September 23, 2026

The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex Bandra (E) Mumbai - 400 051	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Symbol: STAR	**Scrip code: 532531**

Dear Madam/ Sir,

Sub: Strides' Sustainability Report for FY26

With reference to the captioned subject, we hereby submit the Sustainability Report for FY26, prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021.

The report also incorporates the Sustainability Accounting Standards Board (SASB) standards to address industry-specific material sustainability matters and aligns our initiatives with the United Nations Global Compact (UNGC), demonstrating our commitment to responsible and sustainable business practices.

The report outlines Company's non-financial performance across Environmental, Social, and Governance (ESG) parameters for FY26 and provides insights into our sustainability framework, strategic plans, key challenges and long-term goals.

Further, the report maps our initiatives and activities against the United Nations Sustainable Development Goals, underscoring our commitment to creating sustainable value and contributing meaningfully to the global sustainability agenda.

This is for your information and records.

Thanks & Regards,
For **Strides Pharma Science Limited,**

MANJULA RAMAMURTHY
Digitally signed by MANJULA RAMAMURTHY
Date: 2026.09.23 16:22:44 +05'30'

Manjula Ramamurthy
Company Secretary & Compliance Officer
ICSI Membership No. A30515

Encl. As above

Strides

Built on Discipline, Driven by Sustainability

Strides Pharma Science Limited

Sustainability Report 2025-26

Table of Contents

About the Report

Reporting Guidelines

At Strides, we are committed to creating long-term value for our stakeholders while upholding the highest standards of governance and responsible environmental and social stewardship. Sustainability is integral to our business strategy, helping us strengthen resilience, manage emerging risks, and create lasting impact. As we continue delivering resilience in a turbulent world, this Sustainability Report presents our ESG performance, outlining our progress, priorities, challenges, and commitments as we advance towards a more sustainable and equitable future.

Strides' Sustainability Report is prepared in alignment with the Global Reporting Initiative ("GRI") Standards 2021. We have also mapped our efforts and activities to the United Nations Global Compact to demonstrate our contribution to the global sustainability agenda. In addition to the GRI Standards, we have also considered the Sustainability Accounting Standards Board ("SASB") standards to ensure that our reporting aligns with industry's most material sustainability issues. Additionally, the Business Responsibility and Sustainability Report (BRSR) disclosures made in our Annual Report is aligned with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Report Boundary and Scope

This Sustainability Report primarily presents Strides' non-financial performance across Environmental, Social, and Governance (ESG) parameters, providing a comprehensive view of our sustainability performance and impacts for the period 1st April, 2025 to 31st March, 2026 (FY26)[1]. Unless otherwise mentioned in the report, the reporting boundary encompasses Strides Pharma Science Limited, including all its manufacturing facilities, R&D centre, and Corporate Office in India and its subsidiaries across India, USA, UK, Switzerland, Germany, Denmark, South Africa, Kenya, Canada, Singapore, and Cyprus, representing ~97% of Strides' consolidated revenue (11% increase from FY25)[2].

These entities are listed in the ESG Data Book under "in-scope" entities. In addition, we have also covered our partnered facility in Kenya, which is an associate company of the Group. Unless otherwise mentioned in the report, the boundary for Occupational Health & Safety reporting covers all manufacturing facilities, R&D operations, and the Corporate Office within India. These manufacturing facilities contributed ~81% of Strides' manufacturing revenue during FY26. Manufacturing revenue refers to consolidated revenue generated from products manufactured at Strides' facilities and excludes revenue from products manufactured by contract manufacturing organisations (CMOs) or sourced from third-party vendors. We have applied the Global Reporting Initiative (GRI) Reporting Principles to determine the reporting boundary and report content. The disclosures included in this report reflect the ESG topics that are material to our business and most relevant to our stakeholders.

Responsibility Statement

The Board of Directors and Management of Strides Pharma Science Limited hereby confirm that the Sustainability Report for FY26 has been prepared in accordance with the applicable guidelines and standards. The report reflects a true and fair view of Strides' sustainability performance including ESG aspects. We acknowledge our responsibility to integrate sustainability into our business strategy to create long-term value for all our stakeholders, customers, employees, investors, suppliers, and the communities we serve. The Board ensures that appropriate systems and controls are in place to monitor and manage sustainability risks and opportunities effectively.

To the best of our knowledge and belief, the information contained in this report is accurate, reliable, and aligns with our commitment to transparency, ethical practices, and sustainable development.

Feedback

We extend our sincere gratitude to all stakeholders for their continued interest and association with Strides. We greatly value your feedback and invite you to share your thoughts on this report with us.
Stakeholder feedback can be sent to:

Name: Ms. Sormistha Ghosh
Designation: Group General Counsel, Chief Risk & Sustainability Officer
E-mail: sustainability@strides.com

Independent Assurance

Assurance has been provided by DNV Business Assurance India Private Limited (DNV) in accordance with DNV's VeriSustain™ protocol, which is based on ISAE 3000 (Revised). ISO 14064-3 was followed for verification of the disclosures with respect to greenhouse gases.
The list of GRI indicators is reported in Annexure 6.

[1]GRI 2-3
[2]GRI 2-2

About Strides

Who We Are[3]

Since 1990, Strides has grown into a global pharmaceutical company, committed to making better and fairer healthcare a reality. We develop and manufacture high-quality generic medicines that reach patients in more than 100 countries across regulated and emerging markets. In an increasingly dynamic and uncertain environment, our diversified portfolio, global market presence, and agile operating model enable us to respond effectively to changing healthcare needs while ensuring reliable access to essential medicines. Through meaningful innovation, strong partnerships, and a focus on patient outcomes, we continue to strengthen healthcare access where it matters most.

Resilience is embedded across our business and sustainability approach. Our global manufacturing network spanning India, the United States, Italy, and Kenya, combined with robust governance practices and a commitment to quality, helps ensure operational continuity and supply chain reliability. As a trusted partner to global health organisations, including USAID, the Global Fund, PEPFAR, UNICEF, and WHO, we contribute to advancing health equity and strengthening healthcare systems worldwide. Guided by our purpose and values of Integrity, Competency, and Efficiency (ICE), we strive to create long-term value for patients, communities, partners, employees, and shareholders while navigating a rapidly evolving global landscape.

Our Purpose

To make better and fairer healthcare a reality through agility, care and meaningful innovation that delivers quality and lasting value for patients, partners and shareholders.

Our Values

Integrity

We adhere to ethical practices and maintain transparency in our conduct, fostering a culture of trust and integrity in the organisation.

Efficiency

We are agile and collaborative to deliver quicker and better results.

Competency

We develop and effectively apply our knowledge, abilities and skills to successfully and consistently deliver desired outcomes.

[3]GRI 2-1

Our Credo

To have a set of beliefs and commitments that guide how we work and how we behave. It reflects the promises we make to our patients, to one another, to our communities, and to our shareholders.

Guiding Purpose and Ethos

We believe everyone deserves fair and equal access to quality medicines. We exist to make better and fairer healthcare a reality, focusing on where we can make the greatest difference for patients. Guided by care, integrity, consistency, and entrepreneurial agility, we deliver health where it matters most.

Responsibility in Products and Services to End Users and Customers

We never compromise on quality. Every product we deliver reflects our commitment to safety, reliability, and trust. We act with agility, innovate responsibly, and pursue sustainable growth while improving health outcomes.

Responsibility to Employees: The Culture We Create

We empower our people to act with integrity, think boldly, take ownership, and grow. United by a shared purpose and driven by care, we foster a culture where individuals are encouraged to challenge possibilities and achieve their full potential.

Responsibility to Communities, Society, and the Planet

We build enduring relationships founded on trust, transparency, and shared progress. Through responsible growth and sustainable practices, we contribute to healthier communities, greater equity, and long-term environmental and social wellbeing.

Responsibility to Our Shareholders

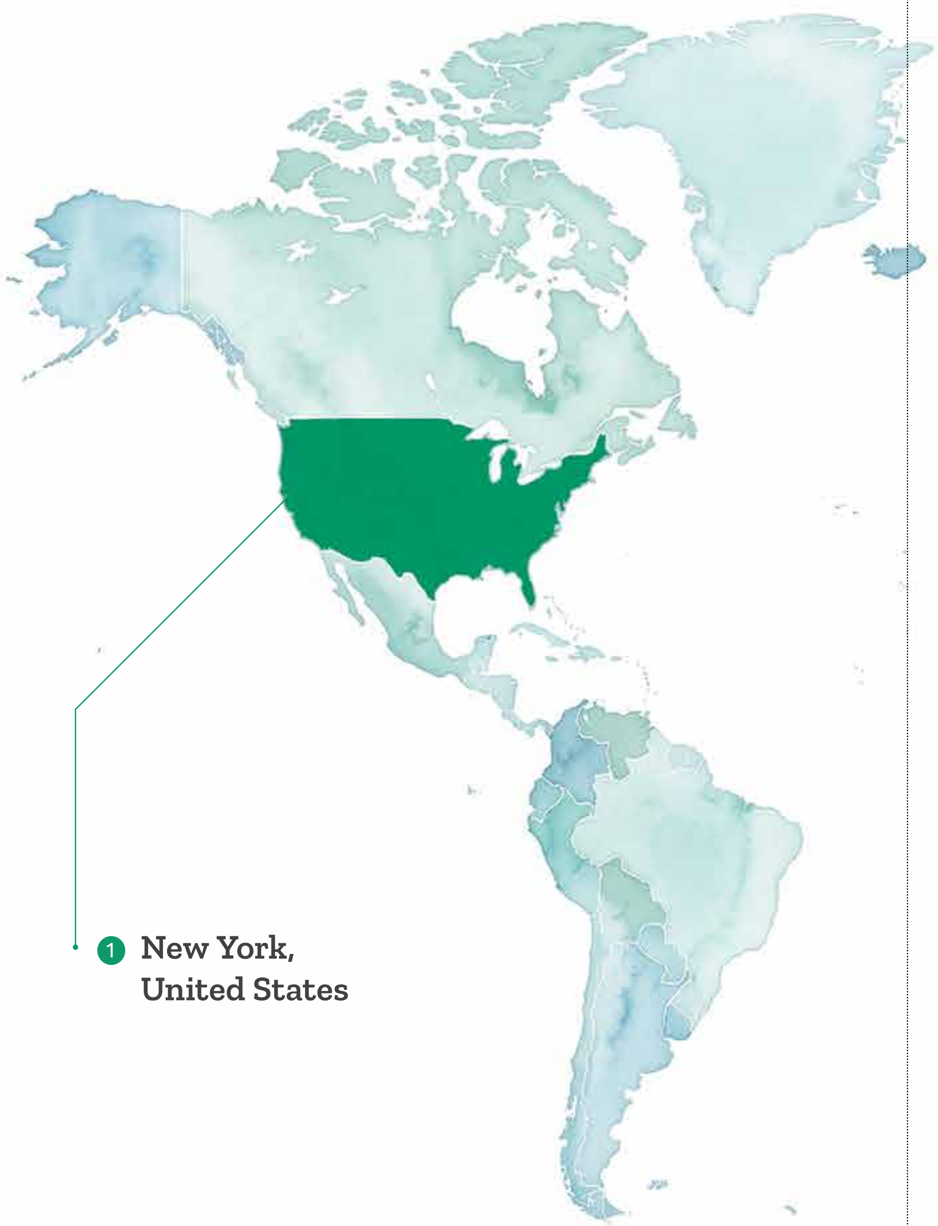
By strengthening our capabilities, investing in our people, and operating responsibly, we create sustainable growth and enduring value. Our commitment to performance, resilience, and good governance helps earn and maintain the trust of our shareholders.

Our Business

At Strides, our geographical presence continues to evolve through disciplined growth and its 'in-market, for-market' strategy, creating a more balanced and resilient global business footprint across key markets.

Regulatory Approvals

1. U.S. Food and Drug Administration
2. World Health Organisation
3. MHRA – Medicines and Healthcare Products Regulatory Agency (UK)
4. Therapeutic Goods Administration (Australia)
5. Agenzia Italiana del Farmaco (Italy)
6. ANVISA – Agência Nacional de Vigilância Sanitária (Brazil)
7. Ministry of Health, Welfare and Sport (Netherlands)
8. Pharmacy and Poisons Board (Kenya)
9. South African Health Products Regulatory Authority (SAHPRA)
10. Health Canada



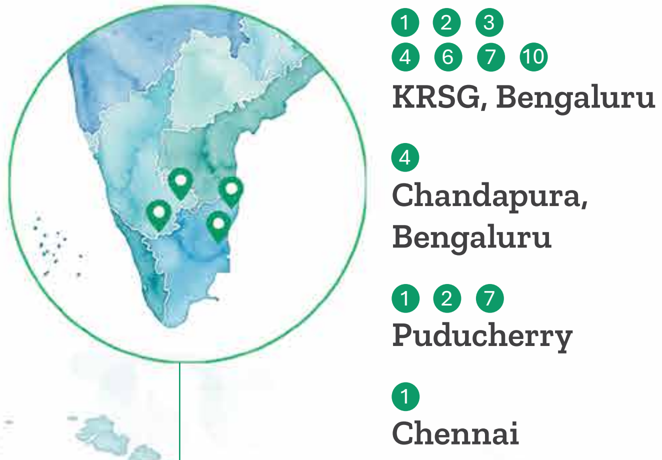
Our Operations[4]

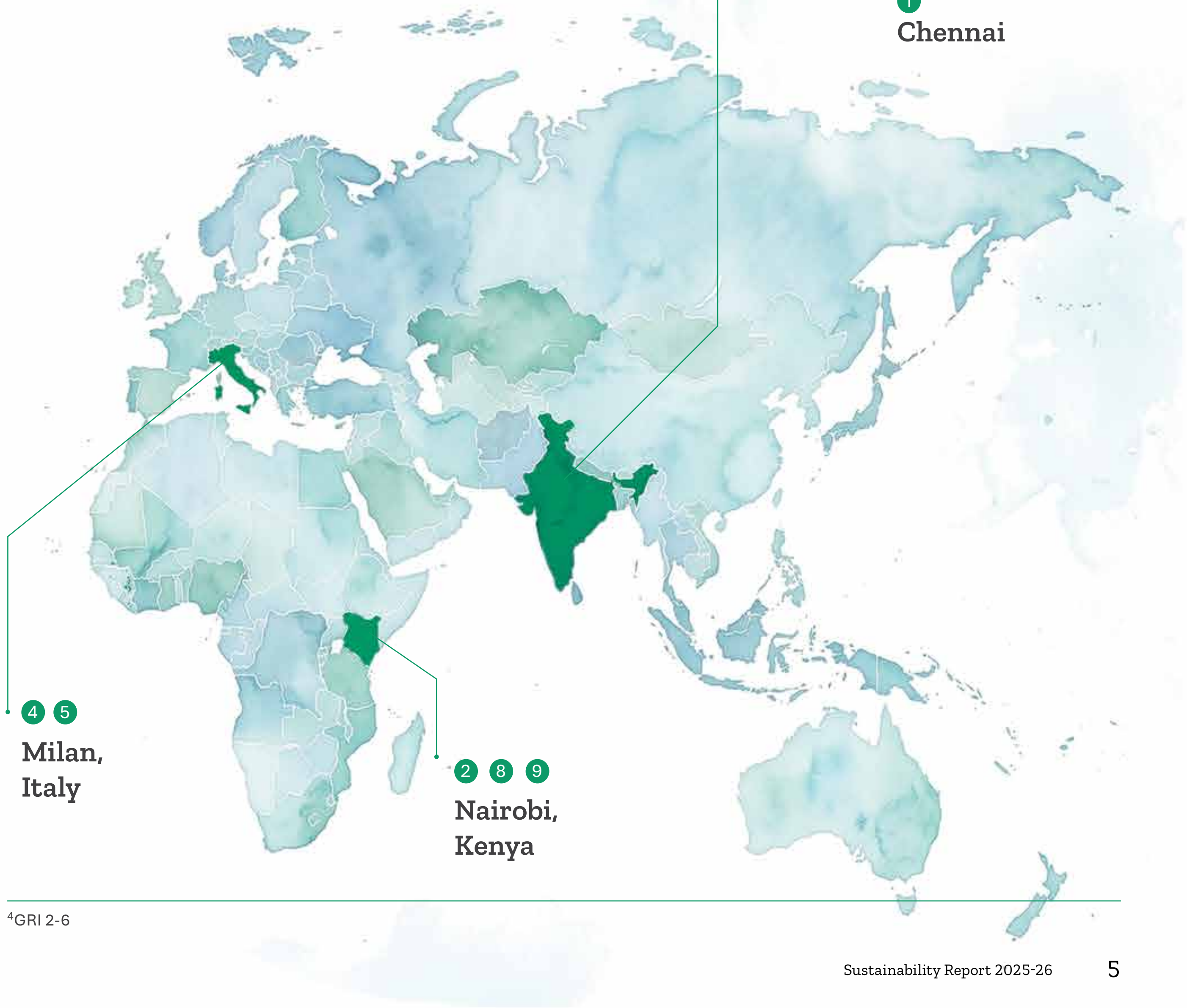
Our global manufacturing network is strategically positioned across key geographies to ensure efficient production and distribution:

India	United States	Italy	Kenya

This network of seven manufacturing facilities across four continents, including four US FDA-approved facilities, enables us to serve diverse markets with speed, quality, and reliability. Our partnered facility in Kenya, one of the few WHO-approved pharmaceutical manufacturing facilities in Sub-Saharan Africa, plays a pivotal role in advancing our commitment to "In Africa, for Africa" by strengthening regional healthcare access and reducing dependence on distant supply chains.

Leveraging this global footprint, we distribute medicines to more than 100 countries while pursuing growth through both deeper penetration in existing markets and expansion into new geographies. Supported by strong governance, operational excellence, and a sustainability-focused approach, we remain resilient in a changing world while delivering long-term value to all our stakeholders. As Strides' operations are regulated by markets with mature ESG expectations, we recognise that our multinational customers, investors, and employees hold us to standards that go well beyond compliance. This awareness has driven the early and thorough integration of sustainability principles across every dimension of our business, from manufacturing processes and supply chain management to workforce development and community engagement.





[4]GRI 2-6

Message from the Leadership

Dear Friends,

We are pleased to present our third Sustainability Report, an important milestone in our sustainability journey. The report is a testament to how sustainability has evolved from an area of focus into a strategic lens that shapes our decisions, strengthens our operations, and guides how we grow and innovate for creating shared prosperity.

It is gratifying to see our collective efforts being recognised beyond our organisation. In our second consecutive year of participation in the S&P Global Corporate Sustainability Assessment, we improved our score to 80, reinforcing the consistency and momentum in our journey. We are pleased to report a notable increase in our EcoVadis score to 68, achieving a 75th percentile global ranking and earning Bronze certification in recognition of our sustainability performance. These achievements reflect the dedication of our teams and reinforce our belief that responsible business practices are fundamental to long-term success. They further strengthen our commitment to the path ahead.

We envision sustainability as a unifying force across our global organisation, shaping how we operate, innovate, and create value. Guided by this vision, we have continued to strengthen a common sustainability ethos across global operations, bringing together diverse businesses and teams under a shared framework of purpose, accountability, and responsible growth. Rooted in our One Strides values, this organisation-wide alignment is enabling us to build a more connected, resilient, and sustainable organisation capable of creating enduring value for all stakeholders.

Our climate agenda has advanced into a more disciplined phase. By assessing climate transition risks and aligning our decarbonisation pathway with Science Based Targets initiative (SBTi), we have translated ambition into science-based, measurable, and time-bound action from aspiration. Climate action is not a standalone initiative; it is a systemic transformation. It requires us to rethink how we design operations, source energy, engage with our value chain, and allocate capital. We recognise that creating meaningful climate impact requires collective action. We are strengthening collaboration with suppliers and partners to drive progress across our value chain.

At the heart of all these initiatives are our people. We recognise that the success of our sustainability agenda depends not only on policies and targets, but on a workforce united by a shared vision and purpose. By cultivating a common sustainability ethos across our global operations, we are creating the foundation for responsible growth, stronger resilience, and sustainable value creation for generations to come.

Artificial Intelligence is redefining the future of the pharmaceutical industry, unlocking new opportunities for innovation, agility, and growth. We have advanced AI adoption and data-driven capabilities across our organisation to enhance efficiency, strengthen quality, and improve operational readiness, supported by strong governance, cybersecurity, data privacy, and ethical safeguards.

> Furthermore, sustainability at scale is ultimately driven by culture and behaviour. Over the past few years, we have focused on embedding sustainability into the everyday mindset of our people through targeted sustainability training and structured change management. Our goal is to shift sustainability from a specialised agenda to a shared responsibility, one that informs decisions at every level of the organisation.

As we move forward, we remain mindful of the complexities inherent in advancing sustainability, from balancing economic considerations with long-term impact to adapting global aspirations to local contexts. Rather than viewing these as constraints, we approach them with transparency, discipline, and a long-term perspective. This has strengthened our governance, sharpened decision-making, and reinforced the importance of collaboration across industries, geographies, and value chains to address challenges that no single organisation can solve by itself. Our progress continues to be anchored in strong governance and accountability.

Arun Kumar
Founder and Non-Executive Chairperson

Badree Komandur
Group CEO and Managing Director

Our Board's Risk Management and Sustainability Committee ensures sustainability priorities remain tightly aligned with business strategy. We continue to deepen the transparency of our disclosures, aligning with global best practices and offering a balanced perspective on both our achievements and the areas where we continue to evolve.

Looking ahead, our priorities are clear: continue to focus on execution and measurable outcomes, deepen our commitments across geographies and value chains, and ensure that our growth remains inclusive. We will keep embedding sustainability into our organisational fabric, so that it is driven not by frameworks alone, but by shared belief and everyday action.

This transition is both ambitious and necessary. It will require persistence, discipline, and collective effort, but it also presents a powerful opportunity to redefine how we create value, enhance resilience, and contribute meaningfully to a more sustainable and equitable future.

> As we continue this journey, we remain guided by the conviction that sustainable business is resilient business, and that long-term success is inseparable from the wellbeing of our people, communities, and planet.

We thank all our employees, partners, customers, investors, and stakeholders for their continued trust, collaboration, and support. The progress we have made would not have been possible without their shared commitment, and we look forward to continuing this journey together.

Best Regards,

Arun and Badree

Message from the Chief Sustainability Officer

Dear Stakeholders,

Demonstrating Sustainability Excellence and resilience in Turbulent Times

Sustainability is increasingly shaping the global context in which we are operating. For us, it is not a peripheral initiative but a core part of our risk management approach. It strengthens our ability to enhance organisational resilience, anticipate and manage emerging risks, and enables the creation of sustainable long-term value for all the stakeholders.

Last year, our focus was on optimising internal processes and structures to align with our long-term sustainability goals. This year, we have focused on deeper integration of these processes across Strides' global operations while continuing to drive further internal process optimisation.

We focused on strengthening cross-functional collaboration and embedding sustainability within functional teams, enabling them to operate as independent enablers of this transformation while driving ownership within their respective areas. Our efforts were directed towards fostering a broader cultural shift through dedicated "ESG talks" globally by our leaders and external subject matter experts. We also continued to bring the best practices from across the healthcare industry and global sustainability frameworks into our approach, consistently assessing ourselves against evolving benchmarks as we strengthen our sustainability journey. These efforts encouraged multidisciplinary thinking across our global employee base, enabled breaking down traditional silos, and promoted collaborations.

Advancing Sustainability Strategy through Enhanced Assessments and Risk-Informed Decision Making[5]

As part of our ongoing commitment to refresh and strengthen our sustainability strategy, enhance strategic decision-making processes, and better understand our position against evolving global expectations and best practices, we have undertaken a series of important assessments and initiatives across our ESG priorities.

A key milestone in this journey was the reassessment of our material topics through a comprehensive **Double Materiality Assessment (DMA)**. This assessment marked a significant advancement in our approach, as we moved beyond a stakeholder survey-led prioritisation process and integrated the assessment with our Enterprise Risk Management (ERM) framework. By incorporating both financial and impact materiality perspectives, along with a structured Impact-Risk-Opportunity (IRO) analysis, we have developed a more robust and nuanced understanding of the sustainability issues that are most significant to our business performance, stakeholders, and broader societal impact.

In parallel, as part of our **commitment to the Science Based Targets initiative (SBTi)**, we have initiated a comprehensive greenhouse gas (GHG) inventory assessment across our global operations. Our effort is aimed at reinforcing the foundation of our decarbonisation strategy by improving visibility into our overall emissions footprint and facilitating the development of scientifically aligned climate action plans.

We have also progressed to the next phase of our **Climate Risk Assessment**, deepening our understanding of physical and transition climate risks across our operations. The insights generated through this work are helping us further strengthen our risk management framework, enhance resilience, and improve preparedness in an increasingly dynamic and climate-sensitive operating environment.

Recognising the growing importance of nature-related considerations, we have initiated the development of a **Biodiversity Management Plan** for our flagship plant in Bengaluru, India (KRSG). Supported by biodiversity impact, dependency, and risk assessments, this initiative represents an important step towards understanding our relationship with natural ecosystems more comprehensively and establishing a structured approach to biodiversity conservation and responsible environmental stewardship.

On the social front, we expanded the scope of our **independent Human Rights Impact Assessment** to include key global operations, reinforcing our commitment to respecting and safeguarding human rights throughout our business activities for our stakeholders. Furthermore, we conducted an **independent living wage assessment** across selected geographies globally. This exercise reflects our belief that sustainable growth must be underpinned by fair, inclusive, and responsible employment practices that promote the wellbeing, dignity, and long-term prosperity of our workforce.

Collectively, these initiatives demonstrate our commitment to embedding sustainability more deeply into business strategy, strengthening risk-informed decision-making, and creating long-term value for our stakeholders while contributing positively to society and the environment.

[5]GRI 2-22

Continuing to Strengthen Operational Excellence and Sustainability Performance

During the year, we continued to strengthen our operational excellence while reinforcing our commitment to responsible business practices. Three of our manufacturing units in India are ISO 45001:2018 certified, underscoring our focus on providing a safe and healthy workplace. Our transition towards cleaner energy also progressed, with renewable energy accounting for ~45% of total energy consumption across Indian operations, reflecting a modest improvement over the previous year.

Employee capability building remained a key priority, with the organisation achieving ~1.5 Lakh cumulative learning hours for the second consecutive year, demonstrating our continued investment in workforce development and future-ready skills.

Within our value chain, the Vendor Code of Conduct continued to serve as the cornerstone of supplier ESG governance. To further strengthen sustainable procurement practices, we conducted sustainability assessments for 50 critical suppliers, representing ~74% of our direct procurement spend. We also organised two supplier capacity-building workshops on ESG-related topics, which were attended by 71 vendors, helping foster greater awareness and capability across our supply chain ecosystem.

In parallel, we maintained our focus on digitalisation and process automation to enhance product quality, safety, and operational efficiency through reduced manual intervention. To deepen our understanding of product-level environmental impacts, we identified a **product for Life Cycle Assessment (LCA)** and initiated the same, continuing our efforts to embed sustainability considerations across the product value chain.

Alongside these efforts, we continued to strengthen our reporting and disclosure practices through greater alignment with leading frameworks, robust independent assurance, and continuous stakeholder engagement. As sustainability expectations mature, transparency and accountability become increasingly important, not only in communicating progress but also in building trust.

Guiding all these initiatives is our unwavering focus on strong governance, backed by the Board members and leadership, which remains critical in driving effective process integration, accountability, and successful execution of our sustainability and business objectives.

Sormistha Ghosh
Group General Counsel,
Chief Risk and Sustainability Officer

Looking Ahead

As we move forward, our priority is to translate ambition into action. We will further integrate sustainability into our core business operations, incorporate ESG principles into risk and decision-making frameworks, and build the skills and resilience required to navigate a rapidly changing world.

The road ahead demands adaptability, collective action, and a disciplined execution. Our willingness to challenge established approaches, innovate in the way we create value, and proactively manage our impacts is equally important. We believe these efforts will not only strengthen our business but also contribute meaningfully to a more sustainable, resilient, and prosperous future.

As we move forward, we remain committed to demonstrating sustainability excellence and resilience in turbulent times by strengthening our preparedness for emerging risks, enhancing business continuity, and creating a more resilient organisation capable of delivering sustainable growth in an evolving global environment.

I would like to thank our board members, employees, partners, and stakeholders for their continued trust and engagement as we advance on this journey together.

Warm Regards,

Sormistha

ESG Journey and FY26 Highlights

Past Milestones: Statutory Focus Until 2023

- CSR efforts consolidated through launch of Strides Foundation to support education and healthcare before it became a regulatory mandate from Ministry of Corporate Affairs
- During COVID-19, Strides was recognised as the first Indian company to commence the export of Favipiravir tablets to countries such as SE Asia, GCC
- Partnered with a social purpose organisation to fund treatment of 100 financially challenged cancer patients
- Harnessing of solar power to improve renewable energy mix in energy consumption
- Rainwater harvesting structures constructed in flagship manufacturing facility at KRSG
- Through Leadership Adoption Program for Schools (LeAPS), life skills training and effective examination skills imparted to government school students in underserved communities
- Published BRSR and related sustainability disclosures
- Key ESG highlights and metrics published as part of Annual Report
- Participated in EcoVadis Assessment
- Dedicated Enterprise Risk Management function instituted for effective risk management, including key ESG risks

Operational Effectiveness and Pathway to ESG Maturity 2024 and 2025

- Published our first Sustainability Report for FY24
- Conducted first Double Materiality Analysis
- Became signatory to the United Nations Global Compact
- Debuted in S&P Global's Sustainability Yearbook with a score of 75/100
- Improvement of EcoVadis score of 19 points in 2 years
- Board-level Risk Management and Sustainability Committee, formerly known as the Risk Management Committee - scope expanded to include sustainability
- ESG success metrics integrated into the performance scorecard and incentive structures of Executive Directors
- Designated Chief Sustainability Officer appointed effective 1st June, 2024
- Suppliers capacity building workshops conducted on ESG-centric practices as part of responsible supply chain management
- Continued focus on Access to medicine by donating lifesaving malaria suppositories to the medicines for Malaria Venture (MMV) in support of the SEMA ReACT (Severe Malaria in Remote Areas) project
- Patient and HCP awareness programmes organised in the lower- and middle-income countries (LMICs) including African nations to facilitate early detection, diagnosis, and timely management of diseases like diabetes, anaemia, neuropathy, etc
- Continued focus on employee capability development by through average ~1.20 Lakh learning hours per year during FY24 and FY25, and mandatory embedding it in performance management
- Strengthened our sustainability focus by initiating following key projects to advance our sustainability journey:
  - Initiated decarbonisation strategy for India operations
  - Developed Sustainable Sourcing Framework, embedding ESG
  - Carried out Biodiversity Risk Assessment to identify potential impact on local ecosystem
  - Conducted independent Human Rights Impact Assessment for Indian operations
  - Initiated Product Lifecycle Assessment for key products
  - Conducted a Climate Risk Assessment for physical risks

Integrating Sustainability into Global Operations and Risk Management: 2026 and Beyond

- Committed to Science Based Targets initiative (SBTi)
- Decarbonisation strategy in progress for global entities
- Conducted second comprehensive Double Materiality Assessment (DMA) to reassess material topics, integrating Enterprise Risk Management (ERM) and IRO frameworks
- Third-party assurance conducted for Sustainability Report and statutory Business Responsibility & Sustainability Report for FY26[6]
- Continued focus on supplier capacity building – independent assessment and capacity building carried out
- Advanced Climate Risk Assessment to include physical and transition climate risks across global operations
- Initiated development of a Biodiversity Management Plan for our flagship plant in Bengaluru, India (KRSG)
- Expanded the scope of our independent Human Rights Impact Assessment to include global operations.
- Continued Product Life Cycle Assessment for key products
- ~20% of waste is co-processed in India
- 75% of our manufacturing plants in India are now ISO 45001-certified
- Independent gap assessment of Enterprise Risk Management (ERM) process carried out
- Bronze Medal awarded by EcoVadis by significant 19-point score improvement
- S&P Global Sustainability Yearbook member for second consecutive year with an ESG score of 81/100.

[6] GRI 2-5

Value Creation Model

Creating Sustainable Value Through Purpose, Performance and Responsibility

At Strides, value creation is driven by a clear purpose and a deep sense of responsibility towards all stakeholders. Operating in a highly regulated and dynamic global pharmaceutical industry, we develop and manufacture complex generic medicines that expand access to affordable healthcare while meeting stringent standards of quality, compliance and reliability. Over the years, we have built a resilient business model that combines scientific expertise, operational excellence and strong governance with a commitment to sustainable growth. Our approach recognises that long-term success is shaped not only by financial performance, but also by our ability to create meaningful outcomes for patients, customers, employees, communities and shareholders.
The Strides Value Creation Model provides a comprehensive framework for understanding how our resources, capabilities and stakeholder relationships are transformed into sustainable value as follows:

Drivers

Purpose and Ethos
- Affordable Healthcare
- Patient-First Philosophy

Operating Landscape
- Regulatory Demand
- Global Development

Stakeholders
- Internal Stakeholders
- External Stakeholders (including shareholders)

Risks & Opportunities
- Leveraging Opportunities
- Risk Management and Mitigation

Inputs

Financial Prudence
- Net Debt: ₹ 14,365 Mn
- Net Worth: ₹ 31,493 Mn
- Net Debt-to-Equity Ratio: 0.46x

Manufacturing Excellence
- Manufacturing Facilities: 7 across 4 continents
- USFDA-Approved Facilities: 4
- Capex: ₹ 4,179 Mn

Intellectual Assets
- Spend on IP Purchase and Partnered R&D Programme : ₹ 1,820 Mn
- R&D Team Size: 270+

People Capabilities
- Total Employees: 4,009
- New Hires: 985

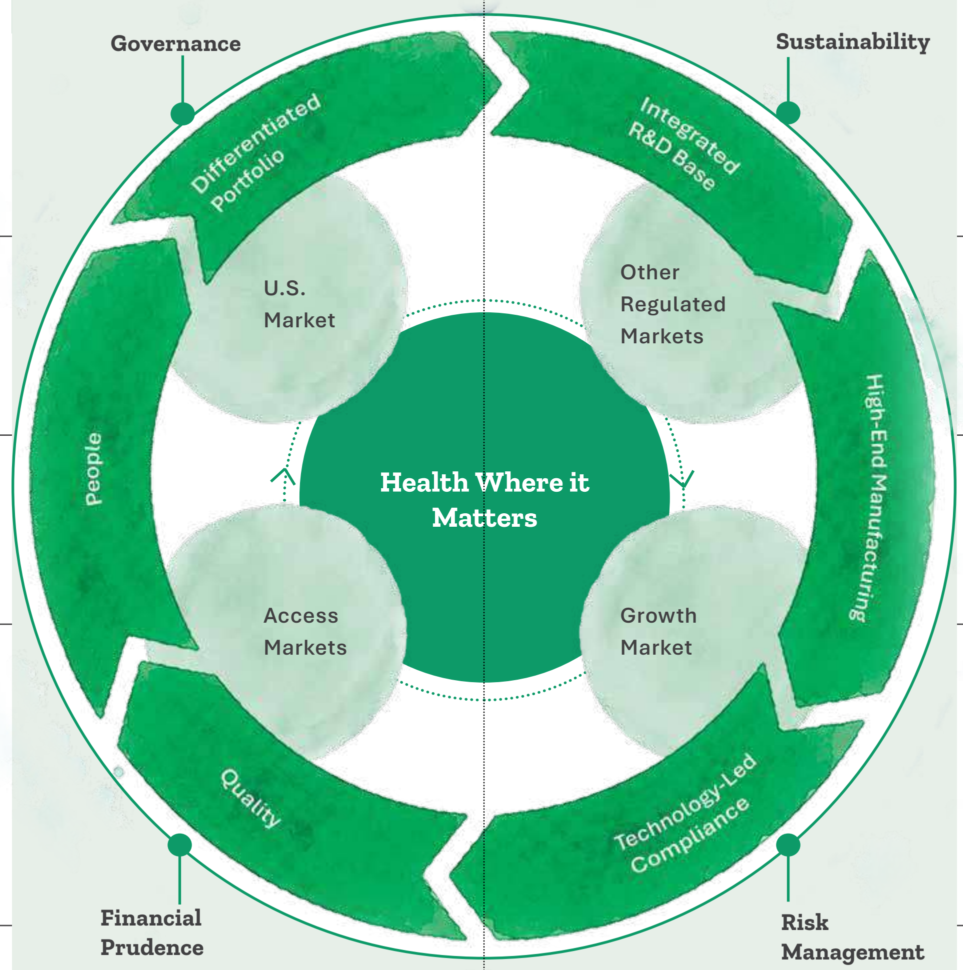
Social & Relationship Capital
- Spend on Corporate Social Responsibility: ₹ 29.1 Mn
- Supplier Capacity Building Programmes: 2

Environmental Sustainability
- Energy Consumption: ~0.1 Mn MWh
- Water Withdrawal: ~0.3 Mn kL
- Installed Rainwater Harvesting Systems: 3

Our Purpose & Values

We exist to make better and fairer healthcare a reality, through agility, care and meaningful innovation that delivers quality and lasting value for patients, partners, and shareholders.

