SIGACHI INDUSTRIES LIMITED

CIN : L24110TG1989PLC009497

To

Date: September 28, 2026

The Manager **BSE Limited** P. J. Towers, Dalal Street Mumbai-400001 (BSE Scrip Code: 543389)	**The Manager** **National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai- 400051 (NSE Symbol: SIGACHI)

Sub: Sustainability Report for the financial year ended March 31, 2026.

Please find enclosed Sustainability Report of the Company for the financial year ended March 31, 2026.

This is for the information and records of the Exchange, please.

Thanking You,

Yours faithfully
For Sigachi Industries Limited

VIVEK KUMAR
Digitally signed by VIVEK KUMAR
Date: 2026.09.28 17:42:13 +05'30'

Vivek Kumar
Company Secretary & Compliance Officer

Driven by Purpose. Defined by Responsibility.

SIGACHI INDUSTRIES LIMITED
SUSTAINABILITY REPORT **2025-26**

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INTRODUCTION TO **THIS YEAR'S REPORT**

At Sigachi,

PURPOSE PROVIDES DIRECTION TO OUR GROWTH, WHILE RESPONSIBILITY DEFINES THE WAY WE PURSUE IT.

As we progress, we remain focused on strengthening the foundations that support sustainable and long-term value creation.

During FY2025–26, we continued to advance our approach across

- Workplace safety
- People
- Environmental stewardship
- Responsible business practices
- Stakeholder relationships

This Report reflects our progress during the year, and the actions undertaken to **strengthen our systems**, **enhance transparency** and **embed sustainability** more deeply across our operations.

These initiatives are our priorities, guiding our continued journey towards responsible and sustainable growth in the years ahead.

ABOUT THE REPORT

OUR REPORTING APPROACH

This report presents our sustainability performance and progress during FY2025–26, covering the period from 1 April 2025 to 31 March 2026.

It brings together our approach, actions and performance across the Environmental, Social and Governance matters that are material to our business and stakeholders. The Report has been prepared in accordance with the GRI Standards and is supported by the disclosures made through our Business Responsibility and Sustainability Report.

REPORTING BOUNDARY

The Report covers our standalone operations at Sultanpur, Jhagadia, Dahej and Madinaguda, along with our R&D centre. The reporting boundary for our GHG emissions has changed from the previous year. The Hyderabad unit, which formed part of the FY2024–25 GHG reporting scope, ceased operations in June 2025 and has accordingly not been included in our FY2025–26 environmental baseline or future environmental targets. This change has been considered in maintaining the consistency and comparability of our environmental disclosures.

EXTERNAL ASSURANCE

During FY2025–26, our Scope 1, Scope 2 and Scope 3 GHG emissions data underwent independent assurance by Indian Register Quality Systems, a division of ISSPL Limited. The assurance represents an important step in strengthening the quality and reliability of our environmental data as we continue to deepen our understanding of our environmental footprint.

FEEDBACK AND CONTACT

We welcome feedback and queries from our stakeholders regarding this Report. For further information, please write to us at esg@sigachi.com

FY 26: **PROGRESS IN FOCUS**

PROGRESSING WITH PURPOSE. GROWING WITH RESPONSIBILITY.

> "Responsibility equals accountability, accountability equals ownership. A sense of ownership is the most powerful weapon a team or organization can have."
>
> *— Pat Summitt (Celebrated Coach and Author)*

FY2025–26 marked a year of important developments across our sustainability agenda. The following highlights reflect the areas in which we took meaningful steps forward during the year.

1 STRENGTHENING THE FOUNDATIONS OF SAFETY

Our Actions

During FY26, we strengthened safety across our operations through a more structured and preventive approach to risk management. Key areas of focus included:

- Process and equipment safety: Strengthening controls around operational processes and equipment to support safer working conditions.
- Risk identification and assessment: Using independent assessments and more structured risk reviews to identify potential safety gaps and improvement areas.
- Emergency preparedness: Reinforcing emergency-response arrangements through training, mock drills and preparedness activities.
- Capability building: Expanding safety awareness through regular training, toolbox talks and employee engagement.
- Monitoring and follow-up: Strengthening the monitoring of workplace incidents, near misses and corrective actions to support timely learning and prevention.

The Impact

These efforts have strengthened the foundations of Sigachi's safety framework by improving prevention, preparedness and accountability across operations. A more structured approach to identifying risks, building safety capability and following through on corrective actions supports safer and more resilient workplaces for employees and workers.

2 WIDENING THE **LENS ON OUR EMISSIONS**

Our Actions

We expanded our GHG assessment to include Scope 3 emissions, extending our understanding of the environmental impact beyond our direct operations.

The Impact

The expanded assessment provides a more complete picture of Sigachi's broader emissions footprint across the value chain.

What This Enables

Greater visibility across the value chain provides a stronger basis for identifying areas for future engagement and action.

3 STRENGTHENING **THE DISCIPLINE BEHIND OUR DATA**

Our Actions

We subjected our Scope 1, Scope 2 and Scope 3 emissions to independent limited assurance during FY2025–26. The process reaffirmed the credibility of our reported data while identifying opportunities to further strengthen documentation and data management practices.

The Impact

Independent assurance brings greater rigour to the way we manage and report environmental data, reinforcing confidence in the information that underpins environmental decision-making.

What This Enables

The insights gained through the assurance process will support the continued refinement of documentation, data management and reporting practices.

4 UNDERSTANDING **OUR PRODUCT'S FOOTPRINT**

Our Actions

We conducted a Life Cycle Assessment of Microcrystalline Cellulose, our flagship product, to deepen our understanding of its environmental impacts across the product life cycle and identify the stages where these impacts are most pronounced.

The Impact

The assessment has provided a clearer, evidence-based understanding of our core product's environmental footprint and the stages where environmental impacts are most pronounced.

What This Enables

Its findings will inform the Company's evaluation of opportunities to enhance process and resource efficiency and progressively reduce environmental impacts.

5 A FIRMER FOUNDATION **FOR MEASURING PROGRESS**

Our Actions

We revised our environmental baseline to FY2025–26, reflecting changes in our operational footprint and strengthening the consistency and credibility of the data used to monitor our environmental performance.

The Impact

A more current and robust baseline provides a clearer reference point for measuring environmental performance consistently over time.

What This Enables

The revised baseline supports the implementation of our decarbonisation roadmap and the evaluation of opportunities to improve resource and operational efficiency.

6 EXTENDING **RESPONSIBILITY ACROSS OUR SUPPLY CHAIN**

Our Actions

We assessed our key raw-material suppliers against our responsible sourcing expectations and relevant ESG considerations, deepening our understanding of sustainability practices and potential risks across our supply chain.

The Impact

The assessment has strengthened our understanding of sustainability practices and potential ESG risks among key raw-material suppliers, extending our view of responsibility beyond our own operations.

What This Enables

The findings provide a stronger foundation for informed supplier engagement and the progressive integration of ESG considerations across our supply chain.

7 STRENGTHENING **GOVERNANCE THROUGH ENTERPRISE RISK MANAGEMENT**

Our Actions

We strengthened our approach to enterprise risk management through a structured framework for identifying, assessing, prioritising and monitoring key risks across the business. The framework covers a broad range of strategic, operational, financial, regulatory, safety, technology and ESG-related risks, with defined ownership and mitigation measures.

The Impact

The structured approach has strengthened visibility and accountability for key business risks, enabling risks to be assessed based on their significance and monitored through defined ownership, mitigation actions and review mechanisms.

What This Enables

The framework supports more informed decision-making and provides a clearer mechanism for monitoring, escalating and responding to significant risks across the organisation.

8 CREATING VALUE **BEYOND OUR OPERATIONS**

Our Actions

During FY2025–26, we continued to support focused community programmes through our NGO partners. Our initiatives with AKRSP(I) supported integrated rural development for over 5,000 tribal households in Gujarat; Mauna Dhwani Foundation supported skill development and livelihood opportunities for over 800 tribal women in Odisha; and VisionSpring Foundation provided vision screening to around 7,000 students across 17 schools.

The Impact

These programmes supported rural development, livelihoods and women's economic empowerment, while improving access to healthcare and supporting the well-being and education of schoolchildren.

What This Enables

Through long-term partnerships with experienced implementation partners, we aim to support sustained community development and create meaningful social value beyond our business operations.

"

THE QUALITY OF GROWTH MATTERS MORE THAN ITS PACE. SUSTAINABILITY IS HOW WE HOLD OURSELVES TO THAT STANDARD.

Dear Esteemed Shareholders,

Sigachi is in the middle of an important institutional evolution. What began with a strong position in Microcrystalline Cellulose has developed into a broader pharmaceutical platform, with growing capabilities across excipients, active ingredients, research and regulated markets. FY2025–26 was a year in which that evolution gained clarity, and the Board's role in guiding it became sharper.

Growth of this kind brings opportunity. It also brings institutional complexity. As the business grows larger and more complex, governance must keep pace. For the Board, this has meant looking beyond the business's immediate performance to the systems, capabilities and oversight that will support Sigachi over the long term.

For us, sustainability is the framework through which we assess whether growth is built on the right foundations. It ensures operational progress translates into lasting institutional value and holds us accountable to the stakeholders who have placed their confidence in this Company.

The Board's priorities reflect this. Safety governance, environmental accountability, the integrity of our disclosures, and the rigour of our capital allocation are the areas where oversight must remain sharpest. These are the areas where the long-term cost of shortcuts is highest, and where the long-term value of getting it right is greatest.

Our objective has always been to build an institution capable of sustaining growth with sound judgement and a clear sense of responsibility. That takes patience. It requires us to invest in the structures that support growth even when the pressure is to pursue visible progress.

Scale built on strong foundations measures progress. That is the standard by which we will continue to assess our own.

I thank our employees for their dedication through a pivotal year, and our customers, partners and shareholders for their trust in the institution we are building. The Board's responsibility in the year ahead is clear: to provide the oversight and care that allows Sigachi to grow with both strength and purpose.

Warm regards,

Rabindra Prasad Sinha

Chairman

"

THE INVESTMENTS THAT MATTER MOST THIS YEAR WERE THE ONES THAT CHANGED HOW WE OPERATE, HOW WE MANAGE RISK, AND HOW WE ACCOUNT FOR OUR IMPACT ON THE WORLD AROUND US.

Dear Esteemed Shareholders,

FY2025–26 was a year of significant investment in how Sigachi operates. While the business continued to grow and our technical capabilities advanced, the most consequential work of the year was in the systems, practices and governance that sit behind that growth.

Capability is often measured by what a company can produce and which markets it can serve. At Sigachi, we have increasingly measured it by something else as well: the quality of the systems through which we produce, the responsibility with which we operate, and the confidence with which we can account for our impact.

Safety governance was the most visible expression of this. The comprehensive redesign of safety systems across the organisation, undertaken in direct response to the events at our Pashamylaram facility, was built around five priorities: preventive controls and engineering safeguards at every site, independent safety assessment through third-party audits, a redesigned emergency preparedness framework, expanded EHS training to build workforce capability, and occupational health systems embedded into daily operations. These are permanent changes to how Sigachi runs. They form the bedrock for all future operational progress.

The same commitment shaped our approach to environmental practice. During the year, we measured our value-chain emissions for the first time, covering Scope 1, Scope 2 and Scope 3 across our operations. We subjected our environmental data to independent limited assurance, a first for Sigachi, and assessed suppliers against ESG criteria. We also revised our environmental baseline to FY2025–26, providing a more comprehensive and representative basis for tracking future performance.

These efforts matter because better information leads to better decisions. As our measurement and assurance systems mature, we can incorporate sustainability considerations more effectively into operational planning, investment decisions and risk management.

The capabilities we are building depend ultimately on the people who develop and operate them. As Sigachi's technical requirements and market presence evolve, so must the organisation's skills, leadership capacity and ownership. We invested in technical development, safety competence and functional expertise during the year, so that our people are equipped to meet the requirements of the next phase of the business.

We enter the year ahead focused on deepening operational consistency, embedding sustainability more firmly into how we plan and execute, and developing the platforms required for long-term, responsible growth. The work we are doing today will take time to mature. Our task is to execute with care and with the quality of the business always in view.

I thank our employees for their commitment through a year that tested every part of the organisation, and our customers, partners and shareholders for their trust in Sigachi.

Sincerely,

Amit Raj Sinha

Managing Director & CEO

CFO'S **STATEMENT**

FINANCIAL DISCIPLINE AND SUSTAINABILITY SHARE A COMMON PURPOSE: **BUILDING A RESILIENT BUSINESS CAPABLE OF CREATING VALUE OVER THE LONG TERM.**

Dear Esteemed Shareholders,

FY2025–26 was an exceptionally challenging year for Sigachi. Throughout the year, we remained focused on maintaining financial discipline, meeting our responsibilities and supporting the recovery and resilience of the business.

We followed a prudent and transparent approach to the financial treatment of the exceptional event during the year. Related costs and liabilities were recognised in accordance with applicable accounting standards, while insurance recoveries were recognised only when the relevant recognition criteria were met. Further details of the Company's financial performance are provided in our audited financial statements and Annual Report.

For Sigachi, financial resilience is integral to sustainability. It enables us to invest in safer operations, stronger systems, regulatory compliance, employee well-being, environmental performance and long-term capabilities. Financial discipline also helps us respond to unexpected circumstances while continuing to support our customers, employees, communities and other stakeholders.

Capital allocation is an important part of this approach. Investments in energy, water and material efficiency can improve operating performance, reduce environmental impacts and strengthen resilience. During the year, Sigachi also expanded its greenhouse gas accounting, measured material Scope 3 emissions, obtained independent limited assurance of its GHG inventory and conducted a Life Cycle Assessment of Microcrystalline Cellulose. These initiatives provide stronger information to support risk assessment, identify improvement opportunities and inform future decisions.

Going forward, we will continue to assess investments through the combined lens of financial value, safety, operational resilience, environmental responsibility and long-term business needs. Our objective is to deploy capital responsibly and support growth that is disciplined, resilient and sustainable.

I thank our employees, customers, business partners, shareholders and other stakeholders for their continued trust and support during this consequential year.

Sincerely,

O. Subbarami Reddy
Chief Financial Officer

EXECUTIVE **SUMMARY**

A YEAR OF RECKONING. A YEAR OF RESOLVE.

Better Visibility. Stronger Systems. Broader Capability.

FY 2025–26 marks an important inflection point for Sigachi. Having navigated a challenging year with transparency and discipline, we closed FY26 with our operations intact, our customer relationships strengthened, and our long-term growth thesis firmly in place.

Following the incident at our Pashamylaram facility, we undertook comprehensive measures to strengthen preventive controls, process and equipment safety, emergency preparedness, workforce capability, and accountability across our operations.

During the year, we also expanded our environmental measurement to include relevant Scope 3 emissions, obtained independent limited assurance of our Scope 1, 2 and 3 GHG inventory, completed an MCC Life Cycle Assessment, and established FY 2025–26 as the revised baseline for our environmental targets.

We strengthened enterprise risk management, formalised business continuity planning, and extended ESG assessment to key suppliers.

Together, these actions provide a stronger foundation for measurable progress across safety, climate and resource efficiency, people, communities, and responsible business practices.

Safety & People

- Organisation-wide strengthening of safety systems
- 100% health and safety training coverage
- 97.52% employee skill-development coverage
- Continued focus on wellbeing, inclusion and employee engagement

Environment

- Relevant Scope 3 emissions measured for the first time
- Scope 1, 2 and 3 GHG data independently assured
- Total energy consumption reduced by 11.2%
- MCC Life Cycle Assessment completed
- FY2025–26 environmental baseline established

Responsible Business

- Enterprise Risk Management framework strengthened
- Business Continuity Plan formalised
- Five key and critical suppliers assessed on ESG parameters
- Continued focus on ethics, compliance and cybersecurity

Business & Communities

- Hyderabad API R&D Centre operational
- Four CEP filings and Metformin CEP approval
- More than 12,600 lives reached through community initiatives

WHO WE ARE

While our core business verticals remain unchanged, our portfolio continues to evolve towards higher-value and differentiated solutions.

Sigachi Industries Limited is a diversified pharmaceutical solutions company, with Microcrystalline Cellulose (MCC) at the core of its business. Over the years, we have expanded our capabilities across pharmaceutical, food, nutrition and healthcare applications, combining manufacturing expertise with growing research, technical and regulatory capabilities.

During FY2025–26, we continued to strengthen our presence across APIs & Intermediates, Film Coatings & Polymer Blends, Vitamin-Mineral Premixes, Functional Ingredients and Operations & Management (O&M). Our products and capabilities serve a diverse range of customer requirements across pharmaceutical, food, nutrition and healthcare applications.

OUR BUSINESS VERTICALS

Microcrystalline Cellulose (MCC)	APIs & Intermediates	Film Coatings & Polymer Blends	Vitamin-Mineral Premixes & Functional Ingredients	Operations & Management
MCC remains the foundation of our business and continues to anchor our expertise in pharmaceutical excipients.	We are strengthening our capabilities across pharmaceutical development and manufacturing as part of our broader evolution into a pharmaceutical solutions platform.	Our specialised coating and polymer capabilities support evolving formulation requirements within the pharmaceutical industry.	We provide customised solutions that support nutrition, food and healthcare applications, extending our capabilities beyond our core pharmaceutical business.	Through our O&M vertical, we provide operational and management services for chemical process plants, extending our manufacturing expertise into specialised service capabilities.

OUR PURPOSE

To become the leading player in offering customised solutions, with the objective of creating a Healthier, Happier and Joyful World.

OUR MISSION

To be the best-managed, fastest-growing company, employing Innovation to deliver customised, affordable solutions to the Pharma, Food, Nutrition and Healthcare industry. Sigachi believes in every stakeholder, i.e. Customers, Suppliers, Employees, Shareholders and the Planet Earth, to "Experience Excellence".

OUR VALUES

- **P** – Purpose-Driven Customer Obsession
- **U** – Unwavering Bias for Action
- **L** – Leadership Through Extreme Ownership
- **S** – Strength In Growth Mindset
- **E** – Excellence As One Team

OUR REACH

500+ *Customers*

65+ *Markets Served*

57.20% *of Production Exported*

We continue to deepen our presence across global markets, serving a broad customer base with products and solutions tailored to diverse applications and geographies.

