

MS. EXEMED PHARMACEUTICALS SUSTAINABILITY REPORT

FY 2025-26

Luna, Gujarat, India

Responsible Pharma. Trusted Quality. Measurable Progress.

Advancing Global Health Through Ethical Science, Climate-Smart Manufacturing, and Sustainable Value Chains.

Field	Details
Company	Ms. Exemed Pharmaceuticals
Established	2009 17 Years in Operation
Reporting Period	FY 2025-26 (April 2025 - March 2026)
Manufacturing Sites	Luna, Vadodara, Gujarat Vapi, Gujarat
Certifications	ISO 14001 ISO 45001 ISO 27001 US FDA EU GMP EDQM
Frameworks	GRI Universal Standards EcoVadis UN SDGs UNGC SBTi
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2 INSIDE COVER & DISCLAIMER

Forward-Looking Statements

This Sustainability Report contains forward-looking statements regarding Exemed Pharmaceuticals' future business expectations, sustainability targets, environmental mitigation strategies, and operational plans. These statements are based on current management expectations and encompass commitments to achieving specific ESG goals, including the Company's ambition toward Net Zero carbon emissions by 2050. Actual results may differ materially due to risks, uncertainties, and shifting regulatory landscapes. Exemed Pharmaceuticals undertakes no obligation to publicly update or revise any forward-looking statements.

Reporting Scope and Boundary

The scope of this report covers the ESG performance of Exemed Pharmaceuticals for FY 2025–26. The operational boundary includes the primary manufacturing facility at Block No. 628 A/B, ECP Canal Road, Village-Luna, Ta-Padra, Dist-Vadodara, Gujarat – 391440, with relevant governance disclosures from the corporate head office at ABS Tower, Old Padra Road, Vadodara – 390007.

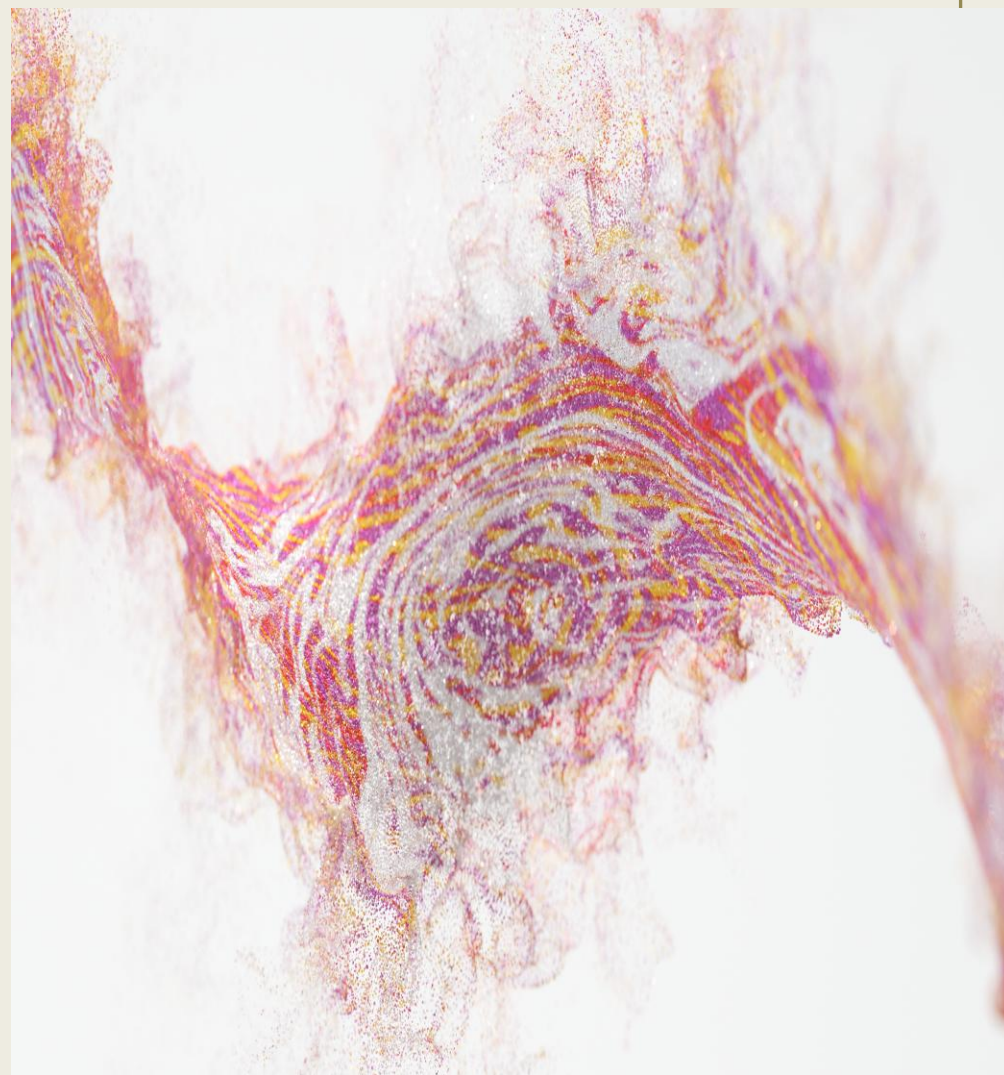
Data Limitations

Data have been compiled from internal management systems including Pharma Cloud ERP and HRMS. Certain environmental metrics are calculated estimates aligned with standard industry methodologies. An independent verification statement was issued by M/s J P Consulting (www.jpconsul.com) for FY 2025–26 KPIs.

Framework Alignment

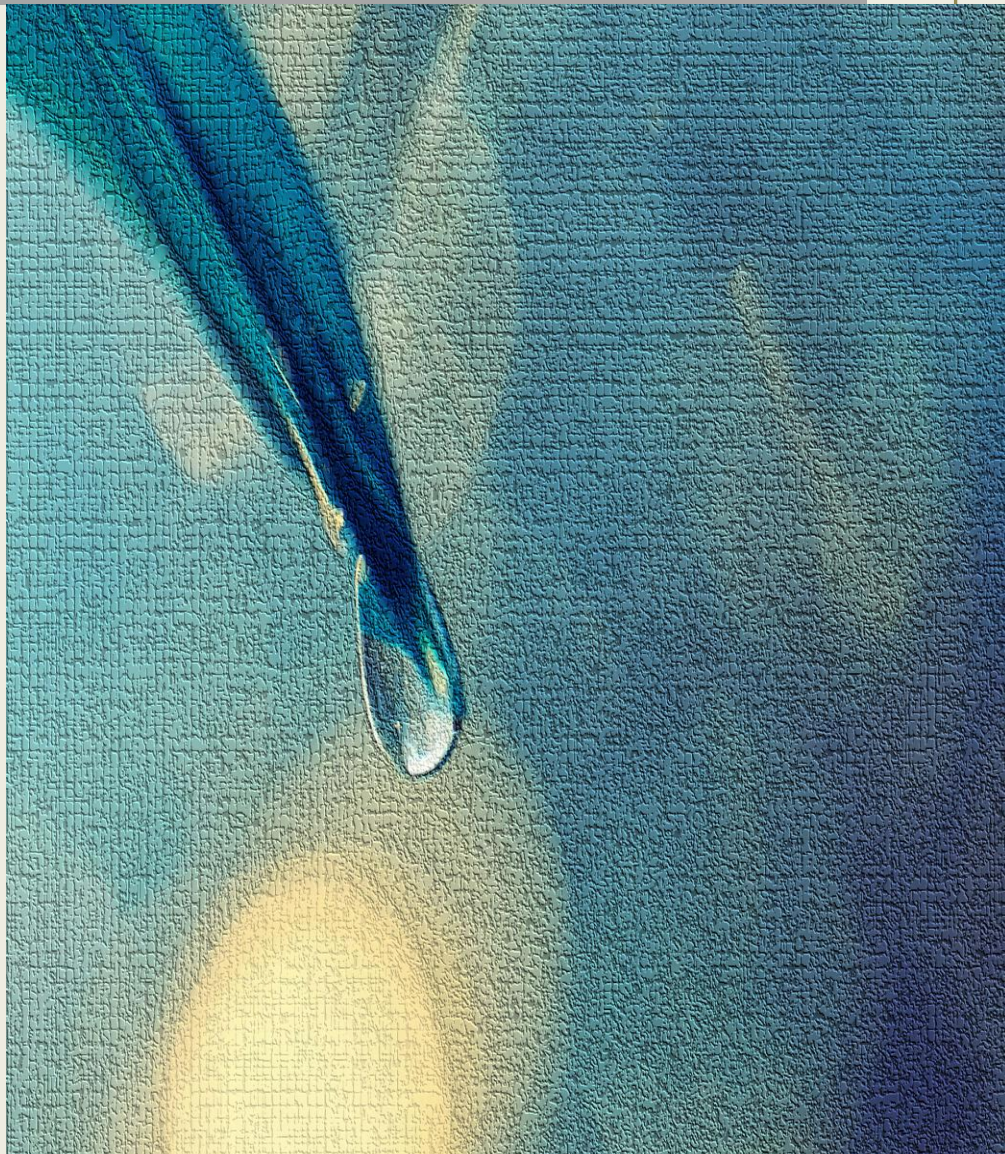
This report is structured in alignment with the GRI Universal Standards (2021), selected GRI Topic Standards, EcoVadis methodology, UN Sustainable Development Goals (SDGs), UN Global Compact (UNGC)

principles, and IFC/World Bank EHS Guidelines. The Company has submitted an SBTi commitment letter (March 2025) and communicates SDG progress annually through this sustainability report.



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4 MESSAGE FROM LEADERSHIP

Chairman's Message

Exemed Pharmaceuticals' sustainability trajectory reflects a company operating in a sector where trust, compliance, quality, and environmental stewardship are inseparable. Over the past year, we have made measurable progress across emissions, energy, water, waste, safety, training, procurement, and information security — demonstrating that ESG is not a peripheral concern but an operational imperative.

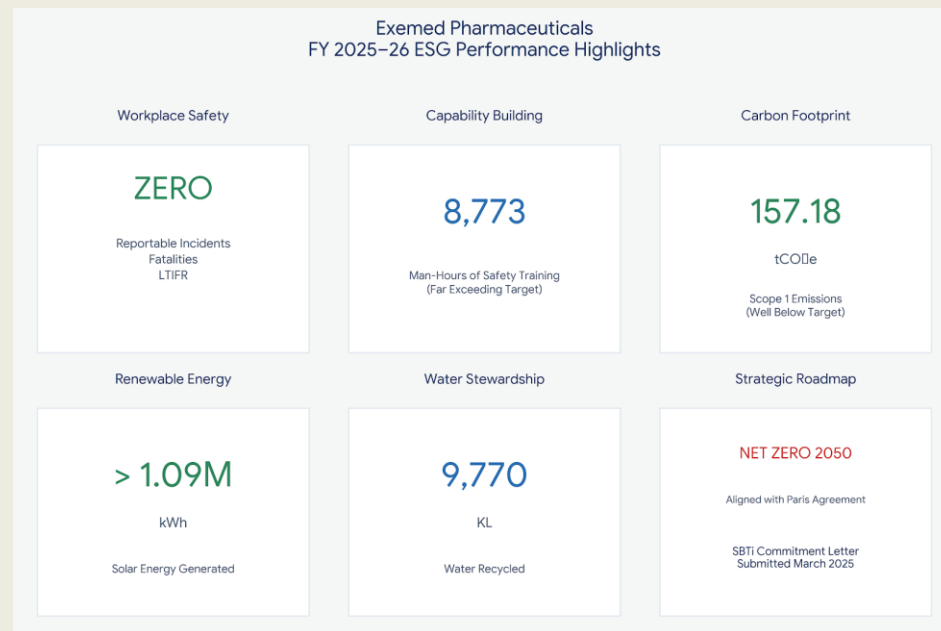
The pharmaceutical industry carries a unique responsibility: the products we manufacture touch human lives directly. That reality demands the highest standards of integrity — in how we source raw materials, how we treat our people, how we manage environmental impacts, and how we govern our organisation. Our current challenge is to translate operational discipline into an integrated sustainability story that is externally credible, comparable, and audit-ready. This report marks a decisive step in that journey.

Message from the Managing Director & CEO — Mr. Pranav Patel

We have begun to transform ourselves as the environment around us is rapidly changing. The pharmaceutical industry sits at the critical intersection of human health and environmental stewardship. At Exemed Pharmaceuticals, we firmly believe that our business success is inextricably linked to the well-being of our planet and our communities. It is with great pride that I present our comprehensive Sustainability

Report for FY 2025–26 — our guidebook on ESG matters relevant to our operations.

Our FY 2025–26 performance highlights are a testament to the depth of our commitment: zero reportable incidents, zero fatalities, zero LTIFR, Scope 1 GHG emissions at 157.18 tCO₂e (well below target), solar energy generation exceeding 1.09 million kWh, water recycling at 9,770 KL, and 8,773 man-hours of safety training — far exceeding our target. We have set an ambitious Net Zero carbon emissions target by 2050, aligning our efforts with the Paris Agreement, and submitted a Science Based Targets initiative (SBTi) commitment letter in March 2025.



Our people remain the architects of our success. We are dedicated to providing a trusting workplace that is safe, respectful, and inclusive. Our supplier relationships are governed by a formal Supplier Code of Conduct, and 63 suppliers are already aligned to its standards. We will

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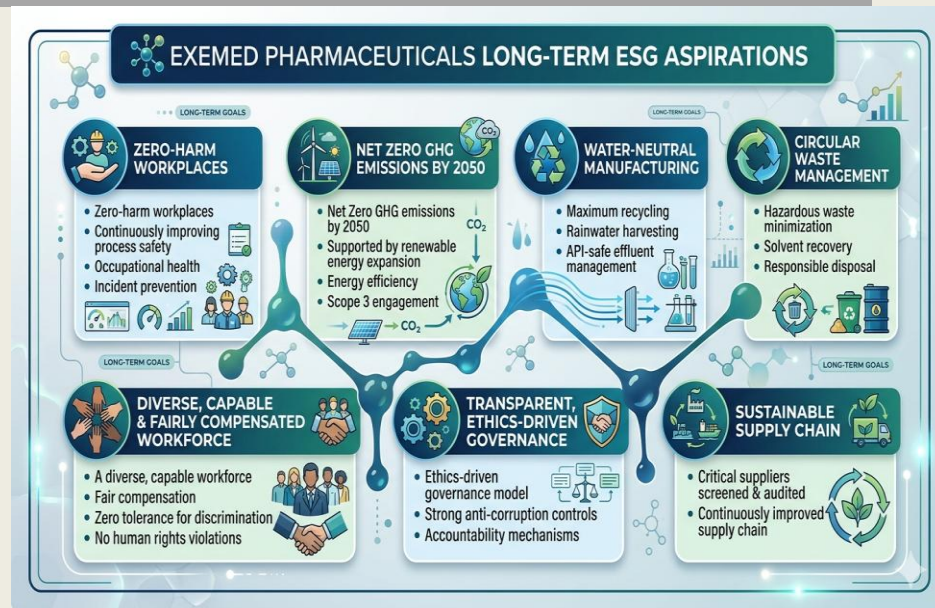
continue to drive innovation in green chemistry, resource efficiency, and sustainable procurement. I invite all our stakeholders to read this report and join us on this vital journey.

Sustainability Vision

Exemed Pharmaceuticals aspires to manufacture high-quality pharmaceutical products responsibly — with measurable progress on climate, water, waste, ethics, human capital, and supply-chain resilience. Our vision is grounded in the belief that sustainable manufacturing is not a constraint but a competitive advantage: it reduces costs, strengthens regulatory compliance, attracts talent, and builds stakeholder trust.

Long-Term ESG Aspirations

- Zero-harm workplaces, with continuously improving process safety, occupational health, and incident prevention.
- Net Zero GHG emissions by 2050, supported by renewable energy expansion, energy efficiency, and scope 3 engagement.
- Water-neutral manufacturing through maximum recycling, rainwater harvesting, and API-safe effluent management.
- Circular waste management with hazardous waste minimisation, solvent recovery, and responsible disposal.
- A diverse, capable, and fairly compensated workforce with zero tolerance for discrimination or human rights violations.
- A transparent, ethics-driven governance model with strong anti-corruption controls and accountability mechanisms.
- A sustainable supply chain where all critical suppliers are screened, audited, and continuously improved.



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5 ABOUT THE COMPANY

5.1 Corporate Profile

Established in 2009, Exemed Pharmaceuticals has evolved over 17 years into a trusted name in the global pharmaceutical manufacturing landscape. Headquartered in Vadodara, Gujarat, India, the Company specialises in large-scale, high-quality manufacturing of Active Pharmaceutical Ingredients (APIs), specialised intermediates, finished formulations, and specialty chemicals. Operations are supported by a sister concern, Oneiro Lifecare Pvt. Ltd., and subsidiary operations in Vapi, creating a resilient corporate network. The Company's GST Registration Number is 24AACFE6957A1ZQ.

5.2 Operational Footprint

Parameter	Details
Primary Site	Block No. 628 A/B, ECP Canal Road, Village-Luna, Ta-Padra, Dist-Vadodara, Gujarat – 391440
Corporate Head Office	ABS Tower, 1st Floor, Old Padra Road, Vadodara – 390007, Gujarat, India
Subsidiary Site	Vapi, Gujarat, India (Exemed Pharmaceuticals, Vapi)
Total Land Area	16,553 sq. m.
Built-up Area	8,902 sq. m. (production plants, utility, ETP, boiler house, QC & admin buildings)
Green Areas / Gardens	6,500 sq. m. (~39% of total land — dedicated biodiversity and green space)
Parking Area	1,151 sq. m.
Effluent Treatment Plant	On-site ETP for wastewater treatment and water recycling
Key Equipment	SS & GL Reactors, RCVD, FBD, Centrifuges — all with VFDs for energy optimisation

5.3 Product Portfolio

Exemed's diversified product portfolio addresses critical therapeutic areas:

Product	Therapeutic Area / Use	Market
Metformin HCl	Type 2 Diabetes	Domestic & Export
Allopurinol	Gout / Kidney Stones	Domestic & Export
Dextromethorphan Base/HBr	Antitussive (Cough Suppressant)	Domestic & Export
Metoprolol Succinate	Hypertension / Heart Conditions	Domestic & Export
Specialty Intermediates	Pharma Process Chemistry	B2B Export
Finished Formulations	Multiple Therapeutic Areas	Domestic & Selected Export

5.3 EXEMED'S DIVERSIFIED PRODUCT PORTFOLIO: ADDRESSING CRITICAL THERAPEUTIC AREAS

The infographic details the following products and their market reach:

- METFORMIN HCL:** Therapeutic Area: TYPE 2 DIABETES. Market: D&E (Domestic & Export).
- ALLOPURINOL:** Therapeutic Area: GOUT / KIDNEY STONES. Market: D&E (Domestic & Export).
- DEXTROMETHORPHAN BASE/HBR:** Therapeutic Area: ANTITUSSIVE (COUGH SUPPRESSANT). Market: D&E (Domestic & Export).
- METOPROLOL SUCCINATE:** Therapeutic Area: HYPERTENSION / HEART CONDITIONS. Market: D&E (Domestic & Export).
- 5. SPECIALTY INTERMEDIATES:** AREA: PHARMA PROCESS CHEMISTRY. Market: B2B EXPORT.
- 6. FINISHED FORMULATIONS:** MULTIPLE THERAPEUTIC AREAS. Market: DOMESTIC & SELECTED EXPORT.

D&E = DOMESTIC & EXPORT

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5.4 Customer Profile

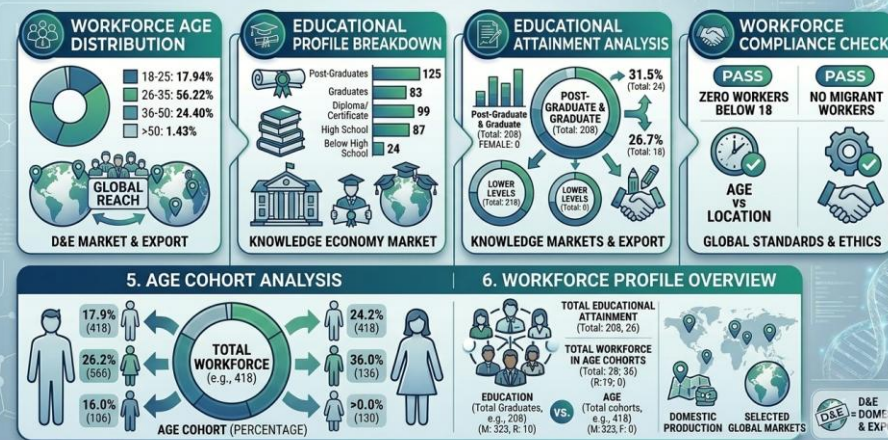
Category	Count	Notes
Major Customers (>10% revenue each)	10	Global pharmaceutical buyers across regulated markets
Regular Domestic Customers	12	Indian pharmaceutical formulators and distributors
Export Customers	10	US, EU, Japan, and other regulated-market buyers

5.5 Human Capital

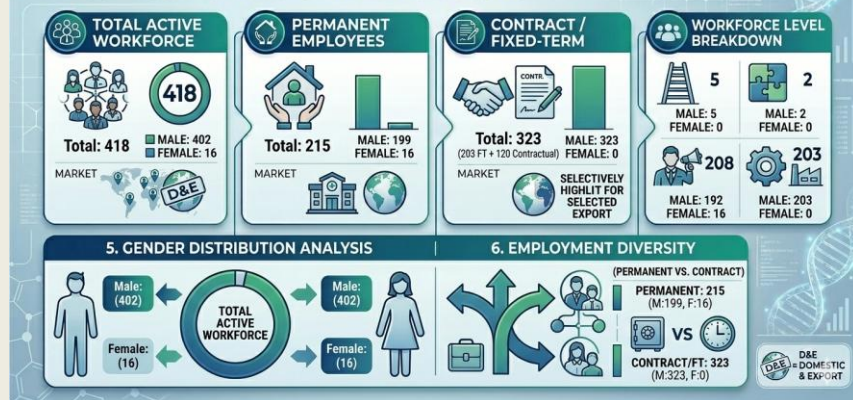
Category	Total	Male	Female
Total Active Workforce	418	402	16
Permanent Employees	215	199	16
Contract / Fixed-Term	323 (203 FT + 120 Contractual)	323	0
Senior Management	5	5	0
Middle Management	2	2	0
Supervisory Level	208	192	16
Worker Level	203	203	0

Age distribution: 17.94% (18-25), 56.22% (26-35), 24.40% (36-50), 1.43% (>50). Educational profile: 125 Post-Graduates, 83 Graduates, 99 Diploma/Certificate, 87 High School, 24 Below High School. No migrant workers, no workers below 18 years of age.