- Integrity
- Competency
- Efficiency



Our Credo

- Guiding purpose and ethos
- Responsibility to employees – the culture we create
- Responsibility to our shareholders
- Responsibility to communities/society/ the planet
- Responsibility in products and services to end users and customers

Outputs

- Revenue: ₹ 48,587 Mn
- Gross Margin: ₹ 29,000 Mn
- EBITDA: ₹ 9,253 Mn
- RoCE: 15.8%

- Unit Capacity Across Dosage Formats: 16 Bn+
- Commercial Products in U.S.: 70+
- All Facilities are cGMP-Compliant
- Presence: 100+ Countries

- ANDAs Filed: 223
- Registrations in Ex-U.S. Markets: 400+

- Women in Global Workforce: 29%
- Employee Engagement Score: 82.40%
- Total Learning Hours Achieved: 1,50,000

- People Impacted Through the Programme, Arogyadhama: 14,228
- Individuals Trained Under the Employability Empowerment Programme: 760

- Renewable Energy Used (in India): ~45%
- Rainwater Harvesting: ~0.06 Mn kL
- Total Water Recycled: ~0.1 Mn kL

Outcomes

- Improved long-term business resilience
- Strengthened investor confidence

- Globally competitive and compliant manufacturing network ensuring reliable supply, supported by operational efficiency and scale advantages

- Differentiated product pipeline enabling accelerated commercialisation and sustained future growth visibility

- High-performance and agile organisation driven by enhanced workforce engagement backed by strong leadership

- Enhanced stakeholder trust and community relations
- Expanded access to affordable healthcare

- Reduced GHG emissions contributing to climate stabilisation
- Improved resource efficiency and reduced risk

Our Contribution to SDGs

Sustainable enhancement of value

Sustainable enhancement of value

Governance, Risk Management and Sustainability

Governance, risk management, and sustainability serve as the key enablers of our Value Creation Model.

Strong governance structures provide oversight, accountability and strategic direction across the organisation. Our enterprise-wide risk management framework enables proactive identification, assessment, and mitigation of operational, regulatory, market, and sustainability-related risks.

Sustainability considerations are integrated into business planning and decision-making processes, helping us manage emerging challenges while creating long-term value. Through initiatives focused on climate action, responsible sourcing, people development, product stewardship, and ethical business conduct, we continue to strengthen organisational resilience and stakeholder trust.

Our Business Model

Strides creates value through an integrated business model built around differentiated products, scientific innovation, manufacturing excellence, and global market access.

Our portfolio focuses on complex and difficult-to-manufacture formulations that address unmet patient needs and create meaningful differentiation in competitive markets. This is supported by an integrated research and development ecosystem, advanced manufacturing capabilities, technology-enabled quality systems, and a diversified commercial presence across regulated and emerging markets.

The model is designed to convert scientific expertise, operational capabilities, and strategic partnerships into healthcare solutions that improve patient access while delivering sustainable business growth.

Inputs That Enable Value Creation

Our ability to create long-term value is underpinned by a diverse set of resources, capabilities, and relationships that support the execution of our strategy and strengthen business resilience. These include disciplined financial management, a global manufacturing network, research and development capabilities, regulatory expertise, and the skills and commitment of our people, all of which enable us to deliver high-quality healthcare solutions across our markets. Equally important are the trusted relationships we maintain with customers, suppliers, regulators, healthcare stakeholders, and communities, along with our focus on responsible environmental stewardship. Together, these inputs help us manage risks, drive innovation, enhance operational performance, and create sustainable value for our stakeholders.

Delivering Value for Stakeholders

The successful execution of our Value Creation Model generates measurable outputs across business and sustainability dimensions, including revenue growth, operational performance, product innovation, responsible resource management, employee development, and community impact.

These outputs contribute to outcomes that extend beyond financial performance. They strengthen business resilience, enhance investor confidence, support reliable healthcare access, foster employee engagement, reduce environmental impact, and reinforce trust with stakeholders across our value chain.

Our contribution also extends to advancing several United Nations Sustainable Development Goals (UNSDGs) through improved healthcare access, responsible operations, climate action, decent work opportunities, and community development initiatives.

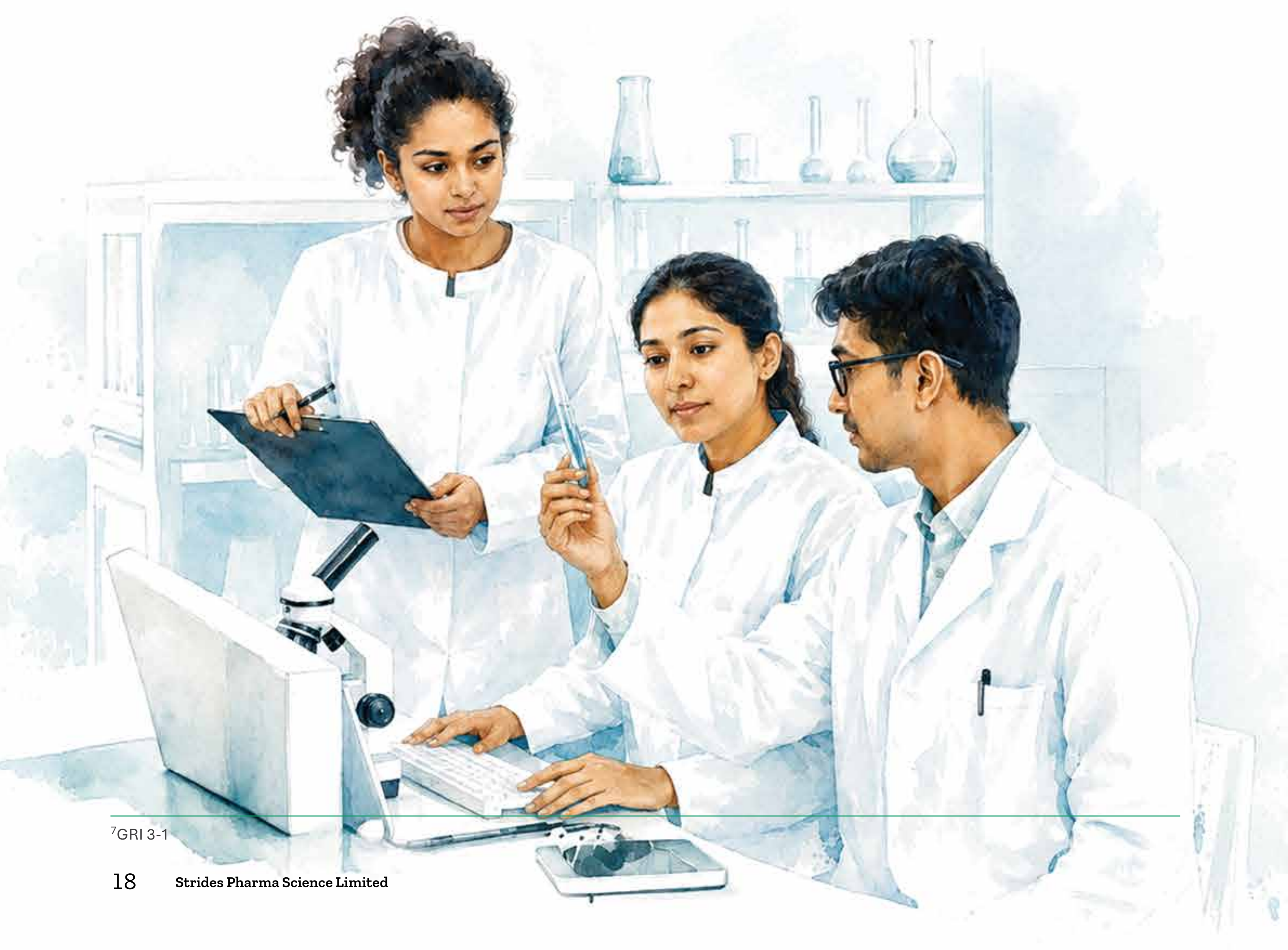
Materiality & Strategy: From Priorities to Targets

Our Approach to Double Materiality[7]

Strides conducted a stakeholder-focused double materiality assessment in FY23 to identify and prioritise key sustainability topics. This year building on the foundation we have reassessed our material topics through a more structured and analytical approach, aligning our material topics with the enterprise risk registers and incorporating impact, risk, and opportunity considerations to further strengthen the identification and prioritisation of material topics.

The reassessment is aligned to the European Sustainability Reporting Standards (ESRS) and considers the impact of each topic on both the impact of Strides on the external environment and society (inside-out / impact materiality) and the financial risks and opportunities posed to Strides by external environmental and social factors (outside-in / financial materiality), strengthening the link between sustainability and enterprise-wide risk management and also guides the content of non-financial disclosures that is crucial for compliance with the requirements of the GRI, SASB, and SEBI's BRSR.

The material topics identified are prioritised in the materiality matrix. To stay aligned with shifting external factors such as competition, macroeconomic trends, consumer preferences, and regulatory demands, we have a formal evaluation framework to ensure continuous review and prioritisation of key material topics.



[7]GRI 3-1

Materiality Evaluation Framework

Phase 1

ESG Impact Exploration

We conducted a thorough analysis of over 50 topics at a strategic level and identified 21 key areas, which were grouped into 6 themes significant to both our business and stakeholders.

Phase 2

Materiality Survey

This year, we enhanced our materiality assessment process through an internal review of identified material topics, incorporating senior management perspectives on their continued relevance and strategic importance. This exercise built upon stakeholder insights gathered through online surveys in previous years.

Phase 3

Stakeholder Input Gathering

Engagement with a diverse range of stakeholders is crucial. Through a structured survey, we gathered insights that provided a broad perspective on material concerns.

Phase 4

Topic Validation

Each sustainability issue is identified as a principal risk within our risk management framework, highlighting key concerns with potential impacts on our operations.

Phase 5

Materiality Matrix

All identified topics are incorporated into the materiality matrix and prioritised based on their impact, criticality, and relevance.

Double Materiality Assessment Process

The double materiality assessment followed a structured six-step process:

Step 1

Understanding the Business

We reviewed our business activities, operations, products, value chain, and operating environment to understand the sustainability context. This included consideration of industry characteristics, regulatory requirements, and key sustainability trends relevant to the pharmaceutical sector.

Step 2

Topic Identification

A comprehensive list of sustainability topics was developed using ESRS standards and Strides' existing material topics. More than 50 topics were initially assessed to ensure broad coverage of all relevant sustainability matters.

Step 3

Integration with the Risk Register

Identified sustainability topics were mapped to the Enterprise Risk Management (ERM) framework to align sustainability-related risks and opportunities with broader business risk management. Topics were then shortlisted based on their relevance to the business and sector.

Step 4

Finalising Material Topics

The shortlisted topics were refined by consolidating overlapping themes and aligning them with the ESRS structure. This resulted in a focused list of material sustainability topics relevant to Strides.

Step 5

Impact, Risk, and Opportunity (IRO) Analysis

Each material topic was assessed from both an impact and financial materiality perspective. The analysis helped identify the most significant impacts, risks, and opportunities associated with each topic.

Step 6

Stakeholder Engagement for Validation and Calibration

Internal and external stakeholders were engaged to validate the assessment outcomes and provide feedback on the prioritised topics. Their inputs helped strengthen the robustness and completeness of the materiality assessment.

Governance Framework

The ongoing relevance, rigour, and credibility of the double materiality assessment, Strides has established a formal governance framework around the process:

Senior Management Approval

The final findings are approved by senior leadership, ensuring accountability and strategic alignment at the highest levels of the organisation.

Risk Register Maintenance

Sustainability considerations are embedded across all enterprise risk themes at Strides, ensuring ESG-related risks and opportunities are systematically reflected within risk registers and broader enterprise risk management framework.

Biennial Analysis

The materiality analysis occurs every two years or more for timely updates, ensuring that the assessment remains current with evolving stakeholder expectations, regulatory requirements, and business strategy.

Stakeholder Consultation

Both internal and external stakeholders are involved in the review process, providing diverse perspectives and ensuring the assessment reflects the views of all affected and interested parties.

Material Topics[8]

E — Environmental

- **E1 Climate Change –** Climate Change Adaptation
- **E1 Climate Change –** Climate Change Mitigation
- **E1 Climate Change –** Energy
- **E2 Pollution –** Pollution of Water
- **E3 Water –** Water Consumption
- **E3 Water –** Discharges in Water Bodies and Oceans

S — Social

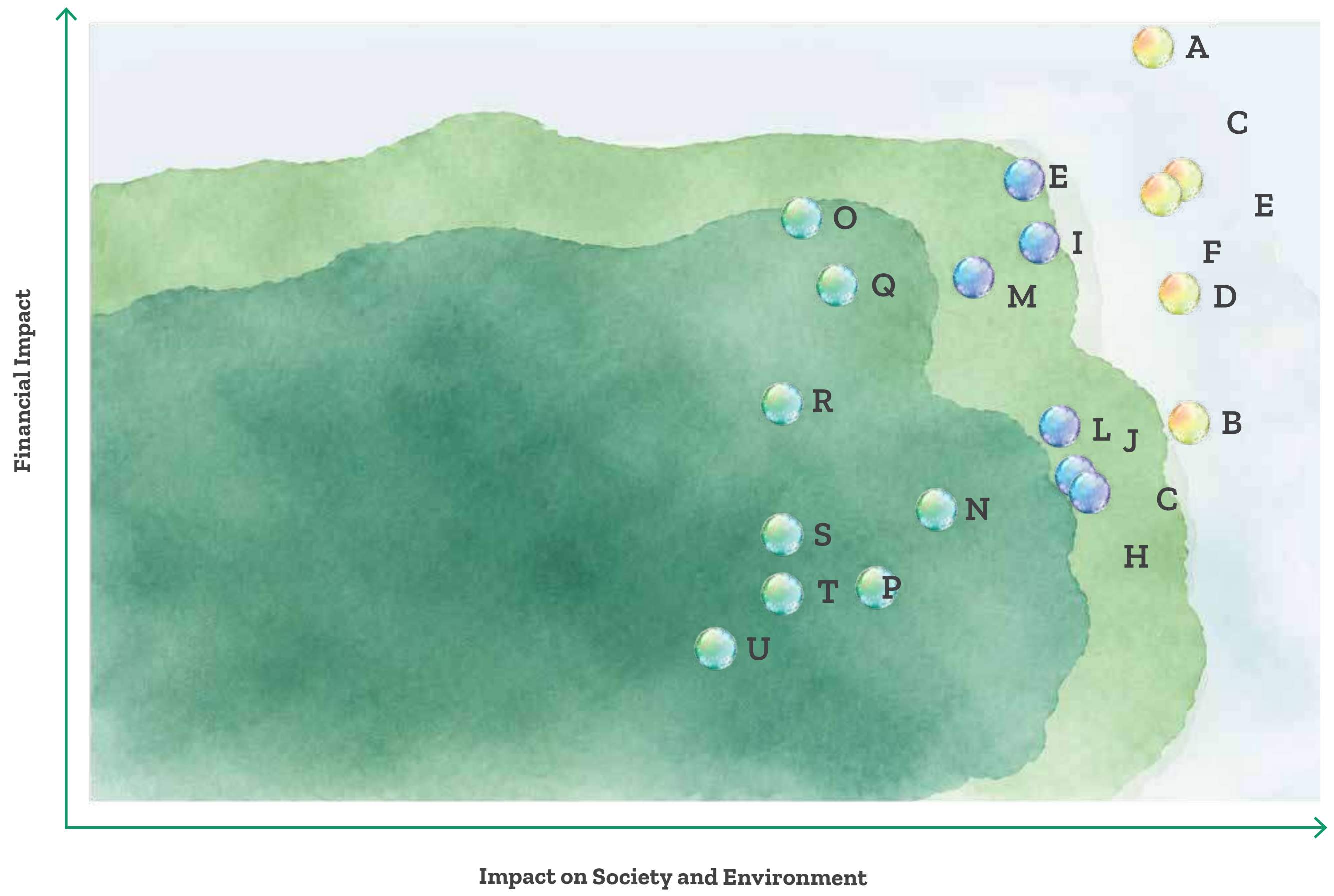
- **S1 Own Workforce –** Health and Safety
- **S1 Own Workforce –** Fundamental Rights
- **S1 Own Workforce –** Equal Treatment and Opportunities for All
- **S1 Own Workforce –** Training and Skills Development
- **S4 Consumers –** Health and Safety (Product Quality)
- **S4 Consumers –** Access to Products and Services (Healthcare Access)
- **S4 Consumers –** Health and Safety (Pharmacovigilance)

G — Governance

- **ESRS 2 –** Risk Management & Business Continuity
- **ESRS 2 –** Digital Transformation and AI
- **ESRS 2 –** Geopolitical Risk & Trade Disruption
- **G1 Business Conduct –** Corporate Culture and Ethics
- **G1 Business Conduct –** CSR
- **ESRS 2 –** ESG Disclosure Readiness
- **ESRS 2 –** Supplier Concentration & Single-Source Dependency
- **ESRS 2 –** Regulatory Compliance

[8] GRI 3-2

Top 10 Material Topics by Risk Exposure



Pillars	Series	Material Topics
Environmental Sustainability	A	E1 Climate Change–Climate Change Adaptation
Environmental Sustainability	B	E1 Climate Change–Climate Change Mitigation
Environmental Sustainability	C	E1 Climate Change–Energy
Environmental Sustainability	D	E2 Pollution–Pollution of Water
Environmental Sustainability	E	E3 Water–Discharges in Water Bodies and Oceans
Environmental Sustainability	F	E3 Water–Water Consumption
Our People	G	S1 Own Workforce–Fundamental Rights
Our People	H	S1 Own Workforce–Equal Treatment and Opportunities for All
Our People	I	S1 Own Workforce–Training and Skills Development
Our People	J	S1 Own Workforce–Health and Safety
Product Quality & Safety	K	S4 Consumers–Health and Safety (Pharmacovigilance)
Product Quality & Safety	L	S4 Consumers–Health and Safety (Product Quality)
Stakeholder Equity	M	S4 Consumers–Access to Products and Services (Healthcare Access)
Responsible Governance	N	G1 Business Conduct–Corporate Culture and Ethics
Stakeholder Equity	O	G1 Business Conduct–CSR
Responsible Governance	P	ESRS 2–ESG Disclosure Readiness
Responsible Governance	Q	ESRS 2–Regulatory Compliance
Responsible Governance	R	ESRS 2–Risk Management & Business Continuity
Responsible Governance	S	ESRS 2–Digital Transformation and AI
Responsible Governance	T	ESRS 2–Geopolitical Risk & Trade Disruption
Purposeful Partnerships	U	ESRS 2–Supplier Concentration & Single-Source Dependency

As part of the reassessment process, all previously identified material topics were evaluated against evolving stakeholder perspectives, business priorities, and strategic relevance. Following this review, Intellectual Property Management did not meet the threshold of the current selection criteria, given Strides' focus as a manufacturer of generic pharmaceuticals and relative prioritisation of other ESG issues in value chain.

Strides

Our Sustainability Strategy[9]

To effectively manage these priorities and integrate them into our strategy, we have organised our material topics into six sustainability pillars. These pillars provide a structured framework for our ESG approach and guide our actions, performance monitoring, and stakeholder engagement across environmental, social, and governance dimensions.

Sustainable Visions

Improving lives by sustainability... ...delivering scalable healthcare products and solutions

Foundation

- Ethical Integrity
- Collaborative Efficiency
- Competency
- Transparency & Disclosures

Sustainability Strategy

Identify & prioritise key ESG issues to align sustainability with our... ...business operations, enhance resilience, and capitalise on emerging opportunities

6 Pillars	Objectives	21 Sub-Focus Areas (as per material topics identified)
Responsible Governance	Embed ethics, transparency, accountability, compliance, and resilience into business operations through robust governance practices, effective risk management, responsible use of technology, and proactive stakeholder disclosures.	• Business Conduct, Corporate Culture & Ethics • Digital Transformation & AI • Geopolitical Risk & Trade Disruption • Risk Management & Business Continuity • Regulatory Compliance • ESG Disclosure Readiness
Product Quality & Safety	Deliver safe, effective, and high-quality medicines by maintaining rigorous product quality standards, strong pharmacovigilance systems, and a patient-centric quality culture across the value chain.	• Pharmacovigilance • Product Quality
Our People	Foster an inclusive, safe, and high-performing workplace that promotes wellbeing, respects fundamental rights, provides equal opportunities, and enables continuous learning.	• Fundamental Rights • Equal Treatment & Opportunities for All • Workforce Health & Safety • Training & Skills Development
Purposeful Partnerships	Build resilient and responsible partnerships across the value chain by strengthening supplier relationships, mitigating supply chain risks, and ensuring continuity in the delivery of healthcare products.	• Supplier Concentration & Single-Source Dependency
Stakeholder Equity	Expand access to affordable and high-quality healthcare products and services by increasing availability, improving patient reach, and supporting better health outcomes across communities.	• Community Investment / Social Impact (CSR) • Access to Healthcare
Environmental Sustainability	Minimise environmental impacts and support climate resilience by reducing emissions, improving energy efficiency, preventing pollution, and responsibly managing water resources throughout operations.	• Climate Change Adaptation • Climate Change Mitigation • Energy • Pollution of Water • Discharges in Water Bodies • Water Consumption

[9]GRI 2-22

Our Progress and Targets

Responsible Governance

ESG Strategy Lever	Progress for FY26	Targets
Board Independence	As of 31st March, 2026, 5 out of 8 Directors are Independent, representing 62.5% of the Board.	Maintain at least 60% independent directors on the Board.
Board Diversity	As of 31st March, 2026, Women constitute 25% of the Board, with 2 out of 8 Directors being women.	Ensure at least 25% women representation on the Board by FY28 and at least 20% women directors on key global material subsidiaries by FY28.
Risk Management & Business Continuity	We built on the progress made following the FY25 third-party assessment, further strengthening governance, controls, and monitoring mechanisms to enhance the effectiveness of our risk management framework.	Complete third-party audit of risk management processes aligned with ISO 31000 by FY27.
ESG Institutionalisation	Enhanced scope of disclosure to integrate global entities in Social and Environment reporting.	Integrate ESG KPIs into the internal audit programmes of all key global material subsidiaries by FY29.
Ethical Conduct & Compliance	Recorded zero incidents of bribery and corruption during the reporting period.	Sustain zero incidents of bribery and corruption and uphold the highest standards of business integrity and compliance.

Product Safety & Quality

ESG Strategy Lever	Progress for FY26	Targets
Quality Excellence Culture	Our focus on investigation excellence and continuous improvement in laboratory and manufacturing quality systems contributed to reducing invalid Out-of-Specification (OOS) occurrences from 1.8 per 1,000 tests in FY25 to 1.1 in FY26.	Extend Project RISE principles and practices across all manufacturing facilities in India and overseas.
Compliance	Maintained zero Class I product recalls over the last four years.	Continue to achieve zero Class I recalls while ensuring the highest standards of quality and compliance.
Product Excellence	Theme-based review of quality metrics; aligned with the FDA's Quality Management Maturity (QMM) programme.	Pursue industry-leading product quality, process robustness, and continuous quality improvement.
Pharmacovigilance	Continued monitoring and evaluation of product safety throughout product lifecycles.	Strengthen pharmacovigilance systems to ensure proactive identification and management of patient safety risks.

Purposeful Partnerships

ESG Strategy Lever	Progress for FY26	Targets
Responsible Sourcing	Established a Responsible Sourcing Policy Framework covering social, environmental, and ethical expectations for suppliers, complementing the Vendor Code of Conduct.	Achieve 100% supplier acknowledgement of the Vendor Code of Conduct.
Supplier Assessment	Assessed 199 suppliers through desk-based and on-site evaluations.	Expand supplier assessments to cover all critical suppliers.
Supplier Capacity Building	Conducted two ESG-focused supplier capacity-building workshops attended by 71 vendors across APIs, excipients, and packaging materials.	Increase participation and coverage of supplier capacity-building programmes.
Supply Chain Resilience	Continued monitoring of critical sourcing dependencies and supplier concentration risks across key materials.	Further diversify sourcing and strengthen business continuity planning for critical inputs.

Our People

ESG Strategy Lever	Progress for FY26	Targets
Learning & Development	Average training hours per employee stood at 40.9 hours.	Increase average training hours to 50 hours per employee.
Diversity & Inclusion	Women represented approximately 29% of the total workforce.	Improve gender diversity by 1% annually.
Human Rights	Expanded Human Rights Risk Assessment and developed mitigation plans for global operations.	Extend human rights assessments across upstream and downstream value chain partners.
Occupational Health & Safety	Continued implementation of workplace health and safety programmes across operations.	Strengthen safety culture and drive continuous improvement in health and safety performance indicators.

Access to Healthcare

ESG Strategy Lever	Progress for FY26	Targets
Registration of HIV & Malaria Treatments	Antiretroviral products were registered in more than 18 African countries and CARICOM member states. Anti-malarial products were registered in more than 22 African countries.	Expand registrations to an additional 10 French-speaking African countries for ARV products and 6 French-speaking African countries for anti-malarial products.
Intellectual Property & Access	Continued commitment not to patent or enforce patents related to HIV and malaria treatments in least-developed and low-income countries.	Maintain commitment to ensuring affordability and accessibility of essential medicines.

Social Impact

ESG Strategy Lever	Progress for FY26	Targets
Corporate Social Responsibility	Continued implementation of community-focused programmes in healthcare, education, and social development. Completed Vidyadhama Model Government Higher Primary School project benefitting 300+students.	Enhance the reach and impact of community development initiatives aligned with local needs and stakeholder expectations.
Community Engagement	Maintained active engagement with communities through targeted interventions and partnerships.	Strengthen measurement and reporting of community outcomes and social value creation.

Environmental Sustainability

ESG Strategy Lever	Progress for FY26	Targets
Clean Energy	Clean energy accounted for 44.19% of total energy consumption in India.	Continue to improve clean energy mix in total energy consumption globally.
Climate Change Mitigation	Scope 1 and Scope 2 emissions intensity reduced from 1.24 tCO_2e/₹ Mn in FY23 to 1.16 tCO_2e/₹ Mn in FY26 in India.	By FY30 reduce absolute Scope 1 emissions by 42% and Scope 2 emissions by 42%, baseline against FY23 and achieve Net Zero by FY50.
Climate Change Adaptation	Evaluated climate risk to include transition risk and physical risk across global manufacturing sites.	Strengthen climate resilience planning and integration of climate risk assessments into business decision-making.
Water Stewardship	Water intensity reduced from 8.80 in FY25 to 8.73 in FY26 in India.	Continue to reduce water consumption by 5% Y-o-Y in India.
Waste Management	Continued monitoring and reduction of hazardous waste.	Reduce hazardous waste by 5% or more on Y-o-Y basis for India.

Stakeholder Engagement

Our Approach to Stakeholder Engagement[10]

Stakeholder engagement is an integral part of our approach to sustainability and business operations. We engage with a diverse group of stakeholders, including employees, customers, suppliers, shareholders and investors, government and regulatory authorities, local communities, non-governmental organisations, and industry associations. Their perspectives help us understand emerging risks, opportunities, and expectations related to our business and sustainability priorities.

We identify stakeholders based on their relationship with our business, their role within the value chain, and the extent to which they influence or are impacted by our operations. Feedback received through stakeholder interactions supports decision-making, risk management, and the prioritisation of material ESG topics. We engage with stakeholders through a range of formal and informal channels at defined frequencies throughout the year. These engagements enable us to understand stakeholder concerns, communicate our performance and priorities, and incorporate relevant feedback into our business and sustainability strategies. Insights from stakeholder engagement also informed our materiality assessment and sustainability strategy development.

Stakeholder Groups and the Frequency of Engagement[11]

Key Stakeholder Groups	Engagement Approach & Objectives
Internal Stakeholders	
Employees	**Purpose and Scope of Engagement:** We engage with employees to understand their expectations, gather feedback on workplace practices, and identify opportunities to strengthen the employee experience. Discussions primarily focus on employee well-being, learning and development, career growth, performance management, rewards and recognition, compensation and benefits, work-life balance, workplace safety, diversity and inclusion, and grievance redressal mechanisms. **Frequency of Engagement:** Continuous **Channels of Communication:** Open houses, mailers, intranet, employee committees, engagement initiatives, and newsletters.
Investors and Shareholders	**Purpose and Scope of Engagement:** We engage with investors and shareholders to provide updates on our financial and operational performance, business strategy, governance practices, and long-term growth plans. Discussions focus on financial results, business performance, risk management, ESG initiatives, capital allocation, market opportunities, and factors that may influence long-term shareholder value. **Frequency of Engagement:** Quarterly, annually, and as required **Channels of Communication:** Stock exchange disclosures, quarterly and annual financial results, earnings calls, investor meetings and conferences, analyst interactions, annual general meetings, press releases, annual reports, sustainability reports, corporate website, and social media platforms.
External Stakeholders	
Customers	**Purpose and Scope of Engagement:** We engage with customers to understand their requirements, strengthen business relationships, and continuously improve our products and services. Discussions primarily focus on product quality and safety, regulatory compliance, customer satisfaction, supply reliability, innovation, service standards, and evolving market expectations. **Frequency of Engagement:** Frequent **Channels of Communication:** Customer meetings, conferences and webinars, mailers, news bulletins, brochures, social media platforms, and website.
Suppliers, Vendors, and Third-Party Manufacturers	**Purpose and Scope of Engagement:** We engage with suppliers, vendors and third-party manufacturers to strengthen responsible supply chain practices and support business continuity. Key areas of discussion include quality requirements, regulatory compliance, responsible sourcing practices, operational performance, supply continuity, business visibility, and opportunities for long-term collaboration. **Frequency of Engagement:** Continuous **Channels of Communication:** Supplier meetings, conferences and webinars, mailers, audits, telephone calls, virtual meetings, and email communications.
Channel Partners, Distributors and Key Partners	**Purpose and Scope of Engagement:** We engage with channel partners, franchisees and key partners to support business growth, strengthen collaboration, and uphold responsible business practices across our value chain. Discussions focus on product availability, market expansion, commercial performance, operational support, governance expectations, and opportunities for strategic collaboration. **Frequency of Engagement:** Frequent **Channels of Communication:** Partners' meetings and events, mailers, news bulletins, brochures, social media, and website.
Community	**Purpose and Scope of Engagement:** We engage with local communities to understand their needs and assess the effectiveness of our community development initiatives. Discussions help inform the design and implementation of CSR Programmes and primarily focus on healthcare, education, sanitation, infrastructure development, and community wellbeing. **Frequency of Engagement:** Continuous **Channels of Communication:** In-person meetings during field visits and engagement through implementation partners.
Regulators	**Purpose and Scope of Engagement:** We engage with regulators and government authorities to ensure compliance with applicable laws, regulations, and industry standards. Discussions focus on regulatory approvals, manufacturing and quality requirements, product compliance, reporting obligations, inspections, and changes in the regulatory environment that may impact our operations. **Frequency of Engagement:** As required **Channels of Communication:** Emails, in-person meetings.

[10] GRI 2-29
[11] GRI 207-3

Enterprise Risk Management

Material Topics[12]

Risk Management & Business Continuity, Geopolitical Risk & Trade Disruption, Economic Value Creation

Risk Management in a Dynamic Global Environment

Strides continues to place strong emphasis on risk management as a core element of business resilience, operational continuity, and long-term value creation. In a business environment shaped by regulatory evolution, geopolitical uncertainty, supply chain disruptions, technology-related threats, and changing healthcare dynamics, risk management plays an important role in enabling timely decisions and sustained performance.

For a pharmaceutical company operating across diversified B2B and B2C models, and with revenue deriving from the global market, risk oversight requires a structured and adaptive approach. Geopolitical developments, trade policy shifts, pricing and market access pressures, cyber threats, product quality expectations, and changes in global economic conditions continue to influence the operating landscape. Strides' enterprise risk management approach is designed to identify such developments early, assess their potential effect on the business, and support appropriate response measures across geographies and functions.

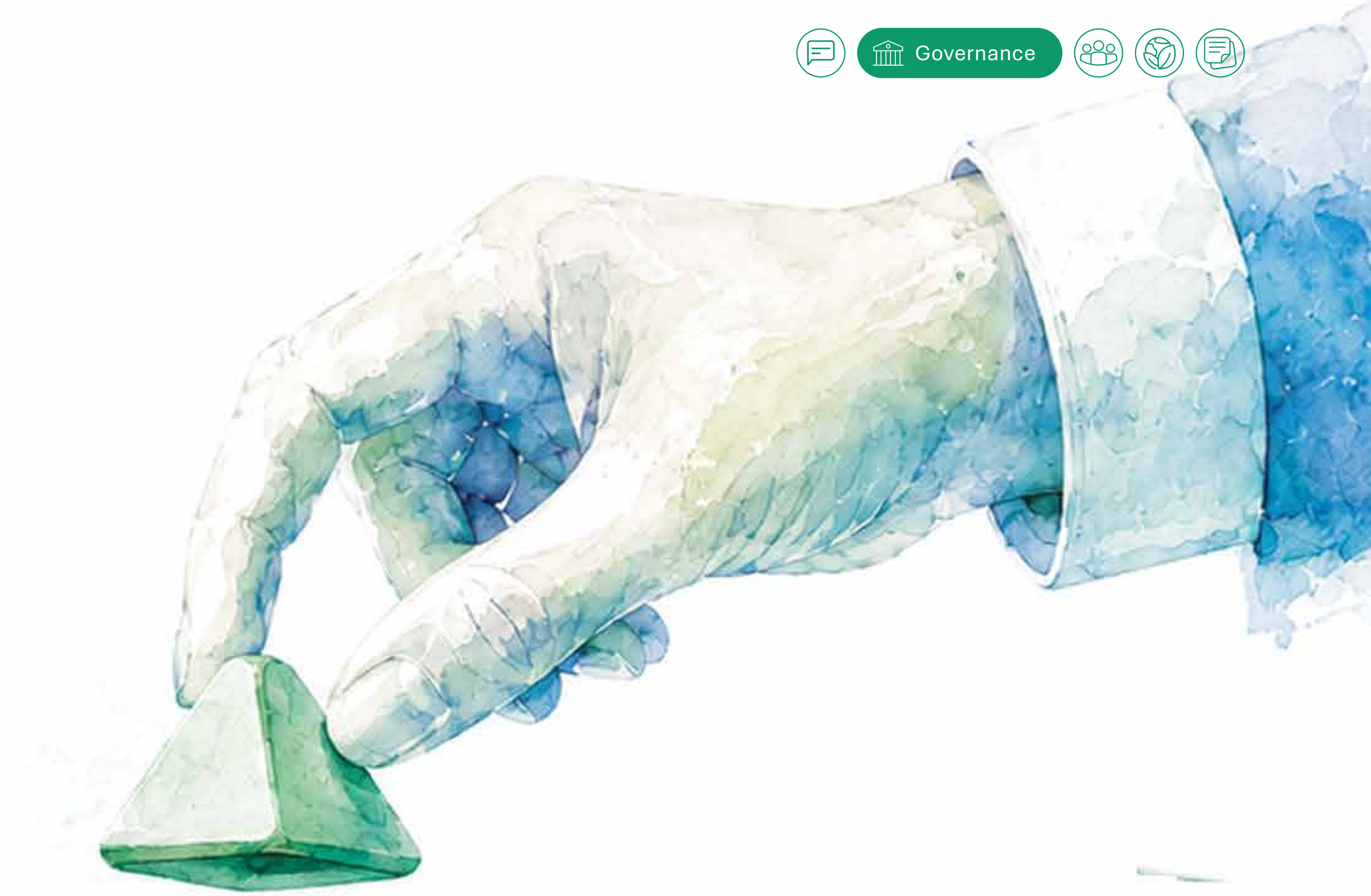
Enterprise Risk Management (ERM) at Strides is embedded into governance, decision-making, and business processes. Through continued training and awareness efforts, employees are encouraged to identify, assess, and escalate risks within their respective areas of responsibility, supporting a stronger culture of accountability and early intervention. Strides' framework is aligned to defined risk appetite and tolerance thresholds approved by the Risk Management & Sustainability Committee of the Board and senior management. During the year, these thresholds were revisited and refined to support closer alignment with strategic priorities and the current dynamic operating context. The risk management process is also reviewed periodically to reflect emerging external developments, internal business changes, and evolving stakeholder expectations.

Our Risk Management Policy is publicly available at Strides' Risk Management Policy.

Our ERM framework delivers a structured and disciplined methodology to identify, assess, mitigate, and monitor risks spanning strategic, operational, financial, and compliance dimensions. It is deeply woven into our governance architecture and decision-making processes, promoting accountability and risk-informed decision-making across the organisation.

The enterprise-wide risk register is comprehensively updated, encompassing reassessment of existing risk profiles aligned to the revised risk appetite, alongside identification and documentation of new and emerging risks.

The risk register has also been decentralised to key business units, entities, and functions, improving agility and responsiveness in risk oversight. This approach enhances visibility, ownership, and continuous monitoring at the operational level. In parallel, Key Risk Indicators (KRIs) have been defined for critical risks, serving as early warning signals to facilitate timely interventions and swift mitigation actions.