OUR EVOLVING FOOTPRINT

Our business is supported by a multi-location operational footprint across India, combining manufacturing, research and product-development capabilities. During FY2025–26, production was reallocated across our Dahej and Jhagadia facilities to support business continuity. At the same time, we continued to invest in strengthening our future manufacturing and innovation capabilities.

Dahej Expansion

Our ongoing expansion at Dahej SEZ represents an important investment in the future of our MCC business and manufacturing capabilities.

12,000 MTPA	30,000 MTPA	Q2 FY28
Additional MCC capacity under development	Total installed MCC capacity upon completion	Target commissioning

BUILDING CAPABILITIES FOR WHAT COMES NEXT

FY2025–26 also marked continued progress in strengthening our research, technical and regulatory capabilities.

Our Hyderabad API R&D Centre became operational, bringing API development and analytical capabilities under one roof. This strengthens our ability to support innovation, improve development efficiency and advance our portfolio of pharmaceutical solutions.

As our business continues to evolve, we remain focused on strengthening the capabilities that will support our next phase of growth—combining our established expertise in MCC with a broader portfolio of specialised products, solutions and services.

SIGACHI AT A GLANCE

OUR MANUFACTURING AND INNOVATION CAPABILITIES

(CONSOLIDATED)

~ 18,000 MTPA
Current MCC Capacity

30,000 MTPA
MCC Capacity Post Dahej Expansion

1,800 TPA
CCS Capacity Under Development

100 KL
API Reactor Capacity at Raichur

OUR FINANCIAL PERFORMANCE

(CONSOLIDATED)

₹477.8 crore
Revenue from Operations

₹53.7 crore
EBITDA

11.24 %
EBITDA Margin

₹528.9 crore
Net Worth

OUR ACCREDITIONS AND RECOGNITIONS

EXCiPACT | GMP | fssai | ISO 9001:2015 | ISO 14001:2015 | ISO 45001:2018 | FSSC 22000 | HALAL | KOSHER | edqm | FDA APPROVED | gain

OUR RATINGS

Great Place to Work® Certified
[May 2026 to May 27]

ecovadis
Completed and submitted our Eco-Vadis sustainability assessment (results are awaited)

OUR **JOURNEY**

SIGACHI OVER THE YEARS

Every stage of our journey has built on the one before it.

From our early beginnings to a growing global presence in pharmaceutical and specialty ingredients.

1989

Incorporated as Sigachi Chloro-Chemicals Private Limited, laying the foundation for our journey in specialty chemicals and pharmaceutical ingredients.

1998

Commenced export operations, marking the beginning of our international growth journey.

2000

Entered premium-grade Microcrystalline Cellulose production, strengthening our manufacturing capabilities and expanding capacity.

2009

Established a 100% Export Oriented Unit for MCC manufacturing at Dahej, strengthening our production capabilities and export orientation.

2010

Commenced commercial production at Dahej SEZ, Gujarat, further strengthening our manufacturing and export capabilities.

2012

Commenced commercial production at Jhagadia, expanding our manufacturing footprint.

2017

Sigachi Inc., USA commenced operations, strengthening our presence in the North American market.

2021

Listed on the NSE and BSE on 15 November 2021, marking an important milestone in our corporate journey.

2025–26

- Advanced our pharmaceutical capabilities, with our Hyderabad API R&D Centre becoming operational and bringing API development and analytical capabilities under one roof.
- Strengthened our regulated-market readiness, with four Certificates of Suitability filed and a CEP for Metformin Hydrochloride granted by the European Directorate for the Quality of Medicines & HealthCare (EDQM).
- Expanded our innovation partnerships through a strategic collaboration with the Respilon Group to explore drug-delivery applications using nanofiber technology.
- Earned Great Place to Work® certification, recognising our continued focus on building a strong workplace culture.

UNDERSTANDING PERSPECTIVES, SHAPING ACTION

Our relationships with stakeholders provide a valuable perspective on the matters that shape our business and sustainability priorities.

Through ongoing engagement, we seek to understand the expectations, concerns and emerging priorities of the people and institutions connected to our operations. These insights help us strengthen our approach across areas ranging from workplace safety and product quality to responsible sourcing, governance, environmental stewardship and community development.

OUR STAKEHOLDER ENGAGEMENT

Stakeholder Group	How We Engage	Key Areas & Expectations	Our Response
Employees & Workers	▪ Town halls and employee interactions ▪ Training programmes and toolbox talks ▪ Safety Committee meetings ▪ Grievance mechanisms ▪ Employee engagement initiatives	▪ Health and safety ▪ Wellbeing ▪ Learning and development ▪ Career growth ▪ Fair workplace practices	▪ Strengthened safety systems and practices ▪ Enhanced training and emergency preparedness ▪ Increased safety monitoring and follow-up ▪ Continued employee development and wellbeing initiatives
Customers	▪ Regular business interactions ▪ Customer meetings and visits ▪ Audits and quality reviews ▪ Feedback and grievance mechanisms ▪ ESG information requests	▪ Product quality and safety ▪ Regulatory compliance ▪ Reliable supply ▪ Responsible manufacturing ▪ ESG and environmental performance	▪ Continued focus on quality and compliance ▪ Responded to ESG assessments and information requirements ▪ Strengthened ESG measurement and disclosures
Suppliers & Business Partners	▪ Supplier meetings ▪ Supplier assessments ▪ Regular procurement interactions	▪ Quality and timely supply ▪ Regulatory compliance ▪ Responsible sourcing ▪ ESG expectations	▪ Initiated Supplier ESG assessments ▪ Engaged suppliers on identified improvement areas ▪ Recommended corrective actions, where applicable
Investors & Shareholders	▪ Annual General Meeting ▪ Investor interactions ▪ Financial and ESG disclosures ▪ Annual Report and BRSR ▪ Stock-exchange communications	▪ Business performance and growth ▪ Governance and risk management ▪ Safety performance ▪ ESG performance	▪ Strengthened disclosures ▪ Developed a structured Enterprise Risk Management framework ▪ Strengthened ESG reporting and monitoring
Communities & NGO Partners	▪ Community interactions ▪ CSR programmes ▪ Engagement through implementation partners ▪ Field visits ▪ Programme reviews	▪ Education ▪ Healthcare ▪ Livelihoods ▪ Community development ▪ Locally identified needs	▪ Undertook need-based CSR interventions ▪ Worked through relevant implementation partners ▪ Focused interventions on vulnerable and marginalised communities
Government & Regulatory Authorities	▪ Statutory filings and submissions ▪ Inspections and audits ▪ Engagement with relevant authorities	▪ Regulatory compliance ▪ Environmental compliance ▪ Occupational health and safety ▪ Adherence to applicable laws	▪ Continued compliance monitoring ▪ Undertook statutory reporting ▪ Supported audits and inspections ▪ Implemented corrective actions, where applicable

FROM ENGAGEMENT TO ACTION

Stakeholder engagement helps us maintain an active understanding of the issues that matter to those connected with our business. The perspectives gathered through these interactions inform our priorities and support decision-making across relevant business and sustainability areas.

During FY2025–26, stakeholder expectations continued to reinforce the importance of several areas of focus, including:

- Strengthening workplace safety and emergency preparedness
- Maintaining product quality, compliance and supply reliability
- Improving the measurement and management of environmental performance
- Extending responsible business practices across the supply chain
- Strengthening risk management, governance and ESG disclosures
- Supporting community development through need-based interventions

Where relevant, stakeholder concerns and emerging priorities are considered by the appropriate business and functional teams. Significant matters are addressed through the Company's established management and governance processes, supporting accountability, monitoring and appropriate escalation.

CONTINUING THE DIALOGUE

Stakeholder expectations continue to evolve alongside our business and the wider operating environment. We therefore view engagement as an ongoing process rather than a periodic exercise. By continuing to listen, understand and respond, we aim to strengthen relationships built on trust and ensure that the way we grow remains responsive to the people, communities and institutions connected to our business.

DEFINING OUR SUSTAINABILITY PRIORITIES

At Sigachi, Sustainability is shaped by an understanding of the issues that matter most to our business and its stakeholders.

Our materiality assessment provides a structured framework for identifying these priorities and directing our efforts towards areas where we can create meaningful and enduring value. The materiality framework continues to guide our sustainability approach during FY2025–26, with the identified priorities remaining relevant to our evolving business and stakeholder landscape.

OUR APPROACH **TO MATERIALITY**

The materiality framework established through Sigachi's earlier assessment continued to guide the Company's sustainability approach during FY2025–26. The identified material topics remained relevant to the Company's business and stakeholder context and were therefore retained for the reporting year.

The framework considers sustainability matters from two perspectives:

Business Impact	Stakeholder Importance
The potential significance of an issue to Sigachi's business, operations, strategy, risks and long-term value creation.	The relevance and importance of an issue to the stakeholders connected to our business.

By considering these two perspectives together, we identify the sustainability matters that warrant focused management attention and are most relevant to Sigachi's long-term journey.

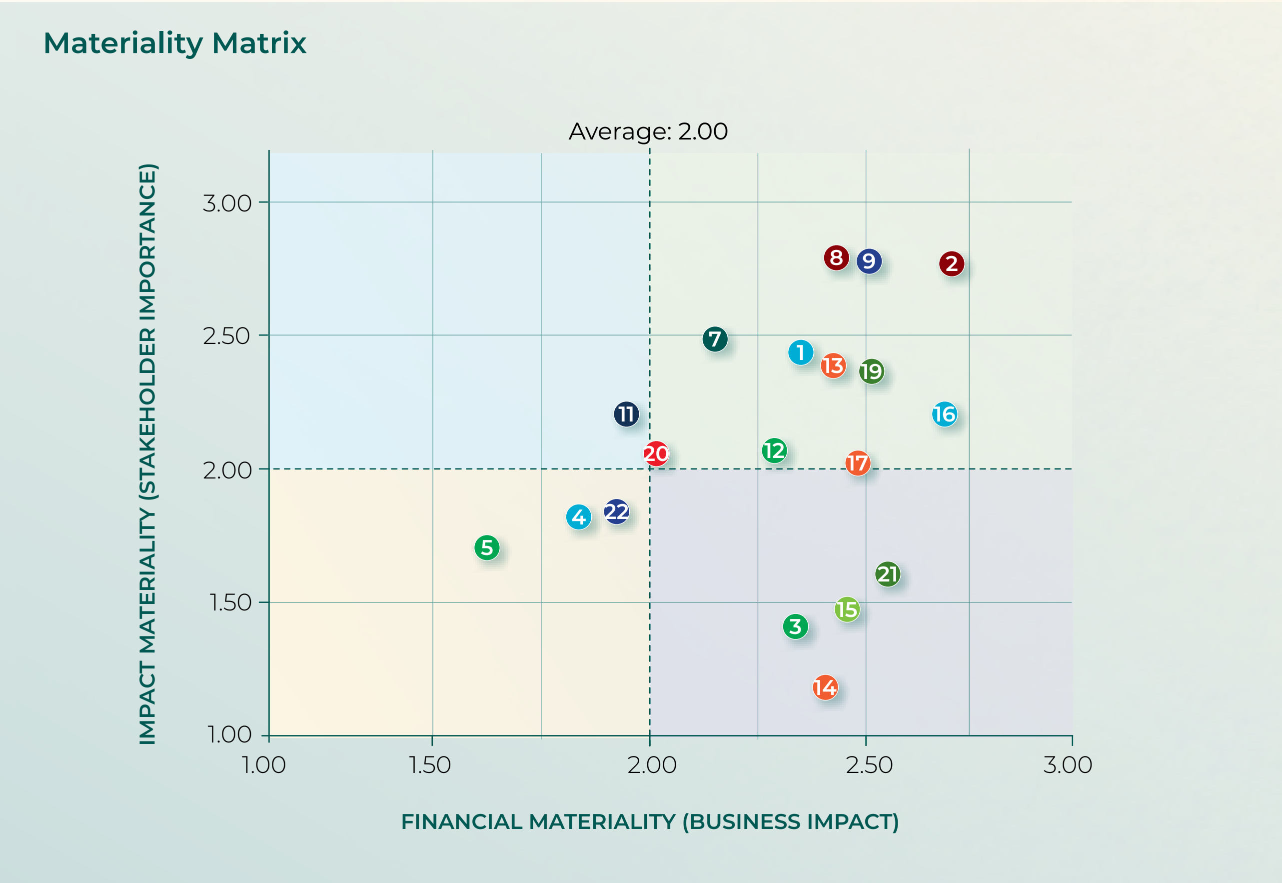
THE MATERIALITY **ASSESSMENT PROCESS**

The materiality framework was developed through a structured assessment of relevant environmental, social and governance matters. This process established the materiality framework that continues to guide Sigachi's sustainability priorities and reporting.

The process involved:

1. **Identifying relevant sustainability matters**
   Considering issues relevant to our business, industry, stakeholders and broader sustainability landscape.
2. **Assessing stakeholder importance**
   Understanding the relevance of identified issues to key stakeholder groups and their expectations.
3. **Evaluating business impact**
   Assessing the significance of each issue in relation to Sigachi's operations, strategy, risks and long-term value creation.
4. **Leadership review and validation**
   The assessment and identified priorities were reviewed with senior leadership and management.
5. **Prioritising material issues**
   The identified issues are mapped based on their business impact and stakeholder importance.

OUR **MATERIALITY MATRIX**



Quadrant Guide

Stakeholder Priorities	Strategic Priorities	Monitor / Low Priority	Business Priorities
High Stakeholder Importance & Low Business Impact	High Stakeholder Importance & High Business Impact	Low Stakeholder Importance & Low Business Impact	Low Stakeholder Importance & High Business Impact

Material Issues (By Category)

Environmental (ENV)

1 Water & waste management
2 Energy & emission management
5 Responsible procurement & supply chain management

Social (SOC)

7 Human capital management
8 Employee health & safety and well being
9 Occupational health & safety
12 Promote DEI
13 CSR & community engagement

Governance (GOV)

16 Business ethics
17 Information security, cyber security & data privacy
18 Business continuity and risk management
19 Regulatory & ethical compliance
20 Innovation management and investment in R&D

FROM **MATERIALITY TO ACTION**

Materiality helps translate stakeholder expectations and business priorities into focused action. Together, these topics provide a clear connection between what matters to our stakeholders and business and how we approach responsible and sustainable growth.

The identified material topics guide the Company in:

- Identifying key ESG priorities
- Setting sustainability goals and targets
- Developing initiatives and programmes
- Directing management attention towards significant issues
- Strengthening sustainability planning
- Informing ESG disclosures and future priorities

EMBEDDING SUSTAINABILITY INTO OUR BUSINESS

Sustainability at Sigachi is guided by the matters that are most relevant to our business and stakeholders.

Our materiality assessment provides the foundation for identifying these priorities, while clear governance, functional ownership and ongoing performance monitoring support their integration into business decision-making and operations.

Our approach is built around a simple progression:

1. Material Matters
2. Strategic Priorities
3. Clear Ownership
4. Monitoring and Improvement
5. Action Across Functions

1 FROM MATERIALITY **TO PRIORITIES**

Priority Area	What It Focuses On
Energy & Emissions Management	Improving energy efficiency, managing emissions and progressing towards a lower-carbon operating model
Water & Waste Management	Improving water efficiency, recycling and reuse, and responsible waste management
Responsible Procurement & Supply Chain Management	Strengthening sustainability considerations across suppliers and the value chain
Occupational Health & Safety	Maintaining safe and healthy workplaces
Human Capital, Well-being & DEI	Supporting employee development, engagement, inclusion and diversity
CSR & Community Engagement	Creating positive outcomes in communities through need-based interventions and partnerships
Business Ethics, Compliance & Risk Management	Supporting ethical conduct, regulatory compliance, business continuity and organisational resilience
Innovation & R&D	Supporting process optimisation and cleaner technologies

2 CONNECTING PRIORITIES **TO WHAT MATTERS MOST**

Our sustainability priorities are informed by the Company's material topics, helping ensure that our ESG efforts remain focused on matters that are significant to the Company and its stakeholders.

Sustainability Priority	Related Material Topic(s)
Energy efficiency & climate action	Energy & Emission Management
Water conservation	Water Management
Waste reduction	Waste Management
Sustainable supply chain	Responsible Procurement & Supply Chain Management
Safe workplace	Occupational Health & Safety; Employee Health, Safety & Well-being
People development	Human Capital Management
Diversity & inclusion	Promotion of Diversity, Equity & Inclusion
Community impact	Corporate Social Responsibility & Community
Ethical business	Business Ethics; Regulatory & Ethical Compliance
Business resilience	Business Continuity & Risk Management
Data protection	Information Security, Cybersecurity & Data Privacy
Innovation	Innovation Management & Investment in R&D

3 GOVERNANCE AND ACCOUNTABILITY

Sigachi's ESG governance framework establishes clear accountability from strategic oversight to operational execution.