5.6 EXEMED WORKFORCE DEMOGRAPHICS: AGE DISTRIBUTION, EDUCATION, AND COMPLIANCE



5.5 EXEMED'S HUMAN CAPITAL: DIVERSIFIED WORKFORCE COMPOSITION AND GENDER DISTRIBUTION



5.6 Global Certifications & Regulatory Approvals

Certification / Approval	Issuing Body	Certificate No.	Valid Until	Scope
ISO 14001:2015	OSS Certification Services Pvt. Ltd.	NS66921223	24 Dec 2026	Mfg. & Supply of APIs & Intermediates
ISO 45001:2018	OSS Certification Services Pvt. Ltd.	NS66931223	24 Dec 2026	Mfg. & Supply of APIs & Intermediates
ISO 27001:2022	OSS Certification Services Pvt. Ltd.	NS66941223	24 Dec 2026	Mfg. & Supply of APIs & Intermediates

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ISO 26000:2010	Self-Declaration	—	Ongoing	Social Responsibility
US FDA	US Food & Drug Administration	—	Ongoing	Pharmaceutical Manufacturing
EU GMP	European Regulatory Authority	—	Ongoing	API & Formulations
EDQM	European Directorate for QoMedicines	—	Ongoing	Pharmacopoeia Standards
SBTi Commitment	Science Based Targets initiative	Active	21 Mar 2033	GHG Emissions Reduction

5.7 Business Model & Value Chain

Exemed operates an integrated business model encompassing ethical sourcing, efficient API and formulation manufacturing, stringent quality control, and responsible logistics. Core processes centre on API synthesis and formulation production; support processes include HR, utility management, ETP, and maintenance; and management processes span QA, Finance, Purchase, and Marketing. The Company's Pharma Cloud ERP system integrates production, quality, HR, and environmental data in real time.

5.8 EcoVadis Score Profile (Current Targets/Ongoing)

EcoVadis Theme	Current Target Score	Industry Benchmark	Status
Environment	68	Pharma sector median ~50-55	Strong
Labour & Human Rights	67	Pharma sector median ~48-53	Strong
Ethics	70	Pharma sector median ~47-52	Strong
Sustainable Procurement	64	Pharma sector median ~40-45	Strong



GLOBAL CERTIFICATIONS & REGULATORY APPROVALS

Our certifications and regulatory approvals reflect our commitment to quality, safety, sustainability and responsible business practices.



CERTIFICATION / APPROVAL	ISSUING BODY	CERTIFICATE NO.	VALID UNTIL	SCOPE
ISO 14001:2015	OSS Certification Services Pvt. Ltd.	NS66921223	24 Dec 2026	Mfg. & Supply of APIs & Intermediates
ISO 45001:2018	OSS Certification Services Pvt. Ltd.	NS66931223	24 Dec 2026	Mfg. & Supply of APIs & Intermediates
ISO 27001:2022	OSS Certification Services Pvt. Ltd.	NS66941223	24 Dec 2026	Mfg. & Supply of APIs & Intermediates
ISO 26000:2010	Self-Declaration	—	Ongoing	Social Responsibility
US FDA	US Food & Drug Administration	—	Ongoing	Pharmaceutical Manufacturing
EU GMP	European Regulatory Authority	—	Ongoing	API & Formulations
EDQM	European Directorate for QoMedicines	—	Ongoing	Pharmacopoeia Standards
SBTi Commitment	Science Based Targets initiative	Active	21 Mar 2033	GHG Emissions Reduction

QUALITY & SAFETY
Upholding the highest standards across our operations.

ENVIRONMENTAL STEWARDSHIP
Driving sustainable practices for a healthier planet.

SOCIAL RESPONSIBILITY
Creating positive impact for people and communities.

ETHICAL & TRANSPARENT
Committed to integrity, compliance and good governance.



These certifications and approvals reinforce our purpose of **Advancing Health. Protecting Tomorrow.**






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7 MATERIALITY ASSESSMENT

7.1 Purpose and Context

For a pharmaceutical manufacturer operating across APIs, formulations, and specialty chemicals, materiality must be assessed not only by the importance of issues to the business, but also by the Company's impacts on people, health systems, workers, communities, and the environment. Exemed's prior sustainability disclosures already identify energy, emissions, water, effluents and waste, occupational health and safety, anti-corruption, employment, local communities, and customer health and safety among its key material topics — providing a strong starting point for a more mature, structured assessment aligned with GRI 3: Material Topics 2021.

7.2 Methodology — Double Materiality Perspective

Exemed Pharmaceuticals has adopted a Double Materiality approach to identify and prioritise the ESG issues that matter most. This methodology recognises that materiality operates on two axes:

- **Impact Materiality (Inside-Out):** How Exemed's operations, products, and value chain impact the economy, environment, and people — including GHG emissions, water use, hazardous waste, occupational exposure, and supply-chain labour practices.
- **Financial Materiality (Outside-In):** How sustainability issues impact Exemed's financial performance, market access, customer approval status, operating cost, and enterprise resilience — including climate regulation, water scarcity, quality compliance, and ethics risks.

Assessment Process — Five Phases

Phase	Activity	Tools & Sources Used
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1 — Identification	Long-list of ESG topics from GRI standards, EcoVadis themes, pharma-sector risk factors, internal KPIs, policy documents	GRI Topic Standards, EcoVadis Questionnaire, Internal KPI files
2 — Stakeholder Screening	Topics screened against operating reality using Environmental, HR, Safety, Procurement, Governance, and Ethics source data	KPI files, Data Gathering Form, Ethics Manual
3 — Stakeholder Input	Stakeholder concerns inferred from customer requirements, employee management needs, regulatory expectations, supplier engagement	Procurement KPIs, HR/Social KPIs, Safety KPIs
4 — Impact & Risk Scoring	Each topic rated 1–5 on Impact Significance and Business Significance axes	Risk register, operational data, EcoVadis questionnaire
5 — Validation	Sustainability Committee validates final prioritisation before disclosure	Management review minutes, EHS policy

7.3 Topic Universe

The ESG topic universe for Exemed includes, at minimum, the following themes:

- Product quality and patient safety
- Regulatory compliance and GMP integrity
- Business ethics, anti-corruption, and whistleblower protection
- Occupational health and safety, including process safety
- Energy management and climate emissions (Scope 1, 2, 3)
- Water stewardship and effluent management
- Hazardous and non-hazardous waste management
- Responsible sourcing and supplier ESG oversight
- Human rights, fair labour, and non-discrimination

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- Employee capability, wellbeing, and retention
- Diversity, equity, and inclusion
- Data privacy and cybersecurity (ISO 27001)
- Community engagement and social impact / CSR
- Innovation, resource efficiency, and green chemistry
- Climate risk and business resilience

7.4 Indicative Materiality Matrix

The table below presents the indicative double-materiality scoring for each topic. Impact Significance considers scale, scope, severity, and remediability; Business Significance considers regulatory exposure, customer scrutiny, operating cost, supply continuity, capital need, and reputational effect. Topics scoring Very High on both axes form the strategic imperative tier.

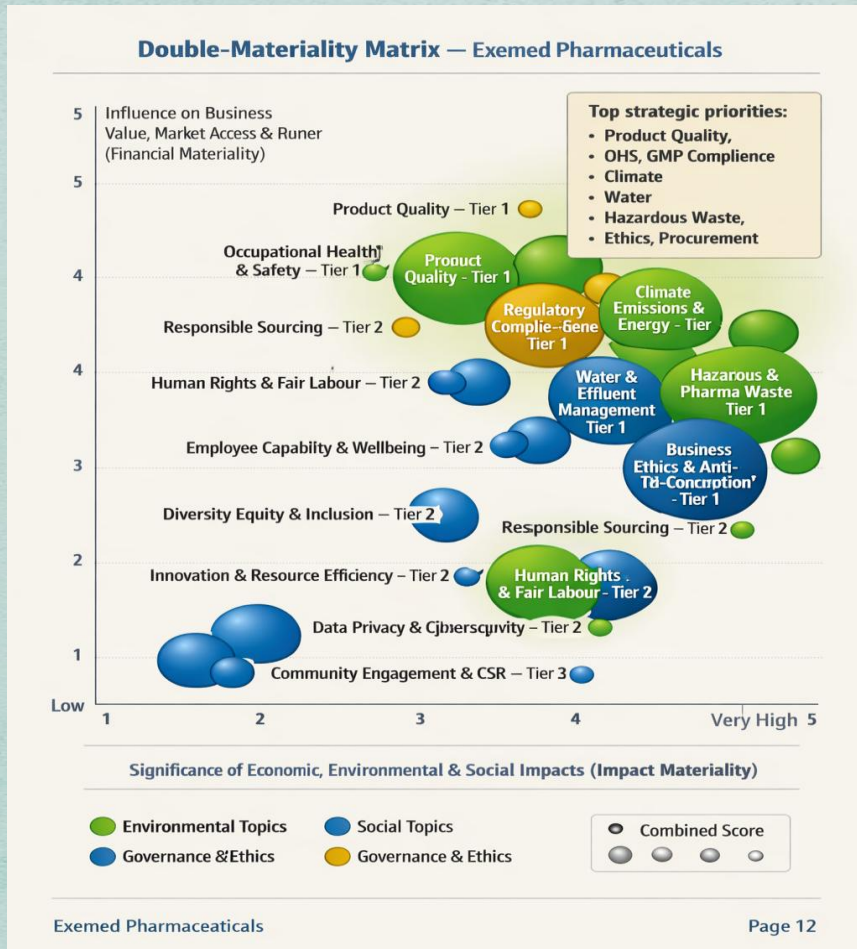
Material Topic	Impact Significance	Business Significance	Priority Tier	Key Rationale
Product Quality & Patient Safety	Very High	Very High	Tier 1 — Strategic Imperative	Core to pharma trust, license to operate, customer retention
Regulatory Compliance & GMP	High	Very High	Tier 1 — Strategic Imperative	Central to market access, audit readiness, US FDA / EU GMP
Occupational Health & Safety	Very High	High	Tier 1 — Strategic Imperative	Critical due to chemical handling, confined space, fire risks
Climate Emissions & Energy	High	High	Tier 1 — Strategic Imperative	Operating cost, decarbonisation pressure, EcoVadis scoring
Water & Effluent Management	Very High	High	Tier 1 — Strategic Imperative	Process-intensive Gujarat manufacturing,

				water-stressed region
Hazardous & Pharma Waste	Very High	High	Tier 1 — Strategic Imperative	2,455 MT generated in FY25-26; disposal compliance & cost
Business Ethics & Anti-Corruption	High	Very High	Tier 1 — Strategic Imperative	EcoVadis Ethics score 70; FCPA, OECD Convention alignment
Responsible Sourcing	High	High	Tier 2 — Operational Focus	Supplier reliability, ESG audits, customer due diligence
Human Rights & Fair Labour	High	High	Tier 2 — Operational Focus	Workforce dignity, customer audits, SA8000 readiness
Employee Capability & Wellbeing	Medium	High	Tier 2 — Operational Focus	Talent retention, safety culture, operational excellence
Diversity, Equity & Inclusion	Medium	Medium	Tier 2 — Operational Focus	Gender diversity improvement needed; social license
Data Privacy & Cybersecurity	Medium	High	Tier 2 — Operational Focus	ISO 27001 certified; digital continuity, trust
Community Engagement & CSR	Medium	Medium	Tier 3 — Monitor & Grow	Local license to operate; CSR obligations
Innovation & Resource Efficiency	Medium	High	Tier 2 — Operational Focus	Cost competitiveness, lower environmental intensity

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Climate Risk & Business Resilience	Medium	High	Tier 2 — Operational Focus	Physical & transition risks; insurance, capex implications
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7.5 Visual — Materiality Matrix



7.6 Most Material Issues for FY 2025–26

Based on the internal KPI pack and Exemed's public positioning, the highest-priority disclosure topics for this reporting cycle are: (1) Product quality and regulatory compliance; (2) Occupational health and safety; (3) Climate, energy, and GHG emissions; (4) Water stewardship and effluent management; (5) Hazardous waste management; (6) Business ethics and anti-corruption; (7) Responsible procurement; and (8) Human capital development and wellbeing. These topics are directly supported by available source evidence and are strongly aligned with EcoVadis, GRI, and customer due-diligence expectations.



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8 STAKEHOLDER ENGAGEMENT

8.1 Engagement Philosophy

Stakeholder engagement is a foundational element of credible sustainability reporting. For Exemed, stakeholder responsiveness is especially important because the Company serves regulated pharmaceutical markets, operates chemically intensive manufacturing facilities in Gujarat, and manages impacts spanning employees, suppliers, customers, regulators, and communities. Exemed's engagement model is aligned with ISO 26000 guidance on social responsibility and the Company's internal Social Policy. The approach distinguishes between continuous engagement (audits, complaints, supervision, incidents) and periodic engagement (annual surveys, materiality reviews, performance assessments, stakeholder mapping updates).

8.2 Stakeholder Categories and Engagement Framework

Stakeholder Group	Key Interests / Expectations	Engagement Methods	Frequency	Company Response
Employees & Supervisors	Safe work, fair pay, training, inclusion, grievance handling, career development	Monthly management meetings, team briefings, notice boards, training sessions, suggestion boxes	Continuous / Monthly	Zero fatality & LTIFR outcomes; 8,773 safety training hours; human rights & equality training; medical insurance coverage
Contract Workers	Safe onboarding, supervision, emergency	Contractor safety induction, OHS system inclusion,	Continuous	ISO 45001-governed contractor safety management;

	readiness, fair treatment	emergency drills		emergency mock drills; LOTO and confined space controls
Customers & Regulated-Market Partners	Product quality, GMP compliance, reliable supply, ESG credibility, EcoVadis alignment	Customer audits, quality reviews, feedback surveys, product capability presentations, ESG disclosures	Continuous / Periodic	Regulated-market certifications (US FDA, EU GMP, EDQM); EcoVadis participation; sustainability reporting
Suppliers & Business Partners	Fair procurement, clear contractual terms, supplier development, ethical conduct	Annual supplier assessments, on-site audits, Supplier Code of Conduct, sustainability clauses	Annual / Periodic	63 suppliers signed Code of Conduct; 105 contracts with sustainability clauses; 5 on-site audits conducted
Regulatory Bodies & Certification Bodies	Compliance with environmental, health, safety, and pharmaceutical regulations	Statutory reporting, regulatory inspections, certification audits, permit renewals	As required / Annual	ISO 14001, 45001, 27001 certifications; consent to operate valid to June 2026; water permission valid to Jan 2027
Local Communities	Environmental protection, employment, local development, health programmes	Community health camps, education support, blood donation drives,	Periodic / Annual	CSR health and education programmes; medical camps and community

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		grievance mechanisms		engagement initiatives
Top Management & Board	Financial performance, risk management, strategic growth, ESG integration, reputation	Monthly Integrated Management Reviews, quarterly safety reviews, strategic board meetings	Monthly / Quarterly	Sustainability Committee with COO, EHS Manager, and Compliance Officer; annual ESG review
Financial Institutions & Investors	ESG transparency, credit risk, regulatory compliance, long-term resilience	Annual sustainability report, ESG disclosures, third-party verification	Annual	GRI-aligned reporting; independent verification by J P Consulting; EcoVadis rating participation

8.3 Key Stakeholder Concerns and Management Responses

Customer Demand for ESG Transparency

In response to growing inquiries from international pharmaceutical buyers regarding Exemed's sustainability footprint, the Company has accelerated its EcoVadis assessment efforts, integrated ISO 14001:2015 and ISO 45001:2018 certifications into core operations, and committed to annual GRI-aligned sustainability reporting with independent verification. Target EcoVadis scores of 75–85 across all four themes reflect a deliberate strategy to meet the procurement ESG expectations of multinational pharma buyers.

Workforce Safety and Wellbeing

Following internal dialogues regarding operational hazards — including fire, chemical spill, and confined space risks — Exemed has invested significantly in advanced safety infrastructure: online earth monitoring systems, static dissipation systems, flame arrestors, fire hydrant networks, SCBA sets, and LEL meters. The result in FY 2025–26 is a zero-incident, zero-fatality outcome with 8,773 man-hours of safety training.

Supplier Expectations and ESG Alignment

Suppliers have requested clearer contractual ESG expectations and a transparent audit process. Exemed has responded by formalising a Supplier Code of Conduct, embedding sustainability clauses in 105 contracts, conducting 5 on-site supplier sustainability audits, and creating a corrective-action engagement pathway for non-conforming suppliers.

Community Relations

Acknowledging its impact on communities surrounding the Luna facility, Exemed has initiated community education support, health and medical camps, and blood donation drives. The Company maintains accessible communication channels for local communities to report concerns, ensuring prompt and impartial investigation. Zero community or environmental complaints were recorded in FY 2025–26.

8.4 Engagement Outcomes — How Input Shapes Decisions

Strong examples of stakeholder input translating directly into management action include:

- Improved safety training content and frequency based on near-miss learning (96 near misses reported and closed in FY 2025–26)
- Strengthened supplier sustainability clauses in response to customer ESG due-diligence requirements
- Increased solar energy investment and water reuse targets based on environmental performance reviews

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- Expansion of ethics training and anti-bribery awareness following governance gap reviews
- Introduction of additional contractor OHS induction protocols following periodic safety committee reviews

8.5 Grievance Mechanisms

Exemed maintains the following formal channels for stakeholder grievance reporting: (1) Email: info@exemedpharma.com (accessible to employees, suppliers, and external parties); (2) Dedicated telephone lines: +91-9662536756 / +91-9662536757 (to Sustainability Committee); (3) Anonymous reporting encouraged under the Whistleblower Policy with strict anti-retaliation protection. All reported concerns are investigated promptly and impartially. Zero ethics complaints, zero data privacy complaints, zero discrimination complaints, and zero harassment incidents were recorded in FY 2025-26.

8.6 Future Engagement Enhancements

- Formalise a stakeholder engagement register classifying all groups by influence, impact exposure, and minimum engagement frequency
- Implement structured employee satisfaction / ESG perception surveys (annual) to quantify workforce engagement scores
- Develop a formal community advisory panel with external experts, for the Luna facility to institutionalise local stakeholder dialogue (Currently we have an internal advisory panel)
- Publish a Supplier Engagement Report or scorecard to communicate supplier ESG performance trends
- Conduct structured customer ESG satisfaction interviews annually to identify gaps in disclosure maturity



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9 ESG GOVERNANCE

9.1 Governance as a Strategic Enabler

For a pharmaceutical manufacturer, ESG governance is not limited to board protocol or reporting discipline — it is the system through which quality, compliance, ethics, environment, safety, labour, and stakeholder accountability are integrated into operating decisions. Exemed's governance philosophy is founded on integrity, accountability, professionalism, transparency, compliance, and customer satisfaction — themes explicitly reflected in the Company's public governance narrative and consistent with its regulated-market business profile, ethics manual, and code-based conduct expectations. The Company operates under the framework of the Indian Companies Act, 2013.

9.2 Governance Structure

Exemed's governance structure integrates sustainability oversight across business strategy, environmental management, human resources, supply-chain decisions, information security, and ethics management. This integrated approach is essential because the Company's material issues span both operational impacts (wastewater, hazardous waste, energy) and governance-sensitive issues (anti-bribery, product quality, data privacy). The highest level of ESG accountability rests with the founding directors and the executive Top Management team.

Sustainability Committee

Role	Name / Designation	Responsibilities
Chief Operating Officer (COO) — Committee Member	Pranav Patel	Strategic oversight of EHS & Sustainability; ESG risk management; capital allocation for sustainability projects
EHS & Sustainability	Tejas Pathak	Environment, Health & Safety operations; KPI monitoring;

Manager — Committee Member		EcoVadis management; ISO 14001 / 45001 / 27001 focal point
Compliance Officer & Operations Head	Hitendra Patel (HMPATEL)	Operations compliance; regulatory liaison; internal controls; policy implementation
HR Manager	Vishmit Patel	Workforce ESG (training, diversity, wellbeing, human rights); SA8000 readiness
Purchase Manager	Sandip Mevada	Sustainable procurement; supplier code of conduct; supplier ESG screening
Quality Manager	Amritansh Singh	Product quality governance; GMP compliance; pharmacovigilance; customer quality assurance

Crisis Response Team (CRT)

Exemed has established a Crisis Response Team (CRT), sponsored by the Sustainability Committee, to provide rapid strategic-level responses to sudden events threatening the Company's human, intellectual, financial, or physical assets. CRT Members: Tejas Pathak (EHS Manager), Anil Dhameliya, and Vishmit Patel. The CRT operates with pre-defined emergency response protocols, activation criteria, and escalation paths.