Our Risk Governance Structure

To achieve the stated ERM objectives, we have established three levels of risk management responsibilities:

Level 1

Risk Oversight

Primarily handled by the Board and the Risk Management & Sustainability Committee (RM&SC), which plays a guiding role in the development of the ERM policy and guidelines. The Board holds responsibility for overall governance and provides direction on ERM practices, while the RM&SC acts as a forum for discussing and managing key risks, overseeing policy implementation, and evaluating the adequacy of risk management systems.

Level 2

Risk Infrastructure & Management

Shared by the Group Level Steering Committee (GLSC) and the Chief Risk Officer (CRO). The GLSC is responsible for deliberating on key risks and reporting them to the RM&SC, while also facilitating cross-collaboration in developing risk mitigation strategies. The CRO serves as the focal point for coordination of all ERM activities (including trainings for culture change) through the Risk Office, ensuring that risk management efforts are aligned across the organisation. Both the RM&SC and GLSC, together with the CRO, support the Board in maintaining the independence of risk management from other functions.

Level 3

Risk Ownership

The responsibility for tracking and mitigating risks rests with functional heads. These individuals are accountable for identifying new and emerging risks by closely monitoring both internal and external environments, reviewing risk status, and ensuring effective implementation of mitigation plans.

[12] GRI 3-3

Board of Directors

The Board retains overall responsibility for risk governance and provides strategic direction on enterprise risk management and sustainability matters. It reviews the adequacy of the risk management framework and ensures alignment with business priorities.

Risk Management & Sustainability Committee

As a Board-level committee, the RM&SC oversees implementation of the risk management policy and sustainability-related risk considerations. It serves as a forum for reviewing key risks, discussing emerging developments, and evaluating the adequacy of risk management systems. RM&SC meets at least bi-annually and acts as a forum to oversee implementation of the risk policy, including evaluation of adequacy of risk management systems.

Group Chief Executive Officer & Managing Director

The CEO provides executive oversight of enterprise risk management through periodic engagement with the GLSC members, CRO, and CSO. The CEO also reviews significant risk exposures, mitigation plans, and emerging risks, while maintaining independent oversight by not being a member of the GLSC.

Chief Risk officer/Chief Sustainability officer

The CRO, through the Risk Office, coordinates enterprise-wide risk management activities, including risk assessment methodologies, maintenance and decentralisation of risk registers, KRI tracking, culture-building initiatives, and alignment of risk management practices across the organisation.

Group Level Steering Committee

The GLSC deliberates on key enterprise risks, supports development of mitigation strategies, promotes cross-functional coordination, and escalates relevant matters to the RM&SC.

Functional Heads / Dedicated Risk Owners

Functional heads and designated risk owners are responsible for identifying, assessing, monitoring, and mitigating risks within their areas. They track mitigation plans, monitor changes in the internal and external environment, and escalate new or emerging risks where necessary.

Three Lines of Defence

Strides follows the three lines of defence model to establish clear accountability and strengthen the effectiveness of risk management and internal control systems across the organisation.

Departments/ Function Heads (dedicated risk-owners, risk managers, and business unit heads)

First Line of Defence

Business units, functions, and risk owners are responsible for managing risks in day-to-day operations. They maintain risk registers, monitor controls and KRIs, implement mitigation actions, and identify emerging risks. Functional heads oversee risk management within their areas and escalate significant concerns when required.

Risk management & Sustainability committee, along with the CEO, Group Level Steering committee, and the Chief Risk Officer

Second Line of Defence

The RM&SC, GLSC, CEO, and CRO/Risk Office provide the frameworks, oversight, and challenge needed for effective risk management. They support risk assessment and prioritisation, review mitigation strategies, coordinate enterprise-wide risk activities, and help ensure risk exposures remain within approved appetite and tolerance levels.

Audit Committee and Internal Auditor

Third Line of Defence

The Internal Auditor provides independent assurance on the effectiveness of risk management and internal controls. The Audit Committee reviews significant audit findings, monitors remediation actions, and supports Board oversight of key risks and control gaps.

Audit Committee of the Board

The Board's Audit Committee is responsible for supervising and ensuring the efficacy of the risk management process, which falls under the purview of the Risk Management & Sustainability Committee. As part of this responsibility, the Audit Committee engages with both internal and statutory auditors to discuss significant findings and subsequent actions developed to mitigate identified risks.

Following each Risk Management & Sustainability Committee meeting, the Board receives a comprehensive update on the proceedings. Furthermore, independent audits of diverse business units are performed quarterly, encompassing an assessment of the risk management strategies employed within each function.

Risk Management Process[13,14]

Strides' enterprise risk management process is guided by established risk management principles and draws on globally recognised standards such as COSO ERM 2017 and ISO 31000:2018. We apply both top-down and bottom-up approaches to ensure that enterprise-wide strategic risks are considered alongside operational and function-level exposures. We also define our risk appetite across various identified risk parameters and categories. These are defined by Management and periodically reviewed by the Risk Management & Sustainability Committee to ensure continued alignment with the Company's scale, strategic priorities, and evolving business profile. Material updates to the risk appetite framework are also reported to the Board for oversight and guidance.

The overall process is designed to remain dynamic and responsive to changes in the operating environment and broadly includes the following steps:

1. **Risk Review and Identification**
2. **Risk Evaluation and Thematic Mapping**
3. **Risk Assessment and Prioritisation**
4. **Mitigation and Monitoring**
5. **Reporting and Escalation**

[13] GRI 2-25
[14] IFRS S1.44(a)

Our Enterprise Risk Management

Key Risks and Mitigation Approach

Set out below are selected inherent risks, their potential implications, and the approaches adopted to manage them.

Key Risk	Mapped Material Topics	Internal / External	Inherent Score	Mitigation Approach
Climate Change and Water Security	Climate Change Adaptation Climate Change Mitigation Energy Water Consumption Discharges in Water Bodies and Oceans Risk Management & Business Continuity	Internal & External	High	Physical climate risks such as heatwaves, water stress, and extreme weather events are assessed through environmental, health and safety, and enterprise risk management processes. Water conservation, recycling and reuse initiatives are being expanded across manufacturing locations, supported by investments in Zero Liquid Discharge (ZLD) infrastructure to reduce dependence on freshwater sources and strengthen water resilience. Efforts to improve resource efficiency, utility optimisation, and environmental performance continue across operations, while site-level contingency measures and periodic assessment of climate-related vulnerabilities help support business continuity and continuity of product supply.
Patient Safety, Product Quality, and Regulatory Compliance	Health and Safety (Product Quality) Health and Safety (Pharmacovigilance) Regulatory Compliance Access to Products and Services (Healthcare Access)	Internal & External	Very High / High	Maintaining the highest standards of quality remains central to safeguarding patient safety and product efficacy. Quality oversight spans raw materials, packaging components, manufacturing processes, and finished products, supported by digital quality systems, electronic batch manufacturing records, and real-time process monitoring. Ongoing investments in process validation, supplier quality management, pharmacovigilance processes, data integrity controls, deviation management, inspection readiness, and recall preparedness help strengthen compliance with evolving regulatory expectations and reinforce customer confidence.
Geopolitical Changes and Trade Disruptions	Geopolitical Risk & Trade Disruption Risk Management & Business Continuity	External	High	Evolving geopolitical developments, trade restrictions, tariffs, and regional disruptions are monitored through structured risk reviews and scenario planning exercises. Supply continuity is supported through diversified sourcing strategies, inventory optimisation, alternate logistics routes, and proactive engagement with key suppliers and customers. Regular assessment of market-specific developments enables timely response measures and helps minimise the impact of disruptions on operations, market access, and customer commitments.
Supply Chain Resilience and Supplier Dependency	Supplier Concentration & Single-Source Dependency Risk Management & Business Continuity Pollution of Water (Supplier Compliance Perspective) Regulatory Compliance	Internal & External	High	Reliable access to APIs, excipients, packaging materials, and critical services is supported through supplier qualification and performance monitoring Programmes. Efforts continue to strengthen sourcing resilience through supplier diversification, development of alternate sources for key materials, and periodic assessment of supply chain vulnerabilities. Strategic inventory planning, business continuity measures, supplier audits, and close collabouration with business partners help mitigate potential disruptions arising from concentration risks, market volatility, logistics challenges, and evolving regulatory requirements.
Cybersecurity, Digital Transformation, Data Protection, and Privacy Risks	Digital Transformation and AI Risk Management & Business Continuity Corporate Culture and Ethics	Internal & External	High	As digital technologies become increasingly embedded across manufacturing, quality and business processes, cybersecurity, and data protection remain areas of continued focus. Controls are managed through the shared services infrastructure and include information security policies, DLP systems, periodic VAPT, 24/7 monitoring, SIEM and SOC support, awareness Programmes, crisis management protocols, and certified information security and privacy management systems. Governance frameworks, access controls, incident response capabilities, and continuous monitoring continue to evolve alongside digital transformation initiatives, helping strengthen resilience against emerging cyber threats and support operational continuity.
Human Capital, Workplace Safety, and Capability Development	Health and Safety Equal Treatment and Opportunities for All Training and Skills Development Fundamental Rights Corporate Culture and Ethics	Internal	High	Sustained business performance depends on attracting, developing and retaining skilled talent across operations, quality, technical, and leadership roles. Investments in learning and development, succession planning, technical capability building, and employee engagement programmes continue to strengthen organisational capability. Workplace health and safety initiatives, fair employment practices, equal opportunity frameworks, and employee welfare programmes support a safe, inclusive and productive work environment while helping ensure continuity of critical skills and operational excellence.

Ensuring Business Continuity

Business continuity remains an important component of Strides' risk resilience approach. Strides' has established comprehensive Business Continuity Plans (BCPs) for all manufacturing locations in India and the U.S., the R&D centre, and the corporate office in India. The Corporate BCP also incorporates key processes of important operational subsidiaries in the United Kingdom, Singapore, Canada, and Switzerland, helping preserve continuity across global operations in the event of disruption. Strides' business continuity framework is aligned with ISO 22301:2019 and supported by structured governance, location-level preparedness, and periodic review. The framework includes:

- Assessment of key risk factors and legal obligations
- Identification of vulnerabilities and operational interdependencies
- Development of contingency plans for disruption scenarios
- Assignment of roles and responsibilities within continuity teams
- Business impact analysis across critical functions and units

Abridged version of Strides' Business Continuity Policy is publicly available at Strides' Business Continuity Policy.

Risk Training and Awareness Programmes

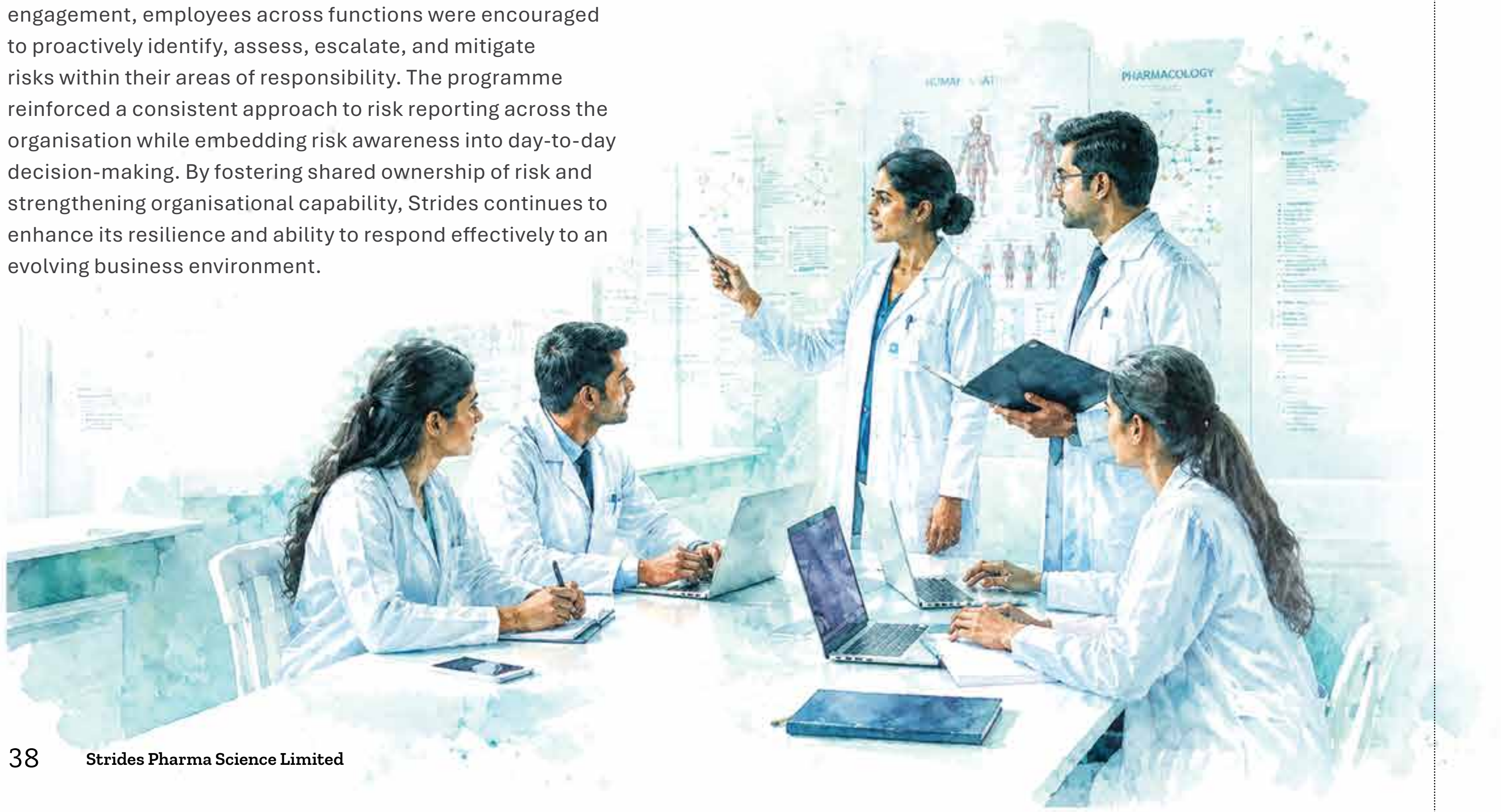
During FY26, as part of decentralising risk registers across key entities, we have strengthened our focus on building a risk-resilient culture by conducting risk management awareness programmes aimed at refreshing employees' and leaders' (including non-executive directors) understanding of risk management principles, processes, and reporting requirements.

18+ sessions
were delivered in smaller, interactive groups to encourage participation, facilitate meaningful discussions and address entity-specific risk considerations and was attended by 19 leaders from different verticals.

Through targeted training, workshops, and ongoing engagement, employees across functions were encouraged to proactively identify, assess, escalate, and mitigate risks within their areas of responsibility. The programme reinforced a consistent approach to risk reporting across the organisation while embedding risk awareness into day-to-day decision-making. By fostering shared ownership of risk and strengthening organisational capability, Strides continues to enhance its resilience and ability to respond effectively to an evolving business environment.

Financial Incentives Linked to Risk Management Metrics

Performance assessments for employees ranging from CXOs to mid-management in key functions including quality, EHS, enterprise risk management and compliance, and finance factor in their role in identifying, assessing, mitigating, and managing risks. By embedding risk management considerations into performance evaluation, Strides strengthens accountability and supports the effectiveness of its overall risk governance framework.



Emerging Risks

As the external environment continues to evolve, a number of risks are emerging that may not have an immediate impact on our operations but have the potential to influence our long-term strategy, competitiveness, and resilience. These risks are typically characterised by high uncertainty, extended time horizons, and evolving regulatory, technological, environmental and geopolitical influences. While many of these risks remain outside Strides' direct control, their potential implications are continuously monitored through the Enterprise Risk Management framework to enable timely assessment, preparedness and response. During FY26, Strides continued to evaluate emerging trends across its operating environment, considering their potential impact on innovation, supply chain resilience, stakeholder trust, talent availability, and future growth. Based on this assessment, the following emerging risks have been identified as areas requiring ongoing management attention and strategic oversight.

AI-Driven Misinformation/Disinformation and Cybersecurity

Category: Technological

The increasing adoption of artificial intelligence and digital technologies across the pharmaceutical value chain is creating new challenges related to cybersecurity, information integrity, and stakeholder trust. AI-generated content, misinformation, and disinformation can rapidly influence public perception of product quality, drug safety, and corporate conduct, while cyber incidents may disrupt operations, compromise sensitive data, and affect regulatory compliance. For Strides, these interconnected risks extend beyond technology and communications functions, with potential implications for product launches, regulatory approvals, clinical development, manufacturing operations, and stakeholder confidence. The growing reliance on digital platforms, data-driven processes, and interconnected systems further increases exposure to evolving cyber threats and AI-related risks. As a result, cybersecurity and AI-driven misinformation/disinformation are viewed as strategic risks requiring continuous monitoring and oversight across the organisation.

Value Chain Stage	Impact of Misinformation/Disinformation	Strategic Consequence
Product Launch & Marketing	AI-generated misinformation, deepfakes or false narratives regarding product safety, efficacy or corporate conduct may spread rapidly across digital channels.	Reduced product acceptance, delayed uptake, revenue loss, and increased stakeholder engagement efforts.
Regulatory & Market Approval	Cyber incidents involving regulatory submissions or misinformation-driven public pressure may increase scrutiny and delay approvals.	Slower market access, increased compliance costs, and regulatory intervention.
R&D and Clinical Trials	Data breaches, manipulation of research information or misinformation relating to trial ethics and data integrity may reduce stakeholder confidence.	Delays in clinical programmes, increased remediation efforts, and reputational impact on innovation activities.
Manufacturing & Quality Systems	Cyberattacks targeting digital manufacturing, quality or enterprise systems could disrupt operations and compromise data integrity.	Operational interruptions, product release delays, increased recovery costs, and potential regulatory consequences.

To strengthen preparedness, Strides continues to enhance cybersecurity controls, digital monitoring capabilities, and governance frameworks across its operations. Measures include continuous monitoring of cyber threats, vulnerability assessments, incident response planning, employee awareness programmes, and information security controls designed to protect critical systems and data. Efforts are also underway to strengthen monitoring of emerging narratives across social and mainstream media, enabling timely identification and response to misinformation risks. In parallel, we continue to promote evidence-based communication, strengthen internal capabilities for responsible AI adoption and collaborate with relevant stakeholders to support information integrity and maintain trust across the healthcare ecosystem.

Loss of Biodiversity[15]

Category: Environmental

Biodiversity loss and ecosystem degradation are increasingly recognised as long-term risks with implications for pharmaceutical innovation, resource availability, and stakeholder expectations. As natural ecosystems continue to face pressure from climate change, pollution and habitat loss, and access to biological resources that support future drug discovery and development may become increasingly constrained. The pharmaceutical industry has historically relied on nature as a valuable source of novel compounds and active ingredients. Consequently, biodiversity loss poses a direct risk to the sector's ability to identify and develop new medicines derived from natural sources. Beyond potential supply disruptions, it represents a strategic challenge to long-term innovation and business resilience, necessitating proactive action across research and development (R&D), sourcing practices, and ESG strategy. The potential impacts are summarised below:

Value Chain Stage	Impact of Biodiversity Loss	Strategic Consequence
R&D Pipeline Development	Limited inputs from nature slow development of first-in-class drugs	Reduced R&D ROI; greater reliance on synthetic libraries
Raw Material Sourcing	Disruption in supply of plant- or marine-derived precursors	Increased cost and volatility in production; potential delays or reformulations.
ESG and Regulatory Compliance	Growing expectation to align with global biodiversity frameworks (e.g., GBF), and disclose nature-related risks (TNFD).	Risk of regulatory scrutiny, greenwashing accusations, or loss of ESG investor interest.

In addition to this, two of our manufacturing facilities fall under key biodiversity area and are associated with 24 IUCN Red List species identified within the assessment radius, including 4 Critically Endangered, 7 Endangered, and 13 Vulnerable species. We are integrating biodiversity considerations into our operations and carrying out a third-party biodiversity risk assessment of two of our plants in India, including the flagship plant in Bengaluru which shall enable us to understand our risk exposure and accordingly take necessary remedial measures. To complement the site-level screening, we also conducted a company-level assessment of biodiversity dependencies and impacts using ENCOR and WWF Risk Filters. Based on the screening undertaken during the reporting period, no significant direct biodiversity impacts were identified. However, the findings highlighted biodiversity-sensitive site contexts and the need for continued monitoring, further assessment, and site-level management measures at priority locations.

Deglobalisation and Workforce Mobility Restrictions

Category: Geopolitical

Rising geopolitical tensions, regionalisation of supply chains, evolving trade policies, and tightening workforce mobility requirements are reshaping the global operating environment. The pharmaceutical industry has historically benefited from globally integrated value chains, international talent mobility, and cross-border scientific collabouration. As these dynamics evolve, organisations may face increasing complexity in accessing talent, managing supply chains, coordinating regulatory activities, and maintaining operational flexibility across markets. Deglobalisation and restrictions on workforce mobility are reshaping how pharmaceutical companies operate across borders. The impacts are being felt across the value chain from R&D and clinical trials to manufacturing, regulatory processes, and talent strategy, as summarised below:

Value Chain Stage	Specific Impact	Strategic Consequence
R&D and Innovation	Restrictions on international scientist mobility hinder cross-border collaboration and knowledge exchange.	Slower innovation cycles, limited access to global expertise, and weakened academic partnerships.
Clinical Trials	Difficulty running multi-country trials due to diverging regulatory frameworks, travel barriers, or localisation mandates.	Increased trial costs, delays in global approvals, and reduced data diversity.
Manufacturing and Supply Chain	Push for local manufacturing increases costs and reduces supply chain flexibility; tariffs disrupt material flows.	Higher operating costs, regional production redundancies, and risk of inefficiencies.
Regulatory Compliance	Fragmented regulatory expectations in a de-globalised world led to duplicative filings, data privacy frictions, and delayed mutual recognition.	Slower market entry, increased resource requirements for parallel filings and audits.

To strengthen resilience, talent pipelines are being reinforced through local hiring partnerships, remote work infrastructure, and internal upskilling initiatives. We are closely monitoring geopolitical and trade policy developments through scenario planning and actively engaging in industry associations to advocate for balanced workforce and mobility policies. Supply chains are being closely monitored to ensure diversified vendor networks, thereby ensuring continuity under varying global conditions.

[15]IFRS S1. BC116

Effective Corporate Governance

Material Topics[16]

Corporate Culture & Ethics, Regulatory Compliance

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Ethical & Effective Governance

Strides operates on a global scale, providing patients and healthcare providers with dependable, affordable medicinal solutions. We embed patient protection across our operations through strong governance, rigorous quality standards, and continuous improvement. By cultivating a culture of quality, accountability, and learning, we empower our people to strengthen patient safety and drive excellence. Through innovation, intelligent data utilisation, and forward-looking practices, we enhance quality performance and deliver trusted outcomes for the patients and communities we serve.

Our governance framework is built on our core values of Integrity, Competency, and Efficiency (ICE), which shape our approach to ethical conduct, transparency, and operational excellence. Guided by our responsibility towards patients and our commitment to "Health where it matters," we strive to create sustainable value while advancing better healthcare outcomes and positive societal impact.

Our governance approach is strengthened by comprehensive governance and oversight mechanisms that reinforce operational integrity as well as regulatory and statutory compliance.

Our governance model emphasises on defining strategic objectives for both immediate and extended timeframes, fostering an open communication with stakeholders and championing principled decision-making. We are invested in enhancing our governance frameworks in service of long-term development, creating tangible benefits for society.

Our Board of Directors[17]

Strides' Board of Directors serves as a guiding force in charting the organisation's future trajectory and fostering its long-term resilience and success. The Board operates through a single-tier structure comprising of seasoned professionals from various sectors who provide oversight to the business, management, risk governance, and operational effectiveness.

Effective 1st June, 2026, the Board comprises nine members, including two women directors. The Board's composition reflects a balanced governance structure, comprising five Independent Directors, two Executive Directors, and two Non-Executive Directors. All Independent Directors fulfil the independence criteria set out under the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), supporting robust governance and independent decision-making.

To uphold the highest standards of corporate governance, Strides recognises the importance of maintaining an engaged, knowledgeable, and diverse Board of Directors. Our governance framework promotes balanced Board composition and robust independent oversight, enabling effective decision-making, accountability, and long-term value creation. To support effective governance and independent oversight, we have adopted an internal benchmark under which Independent Directors constitute approximately 60% of the Board. This commitment to Board independence strengthens several key dimensions of organisational oversight:

- Enhanced objectivity in Board deliberations and strategic decision-making
- Reinforced transparency across governance processes
- Strengthened accountability mechanisms and stakeholder confidence
- Greater diversity of perspectives and expertise at the Board level.

Through a robust governance framework, we promote balanced Board representation and strong independent participation, strengthening accountability, objective decision-making, and governance effectiveness.

[16]GRI 3-3
[17]GRI 405-1

During FY26, we maintained an Independent Director representation of 62.5%, in line with our target of 60%.
40% of the Independent Directors on the Board are Women Directors.

Board Composition as at 31st March, 2026:

62.5%
Independent Directors

25%
Executive Directors

12.5 %
Non-Executive, Non-Independent Director (Founder)

Board Composition[18]

Mr. Arun Kumar was re-designated and appointed as Non-Executive Director and Chairperson of the Board with effect from 5th April, 2025. Accordingly, Arun transitioned out of his role as a Key Managerial Personnel (KMP) of Strides with effect from April 4, 2025. Effective April 5, 2025, the position of Chairperson of the Board has been separated from executive management responsibilities. Mr. Arun Kumar serves as Strides' Non-Executive, Non-Independent Chairperson, while day-to-day management responsibilities are managed by the Managing Director and Group CEO, Mr. Badree Komandur[19].

The average board tenure of Strides Board is ~9.7 years. The Board's breadth of experience provides valuable institutional knowledge and an informed perspective on Strides' evolution. This depth of expertise fosters leadership continuity, stability, and consistent strategic oversight.

Three out of the five Independent Directors, namely Mr. Homi Rustam Khusrokhan, Dr. Kausalya Santhanam, and Ms. Mukta Arora (60% Independent Directors) bring specific pharmaceutical industry experience to the board. For more information on our directors' skills and expertise, please refer to Page 114 of our FY26 Annual Report.

To ensure active participation of Board members in proceedings, we have instituted an internal minimum annual board meeting attendance requirement of 75% for each director. The Board remained actively engaged throughout FY26, convening six times and achieving an average attendance rate of 97.92%, reinforcing robust oversight and collective decision-making.

The Board comprises a diverse range of skills, industry expertise, and leadership experience, providing the breadth of perspective needed to effectively oversee Strides' strategic direction, operational performance, and governance framework. These include expertise in pharmaceuticals and healthcare, leadership of large and complex organisations, managerial and operational oversight, business strategy and execution, digital and information technology, governance, risk and compliance, Sustainability and ESG, and strong personal values and ethics.

The Nomination and Remuneration Committee (NRC) identifies the key skills, expertise, and competencies required for the effective functioning of the Board and incorporates these considerations when recommending appointments and reappointments. This helps ensure an appropriate balance of capabilities, experience, and perspectives on the Board.

[18]GRI 2-9
[19]GRI 2-11

Board Evaluation/ Assessment[20]

The NRC oversees the annual evaluation of the Board, its committees, and individual Directors in accordance with Strides' Board Evaluation Policy and applicable regulatory requirements. The evaluation covers areas such as Board composition and effectiveness, governance and decision-making, strategic oversight, risk and compliance monitoring, and director engagement and contribution. Assessments are conducted through a structured and confidential process, with separate evaluation criteria for the Board, Committees, Independent Directors, the Chairperson, and Executive Directors.

The NRC is also responsible for the Board nomination and selection process. Directors are appointed, re-appointed, or elected by shareholders in accordance with applicable laws and regulations. Executive Directors are appointed for a fixed term and are subject to retirement by rotation at Annual General Meeting of Strides, while Independent Directors are appointed for up to two consecutive terms of five years each.

The NRC also administers the Board Diversity Policy, which promotes diversity of skills, experience, and perspectives in the nomination and appointment of Directors. While selecting candidates, the committee considers a broad range of diversity attributes including gender, age, nationality, international exposure, cultural background, industry experience, professional expertise, functional capabilities, and governance experience. This maintains an appropriate balance of perspectives and competencies that support effective oversight and long-term value creation.

The Board approves the remuneration of Executive Directors based on NRC recommendations and shareholder-approved limits. Executive remuneration comprises fixed and variable components aligned with Strides' remuneration framework. Non-Executive Directors are compensated through sitting fees, reimbursement of meetings, and other Strides' business-related expenses, and commissions, where applicable and approved[21].

For further details on Board evaluation, appointment processes, and remuneration practices, please refer to the Corporate Governance section of the FY26 Annual Report.

Managing Director & Group CEO Remuneration[22]

The Managing Director and Group CEO's remuneration structure comprises fixed and performance-linked components. Fixed remuneration is aligned with relevant industry benchmarks, while the variable component is assessed against a predefined scorecard approved by the NRC and the Board. The scorecard includes both financial and strategic performance indicators. Financial performance indicators include Return on Capital Employed (ROCE), Net Debt-to-EBITDA, cash generation, and overall business performance. Strategic indicators include Environmental, Social, and Governance (ESG) priorities, succession planning, operational excellence, and long-term growth initiatives. The achievement of these metrics determines annual payout levels, which are reviewed by the NRC and approved by the Board. Additionally, payouts are evaluated and recommended/approved by the NRC and Board. The maximum payout is capped at 100% of the target variable pay, as sanctioned by Strides' shareholders.

For more information, please refer to the following in the Notice of Postal Ballot specifying remuneration criteria for MD & Group CEO on Page 4 and 5–Postal Ballot Notice.

Executive Director Remuneration[23]

The remuneration of the Executive Director comprises fixed and variable components. Fixed remuneration is determined with reference to industry benchmarks, while variable remuneration is assessed against a predefined scorecard approved by the NRC and the Board.

The variable component is linked to the achievement of long-term goals aligned with Strides' strategic priorities. These include manufacturing and supply chain leadership, sustainable growth and operational alignment, integration of ESG principles across manufacturing operations, operational excellence, capability and talent development, digital manufacturing, adoption of AI and automation, and effective cost management.

The incentive payment is considered at the end of the MD & Group CEO's, and Executive Director's 3-year tenure, contingent upon the achievement of goals agreed between the MD & Group CEO, Executive Director, and the NRC, and the Board. Progress against the achievement of long-term goals is monitored on an annual basis.

[20]GRI 2-10, GRI 2-18
[21]GRI 2-20
[22]GRI 2-19
[23]GRI 2-20

Strides' Ownership & Shareholding: CEO, Executive Management & Others

MD & Group CEO and Executive Management

Financial Stake of Strides' executives and their alignment with shareholder interest are provided below in the ratio of shareholding value to base salaries for MD & Group CEO, Promoters, Executive Management, and CFO & COO (who are part of the leadership team) as of 31st March, 2026:

Particulars	No. of Shares	Basic Salary	Multiple of Base Salary
Badree Komandur (MD & Group CEO)	55,000	₹ 48.1 Mn	1.07
Details of Average Shareholding of Management Executives			
Aditya Arun Kumar* (Executive Director – Business Development) (also part of promoter group)	58,422	₹ 16.0 Mn	3.42
Vikesh Kumar (Group CFO)	28,751	₹ 34.2 Mn	0.79
Ramaraju PVS (Chief Operating Officer)**	44,000	₹ 29.0 Mn	1.42
Total Executive Management	186,173	₹ 127.3 Mn	6.70
Average shareholding across other Executive committee members owning shares (CFO, COO, and ED)	-	-	1.88#

*Appointed as Non-Executive Director effective 1st June, 2026
**Appointed as Executive Director effective 1st June, 2026
#(share price at the end of the FY* the number of shares held by executive A / base salary of executive) + (share price at the end of the FY* the number of shares held by executive B / base salary of executive)+/ number of executives with shareholdings reported) [CEO is excluded from the calculation]

Family & Government Ownership

As of 31st March, 2026, Strides' total promoter holding is **27.91%**, of which Mr. Arun Kumar, Founder & Promoter, holds 14.40% stake (direct and indirect holding including his family).

Shareholding held by companies or body corporate where central/state government is a shareholder as of 31st March, 2026, is 0.01%.

MD & Group CEO-to-Employee Ratio[24]

As of 31st March, 2026, the total annual compensation of the MD & Group CEO is **₹ 65.6 Mn**, and the mean annual compensation of all employees of in-scope entities is **₹ 1,940,262.**

The ratio between the total annual compensation of the MD & Group CEO and the mean employee compensation is **33.82**.

[24]GRI 2-21

Board Accountability

Board accountability remains central to our governance approach, supported by meticulous designed mechanisms that enhance oversight, transparency, and governance effectiveness. Shareholder approval is essential for any changes in Memorandum and Articles of Association of Strides, further reinforcing a participatory governance approach.

Shareholder approvals are sought on matters of strategic, financial, and governance significance, including Board appointments, statutory auditor appointments, material related party transactions, remuneration of Executive and Non-Executive Directors, dividend declarations, and major corporate actions.

The Board demonstrates a strong commitment to effective governance, reflected in an average attendance rate of 97.92% at Board meetings during FY26. This is complemented by a Board structure that supports focused oversight, with 87.5% of Directors holding directorships in four or fewer listed companies in India.

Further, 7 out of 8 Directors (87.5% of the board members) held directorships in four or less than four listed companies in India as at 31st March, 2026.

ESG Governance Oversight[25]

Our ESG Governance (Two-Tier Structure)

At Strides, we have put in place a robust governance framework to effectively manage Environmental, Social, and Governance (ESG) and sustainability-related matters. This commitment is deeply integrated at both the board and executive management levels.

Board's Strategic Role

The Board of Directors provides overall oversight of Strides' ESG framework and sets the strategic direction for Strides' sustainability agenda. Through the approval of ESG objectives, policies, and strategic priorities, the Board ensures that ESG considerations are effectively integrated into business operations, decision-making, and long-term value creation. As of 31st March, 2026, three of the eight Board members had significant expertise in ESG and sustainability matters, strengthening the Board's capacity to provide informed oversight and strategic guidance on sustainability-related priorities.

Risk Management & Sustainability Committee

The Risk Management & Sustainability Committee (RM&SC), operating under the Board of Directors, has direct responsibility for overseeing ESG and sustainability topics. This committee conducts interdepartmental reviews and recommends essential policies for board approval. It ensures timely ESG disclosures, rating submissions, and the formulation of a sustainability strategy aligned with international standards.

The Committee oversees ESG-related risks across key areas, including information security and cybersecurity, supply chain resilience, environmental management, and climate change, ensuring these risks are systematically identified, evaluated, managed, and continuously monitored as part of Strides' enterprise risk management framework.

[25]GRI 2-12, GRI 2-14

Chief Risk & Sustainability Officer[26]

The Chief Risk & Sustainability Officer (CRSO) holds a key role in embedding sustainability throughout the organisation. As a member of the RM&SC, they provide strategic guidance to the Board on initiatives that support sustainable growth, strengthen stakeholder confidence, and enhance long-term value creation. They lead the development and execution of sustainability strategies, drive the development and execution of Strides' sustainability strategy, oversee the implementation and periodic review of ESG policies, and lead key sustainability initiatives.

The CR&SO coordinates ESG initiatives across the organisation and supports the integration of sustainability considerations into business processes, decision-making, and reporting. The officer provides oversight of ESG disclosures and assessments, promoting alignment with corporate objectives and industry-leading sustainability reporting frameworks, including GRI, SASB, and SEBI requirements. Through these efforts, the CRSO ensures sustainability is fully integrated into corporate governance. The officer also spearheads awareness programs, training, and operational sustainability activities across Strides.

Operational Oversight: Internal Sustainability Team[27]

The Internal Sustainability Team is key enabler of Strides' sustainability framework, serving as the central driver of ESG execution across the organisation. The team translates strategic priorities into measurable actions, integrates sustainability considerations into core business processes, and steers ESG disclosures, assessments, and improvement initiatives to advance the Strides sustainability agenda. The team formulates and executes strategies that align with Strides goals, develop policies in line with industry best practices, and ensure compliance with regulatory requirements. Acting as a cross-functional hub, the team supports the integration of sustainability initiatives into routine business operations.

By setting clear targets, tracking progress, and adapting strategies as needed, the team effectively manages sustainability goals and addresses emerging risks and opportunities. Continuous collaboration with various departments and stakeholders helps foster a culture that values sustainability at all levels.

Focusing on six key sustainability pillars, the team promotes transparency, accountability, and continuous learning anchored firmly in our core values of Integrity, Competency, and Efficiency, their approach is both comprehensive and forward-looking. Our sustainability framework is designed to be embedded throughout the organisation, from governance structures down to daily operations. This alignment with stakeholder expectations and rigorous governance enables Strides to deliver meaningful, long-term impacts supporting healthier communities and advancing sustainable outcomes across the pharmaceutical landscape.

By aligning our strategy closely with stakeholder expectations and upholding robust governance frameworks, we are building long-term value for stakeholders, strengthening the communities we serve, and contributing to a more sustainable future. As we navigate the evolving complexities of the pharmaceutical industry, our steadfast commitment to sustainability continues to serve as the North Star guiding our actions and driving our mission to improve lives across the globe and working on “Health where it matters”.