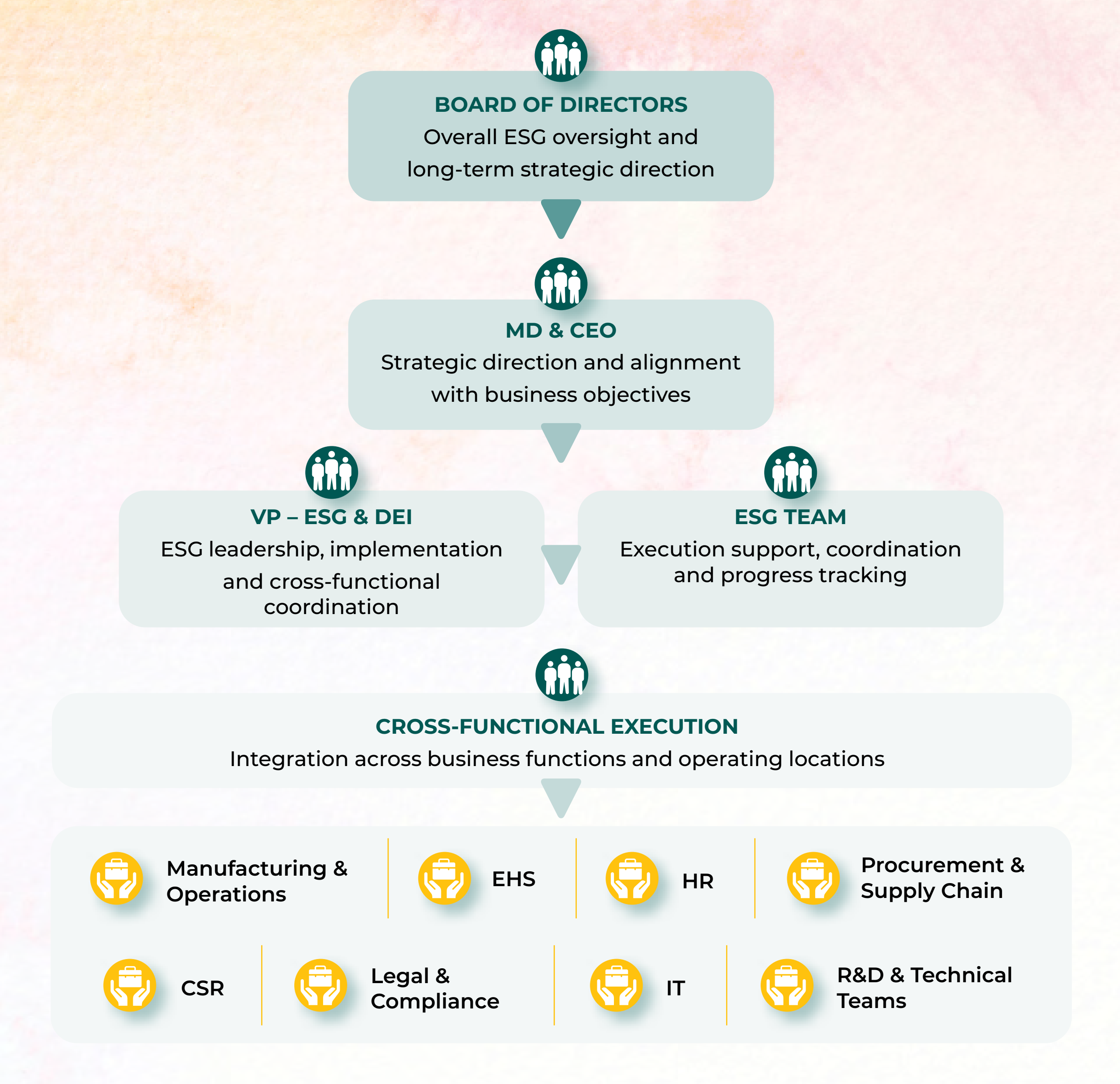
Overall oversight of ESG matters rests with the Board of Directors, which sets the tone at the top and ensures that sustainability considerations remain integral to the Company's long-term strategy.

The MD & CEO provides strategic direction, translating Board-level priorities into actionable organisational goals and ensuring that ESG priorities remain aligned with broader business objectives.

The VP – ESG & DEI leads the implementation and coordination of ESG priorities across the organisation, working closely with the ESG Team to support execution, track progress and promote consistency in the way sustainability priorities are pursued.

At the operational level, responsibility is embedded within the relevant business functions and operating locations. These functions work together to translate ESG priorities into day-to-day actions, decisions and processes across the business.

This layered approach creates clear lines of accountability—from Board-level oversight to on-the-ground execution—while enabling material issues to be escalated through the organisation when required.



4 TURNING PRIORITIES INTO ACTION

Our sustainability priorities are translated into action through the relevant business functions and operating locations. Environmental priorities are managed alongside manufacturing and operational activities; people-related priorities through HR and EHS processes; supply-chain considerations through procurement and supplier engagement; and governance priorities through the Company's risk, compliance and management frameworks.

This approach helps ensure that sustainability is not managed as a standalone function, but is progressively integrated into the decisions, processes and activities that shape our business.

5 MONITORING PROGRESS AND STRENGTHENING OUR APPROACH

Progress against sustainability priorities is reviewed through periodic performance monitoring and management reviews against relevant targets, KPIs and identified improvement areas.

Environmental indicators, including energy, fuel, emissions, water and waste, are tracked through regular data collection across operations. The Company is also strengthening structured monitoring of social and safety indicators, including workplace incidents, training, emergency preparedness, workforce composition and employee turnover.

External assessments and assurance, where applicable, provide an additional layer of rigour and help identify opportunities for continued improvement.

> Sustainability matters are reviewed quarterly, with the ESG team coordinating with relevant functions to monitor performance, identify gaps and track actions. Significant matters are assessed based on their potential business, stakeholder or regulatory implications and escalated to senior management, including the MD & CEO, where required.

OUR VALUE CREATION

CREATING SHARED VALUE

Transforming resources, capabilities and relationships into lasting value.

At Sigachi, value creation extends beyond financial performance. Our ability to grow depends on the resources we use, the capabilities we build and the relationships we strengthen across our value chain. We seek to transform these inputs through responsible business practices into products, opportunities and outcomes that create value for our stakeholders.

INPUTS

OUR PEOPLE
- Employees and workers
- Skills and technical expertise
- Experience and knowledge
- Health, safety and wellbeing

OUR RELATIONSHIPS
- Customers
- Suppliers and business partners
- Communities and NGO partners
- Investors and other stakeholders

OUR RESOURCES
- Raw materials and other inputs
- Energy and water
- Manufacturing infrastructure
- Technology and R&D capabilities

OUR SYSTEMS
- Quality and regulatory systems
- Safety and risk-management processes
- Governance and ethical practices
- ESG policies and frameworks

RESPONSIBLE BUSINESS IN ACTION

OUTPUTS

FOR OUR EMPLOYEES
- Safety training and awareness programmes
- Toolbox talks and emergency-response drills
- Learning and development initiatives
- Employee engagement and wellbeing programmes

FOR OUR CUSTOMERS
- Pharmaceutical excipients, APIs and nutraceutical solutions
- Quality and compliance systems
- Regulatory and technical support
- ESG and responsible-sourcing information

FOR OUR SUPPLIERS
- Sustainable Procurement Policy
- Supplier Code of Conduct
- ESG assessments
- Engagement on responsible sourcing practices

FOR OUR COMMUNITIES
- Rural development programmes
- Livelihood and skill-development initiatives
- Women's empowerment programmes
- Healthcare and education interventions

OUTCOMES

FOR OUR PEOPLE
A safer, more inclusive and supportive workplace

Supporting employee wellbeing, capability development, engagement and a stronger safety culture.

FOR OUR CUSTOMERS
Reliable and responsible partnerships

Consistent product quality and supply, supported by regulatory compliance and increasing transparency on ESG performance.

FOR OUR SUPPLIERS
Stronger and more responsible value-chain relationships

Greater alignment on responsible sourcing and ESG expectations, with a foundation for continuous improvement.

FOR OUR COMMUNITIES
Meaningful development outcomes

5,000+
Tribal households supported

800+
Tribal women supported

~7,000
Students screened across 17 schools

ENVIRONMENT

Material Topics and Aligned SDGs

Material Topics	Aligned SDGs
Responsible water management	6 CLEAN WATER AND SANITATION
Energy efficiency and resource optimisation	7 AFFORDABLE AND CLEAN ENERGY
Circular resource management	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Stronger measurement of climate impacts	13 CLIMATE ACTION

EMBEDDING **SUSTAINABILITY IN OUR OPERATIONS**

Sigachi's long-term resilience depends on the planet's health and how efficiently we use its resources. Environmental stewardship is both a responsibility and a strategic priority that shapes how we invest, operate, and grow.

Our approach is supported by ISO 14001-certified environmental management systems across our manufacturing operations. These systems provide the framework for continuous improvement and keep our operations aligned with national regulations and international best practices.

FY2025–26 marked a step change in how we measure and manage our environmental footprint. We expanded our greenhouse gas assessment to include Scope 3 emissions, secured independent assurance for all three scopes, completed a Life Cycle Assessment of Microcrystalline Cellulose (MCC), and adopted a revised environmental baseline that reflects the growing maturity of our data systems and operations.

1 STRENGTHENING **OUR EMISSIONS MANAGEMENT**

During FY2025–26, Sigachi strengthened the depth and reliability of its environmental measurement, with greater visibility across its emissions footprint and a more representative basis for tracking future performance.

1 A Broader View of our Emissions

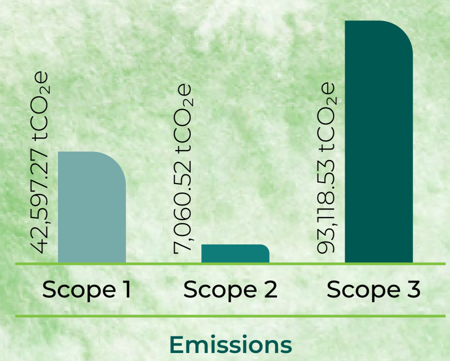
During FY2025–26, Sigachi expanded its greenhouse gas assessment to include relevant Scope 3 emissions. This provides greater visibility into the carbon impact of activities beyond our direct operations and purchased energy, across the wider value chain.

The assessment covered nine categories:

Purchased Goods & Services	Capital Goods	Fuel- and Energy-Related Activities
Upstream Transportation & Distribution	Waste Generated in Operations	Business Travel
Employee Commuting	Downstream Transportation & Distribution	Processing of Sold Products

Among these, Purchased Goods and Services represented the largest share of Scope 3 emissions, underscoring the importance of sustained engagement with suppliers and raw material partners.

Our FY26 GHG Footprint



Scope 1 | Broadly stable

42,597.27 tCO_2e in FY26, compared with 42,003.84 tCO_2e in FY25.

Scope 2 | Reduced by 18.4%

Emissions declined from 8,651.52 tCO_2e to 7,060.52 tCO_2e, reflecting lower grid electricity consumption.

***Scope 3* | Measured for the first time**

Scope 3 emissions totalled 93,118.53 tCO_2e and represented the largest share of our reported GHG footprint.

Emissions intensity

Scope 1 and 2 emissions intensity was 2.75 tCO_2e/MT-MTPA in FY26, compared with 2.61 tCO_2e/MT in FY25.

2 Independent Assurance of Our Emissions Data

For the first time, Sigachi obtained independent limited assurance for its Scope 1, Scope 2, and Scope 3 greenhouse gas emissions. The assurance process validated the reliability of our reported data and identified opportunities to refine collection, documentation, and reporting practices. This is a meaningful step in the discipline behind our environmental disclosures. It supports greater consistency in how we measure and communicate emissions performance in the years ahead.

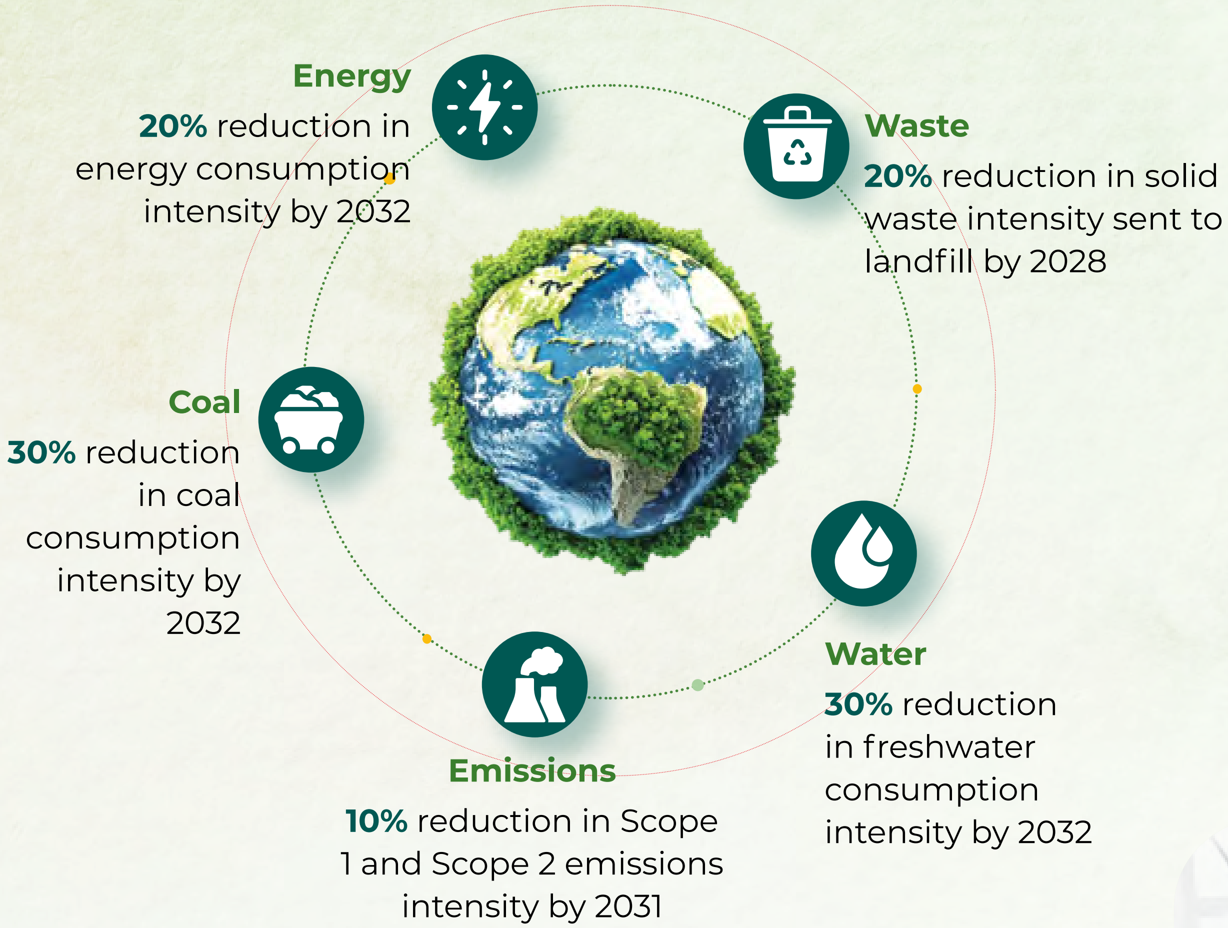
Independent Assurance of Scope 1, 2 & 3 Emissions

3 A Revised Environmental Baseline

During FY2025–26, Sigachi revised its environmental baseline from FY2022–23 to FY2025–26 to establish a more comprehensive and representative basis for measuring environmental performance. The revision reflects strengthened data availability, broader monitoring coverage and changes in the Company's operational and reporting boundary. FY2025–26 will serve as the reference year for tracking progress against the Company's environmental targets going forward.

Environmental Targets

The Company continues to work towards its defined medium- and long-term environmental targets:



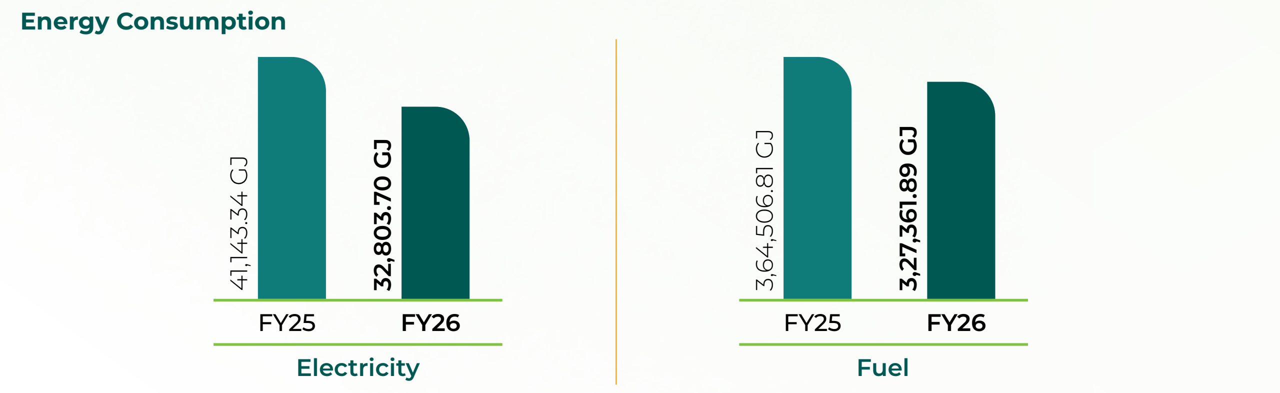
4 Energy Consumption

Total energy consumption in FY2025–26 was 3,60,165.60 GJ, down from 4,05,650.15 GJ in FY2024–25, a reduction of 11.2%. Electricity consumption fell by approximately 20%, from 41,143.34 GJ to 32,803.70 GJ, while fuel consumption declined from 3,64,506.81 GJ to 3,27,361.89 GJ.

Our Target

20% reduction in energy consumption intensity by 2032

30% reduction in coal consumption intensity by 2032



Energy Source	FY25	FY26
Total Energy consumption	4,05,650.15 GJ	3,60,165.60 GJ
Energy intensity - physical output	20.923 GJ/MT	35.84 GJ/MT

5 Laying the Groundwork for Decarbonisation

Sigachi is developing a decarbonisation roadmap to guide its long-term environmental priorities. The roadmap draws on our expanded understanding of the emissions profile and provides a structured basis for evaluating opportunities across operations. During FY2025–26, the Company built the groundwork for this journey through broader GHG measurement, independent assurance, and the adoption of a revised baseline. As we evaluate and prioritise relevant opportunities, we will measure future progress against the FY2025–26 reference year.

Our Target

10% reduction in Scope 1 and Scope 2 emissions intensity by 2031

2 STRENGTHENING **WATER STEWARDSHIP**

Water is an essential resource across Sigachi's manufacturing operations. Our approach focuses on understanding water use, improving operational efficiency, and progressively increasing opportunities to treat and reuse water. During FY2025–26, we continued to strengthen site-level monitoring of water consumption, building better visibility across operations and identifying areas where we can optimise use.