9.3 ESG Risk Management

Climate change risks, social risks, and broader ESG opportunities are assessed at least annually as part of Exemed's overall risk management process. Single-point accountability for this risk matrix resides with the Sustainability Committee. Results are presented to the Directors and are integrated into the annual strategic planning process. The internal capital approval process explicitly includes consideration of environmental and social impacts of carbon emissions and water usage through rigorous EHS reviews for any new project.

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Risk Category	Specific Risk	Risk Level	Current Controls
Quality Risks	Product defect, batch failure, recall	High	Pharma Cloud QMS, HPLC & GC testing, batch documentation
Environmental Risks	Water overuse, hazardous waste non-compliance, air emissions	High	ISO 14001 EMS, ETP, environmental monitoring, compliance tracking
OHS Risks — Spillage	Chemical spill, tank overflow	Low	Spillage control kits, sand buckets, dykes, level indicators, supervisory control
OHS Risks — Fire	Fire, explosion	Medium	Hot work permit, earth monitoring, flame arrestors, fire hydrant, foam monitors, fire fighters
OHS Risks — Confined Space	Oxygen depletion, asphyxiation	Medium	Confined space permit, LOTO, LEL meter, SCBA sets, airline breathing, rescue team
Legal & Compliance Risks	Regulatory non-compliance, licence loss	High	ISO certifications, regulatory audits, legal register, consent to operate
Reputational Risks	Negative ESG perception, product safety event	Medium	EcoVadis rating, sustainability reporting, crisis communications plan
Financial Risks	Cost overrun, supply disruption	High	Budget monitoring, supplier diversification, insurance
Supply Chain Risks	Supplier non-compliance, raw material quality	Medium	Supplier Code of Conduct, ESG screening, on-site audits
IT & Data Risks	Cyberattack, data breach, system failure	Medium	ISO 27001:2022 ISMS, access controls, cybersecurity training, incident response

9.4 Management Systems Integration — Integrated Management System (IMS)

Exemed's governance framework is operationalised through an Integrated Management System (IMS) covering ISO 14001:2015 (Environment), ISO 45001:2018 (Occupational Health & Safety), and ISO 27001:2022 (Information Security). All three certificates are issued by OSS Certification Services Pvt. Ltd. and remain valid until 24 December 2026.

Review Type	Frequency	Topics Covered
Integrated Management Review	Monthly	Quality, EHS, ISO compliance, KPI performance, corrective actions
Safety Review	Quarterly	OHS performance, near-miss review, incident trends, contractor safety
Environmental Review	Bi-annual	ISO 14001 objectives, energy/water/waste KPIs, regulatory compliance
ESG / Sustainability Committee Review	Annual	Full ESG performance, EcoVadis readiness, GRI disclosures, stakeholder input
Internal Audit	Annual	Document control, corrective actions, risk management, supplier management
External Certification Audit	Annual / Triennial	ISO 14001, 45001, 27001 surveillance and recertification

9.5 ESG Accountability and Internal Controls

Exemed maintains the following internal control mechanisms to ensure ESG governance integrity: (1) Documented KPI ownership — each ESG metric has a named department owner responsible for data quality and accuracy; (2) Evidence retention — supporting documents for all ESG claims are retained and available for auditor review; (3) Exception tracking — deviations from targets are recorded, root-caused, and assigned corrective actions; (4) Disclosure governance — all data in this report have been reviewed by department heads and the Sustainability

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Committee before publication; (5) Independent verification — M/s J P Consulting provides annual third-party verification of ESG KPI accuracy.

9.6 Whistleblower Mechanism

Exemed's Whistleblower Policy establishes formal channels for reporting concerns regarding ethical misconduct, bribery, accounting irregularities, harassment, or any other violation of the Code of Conduct. Reporting is available via: (1) Email: info@exemedpharma.com; (2) Dedicated telephone lines: +91-9662536756 / +91-9662536757 (direct to Sustainability Committee). The policy expressly prohibits retaliation against anyone who reports an incident in good faith. Zero whistleblower complaints and zero instances of retaliation were recorded in FY 2025–26.

9.7 Board-Level ESG Oversight — Future Enhancement/Improvements

To further elevate governance maturity to EcoVadis Gold/Platinum level and GRI best practice, Exemed shall formalise a documented ESG Governance Charter with: (1) Explicit board-level responsibility for climate risk; (2) Defined and improved Sustainability Committee terms of reference, meeting cadence, quorum, and minutes; (3) Formal linkage between ESG performance and executive compensation or performance review; (4) Annual improved ESG risk assessment with board sign-off; (5) Periodic external ESG advisory input. These enhancements would distinguish Exemed's governance maturity from peers and significantly strengthen EcoVadis Ethics and Environment scores.

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10 ETHICS & COMPLIANCE

10.1 Ethical Business Culture and Foundation

Integrity is the cornerstone of Exemed Pharmaceuticals. The Company operates in a highly regulated global pharmaceutical landscape where trust is paramount. Exemed's corporate values — Trust, Adaptability, Speed, and Innovation — provide the common framework for all decisions, actions, and behaviours across the organisation. The Company's EcoVadis Ethics Score of 70 reflects a strong position within the pharmaceutical industry benchmark and demonstrates the depth of its commitment to ethical business conduct.

The ethics and compliance framework is governed by the comprehensive Ethics and Compliance Policies Manual, which covers anti-corruption, anti-bribery, conflicts of interest, gifts and hospitality, political contributions, confidentiality, data privacy, whistleblower protection, code of conduct, human rights, and fair labour practices. All policies are reviewed periodically and are made available to all employees.

10.2 Anti-Corruption and Anti-Bribery Framework

Complying with anti-corruption and anti-bribery laws — including those based on the OECD Convention, the US Foreign Corrupt Practices Act (FCPA), and the UK Bribery Act — is critical to Exemed's global pharmaceutical operations. The Company's Anti-Corruption Policy expressly prohibits the offer, promise, authorisation, or payment of anything of value to any government official or private entity to obtain an improper business advantage.

Policy Area	Exemed's Commitment	Evidence / Control
Facilitation Payments	Strictly prohibited — so-called "grease payments" to expedite routine government action are	Anti-Corruption Policy; Ethics Manual; Code of Conduct

	not permitted under any circumstance	
Gifts & Hospitality	All gifts must be reasonable, infrequent, directly related to a legitimate business purpose, and accurately recorded in Company books; gifts of cash or cash equivalents are prohibited	Gifts & Hospitality Policy; manager approval process
Political Contributions	Use of Company funds for political parties, campaign committees, or candidates is prohibited unless strictly permitted by applicable law and explicitly approved by the Sustainability Committee	Ethics Manual; zero political contributions in FY 2025-26
Third-Party Risk	All agents, intermediaries, and business partners are screened for ethics and anti-corruption compliance before engagement	Supplier Code of Conduct; third-party due diligence process
Training & Awareness	Annual anti-bribery and anti-corruption training for all employees with formal acknowledgement	KPI: 100% of employees trained on ethics; zero complaints
Incident Tracking	Zero corruption, bribery, or ethical misconduct complaints or confirmed incidents in FY 2025-26	Ethics KPI file; zero incidents recorded

10.3 Code of Conduct

Exemed's Employee Code of Conduct (Document No. HRPCC0300, version March 2022) establishes the behavioural expectations for all employees and contractors across the organisation. The Code covers: professional conduct and workplace behaviour; conflicts of interest and related-party transactions; protection of Company assets and confidential information; compliance with all applicable laws and regulations; responsible use of digital systems and social media; and reporting obligations for observed violations.

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All new employees receive the Code of Conduct during induction training and are required to formally acknowledge acceptance. The Code is reviewed and reissued as required. Compliance is monitored through the whistleblower mechanism, annual training, and management oversight processes.

10.4 Human Rights Policy

Exemed's Human Rights Policy is aligned with the Universal Declaration of Human Rights (UDHR) and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. The Company maintains a strict zero-tolerance policy for harassment of any kind — physical, verbal, psychological, or sexual — and is committed to providing a trusting workplace free from discrimination, forced labour, and child labour.

	formal complaint and investigation process	
Minimum Wage Compliance	All employees paid at or above statutory minimum wage; overtime at double the regular rate	Minimum wage: ₹500/day; overtime premium: gross double payment
Working Hours	Normal: 48 hours/week; maximum overtime: 54 hours/month; consistent with Factories Act requirements	Compliant with legal working hours requirements

Human Rights Commitment	Policy Position	FY 2025-26 Status
Prohibition of Child Labour	Minimum employment age: 18 years; birth certificate and school leaving certificate verification at recruitment	Zero workers below 18 years of age
Prohibition of Forced Labour	No forced, bonded, or compulsory labour; freedom of movement guaranteed; identity documents retained only with employee consent	Zero forced labour incidents
Freedom of Association	Workers have the right to organise; worker representatives in place; grievance mechanisms accessible	No trade union; worker representatives in place
Non-Discrimination	Zero tolerance for discrimination based on gender, religion, caste, nationality, disability, or age	Zero discrimination incidents in FY 2025-26
Anti-Harassment	Zero tolerance for all forms of workplace harassment;	Zero harassment complaints in FY 2025-26

Human Rights Policy

Aligned with UDHR and ILO principles

Exemed's Human Rights Policy follows the UDHR and ILO principles. The Company enforces zero tolerance for harassment, discrimination, forced labour, and child labour. Recruitment verification and accessible grievance mechanisms support a trusting workplace.



Human Rights Commitment	Policy Position	FY 2025-26 Status
Prohibition of Child Labour	Minimum employment age 18	Zero workers below 18 years of age
Prohibition of Forced Labour	No forced, bonded, or compulsory labour	Xero forced labour incidents
Freedom of Association	Right to organise; worker representatives	No trade union; worker reps in place
Non-Discrimination	Zero discrimination by gender, religion, caste, etc.	Zero discrimination incidents
Anti-Harassment	Zero tolerance for all harassment	Zero harassment compliants
Minimum Wage Compliance	Paid at or above statutory minimum wage	Minimum wage: ₹500/day
Working Hours	48 hrs/week, max 54 hrs/month	Compliant with legal limits

Recruitment verification: birth certificate & school leaving certificate.

Minimum wage ₹500/day

Working hours compliant

Grievance mechanism active

Identity document consent



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10.5 Compliance Management System

Exemed's compliance management system integrates legal register tracking, permit management, and regulatory compliance monitoring across environmental, health and safety, labour, pharmaceutical, and information security domains. Key compliance permits and their validity:

Legal Requirement	Applicability	Status	Valid Until / Renewal
Consent to Operate (CTO)	Environmental — Gujarat Pollution Control Board	Compliant	30 June 2026
Water Abstraction Permission	Ground water withdrawal authorisation	Compliant	31 January 2027
Hazardous Waste Management Authorisation	Hazardous waste handling & disposal	Compliant	30 Jun 2026
Factory Licence	Under the Factories Act, 1948	Compliant	31 December 2027
ISO 14001:2015 Certification	Environmental Management System	Certified	24 December 2026
ISO 45001:2018 Certification	Occupational Health & Safety	Certified	24 December 2026
ISO 27001:2022 Certification	Information Security Management	Certified	24 December 2026
US FDA Compliance	Pharmaceutical manufacturing for US market	Compliant / Approved	Ongoing
EU GMP Compliance	Pharmaceutical manufacturing for EU market	Compliant / Approved	Ongoing

10.6 Data Privacy and Cybersecurity

In an era of increasing digitalisation within the healthcare sector, protecting stakeholder data is critical. Guided by the ISO 27001:2022 Information Security Management System (Certificate No. NS66941223,

valid until 24 December 2026), Exemed is committed to leveraging data as an enterprise asset while mitigating the risks of data breaches or misuse. The Company complies with all applicable data privacy laws regarding the collection, processing, and transfer of personal and confidential information.

Information Security Control Area	Exemed's Approach	FY 2025-26 Performance
Information Security Policy	Formal IS policy aligned with ISO 27001:2022; reviewed annually	Policy in place; ISO 27001 certified
Access Control & Authentication	Role-based access controls on Pharma Cloud ERP and HRMS; privileged access management	Controls implemented across systems
Data Classification	Confidentiality, integrity, and availability (CIA) classification for all information assets	Framework in place
Cybersecurity Training	Annual cybersecurity awareness training for all employees	Training target met; zero incidents
Incident Response	Formal IS incident management procedure; CRT activation for critical breaches	Zero data privacy complaints in FY 2025-26
Third-Party Data Handling	Contractual data protection requirements for suppliers and service providers	Included in supplier contracts
Business Continuity	IT continuity and disaster recovery procedures documented	Pharma Cloud ERP with backup and recovery

FY 2025-26 Result: Zero data privacy complaints. Zero cybersecurity incidents reported.

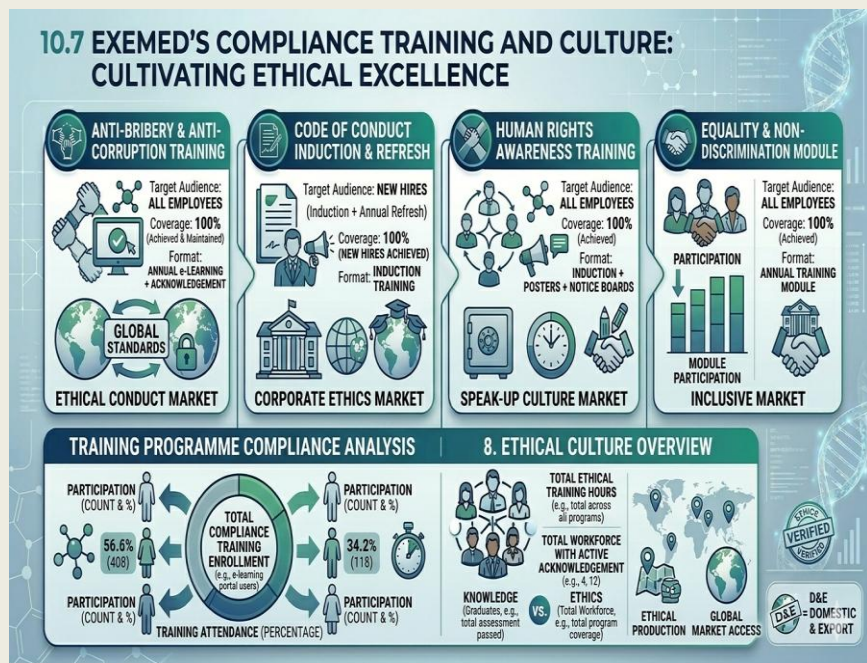
10.7 Compliance Training and Culture

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Training Programme	Target Audience	FY 2025-26 Coverage	Format
Anti-Bribery & Anti-Corruption	All Employees	100%	Annual e-learning + acknowledgement
Code of Conduct	All Employees (Induction + Annual refresh)	100% new hires	Induction training
Human Rights Awareness	All Employees	100%	Annual training
Data Privacy & Cybersecurity	All Employees	Target met	Annual workshop + assessment
Whistleblower Policy Awareness	All Employees	100%	Induction + posters + notice boards
Equality & Non-Discrimination	All Employees	100%	Annual training module

10.8 Ethics KPI Summary — FY 2025-26

Ethics & Compliance KPI	FY 2025-26 Result	Target	Status
Anti-corruption complaints	0	0	✓ Met
Bribery incidents confirmed	0	0	✓ Met
Data privacy complaints	0	0	✓ Met
Cybersecurity incidents	0	0	✓ Met
Harassment complaints	0	0	✓ Met
Discrimination complaints	0	0	✓ Met
Conflict of interest declarations reviewed for senior managers through interviews	100%	100% in Annual performance review	✓ Met
Employees trained on anti-corruption (%)	100%	100%	✓ Met
Employees trained on data privacy (%)	100%	100%	✓ Met
Employees trained on human rights (%)	100%	100%	✓ Met
EcoVadis Ethics Score	70	≥65	✓ Exceeded



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ETHICS KPI PERFORMANCE FY 2025-26

COMMITTED TO INTEGRITY & COMPLIANCE

	0 Anti-Corruption Complaints	 Met
	0 Bribery Incidents	 Met
	0 Data Privacy Complaints	 Met
	0 Cybersecurity Incidents	 Met
	0 Harassment Cases	 Met
	0 Discrimination Cases	 Met
	100% Conflict of Interest Reviews	 Met
	100% Employees Trained on Ethics	 Met

ECOVADIS ETHICS SCORE

SCORE
70

EXCEEDED TARGET



INTEGRITY



DATA PRIVACY

HUMAN RIGHTS



HUMAN RIGHTS



ETHICAL LEADERSHIP

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11 ENVIRONMENTAL MANAGEMENT

11.1 Environmental Governance and Strategy

Exemed Pharmaceuticals recognises the critical importance of a healthy environment to our global society, economy, and business. The Company has adopted an Environmental, Health and Safety (EHS) Policy aligned with ISO 14001:2015 standards (Certificate No. NS66921223, valid until 24 December 2026, issued by OSS Certification Services Pvt. Ltd.). Environmental governance is embedded in the Integrated Management System (IMS) and is operationally overseen by EHS & Sustainability Manager Mr. Tejas Pathak, under the authority of Plant Head Mr. Hitendra Patel and the Sustainability Committee.

Exemed's environmental vision is to support the transition to a low-carbon economy and achieve Net Zero carbon emissions by 2050, in alignment with the Paris Agreement and the Company's SBTi commitment (submitted March 2025). 100% of operational sites have been assessed for specific environmental risks in FY 2025–26. Zero environmental complaints were received during the reporting period.

11.2 Energy Management and Efficiency

Pharmaceutical API manufacturing is energy-intensive. Exemed focuses intensely on process optimisation, technology upgrades, and fuel-switching to decouple production growth from energy consumption. The Company uses Variable Frequency Drives (VFDs) on all major production equipment, has deployed on-site solar energy generation, and has transitioned its boiler operations entirely to agro-waste briquettes as a bio-fuel, displacing significant diesel and fossil energy consumption.

Energy Parameter	FY 2024-25 Result	FY 2025-26 Target	FY 2025-26 Result	FY 2026-27 Target	Status vs Target
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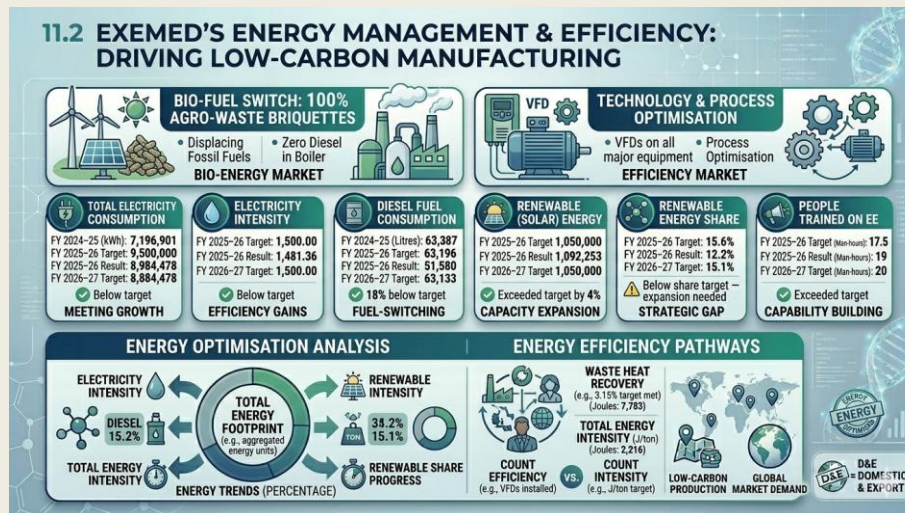
Total Electricity Consumption (kWh)	7,196,901	9,500,000	8,984,478	8,884,478	✅ Below target
Electricity Intensity (kWh/ton production)	—	1,500.00	1,481.36	1,500.00	✅ Below target
Diesel Fuel Consumption (Litres)	63,387	63,196	51,580	63,133	✅ 18% below target
Diesel Intensity (Litres/ton production)	—	11.52	8.50	11.50	✅ Significantly below target
Agro-Waste Briquettes (Bio-Fuel) (% of boiler fuel)	—	100%	100%	100%	✅ Fully achieved
Total Energy Consumption (Joules)	—	9,563,196	9,036,058	9,08,5036	✅ Below target
Total Energy Intensity (J/ton production)	—	1,500.00	1,489.87	1500.00	✅ Below target
Renewable (Solar) Energy Generated (kWh)	—	1,050,000	1,092,253	1,050,000	✅ Exceeded target by 4%
Renewable Energy Share (% of total electricity)	—	15.6%	12.2%	15.1%	⚠️ Below share target — expansion needed
Waste Heat Recovery (% of waste steam recovered)	—	3.12%	3.15%	3.20%	✅ Met target

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People Trained on Energy Efficiency (Man-hours)	—	17.5	19	20	✓ Exceeded target
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Key Energy Insights

Total electricity consumption of 8,984,478 kWh reflects expanded production volumes in FY 2025–26, but remains significantly below the 9.5 million kWh target. The 18% reduction in diesel consumption (from 63,387 to 51,580 litres) alongside 100% bio-fuel substitution in the boiler demonstrates meaningful fuel-switching progress. Solar energy generation of 1,092,253 kWh exceeded the annual target by ~4%, contributing 12.2% of total electricity needs — though the renewable share target of 15.6% was not reached, signalling the need for expanded rooftop or off-site renewable procurement.



