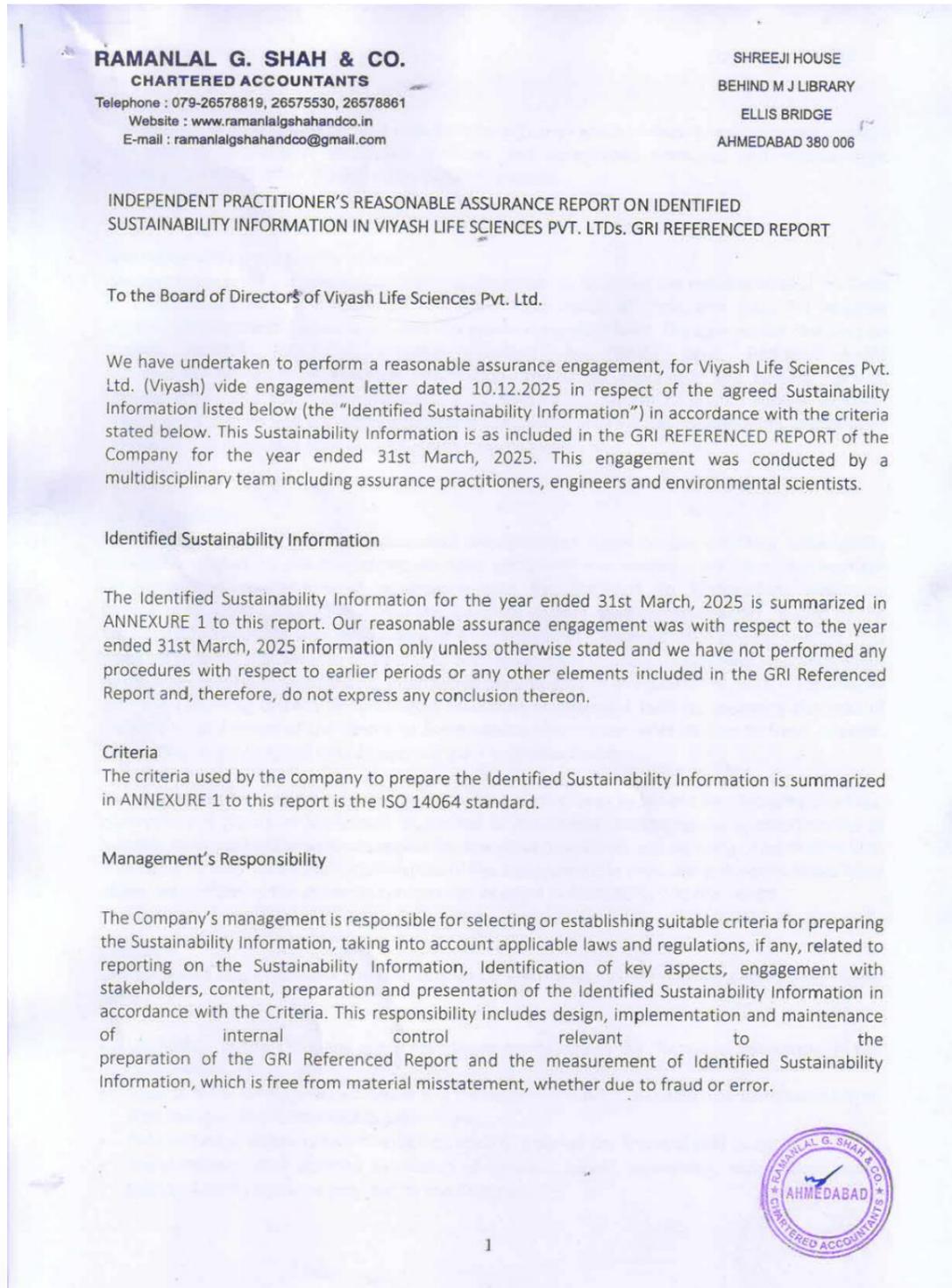
GRI Standards	Description Title	Page no.	Notes
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<b>GRI 201: Economic Performance 2016</b>			
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<b>GRI 203: Indirect Economic Impacts 2016</b>			
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<b>GRI 204: Procurement Practices 2016</b>			
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<b>GRI 205: Anti-corruption 2016</b>			
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302-3	Energy intensity	40	
302-4	Reduction of energy consumption	40	
302-5	Reductions in energy requirements of products and services	Not Applicable	
<b>GRI 303: Water and Effluents 2018</b>			
303-2	Management of water discharge-related impacts	42	
303-3	Water withdrawal	43	
303-4	Water discharge	43	
303-5	Water consumption	42	