Our FY26 Focus

Monitor
Strengthen visibility of water consumption across operations

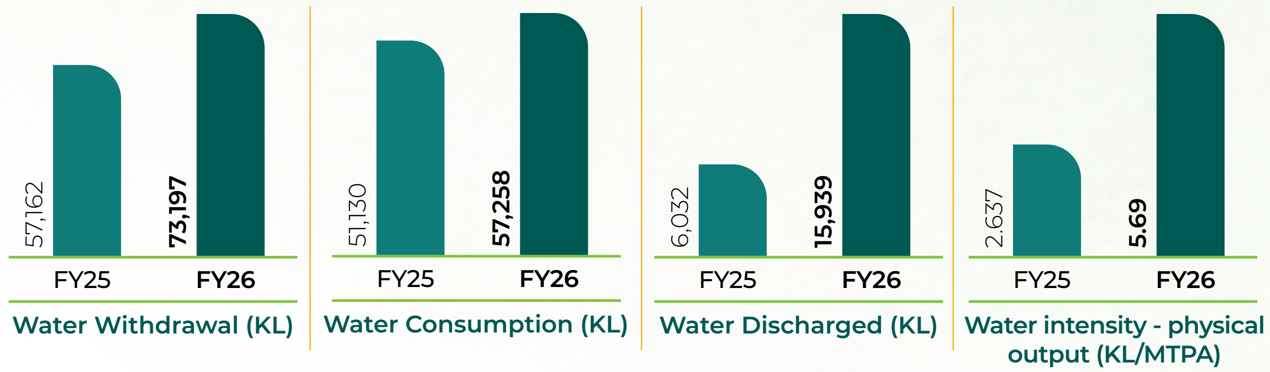
Treat & Reuse
Continue the treatment and reuse of wastewater for suitable operational applications

Optimise
Identify opportunities to improve process efficiency and reduce water use

Reduce Dependency
Identify opportunities to progressively reduce freshwater withdrawal

1 Our Water Performance

Water Performance



Water withdrawal and consumption increased during FY2025–26, primarily in line with higher production volumes. As Sigachi continues to expand its manufacturing activities, the Company remains focused on responsible water management and improving water-use efficiency across its operations. The increase in water use is being addressed through continued efforts to strengthen water treatment, recovery, reuse and process-level optimisation.

The Company operates Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) across its manufacturing units to ensure that wastewater is appropriately treated before reuse or discharge. Treated water is reused in manufacturing processes and in-house utilities wherever feasible, helping reduce dependence on freshwater. The remaining treated water is discharged in accordance with applicable consent conditions and the requirements prescribed by the respective State Pollution Control Boards.

Sigachi is also strengthening water recovery through process-level initiatives, including the optimisation of resin volumes in Demineralisation (DM) plants, the use of softener water in place of DM water where technically appropriate, the reuse of MVRE condensate, and the treatment of ETP effluent through Reverse Osmosis (RO) systems. Recovered water is reused for applications such as DM water generation, cooling and other suitable operations.

Together, these measures support the treatment, recovery and productive reuse of water across our operations while ensuring responsible wastewater management. Going forward, Sigachi will continue to identify opportunities to improve water-use efficiency, increase recovery and reuse, and strengthen water management practices in line with its evolving operational footprint.

2 Advancing Circular Water Management

All Sigachi manufacturing facilities are equipped with Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs). Wastewater is treated before reuse in operations, in-house utilities, or responsible discharge through authorised third-party channels. ETPs treat industrial wastewater from production processes, removing contaminants before recycling or safe discharge. STPs handle domestic and sanitary wastewater, allowing treated water to be reused in utilities such as gardening, flushing, and cooling systems.

Together, these systems support responsible water management, reduce freshwater dependency and create opportunities for greater reuse across our operations.

Our Target

30% reduction in freshwater consumption intensity by 2032

10% increase in water recycled intensity by 2028

Focus on Water Circularity

Treat ► Reuse ► Reduce Freshwater Dependency

3 Looking Ahead

Going forward, our priorities include improving water-use efficiency, increasing the proportion of recycled and reused water, and reducing water intensity over time. We will continue to evaluate opportunities for greater circularity across operations, supported by stronger site-level data and monitoring. Water performance remains closely connected to the broader resource efficiency agenda that also shapes our approach to waste, energy, and emissions.

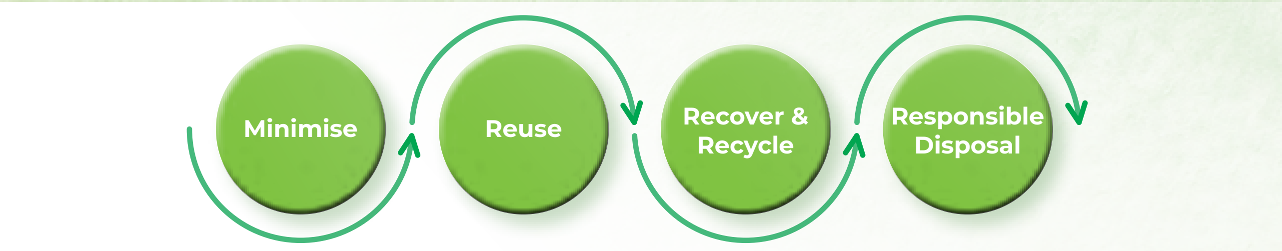
3 TOWARDS MORE **CIRCULAR RESOURCE MANAGEMENT**

At Sigachi, we manage waste in line with resource efficiency and circularity principles. Our approach focuses on minimising waste at source, responsible handling, and identifying opportunities to reuse, recover, and recycle materials wherever possible. During FY2025–26, we continued to build on these practices across our operations, focusing on responsible disposal, material recovery, and reducing dependence on landfill.

1 Managing Waste Responsibly

All waste streams generated across our operations are managed through authorised channels in accordance with applicable requirements. We continue to work towards improving the segregation, handling, and responsible disposal of hazardous and non-hazardous waste, while exploring opportunities to improve material recovery and reuse.

Our approach is guided by a clear principle: materials should remain in productive use for as long as possible before disposal becomes necessary.



2 Our Waste Performance

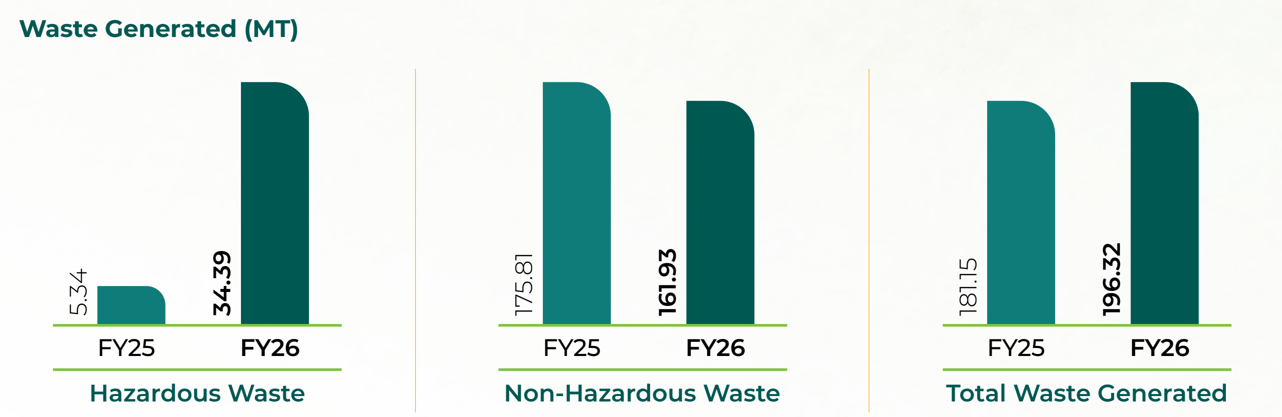
During FY2025–26, total waste generated increased to 196.32 MT, compared with 181.15 MT in the previous year. This was primarily reflected in an increase in reported hazardous waste from 5.34 MT to 34.39 MT, while non-hazardous waste declined by 7.9%, from 175.81 MT to 161.93 MT.

The increase in hazardous waste requires continued attention to source-level monitoring and process optimisation. Sigachi segregates waste at source, maintains designated storage areas and routes hazardous waste through authorised recyclers and treatment and disposal agencies. Non-hazardous waste is similarly segregated and directed to authorised recyclers wherever feasible, with a focus on resource recovery and reducing disposal.

Of the waste reported for FY2025–26, 135.21 MT was recycled, while 34.32 MT was sent to landfill. Waste awaiting scheduled disposal at year-end remained in designated storage areas; the BRSR notes that this difference represents closing waste pending disposal and does not indicate unaccounted waste.

Our Target

20% reduction in Solid Waste-to-Landfill intensity by FY2028



NOTE: In FY2025–26, 34.32 MT of waste was sent to landfill.

3 End-of-Life Management of Recycled Pallets

Sigachi monitors pallet movement across the supply chain, from production through delivery, supporting better visibility of use and life cycle. Engagement with customers helps us understand how pallets are managed at the end of their useful life. This approach supports the continued use, reuse, and responsible management of packaging materials. It reflects our broader focus on keeping materials in circulation for longer.

4 Looking Ahead

Going forward, our priorities include minimising waste sent to landfill, improving resource efficiency across operations, and deepening engagement with vendors and customers on responsible waste management.

These efforts sit within a broader ambition to embed circular thinking across the supply chain, from input materials through to end-of-life management. The same attention to responsible management also extends to how we handle air emissions and hazardous chemicals across our facilities.

4 AIR EMISSIONS **AND CHEMICAL MANAGEMENT**

Responsible management of air emissions and hazardous materials forms an integral part of our environmental approach. During FY2025–26, we continued to strengthen emission-control systems, chemical-handling practices, and operational controls across our facilities.

1 Managing Air Emissions

We maintained and reinforced engineering controls to manage particulate and process emissions.

Bag filters are installed ahead of chimneys at a height of 30 metres to control particulate emissions.

Diesel generator set chimneys are also maintained to keep emission levels within applicable norms, with emissions maintained up to 80 ppm. Performance improved across all monitored parameters during the year.

NOx emissions fell 40.3%, SOx declined 56.9%, PM 2.5 dropped 50.0%, and PM 10 reduced 40.9%. These reductions were recorded alongside the Company's continued use of emission-control measures across its manufacturing sites.

2 Responsible Chemical Management

We continue to strengthen responsible chemical management across our operations, with a focus on safe storage, handling, employee awareness and preventive controls.

- **Safe Storage and Segregation:** Hazardous materials are stored in designated areas according to their characteristics and compatibility requirements. Compatibility charts support appropriate segregation, while Safety Data Sheets (SDS) are made available in English, Hindi and the local language at relevant storage locations.
- **Standard Operating Procedures:** The receipt, storage, transfer, use and disposal of hazardous materials are governed by documented SOPs. These are reviewed and updated periodically to reflect operational requirements, regulatory changes and relevant learnings.
- **Employee Training:** Employees who handle hazardous chemicals receive regular training on safe handling practices, emergency response procedures and the appropriate use of personal protective equipment (PPE). Refresher training is conducted periodically to reinforce safe practices and maintain preparedness.
- **Policy & Accountability:** Our chemical management policy establishes clear requirements for the safe storage, handling and disposal of hazardous substances, while defining responsibilities across the organisation.
- **Regular Monitoring & Prevention:** Structured checklists and inspection planners support the regular review of storage areas, handling practices and safety equipment. These measures help identify deviations at an early stage and enable timely corrective action.

3 Preventing and Containing Spills

Sigachi maintains preventive and containment measures at its manufacturing facilities to manage the risk of accidental chemical and material spills. Spill-control kits are placed at identified risk locations, and employees involved in chemical handling are trained in safe handling and emergency-response procedures.

Hazardous chemical storage areas are provided with appropriate secondary containment, including dyke walls around HCl and NaOH storage tanks. Storage and containment infrastructure is periodically inspected, and spill-response equipment is maintained at accessible locations. These measures support timely containment and help minimise potential impacts on employees, soil, water and surrounding areas.

4 Enhancing Resource Efficiency Through Process Improvements

During FY2025–26, Sigachi implemented process improvements to enhance the efficient use of water, energy and chemicals. These included optimising water-treatment processes, increasing the reuse of treated water and process condensate, and improving dryer efficiency.

Together, these initiatives supported reduced freshwater and chemical requirements, greater internal water reuse, and lower coal consumption in relevant operations.

5 Independent Assessments

Responsible operations require regular review and a willingness to learn from perspectives beyond our own. This year, Sigachi engaged independent third parties to assess practices across safety, environment, ethics, labour and compliance. Alongside internal reviews, these assessments provided an external perspective on our operations and helped identify opportunities to strengthen our systems.

These external assessments were complemented by a comprehensive internal audit conducted across our facilities following the events of the year. The internal review covered safety measures, environmental controls and compliance protocols across our operations. It helped us assess our systems at the operational level, identify areas requiring attention and initiate corrective actions. The external assessments provided an additional layer of review.

The areas identified through the independent assessments were broadly consistent with those highlighted through our internal reviews. Air quality, chemical safety and resource efficiency emerged as common areas of focus, reinforcing the importance of ongoing corrective and improvement measures.

These assessments provided a clearer understanding of our current practices and the areas where further improvement is required. Sigachi views independent review as an ongoing part of strengthening its systems, improving accountability and supporting responsible operations.

PSCI — Pharmaceutical Supply Chain Initiative

As a manufacturer of pharmaceutical intermediates, Sigachi recognises its responsibilities across the value chain. The PSCI assessment reviewed our practices against principles developed for the pharmaceutical industry, covering areas such as ethics, labour, health and safety, and environmental management. It provided an external benchmark for our practices and highlighted opportunities to further strengthen our safety and compliance systems.

TfS — Together for Sustainability

The TfS assessment examined our environmental and social practices from a pharmaceutical and chemical industry perspective. It considered how sustainability principles are reflected in day-to-day operations, including chemical safety, environmental management and risk controls. The assessment provided insights into areas where our systems and practices could be further strengthened.

SMETA — Sedex Members Ethical Trade Audit

The SMETA audit assessed site-level practices across four key areas: labour standards, health and safety, environment, and business ethics. Its comprehensive approach provided an independent view of how these principles are reflected in our workplace and operational practices, with particular attention to health and safety and the effectiveness of existing controls.

5 MCC LIFE **CYCLE ASSESSMENT**

Understanding the environmental footprint of our products is central to Sigachi's approach to environmental stewardship. During FY2025–26, Sigachi commissioned an independent Life Cycle Assessment (LCA) of Microcrystalline Cellulose (MCC), our core product. Conducted by an external agency, the assessment followed a cradle-to-gate boundary covering the production of finished, packaged MCC and was carried out in line with internationally recognised LCA standards.

1 Why We Commissioned This Study

The study was undertaken to develop an evidence-based and scientifically rigorous understanding of where environmental impacts are concentrated across the manufacturing process, from raw material sourcing to the finished, packaged product. Its objective was to identify the stages with the greatest impact and establish a credible basis for targeted improvement.

2 What We Learnt

The assessment provided detailed insight into the process stages and inputs that contribute to the product's carbon footprint. It also helped distinguish areas with significant impacts from those with comparatively lower contributions, enabling more focused and data-driven environmental action.

3 Turning Insight into Action

The findings have informed Sigachi's forward priorities, including energy-efficiency improvements, process optimisation and waste-heat recovery. They have also highlighted opportunities to explore renewable heat integration and lower-impact materials to support further reductions in the product's environmental footprint.

4 Evaluating Our Technology Choices

As part of the assessment, alternative process technologies were evaluated against the current setup from an environmental-performance perspective. The findings will inform future considerations relating to technology and capital investments, with a focus on improving resource efficiency and reducing environmental impact.

5 Connecting Product to Strategy

The LCA provides Sigachi with a detailed, evidence-based understanding of the environmental impacts associated with its core product. This insight connects directly with the decarbonisation roadmap outlined earlier in this Report. By linking product-level data with operational planning, the Company can better prioritise future investments in energy, technology and process improvement.

SOCIAL

Material Topics and Aligned SDGs

Material Topics	Aligned SDGs
Occupational Health & Safety	3 Good Health and Well-Being; 8 Decent Work and Economic Growth
Employee Development	4 Quality Education; 8 Decent Work and Economic Growth
Diversity & Inclusion	5 Gender Equality; 8 Decent Work and Economic Growth; 10 Reduced Inequalities
Employee Engagement & Wellbeing	3 Good Health and Well-Being; 8 Decent Work and Economic Growth
Human Rights & Working Conditions	5 Gender Equality; 8 Decent Work and Economic Growth; 10 Reduced Inequalities
Communities	1 No Poverty; 3 Good Health and Well-Being; 4 Quality Education; 5 Gender Equality; 6 Clean Water and Sanitation; 7 Affordable and Clean Energy

OUR PEOPLE. OUR STRENGTH. OUR RESPONSIBILITY.

Sigachi's growth is built on the capabilities, commitment, and well-being of its people. We believe that responsible growth begins with the way we create a safe, inclusive and supportive workplace, and extends to the value we create for the communities around our operations. Every system we strengthen, every standard we uphold and every investment we make reflects this commitment.

Our approach to social responsibility is integrated across our operations and encompasses workplace health and safety, employee development, inclusion and equal opportunity, fair working conditions, human rights and community engagement. Together, these areas shape a workplace where people can contribute, grow and thrive, while strengthening the resilience of our business.

FY2025–26 was a year of continued action and strengthening across our social priorities. We continued to enhance our approach to workplace health and safety by reinforcing preventive controls, strengthening emergency preparedness, conducting independent assessments and building employee capability through regular training and awareness. The year also saw continued investment in learning and development, with opportunities designed to strengthen technical, functional and behavioural capabilities and support employees in their roles and career growth. Alongside this, we reinforced employee engagement and well-being through structured opportunities for dialogue, welfare initiatives and activities that encourage connection and participation across the organisation.

We also continued to strengthen our focus on inclusion and equal opportunity, fostering a workplace where employees are treated with dignity and respect and have opportunities to contribute and grow. Our commitment to responsible practices extends beyond our workforce through continued engagement with suppliers and business partners on social and ethical expectations. At the community level, our initiatives remained focused on addressing local needs and creating meaningful outcomes through programmes supporting education, healthcare, livelihoods, community development and environmental awareness. Together, these efforts reflect our continued focus on strengthening the systems, capabilities and relationships that support our people and communities.

ELEVATING SAFETY **ACROSS OUR OPERATIONS**

At Sigachi, safety is a fundamental responsibility and a non-negotiable part of the way we operate. The health, safety and well-being of our employees, workers and partners remain central to our business decisions. From the way we identify and assess risks to how we design processes, operate equipment and prepare for emergencies, safety is embedded across our operations.