11.3 Climate Change and GHG Emissions

Exemed supports the outcomes of the Paris Agreement and is working to align its GHG emission reduction goals with the below-2°C decarbonisation pathway. The Company has submitted a Science Based Targets initiative (SBTi) commitment letter (March 2025, active until 21 March 2033) and has set a Net Zero target by 2050. GHG inventorying covers Scope 1 (direct combustion), Scope 2 (purchased electricity), and Scope 3 (partial upstream categories — 5 upstream categories on a partial basis).

GHG Scope	FY 2025-26 Target	FY 2025-26 Result	FY 2026-27 Target	Commentary
Scope 1 — Direct Emissions (tCO ₂ eq)	200	157.18	150	Diesel combustion + bio-fuel. Well below target; SBTi trajectory maintained
Scope 2 — Indirect Emissions (tCO ₂ eq)	5,500	4,964	4,500	Grid electricity. Below target; renewable energy expansion will drive further reductions
Scope 3 — Upstream (partial basis, tCO ₂ eq)	425,000	408,355.3	400,000	5 upstream categories; methodology disclosure and supplier data quality improvement needed
GHG Emission Intensity (Scope 1+2, tCO ₂ eq/ton production)	1.50	1.25	1.50	Significantly below intensity target — efficiency gains validated

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GHG Training — Internal (Man-hours)	29	30	35	Exceeded internal training target
GHG Training — Stakeholders (Man-hours)	11	11	11	Met stakeholder training target
Revenue (Total Gross Revenue, INR Crore)	185	170	185	Revenue below target; emissions management maintained

Net Zero Roadmap — Indicative Milestones

Timeframe	Target / Milestone	Key Lever
FY 2025–26 (Baseline)	Scope 1: 157 tCO ₂ eq Scope 2: 4,964 tCO ₂ eq Scope 3: 408,355 tCO ₂ eq	Baseline establishment; SBTi commitment
FY 2026–27	Scope 1 ≤150 Scope 2 ≤4,500 Scope 3 ≤400,000	Energy efficiency; diesel reduction; renewable expansion
FY 2028–30	30% reduction in Scope 1+2 vs. baseline	Rooftop solar expansion; boiler fuel optimisation; VFD upgrades
FY 2035	50% reduction in Scope 1+2; enhanced Scope 3 coverage	Green procurement; supplier GHG data; electric mobility
FY 2040	75% reduction; Scope 3 reduction programme formalized	Renewable energy procurement; process redesign; circular economy
FY 2050	Net Zero — all residual emissions offset	Residual offsets via verified carbon programmes; SBTi-aligned

11.4 Water Stewardship

Water is both a critical raw material in API synthesis and a precious natural resource in Gujarat's water-stressed operating context. Exemed promotes sustainable water resource management through a "fit-for-purpose" approach: maximising reuse and recycling, harvesting

rainwater, and treating all wastewater to below regulatory limits before discharge. The primary water source is groundwater (permitted abstraction up to 31 January 2027).

Water Parameter	FY 2024–25 Result	FY 2025–26 Target	FY 2025–26 Result	FY 2026–27 Target	Status
Total Water Consumption (KL)	39,683	36,100	39,579	35,900	⚠ Above target — context: production ramp-up
Water Intensity (KL/ton production)	—	6.59	6.53	6.54	✅ Below intensity target
Rainwater Harvested (KL)	—	2,880	3,020	3,000	✅ Exceeded target by 5%
Water Recycled (KL)	—	9,000	9,770	9,500	✅ Exceeded target by 8.6%
Water Reused (KL)	—	12,000	12,790	12,500	✅ Exceeded target by 6.6%
Total Water Recycled + Reused as % of Consumption	—	~58%	~56.8%	~58%	✅ Strong circular water performance
Water Trained — Employees (Man-hours)	—	10	10	10	✅ Met target
Discharge Intensity (KL/ton production)	—	≤10	6.53	≤10	✅ Well below limit

Effluent Quality — Wastewater Treatment Performance

Wastewater Parameter	Permissible Limit	FY 2025–26 Result	Status

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Total Suspended Solids (TSS) — mg/L	600	62.6	✅ 90% below limit
Chemical Oxygen Demand (COD) — mg/L	2,000	1,136	✅ 43% below limit
Biological Oxygen Demand (BOD) — mg/L	500 (target <300)	280	✅ Below target limit
Lead (Pb) — mg/L	0.2	BDL (Below Detection Limit)	✅ Non-detectable
Arsenic (As) — mg/L	0.2	BDL	✅ Non-detectable
Free Ammonia — mg/L	5	BDL	✅ Non-detectable
API Discharge (Final ETP Outlet) — mg/L	0.05 (MoEF)	0	✅ Zero API in discharge
COD Load — kg/MT of production	32	6.53	✅ 80% below limit
GPCB CCA Compliance	100%	100%	✅ Full compliance

Key observation: Total absolute water consumption of 39,579 KL exceeded the target of 36,100 KL, primarily attributable to expanded production volumes in FY 2025–26. However, the water intensity metric (6.53 KL/ton production) came in below the intensity target of 6.59 KL/ton, demonstrating that efficiency improvements were achieved per unit of output. Combined water recycling and reuse of approximately 22,560 KL represents ~57% of total consumption — a strong circular water performance indicator. All effluent parameters were well within permissible limits, with Lead, Arsenic, Free Ammonia, and API discharge all at zero or below detection limits.

11.5 Waste Management and Circular Economy

Exemed's waste management approach relies on the mitigation hierarchy: avoid → minimise → recycle → recover → safely dispose. API manufacturing generates complex waste streams demanding stringent

handling protocols to prevent contamination. The Company segregates hazardous and non-hazardous waste, tracks disposal routes, and works with authorised waste handlers and recyclers.

Waste Parameter	FY 2024–25 Result	FY 2025–26 Target	FY 2025–26 Result	FY 2026–27 Target	Status
Hazardous Waste Generated (MT)	1,371.21	2,500	2,455.00	2,500	✅ Below target (production increase reflected)
Non-Hazardous Waste Generated (MT)	30	29.7	28	29.5	✅ Below target non-hazardous waste generated
Total Waste Recycled (kg)	3054.59	2,430	2,809.71	2,445	✅ Exceeded target by 16%
Hazardous Waste sent for Recycling (MT)	—	800	758.71	800	✅ On target; 30.9% of hazardous waste recycled
Hazardous Waste sent to Landfill (MT)	—	325	315.69	325	✅ Below landfill target
Non-Hazardous Waste sent for Recycling (MT)	—	0	0	0	✅ No non-hazardous waste to recycle
Total Waste Recovered (MT)	—	2,529.7	2,455.00	2,529.5	✅ Target met
Expired / Unused API taken back for recycling / treatment (MT)	—	0	0 (no cases)	0	✅ No expired API incidents
Product Recall Rate	—	0	0	0	✅ Zero recalls

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Waste Management Commentary

The absolute increase in hazardous waste generation (1,371 to 2,455 MT) is consistent with increased API production volumes in FY 2025–26. Critically, the recycled waste volume grew substantially — from 305 to 759 MT — demonstrating improved circular economy practice. Zero non-hazardous waste was generated, a significant improvement from 30 MT in the prior year. The Company achieved zero incidents of process safety spills or leaks and zero product recall events. All 100% of packaging is designed for recyclability, and 100% MSDS coverage is maintained across all chemical inputs.

11.6 Air Quality and Workplace Ambient Environment

Exemed monitors workplace air quality, stack emissions, and ambient environmental parameters to ensure worker health, regulatory compliance, and community environmental protection. The Company employs scrubbers, dust collection systems, breather valves, flame arrestors, and preventive maintenance programmes to control emissions at source.

Air Quality Parameter	Permissible Limit	FY 2025–26 Result	Performance vs Limit	Status
Total Workplace Air Pollution (ppm)	200 ppm	84 ppm	58% below limit	✔ Well within limit
VOC — Methanol (ppm)	200 ppm	1.2 ppm	99.4% below limit	✔ Exceptional performance
VOC — Ammonia (ppm)	25 ppm	8 ppm	68% below limit	✔ Well within limit
Odour (ppm)	200 ppm	Agreeable	—	✔ No nuisance odour

SOx (µg/m ³)	80	16	80% below limit	✔ Excellent
NOx (µg/m ³)	80	20	75% below limit	✔ Excellent
PM10 (µg/m ³)	100	72	28% below limit	✔ Within limit
PM2.5 (µg/m ³)	60	22	63% below limit	✔ Well within limit
Daytime Noise Level (dB)	75	64	15% below limit	✔ Compliant
Night-time Noise Level (dB)	70	60	14% below limit	✔ Compliant
Daytime Lux Level (Lux)	Min 200	485	142% above minimum	✔ Exceeds minimum requirement
Night-time Lux Level (Lux)	Min 100	120	20% above minimum	✔ Compliant

11.7 Biodiversity and Land Stewardship

Exemed maintains a commitment to the principle of no net loss of biodiversity for its sites. The Luna facility dedicates 6,500 sq. m. (~39% of total land area) to green areas and gardens. In FY 2025–26, 210 trees/green space units were planted against a target of 200 — exceeding the biodiversity enhancement target. Biodiversity training totalled 21 man-hours, exceeding the target of 20. Zero biodiversity complaints were recorded. Future enhancements include native species selection, stormwater runoff management, and documented ecological impact assessments for any future site expansion activities.

11.8 Product Stewardship and Environmental Compliance

Product & Environmental Compliance KPI	Target	FY 2025–26 Result	Status
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Restricted Substance Compliance Rate (%)	100%	100%	✓
Material Safety Data Sheet (MSDS) Coverage (%)	100%	100%	✓
Process Safety Incident Rate	0	0	✓
Spill / Leak Incidents	0	0	✓
Product Recall Rate	0	0	✓
Customer Health & Safety Incidents (product use)	0	0	✓
Customer Complaints on Product Take-Back	0	0	✓
Packaging Recyclability (%)	100%	100%	✓
Environmental Complaints from all sources	0	0	✓
API Discharge Compliance (MoEF limit 0.05 mg/L)	0.05	0 (zero detected)	✓
GPCB CCA Discharge Compliance (%)	100%	100%	✓



11.9 Green Chemistry and Sustainable Manufacturing

Green chemistry and cleaner manufacturing are increasingly important in pharmaceutical ESG because they link environmental performance directly to process design, solvent use, yield, waste generation, and cost efficiency. Exemed places utmost importance to recovery and conservation of raw materials, while its sustainability strategy emphasises waste minimisation, resource reuse, and climate-smart manufacturing. The 100% bio-fuel substitution in the boiler (agro-waste briquettes displacing fossil fuel), combined with waste heat recovery at 3.15%, represents meaningful green chemistry progress.

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12 SOCIAL PERFORMANCE

12.1 Human Capital Strategy

Exemed Pharmaceuticals' people are the architects of its operational excellence, quality outcomes, and ESG performance. The Company manages its human capital through an integrated HR system (HRMS on Pharma Cloud), with formal policies covering recruitment, onboarding, wages, training, performance development, health and safety, diversity, wellbeing, and grievance management. HR KPIs are owned by HR Manager Mr. Vishmit Patel (FY 2025-26 KPI file prepared by Mr. Ankit Patel, authorised by Plant Head Mr. Hitendra Patel).

12.2 Workforce Profile — FY 2025-26

Workforce Category	Total	Male	Female	% of Total
Total Active Workforce	418	402	16	100%
Permanent Employees	215	199	16	51.4%
Contract / Fixed-Term Employees	323 (203 FT + 120 Contractual)	323	0	77.3% of total contracts
Senior Management	5	5	0	1.2%
Middle Management	2	2	0	0.5%
Supervisory Level	208	192	16	49.8%
Worker Level	203	203	0	48.6%

Age Group	Number of Employees	% of Total Workforce
Below 18 years	0	0%
18-25 years	75	17.94%
26-35 years	235	56.22%
36-50 years	102	24.40%
Above 50 years	6	1.43%

Education Level	Number	% of Total
Post-Graduate	125	29.9%

Graduate	83	19.9%
Diploma / Certificate	99	23.7%
High School	87	20.8%
Below High School	24	5.7%

12.3 Employment Metrics and Retention

Employment KPI	FY 2024-25 Target	FY 2024-25 Result	FY 2025-26 Target	FY 2025-26 Result	Status
Employee Attrition Ratio (%)	10.00%	1.80%	10.00%	1.49%	✅ Exceptional — far below 10% target
Man-hours Worked (total)	850,000	899,892	850,000	921,177	✅ Exceeded — active operational year
Average Training Hours per Employee	40	61	40	70	✅ Exceeded by 75% — strong capability focus
Personal Development Plans (employees covered)	2	3	2	4	✅ Exceeded
Internal Recruitment Cases	≤20	15	≤20	17	✅ Within target
Employees Promoted	5	19	5	24	✅ Substantially exceeded — internal career growth
Recruitment Fees Charged to Applicants	0	0	0	0	✅ Zero — ethical recruitment

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The employee attrition rate of 1.49% in FY 2025–26 — against a target of 10% — is exceptionally low and indicates a highly stable workforce. This stability is a critical operational advantage in pharmaceutical API manufacturing, where institutional knowledge, process expertise, and quality competence are difficult to replace. The 24 promotions in FY 2025–26 (versus a target of 5) demonstrate a strong internal talent development pipeline.

12.4 Compensation and Wages

Wages KPI	FY 2025–26 Target	FY 2025–26 Result	Status
Average Monthly Salary (₹)	—	₹30,541	Above minimum wage
Employees above Minimum Living Wage (%)	100%	100%	✅ Full compliance
Subcontractors covered by Minimum Wage Rules (%)	100%	100%	✅ Full compliance
Minimum Wage Compliance (%)	100%	100%	✅ Full compliance
Annual Compensation Ratio (highest:median)	60:1	40:1	✅ Better than target — equitable compensation
Gender Pay Gap (unadjusted average) (%)	15%	13%	✅ Below 15% target; improvement vs. prior year (14%)
Employees covered by Living Wage Benchmarking (%)	—	70%	Benchmark coverage established

The average monthly salary of ₹30,541 is above minimum wage levels. The compensation ratio of 40:1 (highest-paid to median) is well below

the target of 60:1, indicating that Exemed maintains a relatively equitable internal compensation structure. The gender pay gap of 13% — while an improvement from 14% in FY 2024–25 — represents an area for continued targeted action, with a clear multi-year trajectory toward narrowing the gap through equal opportunity hiring and promotion practices.

12.5 Diversity, Equity and Inclusion (DEI)

DEI KPI	FY 2024–25 Target	FY 2024–25 Result	FY 2025–26 Target	FY 2025–26 Result	Status
Women Employed (% of total workforce)	0.20%	0.38%	0.25%	0.55%	✅ Exceeded target; strong year-on-year growth
Women in Board / Governance (%)	0	0	0	0	⚠️ No female board representation — area for improvement
Women at Top Management Level (%)	—	—	3%	3.98%	✅ Exceeded target
Gender Balance (Women:Men %)	1%	5%	1%	5%	✅ Exceeded target
People with Disability Hired	—	—	1	1	✅ Target met
Employees from Minority/Vulnerable Group (%)	2.20%	2%	2.20%	2.00%	✅ On target
Hiring from Vulnerable / Marginalized Groups (%)	0.20%	1%	0.20%	1%	✅ Exceeded target
People Trained on Gender Equality (number)	30	30	30	30	✅ Met target

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Equal Opportunity Policy Compliance (%)	100%	100%	100%	100%	✅ Full compliance
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12.6 Occupational Health and Safety (OHS)

Exemed's OHS management system is certified to ISO 45001:2018 (Certificate No. NS66931223, valid until 24 December 2026). OHS governance is led by Safety Manager Mr. Ravi Ranjan Sahay under authorisation of EHS Manager Mr. Tejas Pathak. The system encompasses hazard identification and risk assessment, safe work permit systems, personal protective equipment, emergency preparedness, contractor safety, near-miss reporting, and continuous safety culture development.

OHS KPI	FY 2024-25 Target	FY 2024-25 Result	FY 2025-26 Target	FY 2025-26 Result	Status
Reportable Incidents	0	0	0	0	✅ Zero incidents maintained
Total Recordable Work-Related Injuries	0	0	0	0	✅ Zero injuries
Fatal Accidents	0	0	0	0	✅ Zero fatalities
Days Lost to Work-Related Injury / Ill-Health	0	0	0	0	✅ Zero lost days
LTIFR (LTI events × 1,000,000 / hours worked)	0	0	0	0	✅ Zero LTIFR — best-in-class
LTISR (days lost × 1,000 / hours worked)	0	0	0	0	✅ Zero LTISR

Safety Training — Employees (Man-hours)	2,897	7,578	3,035	8,773	✅ Exceeded by 189%
Safety Training — Contractors (Sessions)	156	501	156	512	✅ Exceeded by 228%
Near Misses Reported	100	96	100	90	✅ Active near-miss culture maintained
Customer Complaints — H&S	0	0	0	0	✅ Zero complaints
H&S Training to Customers	—	—	1	1	✅ Met target

OHS Infrastructure and Controls

Hazard Category	Control Measures in Place
Fire / Explosion Risk	Hot work permits; online earth monitoring; earthing jumpers; static dissipation systems; flame arrestors / breather valves; fire alarm; smoke detectors; fire hydrant network; foam monitors; fire extinguishers (ABC, CO ₂ , DCP, Foam); fire fighters on shift; regular fire drills
Chemical Spill	Spillage control kits; sand buckets; containment dykes throughout site; level indicators on all tanks; supervisory controls during activities
Confined Space	Confined space entry permits; LOTO (Lock-Out-Tag-Out) system; continuous oxygen/gas monitoring via LEL meter (Honeywell); SCBA sets; breathing airline systems; emergency response team members on shift; confined space rescue mock drills
Electrical Hazard	Safety shoes and hand gloves mandatory; periodic electrical audit; LOTO system
Fall from Height / Material Falling	Helmets, safety shoes in warehouse; safety belts for elevated work; regular inspection
Emergency Preparedness	Fire emergency, chemical spill, and medical emergency response plans; drills conducted (Fire: 12 Nov 2025; Chemical Spill: 29 Dec 2025; Medical: 12 Nov 2025)

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OHS Benchmark Commentary

Zero LTIFR, zero fatalities, and zero recordable incidents over two consecutive years (FY 2024–25 and FY 2025–26) represent best-in-class OHS performance for a pharmaceutical API manufacturer. The 8,773 man-hours of safety training in FY 2025–26 — equivalent to approximately 21 hours per employee on average — substantially exceeds the target of 3,035 hours and is significantly above typical industry norms. The 512 contractor safety training sessions further demonstrate that OHS culture extends beyond the direct workforce to the full site population.

				target — review needed
Safety Training (Man-hours)	3,035	8,773	✓ Exceeded 189%	Safety culture strongest training area
Human Rights Training (employees)	30	30	✓ Met target	—
Gender Equality Training (employees)	30	30	✓ Met target	—
Business Ethics Training (employees)	25	28	✓ Exceeded	Slightly above target

12.7 Learning and Development

L&D KPI	FY 2025-26 Target	FY 2025-26 Result	Status	Commentary
Avg. Training Hours per Employee (Man-hrs/employee)	40	70	✓ Exceeded 75%	Reflects investment in both technical and ESG capabilities
Total Man-hours Worked	850,000	921,177	✓ Exceeded	High operational activity
Career Mgmt. & Skill Development (employees trained)	50	65	✓ Exceeded 30%	Formal career development programmes embedded
Employees Promoted via Development Programmes	5	24	✓ Exceeded 380%	Internal talent pipeline operational and effective
Personal Development Plans in Place	2	4	✓ Exceeded	Beginning of structured PDP practice
Anti-Corruption Training (Man-hours)	100	24	⚠ Below target	Training delivered but below man-hour

12.8 Employee Wellbeing

Wellbeing Measure	Description / Coverage	FY 2025-26 Status
Medical Insurance	100% of employees and their families covered in medical insurance	✓ 100% coverage maintained
Drinking Water	Provision of drinking water facility to 100% of workers in the plant	✓ 100% coverage
Working Hours Compliance	Normal 48 hrs/week; max overtime 54 hrs/month; Factories Act compliant	✓ Zero violations
Overtime Premium	Gross double payment for overtime hours	✓ Policy maintained
Minimum Wage Compliance	100% compliance for all direct and subcontracted workers	✓ Full compliance
ISO 26000 Social Responsibility Self-Declaration	Self-Declaration of ISO 26000 — dated 30 January 2026	✓ Annual self-declaration issued
SA8000 Certification	Planned for future — SA8000 or ISO 26000 compliance/ Certificate as a target	⌚ Future certification roadmap

12.9 Social Dialogue and Collective Bargaining

Social Dialogue KPI	FY 2025-26 Target	FY 2025-26 Result	Status
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Works Committee Meetings conducted (% of required)	100%	100%	✔ Full compliance
Works Committee meetings held (number)	2	2	✔ Target met
Employee Survey participation (employees surveyed)	20	20	✔ Target met
Conflict Disclosure Rate (% of employees disclosing conflicts of interest)	100%	100%	✔
Complaints on non-compliance with union rights / social dialogue	0	0	✔ Zero complaints
Employees covered by collective agreements / grievance mechanisms	100%	100%	✔

Exemed Pharmaceuticals recognises its responsibilities to the communities surrounding its Luna manufacturing facility in Padra, Vadodara. The Company's CSR activities focus on healthcare access, education support, and community wellbeing — consistent with its mission of advancing global health.