Strides Towards Tomorrow: Building a Robust Leadership Pipeline & Succession Plan

Building a strong pipeline of future leaders is fundamental to Strides' long-term sustainability, organisational resilience, and continued success. Guided by our “Strides Towards Tomorrow” philosophy, we maintain a structured succession planning framework embedded within the Nomination and Remuneration (NRC) Policy. The framework focuses on identifying, developing, and retaining talent for key leadership and governance positions, ensuring continuity, organisational stability, and sustainable value creation.

Succession planning considerations include the criticality of roles, tenure, and Board composition requirements, diversity, skills and functional expertise, and leadership readiness across the organisation and roles. The framework is built on leadership development, mentoring, and talent acceleration initiatives that help develop a strong internal pipeline for future leadership positions.

Strides' commitment is effectively translated into action by its multiple strategic leadership development programs (LEAP, PMA, SLP, QMA) and targeted knowledge transfer trainings, targeted towards employees who are at mid and critical stages of their career. These internal initiatives demonstrate a clear vision for future leadership, cultivate leadership capabilities, and ensure that our future leaders are deeply familiar with our culture, values, and strategic goals.

Structured training and mentoring empower employees to progressively develop their skills, allowing them to assume greater responsibilities with confidence and proficiency, thereby fostering seamless transitions and sustained excellence in leadership roles.

Our succession planning framework is available as an annexure to our Nomination & Remuneration Policy.

We remain focused on developing future-ready leaders who can navigate a dynamic business environment.

[26] GRI 2-13
[27] GRI 2-13

Director's Liability

In accordance with corporate governance principles, directors are entrusted with fiduciary responsibilities towards Strides and its stakeholders while undertaking their responsibilities. Any failure to exercise due care, diligence, and accountability may expose directors to regulatory actions, penalties, fines, and, in certain cases, imprisonment. Accordingly, directors may face significant personal liability under applicable corporate governance and statutory frameworks.

As a publicly listed company with large global operations, Strides upholds strong emphasis on ethical leadership, responsible decision-making, and robust governance practices. To mitigate risks to the directors as well as to Strides' operations, Strides has established multiple risk-management and compliance mechanisms, including a robust compliance programme. The programme helps ensure that the Management and Board remain informed of evolving legal, regulatory, and compliance requirements across geographies and jurisdictions. Legal and compliance expertise within the Board further strengthens oversight and supports Strides' risk management framework.

We also maintain a comprehensive Directors and Officers Liability Insurance Policy in line with statutory requirements and industry's best practices. The policy covers Directors, including Executive and Non-Executive Directors, as well as Officers, Key Managerial Personnel, and Senior Management Personnel of Strides and its subsidiaries, whether operating in India or in other jurisdictions. The policy provides financial protection against personal liabilities arising from claims made against them in their official capacity.

The coverage does not extend to unethical, fraudulent, or unlawful conduct, ensuring that individual accountability remains uncompromised and that our commitment to high standards of ethical conduct and governance is upheld.

Ensuring Ethical Conduct: Policies and Procedures

At Strides, ethical conduct is woven into the fabric of our organisation, guiding decision-making, shaping behaviours, and reinforcing our commitment to responsible business practices. We uphold integrity, transparency, and accountability as essential to building trust with our stakeholders and sustaining responsible business practices.

To support and strengthen Strides' governance framework, Strides has established a comprehensive set of policies that guide employees, leadership teams, and the Board in translating governance principles into consistent day-to-day actions. These policies define expected standards of conduct, outline key procedures, and help ensure that business is conducted in a disciplined, ethical, and compliant manner[28].

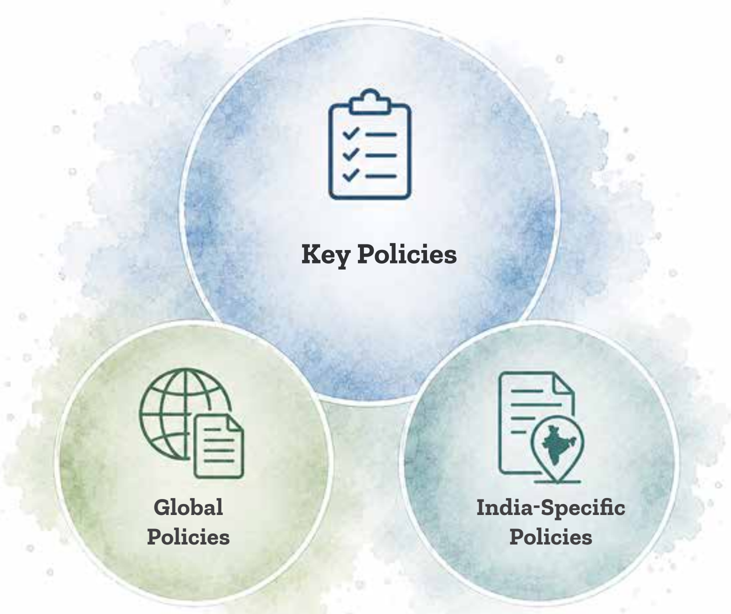
Some of the key policies forming part of this framework are set out below:[29]

Global Policies

- Code of Conduct and Ethics
- Policy for Governance of Subsidiaries
- Policy on Materiality of and Dealing with Related Party Transactions
- Policy of Determining Materiality of Events and Information
- Code of Practices and Procedures for Fair Disclosure of UPSI
- Group Tax Policy
- Business Continuity Policy
- Vendors' Code of Conduct
- Human Rights Policy
- Responsible Sourcing Policy
- Responsible AI Policy
- Whistleblower Policy
- Information Security Policy
- Sustainability Policy
- Enterprise Risk Management Policy
- Biodiversity and No-Deforestation Commitment
- Environment Health and Safety Policy
- Anti-Bribery and Anti-Corruption Policy

India-Specific Policies

- Nomination and Remuneration Policy (includes Succession Planning framework)
- Dividend Distribution Policy
- Corporate Social Responsibility Policy
- Board Diversity Policy
- Familiarisation Program for Non-Executive Director
- Policy for Preservation of Documents



Our Code of Conduct Policy has been the North Star for our company, serving as a guide for ethical and effective governance. The policy provides a framework for corporate affairs and governance to maintain integrity across all operations, safeguarding Strides' reputation and building trust among stakeholders.

All the policies are publicly available at:
Governance Documents & Policies | Strides; and;
Sustainability Policies | Strides Guidelines

We also strive towards ensuring that proper systems and procedures are in place to ensure the implementation of the Code of Conduct & Ethical Governance, along with adequate checks and balances to prevent circumstances/ violations in the policy.

[28]GRI 2-15
[29]GRI 2-23, GRI 2-26

Strategic Measure	Description
Governance Roles & Responsibilities	We foster a culture of integrity by ensuring that all employees clearly understand their ethical obligations. Defined roles, transparent processes, and accessible reporting channels enable individuals to act responsibly and raise concerns with confidence.
Compliance-Integrated Performance Evaluation	Ethical behaviour is embedded within our performance management system. By incorporating compliance and adherence to our Code of Conduct as mandatory components into the appraisal and reward systems, we encourage employees to consistently demonstrate our core values and ethical principles.
Grievance Management Mechanism	Our structured grievance management process ensures that employee concerns and complaints are handled impartially, promptly, and confidentially. This promotes trust, fairness, and accountability across the organisation.
Corrective and Disciplinary Measures for Policy Breaches	We maintain a strong ethical foundation by addressing violations of our Code of Conduct and Ethics through appropriate disciplinary actions. This reinforces accountability, deters misconduct, and supports a workplace built on integrity and mutual respect.

Key Ethics and Compliance Areas[30]

Anti-Corruption and Anti-Bribery

We uphold a strict zero tolerance approach to corruption and bribery through robust internal controls, periodic reviews, employee awareness initiatives, and continuous monitoring of compliance practices.

Management of Conflicts of Interest

We encourage transparency and timely disclosure of potential conflicts of interest. Clear policies and governance mechanisms help ensure that business decisions are made objectively.

Prevention of Discrimination and Harassment

We are committed to maintaining an inclusive and respectful work environment. Regular awareness programs, mandatory training, and prompt resolution mechanisms help prevent and address any form of discrimination or harassment.

Prevention of Money Laundering and Insider Trading

We are committed to maintaining the highest standards of financial and regulatory compliance. Through stringent controls, monitoring processes, and employee education, we strive to prevent money laundering, insider trading, and other unlawful financial activities.

Protection of Customer Data and Privacy

Safeguarding customer information remains a priority. We implement comprehensive data security measures, establish clear privacy protocols, and provide continuous training to employees on responsible data management and handling practices.

[30]GRI 2-24

For transparency in corporate reporting, the following table details instances where the Strides Code of Conduct and Ethics was breached across the following reporting areas[31]:

Area of Reporting	No. of Breaches for FY26
Corruption and Bribery[32]	0
Discrimination & Harassment[33]	0
Customer Privacy Data	0
Conflict of Interest[34]	0
Money Laundering	0
Insider Trading*	1

*Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, Strides has adopted a Code of Conduct for Prohibition of Insider Trading (PIT Code/ Code) in respect of trading in the securities of the Company. The Code is applicable to designated persons and their immediate relatives/ relatives and regulates, monitors, and reports their trading in the securities of the Company. During the year under review, there was one instance of violation of the Code, for which appropriate action was taken by the Company.

Whistleblowing Mechanisms[35]

Our Whistleblower Policy provides employees, directors, contractors, business partners, and other stakeholders with a secure framework to report actual or suspected violations, including financial misconduct, fraud, corruption, theft, insider trading, misrepresentation, regulatory non-compliance, and actions that may pose significant risks to public health and safety .

The policy reinforces our ethical standards by establishing a clear process for reporting concerns, conducting investigations, and implementing corrective actions where necessary.

Investigation and Resolution Process[36]

Upon receipt of a disclosure, an acknowledgment is issued within a defined timeframe to ensure timely communication. Each concern undergoes an initial assessment to determine its relevance and applicability under the policy. Where warranted, a detailed investigation is undertaken with the objective of completing the review within established timelines, subject to the complexity of the matter. Findings and recommendations are evaluated by the appropriate authority, and the outcomes are communicated to the whistleblower while maintaining strict confidentiality. Investigations may be conducted by internal teams or, where necessary, with the support of independent external experts.

Reporting Channels and Escalation Framework[37]

We offer multiple confidential and accessible avenues for reporting concerns. Disclosures may be made through dedicated email channels whistleblower@strides.com or contact the Chairperson of the Audit Committee or can call our toll-free publicly available helpline managed by an independent third-party agency to ensure objectivity and confidentiality. Concerns may also be submitted in writing using the prescribed Protected Disclosure Form outlined within the policy. Senior management personnel and directors may directly approach the Chairperson of the Audit Committee.

Commitment to non-retaliation

Strides enforces a strict non-retaliation framework to ensure that individuals can raise concerns without fear of reprisal. This commitment promotes a culture where ethical behaviour is encouraged, concerns are openly reported, and accountability is consistently maintained.

Governance and Oversight

Robust governance mechanisms support the effective implementation of the whistleblower framework. The Whistle Officer oversees the receipt, review, and investigation of disclosures, while periodic updates are provided to the Audit Committee for independent oversight. Relevant records are securely maintained in accordance with applicable legal and regulatory requirements.

[31]GRI 2-27
[32]GRI 205-3
[33]GRI 406-1
[34]GRI 2-15
[35]GRI 2-16, GRI 2-24
[36]GRI 2-25
[37]GRI 2-26

Training and Awareness Programmes

To strengthen awareness and compliance, all employees are educated on whistleblower procedures as part of induction and annual Code of Conduct training programmes. Completion of mandatory compliance training forms an integral component of the employee performance evaluation process.

Similar awareness initiatives have been initiated for contractors, vendors, and business partners.

Confidentiality and Whistleblower Protection

We maintain strict confidentiality of all disclosures, investigation records, and related information. Individuals raising concerns in good faith are protected against retaliation, discrimination, victimisation, or any adverse employment action. Similar protection is extended to persons supporting or participating in investigations. While anonymous disclosures are accepted to encourage reporting, they may limit the ability to conduct comprehensive inquiries. Any knowingly false or malicious complaint may result in disciplinary action.

Independent Third-Party Monitoring

To enhance transparency and impartiality, reports received through the whistleblower channels are administered by an independent third-party service provider. The service provider is responsible for consolidating reported concerns, maintaining anonymity where required, and providing periodic updates to designated authorities, including senior leadership. Complaints received through email and helpline channels are reviewed regularly, with summarised reports presented to the Audit Committee on a quarterly basis for oversight and monitoring.

Through these mechanisms, Strides continue to strengthen its culture of integrity and accountability. We remain committed to ensuring timely investigation and appropriate resolution of concerns while upholding the highest standards of corporate governance.

All whistleblower complaints received are tracked, investigated, and reported through a formal governance process. During FY26:

0 Complaints received

0 Complaints investigated

0 Complaints substantiated

0 Cases resulting in disciplinary action

Anti-Bribery and Anti-Corruption Policies & Practices[38]

We have a group-wide Anti-Bribery and Anti-Corruption (ABAC) policy based on zero tolerance towards bribery and corruption. It focuses on maintaining integrity in all business transactions and aligns with international and domestic laws. The policy includes guidelines on dealing with bribery and corruption, defines guidelines for gifts, kickbacks, and political and charitable contributions, and mandates compliance with all applicable legal and regulatory standards. It also defines the corrective actions/ disciplinary actions for breaches in policy. For further information on the policy please refer to the policy link published in our website: Strides' Anti Corruption and Anti Bribery policy.

Training sessions are conducted periodically to ensure adherence to the policy, and structured procedures are established for handling breaches. Disciplinary actions are enforced for violations, potentially leading up to termination. Policy changes are approved by the Board of Directors, including periodic review by the Head of Ethics & Compliance

> During FY26, Code of Conduct and Anti-Bribery and Anti-Corruption (ABAC) training was delivered across the organisation as part of our ethics and compliance programme. **Training completion reached 86% of the targeted employee population during the reporting period.** The programme reinforces awareness of ethical conduct, anti-corruption expectations, conflicts of interest, reporting mechanisms, and compliance obligations[39].

[38]GRI 2-24, GRI 2-27, GRI 205-1
[39]GRI 205-2

Quality Excellence

Material Topics[40]

Product Quality, Pharmacovigilance

Our Commitment to Quality

At Strides, quality is more than a function; it is the foundation of trust, credibility, and sustainable growth. Every product we develop and deliver has a direct impact on the lives of patients who depend on us, making quality a non-negotiable element of every decision, process, and action across the organisation.

As we continue to expand our global footprint, our commitment to quality extends beyond regulatory compliance. It reflects who we are as an organisation and guides how we operate, innovate, and serve our customers and patients worldwide.

Building a Culture Where Quality Comes First[41]

As regulatory expectations continue to evolve and product portfolios become increasingly complex, maintaining consistent quality standards requires robust systems, disciplined execution, and continuous oversight.

During FY26, we continued to strengthen our quality management framework through investments in digital technologies, quality-system maturity, investigation excellence, workforce capability, and risk-based governance. These efforts supported product quality, regulatory compliance and operational reliability across our manufacturing network.

Our approach combines a globally-aligned Pharmaceutical Quality System (PQS), structured governance mechanisms, data-driven decision-making, and continuous improvement programmes. Together, these elements provide oversight across the product lifecycle, from product development and technology transfer to commercial manufacturing, distribution, and post-market surveillance.

In parallel, we continued to advance several quality transformation initiatives aimed at improving process robustness, strengthening investigation effectiveness, enhancing supplier oversight, and expanding the use of automation, analytics and artificial intelligence within quality operations.

The following sections outline the systems, programmes, and performance indicators that support quality management across the organisation.

Key highlights

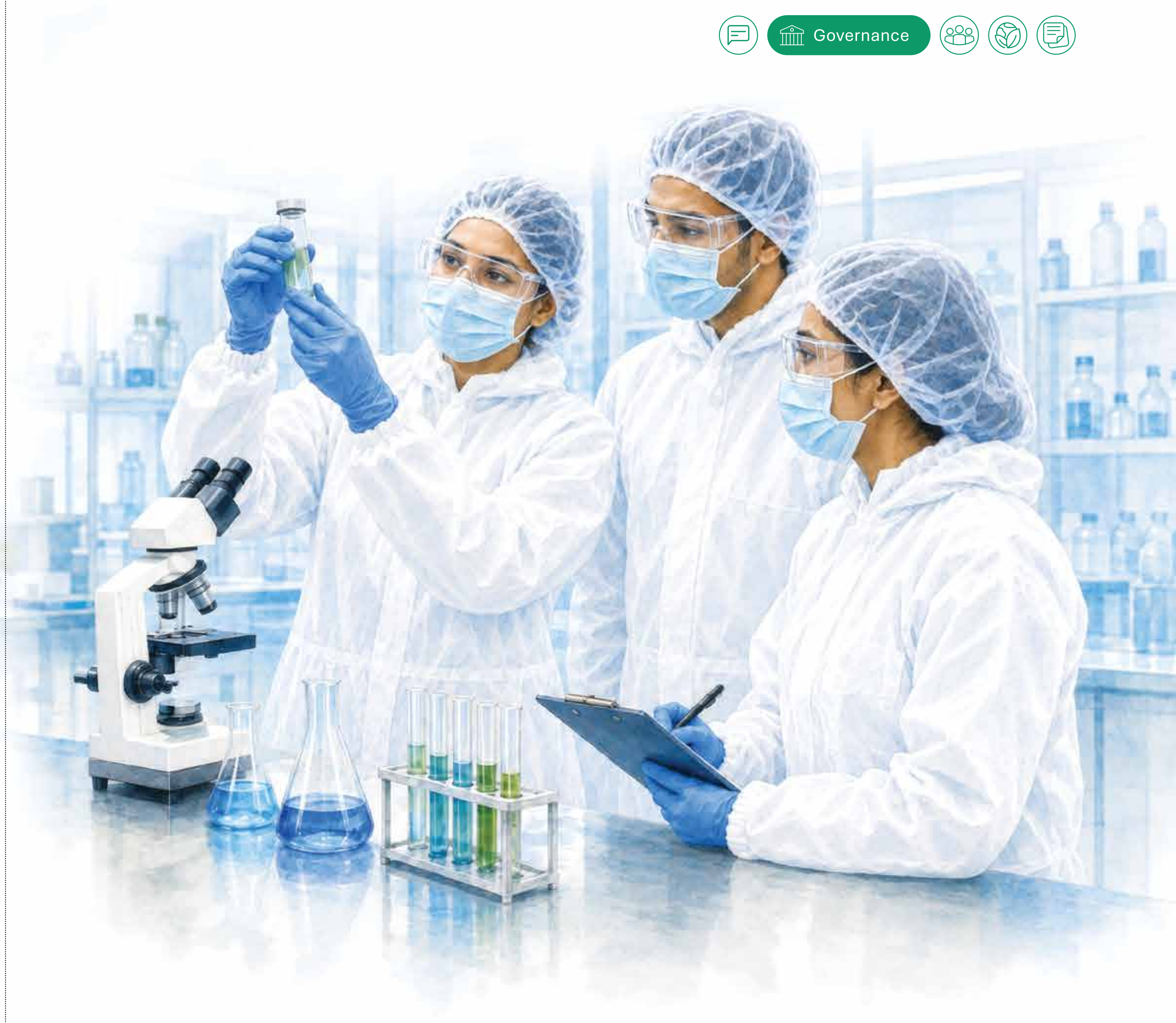
13
Regulatory inspections completed during FY26

15
Customer audits completed during FY26

Zero
Critical observations across regulatory inspections

Zero
Critical observations across customer audits

4,600+
Virtual Reality (VR)-based training sessions completed



Quality Management
Maturity framework implemented across quality system processes

Network-wide
Deviation and CAPA Excellence
programme continued during FY26

AI-enabled Quality
monitoring and audit-trail review capabilities deployed across key quality systems

[40] GRI 3-3
[41] GRI 416-1

Quality Philosophy and Governance

We maintain a globally-aligned Pharmaceutical Quality System (PQS) that provides oversight across product development, technology transfer, manufacturing, testing, packaging, storage, distribution, and post-market activities. The framework establishes consistent quality standards across our manufacturing network and supports the systematic management of quality, compliance, and operational risks.

Our manufacturing facilities operate in accordance with the requirements of major global regulatory agencies, including the United States Food and Drug Administration (USFDA), European Union Good Manufacturing Practice (EU-GMP), Medicines and Healthcare Products Regulatory Agency (MHRA), Therapeutic Goods Administration (TGA), World Health Organisation (WHO), Brazilian Health Regulatory Agency (ANVISA), South African Health Products Regulatory Authority (SAHPRA), Central Drugs Standard Control Organisation (CDSCO), and Health Canada, among others. In addition to regulatory compliance, our quality framework incorporates standards and practices covering laboratory operations, warehousing, engineering, distribution, and data integrity to support quality assurance across the product lifecycle.

Quality oversight is embedded through a structured governance framework comprising site-level quality reviews, corporate quality forums, management review meetings, and executive oversight mechanisms. Quality performance is monitored through a combination of leading and lagging indicators, enabling leadership teams to identify trends, assess risks, and prioritise improvement actions. Quality objectives are integrated into functional and individual performance measures, reinforcing accountability across the organisation.

Regulatory Framework	Jurisdiction
United States Food and Drug Administration (USFDA)	United States
European Union Good Manufacturing Practice (EU-GMP)	European Union
Medicines and Healthcare products Regulatory Agency (MHRA)	United Kingdom
World Health Organisation Good Manufacturing Practice (WHO-GMP)	Global
Therapeutic Goods Administration (TGA)	Australia
Agência Nacional de Vigilância Sanitária (ANVISA)	Brazil
South African Health Products Regulatory Authority (SAHPRA)	South Africa
Central Drugs Standard Control Organisation (CDSCO)	India
State Service of Ukraine on Medicines and Drugs Control	Ukraine
National Drug Authority (NDA)	Uganda
Health Canada	Canada
Directorate of Pharmacy, Medicines and Laboratories (DPML)	Malawi
Medicines Control Authority of Zimbabwe (MCAZ)	Zimbabwe
Tanzania Medicines and Medical Devices Authority (TMDA)	Tanzania

Beyond GMP, our operations are certified and aligned with:

ISO 14001 Environmental Management System	**Good Laboratory Practice (GLP)**	**Good Distribution Practice (GDP)**
Good Engineering Practice (GEP)	**Good Warehousing Practice (GWP)**	**Good Manufacturing Practices (GMP)**

This layered compliance architecture ensures integrity across the full product lifecycle from development and manufacturing through storage, distribution, and post-market surveillance.

Board and Management Oversight

Over the past several years, we have continued to strengthen the maturity of our quality systems through targeted investments in digitalisation, governance, capability building and performance management.

A key focus area has been the adoption of a Quality Management Maturity approach, which evaluates quality performance beyond compliance and supports continuous improvement across sites. The framework assesses quality-system effectiveness, operational stability, product robustness, supplier reliability, CAPA effectiveness, change management performance, and quality culture indicators.

Responsibility for product quality is embedded across all levels of the organisation. Our Board Risk Management and Sustainability Committee periodically reviews quality-related risks as part of its enterprise risk oversight responsibilities, while executive management oversees the implementation and effectiveness of the Pharmaceutical Quality System through structured governance forums. Site leadership teams are accountable for quality performance against established KPIs and quality culture objectives, reinforcing ownership and accountability across the organisation.

To support this journey, quality metrics are reviewed through daily, weekly and monthly governance forums, with performance tracked through digital dashboards and business intelligence platforms. These reviews provide visibility into quality trends, support risk-based decision-making, and enable more effective prioritisation of improvement initiatives. During FY26, quality performance continued to be monitored through an expanded quality metrics framework aligned with Quality Management Maturity principles. More than 46 quality indicators are reviewed through daily, weekly, and monthly governance forums, supplemented by theme-based reviews focused on product robustness, CAPA effectiveness, supplier reliability, quality culture, and operational stability.

Executive Management drives the Quality Policy, allocates resources, oversees QMS implementation, and acts on insights from system reviews

Monthly Quality Forums escalate critical quality concerns to leadership through automated dashboards, alerts, and digital escalation tools

Board-Level Risk Management and Sustainability Committee reviews quality risks as part of its enterprise risk oversight mandate

Individual accountability is embedded via quality KRAs integrated into every employee's job description

A quality focussed risk management procedure governs routine risk assessments, action prioritisation, and documentation through risk registers ensuring governance is both systematic and measurable.

Quality Culture Programme

Alongside system and process improvements, we continued to strengthen quality culture through structured programmes designed to embed quality thinking into day-to-day operations.The programme focuses on reinforcing accountability, encouraging proactive problem-solving and improving visibility of quality performance at operational levels.

Key elements of the programme include:

- Weekly Quality Circle meetings to review quality metrics, discuss emerging issues, and monitor progress against improvement actions.
- Reduction of human-related deviations through targeted awareness, training, and process-discipline initiatives.
- Equipment Stewardship Programme aimed at improving equipment reliability, reducing breakdowns, and strengthening operational readiness.
- Increased cross-functional collaboration through structured reviews of quality events, investigations, and improvement opportunities.
- Wider use of performance dashboards and quality metrics to support data-driven decision-making across functions and sites.

These initiatives complement broader quality-transformation efforts by strengthening ownership of quality outcomes and encouraging continuous improvement across the organisation.

Quantitative Quality Behaviour Framework

To strengthen accountability and reinforce quality culture, we continued deployment of digital Quantitative Quality Behaviour framework. The framework provides visibility into quality-system engagement across organisational levels by evaluating timeliness of quality actions, escalation effectiveness, closure performance, and adherence to quality-system requirements.

The model supports data-driven assessment of quality behaviours, enables structured escalation of overdue actions, and promotes ownership of quality outcomes across functions.

Quality Risk Management

Quality Risk Management (QRM) is integrated into key quality-system processes and supports risk-based throughout the product lifecycle.The framework is aligned with the principles of ICH Q9 and is applied across development, manufacturing, laboratory operations, supplier management, and change control activities. Structured methodologies used across the organisation include:

- Failure Mode and Effects Analysis (FMEA)
- Risk ranking and prioritisation tools
- Risk heat-mapping methodologies
- Product and process risk assessments
- Trend analysis and signal detection

Risk assessments are incorporated into investigations, supplier qualification, validation activities, product quality reviews, and change management processes. This enables proactive identification of potential quality risks and supports implementation of appropriate mitigation measures. Digital quality platforms further enhance risk visibility through automated workflows, escalation mechanisms, and real-time monitoring of quality events.

Quality Systems, Digital Enablement, and Capability Building

Digital technologies continue to play an important role in strengthening quality oversight, process control, and regulatory compliance. Our quality ecosystem integrates enterprise quality management systems, laboratory information management systems (LIMS), manufacturing execution systems, enterprise resource planning platforms, and business intelligence tools to provide a connected view of quality performance across operations.

These systems improve traceability, strengthen data integrity, and provide greater visibility into quality performance across manufacturing sites.

AI, Automation and Predictive Quality

The use of automation, analytics, and artificial intelligence continues to expand across quality operations.

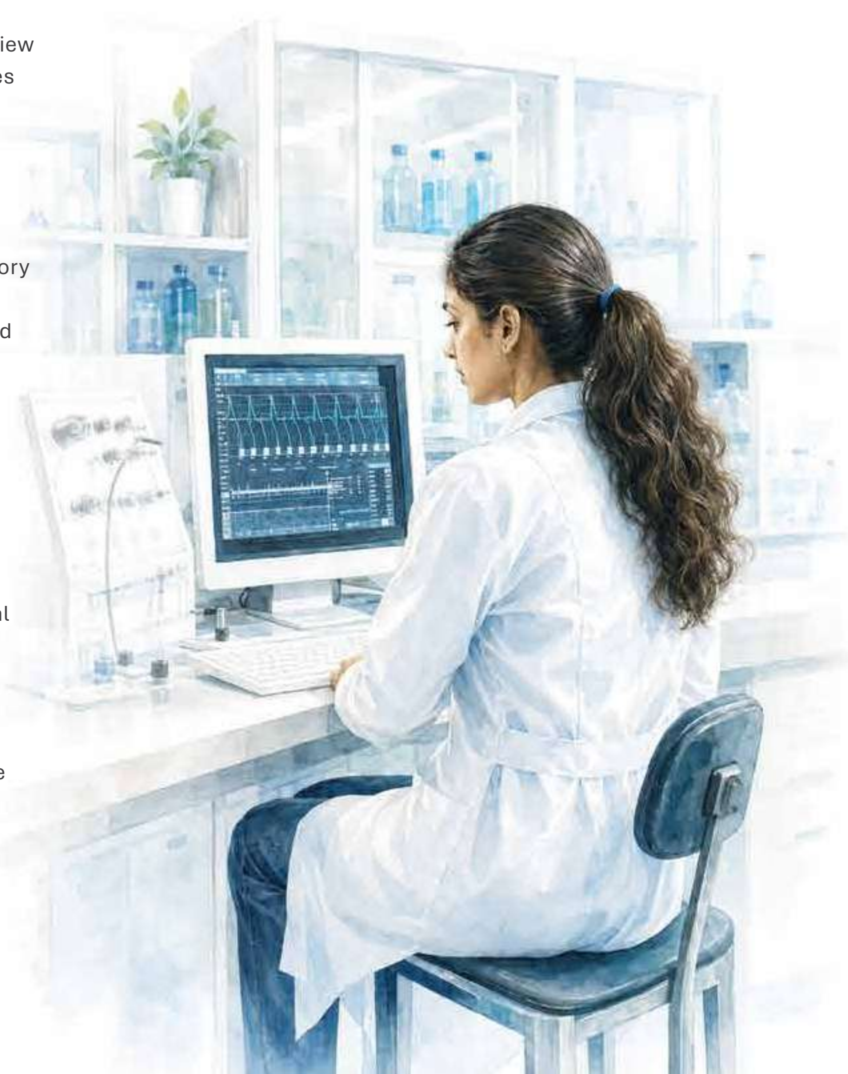
AI-enabled tools are being used to strengthen audit-trail review processes through automated detection of unusual activities and potential data integrity concerns. Technology supports continuous monitoring and risk-based escalation of critical observations, enabling more focused review and oversight.

Automation has also been introduced to strengthen management of quality events. Integration between laboratory systems, manufacturing systems, and quality platforms enables automatic initiation of quality records for predefined events such as:

- Out-of-Specification (OOS) results
- Out-of-Trend (OOT) observations
- Instrument calibration failures
- Process deviations

These capabilities help improve consistency, reduce manual intervention, and strengthen responsiveness within the quality system.

We have also expanded the use of predictive analytics to identify emerging trends, support investigations, and enable earlier intervention before issues affect product quality or supply continuity.



Our Quality Systems

Initiative	Description
TrackWise Digital	AI-powered QMS platform with NLP and ML for auto-categorisation and auto-summarisation; integrated with existing data systems
Early Warning System	AI-enabled anomaly detection for chromatographic techniques, integrated with TrackWise and SAP for streamlined batch reviews
Electronic Cleaning Validation	Manages Maximum Allowable Carryover (MACO) documentation, ensuring compliance, traceability, and efficiency
SAP-Based ERP System	Real-time data transfer between ERP and LIMS, improving laboratory efficiency, accuracy, and compliance
Electronic Batch Processing	Enables efficient batch workflows with ongoing Continued Process Verification (CPV) for quality assurance
Quality Metrics Review	Theme-based review of 46 quality metrics; aligned with the FDA's Quality Management Maturity (QMM) programme through evaluation of 82 KPIs
SAP HANA 4.0 Transition	Upgrading from SAP ECC to SAP HANA 4.0 for real-time data processing, strategic agility, and enhanced collaboration

Integration between TrackWise, LIMS, and manufacturing systems enables automated generation of quality records for predefined events. Quality events associated with Out-of-Specification (OOS) results, Out-of-Trend (OOT) observations, calibration failures and process deviations are automatically initiated and routed through the quality management workflow. This automation improves responsiveness, enhances traceability, and supports timely investigation and resolution of quality events.

Capability development Remains an Important Component of Our Quality Strategy

Training programmes are designed to strengthen technical expertise, regulatory knowledge and quality-system capability across functions and locations. Learning is delivered through a combination of instructor-led programmes, digital learning platforms, practical assessments and immersive learning technologies. Key initiatives include:

- GMP and compliance training
- Quality and plant manager academies
- Subject matter expert development programmes
- Leadership development initiatives
- Train-the-trainer programmes
- Behavioural capability-building programmes
- Digital and mobile-learning platforms

Virtual Reality-Based Learning

During FY26, we continued to expand the use of Virtual Reality (VR)-based learning modules to support operator capability development and process robustness. The programme recorded more than 4,600 training sessions involving 188 operators across critical manufacturing processes.

The initiative is designed to improve understanding of standard operating procedures, strengthen practical capability, and standardise execution of key manufacturing activities. Performance monitoring indicates improvements in assessment outcomes, training effectiveness, and process familiarisation, supporting greater consistency in process execution and reinforcement of GMP requirements. Training effectiveness is assessed through competency evaluations, assessments, and ongoing performance reviews, enabling continuous development across the workforce.

Key Highlights

4,614
Training attempts

188
Operators trained

Average ~25
Sessions per operator

69% ↑
assessment pass rates improved

Less than 4 ↓
guided sessions required to pass reduced

93%
Overall pass rate under the validated framework

Additional Capability-Building Levers

Quarterly Townhalls at site and corporate level, with leadership-led Q&A sessions on business and quality risk themes

Train-the-Trainer Programme to build facilitation and communication capability among internal trainers

Quality Fabric Initiative mentorship-driven projects backed by internal trainers and external consultants

Compliance Wire e-learning covering SOPs, cGMP, Data Integrity, and general awareness with mandatory 100% pass rate; non-compliance results in access restriction via Windows ID and turnstile control

Compliance, Customer Centricity, and Patient Safety

Regulatory Compliance and Audit Performance

We remain audit-ready at all times. Our regulatory compliance model combines continuous horizon scanning with proactive mock audits and gap closures, ensuring we stay current with evolving global guidance from WHO, USFDA, EMA, CDSCO, PIC/s, and MHRA. Investigations and Corrective and Preventive Actions (CAPAs) remain a key focus area within our quality improvement programme.

During FY26, we continued implementation of a network-wide Deviation and CAPA Excellence initiative designed to strengthen investigation quality, improve root-cause analysis, and enhance CAPA effectiveness across manufacturing programme focuses on:

- Simplification of quality-system processes
- Strengthened governance and accountability
- Structured triage and escalation mechanisms
- Capability development for investigators
- Standardisation of investigation practices
- Metrics-driven performance monitoring

The initiative is being implemented through a phased approach that combines process improvements, governance enhancements and increasing use of digital tools and analytics.

Progress is monitored through structured governance reviews, effectiveness assessments, and quality metrics to ensure sustainable improvements in investigation outcomes and process robustness.

Inspection readiness is maintained through internal audits, management reviews, training programmes, quality-system assessments, and continuous monitoring of regulatory developments.

Regulatory updates issued by global health authorities are reviewed through structured surveillance mechanisms and incorporated into quality systems through established change-management processes. This approach supports timely implementation of evolving regulatory requirements across the organisation.

Internal audit programmes, mock inspections, and quality-system reviews are used to evaluate compliance, assess effectiveness of controls, and identify areas requiring improvement. Learnings from inspections and audits are incorporated into continuous improvement plans to strengthen quality-system effectiveness across manufacturing locations.

FY26 Inspection and Audit Performance

13 Regulatory Inspections

15 Customer Audits

0 Critical Regulatory Observations

0 Critical Customer Observations

Our Quality Objectives :

- Maintain zero critical regulatory observations.
- Maintain zero critical customer audit observations.

Our facilities consistently maintain zero outstanding regulatory observations, reflecting our strong commitment to quality and compliance.

Product Recalls and Non-Compliance Record

Class I Recalls (or Equivalent)

Class I Recalls	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Number of class I recalls (or equivalent)	0	0	0	0
Total value of recalled products (in USD Mn)	0	0	0	0

Class II Recalls (or Equivalent)

Class II Recalls	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Number of class II recalls (or equivalent)	2	1	2	4
Total value of recalled products (in USD Mn)	0.05	0.03	0.01	6.31

Following every recall event, a structured investigation is initiated using root-cause analysis methodologies including FMEA and risk assessment tools. Corrective and Preventive Actions (CAPAs) are implemented, effectiveness is verified through governance reviews, and relevant learnings are incorporated into manufacturing, laboratory, and supplier quality processes to prevent recurrence.

Pharmacovigilance (PV)[42]

Strides operates a globally integrated pharmacovigilance system that identifies, collects, analyses, and acts on adverse events, side effects, product quality complaints, and emerging safety signals. Through continuous safety monitoring, post-marketing surveillance, and regulatory reporting, we enable timely risk mitigation and the ongoing refinement of product risk-benefit profiles, helping safeguard patient safety and product integrity across global markets.