FY2025–26 reinforced the importance of this commitment. Despite regular safety vigilance, established controls and ongoing monitoring across our operations, the incident at the Pashamylaram facility during the year served as a strong reminder that safety requires constant attention and continuous strengthening. The incident prompted the Company to take a closer look at its existing safety practices and identify opportunities to further strengthen preventive controls, process and equipment safety, emergency preparedness and employee capability.

In response, Sigachi enhanced its focus on preventive measures, independent assessments, emergency response preparedness and systematic monitoring of corrective actions. The Company also reinforced mechanisms for identifying and addressing safety risks, tracking corrective actions and monitoring their closure. Learnings from the incident are being used to strengthen safety practices not only at the affected facility but across the organisation.

These efforts are aimed not only at meeting safety requirements, but at building a stronger safety culture where risks are identified early, controls are continuously reviewed, concerns are addressed proactively, and every individual understands their role in keeping themselves and others safe.

For Sigachi, safety is more than compliance. It is about protecting people, strengthening our operations and ensuring that every employee and worker returns home safely each day.

The focus was clear: Strengthen prevention, Improve preparedness and Reinforce accountability across the organisation.

Our Safety Performance

We monitor safety performance through defined indicators covering injuries and fatalities.

Safety Indicator	FY2024–25	FY2025–26
LTIFR – Employees*	0	8.44
Total Recordable Work-related Injuries – Employees	0	27
Total Recordable Work-related Injuries – Workers	0	55
Fatalities – Employees	0	25
Fatalities – Workers	0	29
High-consequence Injuries / Ill-health (excluding fatalities) – Employees	0	4
High-consequence Injuries / Ill-health (excluding fatalities) – Workers	0	6

NOTE: **Per one million person-hours worked.*

These indicators reinforce why occupational and process safety remains an area of sustained management attention and continuous strengthening. The figures are reported in accordance with the Company's BRSR disclosures.

FIVE DIMENSIONS OF SAFETY, ELEVATED

The Company's response to FY26's safety challenges was structured across five dimensions. Together, they represent a comprehensive effort to raise the standard of prevention, detection, preparedness, capability, and health support across operations.

1 Preventing Risk at Source

We strengthened preventive controls across manufacturing operations through targeted improvements to process and equipment safety. We upgraded safety interlocks in SPD and SFD operations. We installed antistatic filter cloths and human static-charge dissipators. We tightened equipment earthing and continuity checks. We fitted safety relief valves and rupture discs on glass-lined reactors. We also improved hazardous-material storage and handling through compatibility-based segregation, accessible Material Safety Data Sheets, and upgraded spill-control arrangements. These measures place greater emphasis on identifying and controlling potential risks before they develop into incidents.

2 Testing Systems Through Independent Assessment

We undertook independent assessments and technical reviews to examine safety systems and identify areas requiring attention. These included external HAZOP studies, fire adequacy studies, comprehensive safety audits, earthing-continuity assessments, thermography reviews, and dust-hazard assessments. The team translated findings into corrective and preventive actions and monitored implementation and closure through the relevant functions. Independent scrutiny provides an additional layer of assurance and supports stronger risk identification, corrective action, and accountability.

3 Preparing for Emergencies

We raised emergency preparedness and fire-safety arrangements at all manufacturing sites.

On-site Emergency Plans were revised. The company conducted mock drills and emergency-response training. We installed additional fire extinguishers, emergency sirens and lighting, windsocks, and designated assembly points. We provided new ambulances to improve emergency medical response capability. These measures are designed to ensure that our people and sites are better positioned to respond quickly, coordinate effectively, and protect lives during an emergency.

4 Building Safety Capability Across the Workforce

We invested in the knowledge and behaviours required for safe operations through toolbox talks, safety awareness programmes, and targeted training. Training during the year covered behaviour-based safety, personal protective equipment, work-permit systems, fire safety, and emergency response. 100% of employees and workers received health and safety training during FY2025–26. A workforce equipped to recognise hazards, follow safe practices, and respond to potential risks is the most effective safety system any organisation can build.

5 Occupational Health Support

We improved occupational health arrangements at our facilities in FY2025–26. At Dahej, nursing personnel supported the Occupational Health Centre across shifts, with periodic doctor visits. Occupational health infrastructure at other locations is being progressed as applicable. The Company's occupational health and safety management system covers production plants and project sites, including both regular employees and contractual workers.

100% of employees and workers received training on health and safety measures during FY2025–26, strengthening safety awareness across the workforce.

3 SAFETY AS A **CONTINUOUS DISCIPLINE**

At Sigachi, improving safety is an ongoing process. It requires structured follow-through from risk identification to corrective action and review.

Risks and incidents undergo structured review. Findings from assessments and audits are translated into corrective and preventive actions. Relevant functions and management review mechanisms monitor implementation and closure. Safety Committee meetings, internal reviews, and external assessments provide additional channels for identifying gaps and evolving practices. The approach is built around a continuous discipline: Identify, Assess, Act, Review, Improve.

Dedicated EHS leadership at the corporate level and Safety and Environment resources at manufacturing locations support safety governance, ensuring accountability from risk identification through corrective action and closure.

Our objective is to raise the standard of the systems, practices, and behaviours that protect every person working across our operations. This commitment to safer workplaces also shapes how we invest in our people's broader capabilities, which the next section covers.

The approach is built around continuous discipline:
IDENTIFY ▸ ASSESS ▸ ACT ▸ REVIEW ▸ IMPROVE

4 BUILDING CAPABILITY **FOR TODAY AND TOMORROW**

Developing our people is central to building a capable, resilient and future-ready organisation. During FY2025–26, Sigachi continued to invest in learning and capability development across technical skills, quality and compliance, health and safety, behavioural competencies and career development.

Training programmes were designed to strengthen the knowledge, and skills employees need to perform effectively in their current roles while preparing them for evolving responsibilities and future opportunities.

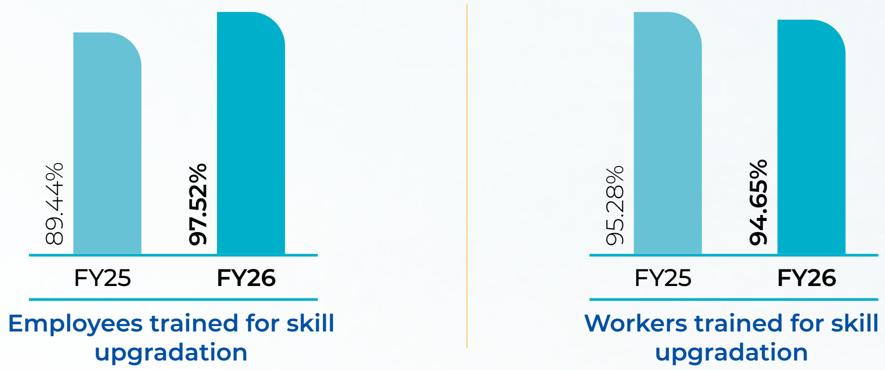
Learning at Sigachi extends beyond role-specific training. Employees are encouraged to develop a broader understanding of safe working practices, regulatory and quality requirements, operational excellence and responsible business conduct. Regular training and awareness programmes help employees stay informed about relevant procedures, manage workplace risks and contribute to a culture of continuous learning. Attention is given to employees working with chemicals and in operationally critical areas, who receive relevant safety training regularly.

Through these initiatives, Sigachi seeks to create an environment where employees can strengthen their capabilities, continue learning and grow with the organisation. The Company will continue to develop learning opportunities that support business priorities and individual growth, helping build the skills needed for a resilient and sustainable future.

Skill Development Coverage

Sigachi continued to invest in skill development across its workforce during FY2025–26.

Workforce Category



Employee training coverage rose from 89.44% to 97.52%, reflecting a broader reach across the workforce.

1 Technical and Functional Capability

Technical and functional learning remained focused on the capabilities required across manufacturing, quality, laboratory, and operational environments.

Training covered utilities and EHS operations, work-permit systems, Hazard Identification and Risk Assessment, first aid and emergency planning, equipment operation, laboratory and quality practices, and specialised procedures including the cleaning, operation, and use of Laminar Air Flow systems and the preparation, issue, review, and archival of Batch Production Records.

BUILDING CAPABILITY
FOR A SAFE, EFFECTIVE AND RESPONSIBLE WORKFORCE

QUALITY & COMPLIANCE

Building consistency and operational discipline.

- GMP and quality training
- Compliance requirements
- SOP refresher programmes
- Batch production record procedures
- Regulatory and quality practices

TECHNICAL & FUNCTIONAL SKILLS

Strengthening role-specific capabilities.

- Utilities and operations
- Machine operation and maintenance
- Production processes
- Quality and laboratory skills
- HPLC and other job-specific capabilities
- Equipment handling and productivity practices

SAFETY & RISK AWARENESS

Strengthening safe and responsible operations.

- EHS operations
- Work-permit systems
- Hazard Identification and Risk Assessment
- First aid and emergency planning
- Emergency response team training
- Fire-safety and equipment use
- Dust-explosion awareness
- Environmental management

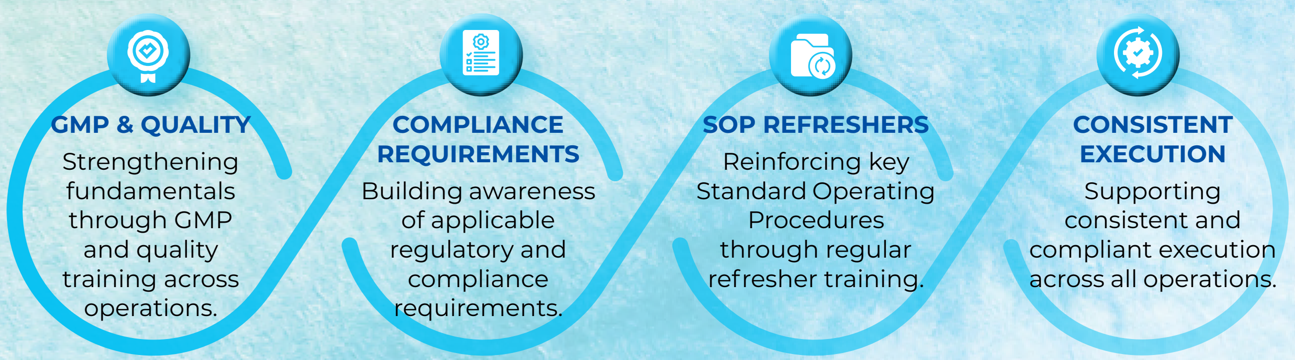
BEHAVIOURAL & PEOPLE SKILLS

Supporting effective leadership and collaboration.

- Emotional resilience and mindfulness
- Time management
- Supervisory skills
- Conflict management

2 Quality and Compliance

Quality and compliance remained important components of the learning agenda. Employees received training on Good Manufacturing Practices, compliance and quality requirements, and refresher programmes covering relevant Standard Operating Procedures.

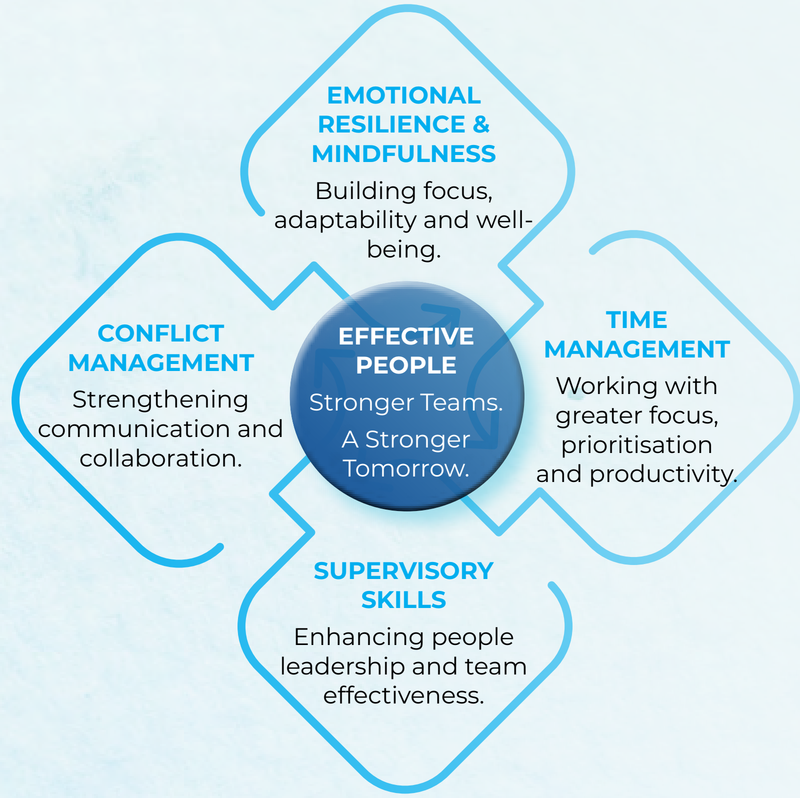


3 Safety Knowledge

Sigachi also invested in capability-building around dust-explosion awareness, fire safety, and environmental management. These programmes formed part of the broader emphasis on raising employee awareness across critical operational and safety-related areas.

4 Behavioural and People Skills

Effective performance depends on more than technical knowledge. It also requires the ability to manage responsibilities, work with others, and lead teams. This year's behavioural development programmes covered emotional resilience and mindfulness, time management, supervisory skills, and conflict management.



5 Career Growth and Internal Mobility

Learning and development at Sigachi extend beyond capability-building for a current role. The Company supports employee progression through promotion opportunities, structured talent assessment, and internal mobility pathways that allow employees to explore roles and career directions within the organisation.

The capabilities our people build shape the kind of workplace we can create. The next section covers how we are working to make that workplace more inclusive.

5 BUILDING AN **INCLUSIVE WORKPLACE**

Inclusion at Sigachi is supported through the principles, policies, and workplace mechanisms that enable people to participate, contribute, and raise concerns without discrimination. In FY2025–26, we supported our approach through the Equal Opportunity Policy, accessibility provisions, workplace grievance mechanisms, and employee benefits.

The Board demonstrates meaningful gender representation at 33%. Female representation across the broader workforce and senior management levels remains an area requiring focused attention. Sigachi is working towards increasing women's representation in its total workforce by 10% year-on-year.

Representation Across the Organisation

While gender representation varies across functions and organisational levels, Sigachi remains focused on creating greater opportunities for women and strengthening diversity across the organisation.

Level	Female Representation
Board of Directors	33%
Key Management Personnel	0%
Total Workforce – Employees	4.57%
Permanent Workers	11.38%

1 Equal Opportunity and Accessibility

Sigachi's Equal Opportunity Policy provides a framework for fair treatment and non-discrimination, including alignment with the Rights of Persons with Disabilities Act, 2016. Accessibility provisions across facilities, including ramps, lifts, and guardrails, support the safe movement and participation of differently abled employees and workers.

EQUAL OPPORTUNITY POLICY ▸ ACCESSIBLE WORKPLACE INFRASTRUCTURE ▸ FAIR PARTICIPATION

Equal Opportunities. Stronger People. A More Inclusive Today & Tomorrow

2 A Respectful Workplace

A confidential internal grievance redressal mechanism enables employees and relevant stakeholders to raise concerns relating to discrimination, harassment, retaliation, and other workplace issues. The framework also supports reporting and resolving matters covered under the POSH Act. The grievance process maintains confidentiality throughout. Disciplinary consequences apply where misconduct, harassment, or retaliation is established. Zero POSH complaints were reported during FY2025–26.

3 Supporting Women in the Workplace

We are committed to creating an inclusive and supportive workplace where women have equal opportunities to grow and succeed. Our workplace practices emphasise equal opportunity, fair treatment and a safe, respectful working environment. We also seek to strengthen gender diversity across our workforce and encourage women's participation in leadership and decision-making. Through initiatives supporting work–life balance, professional development and career growth, we continue to strengthen the policies and practices that enable women to build meaningful and rewarding careers with Sigachi.

6 A WORKPLACE WHERE **PEOPLE THRIVE AND ARE HEARD**

During FY2025–26, Sigachi continued to strengthen employee engagement through structured dialogue, confidential feedback channels and well-being support.

CONNECT

Monthly and quarterly town halls enable employees to interact with leadership, understand organisational priorities, and raise questions and ideas.

LISTEN

Internal eSAT and Great Place to Work surveys provide confidential channels for employees to share their workplace experiences and expectations.

RESPOND

Employee feedback helps identify satisfaction drivers, areas for improvement and emerging needs—supporting a more engaged and responsive workplace.

1 Bringing People Together

Sigachi creates opportunities for employees to connect, celebrate and participate beyond their day-to-day roles.

CELEBRATE TOGETHER

Monthly Sangam gatherings celebrate birthdays and work anniversaries while welcoming new colleagues.

CONNECT ACROSS CULTURES

Festivals and important occasions bring together employees from different teams, locations and backgrounds.