CSR Initiative	Description	FY 2025-26 Status
Healthcare Camps / Medical Camps	Free health check-up camps provided to residents of surrounding villages	Conducted — frequency to be documented
Blood Donation Drives	Organised blood donation camps in collaboration with local hospitals	Active programme
Education Support	Support for local school children through books, materials, and scholarships	Ongoing
Community Environmental Education	Environmental education programmes for local community	1 programme conducted (vs. target of 0) — exceeded
Employee Blood Donation Participation	Employee participation in company-organised drives	Maintained
Zero Community Complaints	Monitoring for grievances from local community	0 complaints in FY 2025-26

12.10 Human Rights — Detailed Disclosures

Human Rights KPI	FY 2024-25	FY 2025-26	Status
Child Labour (workers below 18)	0	0	✔ Zero
Forced Labour	0	0	✔ Zero
Human Trafficking	0	0	✔ Zero
Legal Cases — Human Rights Violations	0	0	✔ Zero
External Human Rights Grievances	0	0	✔ Zero
Sites assessed for External Human Rights Risks (%)	—	100%	✔ All sites assessed
Compliance with Child/Forced Labour Policies (%)	100%	100%	✔
External Stakeholder H.R. Training (sessions)	1	1	✔ Met target
People Trained on Human Rights (employees)	32	30	✔ Met target

12.11 Community Development and CSR

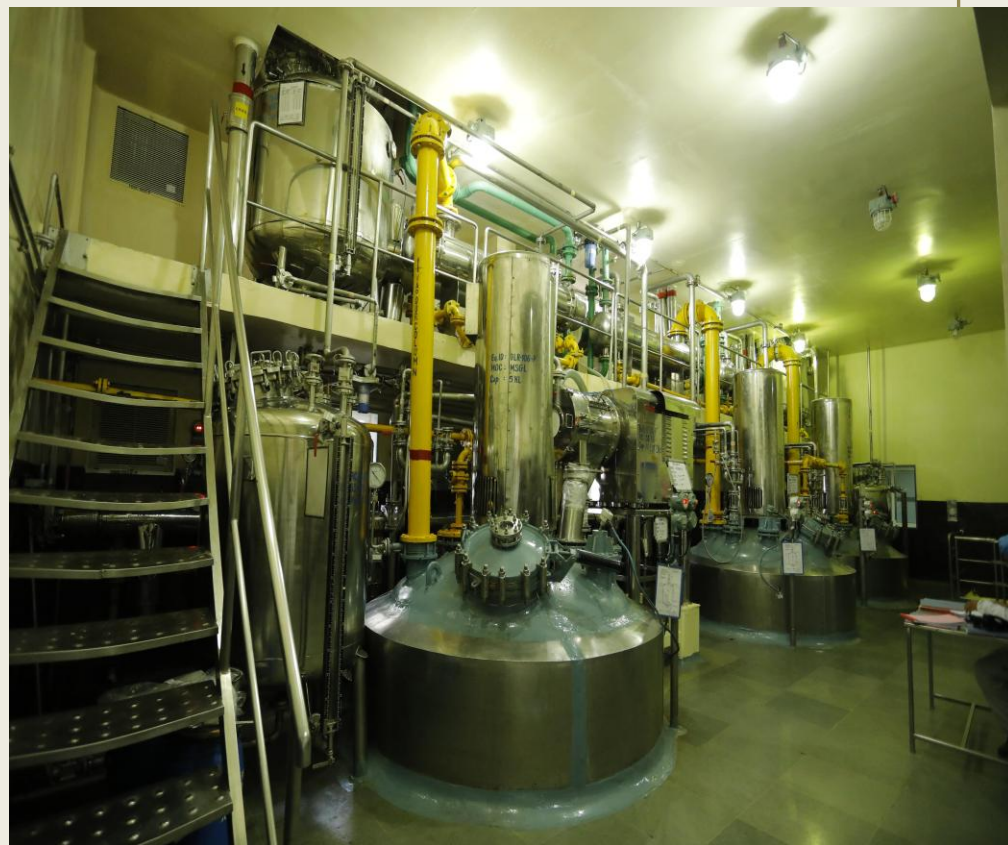
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12.12 Social Performance KPI Dashboard — Summary



Social KPI Category	FY 2025-26 Result	vs. Target	Rating
Attrition Rate	1.49%	Target ≤10%	★★★★ Exceptional
Total Man-hours Worked	921,177	Target 850,000	★★★★ Exceeded
Avg. Training Hours/Employee	70	Target 40	★★★★ Exceeded by 75%
Employees Promoted	24	Target 5	★★★★ Outstanding
Average Monthly Salary	₹30,541	Above minimum	★★★ Good
Gender Pay Gap	13%	Target <15%	★★★ On track — improving
Women in Top Management	3.98%	Target 3%	★★★★ Exceeded
OHS — LTIFR	0	Target 0	★★★★ Best-in-class
OHS — Safety Training	8,773 hours	Target 3,035	★★★★ Outstanding

Child / Forced Labour / Trafficking	0	Target 0	★★★★
Human Rights Legal Cases	0	Target 0	★★★★
Discrimination / Harassment Complaints	0	Target 0	★★★★
Medical Insurance Coverage	100%	Target 100%	★★★★
Minimum Wage Compliance	100%	Target 100%	★★★★
ISO 26000 Self-Declaration	Issued 30 Jan 2026	Annual target	★★★★



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13 RESPONSIBLE SUPPLY CHAIN

13.1 Supply Chain Strategy and Sustainable Procurement Philosophy

For a regulated pharmaceutical manufacturer like Exemed, supply chain integrity is not merely a procurement function — it is a quality, safety, and ESG imperative. The raw materials, reagents, solvents, and packaging inputs that enter Exemed's production processes directly impact product quality, patient safety, environmental performance, and regulatory compliance. Exemed's sustainable procurement strategy is therefore anchored in a three-dimensional approach: quality assurance, ESG screening, and continuous supplier development.

The Company's Supply Chain Policy and Supplier Code of Conduct establish the ethical, environmental, and social standards expected of all business partners. Procurement is managed by Purchase Manager Mr. Sandip Mevada (Email: Sandip.mevada@exemedpharma.com, Phone: +91-9974383190) with sustainability KPI ownership and EcoVadis alignment under the Sustainability Committee.

13.2 Supplier Profile and Classification

Supplier Category	Number	% of Spend	Geographic Location	ESG Assessment Status
Critical / Major Suppliers	18	85% of spend	Global (India + China)	Yes — assessed
Local Suppliers	11	51% of spend	India	Yes — assessed
International Suppliers	7	34% of spend	China and other countries	Yes — assessed
New Suppliers (last 12 months)	2	4.77% of spend	India	Yes — assessed at onboarding

Exemed's supply base is strategically concentrated: 18 critical suppliers account for approximately 85% of procurement spend. 11 local (India-based) suppliers represent 51% of spend, supporting local economic development and reducing logistics emissions. 7 international suppliers — primarily from China — provide key API raw material inputs. Two new suppliers were onboarded in FY 2025–26, both domiciled in India, and both underwent sustainability assessments at the point of onboarding.

13.3 Procurement KPI Performance — FY 2025–26

Procurement KPI	FY 2024–25 Target	FY 2024–25 Result	FY 2025–26 Target	FY 2025–26 Result	FY 2026–27 Target	Status
Suppliers in Agreement with Supplier Code of Conduct (number)	50	55	60	63	70	✅ Exceeded target by 5%
Contracts / POs with Sustainability Clauses (Environment, Labour, Human Rights, Ethics) (number)	100	120	100	105	130	✅ Target met; 105 contracts strengthened
Procurement Personnel & Supply Chain Staff Trained on Sustainable Procurement (number)	5	5	5	5	5	✅ Met target
Supplier Sustainability Self-	20	25	20	22	20	✅ Exceeded target

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Assessments Conducted (number)						
On-site Supplier Sustainability (ESG) Audits Conducted (number)	5	4	5	5	3	✅ Target fully met in FY 2025-26
Audited Suppliers Engaged in Corrective Actions / Capacity Building (number)	1	1	1	1	1	✅ Corrective engagement maintained

The year-on-year progression from 55 to 63 suppliers formally committed to Exemed's Supplier Code of Conduct demonstrates systematic expansion of supply chain ESG governance. The achievement of 5 on-site sustainability audits in FY 2025-26 — matching the target exactly and improving on the 4 achieved in FY 2024-25 — reflects maturing audit capability. Sustainability clauses in 105 contracts (versus a target of 100) ensure that ESG expectations are contractually binding across the supply base.

13.4 Supplier Assessment Methodology

Exemed's supplier sustainability assessment framework operates on three tiers:

Tier	Assessment Method	Frequency	Criteria Assessed	Output
Tier 1 — Self-Assessment	Supplier Sustainability Self-Assessment	Annual	Quality, Environmental, Social, Ethics,	Sustainability score; high-risk flagging

	Questionnaire (SAQ) distributed annually to all active suppliers		Financial Stability	
Tier 2 — On-site Audit	In-person ESG audit at supplier facility by Exemed procurement and EHS team members	Annual — targeted at highest-risk suppliers	GMP, OHS, Environmental, Labour, Ethics, Business Continuity	Audit report; corrective action plan
Tier 3 — Corrective Action & Capacity Building	Structured corrective action programme for suppliers with identified ESG gaps	As required — post-audit	Gap closure, documentation, training, policy adoption	Signed corrective action register; progress tracking

Assessment Criteria Framework

Assessment Criteria	Evaluation Method	Frequency	FY 2025-26 Pass Rate
Quality Performance	GMP standard verification, quality system documentation review	Yearly	100%
Environmental Performance	Environmental policy, consent to operate, waste management, EMS documentation	Yearly	100%
Social Compliance	Labour standards, HR policies, worker rights, wage compliance	Yearly	100%
Business Ethics	Anti-corruption policy, code of conduct, whistleblower mechanism	Yearly	100%

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Financial Stability	Balance sheet and financial document verification	Yearly	100%
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13.5 Supplier Code of Conduct

Exemed's Supplier Code of Conduct establishes minimum ESG expectations for all supply chain partners. The Code covers: (1) Legal and regulatory compliance — including pharmaceutical GMP, environmental permits, and labour laws; (2) Environmental management — waste, effluents, emissions, and resource use; (3) Labour standards — no child labour, no forced labour, fair wages, freedom of association, non-discrimination; (4) Occupational health and safety — safe working conditions, incident prevention; (5) Business ethics — zero tolerance for corruption, bribery, and conflicts of interest; (6) Data protection — confidentiality of business information; (7) Sub-supplier management — suppliers are expected to cascade ESG expectations to their own supply chains.

All suppliers are required to sign the Code of Conduct as a condition of engagement. In FY 2025-26, 63 suppliers have formally committed to the Code — exceeding the annual target of 60.

13.6 Human Rights in the Supply Chain

Exemed's Responsible Sourcing Policy explicitly prohibits the sourcing of raw materials or services from suppliers that employ child labour, forced labour, or engage in human trafficking. The Company conducts due diligence on all new suppliers and periodically reassesses existing suppliers for labour rights risks. Risk factors considered include: geographic operating context (high-risk jurisdictions), industry sector, workforce profile, and publicly available human rights incident data.

Human Rights in Supply Chain — Control	FY 2025-26 Status
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Supplier Code of Conduct — Human rights clauses	Included in all supplier contracts
Supplier self-assessment on human rights	22 suppliers assessed in FY 2025-26
On-site supplier audits — labour and human rights	5 audits conducted
New supplier pre-qualification — human rights check	100% of new suppliers
Supplier non-compliance corrective action	1 corrective action engagement completed
External human rights grievances from supply chain	0 received in FY 2025-26

13.7 Supply Chain Risks and Mitigation

Supply Chain Risk Category	Specific Risk Description	Probability	Mitigation Measures
Quality Risks	Non-conforming raw material, GMP violations at supplier facility	Medium	Approved Vendor List (AVL); annual supplier audit; incoming material testing via HPLC & GC
Environmental Risks	Supplier causing pollution or regulatory non-compliance impacting Exemed reputation	Medium	Environmental criteria in supplier assessment; ESG questionnaire; on-site audit
Social Risks	Labour rights violations, unsafe working conditions at supplier site	Medium	Social clauses in contracts; on-site labour audit; supplier self-assessment
Geopolitical Risks	Import disruption from China; raw material availability	High	Dual sourcing strategy; approved alternative vendors; safety stock management

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Economic Risks	Supplier financial instability, price volatility	High	Annual financial health review of critical suppliers; alternative supplier development
Ethical Risks	Bribery, fraud, or conflict of interest in procurement process	Low	Procurement Code of Conduct; gift policy; three-quote minimum for major purchases

13.8 EcoVadis Supplier Alignment and Future Roadmap

EcoVadis assesses Exemed's Sustainable Procurement performance across four dimensions: supplier ESG policies, supplier ESG actions, supplier ESG monitoring, and supplier ESG results. Exemed's current EcoVadis Sustainable Procurement score of 64 reflects a solid foundation with structured supplier code of conduct, active self-assessments, on-site audits, and corrective action processes in place.

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14 PRODUCT RESPONSIBILITY

14.1 Product Responsibility Framework

For a pharmaceutical company manufacturing APIs and finished formulations for global regulated markets, product responsibility is the most direct expression of ESG performance. Every batch of Metformin HCl, Allopurinol, Dextromethorphan, or Metoprolol Succinate that leaves Exemed's facility carries an implicit promise: to be pure, efficacious, safe, and compliant with the stringent requirements of US FDA, EU GMP, and EDQM. This promise — delivered consistently — is Exemed's most fundamental contribution to global public health and sustainable development.

14.2 Quality Management System

Quality governance at Exemed is led by Quality Manager Mr. Amritansh Singh (Email: amritansh.singh@exemedpharma.com, Phone: +91-99770-04793). The Company's pharmaceutical quality system (PQS) is implemented through the Pharma Cloud ERP platform, which integrates all quality-critical processes: batch manufacturing records, deviation management, change control, out-of-specification (OOS) investigation, product complaint handling, and product release decisions.

Quality System Element	Description	Implementation Status
Batch Manufacturing Records (BMR)	Complete step-by-step documentation of each production batch; reviewed and released by QA	Pharma Cloud ERP — fully implemented
Quality Control (QC) Laboratory	Equipped with HPLC, Gas Chromatography (GC), Karl Fischer Titrator, pH Meter for full API and intermediate testing	Operational; all equipment calibrated
Deviation / OOS Investigation	Formal procedure for investigation of deviations	Documented procedure in place

	from approved specifications or out-of-specification test results	
Change Control	Documented approval process for all changes to materials, process, equipment, facilities, or documentation	Change control system active
Customer Complaint Management	Formal complaint receipt, investigation, root cause analysis, and CAPA process	Zero customer H&S complaints in FY 2025-26
Product Recall Procedure	Documented product recall SOP aligned with US FDA and EU GMP requirements; recall team designated	Zero recalls in FY 2025-26
Annual Product Review (APR)	Annual review of product quality data, complaints, deviations, stability, and process changes	Conducted annually per GMP
Document Management	Pharma Cloud document management system with version control, distribution tracking, and archive management	Fully implemented

14.3 Regulatory Compliance — Pharmaceutical Standards

Regulatory Standard	Market	Exemed Status	Scope
US FDA cGMP	USA — regulated market	Compliant / Approved	API manufacturing and export
EU GMP	Europe — regulated market	Compliant / Approved	API and finished formulations
EDQM (European Directorate for Quality of Medicines)	Europe	Compliant / Approved	Pharmacopoeia quality standards for APIs

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FMA Japan GMP	Japan — regulated market	Approved	Pharmaceutical export to Japan
ICH Guidelines	Global harmonised standards	Applied	Q7 (API GMP), Q3A/B (Impurities), Q1 (Stability)
WHO GMP	WHO-regulated markets	Aligned	API standards for developing-country export

14.4 Product Safety and Patient Protection

Product Safety KPI	FY 2025-26 Target	FY 2025-26 Result	Status
Product Recall Rate	0	0	✔ Zero recalls
Customer Health & Safety Incidents (product use)	0	0	✔ Zero incidents
Customer Complaints (H&S related)	0	0	✔ Zero complaints
Process Safety Incidents	0	0	✔ Zero incidents
Restricted Substance Compliance (%)	100%	100%	✔ Full compliance
MSDS Coverage for all chemical inputs (%)	100%	100%	✔ Full coverage
API Discharge in Effluent (MoEF limit: 0.05 mg/L)	0.05 mg/L max	0 (zero detected)	✔ Zero API in discharge
Expired / Unused API taken back for treatment (MT)	0	0 (no cases)	✔ No expired API incidents
Packaging Recyclability (%)	100%	100%	✔ Sustainable packaging

14.5 Pharmacovigilance and Product Stewardship

Exemed maintains a formal product recall procedure consistent with US FDA and EU GMP requirements. The recall team, documented escalation

protocols, and regulatory notification processes are all in place. Zero recalls and zero pharmacovigilance incidents were recorded in FY 2025-26. The Company's customer training programme includes health and safety training related to product handling — 1 customer H&S training session was delivered in FY 2025-26, meeting the annual target.

Product stewardship at Exemed extends to the end-of-life dimension: 100% of expired or unused APIs are collected for recycling or waste treatment under the Product Take-Back procedure. The Company maintains 100% packaging recyclability and zero landfill and zero incineration rates for its own products. All chemical inputs are covered by Material Safety Data Sheets (MSDS), ensuring downstream users have complete hazard and safe-handling information.

14.6 GMP Compliance Culture

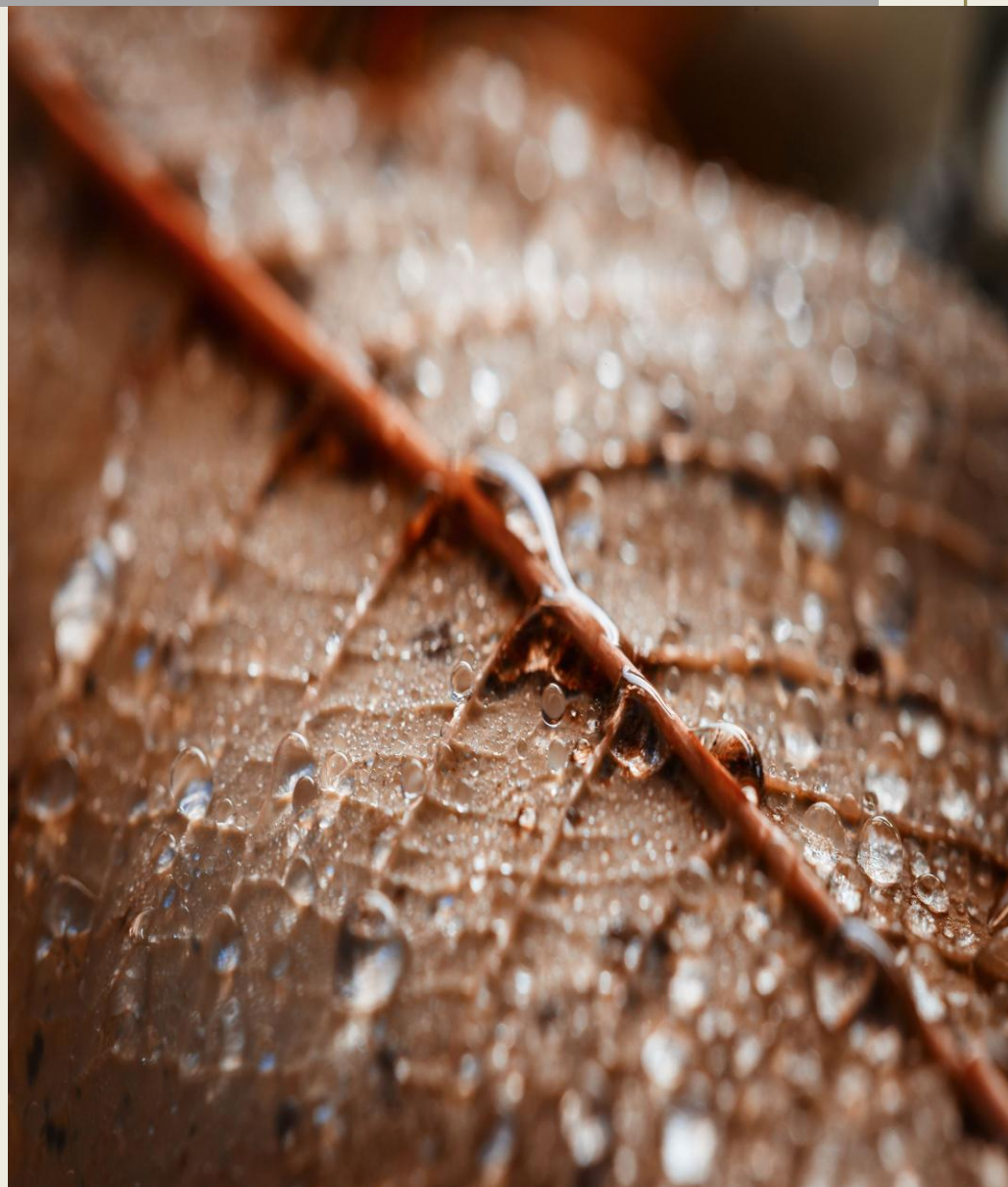
GMP is not merely a regulatory requirement at Exemed — it is the organisational culture. The Company's quality training programme ensures that all production, QC, and QA personnel receive regular GMP refresher training. The Pharma Cloud ERP system enforces procedural discipline through electronic batch records, mandatory deviation documentation, and automated change control workflows. Regulatory inspections by US FDA and European authorities confirm that Exemed's sites maintain the quality standards expected of a globally-approved pharmaceutical manufacturer.