## GRI Index

GRI Standards	Description Title	Page no.	Notes
<b>GRI 305: Emissions 2016</b>			
305-1	Direct (Scope 1) GHG emissions	34	
305-2	Energy indirect (Scope 2) GHG emissions	34	
305-3	Other indirect (Scope 3) GHG emissions	34	
305-4	GHG emissions intensity	35	
305-5	Reduction of GHG emissions	37	
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable	
<b>GRI 306: Waste 2020</b>			
306-1	Waste generation and significant waste-related impacts	47	
306-2	Management of significant waste-related impacts	46	
306-4	Waste generated	46	
306-5	Waste diverted from disposal	49	
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<b>GRI 401: Employment 2016</b>			
401-1	New employee hires and employee turnover	64	
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<b>GRI 403: Occupational Health and Safety 2018</b>			
403-1	Occupational health and safety management system	79	
403-2	Hazard identification, risk assessment, and incident investigation	70	
403-3	Occupational health services	68	
403-4	Worker participation, consultation, and communication on occupational health and safety	69	
403-5	Worker training on occupational health and safety	79	
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403-8	Workers covered by an occupational health and safety management system	79	
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GRI Standards	Description Title	Page no.	Notes
<b>GRI 404: Training and Education 2016</b>			
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404-3	Percentage of employees receiving regular performance and career development reviews	73	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
405-2	Ratio of basic salary and remuneration of women to men	22	
<b>GRI 406: Non-discrimination 2016</b>			
406-1	Incidents of discrimination and corrective actions taken	Zero Incidents reported	
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	67	
<b>GRI 408: Child Labor 2016</b>			
408-1	Operations and suppliers at significant risk for incidents of child labour	67	
<b>GRI 409: Forced or Compulsory Labor 2016</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	60	
<b>GRI 413: Local Communities 2016</b>			
413-1	Operations with local community engagement, impact assessments, and development programs	80, 81	

# GHG Assurance Certificate



# GHG Assurance Certificate (Contd.)

**RAMANLAL G. SHAH & CO.** CONTINUATION SHEET

**Opinion**  
Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the year ended 31st March, 2025 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria.

**Restriction on use**  
Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of Viyash at the request of the company solely, to assist company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our deliverables are shown or into whose hands it may come without our prior consent in writing.

For Ramanlal G. Shah & Co.  
Chartered Accountants  
FRN 108517W

*Vivek S. Shah*

(CA Vivek S. Shah)  
Partner  
Membership No. 112269  
UDIN: 26112269DRQYBZ5730

Place: Ahmedabad  
Date: 20.02.2026



**RAMANLAL G. SHAH & CO.** CONTINUATION SHEET

**ANNEXURE 1**  
**IDENTIFIED SUSTAINABILITY INFORMATION & CRITERIA USED**

Sr. No.	Identified Sustainability Information	Criteria used to prepare the identified sustainability information
1	Green-house gas (GHG) footprint for the Company and its Indian subsidiaries as mentioned in the reporting boundary of the GRI Referenced Report	1) Total Scope 1 emissions (in tCO2 equivalent) 2) Total Scope 2 emissions (in tCO2 equivalent) 3) Total Scope 3 emissions (in tCO2 equivalent) under various categories