Core PV Activities[43]

- Collection of adverse drug reaction (ADR) reports
- Label update recommendations where warranted
- Processing of ADR cases in the Individual Case Safety Reports (ICSR) database
- Submission of Individual Case Safety Reports (ICSRs) to regulatory authorities
- Preparation of aggregate reports: Periodic Safety Update Reports (PSUR), Periodic Benefit-Risk Evaluation Reports (PBRER), Periodic Adverse Drug Experience Reports (PADER), and Clinical Assessment Reports (CAR)
- Signal detection and benefit-risk evaluation

In addition, as a global generic pharmaceuticals company, Strides conducts bioavailability and bioequivalence (BA/BE) studies as part of product development and regulatory approval processes. The pharmacovigilance function supports these activities through continuous safety oversight and the timely collection, assessment, and reporting of safety data to relevant regulatory authorities. For all of our products, accurate and comprehensive product information and labeling, including product attributes, composition, component sourcing, safe use, and applicable regulatory requirements, is provided through PILs, QR codes, websites, and packaging materials.

FDA PV Audit History: Strides has successfully undergone four FDA pharmacovigilance audits in 2012, 2015, 2018, and 2024, demonstrating the maturity and effectiveness of its global safety surveillance framework. The most recent audit at Strides Pharma Inc., East Brunswick, NJ, USA (12^{th}–16^{th} February, 2024) was satisfactorily closed, with the Establishment Inspection Report received from the FDA confirming system effectiveness. PV readiness is also assessed during routine plant inspections, including at KRSG and Alathur.

100% of the products assessed for the customer health and safety based on all relevant regulatory requirements and best practices.

100% of our products carry, accurate and comprehensive product information and labeling[44].

[42] GRI 416-1
[43] GRI 417-1
[44] GRI 417-2

Combating Counterfeit Drugs

Patient safety extends beyond our manufacturing walls. Our anti-counterfeit ecosystem integrates:

- TraceLink-powered serialisation and traceability
- Unique product identifiers, induction sealing, and barcode scanning
- Real-time product tracking across the supply chain
- Regulator partnerships to share detection techniques and enable joint action
- Regular supply chain audits to detect and avert counterfeit activity
- Streamlined reporting channels for customers and supplier's online portals, mobile apps, and dedicated hotlines
- Investigation and escalation protocols supported by corrective and preventive actions (CAPA) for any suspected counterfeit activity

Outcome: Strides has recorded zero instances of counterfeit product infiltration to date. Any suspected cases are managed through established escalation, investigation, and CAPA protocols in collaboration with supply chain partners and regulatory authorities. This reflects the maturity of our traceability architecture and the effectiveness of our preventive controls.

Transforming Mindset and Performance: The Quality Culture Programme

Since the launch of the Quality Culture Programme, Strides has witnessed a clear shift both in mindset and in measurable performance.

The Approach

- Continuous training equips employees with the skills to deliver at global quality standards
- Weekly quality circle meetings enable teams to score, review, and act on key quality metrics
- Equipment Stewardship Programme drives proactive asset care and reliability

The Outcomes

- Significant drop in human-related deviations
- Measurable reduction in equipment breakdowns
- Enhanced productivity and smoother operational cadence
- Deeper ownership and accountability across all levels

This programme demonstrates that when quality becomes a shared cultural instinct, not just a compliance obligation, it becomes a self-sustaining engine of improvement.

Customer-Centric Quality Processes[45]

Customer trust is reinforced through accessible, transparent complaint-handling channels:

Channels for raising quality or safety concerns

- **Email:** quality@strides.com and drugsafety@strides.com
- **Phone:** +91 80 6784 0000 / 6784 0738 / 1-877-244-9825
- **Website, product labels, and carton markings**
- **Social media and written submissions**

Every complaint passes through a structured workflow intake, validation, logging at the relevant site, evaluation for patient safety and product efficacy, regulatory compliance assessment, and closure supported by a formal escalation matrix and third-party verification where required.

[45] GRI 417-1

FY26 Enhancements

- Upgraded complaint management system with integrated digital workflows.
- Streamlined recall communications to hospitals, physicians, distributors, retailers, and stockists calibrated by severity and aligned with regulatory guidance.
- End-to-end oversight by the quality governance team across preliminary investigation, root cause analysis, and closure.

Supplier Quality Management

High-quality input materials are foundational to our output quality. Our supplier quality management system operates on three disciplines:

- Incoming quality assurance physical, chemical, and microbiological testing of all raw materials with immediate investigation of any discrepancies.
- Periodic retesting every 6 to 12 months.
- Vendor qualification and re-audits, with RPA-enabled continuous monitoring to detect adverse regulatory actions in real time.

Supplier quality oversight is managed through a risk-based framework covering qualification, auditing, performance monitoring, and ongoing evaluation. Digital integration between quality systems and enterprise platforms enables continuous monitoring of supplier qualification status, quality agreements, audit schedules, and regulatory developments. Supplier governance is supported through integration between quality management and enterprise resource planning platforms. Automated controls help ensure that materials associated with incomplete supplier qualifications, overdue audits, or pending quality documentation are appropriately restricted until applicable requirements are fulfilled. Additional monitoring of supplier-related regulatory developments supports proactive management of supplier quality risks.

This framework supports both product quality and supply continuity while strengthening visibility into supplier-related risks. Non-compliant vendors are disqualified, with alternate vendors ensuring supply continuity. A structured CAPA process guides supplier improvement, while suppliers unable to meet minimum ESG requirements within a defined timeframe are excluded from contracting.

The supplier quality programme includes:

- Supplier qualification and periodic requalification
- Risk-based supplier audits
- Supplier performance monitoring
- Vendor change notification management
- Regulatory surveillance of supplier networks
- CAPA management and effectiveness review

Quality Transformation Highlights

During FY26, quality-improvement efforts focused on strengthening quality-system maturity, investigation effectiveness, digital integration, and workforce capability.

Key initiatives included:

- Continued implementation of the Deviation and CAPA Excellence programme
- Deployment of AI-enabled audit-trail monitoring
- Expansion of automated quality event management
- Strengthening of product quality review and continued process verification systems
- Roll-out of quantitative quality behaviour monitoring
- Expansion of VR-based learning programmes
- Continued alignment with quality management maturity principles

Project RISE

Project RISE: Transforming Quality and Manufacturing Excellence

Project RISE represents Strides' integrated transformation programme aimed at strengthening both quality excellence and manufacturing performance across its operations. Launched at the KRSG facility in Bengaluru, the programme is designed to create a step-change in the way Strides embeds quality, operational discipline, digitalisation, and frontline ownership across the manufacturing lifecycle.

At its core, Project RISE is built on two mutually reinforcing pillars: Quality Transformation and Manufacturing Transformation. Following the successful completion of Phase 1 at our flagship facility (KRSG), Project RISE now has matured which demonstrates quality improvement and manufacturing optimisation.

Quality Transformation: Building a Culture of Right-First-Time Excellence

The first pillar of RISE focuses on strengthening Strides' quality ecosystem by embedding a culture of ownership, discipline, and continuous improvement. This is anchored in the programme's four foundations:

Quality Culture

Product Robustness,

Analytical Method Robustness

Investigation Excellence

Through **Quality Culture**, RISE empowers frontline teams to take greater ownership of quality outcomes. The programme promotes a compliance-first mindset, strengthens cross-functional collaboration, and encourages proactive identification and resolution of quality risks. By placing quality ownership closer to the point of execution, RISE helps build a more responsive and accountable operating culture.

Product Robustness focuses on improving product mastery across the lifecycle. During the year, nine key products were prioritised through a structured four-step methodology aimed at strengthening process understanding, identifying variability, improving control strategies, and enhancing product reliability. This supports more consistent manufacturing outcomes and reinforces Strides' commitment to delivering safe, effective, and high-quality medicines.

Under **Analytical Method Robustness**, the programme strengthens laboratory practices, improves testing consistency and introduces error-proofing mechanisms across quality control operations. These interventions are aimed at improving analytical accuracy, reducing variability, and strengthening confidence in test results.

The programme has also strengthened scientific and risk-based quality management practices through the implementation of structured root-cause assessment methodologies.

These frameworks have improved investigation quality and increased the effectiveness of corrective and preventive actions across both laboratory and manufacturing environments. In parallel, leadership-driven governance through subject matter expert oversight and Centre of Excellence (CoE) initiatives has reinforced quality ownership and consistent execution across sites.

Investigation Excellence enhances the effectiveness and timeliness of investigations for QMS events, including, but not limited to, OOS events and deviations. By improving root cause analysis, refining non-compliance resolution processes, strengthening CAPA effectiveness, and institutionalising retrospective reviews, RISE enables faster and more sustainable resolution of quality events. These interventions have contributed to a reduction of more than 80% in investigations of out-of-specifications, reflecting the programme's impact on quality performance and system resilience.

During FY26, these interventions contributed to a significant improvement in laboratory and manufacturing quality performance, with invalid Out-of-Specification (OOS) occurrences reducing to 1.1 per 1,000 tests, compared to 1.8 per 1,000 tests in FY25. This improvement reflects stronger investigation rigour, greater process understanding, and enhanced reliability of quality systems.

Manufacturing Transformation: Driving Efficiency, Reliability, and Digital Maturity

The second pillar of RISE focuses on manufacturing excellence. This dimension of the programme aims to improve operational efficiency, enhance equipment reliability, optimise resource use, and enable digitally supported manufacturing decisions.

RISE is helping Strides strengthen the connection between quality outcomes and manufacturing performance. By addressing non-compliances, process inefficiencies, and recurring operational bottlenecks, the programme supports improvements in production labour cost, utility efficiency, and overall process discipline. These gains demonstrate how quality improvement and manufacturing productivity can be advanced together rather than treated as separate priorities.

A key focus area under the manufacturing pillar is improvement in overall equipment effectiveness. Through digitally-enabled monitoring, data analytics, process optimisation, and stronger shopfloor governance, RISE supports better equipment utilisation, reduced downtime, and more reliable production outcomes. This contributes to improved manufacturing throughput while maintaining strong quality controls.

The manufacturing transformation under RISE is guided by Industry 4.0 and 5.0 principles. The programme leverages digital transformation tools such as data analytics, business intelligence, robotic process automation, artificial intelligence, machine learning, and virtual technologies to improve visibility, accuracy, and decision-making across operations. These tools enable teams to move from reactive problem-solving towards more predictive and preventive interventions.

Digital enablement remains a key enabler of the RISE transformation journey. During the year, Strides achieved 100% digitisation of its Quality Management System (QMS) modules, creating a more connected and data-driven quality ecosystem. The digital platform improves visibility into quality events, strengthens compliance monitoring, and enables faster, more informed decision-making across operations. By reducing manual interventions and enhancing traceability, digitisation supports both operational efficiency and regulatory readiness.

At the same time, RISE reflects the principles by keeping people at the centre of transformation. While digital technologies provide better insights and control, frontline teams remain critical to interpreting data, identifying improvement opportunities, and sustaining change. This human-centric approach ensures that technology adoption is supported by capability building, behavioural change, and stronger operational ownership.

Integrating Quality and Manufacturing for Sustainable Excellence

The strength of Project RISE lies in its integrated approach. Quality and manufacturing are not treated as independent workstreams; instead, they are designed to reinforce each other. Stronger investigation practices help reduce repeat events. Robust analytical methods improve confidence in quality decisions. Product robustness supports more stable manufacturing performance. Improved equipment effectiveness and process discipline, in turn, contribute to better quality and efficiency outcomes.

By bringing these elements together, through RISE we are trying to create a more resilient, digitally-enabled and performance- and quality-oriented manufacturing ecosystem. The programme supports regulatory readiness, reduces process variability, improves efficiency, and strengthens the organisation's ability to deliver high-quality medicines to patients across markets.

Project RISE: FY26 Outcomes

- Invalid OOS reduced to 1.1 per 1,000 tests (FY25: 1.8)
- 100% digitisation of Quality Management System modules
- Enhanced investigation effectiveness through scientific root-cause assessment frameworks
- Strengthened laboratory and manufacturing quality oversight through SME and CoE-led governance
- Improved compliance performance and operational discipline through digital quality management

Moving Ahead

Looking ahead, we will continue to expand the digital capabilities established under Project RISE by developing customised tools for performance monitoring, quality oversight, and resource allocation. These solutions will enhance real-time visibility, support predictive decision-making, and enable proactive risk management, helping drive greater operational efficiency, quality reliability, and sustainable manufacturing excellence across the network.

IT and Data Protection

Material Topics[46]

Digital Transformation & AI, Regulatory Compliance

At Strides, we work at the convergence of scientific knowledge, technological capabilities, governance discipline, and ethical practices. It is the foundation that enables us to develop quality-driven pharmaceutical solutions, protect sensitive information, deploy emerging technologies responsibly, and engage stakeholders with transparency. Our approach is outlined across five strategic pillars:

- Information security and cyber resilience
- Data privacy and protection
- Responsible artificial intelligence
- Product stewardship and responsible innovation
- Ethical marketing and promotion

Information Security and Cyber Resilience

We operate in a digitally connected, data-intensive environment where the protection of enterprise systems, intellectual assets, and stakeholder information is mission-critical. Our information security framework is designed to anticipate, prevent, detect, and respond to cyber threats while supporting business continuity and regulatory alignment. To strengthen this framework, we conduct periodic internal audits of our IT infrastructure and information security management systems to assess control effectiveness, identify vulnerabilities, and drive continuous improvement.

Our Information Security Policy establishes responsibilities across the workforce, defines protocols for managing cyber incidents, and outlines controls to prevent unauthorised access. The policy is supplemented by structured business continuity, IT security, and incident response plans that guide threat prevention, damage containment, system recovery, and the restoration of critical technology services in the event of a disruption.

Abridged version is publicly available at Strides' Information Security Policy.

Centralised Governance

As of 31st March, 2026, Strides' IT and cyber security functions were managed by Arco Lab Pvt. Ltd., a wholly-owned subsidiary of Strides, under a shared services model.

Established in December 2018, Arco Lab evolved from a traditional support organisation into a strategic capability centre, expanding its services across global pharmacovigilance, clinical operations, intellectual property, quality assurance, and information technology. As of 31st March, 2026, Arco Lab held ISO 27001 and ISO 27701 certifications, demonstrating its commitment to maintaining robust information security and privacy management standards.

During FY26, in response to growing demand from global pharmaceutical and life sciences companies for specialised pharma-centric solutions across information technology, pharmacovigilance, medical affairs management, and related services, Pivot Path Private Limited was incubated within Arco Lab. Pivot Path subsequently evolved into an independent entity focused on serving the unique needs of the pharmaceutical and life sciences industry. To support its next phase of growth, strengthen its ability to serve global clients, accelerate the development of specialised digital products and services, and access external capital, selected business support functions, including IT, were carved out from Arco Lab and transferred to Pivot Path.

Accordingly, effective 1st June, 2026, the management of Strides' IT and cyber security functions transitioned to Pivot Path. Subsequently, effective 1st June, 2026, Pivot Path became an associate company of Strides following the strategic divestment of Strides' majority stake in Pivot Path to a consortium led by Ascent Capital.

Upon becoming effective, the transaction transferred, inter alia, Digital and IT Operations and Support capabilities to Pivot Path. This evolution strengthens Strides' digital operating model by creating a specialised organisation focused on technology, digital innovation, automation, analytics, artificial intelligence, and cybersecurity, while maintaining continuity in governance, compliance, and service delivery across the Group.

[46]GRI 3-3

The Information Security Management System (ISMS) and Privacy Information Management System (PIMS) are independently assessed and certified by accredited third-party certification bodies against ISO/IEC 27001 and ISO/IEC 27701 standards. Surveillance and recertification audits are conducted periodically to verify ongoing compliance and effectiveness of the management systems.

Multi-Layered Cyber Defence

Our cybersecurity architecture is built on the principle of defence-in-depth, integrating real-time monitoring, predictive intelligence, automated response, and human oversight.

We employ a multi-layered cybersecurity architecture designed to provide continuous visibility, threat detection, incident response, and protection of critical information assets.

Key Components of the Cybersecurity Framework

- **24/7 Security Operations Centre (SOC):** Continuous monitoring supported by Security Information and Event Management and Extended Detection and Response (XDR) tools to identify anomalies and respond to incidents in real time
- **Enterprise Disk Encryption:** Full-disk encryption for laptops and endpoints to protect data at rest
- **Advanced Email Security:** AI-driven phishing detection, attachment sandboxing, and URL scanning to mitigate spear-phishing, business email compromise (BEC), and email-borne malware
- **Automated Patch Management (Microsoft Intune):** Timely deployment of security updates across endpoints and applications
- **Data Loss Prevention (DLP):** Continuous monitoring and control of sensitive information transfers across endpoints and networks
- **Vulnerability Assessment & Penetration Testing (VAPT):** Conducted by internal teams and accredited external specialists at defined intervals

These controls enable the rapid identification, containment, mitigation, and remediation of cyber threats.

Third-Party Security Management

Recognising the increasing importance of third-party cyber risks, we have established a robust vendor onboarding and qualification process for all IT service providers. Before engagement, vendors undergo a comprehensive assessment to evaluate their security posture, operational resilience, and ability to protect confidential information. Appropriate Non-Disclosure Agreements (NDAs) and Confidentiality/Disclosure Agreements (CDAs) are strictly enforced and security requirements are incorporated into contractual arrangements where applicable. This approach helps ensure that technology vendors, service providers, and cloud partners meet our security expectations before and throughout the course of the engagement.

Incident Reporting and Response

Strides maintains a formal incident reporting and management process as part of its information security management system.

Employees, contractors, and third parties are required to promptly report actual or suspected cybersecurity incidents, vulnerabilities, phishing attempts, unauthorised access events, data leakage concerns, or other suspicious activities through designated channels:

IT Service Management (ITSM) platform

Designated IT helpdesk channels

Dedicated information security reporting channels

Upon detection of a suspected security or data breach, the incident is immediately reported to the information security team and logged for investigation through the ITSM platform. The severity and scope of the incident are assessed, and affected systems are isolated or contained to prevent further impact. Relevant logs, including SIEM alerts, mailbox audit trails, and access logs, are analysed to determine the root cause and extent of any compromise. Stakeholders and management are notified in accordance with Strides' Information Security Policy and applicable regulatory or contractual requirements. Remediation actions are implemented to address vulnerabilities and restore normal operations, following which incidents are reviewed through a post-incident analysis process. Corrective and preventive actions are tracked to closure under the ISMS framework to strengthen organisational resilience and support continuous improvement.

Wherever required:

- Affected systems are isolated
- Forensic review is conducted
- Stakeholders are informed
- Root cause analysis is performed

Incident response effectiveness is periodically reviewed to strengthen organisational resilience and preparedness against emerging cyber threats. SIEM detection rules and threat monitoring use cases are regularly updated based on evolving threat intelligence and emerging cyber risk trends.

To support business continuity and operational resilience, we maintain documented Business Continuity Plans (BCP) and Disaster Recovery Plans (DRP) covering critical information systems and technology infrastructure. Recovery procedures, backup processes, and restoration capabilities are periodically tested to validate preparedness and minimise disruption arising from cyber incidents, technology failures, or other business interruptions.

In addition to preventative and detective controls, Strides maintains insurance coverage for information security breaches and cybersecurity incidents. The coverage forms part of Strides' broader cyber resilience strategy and helps mitigate potential financial impacts arising from significant cybersecurity events. We periodically evaluate the effectiveness of our cybersecurity controls through internal audits, security monitoring, and access reviews. Findings are tracked through a formal corrective-action process, supporting continuous improvement in cyber resilience and information security performance.

Workforce Awareness and Capability Building

Cybersecurity is a shared responsibility. Our employees receive periodic training, weekly internal advisories, and simulation exercises covering phishing, data protection, social engineering, deepfake social engineering attacks, and incident reporting protocols.

85% Employees Completing Cybersecurity Training

12 Security Governance Meetings

Cybersecurity Training Performance

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Employees completing cybersecurity training, including data privacy (%)	85%*	85%	83%
Phishing simulation exercises conducted	1	-	-

*Data includes Strides India, Singapore, the US, the UK, UK and UCL (associate based out of Kenya)

Governance and Board Oversight

Cybersecurity is integrated into our enterprise governance structure with clear accountability lines. It is a core element of our Enterprise Risk Management (ERM) framework and is recognised within our materiality assessment as a high-priority topic, reflecting its strategic relevance to business continuity, stakeholder trust, regulatory compliance, and the protection of intellectual assets.

In an environment defined by rapid digital transformation, evolving threat landscapes, and increasing regulatory scrutiny across geographies, we view cybersecurity not as a standalone IT concern but as a board-level strategic imperative. Our governance approach is therefore designed to ensure that cyber risks are identified, assessed, and managed with the same rigour applied to financial, operational, and compliance risks.

Accountability for cybersecurity is structured across three reinforcing tiers: Board, Board-level subject expertise, and executive management, ensuring strategic direction, specialist insight, and operational delivery work in concert.

Cybersecurity Governance and Oversight

We maintain a structured governance framework to oversee cybersecurity, data privacy, and information security risks across the organisation. Oversight of cybersecurity is led by our Information Technology leadership team under the direction of Executive Management, with regular reporting to the Risk Management and Sustainability Committee (RM&SC). Through this governance structure, cybersecurity risks, emerging threat landscapes, significant incidents, and mitigation measures are periodically reviewed to support effective risk management and business resilience.

The RM&SC provides oversight of cyber and information security risks as part of its broader enterprise risk management responsibilities. Regular updates on cybersecurity performance, risk exposures, and mitigation initiatives are presented to the Committee, enabling informed decision-making and alignment with our overall risk management strategy.

Board-Level Expertise

Cybersecurity governance is further strengthened through the expertise available at the Board level. Ms. Mukta Arora, Non-Executive Independent Director and member of the Risk Management and Sustainability Committee, brings significant experience in digital transformation, technology-enabled business operations, and Global Capability Centre (GCC) development. Her understanding of technology, operational risk, and the pharmaceutical value chain provides valuable guidance on information security, digital resilience, and data protection matters, supporting our long-term cybersecurity strategy.

Three-Tier Oversight Model as on 31st March, 2026

Level	Role	Responsibility
Board	Risk Management & Sustainability Committee (RM&SC)	Strategic oversight of cyber risks, periodic reviews, and approval of mitigation plans
Board (Subject Matter Expert)	Ms. Mukta Arora, Independent Director	Specialist guidance on IT, cybersecurity, and Global Capability Centre (GCC) operations
Executive Management	IT Head, Arcolab (presently fulfilling CIO responsibilities)	Operational leadership, reporting to the Executive Director & Head of Arcolab and onward to the Managing Director & Group CEO

Operationally, monthly cybersecurity dashboards track metrics such as security alerts, threat intelligence actions, and Managed Security Services (MSS) events. These are reviewed quarterly by senior management.

Cybersecurity Awareness

We recognise that employee awareness is a critical component of cybersecurity resilience. Accordingly, we conduct periodic training and awareness programmes covering key topics such as phishing attacks, data protection, social engineering, secure system usage, and established escalation procedures for reporting cybersecurity incidents, vulnerabilities, and suspicious activities. These programmes are regularly updated to reflect evolving threats and emerging cybersecurity risks.

Cybersecurity Monitoring and Risk Management

Our cybersecurity programme combines governance, technology, and continuous monitoring to strengthen protection of information assets and digital infrastructure. Key cybersecurity indicators, including security alerts, threat intelligence actions and Managed Security Services (MSS) events, are monitored through structured dashboards and reviewed by management on a periodic basis. This enables timely identification of emerging risks, supports proactive mitigation measures, and enhances organisational preparedness against cyber threats.

Through our governance framework, continuous monitoring capabilities, and employee engagement initiatives, we remain focused on strengthening cyber resilience, safeguarding critical information assets, and supporting secure and reliable business operations.

Cyber Incident Performance, FY26

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Total number of data breaches	0	0	0
Customers/users affected	0	0	0
Financial/operational impact of breaches	0	0	0
Cybersecurity-related regulatory fines	0	0	0
Substantiated complaints from regulators	0	0	0

Data Privacy and Protection

The trust placed in Strides by patients, healthcare professionals, partners, and employees underpins our license to operate. Our privacy framework is built on principles of transparency, lawful processing, purpose limitation, security, and user choice.

Privacy Governance

A **Data Protection Officer (DPO)** has been nominated to oversee compliance, monitor data-handling practices, address grievances, and drive continuous improvement in privacy governance. Our **Privacy Policy** clearly outlines:

- Categories of personal data collected
- Purposes of data processing
- Use of cookies and digital tracking technologies
- User rights (access, correction, transfer, withdrawal)
- Data retention principles
- Mechanisms for grievance redressal

Customer information is protected through layered technical and administrative safeguards. Key controls include:

- Forcepoint Data Loss Prevention (DLP)
- Mimecast email protection
- Periodic access recertification reviews
- ITSM-based access approval workflows
- Continuous SIEM monitoring
- Security event logging
- Role-based access controls
- ISO 27001-aligned information security controls

Access to customer information is restricted to authorised personnel only and monitored continuously for unusual or unauthorised activity.

Privacy Principles in Practice

Personal data is **never sold or shared** without consent, except where legally required

Data is **retained only for the minimum period** necessary to fulfil its purpose

Customers retain full rights to **request amendment, transfer, or deletion** of their personal data

Data is **not used for secondary purposes** beyond the original intent of collection

Privacy Performance[47]

0 Material Cybersecurity Breaches

0 Customer Data Breaches

0 Privacy Fines

Particulars	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Substantiated complaints concerning breaches of customer privacy	0	0	0	0
Complaints from regulatory bodies	0	0	0	0
Identified leaks, thefts, or losses of customer data	0	0	0	0
Privacy-related fines or sanctions	0	0	0	0

[47] GRI 418-1

Responsible Artificial Intelligence

Material Topics[48]

Digital Transformation & AI

Artificial intelligence (AI) is rapidly transforming the pharmaceutical industry, with applications extending across research and development, manufacturing, quality assurance, pharmacovigilance, supply-chain management, commercial activities, and enterprise functions. AI can support faster analysis, improve the identification of patterns and anomalies, strengthen decision-making, reduce repetitive work, and enable more proactive management of operational and quality risks.

At the same time, the growing adoption of AI introduces risks relating to data privacy, cybersecurity, misinformation, intellectual property, bias, lack of transparency, model degradation, loss of human oversight, regulatory compliance, and the environmental footprint of computational infrastructure. These risks are particularly important in the pharmaceutical sector, where the quality, reliability, and integrity of data and systems can affect patient safety, product quality, and regulatory outcomes.

Our Approach to AI

We recognise both the transformative potential and the inherent risks of AI. For us, AI is intended to augment human capabilities rather than replace human judgment. Human welfare, patient safety, professional expertise, data integrity, and accountability remain central to our AI-enabled activities. Our approach balances innovation with the need to protect information, maintain meaningful human control, comply with pharmaceutical and data-protection requirements, and promote fair and responsible AI use.

We have developed a dedicated AI Policy to support the responsible use of emerging AI technologies. The policy establishes a formal responsible AI process to ensure that AI is adopted responsibly, ethically, securely, and in full compliance with applicable regulatory requirements, including Good Manufacturing Practice (GMP) and data protection legislation. AI tools deliver significant productivity benefits, but their use without proper governance can expose the organisation and its stakeholders to risks including data breaches, regulatory non-compliance, intellectual property violations, and reputational harm. Our process is therefore designed to enable innovation while safeguarding the confidentiality, integrity, and availability of organisational and stakeholder data.

Our AI process governs the full lifecycle of AI adoption from selection and approval of tools, through data classification and safe usage, to validation, monitoring, and decommissioning. Only tools reviewed and approved by our AI Governance Committee and IT Security function may be used, and any AI integrated into regulated systems must first pass a formal Computer System Validation (CSV) process. All AI-generated outputs are treated as a first draft requiring human review and validation, ensuring qualified people remain accountable for the work produced. Access to advanced or non-standard AI capabilities is controlled through a documented Exceptional Access Procedure (EAP), while data privacy, cybersecurity, transparency, and ethical-use requirements apply throughout. The process is supported by mandatory training, ongoing monitoring and audit, and formal annual review, with oversight resting with the AI Governance Committee, IT Security, the Quality/Compliance function, and Function Heads.

[48]GRI 3-3

Our Policy is based on the following principles:

Human-Centred Use & Oversight: AI supports human expertise and decision-making, not replaces it. Critical decisions affecting patients, employees, quality, compliance, or stakeholders require human review and oversight.

Privacy, Security & Responsible Data Use: Personal, patient, confidential, and regulated data must only be used in authorised AI systems with appropriate privacy, security, and compliance controls.

Fairness & Bias Mitigation: We work to identify and reduce bias in AI systems and prohibit discriminatory, deceptive, defamatory, or misleading AI-generated content.

Transparency & Explainability: AI use is disclosed where required, and AI-generated content is appropriately labelled. Users are informed of AI's role, capabilities, and limitations.

Accountability & Risk-Based Governance: AI systems are subject to defined ownership, risk assessment, approval, testing, monitoring, and ongoing oversight throughout their lifecycle.

Reliability & Prohibited Uses: AI systems must be secure, reliable, and fit for purpose. Unapproved tools, fully automated high-impact decisions, deceptive practices, and misuse of confidential information are prohibited.

Our AI Policy can be found here: AI Policy.

Our AI Programs

We have established a structured AI program that translates the principles of our Responsible AI Policy into practical controls, mechanisms, and assurance activities applied consistently across the AI lifecycle. The program is designed to enable the productive use of AI while protecting data integrity, patient safety, regulatory compliance, and the interests of our stakeholders, and it is overseen by our AI Governance Committee together with our IT Security, Quality/Compliance, and Function Head leadership.

The Program addresses the following elements:

Controlled Access to Sensitive Capabilities

Standard use is limited to approved tools. Advanced capabilities, including API access, fine-tuning, custom models, biometric capabilities, surveillance functionality, and use in regulated environments, are subject to formal business, security, privacy, and quality review.

Access is approved only after the required assessments have been completed and may be restricted or withdrawn where misuse or non-compliance is identified.

Labelling of AI-Generated Content

Our employees are expected to disclose and label AI-assisted content where required by law, regulation, contract, policy, external use, or applicable review and approval procedures.

Labelling is proportionate to the nature of the AI contribution, intended audience, and potential impact. It does not imply that the content has been independently validated unless the required human review has taken place.

Drift, Reliability, and Performance Monitoring

Depending on the nature and risk of the AI system, we monitor relevant indicators such as model accuracy, data quality, anomalous outputs, exception rates, system performance, user feedback, and changes in input-data patterns. We use system logs, exception reports, performance indicators, periodic audits, and validation reviews to identify model or data drift, anomalous outputs, reduced accuracy, and performance degradation.

Material exceptions are addressed through investigation, corrective and preventive action, revalidation, restriction, rollback, suspension, replacement, or controlled retirement.

Fairness and Bias Assessment

We apply fairness and bias reviews proportionate to the nature and potential impact of deployed AI. These may include reviews of data suitability, system outputs, stakeholder impact, authoritative sources, and subject matter expert assessments.

Potentially discriminatory, unfair, or materially inaccurate outcomes are investigated and corrected.

Appeals and Human Review

We provide stakeholders with routes to report and contest AI-assisted outcomes. Errors, near-misses, and concerns may be addressed through our incident, quality, privacy, compliance, pharmacovigilance, employee-grievance, customer-complaint, or whistleblower processes. Affected parties may request appropriate human review, and authorised personnel retain the ability to correct or override an AI-assisted outcome.

Ecological Footprint

We seek to reduce wherever possible the environmental footprint of material AI systems through efficient infrastructure, workload optimisation, fit-for-purpose model selection, reduced unnecessary storage and computation, and engagement with relevant technology providers.

Monitoring and Advancement

We monitor our Program through system logs, access records, internal audits, quality reviews, incident analysis, and periodic governance review. Material AI systems are assessed for continued business value, security, privacy, validation, compliance, performance, and fitness for their approved purpose.

Our AI-Enabled Outcomes

We are strengthening the measurement of AI-related outcomes across operational efficiency, quality, compliance, data integrity, investigation timelines, recurrence prevention, and risk mitigation. During FY26, AI-enabled audit-trail monitoring, digital quality-event management, enhanced investigation oversight, and related process improvements supported the following reported outcomes:

Particulars	Previous position	FY 2025-26 outcome
Repeat-deviation performance, selected area	73%	More than 85%
Repeat deviations against referenced comparison	35%	15%
Reports above the defined investigation quality threshold	23%	80%
Overdue investigations	10%	2%
CAPA depth or quality indicator	2.3	3.5

These results indicate improvements in investigation quality, timely closure, recurrence prevention, corrective and preventive action, and compliance oversight. They reflect the combined contribution of AI-enabled tools, digital systems, enhanced governance, and broader process improvements. We do not attribute the full improvement solely to AI unless supported by a defined attribution methodology.

We intend to strengthen future measurements through clear baselines, calculation methodologies, data owners, period-on-period reporting, and indicators such as:

- Audit-trail records automatically screened;
- Anomalies identified, escalated, and resolved;
- Manual review hours avoided or redeployed;
- Investigation and quality-event cycle-time reductions;
- Repeat deviations and overdue investigations;
- CAPA effectiveness and investigation quality;
- Energy or resource-efficiency outcomes where reliable data is available.

Employee Training: AI and Information Security

We conduct information-security training covering social-engineering threats, secure internet practices, responsible AI use, data protection, cybersecurity awareness, and deepfake identification, helping us reinforce a culture of information security across our organisation. Our training helps employees recognise risks associated with phishing, manipulated AI-generated content, deepfakes, unauthorised AI tools, inappropriate disclosure of information, hallucinations, misinformation, bias, and unverified AI outputs.

Employees are reminded to:

- Use only approved AI tools and workflows
- Protect personal, confidential, regulated, and proprietary information
- Review and verify AI-generated outputs before use
- Disclose AI involvement where required
- Promptly report suspected incidents, harmful outputs, or unauthorised use

In FY26, approximately 75% of eligible employees completed training covering AI and information security. We are strengthening completion through targeted communications, management oversight, tracking, and follow-up.

Additional role-based guidance is planned for managers, system owners, and employees involved in regulated or GxP-related AI use cases. We monitor training through completion rates, awareness assessments where applicable, audit observations, incident trends, and employee feedback.

AI Performance Indicators (FY26)

75% of employees trained on responsible AI

85% of employees trained on Cyber risk of AI

0 AI-related incidents reported

Digital Transformation and Innovation

We continue to leverage digital solutions to improve process efficiency, transparency, collaboration, compliance, and service delivery across enterprise functions.

Key initiatives include:

- Microsoft Entra ID-based identity and access management
- Conditional access security controls
- Mobile Application Management (MAM)
- Microsoft 365 collaboration ecosystem
- Document management and workflow automation
- Robotic Process Automation (RPA)
- Automated reporting solutions
- Security and compliance analytics
- Digital monitoring and audit capabilities

These initiatives help reduce manual effort, improve operational efficiency, strengthen governance, and support scalable growth across the organisation.

We are continuously evolving our responsible AI approach in response to emerging technologies, regulatory developments, recognised standards, operational experience, and stakeholder expectations.

Responsible Supply Chain

Material Topics[49]

Supplier Concentration & Single-Source Dependency

Overview

Our supply chain approach is anchored in building a responsible, resilient, and sustainable ecosystem that ensures uninterrupted access to quality medicines for patients worldwide. We focus on securing the reliable supply of critical inputs, including APIs, excipients, and packaging materials, to safeguard patient supply continuity. Our responsible sourcing approach is rooted in a patient-centric ethos that drives process efficiency, operational excellence, regulatory compliance, and accountability. As global pharmaceutical supply networks evolve, adaptability, collaboration, and proactive risk management are increasingly important. By strengthening supply capabilities, fostering strategic supplier partnerships, and embedding sustainability into procurement decisions, we enhance business continuity and build long-term stakeholder trust.

We continue to prioritise the integration of environmental, social, and governance (ESG) principles across our procurement and logistics networks. Through proactive supplier engagement, transparent processes, and continuous improvement, we aim to ensure that our supply chain remains agile, ethical, and future-ready[50].

The strength of our supply chain lies in the collective performance of our partners. Accordingly, we focus on enabling suppliers to align with our expectations, adopt best practices, and contribute to a more sustainable value chain. In the past few years, the geopolitical ripples in the global supply chain network have presented new challenges, while our focus remains on engaging and evolving with our supply chain partners to ensure uninterrupted supply of high-quality products.

Our Supply Chain Strategy

Our strategy is driven by a strong governance framework and integrated planning approach as follows:

Planning and Integration

We adopt cross-functional planning processes to align procurement with production and distribution requirements. Integrated demand forecasting and inventory planning enable efficient resource utilisation and minimise disruptions.

Logistics & Distribution

Our logistics network continues to evolve to support global operations effectively. We optimise routes, improve warehouse efficiency, and leverage digital tools to enhance visibility and responsiveness.

Procurement

Procurement processes are aligned with sustainability goals while ensuring cost efficiency and quality. Supplier selection prioritises responsible practices, and long-term partnerships are encouraged.

Manufacturing

Manufacturing planning focuses on capacity optimisation, quality assurance, and efficient resource use. Continuous monitoring helps maintain operational stability and performance.