14.7 Product Portfolio ESG Integration

Product	Therapeutic Area	ESG Integration Point
Metformin HCl	Type 2 Diabetes management	Contributes to SDG 3: Good Health; produced under GMP with zero API discharge
Allopurinol	Gout and kidney stone prevention	Essential medicine category; regulated-quality export supports access to healthcare

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Dextromethorphan Base/HBr	Antitussive / Cough suppression	Manufactured under cGMP; respiratory health contribution — COVID-era relevance
Metoprolol Succinate	Hypertension and cardiovascular management	Cardiovascular disease is the #1 global mortality cause; quality supply = societal value
Specialty Intermediates	Process chemistry inputs for pharma	Supply chain essential; manufactured under GMP with full chemical hazard documentation



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15 INNOVATION & DIGITALIZATION

15.1 Innovation Philosophy

Innovation at Exemed Pharmaceuticals is driven by a clear commercial and sustainability imperative: produce better medicines more efficiently, more safely, and with a lower environmental footprint. The Company's research, process development, and digitalization investments are positioned to simultaneously improve product quality, reduce resource intensity, and strengthen ESG performance across energy, water, waste, and emissions dimensions. Exemed's innovation framework aligns with SDG 9 (Industry, Innovation and Infrastructure) and directly supports the Company's Net Zero, water stewardship, and circular economy commitments.

15.2 Digital Infrastructure — Pharma Cloud ERP

The cornerstone of Exemed's digital transformation is the ****Pharma Cloud ERP platform**** — an integrated enterprise resource planning system that unifies production, quality, HR, finance, procurement, document management, and ESG data collection into a single digital architecture. This single-platform approach eliminates data silos, reduces manual record-keeping errors, enables real-time performance monitoring, and provides the digital audit trail required for regulatory inspections and ESG verification.

Pharma Cloud Module	Primary Function	ESG / Sustainability Benefit
Production Management (MES)	Batch record management; production scheduling; yield tracking	Enables real-time batch yield monitoring → reduces waste, improves resource efficiency
Quality Management System (QMS)	Deviation management; OOS investigation; change	Zero customer H&S incidents; GMP integrity; batch traceability

	control; product release	
Document Management System (DMS)	Version control; policy distribution; SOP management	Ensures current policies are accessible to all employees; supports compliance culture
HR Management System (HRMS)	Employee records; payroll; training tracking; recruitment	Supports ESG HR KPI reporting; training compliance; performance management
Finance & Accounting	Cost management; budget control; capex tracking	Enables ESG-linked capital allocation tracking and sustainability investment monitoring
Environmental Data Integration	Energy, water, waste, emissions data capture	Direct ESG KPI generation for reporting and EcoVadis; reduces reporting burden
Procurement Module	Purchase order management; supplier records; contract management	Supports supplier ESG clause tracking; procurement sustainability KPIs

15.3 Information Security Management System (ISO 27001:2022)

Exemed's digital infrastructure is protected by an ISO 27001:2022-certified Information Security Management System (ISMS), governed by Certificate No. NS66941223 (valid until 24 December 2026). The ISMS ensures the confidentiality, integrity, and availability (CIA) of all business-critical and stakeholder information — including batch records, quality data, personnel data, financial information, and customer confidential data.

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IS Governance KPI	FY 2023-24	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	Status
Internal Data Privacy / Security Complaints	0	0	0	0	✓
External Data Privacy / Security Complaints	0	0	0	0	✓
Data Retention Non-Compliance Complaints	0	0	0	0	✓
Cybersecurity Training (employees trained)	6	8	50	10	✓ Target met — first year of full completion
Confirmed Information Security Incidents	0	0	0	0	✓
ISO 27001:2022 Certification Status	—	Active	Active	Active (valid to 24 Dec 2026)	✓

Notably, cybersecurity training achieved 100% of its target of 10 employees in FY 2025-26 — an improvement from 8 in FY 2024-25 and 6 in FY 2023-24, reflecting a consistent upward trajectory in IS awareness. Zero security incidents across all four years of data is a strong indicator of robust information security governance.

15.4 Process Innovation and Green Chemistry Initiatives

Key process innovation and sustainability-linked manufacturing improvements in FY 2025-26 include:

Innovation Area	Initiative	Environmental / Sustainability Outcome
Energy Efficiency	Variable Frequency Drives (VFDs) on all major production equipment (reactors, centrifuges, FBDs)	Reduced electricity intensity: 1,481 kWh/ton vs target 1,500 kWh/ton
Renewable Energy	On-site solar photovoltaic system — 1,092,253 kWh generated in FY 2025-26	Displaced equivalent grid electricity; reduced Scope 2 GHG emissions
Bio-fuel Substitution	100% agro-waste briquettes in boiler — complete replacement of fossil fuel for steam generation	Reduced Scope 1 GHG emissions from 200 (target) to 157 tCO ₂ eq
Waste Heat Recovery	3.15% recovery of waste steam — above the 3.12% target	Reduced energy consumption; improved boiler efficiency
Water Recycling & Reuse	9,770 KL recycled + 12,790 KL reused = ~22,560 KL circular water	57% of total water consumption returned to productive use
ETP Optimisation	Advanced effluent treatment delivering BOD 280 mg/L vs permissible 500 mg/L; COD 1,136 vs 2,000 limit	Zero API discharge; zero regulatory effluent violations
Analytical Technology	HPLC, GC, Karl Fischer for complete API characterisation and quality release	Zero OOS incidents reaching customers; zero product recalls
Rainwater Harvesting	3,020 KL harvested in FY 2025-26 (target: 2,880 KL)	Reduced groundwater abstraction dependency

15.5 Automation and Smart Manufacturing

Exemed's automation strategy is designed to improve both product quality consistency and environmental resource efficiency. Automated process control via SCADA-linked monitoring on utility systems (boiler, cooling tower, effluent treatment) enables real-time parameter

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adjustment, preventing overconsumption of energy and water. Online earth monitoring and static dissipation systems provide real-time hazard detection, enhancing both safety and environmental incident prevention.

15.6 ESG Data Systems and Reporting Technology

A key enabler of Exemed's improving ESG disclosure quality is the formalisation of ESG data collection into structured KPI trackers maintained by function owners across Environment, HR/Social, Safety, Procurement, and IT/Governance. These function-specific KPI files feed into the annual sustainability reporting cycle and are independently verified by M/s J P Consulting. This architecture is scalable and supports progressively more granular ESG disclosures in future reporting cycles.

15.7 Future Innovation Roadmap

Innovation Priority	Description	Expected Impact	Target Timeline
Solar Capacity Expansion	Increase rooftop or off-site solar capacity to achieve 15%+ renewable energy share	Reduce Scope 2 GHG; lower electricity cost; improve EcoVadis Environment score	FY 2026-27
ISO 50001 Energy Management	Pursue ISO 50001:2018 Energy Management System certification	Structured energy reduction programme; EcoVadis Environment improvement	FY 2027-28
ISO 37001 Anti-Bribery Management	Pursue ISO 37001 Anti-Bribery Management System certification (planned FY 2027-28)	Strengthen EcoVadis Ethics score; customer due diligence confidence	FY 2027-28
SA8000 / SMETA Social Certification	Achieve SA8000 or SMETA audit to formalise social accountability	Improve EcoVadis Labour score; support multinational	FY 2026-27

		customer audit requirements	
ERP ESG Module Enhancement	Develop dedicated ESG data capture module in Pharma Cloud ERP for automatic KPI generation	Reduce manual reporting effort; improve data accuracy and timeliness	FY 2026-27
Supplier ESG Digital Platform	Deploy online supplier sustainability assessment portal for real-time supplier ESG monitoring	Scale supplier assessments; improve procurement ESG score	FY 2027-28
Green Chemistry Programme	Formalise green chemistry SOP with solvent recovery targets, atom economy KPIs, safer reagent substitution	Reduce hazardous waste; lower chemical input cost; EcoVadis Environment improvement	FY 2026-27

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16 SDG ALIGNMENT

16.1 SDG Reporting Philosophy

Exemed Pharmaceuticals formally endorses and reports progress against the United Nations Sustainable Development Goals (SDGs). The Company's sustainability disclosures — including this report — are submitted to EcoVadis as evidence of SDG communication progress (EcoVadis Question GEN4001). Exemed's SDG alignment follows a three-step methodology: (1) material ESG topics are identified from the Company's double-materiality assessment; (2) each material topic is linked to the SDG(s) most closely aligned with the intended outcome; and (3) the nature of the contribution — operational performance, product stewardship, stakeholder engagement, or community investment — is specified to avoid superficial SDG-washing and ensure credibility with customers and investors.

16.2 Exemed's SDG Contribution Map — Master Table

SDG	SDG Name	Exemed's Key Contribution	Material Topic Link	FY 2025-26 Evidence
SDG 3	Good Health and Well-Being	Manufacture of life-saving APIs (Metformin, Allopurinol, Metoprolol Succinate, Dextromethorphan) for global regulated markets; community health camps; blood donation drives; affordable medicines to underprivileged communities	Product Responsibility ; Community Engagement	Zero product recalls; zero customer H&S incidents; 100% GMP compliance; blood camp and medical camp organised; medicines donated to NGOs

SDG 4	Quality Education	Employee training and capability development; community education support; internal certification programmes	Human Capital; Community Engagement	70 average training hours/employee (target 40); 24 employees promoted; community education support programmes active
SDG 5	Gender Equality	Equal Employment Opportunity Policy; gender pay gap monitoring; women in top management; anti-harassment and anti-discrimination workplace commitments	Diversity, Equity and Inclusion	Women at top management: 3.98% (target 3%); Gender pay gap improved: 13% (FY24-25: 14%); zero discrimination complaints; zero sexual harassment complaints
SDG 6	Clean Water and Sanitation	Water stewardship programme; advanced effluent treatment; water recycling and reuse; rainwater harvesting; zero API discharge in effluent	Water Management; Effluent Quality	9,770 KL recycled; 12,790 KL reused; 3,020 KL rainwater harvested; BOD 280 mg/L (vs. 500 limit); API in discharge: zero detected
SDG 7	Affordable and Clean Energy	On-site solar PV installation; 100% agro-waste briquettes in boiler; Variable Frequency Drives; waste heat recovery; Net Zero commitment by 2050	Energy Management; Renewable Energy	1,092,253 kWh solar energy generated (exceeded target); 100% bio-fuel boiler; electricity intensity 1,481 kWh/ton; waste

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				heat recovery 3.15%						
SDG 8	Decent Work and Economic Growth	Fair wages above minimum wage and living wage; safe working conditions (ISO 45001:2018); zero forced labour; ethical recruitment; employee training and advancement; 418 direct jobs	Employment; OHS; Labour Standards	100% employees above living / minimum wage; attrition rate 1.49%; zero LTI incidents; 24 promotions; zero forced labour; zero recruitment fees charged				recyclability; agro-waste briquettes; product take-back for expired APIs; restricted substance compliance	recyclable; 100% restricted substance compliance	
SDG 9	Industry, Innovation and Infrastructure	Technology investment in Pharma Cloud ERP; ISO 27001 certified IT infrastructure; VFD automation; ETP infrastructure; solar PV system; process chemistry innovation	Innovation; Digitalization; Infrastructure	ISO 27001:2022 active; Pharma Cloud ERP fully deployed; zero IS incidents; solar capacity 1,092,253 kWh; ETP achieving 90% reduction in TSS vs. limit		SDG 13	Climate Action	GHG emissions monitoring (Scope 1, 2, 3); SBTi commitment (March 2025); Net Zero by 2050 target; annual GHG intensity reduction targets; renewable energy investment; diesel reduction	Climate Change; GHG Emissions; SBTi	SBTi commitment active; Scope 1: 157 tCO ₂ eq (21% below target); Scope 2: 4,964 tCO ₂ eq; Scope 3: 408,355 tCO ₂ eq; GHG intensity 1.25 vs. target 1.50
SDG 10	Reduced Inequalities	Inclusive workforce policy; employment of persons with disability; no child labour; fair wages; support to community welfare; ethical recruitment	Inclusion; Human Rights; Community	Persons with disability employed: 1 (target met); community welfare support programmes active; 100% employees above minimum wage		SDG 15	Life on Land	Tree plantation and green space management; biodiversity impact management; 6,500 sqm green areas maintained; zero biodiversity complaints; ISO 14001 environmental management	Biodiversity; Land Management	210 trees planted (target 200); 6,500 sqm green area; zero biodiversity complaints; ISO 14001:2015 certified
SDG 12	Responsible Consumption and Production	Waste reduction (zero non-hazardous waste); increased recycling (16% above target); 100% packaging	Waste Management; Product Stewardship; Circular Economy	Non-hazardous waste: 0 MT (eliminated); recycled waste: 2,809.71 kg (target 2,430); packaging 100%		SDG 16	Peace, Justice and Strong Institutions	Anti-corruption programme; whistleblower mechanism; Code of Conduct; Ethics Policy; ISO 27001 data protection; zero corruption incidents; regulatory compliance	Ethics; Anti-Corruption; Governance	EcoVadis Ethics Score 70; zero corruption complaints; zero data privacy incidents; ISO 27001:2022 active; Code of Conduct (HRP/CC/03/00) in force

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SDG 17	Partnerships for the Goals	EcoVadis supplier sustainability assessments; Supplier Code of Conduct; sustainability clause integration in contracts; industry association participation; GRI-aligned reporting; M/s J P Consulting third-party verification	Sustainable Procurement; Stakeholder Engagement; Reporting	63 suppliers with Supplier Code of Conduct; 105 contracts with sustainability clauses; sustainability report GRI-aligned; independently verified by M/s J P Consulting
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16.3 Primary SDGs — Deep-Dive Narratives

SDG 3 — Good Health and Well-Being

Exemed's entire business model is an expression of SDG 3. The Company manufactures four of the world's most widely prescribed medicines: Metformin HCl (Type 2 Diabetes), Allopurinol (Gout), Dextromethorphan (Respiratory), and Metoprolol Succinate (Cardiovascular). Cardiovascular disease is the leading cause of global mortality; diabetes and respiratory conditions rank among the top ten. By maintaining US FDA, EU GMP, and EDQM compliance with zero product recalls and zero customer health and safety incidents, Exemed ensures that the APIs entering global medicine supply chains are consistently pure, efficacious, and safe.

Community health contributions in FY 2025–26 include organisation of blood donation camps, medical check-up camps, and provision of medicines and medical equipment to NGOs serving underprivileged communities in Gujarat. The Company's community welfare commitment extends to women's health, children's education support,

and animal welfare — consistent with a holistic interpretation of SDG 3's "well-being" mandate.

SDG 6 — Clean Water and Sanitation

Water stewardship is among Exemed's most operationally significant SDG contributions. The Company operates in Gujarat — a water-stressed state — with a total water consumption of 39,579 KL in FY 2025–26. Exemed's circular water programme returned approximately 22,560 KL (57%) to productive use through recycling (9,770 KL) and reuse (12,790 KL). Rainwater harvesting (3,020 KL) reduced dependency on municipal and groundwater sources. The ETP delivers effluent quality far beyond regulatory minimums — API in discharge is zero-detected against a 0.05 mg/L permissible limit — ensuring zero pharmaceutical contamination of receiving water bodies.

SDG 13 — Climate Action

Exemed formally committed to Science Based Targets (SBTi) in March 2025, making it one of a small but growing cohort of Indian pharmaceutical manufacturers with a formal SBTi commitment. The Company's Net Zero 2050 pathway is operationalised through annual GHG intensity reduction targets, renewable energy expansion (solar PV), 100% bio-fuel substitution in boiler operations, diesel fleet efficiency improvement, and Scope 3 supplier data quality improvement. FY 2025–26 results demonstrate meaningful progress: Scope 1 emissions were 157 tCO₂eq — 21% below the 200 tCO₂eq target — and GHG intensity was 1.25 tCO₂eq/ton against a 1.50 target.

SDG 8 — Decent Work and Economic Growth

Exemed's 418-person workforce receives compensation above living wage/ minimum wage (100% coverage), works in an ISO 45001:2018 certified safe environment, and benefits from a training programme delivering 70 average hours per employee per year — 75% above the 40-hour target. The attrition rate of 1.49% is exceptional for Indian

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pharmaceutical manufacturing, indicating a workplace that retains talent through fair treatment, development opportunities, and career advancement. 24 promotions were granted in FY 2025-26 — 380% of the 5-person target — demonstrating a genuine commitment to internal career growth aligned with SDG 8's "decent work" mandate.



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17 ESG PERFORMANCE DASHBOARDS

17.1 How to Read the Dashboards

This chapter consolidates Exemed's complete multi-year ESG KPI performance into structured dashboards aligned with the four EcoVadis themes: Environment, Labour & Human Rights, Ethics, and Sustainable Procurement. Each dashboard presents three or four financial years of data alongside targets, enabling trend analysis and demonstrating the trajectory of performance improvement. Status symbols: = Target Met or Exceeded | = Below Target but Improving | = Target Missed | — = Data Not Available for this Year.

17.2 DASHBOARD A — Environmental Performance

A1 | Energy Performance Trends

KPI	FY 2023-24	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	FY 2026-27 Target	Trend	Status
Total Electricity (kWh)	—	7,196,901	9,500,000	8,984,478	8,884,478	↓ Improving	
Electricity Intensity (kWh/ton)	—	—	1,500.00	1,481.36	1,500.00	↓ Below target	
Diesel Consumption (L)	—	63,387	63,196	51,580	63,133	↓ 18% reduction	
Diesel Intensity (L/ton)	—	—	11.52	8.50	11.50	↓ Strong reduction	
Agro-Waste Briquettes (% boiler)	—	—	100%	100%	100%	→ Sustained	

Solar Energy Generated (kWh)	—	—	1,050,000	1,092,253	1,050,000	↑ Exceeded target	
Renewable Energy Share (%)	—	—	15.6%	12.2%	15.1%	↑ Growing but below share target	
Waste Heat Recovery (%)	—	—	3.12%	3.15%	3.20%	↑ On track	
Energy Training (man-hours)	—	—	17.5	19	20	↑ Exceeded	

A2 | GHG Emissions Trends

GHG KPI	FY 2023-24	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	FY 2026-27 Target	Trend	Status
Scope 1 (tCO ₂ eq)	—	—	200	157.18	150	↓ Excellent	
Scope 2 (tCO ₂ eq)	—	—	5,500	4,964	4,500	↓ Improving	
Scope 3 — upstream (tCO ₂ eq)	—	—	425,000	408,355	400,000	↓ Improving	
GHG Intensity S1+S2 (tCO ₂ eq/ton)	—	—	1.50	1.25	—	↓ 17% below target	
GHG Training —	—	—	29	30	35	↑ Met and growing	

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Internal (hrs)							
GHG Training — Stakeholder (hrs)	—	—	11	11	11	→ Sustained	✓

A3 | Water Performance Trends

Water KPI	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	FY 2026-27 Target	Trend	Status
Total Water Consumption (KL)	39,683	36,100	39,579	35,900	↑ Above absolute target; production ramp-up	⚠
Water Intensity (KL/ton)	—	6.59	6.53	6.54	↓ Below intensity target	✓
Rainwater Harvested (KL)	—	2,880	3,020	3,000	↑ Exceeded	✓
Water Recycled (KL)	—	9,000	9,770	9,500	↑ Exceeded +8.6%	✓
Water Reused (KL)	—	12,000	12,790	12,500	↑ Exceeded +6.6%	✓
Discharge Intensity (KL/ton)	—	≤10	6.53	≤10	↓ Well below limit	✓

A4 | Waste Performance Trends

Waste KPI	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	FY 2026-27 Target	Trend	Status
Hazardous Waste Generated (MT)	1,371.21	2,500	2,455.00	—	↑ Below target; production growth context	✓
Non-Hazardous Waste Generated (MT)	30	29.7	0 (eliminated)	—	↓ Outstanding — zero achieved	✓
Total Waste Recycled (kg)	305,459	2,430	2,809.71	—	↑ +16% above target	✓
Hazardous Waste Recycled (MT)	—	800	758.71	—	↑ 30.9% of hazardous waste recycled	✓
Hazardous Waste to Landfill (MT)	—	325	315.69	—	↓ Below target	✓
Product Recall Rate	0	0	0	0	→ Zero maintained	✓
Process Safety / Spill Incidents	0	0	0	0	→ Zero maintained	✓

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A5 | Air & Biodiversity Snapshot — FY 2025-26 (All parameters compliant)