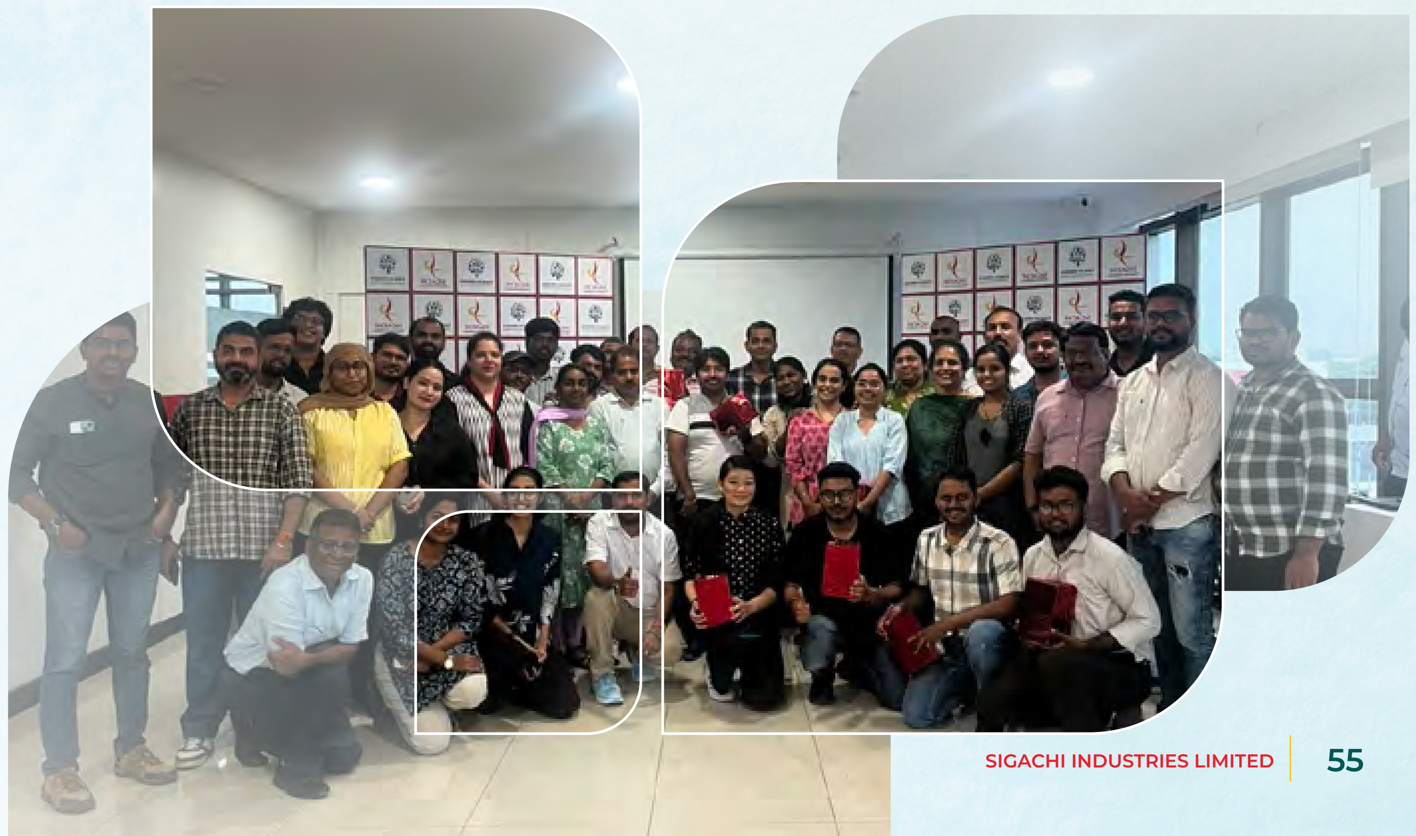
PARTICIPATE WITH PURPOSE

Competitions, quizzes, awareness programmes, plantation drives and team activities encourage creativity, collaboration and environmental responsibility.

INVOLVE FAMILIES

Family Day at the Gujarat operations brought employees and their families closer to the workplace and recognised their role in employee well-being.

Outcome: A more connected, participative and inclusive workplace.



2 Physical and Emotional Wellbeing

Employee wellbeing during FY2025–26 addressed both emotional resilience and physical health. The Company conducted a dedicated workshop on Emotional Resilience and Mindfulness, facilitated by a corporate wellness expert and psychologist. Employees also participated in Yoga and Zumba sessions. The Company encouraged marathon participation to promote healthier, more active lifestyles.

Investment in Employee Wellbeing

Supporting employee wellbeing through continued investment

- +36% increase in expenditure on employee wellbeing measures
- 0.51% of revenue ▸ 0.75% of revenue

3 Welfare Support

The Company provides a range of welfare benefits across four dimensions: everyday support through transport and food; health and family security through Mediclaim for employees and families; financial protection through term life insurance; and workplace protection through Workmen's Compensation.

4 Employee Experience and Engagement

83%
Employee participation

81%
Overall satisfaction score

Sigachi being a Great Place to Work® for the 4th consecutive year

During FY2025–26, Sigachi conducted its Annual Employee Satisfaction Survey to understand employee experience and identify areas for improvement. The Company was also re-certified as a Great Place to Work®, reinforcing its commitment to an engaging, inclusive and supportive workplace.

5 Channels for Employee Voice

Employees can raise concerns, share suggestions and express their views through multiple channels:

- Reporting Managers and HR
- Grievance Committee
- Managing Director's Office email
- Team Meetings and Town Halls
- Suggestion Boxes Across Locations

These channels provide employees with both formal and informal opportunities to speak up, seek support and contribute ideas. Sigachi remains committed to strengthening employee dialogue and fostering a workplace where people feel heard and respected.

RESPECTING **RIGHTS.** SUPPORTING **FAIR WORK**

Sigachi's approach to human rights is guided by its Equal Employment Opportunity framework, Code of Business Conduct and Ethics, POSH Policy, and applicable labour and employment laws. These frameworks support fair treatment, equal opportunity, employee dignity and appropriate working conditions across the organisation.

1 No Child or Forced Labour

Age-verification controls are integrated into recruitment, including for contractual workers. Sigachi prohibits child, forced and bonded labour, and all employment is based on free and informed consent.

2 Dignity and Equal Opportunity

The Company promotes a workplace free from discrimination, harassment and unfair treatment. Induction and awareness programmes cover workplace conduct, equal opportunity, diversity, equity and inclusion.

3 Speak-Up and Remedy

Employees and workers may raise concerns through their reporting manager, HR, the Grievance Committee and the whistle-blower mechanism. Concerns are addressed confidentially, with protection against retaliation for matters raised in good faith.

4 Fair Working Conditions

Sigachi provides wages, working hours, leave, social-security benefits and insurance coverage in accordance with applicable requirements. Workplace health and safety are addressed through the Company's established EHS systems.

Zero POSH complaints reported

IMPACTING **COMMUNITIES BEYOND OUR OPERATIONS**

At Sigachi, our approach to community engagement extends across different geographies and areas of need. Through partnerships with specialised organisations and sustained programmes, we contribute to rural development, livelihoods, education, and healthcare.

12,600+ Lives Touched

Through Sigachi's CSR initiatives in India

SUSTAINABLE RURAL LIVELIHOODS & NATURAL RESOURCE MANAGEMENT	TRIBAL WOMEN'S EMPOWERMENT & CRAFT-BASED LIVELIHOODS	VISION CARE FOR LEARNING, LIVELIHOODS & WELL-BEING
AKRSPI	MAUNA DHWANI	VISIONSPRING

1 Integrated Development Project – Jhagadia Block | FY 2025–26

- Funded by Sigachi Industries Ltd. and implemented by AKRSP (India), the project reached 1,300 households across 25 Gram Panchayats, focusing on sustainable livelihoods, health, water, sanitation and women's leadership.
- Established 10 Farmer Field Schools promoting sustainable and non-pesticide farming practices.
- Developed 845 kitchen gardens and supported 150 farmers in planting 5,140 mango grafts across 7.5 hectares.
- Installed 4 solar irrigation systems across 46 acres and 33 drip irrigation systems covering 24.55 hectares.
- Reached 197 women and adolescent girls through menstrual hygiene initiatives and trained 73 women leaders as community advocates.
- Conducted water-quality testing across 25 Gram Panchayats and cleanliness initiatives across 27 villages.
- Trained 44 frontline workers on solid and liquid waste management.
- Strengthened local institutions through capacity building for 32 CBO leaders, 60 CLF members and 38 SHG leaders, while forming 10 new SHGs.
- Organised a governance exposure visit for 39 women leaders to the Gujarat Legislative Assembly.
- Through the Nagarik Suchna Kendra, processed 1,155 government scheme applications, supporting 749 beneficiaries.

2 Mauna Dhwani Foundation

- Expanded our reach to 23 centres, engaging over 850 artisans across 92 villages.
- Diversified our product portfolio to include silk, home furnishings and dhotis, creating new avenues for artisan livelihoods and market opportunities.
- Strengthened team capabilities through upskilling initiatives focused on developing premium, market-oriented products.
- Recognised for our contribution to textile heritage: Mauna Dhwani received the Textiles Heritage Reviver Award 2026 from the Confederation of Indian Textile Industry. We were honoured to receive the award from the Hon'ble Minister of State for Textiles, Shri Pabitra Margherita, at Bharat Mandapam, New Delhi, on 15 July 2026.

3 VisionSpring Foundation

Through our partnership with the VisionSpring Foundation, we supported efforts to improve schoolchildren's access to eye care through vision screening and appropriate follow-up care. The programme recognises the link between clear vision, learning and overall wellbeing. In the previous reporting cycle, close to 7,000 students across 17 schools were screened.

4 Local Community Support

Sigachi also maintained its support for Zilla Parishad High School, Isnapur, contributing towards staff salaries and the continuity of education. This represents a more locally focused programme, distinct from the geographically wider partnerships in Gujarat and Odisha.

GOVERNANCE

Material Topics and Aligned SDGs

Material Topics	Aligned SDGs
Business Ethics	16 Peace, Justice and Strong Institutions
Information Security, Cybersecurity and Data Privacy	16 Peace, Justice and Strong Institutions
Business Continuity and Risk Management	8 Decent Work and Economic Growth; 16 Peace, Justice and Strong Institutions; 17 Partnerships for the Goals
Regulatory and Ethical Compliance	16 Peace, Justice and Strong Institutions
Innovation Management and R&D	3 Good Health and Well-Being; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 12 Responsible Consumption and Production
Responsible Procurement and Supply Chain Management	8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 12 Responsible Consumption and Production; 17 Partnerships for the Goals

RESPONSIBLE **LEADERSHIP.** PURPOSEFUL **OVERSIGHT.**

At Sigachi, strong governance provides the foundation for responsible and resilient growth. It guides our decisions, reinforces accountability, supports effective risk management and shapes how we conduct business and engage with stakeholders.

Our governance approach brings together oversight, ethical conduct, risk management, responsible supply chains, cybersecurity and innovation. These interconnected elements help us respond to emerging challenges while supporting the Company's long-term objectives.

During FY2025–26, we made meaningful progress across these areas. Governance and oversight mechanisms were further strengthened, and supplier engagement on ESG was formalised. The Enterprise Risk Management framework was aligned with COSO principles, while the Business Continuity Plan was formalised and approved. Our innovation capabilities were also strengthened through the operationalisation of a dedicated API R&D Centre.

GUIDED BY **ACCOUNTABILITY**

Sigachi's governance framework is anchored by a Board that brings together deep industry experience, technical expertise, financial acumen, and independent perspectives. Together, the Directors provide strategic direction and oversight as the Company advances its growth, innovation, and long-term value creation agenda.

The Board comprises six Directors: three Whole-Time or Executive Directors and three Independent Directors.

Mr. Rabindra Prasad Sinha, Chairman and Whole-Time Director. Chemical Engineering postgraduate from Banaras Hindu University. Over 40 years of experience in cellulose and fine chemicals. Led Sigachi's international expansion, including the establishment of its US subsidiary

Mr. S. Chidambaranathan, Executive Vice Chairman and Whole-Time Director. Post Graduate Diploma in Business Administration from Annamalai University. Over 50 years of experience in chemicals and cellulose derivatives. Played a key role in manufacturing expansion and the growth of domestic operations.

Mr. Amit Raj Sinha, Managing Director and CEO. MBA from Indian School of Business, B. Tech & fellow member of the Institute of Engineers. Served in Indian Naval Forces, onboard warships and other vital defence installations. Has over 20 years of experience in the pharma and fine chemicals & has played an instrumental role in strengthening the R&D Division. His leadership journey is further enriched through the Advanced Management Program at Harvard Business School and the Post Graduate Programme in Management for Senior Executives at the Indian School of Business, where he gained deep insights into leading transformation and building enduring organizations.

Ms. Dhanalakshmi Guntaka, Independent Director. Fellow Member, Institute of Chartered Accountants of India. Expertise in finance, auditing, and regulatory compliance. Brings an independent perspective to financial and governance oversight.

Mr. Janardhana Reddy Yeddula, Independent Director. Fellow Cost and Management Accountant. Over 40 years of experience across pharmaceuticals, chemicals, energy, and infrastructure. Brings expertise in finance, strategic planning, and corporate governance.

Ms. Bindu Vinodhan, Independent Director. Engineering graduate from Mumbai University; Master's in Learning Technology from Oxford University. Expertise in leadership development, organisational transformation, and executive learning. Brings a global, people-centric perspective to the Board.

The combination of operational depth from the executive directors and independent scrutiny from the independent directors supports balanced governance and informed decision-making. This oversight extends into how Sigachi manages its broader value chain, starting with its supply chain practices.

RESPONSIBLE SUPPLY CHAIN

Sigachi's approach to responsible sourcing extends sustainability considerations beyond our own operations to the suppliers that support our business.

At Sigachi, responsible sourcing means ensuring that the materials and services we procure are sourced ethically, sustainably, and in line with our values not just on cost and quality, but on how our suppliers operate. This approach is guided by our Sustainable Procurement Policy and Supplier Code of Conduct, which set out expectations relating to environmental performance, human rights and labour practices, occupational health and safety, business ethics, and sustainable forestry and traceability.

We work with suppliers through structured assessments, documentation reviews and ongoing engagement to strengthen their sustainability practices over time, rather than treating compliance as a one-time exercise. For key raw materials, these expectations also extend to recognised certifications. Wood pulp, a primary input for MCC production, is sourced exclusively from FSC-certified suppliers, supporting responsible forestry and traceability.

1 Assessing Our Suppliers

At Sigachi, responsible sourcing extends beyond procurement to include the assessment of Environmental, Social and Governance (ESG) parameters in our engagement with key suppliers. During FY2025–26, the Company conducted ESG risk assessments of five key and critical suppliers, covering environmental, social and governance considerations.

The assessments examined areas including environmental management and resource efficiency, human rights and labour practices, occupational health and safety, ethical business conduct, regulatory compliance, sustainable forestry and traceability, and other relevant sustainability practices. This exercise provided a structured understanding of supplier practices, helped identify areas for improvement and supported continued engagement on responsible business expectations.

5 KEY AND CRITICAL SUPPLIERS ASSESSED

2 Supplier Engagement and Oversight

Sigachi engages with suppliers through onboarding, periodic evaluations, ESG assessments and regular interactions led by the Supply Chain Management team. Where sustainability-related gaps are identified, the ESG and Supply Chain Management teams work with suppliers to seek clarification, communicate expectations and support appropriate follow-up. This ongoing engagement helps strengthen awareness of responsible business practices and encourages suppliers to consider ESG factors in their own operations.

Our approach reinforces Sigachi's expectations across three dimensions of sustainability: environmental responsibility, social practices and ethical governance. It also supports compliance, transparency and responsible business conduct throughout the supplier relationship.

Compliance ▶ Environment ▶ People ▶ Ethics ▶ Traceability

Responsible sourcing at every stage of the supplier relationship

3 Strengthening Supplier Engagement

Building on the ESG assessments of five key and critical suppliers conducted during FY2025–26, Sigachi will continue to strengthen supplier engagement through regular assessments, targeted training and awareness-building initiatives. The Company will communicate its ESG expectations, support suppliers in understanding key environmental, social and governance considerations, and encourage continuous improvement in identified areas. Regular engagement and follow-up will remain central to advancing responsible sourcing practices across the supply chain.

Our focus

Assess ▶ Engage ▶ Build Awareness ▶ Improve

3 ETHICS, COMPLIANCE, **AND RISK**

Strong governance enables Sigachi to conduct business responsibly, uphold ethical standards, manage risks and respond effectively to emerging challenges. During FY2025–26, the Company strengthened its focus on ethical awareness, enterprise risk oversight and environmental monitoring through established governance, compliance and business continuity mechanisms.

1 Ethical Conduct

Sigachi conducted training on its Code of Business Conduct and Ethics (CoBCE) to raise employee awareness of ethical standards and responsible business practices. The training covered human rights and labour standards, environment, health and safety, information security and cybersecurity, anti-bribery. The programme helped employees understand the standards of conduct expected of them and their responsibilities in supporting ethical and responsible business practices.

2 Raising and Addressing Concerns

Sigachi provides multiple channels for employees and other relevant stakeholders to raise concerns about suspected or actual violations of the CoBCE, Company policies, or applicable laws.

Concerns may be raised through the Reporting Manager or Human Resources, the designated email channel maintained by the MDO office, and, where applicable, the whistleblower mechanism. Employees can also use the Company's internal grievance mechanisms and channels maintained through the Company Secretary's office.

The Company handles concerns raised by Employees, Directors, Contractors, Suppliers, Business Partners, and other stakeholders through a structured and confidential process. Depending on the matter, investigations may involve the relevant Functional Teams, Compliance, and Internal Audit. Based on the findings, the company takes corrective action, including disciplinary measures where warranted. The company monitors whistleblower complaints and related actions to support timely resolution.

3 Enterprise Risk Management

Sigachi's Enterprise Risk Management (ERM) framework, aligned with COSO, provides a structured approach to identifying, assessing, monitoring, and mitigating key business risks.

The Company's Enterprise Risk Register supports this process by recording identified risks alongside defined risk owners, monitoring frequency, key risk indicators, and mitigation actions. The Register covers operational and safety risks, supply chain risks, financial risks, legal and regulatory risks, business continuity risks, cybersecurity risks, reputational risks, and ESG risks.

ESG considerations form part of this broader risk-management process, including risks relating to emissions, environmental compliance, worker safety and welfare, and climate-related factors. Sigachi escalates significant and emerging risks through established governance mechanisms and undertakes mitigation and corrective actions based on the nature and significance of each risk.

Effective risk management depends on preparedness. The next section covers how Sigachi has built a structured framework for business continuity and resilience.

4 BUSINESS CONTINUITY **AND RESILIENCE**

Effective risk management is essential to building a responsible and resilient business. Sigachi's Enterprise Risk Management (ERM) framework, aligned with COSO principles, supports the systematic identification, assessment, monitoring and mitigation of key business risks.

1 Approach to Risk Management

The Enterprise Risk Register provides a structured mechanism for recording and monitoring identified risks. It defines risk ownership, monitoring frequency, key risk indicators and mitigation measures. The Register covers operational and safety, supply chain, financial, legal and regulatory, business continuity, cybersecurity, reputational and ESG-related risks.