Distribution & Delivery

Ensuring timely delivery of high-quality products through an efficient, compliant, and responsive distribution network.

[49] GRI 3-3
[50] GRI 2-6

Supply Chain Governance

We have established a structured governance framework to ensure accountability, oversight, and effective management of supply chain activities. Operational oversight is managed by the Global Product Supply (GPS) function, led by the Chief Operating Officer (COO), who is responsible for supply planning, procurement governance, supplier management, business continuity, and risk mitigation activities across the value chain.

The procurement team under GPS directly manages the vendors and ensures timely procurement and distributions, the team also works in tandem with the relevant quality and compliance teams to ensure all regulatory requirements are met. Additionally, the team supports risk-based supplier assessments, procurement compliance processes, supplier performance reviews, and initiatives designed to strengthen supply chain resilience.

At the Board level, the Risk Management and Sustainability Committee (RM&SC) oversee sustainability-related matters as part of its broader risk management mandate. The Committee also reviews ESG-related risks and opportunities associated with responsible sourcing, supply chain resilience, business continuity, regulatory compliance, and supplier sustainability performance.

Our Approach to Responsible Sourcing

Our responsible supply chain agenda is guided by the Vendor Code of Conduct (VCoC) and Responsible Sourcing Policy, which establish expectations for both our employees and value chain partners across the following key areas and can be accessed at Strides' Responsible Sourcing Policy and Strides' Vendor Code of Conduct.

Principle	Internal Expectations	Supplier Expectations
Human Rights & Labour Practices[51]	Uphold internationally recognised human rights principles, foster an inclusive and respectful workplace, prevent discrimination and harassment, support fair employment practices, and maintain a safe and equitable work environment.	Uphold internationally recognised human rights standards, prohibit forced and child labour, prevent discrimination, promote fair wages and working conditions, and provide safe and healthy workplaces.
Environmental Responsibility	Support environmental sustainability objectives through efficient resource use, waste reduction, and integration of sustainable practices into daily operations and decision-making.	Minimise environmental impacts through resource efficiency, reduced emissions and waste generation, responsible water management, and adoption of sustainable operating practices.
Health, Safety & Product Quality	Maintain high standards of health, safety, and quality by complying with applicable policies, procedures, and quality requirements.	Maintain robust quality management systems, comply with regulatory requirements, and implement controls that support the delivery of safe and high-quality products and services.
Ethical Business Conduct	Conduct business with integrity, avoid and disclose conflicts of interest, prevent corruption and bribery, protect company assets and information, and comply with applicable laws and policies.	Operate with integrity and transparency, prevent corruption and bribery, manage conflicts of interest responsibly, and comply with all applicable laws and regulations.
Governance & Compliance	Implement supplier governance practices through risk-based assessments, due diligence, ESG evaluations, regulatory and quality reviews, and ongoing supplier performance monitoring.	Maintain effective governance systems, cooperate with assessments and audits, address identified gaps through CAPAs, and participate in due diligence, risk-based screening, ESG evaluations, and periodic audits.
Training & Capability Building	Participate in regular training on supplier governance, responsible sourcing, quality systems, risk management, change management, compliance requirements, and ERP tools.	Strengthen capabilities through participation in training programs, technical support initiatives, CAPA engagement, and collaborative improvement programs focused on compliance, quality, operational performance, and sustainability.

[51] GRI409-1

Supplier Screening and Management

We follow a structured supplier lifecycle management process that includes supplier qualification, onboarding, performance monitoring, periodic assessment, and requalification. Suppliers and Vendors are evaluated against concurrent criteria encompassing quality management systems, regulatory compliance, operational capability, business continuity preparedness, financial stability, and ESG performance.

Each vendor undergoes a comprehensive evaluation process that extends beyond quality metrics and regulatory assessments to include supply chain resilience and business continuity considerations. Our assessment covers cGMP compliance, regulatory performance, quality systems, ESG parameters, sole-source dependency risks, geographic concentration risks, and the supplier's ability to ensure uninterrupted supply of critical materials. This holistic review helps ensure alignment with global regulatory requirements, industry standards, and best practices while strengthening supply continuity for patients. To maintain compliance and product quality, suppliers are re-evaluated every three years through a periodic requalification process. We use sector-specific checklists, regularly updated to reflect evolving regulations and industry expectations, for supplier categories such as APIs, excipients, packaging materials, and contract testing laboratories. Our audit and screening protocols are guided by internationally recognised frameworks, including SMETA, Responsible Business Alliance (RBA), amfori BSCI, and PSCI, enabling us to assess environmental, social, governance, quality, and supply continuity risks across our value chain.

We categorise our suppliers as critical (significant) or non-critical based on a comprehensive assessment of factors including the volume and value of business, the criticality of materials and services supplied, potential impacts on patient supply continuity, regulatory impact on product quality and compliance, supplier market position, alternate-source availability, level of dependency, quality performance, regulatory compliance history, supply chain resilience, and potential environmental, social, and governance (ESG) impacts. This risk-based classification enables us to focus oversight and engagement efforts on suppliers that are most critical to maintaining product quality, regulatory compliance, operational continuity, and uninterrupted access to medicines for patients.

Critical suppliers are subject to enhanced due diligence and monitoring to ensure continued alignment with our quality, regulatory, operational, and ESG requirements. Packaging material suppliers, contract manufacturing organisations, and other strategic suppliers are also assessed through structured evaluation processes that support consistency, accountability, and long-term supply chain resilience.

During FY26, a total of 199 suppliers were screened on quality, regulatory compliance and ESG parameters, of which 118 suppliers were critical/significant suppliers, reflecting the strategic importance of these suppliers to business continuity and operational performance. Supplier screening is conducted on a rolling basis to ensure alignment of our suppliers with current quality parameters and support business continuity.

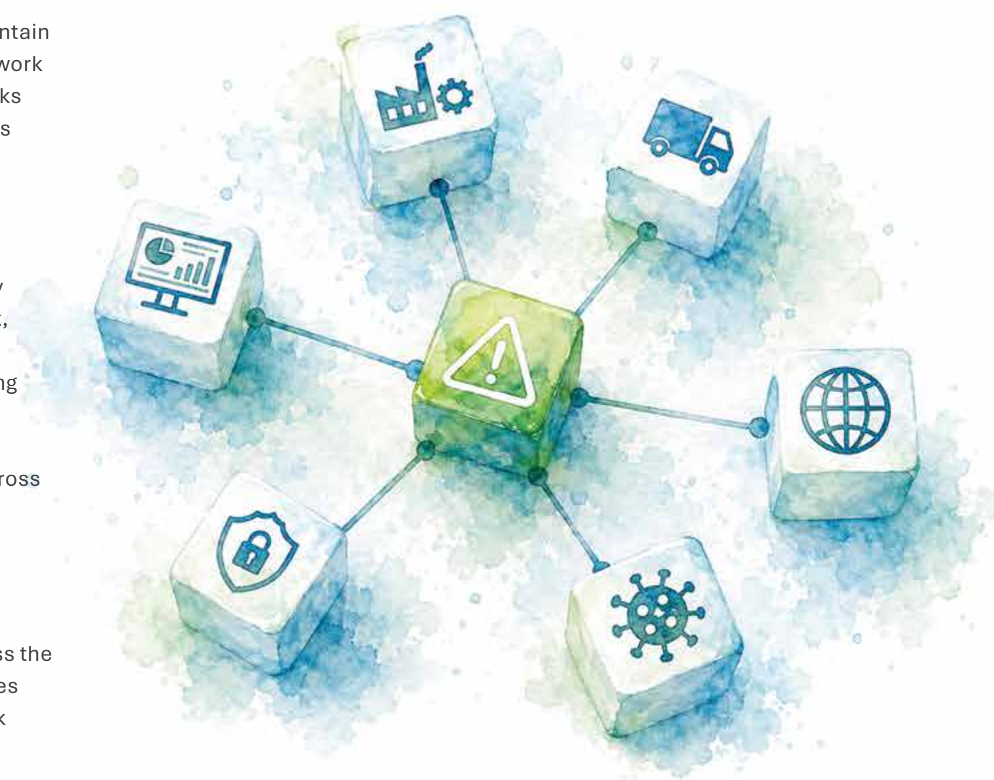
Our top 50 significant suppliers representing 73.5% of our procurement spend were assessed on critical and specific ESG parameters based on our meticulously designed ESG supplier assessment framework, highlighting our expanding focus on understanding and managing ESG risks across the extended value chain.

The insights generated through the screening process supports us in supplier engagement, capability building, ESG assessments, and continuous improvement initiatives across the supply chain.

Supply chain Business Continuity Plan

With evolving geopolitical scenarios, we maintain a comprehensive business continuity framework designed to identify, assess, and mitigate risks while enabling timely and effective responses to disruptions.

Our approach combines proactive risk management, supply chain diversification, manufacturing flexibility, and digital visibility to strengthen resilience across procurement, manufacturing, logistics, and distribution operations. Through regular scenario planning and cross-functional collaboration, we seek to safeguard product availability, maintain service levels, and support patient needs across global markets.



Risk Assessment

We conduct periodic risk assessments across the value chain to identify potential vulnerabilities and strengthen mitigation measures. Key risk areas include:

- Supplier disruptions arising from operational, capacity, quality, or compliance-related challenges
- Logistics disruptions resulting from transportation bottlenecks, port congestion, freight availability constraints, or route blockages
- Geopolitical developments, including trade restrictions, sanctions, regional conflicts, and regulatory changes
- Pandemics and public health emergencies that may affect workforce availability and supply continuity

Through regular scenario planning and cross-functional collaboration, we seek to safeguard product availability, maintain service levels, and support patient needs across global markets.

Risk Monitoring

Fundamental supply chain risks are monitored through structured governance processes and digital monitoring systems.

Our monitoring mechanisms include:

- Monthly and quarterly supply chain reviews
- Supplier performance and risk assessments
- Integrated ERP and digital dashboards providing real-time visibility
- Scenario planning and predictive analytics
- Continuous evaluation of geopolitical, operational, and regulatory developments

Active risks in supply chain are proactively evaluated to ensure supply continuity and proactive mitigation this is enabled through stakeholder engagement, timely decision-making, early interventions, and closely working with our value chain partners.

Mitigation Strategies

We undertake an agile risk mitigation strategy that evolves with the geopolitical milieu, which enables us to optimise our supply chain with the rapidly changing world to reduce supply chain risks and strengthen operational resilience.

We proactively adopts a multi-layered mitigation approach that includes:

- Diversification of suppliers and sourcing geographies to minimise concentration risks
- Alternate Vendor Development (AVD) initiatives for critical materials and services
- Flexible manufacturing capabilities across facilities to support continuity during disruptions
- Strategic inventory planning and safety stock management for key materials
- Long-term supplier partnerships that improve visibility and responsiveness
- Periodic supplier audits, performance reviews, and compliance assessments
- Strong collaboration with logistics partners to enhance transportation reliability

This is supported by executive oversight and recalibrated frequently based on real-time events

Demand Surge Management

To ensure responsiveness during periods of unexpected demand growth, we maintain mechanisms that support rapid scaling of operations and supply continuity.

These measures include:

- Capacity ramp-up planning across manufacturing facilities
- Multi-site manufacturing flexibility for key product portfolios
- Strong supplier relationships that support timely material availability
- Flexible logistics arrangements and expedited freight options for priority shipments

Contingency Management

Our contingency management framework enables rapid response to emerging disruptions and helps minimise impacts on operations and customers.

Key elements of this framework include:

- Activation of pre-qualified alternate suppliers
- Access to established backup vendor networks
- Inventory buffers for critical raw materials and components
- Structured escalation and crisis management protocols

Through this comprehensive approach to business continuity and risk management, we continue to strengthen the resilience and responsiveness of our supply chain. Supported by integrated planning, supplier diversification, flexible manufacturing capabilities, and strong logistics partnerships, we maintain reliable product availability and operational continuity. This is reflected in our strong service performance, including Delivery in Full and On Time (DIFOT) and consistently low failure-to-supply rates. As we continue to enhance planning capabilities, expand alternate sourcing options, and advance sustainable logistics practices, we remain focused on building a resilient, responsible, and future-ready supply chain.

Distribution of Suppliers[52]

We adopt a structured approach to supplier segmentation, enabling us to effectively manage supplier-related risks, capitalise on strategic opportunities, and strengthen supply chain resilience. Our supplier network comprises 2,056 vendors, including 290 tier-1 (direct) suppliers.

A strong emphasis on local sourcing remains central to our procurement strategy, with over 74% of procurement spend directed towards suppliers based in India[53]. This supports domestic economic development and also enhances supply security and responsiveness within our operations. Given their significant contribution to operational continuity, product quality, and business performance across global markets, these suppliers are subject to closer engagement and monitoring. We focus on fostering long-term, collaborative partnerships that strengthen reliability, mitigate supply risks, and support sustainable business growth.

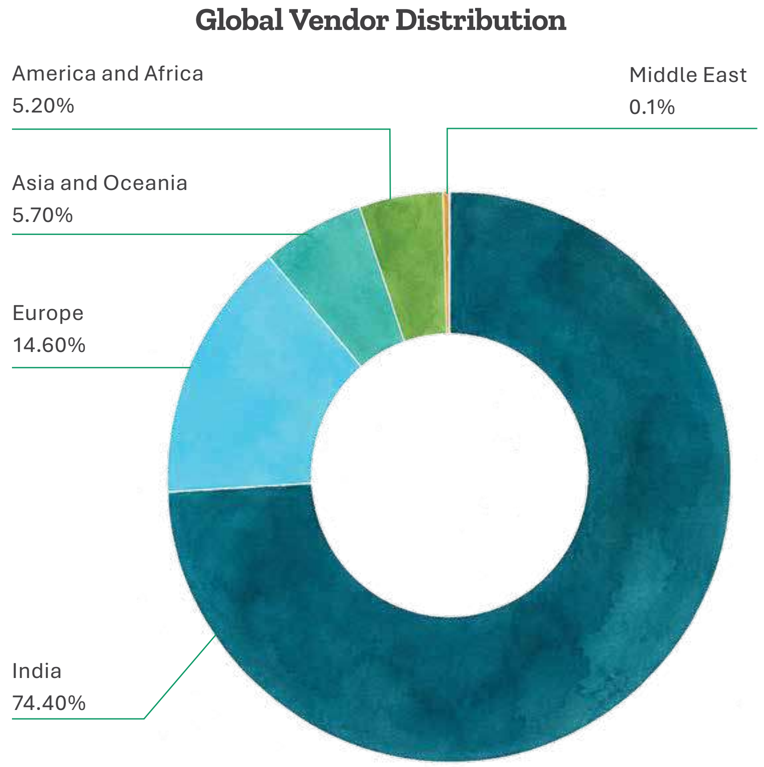
Our supplier classification framework considers multiple factors, including procurement spend, supplier market position, business dependency, quality performance, regulatory compliance, and supply volumes. In addition, we remain committed to promoting inclusive growth within our supply ecosystem. Micro, Small, and Medium Enterprises (MSMEs) and small-scale vendors represented 14.43% of our direct material procurement spend, covering key inputs such as APIs, excipients, and consumables, underscoring our efforts to support the development of diverse and resilient supplier communities.

Global Vendor Distribution

Country Group	Contribution % to Procurement Spend	Count of Vendors
India	74.40%	1,530
Europe	14.60%	300
Asia and Oceania	5.70%	117
America and Africa	5.20%	107
Middle East	0.1%	2
Total	**100%**	**2,056**

Our advanced ERP systems provide comprehensive insights into supplier distribution and performance. Geographic diversification enables us to reduce concentration risks and improve supply resilience.

Currently, our supplier base spans multiple regions, with procurement contributions distributed across key geographies. The proportion of procurement spend, and vendor count across regions remains balanced, ensuring stability and flexibility in operations. We continue to optimise supplier networks by evaluating performance, identifying opportunities for consolidation, and expanding into new markets where necessary.



[52] GRI 2-6
[53] GRI 204-1

Supplier Assessment on Sustainability Aspects[54]

As we evolve in our sustainability journey, we are progressively strengthening our frameworks to ensure that suppliers demonstrate alignment with minimum ESG requirements within defined timeframes, while also encouraging continuous improvement in sustainability performance. As part of this approach, ESG considerations are integrated in our supplier selection, qualification, and audit and monitoring criteria.

Our supplier assessment process is designed to provide a holistic view of vendor capabilities and risks before and during engagement. It combines structured evaluations with risk-based analysis to ensure alignment with our quality, regulatory, and responsible sourcing expectations. In addition to assessing quality systems, regulatory compliance, operational capability, and business continuity, we evaluate suppliers against a range of environmental, social, and governance (ESG) criteria. These include:

- Environmental performance indicators such as greenhouse gas emissions, energy use, water stewardship, waste management, and pollution prevention.
- Social factors including labour practices, human rights, employee health and safety, diversity and inclusion, and workplace conditions
- Governance aspects include business ethics, anti-corruption practices, transparency, and regulatory compliance.

Purchasing practices towards suppliers are reviewed to ensure the alignment of Strides' practices with our Vendor Code of Conduct (VCoC) to avoid potential conflicts with ESG requirements. The process begins with a comprehensive due diligence framework that evaluates suppliers across multiple dimensions, including geographic footprint, regulatory compliance status, facility configuration (single or multi-product), product categories, and the status of Corrective and Preventive Actions (CAPA). Each supplier is assessed against defined quality benchmarks, including cGMP standards and regulatory requirements, prior to onboarding[55,56]. Building on this foundation, we conduct a series of layered evaluations:

Physical Audit

We place strong emphasis on on-site assessments to gain direct insights into supplier operations. These audits cover a wide range of areas, including governance practices, administrative controls, quality systems, training effectiveness, material handling processes, environmental compliance, health and safety standards, ethical practices, and supply chain traceability. This enables a thorough validation of operational robustness and compliance.

Desktop Review

A detailed documentation-based review complements the on-site assessments. This includes analysis of operational capacity, facility infrastructure, risk assessments, compliance records, and certifications validated through inspection and audit documentation.

Supplier Landscape Review

In parallel, we assess the supplier's position within the broader market ecosystem. This includes an evaluation of competitive standing, financial resilience, and the ability to adapt to changing industry dynamics, helping us determine long-term reliability and strategic fit.

Following assessments, we follow structured CAPA frameworks to address any identified gaps. Progress is closely monitored through periodic reviews, as we actively support suppliers through both remote and on-site technical assistance to ensure timely and effective closure of action plans.

Supplier Capacity Building and Development[57]

Our Supplier Code of Conduct outlines expectations on ethical, social, and environmental practices. We actively engage with suppliers to build capacity and strengthen adherence through training programs and knowledge-sharing initiatives.

During FY26, Strides conducted a series of supplier capacity-building initiatives focused on ESG-related topics, for 71 of our critical tier 1 vendors across APIs, excipients, and packaging materials.

These are continuous efforts and aim to strengthen technical capabilities, enhance ESG alignment, and drive innovation across our supplier ecosystem.

Our Vendor Code of Conduct sets out clear expectations across Environmental, Social, and Governance (ESG) parameters and serves as the cornerstone of our sustainable supply chain strategy. We continuously assess and strengthen our supply chain practices to improve supplier engagement and drive meaningful sustainability outcomes.

[54]GRI 308-1, GRI 414-1
[55]GRI 308-1
[56]GRI 414-1
[57]GRI 308-2

To support this, buyers undergo focused and ongoing training to stay aligned with industry best practices. Through a structured approach and the use of digital platforms, they receive in-depth technical training on key processes such as SOP revisions, CAPA, and change management, along with critical areas including regulatory compliance, finance, and quality systems. These targeted initiatives enable informed decision-making and ensure both compliance and strategic value in supplier interactions[58].

Additionally, as part of our supplier sustainability programme, procurement teams participate in specialised training on integrating ESG considerations into supplier screening, audits, and engagement. We also conduct ESG-focused workshops for value chain partners to strengthen their capabilities and promote responsible practices across areas such as ethical conduct, environmental stewardship, and regulatory compliance.

Buyer Training	Supplier Training
Strides places strong emphasis on building capabilities across both buyers and suppliers through structured training and awareness initiatives. The procurement team undergoes continuous training on key areas such as regulatory compliance, SOP adherence, CAPA management, quality systems, and ESG integration, enabling informed and responsible sourcing decisions.	Suppliers are engaged through targeted capacity-building programmes, including ESG-focused workshops that cover ethical conduct, environmental and social responsibility, human rights standards, and evolving regulatory requirements. These initiatives are delivered through a mix of digital platforms, technical sessions, and collaborative engagements, ensuring alignment with Strides' sustainability expectations.

During FY26, Strides conducted a series of supplier capacity-building initiatives focused on ESG-related topics, for **71** of our critical tier 1 vendors across APIs, excipients, and packaging materials.

As we further strengthen planning capabilities, diversify our supplier base, and invest in sustainable logistics, we remain focused on building a supply chain that is resilient, ethical, and future-ready. Responsible supply chain management continues to be a key pillar of our ESG strategy, enabling us to create long-term value and impact.

At Strides, we remain committed to advancing patient-centric and innovative partnerships across our value chain, driven by collaboration, shared accountability, and sustained resilience.

[58]GRI 2-26

Economic Prudence

Material Topics[59]

Economic Value Creation, Business Continuity, Regulatory Compliance, CSR

Economic

We continued to demonstrate strong economic prudence in FY26, driven by disciplined financial management, operational efficiency, and sustained business growth.

The following table highlights the key financial performance indicators for FY26 in comparison with FY25.

Financial Metric	FY 2025-26	FY 2024-25
Revenue Generated (₹ Mn)	48,587	45,653
EBITDA (₹ Mn)	9,253	8,028
PAT (₹ Mn)	5,181	3,447
ROCE (%)	15.8	14.9
Net debt to EBITDA	1.6x	1.9x

Tax Strategy and Reporting[60]

Strides maintains a clear and responsible approach to tax management. Our tax strategy is built on the principles of fairness, integrity, and full compliance with applicable tax laws and regulations across all jurisdictions in which we operate. We believe that transparent tax practices are fundamental to stakeholder trust. Accordingly, we are committed to providing accurate, timely, and comprehensive disclosures on its tax contributions and positions aligned with global best practices in tax reporting.

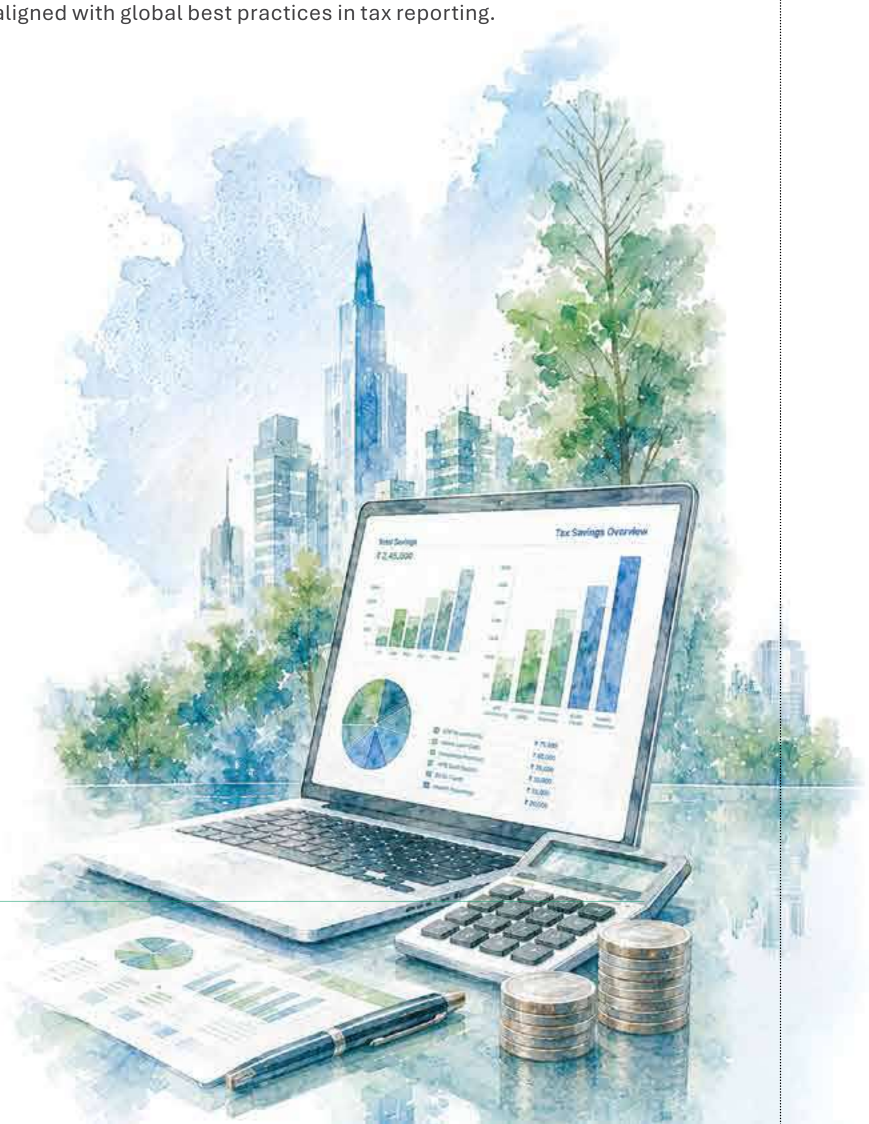
Our Group-level Tax Policy establishes the framework for management and governance of all tax-related matters across the Strides Group. It defines the principles, controls, and accountability structures that guide our approach to taxation, ensuring consistency, compliance, and clarity at every level.

Jurisdiction-Wise Tax Reporting

Country-by-country reporting on revenue, operating profits, and tax payments is central to how we demonstrate accountability. It offers stakeholders a clear view of where value is generated and how Strides contributes to the economies in which it operates. Key financial metrics, tax disclosures, and workforce data for Strides and its subsidiaries are available in the Tax information Appendix.

Contribution and Other Spending[61]

Long-term business success is inseparable from responsible engagement with the policy and regulatory landscape. At Strides, we maintain active relationships with regulatory bodies, government institutions, and trade associations not as a matter of obligation, but as a deliberate commitment to strengthening the broader healthcare ecosystem.



[59]GRI 3-3
[60]GRI 207-1, GRI 207-2
[61]GRI 2-28

We participate in public and industry forums where policy direction, sectoral standards, and healthcare priorities are shaped. Our engagement across these platforms is guided by the principles of transparency, fairness, and ethical conduct. We seek to advance a healthcare system that is inclusive, accessible, and aligned with national priorities.

Strides does not make contributions to political campaigns. We do not make charitable donations that could serve as instruments of bribery or corruption.

Our approach to policy advocacy is clear it must reflect collective interest, not isolated agendas. We do not support initiatives designed to serve narrow or private gains. Our focus remains on contributing to frameworks that expand access, improve affordability, and strengthen healthcare delivery for all.

In FY26, Strides contributed a total of ~ ₹ 19.6 Lakhs towards lobbying, interest representation, and participation in trade associations or tax-exempt groups (including membership fees). A detailed breakdown of these contributions is provided in the table below.

Total Contributions (₹ Mn)	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Lobbying, interest representation or similar	0.60	0.54	0.67	0.35
Trade associations or tax-exempt groups (including membership fees)	1.36	0.81	2.15	0.69
Local, regional or national political campaigns / organisations / candidates*[62]	0	0	0	0
Total	**1.96**	**1.35**	**2.83**	**1.04**

Note: Cumulative total for all in-scope entities and UCL. The amount has been converted into INR using the conversion rate as of 31st March, 2026.
*The Company does not make contributions to political campaigns. We do not make charitable donations that could serve as instruments of bribery or corruption.

Topics Covered

Empowering Regional Commerce and Industry

We participate in regional chambers of commerce and trade associations to engage with industry peers, policymakers, and regulatory authorities on matters that influence the business environment. Through these memberships, Strides' contributes to fostering a supportive economic climate that promotes sustainable business growth, fair competition, and equitable market practices. Strides is a member of two prominent chambers of commerce: the Bengaluru Chamber of Industry and Commerce and the Bombay Chamber of Commerce and Industry.

These chambers represent the interests of their members on key issues such as taxation, infrastructure development, trade policy, and ease of doing business through active engagement with government and regulatory bodies. In FY26 we contributed ₹ 147,500 toward these bodies.

Contribution to Trade Associations[63]

₹ 114,480

Karnataka Drugs & Pharmaceutical Manufacturers Association

We have a strong presence in Bengaluru, Karnataka, and its membership in the pharmaceutical industry association provides vital access to industry insights, regulatory updates, and advocacy, ensuring Strides stays informed and compliant with evolving policies.

₹ 586,500

Confederation of Indian Industry (CII)

CII membership gives us access to forums influencing regulatory reforms. The Association provides opportunities for networking with industry leaders and insights into global market trends, healthcare innovation, and sustainability practices

₹ 513,890

UN Global Compact Network

Our UN Global Compact membership supports our commitment to globally recognised principles relating to human rights, labour, environment, and anti-corruption. The membership provides us with access to sustainability guidance, peer-learning opportunities and global platforms that help us strengthen responsible business practices and contribute to the Sustainable Development Goals.

[62]GRI 415-1
[63]GRI 2-28

Innovation Management and R&D

Material Topics[64]

Healthcare Access, Product Quality

Our Approach to Innovation Management

As a generics pharmaceutical company, we develop and commercialise high-quality complex generics and access-led formulations tailored for both regulated and emerging markets. We concentrate our efforts on producing specialised products with significant volumes and limited competition, at affordable prices focusing on underserved areas of the healthcare landscape. This focus shapes our innovation agenda, our capability investments, and our partnerships. Our portfolio includes a wide range of dosage forms including conventional oral dosage forms and tablets, hard capsules, sachets, liquids, and expanding to complex drug delivery modalities such as modified-release formulations, topicals, nasal sprays, transdermal patches, and oral films.

Sustaining progress on our product pipeline and diversified market readiness, our products are in different stages of development. For FY26 we have 223 ANDAs (abbreviated new drug applications) filed and 208 ANDA approvals secured.

As we expand our focus to Ex-US markets, the R&D engine acts as the implementor and executor of bringing world class formulations and high-quality bio equivalent products to new and growing markets , the focus is on developing affordable generics formulations with country specific requirements to more underserved regions of the world.

The R&D engine works in tandem with the Regulatory and Manufacturing to commercialise and ensure reliable quality products are available as per specific requirements of the regulated agencies and customers. We also ensure that any new advancements and regulatory checks are implemented effectively and efficiently to ensure compliance and safety of the products.

Key Highlights of FY26

₹ 1,820 Million
R&D Expenditure

225
R&D Research Talent

270+
R&D Team Size

Particulars	FY 2025-26
R&D Expenditure	₹ 1,820 Million
R&D as % of Revenue	3.7%
R&D Research Talent	225
R&D Team Size	270+

[64]GRI 3-3

Our People

Material Topics[65]

Training & Skills Development, Health & Safety

Through the years, our people-first approach has been the foundation of our growth as a global pharmaceutical company. Anchored in the 'OneStrides' philosophy, we hold ourselves to a standard where working at Strides is synonymous with having, the organisational infrastructure, and the operational clarity to excel. Our ambition is to build an environment where people are enabled, fairly compensated, and trusted with meaningful ownership over how they build their expertise.

The OneHR Operating Model

Our integrated OneHR Operating Model brings talent acquisition, performance management, learning, rewards, and employee experience under a single strategy. This structure establishes global consistency across functions while giving local teams the flexibility to adapt to regional labour market needs.

Strategic alignment across core pillars is driven through direct reporting lines, with the HR Heads for Manufacturing, Corporate, and R&D reporting directly to the Head HR. Under a Corporate Center of Excellence (CoE) framework, learning and development and talent management are managed centrally at the corporate level to drive targeted capability building across the enterprise. Operational execution is centralised through a shared services model with Arcolab (our wholly-owned subsidiary) delivering scalable efficiency across routine HR functions. Overseas, international sites operate with lean HR teams supported by dedicated Corporate International HR Head, maintaining local agility while ensuring global alignment with core governance.

Key Highlights, of FY26

150,000+
Total learning hours delivered

~₹ 50 Mn
Invested in employee development

985 New hires
onboarded across global operations[66]

[65]GRI 3-3
[66]GRI 401-1

Our Workforce

We hire as per evolving business needs and future skills through structured workforce planning, market-focused recruitment, and proactive sourcing. The workforce we need is built through more than recruitment; early-career programmes, internal mobility, leadership succession, and skill-based planning are all critical to creating a lasting talent pipeline and retaining them. Data-driven insights and workforce analytics help us stay ahead of capability requirements and respond effectively to changing business priorities.

Key Workforce Metrics

29%
Share of women in total workforce[67]

89.2%
Of our total workforce is from India, with a share of **89.5%** in management positions

Our Workforce: FY26[68]

Employee Category	Male	Female	Total
Permanent Employees	2,135	769	2,904
Permanent Workers	998	107	1,105
Total Permanent Workforce	3,133	876	4,009
Non-Permanent Employees	577	294	871
Non-Permanent Workers	912	686	1,598
Total Non-Permanent Workforce	1,489	980	2,469
Total Workforce of In-Scope Entities and UCL	4,622	1,856	6,478

*In addition to the new hires, the increase in total workforce in FY26 is attributable to (i) the reallocation of permanent operators previously supporting Softgel operations to OneSource and (ii) the expansion of reporting scope to include Trinity, Canada, Nordics, and Cyprus, which added 85 permanent and 340 contract headcount.

Building Early-Career Talent

We hire fresh talent directly from campus through targeted recruitment drives and direct hiring initiatives.

- **Propel:** This is a one-year campus-to-corporate track designed to give recent management graduates from B-school a smooth transition into the organisation, cross-functional departments, and provide an immersive experience to excel in their roles.
- **FutureRx:** This is a two-year Talent Accelerator program aimed at shaping new (M.Pharm) graduates into well-rounded, cross-functional pharma leaders. Trainees are moved through different departments, so they develop the breadth to be utilised wherever the organisation needs them.
- **GETs (Graduate Engineering Trainees) Program:** We hire young engineers to kickstart their careers. Through structured training, real-time projects, and guided mentorship, the program empowers fresh graduates to build strong technical expertise, leadership skills, and industry exposure, preparing them to be tomorrow's innovators and leaders.
- **SMT:** Through community outreach, we recruit student trainees from rural and semi-urban areas after completion of their secondary education. Under a structured four-year "learn and earn" model, trainees receive sponsored education, vocational training, and hands-on shop floor experience while earning a livelihood. The programme supports skill development, employability, and long-term career growth, while creating a sustainable talent pipeline for the business. As part of our long-standing talent strategy, we recruit fresh graduates throughout the year as trainee executives across various functions and departments.
- **Internship program:** We offer internship opportunities across our departments, giving students the chance to gain real-world industry experience while contributing to projects that have a genuine impact on the business. High-performing interns are considered for full-time employment opportunities, supporting Strides' strategy of nurturing and retaining emerging talent.

By investing in the development of young professionals, we create a sustainable talent pipeline while supporting long-term workforce needs.

[67]GRI 405-1
[68]GRI 2-7, GRI 2-8

Hiring & Onboarding

We follow a structured and transparent hiring process designed to promote fairness, objectivity, and equal opportunity. Vacant positions are advertised internally and externally, followed by candidate screening, assessments, and interviews. For lateral hiring, structured interviews, cross-functional assessment panels, and interviewer guidelines help minimise unconscious bias and ensure hiring decisions are based on competencies, qualifications, and demonstrated achievements. Managerial roles additionally undergo panel interviews and reference checks to support consistent and merit-based selection decisions. To support seamless integration, all new hires participate in a structured two-step onboarding and assimilation programme.

Each new hire goes through a central orientation session followed by a unit level session which deep dives into processes, policies, CFT know-how, and conduct. This helps new hires align with our values from the start and build stronger connections across the organisation. To track how people are settling in, HR Business Partners run 30, 60, and 90-day check-ins, addressing any issues that come up along the way and address them proactively.

Highlights :

985
Employees hired in FY26[69]

₹ 40,000
Average hiring cost/FTE

6.6%
Of open positions were filled by internal candidates

Employee Retention Strategy

Our approach to retention is centred on creating an inclusive, supportive environment where talent can build meaningful, long-term careers. It is built around five key pillars: competitive and equitable rewards, ongoing recognition, employee listening and engagement, workplace flexibility, and learning and development.

To ensure that our employees feel heard, feedback is gathered through multiple channels, including an annual engagement survey across all locations, quarterly location, and function-specific HR Connects, quarterly leadership open houses and global townhalls, monthly functional open houses, and exit interviews. Insights from these together with analysis of attrition trends allow us to identify workforce sentiment early and execute targeted interventions where needed.

Recognising that long-term retention is closely linked to meaningful career development, we have Strides Academy as a unified learning ecosystem that integrates technical, functional, managerial, and leadership development. Through programmes such as the Leadership Empowerment Acceleration Programme (LEAP), the Strides Leadership Pathway (SLP), and the Subject Matter Expert (SME) Programme, employees are empowered to build future-ready skills, deepen their expertise, and pursue defined career pathways. This integrated approach supports individual growth, strengthens organisational capability, and contributes to the development of a sustainable talent pipeline.