Air / Environmental Parameter	Result	Limit / Target	% Within Limit
PM2.5 ($\mu\text{g}/\text{m}^3$)	22	60	63% below limit
PM10 ($\mu\text{g}/\text{m}^3$)	72	100	28% below limit
SOx ($\mu\text{g}/\text{m}^3$)	16	80	80% below limit
NOx ($\mu\text{g}/\text{m}^3$)	20	80	75% below limit
Total VOC / Workplace Air (ppm)	84	200	58% below limit
Daytime Noise (dB)	64	75	Compliant
Trees Planted	210	200 (target)	✅ Exceeded by 5%
Biodiversity Complaints	0	0	✅ Zero

Medical Treatment Cases (MTC)	1	2	2	2	✅
OHS Training (man-hours)	8,500	8,773	8,500	8,773	✅
Safety Inspections (internal)	11	12	12	12	✅
Safety Inspections (external)	1	2	2	2	✅
Fire Drills Conducted	2	2	2	2	✅
Emergency Mock Drills	2	2	2	2	✅
PPE Compliance Rate (%)	100%	100%	100%	100%	✅

17.3 DASHBOARD B — Labour & Human Rights Performance

B1 | Occupational Health & Safety Trends

OHS KPI	FY 2023-24	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	Status
Fatal Accidents	0	0	0	0	✅
Lost Time Injury Frequency Rate (LTIFR)	0	0	0	0	✅
Reportable Incidents	0	0	0	0	✅
Near-Miss Incidents Reported	6	11	10	11	✅ Culture of reporting improving
Near-Miss Closure Rate (%)	100%	100%	100%	100%	✅
First Aid Cases	4	5	3	4	⚠️ Slightly above target; minor cases

B2 | Workforce & Employment Trends

Employment KPI	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	FY 2026-27 Target	Status
Total Workforce	—	—	418	—	—
Employee Attrition Rate (%)	1.80%	≤10%	1.49%	≤10%	✅ Exceptional
Man-hours Worked	899,892	850,000	921,177	—	✅ Exceeded
Avg. Training Hours / Employee	61	40	70	—	✅ +75% above target
Employees Promoted	19	5	24	—	✅ 380% of target
Average Monthly Salary (₹)	—	—	₹30,541	—	✅ Above living wage
Employees above Living Wage (%)	—	100%	100%	100%	✅
Gender Pay Gap (unadjusted)	14%	—	13%	—	✅ Improving
Annual Comp Ratio (highest:median)	—	60:1	40:1	60:1	✅ More equitable than target

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Women in Top Management (%)	—	3%	3.98%	—	✓ Exceeded
Persons with Disability Hired	—	1	1	1	✓

B3 | Human Rights, Grievances & Labour Standards

Labour & Human Rights KPI	FY 2023-24	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	Status
Child Labour Incidents	0	0	0	0	✓
Forced Labour Incidents	0	0	0	0	✓
Human Rights Violations	0	0	0	0	✓
Discrimination Complaints	0	0	0	0	✓
Sexual Harassment Complaints	0	0	0	0	✓
Grievances Received	0	0	0	0	✓
Grievances Resolved (%)	100%	100%	100%	100%	✓
Internal Grievance Mechanism	Active	Active	Active	Active	✓
Supplier Labour Rights Incidents	0	0	0	0	✓
Human Rights Training (man-hours)	—	—	27	27	✓

17.4 DASHBOARD C — Ethics & Compliance Performance

Ethics & Governance KPI	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 Result	Trend	Status
Code of Conduct Coverage (%)	100%	100%	100%	100%	→ Full and sustained	✓

Anti-Corruption Training Coverage (%)	100%	100%	100%	100%	→ Full and sustained	✓
Confirmed Corruption Incidents	0	0	0	0	→ Zero — clean track record	✓
Facilitation Payments	0	0	0	0	→ Zero	✓
Political Contribution Violations	0	0	0	0	→ Zero	✓
Whistleblower Reports Received	0	0	0	0	→ Zero	✓
Whistleblower Reports Resolved (%)	100%	100%	100%	100%	→ Full resolution	✓
Data Privacy Complaints — Internal	0	0	0	0	→ Zero	✓
Data Privacy Complaints — External	0	0	0	0	→ Zero	✓
IS Incidents (confirmed)	0	0	0	0	→ Zero	✓
Cybersecurity Training (employees)	—	6	8	10	↑ Consistent improvement	✓
Anti-Bribery Training (man-hours)	—	—	53	53	→ Met	✓
Conflict of Interest Declarations (%)	100%	100%	100%	100%	→ Full	✓
EcoVadis Ethics Score	—	—	—	70	— Strong positioning	✓

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17.5 DASHBOARD D — Sustainable Procurement Performance

Procurement KPI	FY 2023-24	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	FY 2026-27 Target	Trend	Status
Suppliers — Supplier Code of Conduct (no.)	—	55	60	63	70	↑ Year-on-year growth	✓
Contracts with Sustainability Clauses (no.)	—	120	100	105	50	↑ Strong — above target	✓
Procurement Staff Trained (no.)	—	5	5	5	5	→ Sustained	✓
Supplier Self-Assessments (no.)	—	25	20	22	20	↑ Exceeded	✓
On-site ESG Audits (no.)	—	4	5	5	3	↑ Full recovery to target	✓
Suppliers in Corrective Action (no.)	—	1	1	1	1	→ Active engagement	✓
EcoVadis Procurement Score	—	—	—	64	—	→ Solid foundation	✓

17.6 DASHBOARD E — CSR & Community Performance

CSR KPI	FY 2023-24	FY 2024-25	FY 2025-26 Target	FY 2025-26 Result	Status
CSR Spend (₹ Lakhs)	—	—	1.50	1.50	✓
CSR Spend as % of PAT	—	—	2%	2%	✓
Blood Donation Camps	—	1	1	1	✓
Medical Check-up Camps	—	1	1	1	✓
Beneficiaries — Health Programs	—	—	—	600+	✓ Estimated based on CSR activity
Beneficiaries — Education Programs	—	—	—	50+	✓ Education support active
Tree Plantation Events	—	1	1	1	✓
Community Complaints Received	0	0	0	0	✓ Zero
Community Complaints Resolved	—	—	—	0 (none received)	✓



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18 ECOVADIS ALIGNMENT SECTION

18.1 EcoVadis Assessment Overview

EcoVadis is the world's most trusted provider of business sustainability ratings. Exemed Pharmaceuticals participates in EcoVadis assessments as an evidence-based demonstration of ESG performance to global pharmaceutical customers, regulated-market partners, and supply chain counterparties. EcoVadis rates companies across four themes — Environment, Labour & Human Rights, Ethics, and Sustainable Procurement — using a score of 0–100. Scores above 58 are considered "Advanced" (top 25% of rated companies). Exemed's current EcoVadis scores represent a strong platform, with Ethics (70) and Environment (68) as clear strengths, and Labour & Human Rights (67) and Sustainable Procurement (64) as solid foundations for further improvement.

18.2 EcoVadis Score Dashboard — FY 2025–26

EcoVadis Theme	Weight in Score	Current Score	Benchmark Positioning	Strength Areas	Improvement Opportunities
 Environment	30%	68 / 100	Strong — Above industry median; "Advanced" threshold	ISO 14001:2015 certified; Solar PV; Agro-waste boiler; ETP performance; Scope 1+2 GHG monitoring; SBTi commitment	Expand renewable share beyond 12.2%; Pursue ISO 50001; Enhance Scope 3 data quality; Formalise biodiversity programme
 Labour & Human Rights	40%	67 / 100	Strong — Above industry median;	ISO 45001:2018 certified; Zero LTI; Zero fatalities;	Achieve SA8000 / SMETA certification; Increase women on Board; Publish

			"Advanced" threshold	100% living wage; DEI training active; Grievance mechanism active; UNGC principles followed	formal Human Rights Due Diligence (HRDD) report; Expand migrant/contract worker coverage disclosure
 Ethics	15%	70 / 100	Strong — Above industry median; Top-quartile performance	ISO 27001:2022 certified; Anti-Corruption Policy; Whistleblower mechanism; Code of Conduct; Ethics Policy; Zero corruption incidents; Zero IS incidents; Conflict of interest framework	Pursue ISO 37001 Anti-Bribery certification; Formalise third-party due diligence programme; Expand anti-bribery training to suppliers
 Sustainable Procurement	15%	64 / 100	Solid — Near-Advanced threshold	63 suppliers with Code of Conduct; 105 contracts with sustainability clauses; 5 on-site audits; Supplier self-assessments; Corrective action programme active	Scale supplier EcoVadis assessments; Publish Supplier Sustainability Performance Report; Expand audit scope; Implement responsible minerals sourcing policy

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18.3 EcoVadis Four-Theme Evidence Mapping

The following table maps Exemed's key policies, actions, and results to EcoVadis assessment indicators:

Theme 1: Environment (Score: 68 / Weight: 30%)

EcoVadis Indicator	Exemed Evidence	Document / Source	EcoVadis Impact
GHG Emissions Policy	Environmental Policy (ISO 14001); GHG reduction targets in KPI file; SBTi commitment letter March 2025; Net Zero 2050 target	ISO 14001 Certificate; SBTi Commitment Letter; Sustainability Report	● High weight
GHG Monitoring and Targets	Scope 1: 157 tCO ₂ eq; Scope 2: 4,964 tCO ₂ eq; Scope 3: 408,355 tCO ₂ eq; Intensity 1.25 tCO ₂ eq/ton; Annual targets set	Environmental KPI file (EV-ENV); Sustainability Report FY 2025-26	● High weight
Energy Efficiency Policy and Actions	ISO 14001 EMS; VFDs on all major equipment; Solar PV 1,092,253 kWh; 100% bio-fuel boiler; Waste heat recovery 3.15%	ISO 14001 Certificate; Environmental KPI file; Sustainability Report	● High weight
Water Stewardship	39,579 KL consumed; 9,770 KL recycled; 12,790 KL reused; 3,020 KL rainwater harvested; ETP achieving BOD 280 vs 500 limit	Environmental KPI file; GPCB compliance records; Sustainability Report	● Medium weight
Air Pollution	All air quality parameters well within GPCB / CPCB limits; PM2.5 63% below limit; SOx 80% below limit; Online monitoring	Environmental KPI file; Environmental monitoring reports; GPCB CCA	● Medium weight
Biodiversity	210 trees planted; 6,500 sqm green areas;	Environmental KPI file; Site plan;	● Lower weight

	Zero biodiversity complaints; ISO 14001 site environmental assessment	Sustainability Report	
Product End-of-Life / Stewardship	Zero API in effluent; 100% MSDS coverage; 100% packaging recyclability; Product take-back procedure for expired APIs	Environmental KPI file; GPCB effluent compliance data; Sustainability Report	● Medium weight

Theme 2: Labour & Human Rights (Score: 67 / Weight: 40%)

EcoVadis Indicator	Exemed Evidence	Document / Source	EcoVadis Impact
Employee H&S Policy and Certification	ISO 45001:2018 certified (NS66931223); OHS Policy in Ethics & Compliance Manual; Chemical handling SOPs; Emergency preparedness	ISO 45001 Certificate; Ethics & Compliance Manual; OHS KPI file	● High weight
OHS Performance (zero harm)	Zero fatalities; Zero LTI; Zero LTIFR; TRIR compliant; 8,773 man-hours safety training; 12 internal inspections; 2 fire drills	OHS KPI file; Sustainability Report FY 2025-26	● High weight
Working Conditions Policy	Working Conditions Policy; Living Wage commitment; 100% above minimum wage; ₹30,541 avg. monthly salary	Ethics & Compliance Manual; HR KPI file; Sustainability Report	● High weight
Employee Training and Development	70 avg. training hours/employee; 24 promotions; internal recruitment; career development programme	HR KPI file; Training records; Sustainability Report	● Medium weight

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Diversity and Inclusion	Equal Employment Opportunity Policy; Gender pay gap tracking (13%); Women in top management 3.98%; DEI training active	Ethics & Compliance Manual; HR KPI file; Sustainability Report	● Medium weight
Human Rights and Labour Standards	Human Rights Policy; No child labour; No forced labour; Grievance mechanism; Zero HR violations; UNGC principles followed	Ethics & Compliance Manual; HR KPI file; Sustainability Report	● High weight
Collective Bargaining / Freedom of Association	Works Committee active; Employee representation mechanism in place; Right to organise respected	Ethics & Compliance Manual; HR Policy documentation	● Medium weight

	reports = healthy culture		
Data Protection / Cybersecurity	ISO 27001:2022 certified (NS66941223); Zero data privacy incidents; 10 employees trained in cybersecurity; Pharma Cloud ERP with access controls	ISO 27001 Certificate; IT KPI file; Ethics & Compliance Manual	● Medium weight
Conflict of Interest	100% declaration coverage; Gift declaration system; Annual conflict of interest review; Management sign-off	Ethics & Compliance Manual; Code of Conduct; Sustainability Report	● Medium weight
Fair Competition and Trade Practices	Fair competition clause in Code of Conduct; No antitrust incidents; No market-rigging incidents	Ethics & Compliance Policies Manual	● Lower weight

Theme 3: Ethics (Score: 70 / Weight: 15%)

EcoVadis Indicator	Exemed Evidence	Document / Source	EcoVadis Impact
Anti-Corruption / Anti-Bribery Policy	Anti-Corruption Policy in Ethics & Compliance Manual; Zero tolerance for bribery/facilitation payments; Gift policy; Political contribution prohibition	Ethics & Compliance Policies Manual; Code of Conduct (HRP/CC/03/00)	● High weight
Anti-Corruption Training	100% employee coverage; 53 man-hours anti-bribery training; Annual refreshers; Management sign-off	Ethics & Compliance Manual; HR KPI file; Training records	● High weight
Whistleblower Mechanism	Formal Whistleblower Policy; Internal reporting channel; Anti-retaliation clause; Zero	Ethics & Compliance Policies Manual; Sustainability Report	● High weight

Theme 4: Sustainable Procurement (Score: 64 / Weight: 15%)

EcoVadis Indicator	Exemed Evidence	Document / Source	EcoVadis Impact
Supplier Code of Conduct / Policy	Supplier Code of Conduct (active); Supply Chain Policy; 63 suppliers formally committed; 105	Supplier Code of Conduct; Procurement KPI file (EV-Procurement)	● High weight

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	contracts with sustainability clauses		
Supplier ESG Assessments	22 self-assessments conducted; 5 on-site ESG audits; Tier 1/2/3 assessment framework active	Procurement KPI file; Audit records; Sustainability Report	● High weight
Supplier Corrective Actions	1 corrective action engagement maintained in FY 2025-26; Formal corrective action register	Procurement KPI file; Corrective action register	● Medium weight
Procurement Staff Training	5 procurement personnel trained on sustainable procurement per year; Annual target consistently met	Procurement KPI file; HR Training records	● Medium weight
Responsible Mineral Sourcing	Policy consideration underway; no specific conflict mineral sourcing programme formalised yet	[Future action — FY 2026-27 roadmap]	● Medium weight — Improvement opportunity

			programme 4. Formalise green chemistry SOP with solvent recovery KPIs 5. Publish dedicated Climate Action Plan aligned with SBTi
👥 Labour & Human Rights	67	72-75	1. Achieve SA8000 certification or SMETA audit 2. Publish formal Human Rights Due Diligence (HRDD) statement 3. Increase women on Board / governance committee 4. Expand contract worker benefits disclosure 5. Formalise mental health and well-being programme
⚖️ Ethics	70	73-76	1. Pursue ISO 37001 Anti-Bribery Management System certification 2. Formalise third-party due diligence (TPDD) procedure 3. Extend anti-bribery training to key suppliers 4. Publish annual Ethics & Compliance performance summary 5. Enhance data privacy policy with GDPR-aligned elements
🔗 Sustainable Procurement	64	68-72	1. Invite top-20 suppliers to complete EcoVadis assessments 2. Publish annual Supplier Sustainability Performance Report 3. Formalise responsible minerals sourcing policy 4. Expand on-site audit scope to 8+ suppliers per year 5. Deploy online supplier ESG portal for real-time monitoring

18.4 EcoVadis Score Improvement Roadmap

Based on EcoVadis methodology principles and Exemed's current performance profile, the following targeted actions are recommended to strengthen Exemed's EcoVadis score in each of the four themes in FY 2026-27 and FY 2027-28:

Theme	Current Score	Target Score (FY 2027-28)	Priority Actions
🌿 Environment	68	72-75	1. Expand solar capacity to achieve 15%+ renewable share 2. Pursue ISO 50001 Energy Management certification 3. Develop formal Scope 3 supplier data quality

18.5 EcoVadis Assessment Readiness — Document Evidence Checklist

The following documents support Exemed's EcoVadis responses and should be maintained current and readily available for re-submission:

EXEMED PHARMACEUTICALS SUSTAINABILITY REPORT FY 2025-26

Document	EcoVadis Question(s)	Current Status	Expiry / Next Review
ISO 14001:2015 Certificate (NS66921223)	ENV certifications; GHG policy	✔ Active	24 December 2026
ISO 45001:2018 Certificate (NS66931223)	Labour H&S certification	✔ Active	24 December 2026
ISO 27001:2022 Certificate (NS66941223)	Ethics — IS certification	✔ Active	24 December 2026
ISO 26000 Self-Declaration	Other certifications	✔ Active	25 February 2025 — renew FY 2026–27
SBTi Commitment Letter (21 Mar 2025)	GHG reduction targets — SBTi	✔ Active	21 March 2033
Ethics & Compliance Policies Manual	Anti-corruption; CoC; HR policies; Whistleblower	✔ Active	Annual review
Sustainability Report FY 2025–26 (this report)	Multiple questions across all 4 themes; SDG GEN4001; Reporting GEN600	✔ This document	Valid for 2 years from publication
ESG KPI Verification Letter (M/s J P Consulting)	GEN600 — external assurance / verification	✔ Active	31 April 2026 (per prior letter)
Supplier Code of Conduct	Procurement — supplier policy	✔ Active	Annual review
ISO 26000 Audit Report (J P Consulting)	External sustainability audit	✔ Active	14 December 2026
GPCB / CPCB Compliance Records	Water; Air pollution; Effluent	✔ Active	Continuous — annual GPCB CCA
SA8000 Certification	Labour H&S — social accountability certification	🕒 Planned FY 2026–27	—
ISO 37001 Anti-Bribery Certificate	Ethics — anti-bribery certification	🕒 Planned FY 2027–28	—

ISO 50001 Energy Management Certificate	Environment — energy certification	🕒 Planned FY 2027–28	—
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EXEMED PHARMACEUTICALS SUSTAINABILITY REPORT FY 2025-26

MS. EXEMED PHARMACEUTICALS

SECTION 18-21 | ECOVADIS | GRI INDEX | ROADMAP | APPENDICES

18. EcoVadis Alignment

Exemed Pharmaceuticals actively participates in the EcoVadis sustainability rating programme. The scores below reflect current assessed performance, with a clear improvement trajectory mapped to the Future Roadmap (Section 20).