These risks are reviewed periodically, with mitigation and corrective actions undertaken according to their nature and significance. ESG risks form part of this broader process and include energy and fuel use, greenhouse gas emissions, water availability and consumption, waste management, environmental compliance, occupational health and safety, and climate-related factors. Significant and emerging risks are escalated through established governance mechanisms.

2 Business Continuity Planning

During FY2025–26, Sigachi developed a structured Business Continuity Plan to strengthen preparedness for potential disruptions and support the continuity of critical business operations. The Plan considers relevant operational, regulatory and ESG requirements and was formalised and approved in June 2026.

Together, the ERM framework, Enterprise Risk Register and Business Continuity Plan strengthen Sigachi's ability to anticipate and manage risks, respond to disruptions and build resilient operations.

3 Digitalisation and Process Efficiency

Sigachi plans to advance digitalisation, automation and process efficiency across its operations. The Company intends to implement digital initiatives in areas such as process tracking, incident and action management, management reporting and operational workflows.

These initiatives are expected to improve visibility, reduce manual processes and strengthen controls. Their implementation will be supported by responsible use of AI and digital tools, sound data governance and robust cybersecurity measures.

5 INFORMATION SECURITY **AND CYBERSECURITY**

As Sigachi's operations and digital footprint grow, protecting the information, systems and digital assets that support the business remains a priority. Our information security approach combines technology-enabled controls with defined policies, procedures, internal reviews, employee awareness and incident preparedness.

1 Information Security Framework

During FY2025–26, Sigachi continued to strengthen its information security framework across prevention, monitoring, response and governance. Key measures included:

- Network and endpoint protection
- Email security
- Information security policies and procedures
- Internal IT audits
- Incident response preparedness
- Third-party information security due diligence
- Employee training on cybersecurity and responsible digital practices

The framework is designed to protect business information and systems from unauthorised access, misuse, disclosure and evolving cybersecurity threats. Centralised firewalls and monitoring mechanisms support network security, while endpoint protection enables real-time threat detection and malware defence. Email security controls address risks such as phishing, impersonation, spam and other malicious communications.

2 Policies, Procedures and Incident Preparedness

Technology controls are supported by the Company's Information Security Policy, IT Internal Audit Procedure, Incident Response Plan and internal procedure for managing information security breaches. Together, these provide a structured approach to prevention, detection, escalation, response and corrective action.

The Incident Response Plan supports timely and coordinated action in the event of a suspected or confirmed incident. Internal IT audits help assess control effectiveness and identify areas for further improvement.

3 Third-Party Data Protection

Protecting information shared with customers, suppliers, service providers and other third parties is an important part of Sigachi's information security approach. Measures are in place to protect third-party data from unauthorised access or disclosure, supported by information security due diligence for relevant third-party relationships.

4 Employee Awareness

Employees play a critical role in maintaining information security. During FY2025–26, training and awareness initiatives covered cybersecurity risks and responsible digital practices, including phishing awareness, password security, protection of confidential information, responsible use of digital systems and reporting of potential security incidents.

Together, these measures strengthen awareness, preparedness and accountability across the organisation while supporting the continuous improvement of Sigachi's information security practices.

Our Track Record

Indicator	FY2024–25	FY2025–26
Data breaches reported	0	0
Instances involving personally identifiable customer information	0	0
Consumer complaints relating to data privacy, cybersecurity, advertising, and delivery of essential services	0	0

The Company maintained a clean record across all three indicators, consistent with FY2024–25.

5 Strengthening Information Security

The priorities ahead include formalising the data privacy and cybersecurity governance framework, advancing the multi-layered security architecture, continuing to build employee awareness of cybersecurity and data-privacy risks, integrating information security more closely with business continuity and resilience capabilities, and aligning practices with applicable regulatory requirements and evolving global standards.

Priorities Ahead

Stronger Governance	Further strengthen information security policies, procedures and accountability mechanisms.
Deeper Protection	Continue enhancing network, endpoint, email and access controls to address evolving cyber risks.
Incident Preparedness	Strengthen incident response, breach management and recovery capabilities.
Third-Party Security	Continue information security due diligence and controls for relevant third-party relationships.
Greater Awareness	Build employee awareness through training and regular communication on emerging cybersecurity and data privacy risks.
Stronger Assurance	Continue internal IT audits and periodic reviews to identify opportunities for improvement.
Business Resilience	Further integrate information security with business continuity and operational resilience.

Together, these priorities will support a proactive and resilient approach to information security, helping protect business information, customer and third-party data, and the digital systems that support Sigachi's operations.

6 INNOVATION AND R&D

Innovation at Sigachi centres on building technical capability, developing higher-value pharmaceutical solutions, and improving how products move from research to market. In FY2025–26, the Company expanded its R&D capabilities by fully operationalising a dedicated API R&D Centre in Hyderabad, complementing its established application R&D infrastructure at Dahej and Jhagadia.

1 An Integrated R&D Footprint

Sigachi's R&D infrastructure now comprises two application laboratories at Dahej and Jhagadia, a dedicated API R&D Centre in Hyderabad, and one DSIR-accredited R&D laboratory at Dahej. The application laboratories support product development and proprietary in-house technologies across Sigachi's portfolio. The Hyderabad centre brings together API development, analytical research, process optimisation, product development, and regulatory readiness. This integrated pathway connects scientific development with the quality, regulatory, and customer requirements needed to progress products towards global markets. The journey moves from research through product development, analytical research, process optimisation, regulatory readiness, customer qualification, and commercialisation.

An Integrated R&D Footprint

2
R&D Application Laboratories
Dahej & Jhagadia

1
Dedicated API R&D Centre
Hyderabad

2
DSIR-accredited R&D Laboratory
Dahej

From Research to Readiness

- Research
- Product Development
- Analytical Research
- Process Optimisation
- Regulatory Readiness
- Customer Qualification
- Commercialisation

This integrated pathway enables Sigachi to connect scientific development with the quality, regulatory and customer requirements needed to progress products towards global markets.

2 Innovation Across the Portfolio

Innovation at Sigachi extends beyond new product development. It also supports improvements in processes, resource use, and manufacturing performance. During FY2025–26, process-level improvements across our operations included measures to optimise water use, recover and reuse treated water and condensate, and improve drying efficiency. These initiatives demonstrate how technical improvements can support more efficient resource use alongside manufacturing objectives.

3 Advancing Innovation and R&D

Sigachi's innovation journey is moving towards deeper API capabilities, broader pharmaceutical applications, and more advanced process expertise. The Company's focus is on advancing its R&D infrastructure, progressing products through regulatory and customer qualification, expanding its speciality-excipient and API portfolio, and identifying further opportunities for process optimisation.

The Hyderabad API R&D Centre provides an integrated platform for this next stage, bringing development, analytical research, and process optimisation together to support product development and regulatory readiness.

The Innovation Path

- Strengthen R&D Capability
- Develop New Solutions
- Optimise Processes
- Build Regulatory Readiness
- Expand into Higher-Value Opportunities

From scientific capability to practical application, Sigachi is building the depth, relevance, and purpose that its evolving portfolio requires.

OUR SUSTAINABILITY ROADMAP

FY2025–26 strengthened the foundation for Sigachi's sustainability journey.

Our commitments remain unchanged, while FY2025–26 becomes the revised baseline for measuring future environmental performance, reflecting stronger data systems, broader coverage and changes in our operational and reporting boundary.

The year also brought greater depth to our understanding of environmental impact through our first Scope 3 GHG assessment, the MCC Life Cycle Assessment, and external limited assurance of our GHG emissions data.

OUR ROADMAP

From stronger foundations today to measurable progress ahead.

SHORT TERM

*Building momentum | **Up to 2 years***

Focus	Target
Water	**10%** increase in recycled water by 2028
Waste	**20%** reduction in solid waste intensity sent to landfill by 2028

MEDIUM TERM

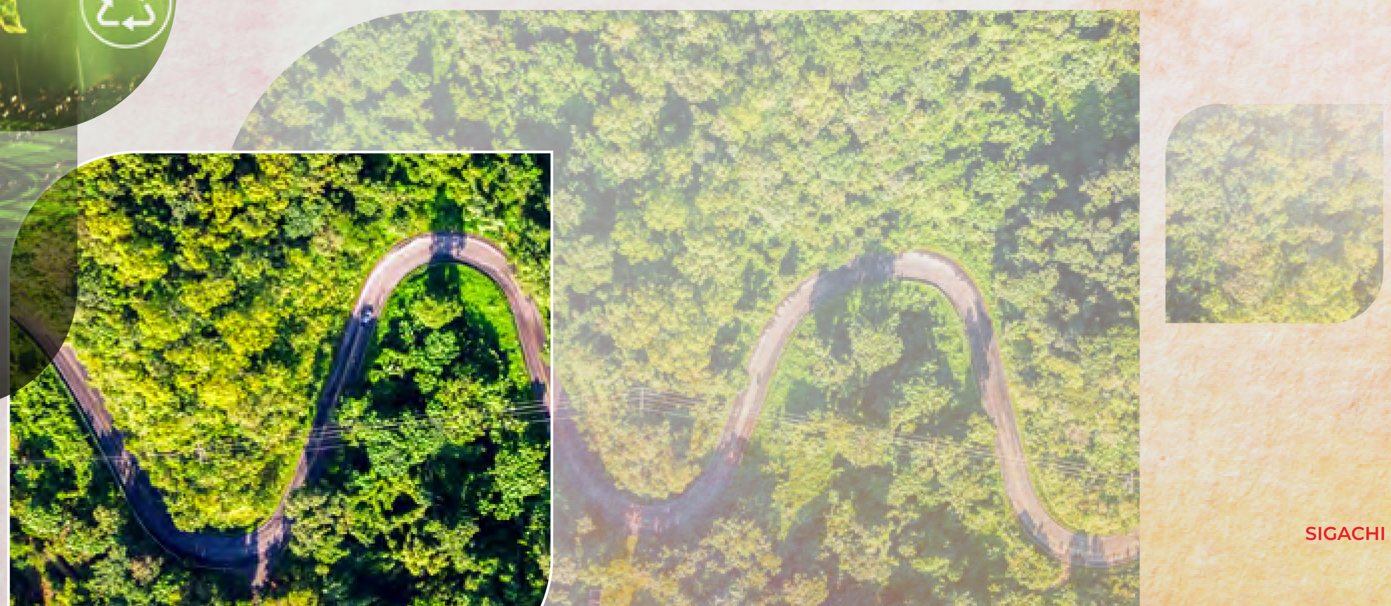
*Strengthening performance | **3–5 years***

Focus	Target
Emissions	**10%** reduction in Scope 1 + 2 emissions intensity by 2031

LONG TERM

*Driving sustained improvement | **6+ years***

Focus	Target
Energy	**20%** reduction in energy consumption intensity by 2032
Coal	**30%** reduction in coal consumption intensity by 2032
Water	**30%** reduction in freshwater consumption intensity by 2032
Waste	**30%** reduction in solid waste intensity by 2032



BEYOND **THE TARGETS**

People. Partnerships. Governance.

Our sustainability roadmap extends beyond environmental performance.

COMMUNITY

Enable 30% of employees to participate in four hours of community engagement annually.

DIVERSITY & INCLUSION

Increase women's representation in the total workforce by 10% year-on-year.

RESPONSIBLE SOURCING

Strengthen processes to ensure supplier compliance with the Code of Conduct.

CYBERSECURITY

Strengthen data privacy and cybersecurity systems year-on-year.

ESG REPORTING

Continue standalone sustainability reporting with enhanced environmental data transparency.

RESPONSIBLE BUSINESS

Deepen the integration of material sustainability priorities into business and strategic planning.

PRIORITIES FOR **THE NEXT THREE YEARS**

Turning commitment into continued progress

1 Decarbonisation

Progress opportunities identified through the decarbonisation roadmap to improve energy efficiency and reduce emissions.

2 Resource Efficiency

Improve energy and water efficiency, increase water recycling and reduce waste.

3 Product Life Cycle

Evaluate the findings of the MCC LCA to identify opportunities to reduce environmental impacts across the product life cycle.

4 Better Measurement

Strengthen Scope 1, 2 and 3 emissions management, ESG data monitoring and assurance.

5 People & Wellbeing

Continue investing in employee development, wellbeing, inclusion and a supportive workplace.

6 Safety & Responsible Growth

Further strengthen occupational health and safety, preventive risk controls, emergency preparedness and safety culture, while advancing responsible sourcing and ESG governance.

PROGRESS **IN FOCUS.** RESPONSIBILITY **IN MOTION.**

FY2025–26 has strengthened the foundation for Sigachi's sustainability journey. The next phase is about translating this foundation into sustained progress through clearer priorities, measurable targets, stronger data and consistent action.

As we look ahead, we will continue embedding sustainability more deeply into our operations and decision-making, with a focus on energy and emissions, resource efficiency, water management, safety, people and responsible business practices. We will also strengthen accountability for performance across these areas.

Our focus is clear: measure what matters, act where we can create the greatest impact, and continuously raise the standard of responsible growth.

The years ahead will be defined by continuous improvement, stronger execution and shared responsibility—translating our commitments into meaningful outcomes for our people, our business, our communities and the environment.

ESG PERFORMANCE INDICATORS

ENVIRONMENT

Indicator	Unit	FY2024–25	FY2025–26
Energy Consumption			
Total Energy Consumption	GJ	405,650.15	360,165.60
Electricity Consumption	GJ	41,143.34	32,803.70
Fuel Consumption	GJ	364,506.81	327,361.89
Renewable Energy Consumption	GJ	0	0
Energy Intensity – Physical Output	GJ/MT	20.923	35.84
GHG Emissions			
Scope 1 Emissions	tCO_2e	42,003.84	42,597.27
Scope 2 Emissions	tCO_2e	8,651.52	7,060.52
Scope 3 Emissions	tCO_2e	Not measured	93,118.53
Total Scope 1 + 2 Emissions	tCO_2e	50,655.36	49,657.79
Scope 1 + 2 Emissions Intensity – Physical Output	tCO_2e/MT-MTPA	2.61	2.75
Water			
Total Water Withdrawal	KL	57,162	73,197
Total Water Consumption	KL	51,130	57,258
Water Intensity – Physical Output	KL/MTPA	2.637	5.69
Total Water Discharged	KL	6,032	15,939
Waste			
Hazardous Waste	MT	5.34	34.39
Non-Hazardous Waste	MT	175.81	161.93
Total Waste Generated	MT	181.15	196.32
Waste Recycled	MT	181.12	135.21
Waste Sent to Landfill	MT	Not disclosed	34.32
Waste Intensity – Physical Output	tonnes/MTPA	0.00934	0.019
Air Emissions			
NOx	$\mu g/m^3$	71.05	42.40
SOx	$\mu g/m^3$	102.51	44.20
PM2.5	$\mu g/m^3$	104.10	52.00
PM10	$\mu g/m^3$	211.55	125.00

SOCIAL

Indicator	Unit	FY2024–25	FY2025–26
Workforce			
Total Employees	Number	1,108	1,248
Female Employees	Number	45	57
Female Representation – Employees	%	4.06%	4.57%
Total Workers	Number	699	692
Female Workers	Number	59	39
Female Representation – Workers	%	8.44%	5.64%
Differently Abled Employees and Workers	Number	NIL	NIL
Board Diversity			
Women Directors	Number	2	2
Women Directors	%	33%	33%
Female KMPs	Number	0	0
Employee Engagement			
Annual Employee Satisfaction Survey Participation	%	85%	83%
Employee Satisfaction Score	%	92%	81%
Training and Development			
Average EHS Training Manhours	Hours	339	55
Community Impact			
Lives Reached through CSR Initiatives	Number	12,600+	12,600+
CSR Expenditure	₹ million	—	11.21

GOVERNANCE

Indicator	Unit	FY2025–26
Women Directors	Number	2
Independent Directors	Number	3
Women Directors	%	33%
Average Board Meeting Attendance	%	97.57%
Shareholder Grievances Resolved	%	100%
Key/Critical Suppliers Assessed for ESG	Number	5
Data Breaches Reported	Number	0
Customer Data Privacy/Cybersecurity Complaints	Number	0
Independent Assurance of Scope 1, 2 & 3 GHG Data	Yes/No	Yes

GLOSSARY

Reporting Abbreviations

Abbreviations	Meaning
API	Active Pharmaceutical Ingredient
BRSR	Business Responsibility and Sustainability Report
CBO	Community-Based Organisation
CCS	Croscarmellose Sodium
CEP	Certificate of Suitability
CLF	Cluster-Level Federation
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CSR	Corporate Social Responsibility
DEI	Diversity, Equity and Inclusion
DSIR	Department of Scientific and Industrial Research
EHS	Environment, Health and Safety
ESG	Environmental, Social and Governance
ESI	Employees' State Insurance
ERM	Enterprise Risk Management
FY	Financial Year
GHG	Greenhouse Gas
GJ	Gigajoule
GMP	Good Manufacturing Practices
GRI	Global Reporting Initiative
HPLC	High-Performance Liquid Chromatography
KMP	Key Managerial Personnel
KL	Kilolitre
LCA	Life Cycle Assessment
LTIFR	Lost-Time Injury Frequency Rate
MCC	Microcrystalline Cellulose
MDO	Managing Director's Office
MTPA	Metric Tonnes Per Annum
NGO	Non-Governmental Organisation
NSE	National Stock Exchange of India Limited
O&M	Operations and Management
OHS	Occupational Health and Safety
PF	Provident Fund
PM2.5	Particulate Matter with an aerodynamic diameter of 2.5 micrometres or less
PM10	Particulate Matter with an aerodynamic diameter of 10 micrometres or less
POSH	Prevention of Sexual Harassment
PPE	Personal Protective Equipment
R&D	Research and Development
SHG	Self-Help Group
SOP	Standard Operating Procedure
SOx	Oxides of Sulphur
NOx	Oxides of Nitrogen
tCO_2e	Tonnes of Carbon Dioxide Equivalent
TPA	Tonnes Per Annum
UN SDGs	United Nations Sustainable Development Goals
$\mu g/m^3$	Micrograms per cubic metre

Reporting Terms

Term	Meaning
Scope 1 Emissions	Direct greenhouse gas emissions from sources owned or controlled by the Company.
Scope 2 Emissions	Indirect greenhouse gas emissions associated with the generation of purchased electricity, steam, heating or cooling consumed by the Company.
Scope 3 Emissions	Other indirect greenhouse gas emissions occurring across the Company's value chain, including relevant upstream and downstream activities.
Material Topics	Topics that represent an organisation's most significant impacts on the economy, environment and people, including impacts on human rights.
Materiality Assessment	A structured process used to identify and prioritise sustainability matters based on their significance to the business and stakeholders.
Life Cycle Assessment (LCA)	A systematic assessment of the environmental impacts associated with a product across defined stages of its life cycle.
Limited Assurance	An assurance engagement providing a lower level of assurance than reasonable assurance, based on limited procedures and evidence.
Occupational Health and Safety (OHS)	The management of workplace conditions, hazards and practices to prevent work-related injury and ill health and promote safe working environments.
Value Chain	The range of activities, relationships and parties involved in creating, delivering and using the Company's products and services, including relevant upstream and downstream activities.
LTIFR	A measure of the frequency of lost-time injuries relative to hours worked; in this report, LTIFR is reported per one million person-hours worked.