**RAMANLAL G. SHAH & CO.** CONTINUATION SHEET

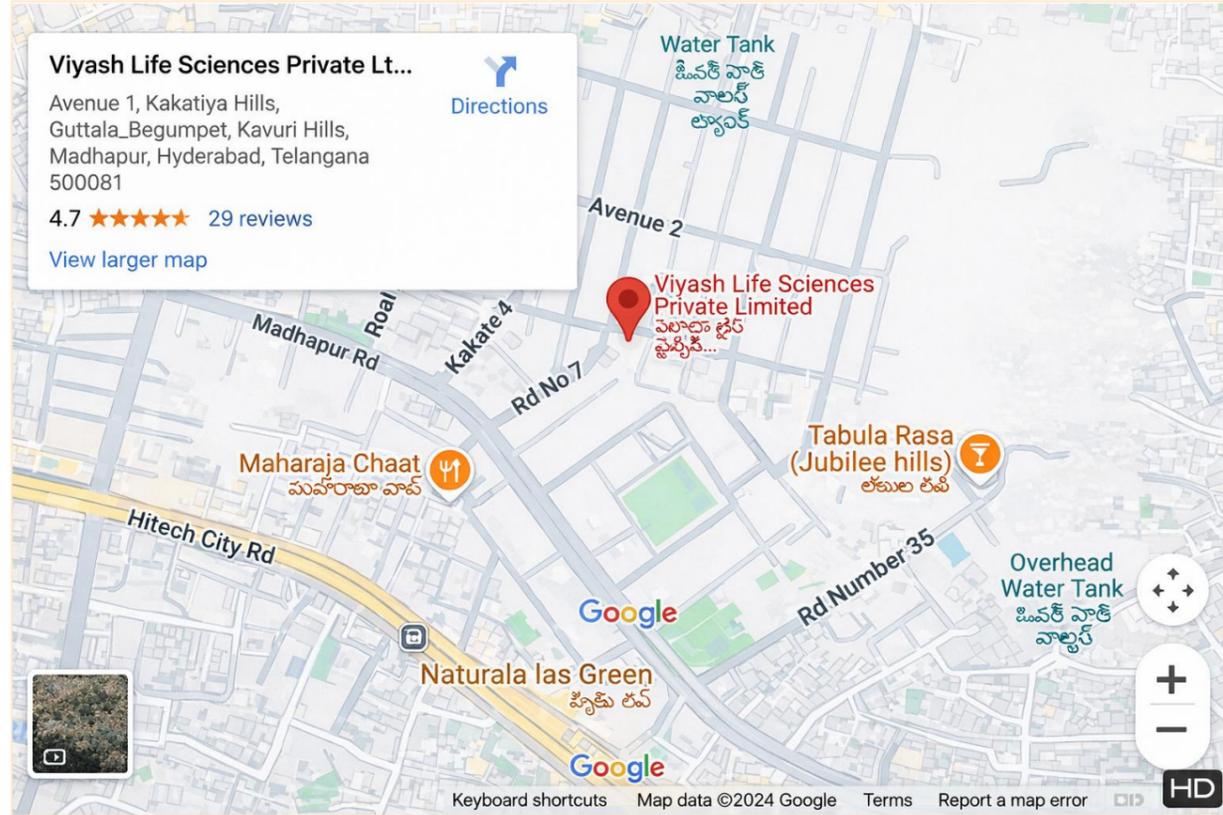
**ANNEXURE 2**

**ASSURANCE PROCEDURES PERFORMED**  
During the assurance engagement, we adopted a risk-based approach, focusing on verification efforts with respect to disclosures. We verified the disclosures and assessed the robustness of the underlying data management system, information flows, and internal controls on reporting identified sustainability information in the GRI Referenced Report.  
In doing so, we:

- 1) Obtained an understanding of the identified sustainability indicators and related disclosures;
- 2) Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the identified sustainability indicators;
- 3) Carried out a test of controls over reporting of identified non-financial reporting as laid down in the SSAE 3000 issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India;
- 4) Performed understanding and evaluation of the design of the key structures, systems, processes and controls for managing, recording and reporting on the identified sustainability indicators including at the sites visited;
- 5) We conducted interviews with key representatives, including data owners and decision-makers from different functions and locations of Viyash;
- 6) Examined and reviewed the documents, data, and other information made available by Viyash for identified non-financial Essential Indicators (non-financial disclosures);
- 7) We performed sample-based reviews of the mechanisms for implementing the sustainability-related policies and data management (qualitative and quantitative);
- 8) Checked the consolidation for various sites and corporate offices under the reporting boundary for ensuring the completeness of data being reported;
- 9) Obtained representations from Company's Management.



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