Theme	Weight	Score	Medal	Key Strengths	Top Improvement Priority
Environment	30%	68/100	Silver	ISO 14001; SBTi; solar PV; 100% bio-fuel boiler; Scope 1+2+3 GHG reporting; non-haz waste eliminated	ISO 50001; increase renewable share; publish Net Zero Pathway
Labour & Human Rights	40%	67/100	Silver	ISO 45001; zero LTI; 100% living wage; 70 hrs/emp training; zero child/forced/discrimination	SA8000/SMETA; HRDD statement; raise women workforce share

Ethics	15%	70/100	Silver	ISO 27001; anti-corruption training; zero incidents; whistleblower; 100% CoI declarations	ISO 37001; third-party due diligence programme
Sustainable Procurement	15%	64/100	Silver	63 CoC signatories; 105 sustainability contracts; 5 audits; active CAP	Supplier EcoVadis assessments; annual supplier sustainability report

18.2 Document Evidence Registry

#	Document	Theme(s)	Question(s)	Status
D1	ISO 14001:2015 Cert — NS:66921223 (OSS)	Environment	EMS; GHG policy	Valid to 24 Dec 2026
D2	ISO 45001:2018 Cert — NS:66931223 (OSS)	Labour & HR	OHS management system	Valid to 24 Dec 2026
D3	ISO 27001:2022 Cert — NS:66941223 (OSS)	Ethics	IS management; cyber security	Valid to 24 Dec 2026
D4	ISO 26000 Self-Declaration	All themes	Social responsibility	Annual review
D5	ISO 26000 Third-Party Audit — J P Consulting	All themes	External audit	Valid to 14 Dec 2026
D6	SBTi Commitment Letter (21 Mar 2025)	Environment	GHG targets	Valid to 21 Mar 2033
D7	ESG KPI Verification — J P Consulting (31 Apr 2026)	All themes	External verification	Valid to 31 Mar 2033
D8	Sustainability Report FY 2025-26 (this report)	All themes	GEN600; GEN4001	Valid 2 years from publication
D9	Supplier Code of Conduct	Procurement	Supplier ESG requirements	Annual review
D10	Ethics & Compliance Manual + Code of Conduct	Ethics	Anti-corruption; whistleblower	Active policy
D11	Anti-Corruption Policy (HRP/CC/03/00)	Ethics	Bribery; CoI; gifts	Active policy
D12	Information Security Policy	Ethics	Data privacy; cybersecurity	Active policy
D13	GPCB / CPCB Compliance Records	Environment	Water; air; effluent	Annual renewal
D14	SA8000 / SMETA Certification	Labour & HR	Social accountability	Planned FY 2026-27

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D15	ISO 37001 Anti-Bribery Certificate	Ethics	Anti-bribery management system	Planned FY 2027-28
D16	ISO 50001 Energy Certificate	Environment	Energy management system	Planned FY 2027-28



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19. GRI Content Index

2-30	Collective bargaining agreements	Sec 12 Works Committee; FOA policy
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GRI 2 — General Disclosures

Code	Disclosure	Location / Key Data
2-1	Organizational details	Sec 5 HQ Vadodara; Sites Luna & Vapi
2-2	Entities in reporting	Sec 6 Luna + Vadodara HQ
2-3	Reporting period, frequency & contact	Sec 6 FY 2025-26; tejas.pathak@exemedpharma.com
2-4	Restatements	Sec 6 Minor restatements noted
2-5	External assurance	Sec 6; App C M/s J P Consulting
2-6	Activities, value chain & relationships	Sec 5, 13 APIs + formulations; full value chain
2-7	Employees	Sec 12.1 418 total; 402M/16F; 215 permanent
2-8	Non-employee workers	Sec 12.1 203 fixed-term; 120 contractual
2-9	Governance structure	Sec 9 Board; Sustainability Committee
2-10	Nomination and selection	Sec 9 Promoter-led
2-11	Chair of governance body	Sec 9 Promoter-led model
2-12	Role in overseeing impacts	Sec 9 ESG oversight
2-13	Delegation of responsibility	Sec 9 EHS; HR; IT; Purchase; Finance
2-14	Role in sustainability reporting	Sec 9 Committee approves report
2-15	Conflicts of interest	Sec 9, 10 100% CoI declarations
2-16	Critical concerns communication	Sec 10 Whistleblower; Board escalation
2-17	Collective knowledge	Sec 9 ESG training documented
2-18	Evaluation of governance body	Sec 9 Annual IMR
2-19	Remuneration policies	Sec 12.3 Living wage commitment
2-20	Process to determine remuneration	Sec 12.3 Annual compensation review
2-21	Annual total compensation ratio	Sec 17 Dash B2 Highest:median = 40:1
2-22	Sustainable development strategy	Sec 4 Net Zero 2050; SBTi
2-23	Policy commitments	Sec 10 Policies listed
2-24	Embedding policy commitments	Sec 10, 12 Training; procurement; operations
2-25	Remediation processes	Sec 10 Grievance mechanism; CAP register
2-26	Mechanisms for advice	Sec 10 Whistleblower; email; phone
2-27	Compliance with laws	Sec 10 Zero violations FY 2025-26
2-28	Membership associations	Sec 16 SDG17 UNGC principles followed
2-29	Stakeholder engagement	Sec 8 All 6 groups

GRI 3 — Material Topics

Code	Disclosure	Location
3-1	Process to determine material topics	Sec 7
3-2	List of material topics	Sec 7
3-3	Management of material topics	Sec 10-15

GRI Topic Standards — Environment

Std	Code	Disclosure	FY 2025-26 Key Data
GRI 302	302-1	Energy consumption	Elec 8,984,478 kWh; Diesel 51,580 L; Briquettes 2,101 MT
GRI 302	302-3	Energy intensity	1,481 kWh/ton electricity; 8.50 L/ton diesel
GRI 302	302-4	Reduction of energy consumption	Diesel -18.6%; total energy -5.5%
GRI 303	303-3	Water withdrawal	39,579 KL groundwater
GRI 303	303-5	Water consumption	6.53 KL/ton intensity
GRI 305	305-1	Scope 1 GHG emissions	157.18 tCO ₂ eq
GRI 305	305-2	Scope 2 GHG emissions	4,964 tCO ₂ eq
GRI 305	305-3	Scope 3 GHG emissions	408,355 tCO ₂ eq (5 upstream categories)
GRI 305	305-4	GHG emissions intensity	1.25 tCO ₂ eq/ton — 17% below target
GRI 305	305-5	Reduction of GHG emissions	Scope 1 21% below target; SBTi active
GRI 305	305-7	NOx, SOx, air emissions	NOx 20; SOx 16; PM2.5 22 µg/m ³
GRI 306	306-3	Waste generated	Haz 2,455 MT; Non-haz 0 MT
GRI 306	306-4	Waste diverted from disposal	Recycled 2,809.71 kg; Haz recycled 758.71 MT

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GRI 306	306-5	Waste directed to disposal	Haz landfill 315.69 MT
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GRI Topic Standards — Social

Std	Code	Disclosure	FY 2025-26 Key Data
GRI 401	401-1	New employee hires and turnover	Attrition 1.49%; 24 promotions
GRI 401	401-2	Benefits	Equal benefits; living wage all categories
GRI 403	403-1	OHS management system	ISO 45001:2018 — 100% workforce coverage
GRI 403	403-2	Hazard identification, risk assessment, incident investigation	HIRA; near-miss system; RCA
GRI 403	403-5	Worker training on OHS	8,773 man-hours OHS training
GRI 403	403-9	Work-related injuries	Zero fatalities; zero LTI; LTIFR=0
GRI 403	403-10	Work-related ill health	Zero occupational illness cases
GRI 404	404-1	Average hours of training	70 hrs/employee vs 40 target
GRI 404	404-3	Employees receiving performance reviews	100% annual coverage
GRI 405	405-1	Diversity of governance bodies and employees	Women 3.84% workforce; 3.98% top management
GRI 405	405-2	Ratio of basic salary of women to men	Gender pay gap 13% unadjusted
GRI 406	406-1	Incidents of discrimination	Zero; zero POSH complaints
GRI 408	408-1	Operations at significant risk for child labour	Zero incidents; Child Labour Policy active
GRI 409	409-1	Operations at significant risk for forced labour	Zero incidents; Ethical Recruitment Policy active
GRI 413	413-1	Operations with local community engagement	Blood camps; education; 210 trees; 600+ beneficiaries
GRI 416	416-2	Non-compliance — health & safety of products	Zero recalls; zero customer H&S incidents

GRI Topic Standards — Governance / Ethics

Std	Code	Disclosure	FY 2025-26 Key Data
GRI 205	205-2	Communication and training about anti-corruption	100% employees; 53 man-hours anti-bribery
GRI 205	205-3	Confirmed incidents of corruption	Zero — 4-year clean record
GRI 206	206-1	Legal actions for anti-competitive behaviour	Zero legal actions
GRI 418	418-1	Substantiated complaints on privacy breaches	Zero internal and external complaints



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20. Future Roadmap 2026–2030

Pillar 1 — Decarbonisation & Climate

Target	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Scope 1 GHG (tCO ₂ eq)	157	150	140	125	110	95
Scope 2 GHG (tCO ₂ eq)	4,964	4,500	4,200	3,800	3,400	3,000
GHG Intensity (tCO ₂ eq/ton)	1.25	≤1.20	≤1.15	≤1.05	≤0.95	≤0.85
Renewable Energy Share (%)	12.2%	15.1%	18%	22%	28%	35%
ISO 50001	Not certified	Assessment	CERTIFIED	Maintain	Maintain	Maintain
SBTi Near-Term Targets	Commitment	Submit	Approved	Annual	Annual	Annual
Net Zero Pathway Report	Stated	Draft	Full Report	Annual	Annual	Annual

Pillar 2 — Water & Waste

Target	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Water Intensity (KL/ton)	6.53	≤6.50	≤6.40	≤6.20	≤6.00	≤5.80
Non-Hazardous Waste (MT)	0 <input checked="" type="checkbox"/>	Maintain 0	Maintain 0	Maintain 0	Maintain 0	Maintain 0
Haz. Recycling Rate (%)	30.9%	32%	35%	38%	41%	45%
Zero Liquid Discharge (ZLD)	Partial ETP	Assessment	Design	Pilot	Full ZLD	Maintain

API in Discharge (mg/L)	0 (BDL)	Maintain 0	Maintain 0	Maintain 0	Maintain 0	Maintain 0
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Pillar 3 — People, Safety & Community

Target	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Fatalities / LTIFR	0/0 <input checked="" type="checkbox"/>	0	0	0	0	0
Women in Workforce (%)	3.84%	5%	7%	9%	11%	14%
Women in Top Mgmt (%)	3.98%	5%	8%	10%	13%	15%
SA8000 Certification	Not certified	Assessment	CERTIFIED	Maintain	Maintain	Maintain
HRDD Report	Not published	Draft	Full HRDD	Annual	Annual	Annual
CSR Spend (₹ Lakhs)	1.50	1.75	2.00	2.25	2.50	3.00
Community Beneficiaries	600+	750	900	1,100	1,300	1,500

Pillar 4 — Governance & EcoVadis

Target	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
ISO 14001/45001/27001	Valid Dec 26	RENEW ALL	Active	Active	Active	Active
ISO 37001 Anti-Bribery	Not certified	Gap analysis	CERTIFIED	Maintain	Maintain	Maintain
EcoVadis Overall Score	Assessed	≥68	≥72	≥75	≥78	≥82 GOLD
EcoVadis Environment	68	70	72	74	76	78
EcoVadis Labour	67	70	72	74	76	78
EcoVadis Ethics	70	72	74	75	76	78

EcoVadis Procurement	64	67	70	72	74	76
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10	Publish first Supplier Sustainability Performance Report	Purchase Head	Q4 FY26-27	Procurement — HIGH
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Pillar 5 — Sustainable Procurement

Target	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
CoC Signatories	63	70	80	95	110	130
Supplier EcoVadis Assessments	0 formal	5	12	20	30	50
On-Site ESG Audits / Year	5	3	8	10	12	15
Supplier Sustainability Report	Not published	Draft	PUBLISHED	Annual	Annual	Annual
Responsible Minerals Policy	Not formalised	Draft	Published	Active	Full	Full

Top 10 Priority Actions — FY 2026-27

#	Action	Owner	Deadline	EcoVadis Impact
1	Renew ISO 14001/45001/27001 before Dec 2026 expiry	EHS Mgr + IT Head	Dec 2026	All 4 themes — CRITICAL
2	Submit SBTi near-term targets for formal approval	Sustainability Committee	Q2 FY26-27	Environment — HIGH
3	Launch SA8000 / SMETA gap assessment	HR Director	Q1 FY26-27	Labour — HIGH
4	Publish Net Zero 2050 Pathway Report	Sustainability Committee	Q3 FY26-27	Environment — HIGH
5	Initiate ISO 50001 gap assessment	EHS Manager	Q2 FY26-27	Environment — MEDIUM
6	Formalise and publish HRDD statement	HR Dir + Legal	Q3 FY26-27	Labour — HIGH
7	Launch ISO 37001 anti-bribery gap analysis	Compliance Head	Q1 FY26-27	Ethics — MEDIUM
8	Deploy supplier EcoVadis assessment (5 Tier 1 suppliers)	Purchase Head	Q2 FY26-27	Procurement — HIGH
9	Increase women in workforce to 5%	HR Director	FY26-27 annual	Labour — MEDIUM

EXEMED PHARMACEUTICALS SUSTAINABILITY REPORT FY 2025-26

21. Appendices

Appendix A — Certifications Register

#	Certificate	Standard	Cert. No.	Body	Expiry	Status
A1	Environmental Management System	ISO 14001:2015	NS:66921223	OSS Certification	24 Dec 2026	Active
A2	Occupational Health & Safety	ISO 45001:2018	NS:66931223	OSS Certification	24 Dec 2026	Active
A3	Information Security	ISO 27001:2022	NS:66941223	OSS Certification	24 Dec 2026	Active
A4	Social Responsibility Self-Declaration	ISO 26000:2010	Internal	Internal	Annual review	Active
A5	ISO 26000 Third-Party Audit	ISO 26000 Audit	Audit Report	M/s J P Consulting	14 Dec 2026	Active
A6	SBTi Commitment Letter	SBTi	Commitment	SBTi	21 Mar 2033	Active
A7	ESG KPI Independent Verification	Verification Statement	Ver. Letter	M/s J P Consulting	31 Mar 2033	Active
A8	US FDA cGMP	US FDA	—	USFDA	Continuous	Active
A9	EU GMP	EU GMP Annex	—	EU Authorities	Continuous	Active
A10	EDQM CEP	EDQM / EP	—	EDQM	Per product	Active
A11	SA8000 Social Accountability	SA8000:2014	—	TBD	FY 2026–27	Planned
A12	ISO 37001 Anti-Bribery	ISO 37001:2016	—	TBD	FY 2027–28	Planned
A13	ISO 50001 Energy Management	ISO 50001:2018	—	TBD	FY 2027–28	Planned

Appendix B — UNGC Principles Mapping

Principle	Category	Exemed Action	Section
P1	Human Rights	Human Rights Policy; zero HR violations; HRDD in progress	Sec 12.6
P2	Human Rights	Supplier CoC; audits; zero complicity incidents	Sec 13
P3	Labour	Works Committee; freedom of association policy	Sec 12.6
P4	Labour	Forced Labour Policy; ethical recruitment; zero incidents	Dash B3
P5	Labour	Child Labour Policy; age verification; zero child labour	Dash B3
P6	Labour	EEO Policy; DEI training; zero discrimination incidents	Sec 12.3
P7	Environment	ISO 14001 EMS; precautionary principle applied	Sec 11.1
P8	Environment	SBTi; Net Zero 2050; solar PV; water recycling; non-haz waste eliminated	Sec 11; SDG 7,13
P9	Environment	VFDs; green chemistry; bio-fuel boiler; solvent recovery; advanced ETP	Sec 11.2; Sec 15
P10	Anti-Corruption	Anti-Corruption Policy; 100% training; zero incidents; ISO 27001; whistleblower	Sec 10; Dash C

Appendix C — Independent Verification Statement Summary

Prepared by: M/s J P Consulting | Date: 31 April 2026 | Validity: 31 March 2033. Scope: Environmental KPIs (GHG, energy, water, waste, air); Labour & OHS KPIs; Ethics & governance KPIs; Sustainable procurement KPIs. Methodology: Document review, data reconciliation against source registers, and management interview. Opinion: Nothing has come to our attention that causes us to believe the ESG KPIs reported in the Exemed Pharmaceuticals Sustainability Report FY 2025–26 are materially misstated.

EXEMED PHARMACEUTICALS SUSTAINABILITY REPORT FY 2025-26



J P Consulting
R E D I S C O V E R

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Subject: Independent Verification of Selected ESG KPIs reported in the Exemed Pharmaceuticals Sustainability Report FY 2025–26.

Engagement: J P Consulting was engaged by Exemed Pharmaceuticals to conduct an independent limited verification of selected environmental, labour and occupational health and safety, ethics and governance, and sustainable procurement key performance indicators included in the Sustainability Report for FY 2025–26, covering the reporting period from 1 April 2025 to 31 March 2026.

Scope: The scope of our verification covered the selected ESG KPIs and related narrative disclosures included in the Exemed Pharmaceuticals Sustainability Report FY 2025–26 relating to: (i) Environmental KPIs, including GHG emissions, energy, water, waste and air-related indicators; (ii) Labour and OHS KPIs, including workforce, training, health and safety performance and grievance-related indicators; (iii) Ethics and governance KPIs, including anti-corruption, whistleblower, data privacy and governance disclosures; and (iv) Sustainable procurement KPIs, including supplier code alignment, sustainability clauses, supplier audits and related management practices.

Boundary: The review boundary covered Exemed Pharmaceuticals' reported operations for FY 2025–26, principally including the Luna manufacturing facility, associated management systems and sustainability governance disclosures reflected in the Sustainability Report. Where the report refers to Vapi and relevant corporate functions, our verification relied on the information and records made available by the Company within the reporting boundary stated in the report.

INDEPENDENT VERIFICATION STATEMENT

*Prepared by: M/s J P Consulting | Website: www.jpconsul.com | Date: 30
April 2026*

J P Consulting

*Helping Business Rediscover Direction
Sharing Knowledge to Empower*

Audits, Consultancy & Training Services in Management, Quality, Information Security, Sustainability (ESG), ISO Product Certifications etc.

**To the Top Management /Directors
Exemed Pharmaceuticals
Vadodara, Gujarat, India**

EXEMED PHARMACEUTICALS SUSTAINABILITY REPORT FY 2025-26

Methodology: Our work was based on a limited assurance-style approach and included document review, data reconciliation against source registers, and management interview. In particular, we reviewed relevant internal KPI files, environmental and safety records, policy documents, management system evidence, procurement records, and selected supporting schedules, and discussed selected disclosures with responsible management personnel.

Work performed: Our procedures included reviewing the reported FY 2025–26 KPI values against available internal records; reconciling selected environmental, social, ethics and procurement data to source files; reading the sustainability report for consistency with the underlying data made available; and considering whether the disclosures were presented in a manner consistent with the report’s stated frameworks and internal reporting approach.

Limitations: Our verification was limited to the information, explanations, and records provided by Exemed Pharmaceuticals for the above scope. We did not perform a financial audit, forensic review, legal compliance certification, or full testing of internal controls. This statement does not provide assurance over forward-looking statements, targets, opinions, or future commitments presented in the report.

Basis for context: Based on the report and source records reviewed, the FY 2025–26 disclosures include, among other matters, Scope 1 GHG emissions of 157.18 tCO₂e, Scope 2 GHG emissions of 4,964 tCO₂e, total electricity consumption of 8,984,478 kWh, water recycling of 9,770 KL, water reuse of 12,790 KL, hazardous waste generation of 2,454.995 MT, zero fatalities, zero LTIFR, 8,773 man-

hours of safety training, zero data privacy complaints, zero corruption complaints, 63 suppliers aligned to the Supplier Code of Conduct, and 5 on-site supplier sustainability audits.

Opinion: Nothing has come to our attention that causes us to believe the ESG KPIs reported in the Exemed Pharmaceuticals Sustainability Report FY 2025–26 are materially misstated.

Use of statement: This Independent Verification Statement has been prepared for incorporation into the Exemed Pharmaceuticals Sustainability Report FY 2025–26 and for communication to stakeholders in relation to the selected ESG KPI disclosures covered by this statement. It should be read together with the report’s stated reporting scope, methodologies, assumptions, and limitations.

Authorised Signatory:

Sanjay Prajapati/ S P Joseph

Managing Partner

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Date: 30 April 2026

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EXEMED PHARMACEUTICALS SUSTAINABILITY REPORT FY 2025-26

Appendix D — Glossary of Key ESG Terms

Term	Definition
API	Active Pharmaceutical Ingredient — biologically active component of a drug product
BOD	Biological Oxygen Demand — organic pollution in wastewater (mg/L)
COD	Chemical Oxygen Demand — oxygen required to oxidise chemical pollutants (mg/L)
DEI	Diversity, Equity and Inclusion
EcoVadis	Business sustainability ratings provider
EHS	Environment, Health and Safety
EMS	Environmental Management System (e.g. ISO 14001)
ETP	Effluent Treatment Plant
GHG	Greenhouse Gas — reported as CO2 equivalent (tCO ₂ eq)
GPCB	Gujarat Pollution Control Board
GRI	Global Reporting Initiative — sustainability reporting framework
HRDD	Human Rights Due Diligence
IMS	Integrated Management System (ISO 14001 + 45001 + 27001)
ISO 14001	Standard for Environmental Management Systems
ISO 26000	Guidance on Social Responsibility
ISO 27001	Information Security Management
ISO 37001	Anti-Bribery Management Systems
ISO 45001	Occupational Health & Safety
ISO 50001	Energy Management Systems
LTIFR	Lost Time Injury Frequency Rate
MTC	Medical Treatment Case
NO _x	Nitrogen Oxides — combustion air pollutants
OHS	Occupational Health and Safety
PM2.5 / PM10	Particulate matter ≤2.5 / ≤10 micrometres
SA8000	Social Accountability standard for labour rights
SBTi	Science Based Targets initiative
Scope 1 GHG	Direct emissions from owned sources
Scope 2 GHG	Indirect emissions from purchased electricity
Scope 3 GHG	Value chain emissions (upstream + downstream)
SDG	Sustainable Development Goal
SMETA	Sedex Members Ethical Trade Audit
SO _x	Sulphur Oxides — combustion air pollutants
SCoC	Supplier Code of Conduct
tCO ₂ eq	Tonnes of CO2 equivalent
TSS	Total Suspended Solids in wastewater (mg/L)
UNGC	United Nations Global Compact
VFD	Variable Frequency Drive
ZLD	Zero Liquid Discharge

Appendix E — Data Calculation Methodology

KPI	Methodology	Source	Limitation
Scope 1 GHG	Diesel L × 2.68 kgCO ₂ /L; briquettes biogenic excluded	Fuel consumption records	Biogenic CO ₂ excluded
Scope 2 GHG	Electricity kWh × 0.716 kgCO ₂ eq/kWh (CEA factor)	Monthly electricity bills	Location-based factor only
Scope 3 GHG	5 upstream categories; spend-based + activity-based	Procurement + supplier spend	Partial coverage
GHG Intensity	(Scope 1 + 2 tCO ₂ eq) ÷ production volume (MT)	GHG KPI + production records	Production volume basis stated
Water Consumption	Groundwater borewell flowmeters	GPCB monitoring; facility meters	Rainwater tracked separately
LTIFR	LTIs × 1,000,000 ÷ hours worked	ISO 45001 audit; HR records	Hours worked 921,177
Gender Pay Gap	(Male median – Female median) ÷ Male median × 100%	Payroll / HRMS	Unadjusted; adjusted analysis planned

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