To remain competitive in a dynamic talent market and retain talent, we conduct periodic compensation benchmarking across relevant functions and departments to assess market alignment. This approach helps us take informed salary correction measures for new hiring and internal talent. This framework is reinforced by our commitment to equal remuneration practices across our workforce, regardless of race, colour, religion, sex /gender including pregnancy/ childbirth, age, marital status, national origin, disability, sexual orientation, family and career responsibilities, gender identity, and intersex status[70].

We also focus on practical, day-to-day support for our employees. Our role-based Hybrid Work Policy, introduced this year, gives employees a realistic balance between remote and office work. To support employees facing financial hardship arising from medical emergencies, educational expenses, or marriage-related expenses for themselves or their family members, we also offer an interest-free soft loan programme.

Internal Mobility: We support internal growth and career mobility across roles and geographies, and our internal hiring rate stands at 6.6% in FY26.

Turnover[71]

In FY26, our employee turnover rate was 15%, with a voluntary turnover rate of 13.6%. While turnover levels remained broadly consistent, we continue to invest in initiatives aimed at enhancing employee engagement, development, wellbeing, and career growth.

[69]GRI 401-1
[70]GRI 405-2
[71]GRI 401-1

Freedom of Association

We maintain a workplace free from concerns of discrimination, intimidation, or harassment. We recognise and support employees' right to join associations or unions. Our operations carry no identified risk to freedom of association or collective bargaining. 81% of our total permanent workers currently belong to associations/unions[72].

Performance Management[73]

Our performance management philosophy places equal emphasis on outcomes, collaborations, and capability-building, rather than a sole focus on end results. The emphasis is on fairness and regular course correction, so that performance conversations remain constructive throughout the year. Calibration ensures that similar work is judged consistently within and across departments.

Key Features of the Performance Management Framework

Performance is designed as a continuous process: formally documented twice a year through our HRMS and reinforced through more frequent manager conversations across the year. Goals follow the SMART format and are structured around five pillars at the start of every performance year. A central principle of our operating culture is that business delivery and personal development must co-exist. While operational targets covering quality and safety, financial impact, growth, and talent and culture represent 80% of an evaluation, a mandatory 20% weight is explicitly dedicated to learning and development. Unlike standard compliance modules, this deliberate allocation ensures that professional development is not treated as an afterthought or a year-end logging of training hours. Instead, it guarantees that employees have dedicated space and institutional backing to continuously expand their technical capabilities and hone their behavioral competencies during their career journey at Strides.

SMART Goal Setting: Employees Establish SMART Goals Aligned to Five Performance Pillars

- Quality & Safety
- Financial Impact
- Learning & Development
- Growth
- Talent & Culture

Balanced Goal Weightage

Business Goals:	Learning Goals:	Compliance:
80%	**20%**	**Mandatory**

For people managers, Talent & Culture is a compulsory pillar, covering team delivery, shopfloor governance, development, engagement, and retention of key talent. The performance cycle runs across the year in five stages. Goal setting takes place between April and May, when individual goals are aligned to business priorities. A mid-year review follows in September and October, checking progress and recalibrating goals where needed. The cycle closes with a year-end review in February and March, combining self-appraisal with manager assessment. Ratings then go through calibration, a cross-team consistency check, before outcomes (ratings, promotions, and pay decisions) are finalised between March and April. Compensation increases are informed by market assessments, with benchmarking conducted where required to guide salary adjustments.

While formal ratings are recorded on a bi-annual cycle, performance management is an ongoing process, supported by regular dialogue between managers and employees, beyond the two formal checkpoints.

100%

Of eligible employees completed their performance appraisal in FY26[74].

[72] GRI 2-30, GRI 407-1
[73] GRI 404-3
[74] GRI 404-3

Goal setting
Apr-May
Set aligned goals

Mid-year review
Sep-Oct
Check, recalibrate

Year-end review
Feb-Mar
Self and manager review

Calibration
Post year-end
Checks rating consistency

Outcomes
Mar-Apr
Finalises pay decisions

[2] Eligibility is determined as follows: employees who join within six months of the applicable performance evaluation cycle are excluded from the count; trainees are not included in performance evaluation reviews during the training period; and full-time workers covered under the terms of the Long-Term Labour Settlement are excluded from the annual review process, as their performance is governed by the agreed method set out therein.

How We Manage Performance at Strides

Component	Description	Rationale
Individual, Function & Team-Based Appraisal	Performance is assessed against individual and team goals set through management by objectives, with ratings calibrated across three-tiers (team, function, organisation) before being finalised.	Gives a fairer, less biased read on both individual and team contributions.
Regular Performance Check-ins	As part of our broader agile feedback approach, regular manager-employee discussions are held more frequently than the formal review cycle to review progress, align on goals, exchange feedback, and ensure focus on both individual and organisational objectives.	Keeps performance conversations continuous rather than confined to a single annual event, enabling early course correction.
Mid-year performance review	Serves as a formal milestone within the performance cycle, providing an opportunity to assess progress against goals, reflect on achievements and challenges, and recalibrate priorities where needed while creating a documented record of performance discussions, developmental needs, and actions for the remainder of the year. 100% eligible employees were covered for the year.	Creates a structured checkpoint to reset priorities well ahead of year-end.
360-Degree Feedback	Conducted for 140 senior leaders, gathering feedback from managers, peers, and direct reports.	Gives leadership development a fuller, multi-perspective view.

Reward and Recognition (R&R)

We adopt a multi-dimensional approach to employee recognition, combining formal and informal awards and performance-linked incentives. The Company's recognition framework is designed to reinforce desired behaviours, strengthen employee engagement, and foster a culture of appreciation across all levels of the organisation.

Employee Recognition

- **Employee Recognition**
  - Employee of the Quarter
  - All Stars Awards
  - Project RISE Awards
  - Spot Awards
- Long-Term Talent Recognition
  - Retention Pay Programme
- Shopfloor Engagement & Innovation Recognition
  - 5S Excellence
  - STRiDEA Programme
  - Quality Circles

Performance recognition is provided through a range of monthly and quarterly award programmes that acknowledge outstanding contributions at individual and team levels. These programmes celebrate achievements aligned with Strides' values, quality culture, operational excellence objectives, and business priorities.

During the year, we digitised our Rewards & Recognition (R&R) framework through a dedicated recognition platform, enhancing the employee experience and accessibility of rewards. Instead of fixed cash awards or gift vouchers, employees now receive reward points that can be redeemed against a wide range of options based on their individual preferences providing greater flexibility and personalization.

1. "Employee of the Quarter", with 52 awards, recognises employees who demonstrate exceptional performance and make significant contributions at a global level.
2. "All Stars Award" at the site level, recognise employees and teams across multiple categories:
    a. Values and Behaviour Champions, with 59 awards, for displaying integrity, competency and efficiency (ICE) values, Strides Behaviour, and Quality Culture
    b. Shooting Star, with 182 awards, for going over and beyond regular KPIs
    c. Dream Team, with 1,323 awards, for displaying collaboration and exceptional teamwork in achieving business objectives
3. Project RISE Awards, with 1209 awards, for demonstrating exceptional commitment to product excellence, strong quality culture, and operational efficiency
4. Spot Award, with 124 awards, to recognise and appreciate employees in real time for going above and beyond in their role. We also introduced a motivator award category under spot award to recognise team members who are motivating each other.

Long-Term Incentives for employees

Our retention pay program is designed to retain critical talent by rewarding sustained performance, contribution, and long-term commitment. The programme is covered for senior management and below i.e., 62% of our total workforce (employees up to a maximum of two levels below the CEO). In FY26, the retention pay awards were granted to 110+ employees (4% of eligible employees).

Eligible employees are identified through our annual performance management process, which evaluates individual performance, business contribution, future potential, and criticality of role. Through this programme, we provide targeted retention-focused incentives that encourage long-term association with Strides while reinforcing career growth and engagement.

Shopfloor Engagement Awards

Beyond formal awards, we promote a culture of appreciation through shopfloor engagement and continuous improvement initiatives. Programmes such as GEMBA Walks, 5S initiatives, quality circles, and the STRiDEA ideation programme encourage employees to actively participate in identifying improvement opportunities, enhancing operational efficiency, and strengthening quality culture. Employees who contribute impactful ideas and improvement initiatives are recognised through certificates, appreciation programmes, incentives, and performance-linked recognition mechanisms. Through STRiDEA, employees and teams are also recognised under award categories such as Top Idea Initiator, High Impact Ideas, and Top Performing Functions, celebrating contributions that drive meaningful business impact.

These initiatives complement our broader recognition framework by rewarding both immediate achievements and sustained contributions that support long-term organisational success.

Enhancing Employee Wellbeing[75]

We are committed to fostering a culture where employees feel connected, valued, and inspired. Through meaningful platforms, cultural initiatives, and everyday interactions, we build trust, strengthen belonging, and encourage employees to be active contributors to the organisation's success.

WeCare: All-encompassing framework to support our employees

We prioritise employee wellbeing through our WeCare: Wellness, Celebrate, Assimilate, Recognise, Energise programme. It covers physical, financial, and emotional wellness, giving employees access to the support and resources that make balance more achievable, both at work and beyond.

WeCare

Protecting financial, emotional, and physical wellbeing

- **Insurance** – Medical & life cover
- **Health checkup** – Preventive care camps
- **Soft loan** – Financial support
- **Financial workshops** – Planning seminars
- **Mental wellness** – Stress & yoga sessions

Employee connect & support

Keeping people heard, connected, and supported

- **Leader connect** – Leader access
- **HR 1-1 connect** – HR pulse checks
- **ERGs** – Shared interests
- **Other support** – Crèche, flexi-work

Key areas of the WeCare Program

Health and Wellbeing

We offer comprehensive medical insurance coverage for employees and their families, ensuring access to quality healthcare. Our term life insurance and accidental hospitalisation cover provide financial security during unforeseen circumstances. To further strengthen our focus on preventive care, we regularly organise health check-up camps, supporting early detection and overall wellbeing.

Mind-Body Balance

Employee wellbeing is supported through stress management workshops, yoga sessions, and Wellness Wednesday initiatives that promote mental, physical, and emotional health. We also organise sports and recreational activities, including cricket, badminton, table tennis tournaments, and sports days across locations, encouraging active lifestyles, team bonding, and overall wellbeing.

Financial Wellness

We run educational workshops and seminars on financial planning, helping employees manage their money with more confidence and less financial stress. We also offer interest-free soft loans for employees in need.

StridesMyCare: The Employee Assistance Programme (EAP), integrated with our HRMS rolled out this year. This platform provides confidential support for employees, access to certified psychologists and wellness experts to support for stress, anxiety, work-life balance, relationships, parenting, and financial concerns. The platform also has 24x7 access through digital channels, multilingual counselling options, individual sessions, and expert-led wellness workshops. Since its launch, the platform has been utilised by ~12% of employees in India, demonstrating continued engagement with available wellbeing resources. We view employee wellbeing as a continuous journey rather than a single programme. Our initiatives continue to evolve in response to employee needs, helping create a healthier and more supportive workplace.

[75] GRI 401-2

Staying Connected

We run a broader set of initiatives to keep communication open across the organisation.

Leadership Connect Sessions	Quarterly CHRO Open House, COO Connects at plants, and the Quarterly Global Townhall give employees regular, direct access to leadership
HR 1-on-1 Connect	The HR team conducts regular pulse checks to gather timely employee feedback and understand workforce sentiment
Employee Resource Groups (ERGs)	Informal cross-functional communities built around shared interests from sports to books to arts

Our other employee support measures include:

On-Site Crèche Facility: We provide a convenient and high-quality crèche facility for parents with young children, giving them peace of mind and the ability to focus on their work. The facility is available to all employees irrespective of gender, at all our locations.

Lactation Facility: All factory locations with working young mothers on-site have lactation facilities in place, provided within the crèche at most sites or standalone facilities across our India operations. Young mothers are also provided flexibility to visit their children and attend to their nutritional needs.

Flexible Work Arrangements: Recognising individual needs, we provide employees with options such as flexible timings to balance personal commitments while providing support across various time zones. We provide part-time working options in select locations and comply as per regulations in a given country of operation.

Employees can request to work from home, promoting flexibility and supporting a healthy balance between work and personal life commitments.

Leave Policy: Leave, policy in each geography has been designed as per prevalent practices and law of the land. In India, the leaves are designed to support employees in various circumstances. Employees receive 12 casual leave days and 20 privileged leave days annually, with higher allowances of 4 days for Puducherry and 1 day for Alathur.

- We offer maternity leave (26 weeks ordinary and 4 weeks additional) to support new mothers and leave for miscarriage in the event of that unfortunate situation. We also provide paternity leave (1 week) for our male colleagues[76].
- For new hires and existing employees who are relocating, we provide relocation leave to help them settle into their new locations.
- We offer case-by-case support for medical emergencies beyond the standard casual and paid leave, ensuring employees have the necessary time and resources to manage not only their own but also the wellbeing of their loved ones, including family members, partners, and dependents.

Retirement Benefits: We support our employees with retirement benefits, including pension contributions and mandatory retirement provisions in accordance with the law[77].

Employee Satisfaction

We believe that listening to our people is essential to improving how we work. Our annual engagement survey is one of the ways we do this at scale. It gives employees a space to share their experiences openly and helps us understand what needs attention. It stays anonymous, so the responses reflect what people think.

In FY26, the survey covered all locations across India. It gathered feedback across areas where friction usually sits: job satisfaction, sense of purpose, Wellbeing, happiness, stress, work environment, managers, learning and career growth, leadership and communication, and compensation and rewards.

The emphasis is on acting on what we hear. Leaders across sites review the findings and turn them into focused actions that reflect local priorities and improve the work environment. For the reporting year, the survey recorded a response rate of 70%, with an overall engagement score of 82.4%.

[76]GRI 401-3
[77]GRI 201-3

Learning and Development

At Strides, the quality of our products and the trust of the patients we serve are intrinsically linked to the capabilities of our workforce. We therefore view learning and development as a strategic enabler of both individual and organisational success, helping employees perform effectively, adapt to evolving business needs, and grow throughout their careers. Through continuous learning opportunities, we equip employees with the technical, leadership, regulatory, compliance, and digital capabilities needed to succeed in their roles, while reinforcing the values and behaviours that guide how we work. This supports quality, patient safety, innovation, and long-term organisational success.

Our Approach

Learning is delivered through a blend of digital modules, mobile learning, short-form content, coaching, mentoring, peer networks, employee resource groups, and instructor-led classroom sessions, enabling employees to access development opportunities in ways that best suit their roles and learning preferences. Recognising that development needs vary across roles and career stages, we adopt a tailored learning approach that builds technical, functional, leadership, regulatory, compliance, and digital capabilities while reinforcing the values and behaviours.

We continue to invest in learning and development programmes to support employee growth and strengthen organisational capabilities. As business needs evolve, our offerings are regularly refreshed and complemented by leadership-led knowledge sharing and capability-building initiatives.

New Capabilities for a New Way of Working

As part of our ongoing organisational transformation, one of our flagship programmes brought together experienced pharmaceutical professionals and new-age technology talent within a single, integrated team. To support this integration, we designed a structured, two-way learning initiative. Pharmaceutical subject matter experts were introduced to emerging technologies, including AI, and their potential applications within the business, while technology professionals were given an understanding of pharmaceutical processes, regulatory requirements, and industry-specific practices. The initiative strengthened cross-functional collaboration and improved communication between the two groups, establishing a common professional language that has since supported more effective joint problem-solving.

In parallel, we conducted a global rollout of SAP HANA, supported by training programmes that enabled employees across geographies to build proficiency and transition to the new platform. This reflects our broader approach of pairing technology adoption with sustained investment in employee readiness.

~₹ 50 Mn spent on L&D initiatives

A significant focus of our learning and development efforts is on strengthening technical and functional capabilities to equip employees with the knowledge and skills required to perform their roles effectively while keeping pace with evolving industry practices and new technologies. This not only helps strengthen operational excellence and maintain high-quality standards but also supports business performance.

Our learning framework has some mandatory training that forms the foundation of how we conduct business. Employees are required to complete training on topics such as the Code of Conduct & Ethics, Prevention of Sexual Harassment (PoSH), ESG, information security, and any other regulatory and compliance requirements. Completion of these mandatory trainings is linked to an employee's performance evaluation, reinforcing our commitment to ethical conduct, responsible business practices, and compliance with applicable laws and policies.

In FY26, our employees completed an average of 40.9 hours of training per full-time equivalent (FTE)[78].

Our L&D Agenda

Our learning and development framework follows a structured quarterly learning cycle that promotes continuous capability development throughout the year. Employees are required to complete the behavioural, technical, and mandatory compliance training aligned to their roles and responsibilities. Learning expectations scale with role seniority to help them stay ahead of emerging trends, strengthen leadership capabilities, and better guide and develop their teams. Learning progress is monitored through quarterly reviews to meet the annual completion requirements.

[78]GRI 404-1

Our Employee Development Programmes [79]

Strides Academy

During FY26, we strengthened our learning ecosystem by bringing technical, managerial, and leadership capability development programmes under one framework – **the Strides Academy**. The Academy is designed to support employees at different stages of their professional journey while ensuring that development opportunities remain aligned with evolving business priorities and capability needs.

Young Talent Development Programme (YTDP) for early-career professionals.

Managerial Development Programme (MDP) for employees moving into people-management or bigger business roles.

Leadership Development Programme (LDP) for senior leaders setting strategy and direction.

Together, these pathways create a structured pipeline for developing industry ready talent while supporting succession planning and leadership continuity across the organisation.

Young Talent Development Programme (YTDP)

Designed for early-career professionals, it focuses on building strong foundations in core skills.

- FutureRx (24-month cross-functional talent accelerator for M. Pharm graduates)
- Propel (Management Trainee Programme for future leaders)
- Strides Technical Enrichment Programme
- AspireHER (Technical upskilling for entry-level women professionals)
- Graduate Engineer Trainees (GETs)

Managerial Development Programme (MDP)

Crafted for middle-level managers to enhance people leadership, functional expertise, and enterprise orientation.

- Strides Leadership Pathway (SLP)
- Leadership Empowerment Acceleration Programme (LEAP)
- HERStrides (Leadership development for women in middle management)
- Subject Matter Expert (SME)

Leadership Development Programme (LDP)

Aimed at the senior level, LDP builds capacity for enterprise-wide thinking, strategic vision, and transformational leadership.

- Plant Managers Academy (PMA)
- ASCENT (Transformational Leadership Workshops)
- Quality Managers Academy (QMA)
- DGM Acceleration Journey

[79]GRI 404-2

Young Talent Development Programme (YTDP)

YTDP is designed for early-career and entry-level professionals. It builds the technical and professional basics they need to move into managerial roles, through a mix of structured learning, mentorship, and on-the-job work. This track runs through below programs such as:

Entry point	
Propel	Helps management trainees make the jump from campus to corporate
Pharma-specific accelerator	
FutureRx	A 24-month programme for M.Pharm graduates, built to develop well-rounded, cross-functional pharma leaders
Function-specific tracks	
STEP	Builds technical depth for early-career people in quality roles
Graduate Engineering Trainee (GET)	Gives young engineers training, project exposure, and mentorship
Levelling entry-level access	
AspireHER	Technical upskilling for entry-level women employees

Managerial Development Programme (MDP)

MDP covers everyone from Team Leaders up through Senior Managers. The aim here is to support them in building people-leadership skills and getting them ready to take on bigger scope.

General capability-building	
Strides Leadership Pathway (SLP)	Prepares high-potential managers to lead teams with more confidence
Manager Essentials Programme	Built for first-time managers focused on improving their communication, conflict resolution, accountability, and people leadership skills
Subject Matter Expert (SME) Programme	Turns technical specialists into thought leaders that support compliance and process improvement
Succession-focused	
LEAP	Prepares managers for bigger roles and is built specifically around succession planning for critical roles
HERStrides	Applies the same succession thinking to women in middle management, building strategic and intrapreneurial capabilities

Leadership Development Programme (LDP)[80]

LDP is for Deputy General Managers and above, building the kind of strategic thinking and presence that comes with running larger parts of the business.

Function-specific	
Plant Managers Academy	Builds operational leadership in manufacturing; prepares future site leaders
Quality Managers Academy	Develops leaders in quality assurance and quality control to strengthen regulatory compliance, quality governance, and continuous improvement
While no new QMA or PMA learning group was launched in FY26 due to business priorities, candidate identification and assessment activities continued to build a pipeline for future leaders.	
Others	
ASCENT	Focuses on strategic thinking and executive presence for mid-level and emerging senior leaders stepping into bigger, cross-functional roles
DGM Acceleration Journey	Supports newly promoted DGMs on communication, executive presence, and team management as they settle into the role

[80]GRI 2-17

Recognising that limited access to opportunities can hinder the aspirations of young people, particularly in rural communities, Strides launched the Self-Managed Team (SMT) Programme more than 10 years ago. By integrating education with employment, the programme provides a pathway for young talent to develop skills, gain work experience, earn a livelihood, and grow professionally.

Quantifiable Impact of Employee Development Programme

LEAP: 49 people were part of the LEAP program, which is still ongoing. Of these, 13 were promoted. We had 100% retention among participants.

Future RX: 11 MTs joined in FY26 with 100% retention for the year.

Plant Managers Academy: Retention among trained plant managers stood at 64%.

Quality Managers Academy: The first batch trained as Quality Leaders recorded 89% retention.

DGM Acceleration Journey: 15 employees were part of the journey, with 100% retention.

Build Technical Foundations

Strides SMT Model

Vocational learning + On-the-go development

Four-year journey combining 12 months of on-the-job training with a three-year university-certified vocational programme. Participants gain cross-functional exposure and weekly academic learning.

Enable Continuous Growth

Higher Education & Professional Development Support

Self-driven learning aligned with career aspirations

Supports higher education and professional certifications, with sponsorship for selected programmes such as PhDs, law, and specialised qualifications on a case-by-case basis.

Cultural Education and Values-Based Learning

We understand that building a genuinely global, inclusive workforce takes more than technical and leadership skills. It also takes shared values and a real understanding of each other across cultures.

We operate across countries, which means people here work alongside colleagues who communicate and lead differently than they might expect, and that difference should not be something people have to figure out on their own. To address this, we run global assimilation sessions for cross-country teams and culture awareness and unconscious bias training annually for our global colleagues, helping ensure that people are understood in terms of how they actually work and are expected, in turn, to extend that same understanding to others. Our employees who work closely with international teams are supported by language training (French) to strengthen how they communicate and work together.

In April 2025, we hosted a cultural assimilation and learning retreat in Agra—a city renowned for its rich cultural heritage and home to one of the Taj Mahal, one of the New Seven Wonders of the World. This retreat helped us bring together around 30 colleagues from our sales team across Africa and our India-based marketing team, with the aim of strengthening cross-cultural understanding, facilitating knowledge sharing, enabling teams work together more effectively, and contributing to business success.

This translated into tangible business outcomes, with Growth Markets delivering 22% year-on-year revenue growth in FY26, primarily driven by our Africa operations.

Accelerating Digital Transition

As digital tools reshape the industry, we are focused on building future-focussed digital capabilities across our workforce. We provide employees access to a range of digital learning interventions, including immersive training tools, digital learning platforms, and technology-enabled capability-building programmes.

STRIDE-VR: Digital Simulation for Manufacturing Operations

This is our flagship digital transformation programme that transitions manufacturing training from a predominantly live-equipment-dependent model to a digitally enabled simulation model. It uses immersive virtual reality (VR) simulation to train shop-floor manufacturing personnel on equipment operation and machine handling before they work with the actual production equipment. Participants move from foundational training up through Level 3 (task execution at 95% accuracy) and toward Level 4 (advanced precision).

The programme helps us deliver training at a scale that would be resource-prohibitive with traditional on-equipment training. For instance, certain operations, such as dismantling tasks, are accessible only once every two days, which caps how fast workers can be trained regardless of demand. Through the VR training, guided modules deliver in-context, step-by-step prompts during practice, showing exactly what to do at each stage of a task. This supports higher first-attempt accuracy on live equipment, which translates into fewer errors, less rework, and lower supervision needs on the floor. One of the programme's demonstrated outcomes shows task cycle time reducing from approximately 7 hours to 5 hours at Level 3 (~29% reduction), with highly proficient employees completing the task in around 4 hours (~43% reduction compared with the status quo).

To date, the programme has trained 24 employees to Level 3, clocking approximately 40 hours per participant. Around 33% of this cohort are advancing to Level 4, to form a deeper bench of high-precision operators. Building on this momentum, our plan for the next phase of the programme is to triple the number of learners, extending these efficiency and proficiency gains across a much larger segment of the workforce.

For supply chain teams, the rollout of SAP IBP is supported by training across the function, so people can actually use the system for planning, forecasting, and execution.

Under Project RISE, employees were trained in digital tools and processes that enhance operational efficiency, helping them navigate evolving ways of working and make the most of new technologies.

MYSetu, deployed across manufacturing plants, is used for EHS and safety reporting, tracking incidents and KPIs so that issues are flagged and followed up appropriately.

How we deliver training digitally: Our LMS delivers courses, videos, and assessments, with analytics that let us track engagement and progress. SEEK is a mobile-based employee engagement platform that enables employees to access learning resources, stay informed, recognise peers, and share feedback anytime, helping foster a connected and engaged workforce. It is now being leveraged to provide bite sized daily learning modules to employees enabling them to learn on the go and access targeted development content.

Learning hours completed by employees on digital platforms LMS and SEEK increased by approx~140% in FY26 from FY25.

Reskilling and training: We also provide training and reskilling to mitigate potential negative employment impacts arising from industrial and technological transitions, including automation. As part of the automation of our packing lines, the introduction of automated MESPACK lines changed job requirements and created potential redundancies. Instead of letting affected employees go, we reskilled and redeployed them to other production lines, and trained existing operators to run and manage the new automated equipment. This approach reduced the risk of job loss and skill redundancy from automation while retaining employees within the business. It also improved workforce flexibility, as trained operators were able to support additional shift operations.

Key Impact of Stride-VR

Particulars	Task Completion	Task Accuracy Rate	Supervision Required
Traditional training	6-8 hrs	70-80%	High
Stride-VR	4 hours by Top Performers	95%	Low
Key Impact of Stride-VR	2x efficiency gain	Verified pre-floor competency of workers	Enables better supervisor-to-trainee ratio

Transition Programme for Employees

We recognise that employee development extends across the entire employment lifecycle, including periods of career transition. Our philosophy is to support employees not only during active career growth but also during important transitions such as retirement, role changes, career progression, organisational restructuring, and performance improvement journeys.

For retiring employees, particularly those in critical roles, we create opportunities, where appropriate, to enable continued contribution and knowledge transfer. This helps us preserve institutional knowledge, support continuity, and ensure that critical expertise is passed on to successors and teams. We also provide structured support for employees navigating role realignments, performance improvement processes, and changing career circumstances. Our approach is centred on fairness and transparency, ensuring that employees receive the guidance and support required to manage transitions effectively.

During FY26, 120 employees transitioned to a promoter group company to support evolving business requirements, while seven employees retired upon attaining retirement age. Our focus on capability building continues to create lasting value, with over 80% of former employees moving on to employment opportunities, demonstrating the relevance and transferability of skills developed at Strides.

Diversity and Inclusion[81]

We believe that diverse perspectives are a genuine asset as they draw on different lived experiences, backgrounds, and ways of thinking. We also recognise that different groups within our workforce have different starting points, opportunities, and needs. Accordingly, alongside our organisation-wide efforts, we invest in targeted platforms, including a dedicated suite of programmes for women that support their growth.

Building Pathways for Advancement

RecruitHER is focused on increasing female representation in Manufacturing, F&E, Supply Chain Management, and Quality, targeting an annual 5% increase in these functions. Since representation on its own is rarely enough, we have also built programmes for growth.

AspireHER upskills women at junior level (Executive and Senior Executive), building technical expertise toward becoming future subject matter experts, alongside broader personal and professional development. As those employees move into more senior roles, HERStrides picks up the thread. This caters to leadership development for women in middle management and is built around entrepreneurial thinking, strategic capability, and a support network as they take on bigger scope.

Our leaders are expected to take an active role in advancing diversity. This includes participating in DEI and human rights trainings and carrying these values into how they run their teams. We also run programmes shaped by workforce analysis, so effort goes where the actual gaps are. Together, these efforts are working towards 30% retention of women across our workforce.

Currently, women represent 29% of our total workforce, with 22% gender diversity in the permanent workforce and 40% in the non-permanent workforce category.

[81]GRI 405-1

Policies and Frameworks that Support Our People

We believe employees should have easy access to the information, policies, and resources that support their work and well-being. All policies are available on our internal portal and are reinforced through regular communications, training sessions, townhalls, newsletters, and Policy Shorts. These channels reinforce key policies, clarify expectations, and help employees understand their rights, responsibilities, and available avenues for raising concerns.

Policy	Purpose
Code of Conduct and Business Ethics	Sets expectations for ethical behaviour, integrity, respect, non-discrimination, and responsible business practices across the organisation.
Human Rights Policy	Protects human rights, equal opportunity, and fair treatment for all employees and stakeholders.
Whistleblower Policy	A confidential mechanism for reporting unethical behaviour, misconduct, or policy violations without fear of retaliation.
Anti-Bribery and Anti-Corruption (ABAC) Policy	Prohibits bribery, corruption, facilitation payments, and other unethical business practices.
Grievance Redressal Framework	A clear channel for employees to raise workplace concerns and get timely, fair resolution.
Prevention of Sexual Harassment (PoSH) Policy	Prevention, reporting, and resolution mechanisms for a safe, respectful workplace, supported by Internal Committees.
Diversity, Equity and Inclusion (DE&I) Framework	Promotes equal opportunity, reduces bias, and strengthens representation across the workforce.
Privacy and Data Protection Policy	Protects employee and stakeholder data through responsible data management and confidentiality.

How We Embed Our Policies

- Mandatory policy awareness and compliance training for employees.
- Annual Code of Conduct, Whistleblower, and ABAC certifications.
- Regular policy communication through town halls, intranet updates, and Policy Shorts.
- Leadership-driven reinforcement of ethical behaviour and inclusion.
- Accessible policy repository through HRMS and internal employee portals.
- Periodic policy reviews to align with evolving regulatory and business requirements.

Championing Human & Labour Rights

Material Topics[82]

Equal Treatment, Fundamental Rights

Guided by our Human Rights Policy and unwavering commitment to labour rights, we promote a workplace culture founded on fairness, inclusion, and respect, extending our responsibilities beyond compliance to support the well-being and rights of our workforce. This is reflected in our equitable remuneration practices, compliance with statutory working hours, regular wage assessments, and a zero-tolerance stance on discrimination, harassment, and other human rights violations. Through strong grievance mechanisms and worker engagement, we support employee well-being, inclusion, and growth while upholding ethical business practices.

Labour Commitment

Commitment to adequate wages: Ensuring fair and responsible compensation is a key element of our commitment to human rights and employee well-being. Supported by robust governance frameworks and regular market benchmarking, we strive to provide fair and adequate remuneration across our operations. Compensation decisions are informed by individual performance, role responsibilities, market insights, and economic considerations, reinforcing our commitment to equitable pay and long-term workforce sustainability. Across all our operating geographies, we are committed to ensuring that every employee is paid a fair living wage—well above statutory requirements. Through this approach, we endeavour to remain a market-competitive, performance-driven, and socially responsible organisation.

Living wage assessment: During FY26, we undertook third-party living wage assessment across our global workforce to better understand wage adequacy and strengthen our commitment to fair and responsible remuneration. The assessment evaluated compensation levels against globally recognised living wage benchmarks tailored to local contexts. The assessment included both management and non-management direct employees and involved detailed payroll analysis, location-specific benchmarking, and stakeholder consultations to validate assumptions and outcomes. To further embed fair pay principles across the organisation, we will integrate living wage assessments into our annual compensation benchmarking cycle and periodically review wage adequacy against evolving market and cost-of-living conditions reflecting in the benchmarks. This will ensure that we gain valuable insights to support our human rights commitments and promote employee well-being, dignity, and financial security. The assessment covered 95% of the 4,009 global FTEs.

Living Wage Assessment FY26

~95%
Workforce coverage across global operations

3,815
Comprising of 2,572 management and 1,243 non-management direct employees

100%
Of direct employees above benchmark

[82]GRI 3-3

Working hours and leave management: We maintain clear governance over working hours across our global operations to ensure compliance with applicable labour laws and regulatory requirements in each jurisdiction where we operate. Our Working Hours Policy provides a consistent framework for managing work schedules while accommodating local legislative requirements and operational needs. Through regular monitoring and oversight, we seek to prevent excessive working hours and support a balanced and productive work environment. Our approach is complemented by annual leave and other paid leave provisions, enabling employees to take adequate time for rest and well-being. Policy guidance is made accessible through our internal platforms to promote awareness and consistent implementation across the organisation.

Equal remuneration for men & women: We uphold fair and equitable compensation practices across our operations for men and women and ensure that additional hours worked, where required, are compensated in accordance with applicable legal requirements and company standards[83].

Annual leave policy: Our leave policies work alongside our working hours framework to ensure employees have adequate time away from work, supporting sustainable productivity and workforce resilience.

Responsible workforce transitions: We do not support or promote mass terminations. In circumstances where workforce reductions become necessary, we are committed to handling the process with the highest degree of empathy, integrity, and respect. We provide appropriate transition support and compensation to affected employees in line with, and where feasible beyond, applicable legal and regulatory requirements. This approach reflects our focus on responsible employment practices and on supporting our people through periods of organisational change.

Labour Programmes

People are central to our long-term success, and our labour management practices are designed to support their well-being, development, and engagement throughout the employment lifecycle. Our initiatives span across fair compensation, responsible management of working hours, social protection, equal opportunity, employee representation, and workplace well-being. We maintain regular engagement with employees and worker representatives, providing channels for dialogue, feedback, and collaboration on workplace matters. We also recognise the importance of work-life balance and encourage the use of leave entitlements.

We are dedicated to supporting our people by nurturing a positive and well supported work environment. We invest in learning and development programmes that build technical, leadership, and behavioural capabilities across the organisation. By combining strong labour practices with continuous workforce development, we aim to cultivate an inclusive, adaptable, and high-performing workforce equipped to meet evolving business and industry needs.

We uphold the labour rights commitments through various programmes

- Equal & Fair Remuneration
- Adherence to working hours
- Grievance Redressal Mechanism
- Labour Welfare Initiative
- Rights to Worker Representation
- Ensuring leave entitlement
- Monitoring & Reporting of Labour Rights Violations
- Health & Safety Training & Awareness programme

Fair and Competitive Compensation

We regularly assess our compensation practices to ensure they remain competitive, equitable, and responsive to evolving workforce needs. As part of this process, we undertake salary benchmarking exercises that evaluate compensation levels against industry standards and relevant living wage considerations. Insights from these assessments inform remuneration decisions and salary adjustments, helping us maintain compensation structures that support employee well-being while remaining aligned with market practices. Building on this approach, we are integrating living wage assessments into our annual compensation review process. This will enable us to further strengthen our remuneration framework, validate existing practices, and identify opportunities for continuous improvement across our operations.

[83]GRI 405-2

Strategic Excellence in Compensation Practices

Manpower costs represent **19%+** of revenue, among the highest levels within the sector, reflecting our continued investment in our workforce.

100% Global FTEs above **Living Wage** benchmark.

Leave encashment benefits are provided in accordance with our policies

Gratuity is provided as a separate employee benefit and is not included in employees' CTC

Workmen's wages remain among the highest in the industry, with average annual earnings of approximately **₹ 9 Lakh per employee** (~ **₹ 75,000 per month**)

Monitoring Working Hours

We maintain processes to monitor working hours and manage overtime in line with applicable legal and regulatory requirements across its operations. Employees are compensated for overtime work in accordance with location-specific laws and our policies, ensuring fair and transparent remuneration for additional hours worked. To strengthen oversight and compliance, we utilise digital attendance and workforce management tools, enabling accurate tracking of working hours while supporting employee well-being and operational efficiency.

Equal Remuneration, Pay Equity, and Workplace Dignity[84]

We periodically review gender pay indicators and compensation data across employee categories to assess pay equity and identify any areas requiring attention.

Our assessments cover both fixed and variable compensation elements across management and non-management employee groups. Through regular monitoring and governance oversight and continuous assessment of average salaries across genders for base pay and additional cash incentives, we strive to ensure that compensation decisions remain fair, transparent, and aligned with regulatory requirements, while supporting equal opportunities for growth and advancement for all across the organisation. We expand social protection coverage for workers beyond public programmes.

Employees undergo regular training on our Code of Conduct & Ethics and on workplace discrimination and harassment prevention. Our gender-neutral POSH (Prevention of Sexual Harassment) policy is reinforced through periodic sensitis ation workshops and a trained Internal Committee to uphold dignity and safety across the organisation.

Employee Voice and Worker Representation

Maintaining constructive dialogue with employees and their representatives is an important aspect of our labour management approach. We engage with worker representatives through structured forums, collaborative initiatives, and regular interactions to discuss workplace conditions, employee welfare, operational matters, and opportunities for improvement.