GRI CONTENT INDEX

Statement of use	Sigachi Industries Limited has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable. No GRI Sector Standard exists for Sigachi's sector (pharmaceutical excipients, APIs and specialty chemicals).

"GRI Standard/ Other Source"	Disclosure	Location	"Requirement(s) Omitted"	Reason	Explanation
GENERAL DISCLOSURES					
"GRI 2: General Disclosures 2021"	2-1 Organizational details	SR, p.2-3, p.14-15; AR, p.83 (BRSR Section A); p.5			
	2-2 Entities included in the organization's sustainability reporting	SR, p.3 (reporting boundary; Hyderabad unit excluded); AR, p.83 (BRSR Q17)			
	2-3 Reporting period, frequency and contact point	SR, p.3; AR, p.83 (BRSR Q13, Q16)			
	2-4 Restatements of information	SR, p.3, p.34-35 (boundary change; baseline revised to FY2025-26)			
	2-5 External assurance	SR, p.3, p.32-34 (GHG data limited-assured by Indian Register Quality Systems)	Whole-report assurance; assurance provider selection and Board involvement	Information unavailable	Only GHG data is externally assured; no whole-report assurance statement.
	2-6 Activities, value chain and other business relationships	SR, p.14-17; AR, p.83-84 (BRSR Sections II/III); p.4-9			
	2-7 Employees	AR, p.84-85 (BRSR Q25); SR, p.78	Employee headcount by region	Information unavailable	Disclosed by gender and employment type only; no regional break-down.
	2-8 Workers who are not employees	AR, p.85 (BRSR Q25); SR, p.78			
	2-9 Governance structure and composition	SR, p.28-29, p.64-65; AR, p.46; p.136 onwards (Corporate Governance Report)			
	2-10 Nomination and selection of the highest governance body	AR, p.140 (Nomination and Remuneration Committee terms of reference)			
	2-11 Chair of the highest governance body	SR, p.64 (Mr. Rabindra Prasad Sinha, Chairman and Whole-Time Director); AR, p.46			Chair is an executive (Whole-Time Director); MD & CEO is a separate person.
	2-12 Role of the highest governance body in overseeing the management of impacts	SR, p.28; AR, p.97 (Audit Committee oversees ESG targets and disclosures)	How the Board reviews due diligence/ impact-identification processes	Information unavailable	General oversight is described; the specific review process is not detailed.
	2-13 Delegation of responsibility for managing impacts	SR, p.28-29 (MD&CEO, VP-ESG&DEI, ESG Team); AR, p.97			
	2-14 Role of the highest governance body in sustainability reporting	AR, p.97 (BRSR Q7-9: Director's ESG statement; Audit Committee oversight of ESG disclosures)	Board review/ approval of this report before publication	Information unavailable	Board over-sight of ESG is disclosed; a specific sign-off step for this report/index is not stated.
	2-15 Conflicts of interest	AR, p.53 (related party transactions); p.50-53 (Independent Director declarations)			
	2-16 Communication of critical concerns	AR, p.54 (Whistle-blower/Vigil mechanism; Risk Management Committee); SR, p.68 (Speak-Up and Remedy)			
	2-17 Collective knowledge of the highest governance body		Measures to build Board sustainability knowledge (e.g. familiarisation)	Information unavailable	Not covered in the reviewed sections of the SR or AR.
	2-18 Evaluation of the performance of the highest governance body	AR, p.140 (Nomination and Remuneration Committee - annual Board/Director evaluation)			
	2-19 Remuneration policies	AR, p.57; p.140 (Nomination and Remuneration Policy); p.160 (Rule 5 disclosures)			
	2-20 Process to determine remuneration	AR, p.140 (Nomination and Remuneration Committee terms of reference)			

"GRI Standard/ Other Source"	Disclosure	Location	"Requirement(s) Omitted"	Reason	Explanation
	2-21 Annual total compensation ratio	AR, p.160 (median remuneration; per-director ratios)	Highest-paid to median compensation ratio and its year-on-year % increase	Information unavailable in the required format	AR gives per-director ratios (Companies Act), not the single GRI 2-21 ratio or its % increase.
	2-22 Statement on sustainable development strategy	SR, p.10-13 (Chairman's, MD & CEO's, CFO's Statements); AR, p.8-13 (same statements)			
	2-23 Policy commitments	SR, p.54, p.66-68; AR, p.99 (procurement, equal opportunity, ethics, anti-bribery)			
	2-24 Embedding policy commitments	SR, p.28-29 (ESG governance structure); p.68 (CoBCE training rollout)			
	2-25 Processes to remediate negative impacts	SR, p.58, p.68; AR, p.86-87 (BRSR Q30)			
	2-26 Mechanisms for seeking advice and raising concerns	SR, p.56-59; AR, p.107			
	2-27 Compliance with laws and regulations	AR, p.99-100 (BRSR Principle 1, Q2-Q3: nil fines/penalties in FY2025-26)	Reconciliation of 'Nil' fines with pending Pashamylaram legal matter	Explanation provided	Pashamylaram legal proceed-ings ongoing at year-end; 'Nil' fines does not mean matter closed.
	2-28 Membership associations	AR, p.130 (BRSR Principle 7: 6 trade/industry chamber affiliations)			
	2-29 Approach to stakeholder engagement	SR, p.20-21 (stakeholder engagement table, 6 stakeholder groups)			
	2-30 Collective bargaining agreements	AR, p.107 (no formal labour union representation)			
MATERIAL TOPICS					
"GRI 3: Material Topics 2021"	3-1 Process to determine material topics	SR, p.22-23 (materiality assessment process); p.24-25 (Materiality Matrix)			
	3-2 List of material topics	SR, p.32, p.44, p.62 (material topics by chapter; 16 topics); matrix p.24-25			

"GRI Standard/ Other Source"	Disclosure	Location	"Requirement(s) Omitted"	Reason	Explanation
ENVIRONMENT - Material Topics per SR p.32					
1. Energy efficiency and resource optimisation					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.32-33; p.35			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	SR, p.34, p.78	Fuel split by renewable/ non-renewable; purchased vs self-generated energy		Totals reported in aggregate; no fuel-source or purchased/ self-generated split.
	302-3 Energy intensity	SR, p.34 (35.84 GJ/MT FY2025-26 vs 20.923 GJ/MT FY2024-25); p.78			
	302-4 Reduction of energy consumption	SR, p.34-35 (11.2% reduction; 2032 target)			
2. Stronger measurement of climate impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.32-33; p.35			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SR, p.33 (42,597.27 tCO2e FY2025-26 vs 42,003.84 tCO2e FY2024-25); p.78			
	305-2 Energy indirect (Scope 2) GHG emissions	SR, p.33 (7,060.52 tCO2e FY2025-26, -18.4% vs 8,651.52 tCO2e FY2024-25); p.78			
	305-3 Other indirect (Scope 3) GHG emissions	SR, p.33, p.78 (first-time measurement, nine categories)			
	305-4 GHG emissions intensity	SR, p.33 (Scope 1+2 intensity 2.75 tCO2e/MT-MTPA FY2025-26 vs 2.61 FY2024-25); p.78			
	305-5 Reduction of GHG emissions	SR, p.35 (decarbonisation roadmap; 2031 target)	Absolute GHG reduction from specific initiatives	Information unavailable	Target and roadmap dis-closed; reduc-tion achieved in FY2025-26 not quantified.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	SR, p.41 (NOx -40.3%, SOx -56.9%, PM2.5 -50.0%, PM10 -40.9% FY2025-26)			
3. Responsible water management					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.36			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	SR, p.36-37 (Our FY26 Focus: monitor, optimise, treat & reuse, reduce dependency)			

"GRI Standard/ Other Source"	Disclosure	Location	"Requirement(s) Omitted"	Reason	Explanation
	303-2 Management of water discharge-related impacts	SR, p.37 (ETPs, STPs, RO reclamation)			
	303-3 Water withdrawal	SR, p.37 (73,197 KL FY2025-26 vs 57,162 KL FY2024-25); p.78			
	303-4 Water discharge	SR, p.37 (15,939 KL FY2025-26 vs 6,032 KL FY2024-25); p.78			
	303-5 Water consumption	SR, p.37 (57,258 KL FY2025-26 vs 51,130 KL FY2024-25); p.78			
4. Circular resource management					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.38			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	SR, p.38 (minimise, reuse, recover & recycle, responsible disposal)			
	306-2 Management of significant waste-related impacts	SR, p.38-39 (segregation at source, authorised recyclers/ treatment agencies)			
	306-3 Waste generated	SR, p.39, p.78			
	306-4 Waste diverted from disposal	SR, p.39 (135.21 MT recycled FY2025-26); p.78			
	306-5 Waste directed to disposal	SR, p.39 (34.32 MT sent to landfill FY2025-26); p.78			
SOCIAL - Material Topics per SR p.44					
5. Occupational Health & Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.46; p.48-49			
"GRI 403: Occupational Health and Safety 2018"	403-1 Occupational health and safety management system	SR, p.46, p.49 (OHS system covers employees and contractual workers)			
	403-2 Hazard identification, risk assessment, and incident investigation	SR, p.48 (HAZOP, fire adequacy, safety audits, dust-hazard assessments)			
	403-3 Occupational health services	SR, p.49 (Occupational Health Centre at Dahej - nursing personnel, periodic doctor visits)			

"GRI Standard/ Other Source"	Disclosure	Location	"Requirement(s) Omitted"	Reason	Explanation
	403-4 Worker participation, consultation, and communication on occupational health and safety	SR, p.50 (Safety Committee meetings, internal reviews)			
	403-5 Worker training on occupational health and safety	SR, p.48-49 (toolbox talks; 100% of employees and workers trained FY2025-26); p.78			
	403-6 Promotion of worker health	SR, p.56-57 (Emotional Resilience & Mindfulness workshop, Yoga & Zumba, marathon participation)			
	403-8 Workers covered by an occupational health and safety management system	SR, p.49 (covers production plants and project sites, regular employees and contractual workers)			
	403-9 Work-related injuries	SR, p.47 (FY2025-26 injury and fatality data); AR, BRSR Principle 3			Very high; linked to the Pashamylaram incident (54 lives lost). Client to confirm before publication.
	403-10 Work-related ill health	SR, p.47 (high-consequence injuries/ill-health, FY2025-26)			
6. Employee Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.50-53			
"GRI 404: Training and Education 2016"	404-1 Average hours of training per year per employee	SR, p.78 (EHS hours: 339 FY2024-25 [client data; add to SR]; 55 FY2025-26); p.50-51; AR, p.110-111	Average training hours per employee, by gender and category	Information unavailable in the required format	EHS hours only; not average total hours, nor split by gender/category. Confirm total vs average.

"GRI Standard/ Other Source"	Disclosure	Location	"Requirement(s) Omitted"	Reason	Explanation
	404-2 Programs for upgrading employee skills and transition assistance programs	SR, p.50-53 (technical, quality, safety, behavioural skills; career growth)			
	404-3 Percentage of employees receiving regular performance and career development reviews	AR, p.108 (BRSR Principle 3, Q9: 100% of employees and workers reviewed)			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	AR, p.85 (BRSR Q27: turnover rates, 3-year trend)	New employee hires by age group, gender and region	Information unavailable	Turnover is reported; new-hire figures are not disclosed in the SR or AR.
7. Diversity & Inclusion					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.54			
"GRI 405: Diversity and Equal Opportunity 2016"	405-1 Diversity of governance bodies and employees	SR, p.54, p.78-79; AR, p.85 (BRSR Q26)			
	405-2 Ratio of basic salary and remuneration of women to men		405-2 disclosure in full	Information unavailable	Gender pay-ratio data is not disclosed in the SR or reviewed AR sections.
8. Employee Engagement & Wellbeing					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.55-57			
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR, p.57 (transport and food; Mediclaim; term life insurance; Workmen's Compensation)	Whether benefits extend to temporary/ part-time employees	Information unavailable	Benefits described in aggregate; coverage for temporary/ part-time staff not stated.
"Company disclosure (no dedicated GRI Standard)"	Employee engagement and satisfaction	SR, p.55-57 (engagement survey: 83% participation, 81% satisfaction; Great Place to Work)			
9. Human Rights & Working Conditions					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.58			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SR, p.54, p.58 (Zero POSH complaints FY2025-26)	All discrimination incidents (not only POSH) and corrective actions	Information unavailable	Only POSH complaints (zero) reported; wider discrimination count not disclosed.
"GRI 407: Freedom of Association and Collective Bargaining 2016"	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	AR, p.107 (workforce presently free from formal union representation)	Freedom-of-association risk assessment (operations and suppliers)	Information unavailable	Absence of unions is stated, not backed by a documented supplier risk assessment.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	SR, p.58 (age-verification; child, forced and bonded labour prohibited)	Operations and suppliers at significant risk for child labour	Information unavailable	Policy disclosed; supplier risk assessment done internally, detailed report not public.
"GRI 409: Forced or Compulsory Labor 2016"	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SR, p.58 (free and informed consent; forced/bonded labour prohibited)	Operations and suppliers at risk of forced or compulsory labour	Information unavailable	Same gap as 408-1: policy disclosed, formal risk assessment not reported.

"GRI Standard/ Other Source"	Disclosure	Location	"Requirement(s) Omitted"	Reason	Explanation
10. Communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.58-59			
GRI 413: Local Communi-ties 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SR, p.59-61 (AKRSP(I), Mauna Dhwani, VisionSpring; 12,600+ lives touched); AR, CSR Annexure	% of operations with community engagement/ development programmes	Information unavailable	Programmes and beneficia-ries disclosed, not as a % of operations.
GOVERNANCE - Material Topics per SR p.62					
11. Business Ethics					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.62-63, p.68			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	SR, p.68; AR, p.99 (Anti-Bribery Policy); p.100 (ethics training coverage)			
	205-3 Confirmed incidents of corruption and actions taken		Number and nature of confirmed incidents of corruption; actions taken	Information unavailable	Nil regula-tor fines (AR p.99-100) is a different disclosure; no confirmed-in-cidents data found.
"GRI 206: Anti-competitive Behavior 2016"	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	AR, p.130 (BRSR Principle 7: no adverse anti-competitive orders)			
12. Information Security, Cybersecurity and Data Privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.62-63, p.70-71			
"Company disclosure (no dedicated GRI Standard)"	Information security, cybersecurity and data privacy performance	SR, p.70-71, p.78-79 (0 data breaches; 0 privacy complaints)			
13. Business Continuity and Risk Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.62-63, p.69			

"GRI Standard/ Other Source"	Disclosure	Location	"Requirement(s) Omitted"	Reason	Explanation
"Company disclosure (no dedicated GRI Standard)"	Enterprise risk management and business continuity	SR, p.69 (ERM aligned with COSO; Business Continuity Plan); AR, Risk Management Committee			
14. Regulatory and Ethical Compliance					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.62-63, p.68			
"GRI 419: So-cioeconomic Compliance 2016"	419-1 Non-compliance with laws and regulations in the social and economic area	AR, p.99-100 (BRSR Principle 1, Q2-Q3: nil fines/penalties in FY2025-26)	Resolution status of pending legal proceedings	Explanation provided	As under 2-27: Pashamylaram proceedings ongoing; read 'Nil' fines along-side.
15. Innovation Management and R&D					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.62-63, p.72-73			
"Company disclosure (no dedicated GRI Standard)"	Innovation management and investment in R&D	SR, p.72-73 (API R&D Centre; R&D labs); AR, p.82 (Form B: R&D spend Rs.675.9 lakh)			
16. Responsible Procurement and Supply Chain Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	SR, p.62-63, p.66			
"GRI 308: Supplier Environmental Assessment 2016"	308-1 New suppliers that were screened using environmental criteria	SR, p.66-67 (ESG risk assessments conducted for 5 key and critical suppliers FY2025-26)	New suppliers screened on environmental criteria (number/%)	Information unavailable	Covers 5 exist-ing key/critical suppliers, not new suppliers.
"GRI 414: Supplier Social Assessment 2016"	414-1 New suppliers that were screened using social criteria	SR, p.66-67 (same supplier ESG assessment covered human rights, labour practices and OHS criteria)	Number/ percentage of new suppliers screened using social criteria	Information unavailable	Same as 308-1: existing sup-pliers assessed, not new sup-pliers.
TOPICS IN THE APPLICABLE GRI SECTOR STANDARD(S) DETERMINED AS NOT MATERIAL					
N/A	Not applicable	No GRI Sector Standard applies to Sigachi's sector; none assessed as not material.			

CLOSING OF **THIS YEAR'S REPORT**

At Sigachi, our journey is defined by the choices we make today and the foundations we build for tomorrow.

FY2025–26 strengthened our understanding of

- where we stand
- what requires greater attention
- where we can create meaningful progress.

The work undertaken during the year has strengthened our systems, deepened our understanding of our impacts and brought greater clarity to the priorities that lie ahead.

OUR COMMITMENT REMAINS TO GROW WITH PURPOSE, ACT WITH RESPONSIBILITY AND CREATE VALUE THAT ENDURES.

As we move forward, we will continue to strengthen what matters, learn from our progress and remain accountable to our stakeholders.

Purpose will continue to guide our direction and Responsibility will continue to define our way forward.

This is our journey and we continue it with purpose.

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