Union meetings provide a platform for collaboration between management and worker representatives on matters relating to productivity, workplace practices, and employee concerns. Feedback received through these discussions helps inform actions aimed at improving working conditions and employee well-being. For example, feedback on the demanding nature of warehouse work prompted management to pledge a thorough investigation into the issue and explore solutions such as hardship allowances.

The Grievance Redressal Committee meets quarterly, providing employees with a formal mechanism to raise concerns related to wages, overtime, work assignments, workplace conditions, and non-harassment matters. In addition, leadership teams conduct regular Gemba walks across operational sites, enabling direct engagement with employees, discussion of workplace challenges, future work phases, and identification of improvement opportunities.

Digital tools, including the i-App Face Reader system, further support transparency in monitoring working hours and workforce management. Together, these channels strengthen employee participation, reinforce trust, and promote continuous improvement across our operations.

[84]GRI 202-1, GRI 405-2, GRI 2-30, GRI 403-4

Beyond Social Protection

We provide benefits that extend beyond statutory requirements to support the well-being of people and their families. In India, health insurance coverage is extended to all workers' dependents, including parents and children, helping strengthen financial protection and access to healthcare. These benefits complement our broader employee welfare framework, which is designed to support workforce well-being, enhance employee security, and contribute to a positive workplace experience.

Leave and Work-Life Balance

Our leave policies are designed to support employees in balancing their professional and personal responsibilities while encouraging them to utilise their annual leave entitlements. To promote effective leave utilisation, we implement proactive leave management practices, including leave balance monitoring, periodic reminders, planning discussions with managers, and flexible arrangements where feasible. We have introduced a hybrid working policy to facilitate work flexibility. These measures help employees take adequate time away from work, supporting their overall health, well-being, and work-life balance.

Human Rights Commitment[85]

We hold ourselves to a clear standard on human rights, covering fair treatment, safe working conditions, and non-discrimination for our own workforceand extending the same expectations across our supply chain. That extension matters because of how the business operates: unmonitored sourcing in this industry carries risks relating to forced and underage labour, unfair wages, and discriminatory practices, and operating across multiple geographies means our responsibility extends to workers we do not directly employ. Our Human Rights Policy reflects this reality and is benchmarked against globally recognised standards, including the Universal Declaration of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work.

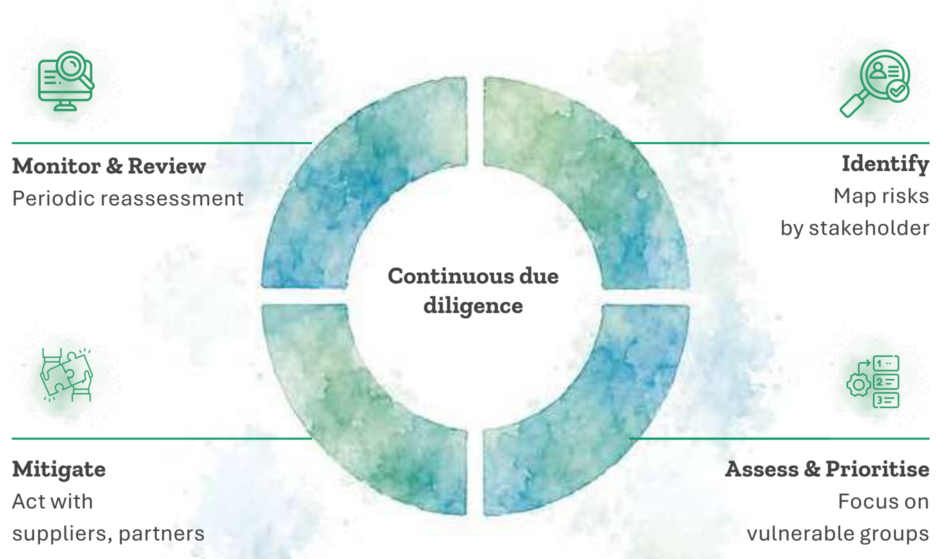
As a signatory to the UN Global Compact (UNGC), we treat this as an active commitment. The policy sets a zero-tolerance standard on forced labour, child labour, fair wages, and discrimination, equally applicable to employees, contractual staff, vendors, and suppliers. Partners across the value chain are held to the same expectations, with grievance mechanisms required to ensure that issues are identified and resolved before they escalate.

Internal audits, site visits, and a structured vigilance mechanism are in place to actively identify violations and ensure compliance with the law. The full policy is available here: https://www.strides.com/Upload/PDF/Strides-human-rights-policy.pdf

Human Rights Due Diligence Process

Coverage areas :

- Forced labour
- Child labour
- Discrimination
- Working conditions
- Human trafficking
- Freedom of association
- Collective bargaining
- Equal remuneration



We recognise that our decisions can have a direct impact on the rights, livelihoods, and working conditions of those connected to our activities, which is why human rights are embedded into the way we assess risks and make business decisions. Our human rights due diligence helps us understand where risks may arise in our operations, supply chain, and new business relationships (including mergers and acquisitions), so we can identify issues early and take action where it matters most. We pay particular attention to people who may be more vulnerable to human rights impacts, including our employees, women, migrant workers, children, third-party workers, and local communities. Regular internal and external assessments help us understand how well our controls are working and where further action is needed.

[85]GRI 408-1, GRI 409-1

Respect for human rights is integral to our responsibility as a pharmaceutical company. International frameworks have raised the standard for how businesses are expected to address human rights impacts, and we see that as an opportunity to strengthen the way we operate. Our approach is shaped by ongoing engagement with suppliers, workers, local communities, and civil society organisations, whose perspectives help us identify emerging risks that may not be visible through formal assessments alone.

This approach is formalised by embedding human rights risks within our Enterprise Risk Management (ERM) framework and double materiality assessment process, which enables us to identify, assess, and manage actual and potential impacts on people alongside business-related risks. Our double materiality assessment, including the associated risk mapping, is reviewed once every two years to ensure emerging and evolving human rights risks across our operations and value chain continue to be captured and addressed.

Our due diligence processes include assessing and identifying potential risks within our operations, evaluating our value chain and related business activities for human rights concerns.

In addition, we expect our vendors, suppliers, and business partners to adhere to the principles outlined in the Strides Vendor Code of Conduct, which incorporates key human rights expectations and standards. Suppliers and business partners are required to comply with these requirements as part of their engagement with Strides. All our business agreements and contracts emphasise compliance with all applicable laws, which include respecting and upholding relevant human rights obligations.

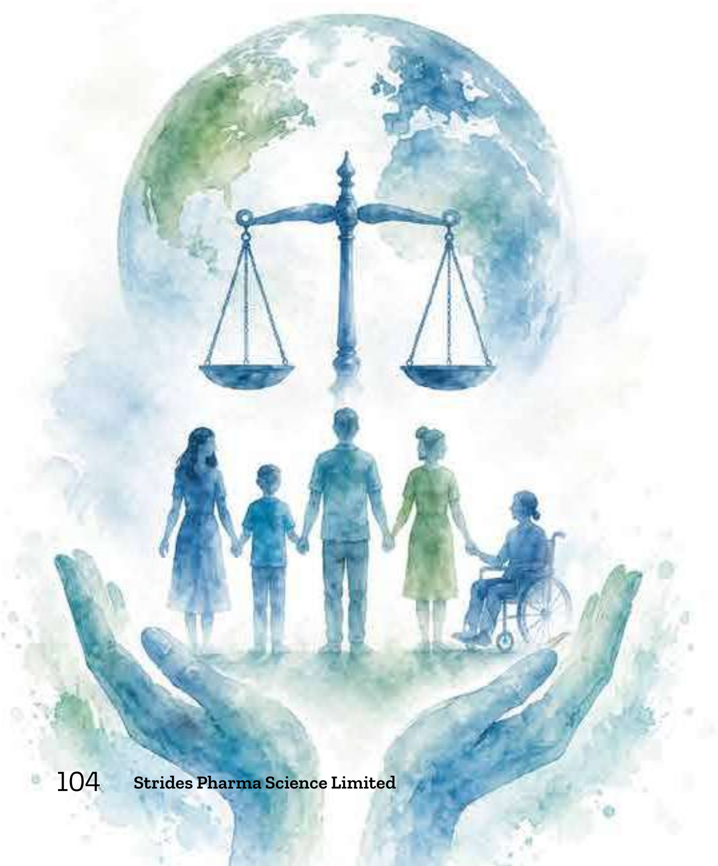
As we expand into new markets and business relationships, our human rights risk profile continues to evolve. Our due-diligence process also includes scrutinising new business relationships such as mergers, acquisitions, and joint ventures, to ensure emerging risks are identified early and mitigation measures remain effective.

Issues covered are forced labour, child labour, discrimination, working conditions, human trafficking, freedom of association, the right to collective bargaining, and equal remuneration. By continually strengthening these processes, we aim to build a business that respects human rights through the decisions we make every day.

Human Rights Assessment

During the reporting year, we expanded our Human Rights Risk Assessment from India to our global sites, building on full coverage of operations in India achieved last year. Last year, our assessment also covered 63.3% of contractors and Tier 1 suppliers, extending our view of human rights risks beyond our own operations. This approach will be extended progressively to key suppliers and business partners, reflecting our understanding that human rights risks exist across the wider ecosystem that supports our operations.

Human Rights Impact Assessment Framework



Critical Human Rights

Equality, inclusion & non-discrimination; Fair wages & remuneration; Human capital development; Safe & humane working conditions; Work-life balance

Essential Human Rights

Fair appraisals & career progression; Freedom of speech, expression & opinion; Human rights governance; Family life; Freedom of association

Relevant Human Rights

Social security; Self-determination & freedom to work; Co-ownership & recognition of IP assets; Participation in public life

Fundamental Human Rights

Protection from inhumane treatment; Dignity & self-respect; Privacy

The assessment covered areas that directly impact employees and workers, including prevention of child labour and forced labour, occupational health and safety, EHS, fair wages and working hours, equal opportunity, remuneration, freedom of association, prevention of harassment, discrimination, grievance mechanisms, non-retaliation practices, disciplinary actions, and responsible management systems[86]. The evaluations were conducted against internationally recognised principles, including SA 8000 social management requirements, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights (ICCPR), and relevant ILO conventions.

To maintain independence and credibility, the assessment was carried out by an external assessor. The assessment did not identify any significant human rights risks or non-conformities across the locations evaluated.

100%
Of key global locations covered in 2026

Zero
Actual Human Rights Risk identified across operations and contractors

63.3%
Of our contractors/Tier 1 supplier were included in Human Rights Impact Assessment

Human Rights Mitigation and Remediation

A vigilance mechanism is built into our governing policies, and a standard of full compliance with applicable law upheld across every site. This foundation is tested regularly rather than assumed, through internal audits and site visits covering child labour, forced or involuntary labour, sexual harassment, workplace discrimination, and minimum wage standards, with zero tolerance toward violations in any of these areas. Every site carries this forward through our Code of Conduct and human rights training, so that expectations are set before issues have a chance to arise.

Complaints are met with the same rigour and handled in confidence, supported by measures built to resolve real impact rather than simply record it. Employees have several channels through which to raise concerns:

Raising a concern

- **Ethics email:** Grievances can be submitted directly to the Group HR Head at ethics@strides.com. Our human rights policy and whistle-blower policy are both publicly available on our website.
- **Helpdesk:** Calling 1800 270 1020 allows employees to raise queries or report concerns to senior management or the Board, with responses provided within a defined timeline.
- **Direct escalation:** Employees can directly reach out to the CHRO or the relevant business head with concerns or queries.
- **General feedback:** A separate mechanism exists for employees to share feedback on matters beyond formal complaints.
- **PoSH support:** Contact details for Prevention of Sexual Harassment support are displayed at every workplace.

Extending the same standard to suppliers

- **Compliance management:** Suppliers are contractually required to uphold human rights standards for their workers, with zero tolerance toward deviations.
- **Vendor capacity-building:** Our Vendor Management Programme includes ESG-focused workshops for critical suppliers, helping them align with our human rights and ethical standards.

[86] GRI 409-1

What happens once something is reported?

- **Protection against retaliation:** We have zero tolerance toward retaliation or reprisal of any kind against anyone reporting a concern in good faith. Identity is kept anonymous, and reports are handled promptly and in line with our policies.
- **Disciplinary action:** Reported incidents are investigated, and appropriate disciplinary action is taken based on the severity of the violation, to the extent permitted by law.

We conduct periodic human rights due diligence and impact assessments to monitor our operations and ensure risk safeguards remain effective. To mitigate human rights risks related to employee wellbeing and working conditions, the organisation has implemented several support mechanisms including Employee Assistance Programmes (EAPs), meal and transportation support, and an employee performance dashboard. Recognising risks specific to working mothers, lactation facilities have been established at all factory locations in India where young mothers are employed, either within crèches or as standalone facilities, along with flexibility for mothers to attend to their children's nutritional needs. To reduce risks associated with work-life imbalance, a Flexi Work Policy was introduced, offering flexible timings across time zones, part-time options in select locations (compliant with local regulations), and work-from-home arrangements. Together, these actions reduce the likelihood of adverse impacts on employee welfare, gender equity, and working conditions identified in our human rights impact assessment

Some observations from the mitigation plans on potential risks for the organisation:

Potential Risks	Stakeholders	Severity	Remediation/Mitigation Plan	Priority of Implementation
Human Capital Development	Employee & workers	High	**Work-life balance:** Offering flexible hours and strictly voluntary overtime so employees retain control over their personal schedules and prevent burnout. **Fair wages and remuneration:** Benchmarking market salaries regularly to maintain clear, competitive, and unbiased compensation across all roles. **Fair appraisal and career progression:** Refining performance reviews to eliminate bias and opening transparent career growth tracks for long-term development. **Equality and non-discrimination:** Fostering a diverse workplace backed by responsive grievance channels to resolve discrimination swiftly. **Health, overtime, and recreational time:** Supporting day-to-day morale through updated leave policies, active wellness programmes, and team engagement activities.	Concurrent

Potential Risks	Stakeholders	Severity	Remediation/Mitigation Plan	Priority of Implementation
Forced Labour	Employees & Workers, Vulnerable community	Low	**Regular audits:** Regular reviews of employment practices and supply chain operations to identify and prevent potential involuntary labour issues. **Training & awareness sessions:** Targeted sessions to help internal teams and external partners identify, monitor, and report forced labour risks effectively. **Direct escalation:** Open reporting channels via a dedicated ethics helpline, direct email (ethics@strides.com), or on-site escalation through facility managers, HRBPs, and supervisors.	Concurrent
Child Labour	Workers, Employees, Contractors & partners	Low to Medium	**Labour management systems:** Implementing structured labour management systems to actively monitor workforce demographics and prevent child labour practices. **SOPs/guidelines:** SOPs establish confidential reporting channels for swift escalation of any potential incidents or concerns. **Training:** Regular awareness programmes to educate teams and partners on labour regulations and human rights reporting mechanisms. **Monitoring & reporting:** Periodic labour compliance reports are directly submitted to the compliance officer to ensure continuous transparency.	Concurrent
Equal Remuneration (Right to fair wages)	Employees, workers & contractors	Low	**Gender pay analysis:** Periodically assess gender pay metrics and implement corrective measures, where required, to promote pay equity across comparable roles and responsibilities. **Fair wages:** Continue conducting periodic market benchmarking and compensation reviews to maintain fair, equitable, and competitive salary structures aligned with industry standards and workforce needs. Ensure all employees receive remuneration above relevant living wage benchmarks. **Employee handbook** with a contractual clause on unbiased and anti-discriminatory practices.	Concurrent
Discrimination (Right to fair appraisal & career progression)	Workers, Partners & Vulnerable Community	Low	**Policy guidelines:** Non-discrimination standards, fair appraisals, and career progression are guided and enforced through our human rights policy, employee handbook, and code of conduct. **Training & safeguards:** Regular inclusivity sessions and PoSH (Prevention of Sexual Harassment) training are conducted, supported by an established grievance redressal mechanism to handle issues promptly. Employees receive training on our Code of Conduct and business ethics, which covers discrimination and harassment among other topics, along with broader awareness programmes that reinforce ethical conduct across the organisation. **Performance appraisal linkage:** Completion of mandatory anti-discrimination training has been directly linked to employee performance evaluations to drive accountability.	Concurrent

Strides has not caused nor contributed to any human rights violation during the year. Active mitigation plans and implementation timelines are established across 100% of our operational sites. Human rights training and awareness sessions have been conducted during the year to help teams recognise sector-specific risks and apply effective mitigation.

Fostering a Culture of Safety

Material Topics[87]

Health & Safety

Occupational Health and Safety

We are dedicated to fostering a work environment that is safe, healthy, and resilient across all our locations and operations. We continuously strive to upgrade our infrastructure, refine our work practices, and shape behaviours that safeguard the health and well-being of every individual on our premises.

Our commitment extends beyond our own workforce. We actively encourage safe, healthy, and environmentally responsible practices among our contractors, suppliers, and vendors who form an integral part of our value chain[88].

In FY26, we recorded over 6.2 Million and 3 Million work hours by employees and contractors respectively, with 0 fatalities or high-severity injuries. During this period, there were 8 recordable injuries. The Lost Time Injury Frequency Rate (LTIFR) was 0.16 for employees.

These results demonstrate our steadfast commitment to achieving the Zero Injury goal, ensuring no harm to people, property, or the environment, even as we continue to grow and scale our operations[89].

Policy Commitment & Guidelines

Anchored in our Environmental, Health and Safety Policy framework (EHS policy), we work to safeguard people and the environment while continuously driving improvements across our operations. The policy applies to every employee, worker, contractor, supplier, and key business partner across our global footprint encompassing manufacturing sites, research facilities, distribution centres, and corporate offices[90].

Its scope extends across the full spectrum of our pharmaceutical: products & services, research & development, manufacturing, storage, waste management, and transportation activities. The EHS policy is comprehensive in its reach, covering employees, contractors, and every individual operating under our supervision.

A defining feature of the policy is the meaningful involvement of workers and their representatives in the design, review, and continuous strengthening of our safety systems. Our EHS policy is publicly accessible on our website under the Strides' EHS policy framework.

Alongside this overarching commitment, we have built out a structured library of Corporate EHS Guidelines and Site-level Standard Operating Procedures (SOPs) that translate policy intent into operational practice. We have, for instance, developed a dedicated SOP to assess and control health risks for employees engaged in pharmaceutical manufacturing, a procedure that ensures the deployment of industrial hygiene controls to protect our workforce from potential health hazards.

These procedures collectively form the operational backbone of our Occupational Health and Safety Management System. They cover hazard identification, risk assessment, emergency preparedness, industrial hygiene, chemical handling, hearing conservation, incident reporting, waste handling, contractor safety, environmental protection, and employee health surveillance. The system is designed to ensure that EHS expectations are embedded into daily operations and applied consistently applied across employees, contractors, visitors, and personnel working under Strides' supervision.

[87]GRI 3-3
[88]GRI 403-8
[89]GRI 403-9
[90]GRI 403-8

OHS Governance

Tier 1: Board of Directors and Leadership

The governance framework for overseeing this policy is anchored in the leadership and strategic guidance of the organisation's highest governing body, supported by the board-level Risk Management and Sustainability Committee (RM&SC). The Committee operates with a defined mandate to ensure that all sustainability initiatives are aligned with the organisation's core values and strategic priorities, while also addressing regulatory requirements and stakeholder expectations.

Tier 2: The EHS Management Team

The team is responsible for driving the effective implementation of the EHS policy framework across the organisation, including the periodic updating of SOPs and continuous monitoring of compliance across all sites. The team also plays a critical role in risk management by conducting regular risk assessments and audits, ensuring timely reporting of incidents, and actively participating in investigations and corrective actions. In addition, they design and deliver EHS training programmes, ensuring that employees are well-equipped and prepared to respond effectively to emergency situations.

Tier 3: Site-Level Management

At the site level, managers and supervisors are accountable for ensuring day-to-day adherence to EHS SOPs, proactively monitoring operations for potential risks, and enforcing the proper use of personal protective equipment (PPE). They oversee incident reporting processes, ensure effective closure of corrective actions, and coordinate emergency response efforts. They also promote a culture of safety by encouraging employee awareness and active participation in EHS initiatives. Employees, in turn, are responsible for complying with all EHS guidelines, consistently using appropriate PPE, and promptly reporting any hazards or unsafe conditions. They are expected to actively participate in training sessions, emergency drills, and safety programmes, thereby contributing to maintaining a safe and healthy workplace.

Where applicable, airborne API and dust exposure monitoring is conducted to evaluate workplace conditions against defined exposure limits, product-specific hazard information, MSDS requirements, internal control bands, and applicable regulatory expectations. Dust exposure assessments are supported by workplace inspections, process reviews, task observations, health surveillance inputs, and incident or near-miss analysis.

Engineering controls are prioritised to reduce exposure at source, including enclosed processing equipment, dust extraction systems, local exhaust ventilation (LEV), air handling units, controlled ventilation systems, dispensing or sampling booths, and preventive maintenance of critical ventilation infrastructure. Where residual exposure risk remains, respiratory protection and task-specific PPE are provided, supported by training on correct use, maintenance, storage, and replacement.

Exposure management is reviewed through EHS inspections, occupational health surveillance, audit findings, incident investigations, and corrective action tracking to ensure that workplace exposure controls remain effective and continuously improve.

Facility-Wise Oversight

Each of our manufacturing facilities is supported by a dedicated Site Safety Committee that oversees health and safety management on the ground. Chaired by the Plant Head and constituted with 50% worker representation, these committees convene quarterly to evaluate prevailing practices and address pressing safety concerns. In parallel, Biomedical Committees meet biannually at every site to focus on health-specific safety issues that demand specialised attention.

Site EHS Heads directly report to the Functional EHS Head, who, in turn, provides strategic guidance on the implementation of the Strides EHS Policy, the performance of OHS Management Systems, and the closure of key outcomes flowing from committee meetings.

Our comprehensive OHS management system covers all employees across our manufacturing sites, along with the contractual workforce engaged at every unit. Capital expenditures (CAPEX) are deliberately allocated to support effective execution of our OHS plans, providing the resources required for on-the-ground implementation. This systematic, well-resourced approach ensures that OHS risks are mitigated through structured, measurable, and integrated initiatives.

Our governance commitment, therefore, operates on **three layers:**

Organisational Commitment via EHS Policy → Corporate EHS Guidelines → Site-Level Standard Operating Procedures & Guidelines

Oversight and Responsibility Division

Level	Type of EHS Oversight	Responsibility	Frequency of Meeting
1	Regulatory Compliance Oversight	CEO	Monthly
2	Operational Oversight	COO	Quarterly
3	Operational Oversight	EHS Head and Operations Head	Monthly
4	Site-Level Oversight	Plant Heads	Monthly

Our Certification

Our proactive philosophy is reinforced by external validation: KRSG, Bengaluru, Chandapura, and Puducherry hold ISO 45001 certification. In addition to ISO 45001 certification, our health and safety systems are supported by statutory compliance mechanisms under applicable Indian laws, including the Factories Act, Electricity Act, boiler licensing requirements, hazardous waste authorisations, petroleum and explosives approvals, and other site-specific regulatory obligations.

Audit and Compliance Oversight

To uphold the highest standards of safety and compliance, we conduct regular internal and external audits across critical operational domains.

Our audits span the full spectrum of high-risk operational areas covering confined space entry, compressed air and gas systems, Personal protective equipment (PPE), chemical storage and hazardous material disposal, critical documentation (including manuals, training records, SOPs, and material safety data sheets), electrical safety, work permit, lockout & tagout protocols, occupational health centres, fall prevention, and emergency management.

Beyond purely technical reviews, we also evaluate workplace conditions, human rights practices, ethical business conduct, and adherence to environmental, health, and safety regulations. These assessments anchor accountability, transparency, and ongoing improvement keeping us aligned with leading practices and statutory requirements.

To safeguard full statutory compliance, our CEO who was also the Occupier as of 31st March 2026,, formally oversaw adherence to applicable regulatory standards. Reinforcing this commitment, we conduct rigorous Environmental, Health, and Safety (EHS) compliance audits that strengthen our regulatory posture and operational integrity.

Audits Quick Summary:

16 Total number of internal audits completed

2 Total number of working conditions audits conducted

18 Total number of external audits completed

15 Total number of focused/specialised audits conducted

Internal Audits

At Strides, internal audits are systematically conducted to ensure strict adherence to safety procedures and industry standards. These audits cover critical operational areas such as chemical storage, hazardous waste management, PPE maintenance, and inspections of safety equipment, compressed gas systems, emergency devices, operational documentation, and training records. They also extend to verifying compliance with Standard Operating Procedures (SOPs), Material Safety Data Sheets (MSDS), and evaluating workplace practices related to human rights and responsible business conduct. Each audit concludes with a detailed review of findings, supported by corrective actions and documentation, to ensure ongoing compliance with environmental, occupational health, and safety requirements. Statutory EHS and safety audits are conducted annually for major plants and biennially for smaller facilities.

External Audits

External audits play a vital role in reinforcing Strides' commitment to high standards of safety, quality, and compliance by providing independent assessments. The organisation closely collaborates with external auditors to conduct comprehensive evaluations, including ISO 45001 audits, customer-specific reviews, and statutory compliance checks. This involves ensuring that all necessary documentation is readily available and facilities are prepared for thorough examination. Insights from external audits are promptly addressed and integrated into a continuous improvement cycle. Through these practices, Strides ensures alignment with regulatory requirements and industry benchmarks, strengthening operational excellence and compliance.

Training, Awareness, and Capability Building

At Strides, training and awareness form the backbone of our safety culture, ensuring that every individual on our premises is equipped to identify, assess, and manage workplace risks. We operate against a structured Annual Training Calendar that captures all OHS training requirements, supplemented by role-specific certification programmes such as first aid and emergency response delivered by accredited external agencies at defined intervals. Every new joiner is required to complete Safety Induction Training and job-specific EHS training before assuming their role, while existing employees, contractors, and suppliers receive continuous reinforcement through targeted awareness sessions across all our operational sites[91].

Our capability-building approach is designed to address both general workplace safety and role-specific occupational health risks. Employees working in API handling, powder-handling, solvent-handling, laboratory, warehousing, and manufacturing areas receive awareness on occupational exposure management, including airborne API exposure risks, dust generation, safe use of ventilation and local exhaust ventilation systems, correct use of respiratory protection, applicable exposure limits, MSDS requirements, PPE selection, housekeeping expectations, and early reporting of exposure-related symptoms or unsafe conditions.

This preventive approach also extends to ergonomics and musculoskeletal risk management. Employees are sensitised on safe posture, workstation practices, repetitive motion risks, manual handling techniques, and early reporting of discomfort or musculoskeletal symptoms. These awareness efforts support proactive identification of ergonomic concerns and enable timely interventions such as workstation adjustments, task rotation, use of mechanical handling aids, improved material movement practices, and reinforcement of safe working methods.

Category	Focus Areas/Topics Covered[92]
Leadership & Governance	OHS Policy and Leadership; Statutory and Regulatory Compliance
Risk Management & Safety Systems	Hazard Identification, Incident Investigation, Permit to Work System, Contractor Safety, and Contractor Management
Emergency & Resilience Planning	Emergency Planning, Business Continuity Planning, and Fire Prevention
Operational & Workplace Safety	Machine Guarding, Machinery Safety, Equipment Management, and Electrical Safety
Health & Wellbeing	Health Surveillance, Ergonomics and Employee Wellbeing, and Industrial Hygiene

Anchored in our EHS policy commitment to equip employees, contractors, and stakeholders to understand and mitigate EHS risks, this integrated training architecture resulted in more than **61,000+ man-hours** of safety training delivered during the year building the technical knowledge, behavioural discipline, and shared ownership that underpin a resilient and proactive safety culture.

[91]GRI 403-4,
[92]GRI 403-5

OHS Management System[93]

Strides remains steadfastly committed to nurturing a workplace that is safe, healthy, and environmentally responsible. Our approach centres on the proactive identification and mitigation of Environmental, Health, and Safety (EHS) risks across our operations, while ensuring uncompromising adherence to all applicable laws and regulations. Our framework brings together day-to-day operational safety with a robust state of preparedness for emergencies and crisis situations, recognising that resilience is built not only through prevention, but also through readiness.

1. Governance, Compliance, and Assurance

Strides maintains a strong governance framework to ensure full adherence to regulatory and statutory requirements. This includes continuous compliance monitoring by dedicated teams, structured mechanisms to track and incorporate evolving regulatory updates, and regular internal as well as external audits. These processes help identify gaps, mitigate risks, and drive corrective actions, ensuring that operations remain aligned with applicable laws and global standards[94].

2. Stakeholder Engagement and Transparency

Active stakeholder engagement is a key pillar of Strides' EHS approach. Employees are encouraged to participate through feedback mechanisms, safety committees, and reporting systems, fostering a culture of ownership and accountability. Externally, the organisation collaborates with regulators, local communities, and industry bodies to align with best practices and contribute to shared environmental, health, and safety objectives.

3. Ergonomics Programme

We integrate ergonomics into our occupational health and workplace safety management approach to reduce musculoskeletal risks and improve employee wellbeing.

The programme includes workstation assessments, repetitive motion assessments, and manual handling risk assessments across manufacturing, packaging, warehousing, laboratory, and office activities.

Workstation assessments evaluate posture, working height, reach distance, seating, lighting, layout, and equipment positioning. Repetitive motion assessments address tasks involving repeated hand, wrist, arm, or shoulder movements, while manual handling assessments evaluate lifting, pushing, pulling, carrying, stacking, and material movement risks.

Based on assessment outcomes, ergonomic interventions may include workstation redesign, task rotation, work-rest scheduling, use of trolleys and mechanical handling aids, improved storage arrangements, seating improvements, equipment modification, and employee training on safe posture and manual handling.

The effectiveness of interventions is reviewed through workplace inspections, worker feedback, health surveillance inputs, and incident analysis.

4. Workplace Safety and Occupational Health Management

A comprehensive approach to occupational health and safety is implemented across all sites, focusing on proactive risk identification and mitigation. Workplace risk assessments address chemical, biological, and mechanical hazards, supported by site-level guidelines and standard operating procedures that standardise safe practices. Employee well-being is further reinforced through health surveillance programmes, provision and training on appropriate PPE, and systems for reporting and managing incidents and near misses. Additionally, behavioural safety initiatives and occupational health Programmes, including mental health and stress management[95], contribute to building a holistic safety culture[96 97].

5. Risk Assessment and Work Authorisation Systems

A proactive risk management approach is embedded through the Hazard Identification and Risk Assessment (HIRA) framework, which systematically identifies hazards, evaluates risks, and defines appropriate control measures based on a hierarchy of controls. This is further strengthened by the Permit to Work system, which establishes strict conditions for safely carrying out high-risk activities by clearly outlining the scope of work, required equipment, protective measures, and necessary precautions[97].

[93]GRI 403-1
[94]GRI 403-1
[95]GRI 403-6
[96]GRI 403-3, GRI 403-10
[97]GRI 403-2

6. Operational Safety and Equipment Management

Operational safety is reinforced through documented procedures, preventive maintenance, and routine inspections covering critical equipment, utilities, fire protection systems, compressed gas cylinders, machinery, boilers, chillers, air compressors, DG sets, and material-handling equipment.

These controls address key operational hazards such as mechanical injury, electrical risks, hot surfaces, pressure systems, fire, static charge, dust explosion, chemical exposure, and noise.

Procedures for compressed gas cylinders address safe storage, transport, handling, and use, while fire protection protocols ensure proper selection, placement, inspection, and maintenance of extinguishers, hydrants, hose reels, sprinklers, foam monitors, alarms, and detection systems.

Critical equipment is further protected through machine guarding, interlocks, emergency stop systems, earthing and bonding, preventive maintenance, and competent-person inspections where applicable.

High-risk and non-routine activities are controlled through Permit to Work and Lockout-Tagout systems, ensuring appropriate risk assessment, isolation, PPE, supervision, and post-work verification.

Operational safety is also supported by spill kits, MSDS availability, restricted access, trained operators, workplace inspections, contractor controls, and corrective action tracking.

7. Emergency Preparedness and Incident Response[98]

Strides maintains a comprehensive emergency response system designed to effectively manage unforeseen events such as fires, chemical spills, medical emergencies, natural disasters, or explosions. This structured approach ensures timely and coordinated actions to minimise potential harm to people, property, and the environment, while enhancing organisational resilience. At site level, emergency preparedness is supported by structured disaster management and emergency response teams. These include the site controller, incident controller, combat team, rescue team, medical team, auxiliary team, security team, and maintenance team, with defined responsibilities for incident control, evacuation, firefighting, rescue, medical response, utilities isolation, communication, and coordination with external agencies.

Evacuation procedures are defined under site-specific On-Site Emergency Plans and cover emergencies such as fire, explosion, chemical spills, toxic releases, solvent or HSD leaks, electrical incidents, and natural calamities. Emergency evacuation is initiated through sirens, manual call points, public address systems, and instructions from emergency response teams. Personnel are required to follow marked escape routes to designated safe assembly points, where roll call and headcount are conducted for employees, contractors, and visitors. Missing-person search and rescue is coordinated by designated rescue teams under the incident controller. Re-entry into affected areas is permitted only after the site controller or authorised emergency leader issues the all-clear signal. Evacuation effectiveness is tested through periodic mock drills, and observations are documented for corrective action and continuous improvement.

8. Performance Monitoring, Innovation, and Continuous Improvement

Strides emphasises continuous improvement through structured monitoring and innovation in EHS practices. Key performance indicators (KPIs) are defined and tracked to measure safety, health, and environmental outcomes. We invest in new technologies and research to enhance workplace safety and operational efficiency, while also pursuing globally recognised certifications such as ISO standards to validate and strengthen its EHS systems.

9. Environmental Management and Sustainability

Strides adopts a strategic and systematic approach to environmental management, focusing on preventing contamination of soil and water resources while ensuring compliance with regulatory standards.

The framework includes environmental monitoring, assessment of system efficiency, and corrective actions based on risk severity.

[98]GRI 403-7

10. Pharmaceutical Impact on Environment

To address the environmental impact of pharmaceutical operations, Strides has implemented guidelines on Pharmaceuticals in the Environment (PIE). These provide a structured methodology to assess the Predicted Environmental Concentration (PEC) of active pharmaceutical ingredients discharged into aquatic ecosystems, enabling informed decision-making and responsible environmental risk management[99].

11. Incident Reporting

A structured system has been established for reporting Environmental, Health, and Safety (EHS) incidents. This framework ensures proper recording, analysis, and mitigation of risks, while maintaining detailed records for accountability and continuous improvement. Employees are encouraged to report unsafe conditions via the MySetu platform, helping identify root causes and implement preventive measures.

12. OHS Communication & Worker Participation and Consultation

Effective communication and training are key components of the safety framework. EHS Council meetings are conducted monthly to review performance and drive continuous improvement initiatives such as safety monitoring and leadership accountability. Regular communications also promote awareness and reinforce workplace safety practices.

13. Grievance Redressal

Suggestion boxes and the SEEK application allow employees to report concerns, including safety issues. This system ensures timely resolution of grievances and supports a secure and healthy work environment. Employees are encouraged to actively participate in safety processes and decision-making, offering feedback for improvement. Special committees, including biomedical safety committees with worker representatives, meet frequently to review safety performance. Workers are also invited to attend all safety committee meetings, promoting inclusive safety governance.

14. Noise Control

Measures are in place to monitor and control occupational noise exposure. A hearing conservation programme supports employees in high-noise areas (above 90 dBA time-weighted average), helping reduce long-term risks.

15. GEMBA (Workplace Walks)

Regular workplace inspections (GEMBA walks) are conducted to identify safety hazards and engage workers directly on the shop floor. Observations are documented, and corrective actions are implemented to improve safety standards.

Occupational Health Services[100]

Our occupational health services play a crucial role in ensuring a safe and healthy workplace by reducing risks and eliminating hazards. The main functions include:

- Assessing health and safety risks
- Encouraging worker involvement and engagement
- Enforcing safety policies and procedures
- Providing training and awareness programmes
- Conducting health surveillance and monitoring
- Promoting wellness initiatives
- Managing occupational health centres effectively
- Comprehensive health and safety initiatives

Our organisation adopts a wide-ranging approach to health and safety through multiple initiatives:

- **Regular health check-ups:** Employees undergo medical examinations every six months to track their well-being.
- **Health monitoring & preparedness:** Continuous monitoring ensures readiness for injuries or emergencies, along with rehabilitation and follow-up care.
- **Wellness programmes:** Fitness and wellness activities are promoted to foster a healthy workplace culture.
- **Training & awareness:** Internal training and partnerships with external experts help improve service quality and accessibility.
- **Data management & privacy:** Health records are securely managed by occupational health professionals, ensuring compliance with data protection standards.

[99] GRI 303-2
[100] GRI 403-3

- **Insurance coverage:** Employees are covered by policies such as medical insurance, accident coverage, and term life insurance.
- **Voluntary health services:** Additional programmes are offered to address non-work-related health concerns.
- **Events & campaigns:** Initiatives like mental health awareness, breast cancer awareness, and stress management programmes are conducted.
- **Additional wellness measures:** Hygienic canteen facilities, annual sports events, and wellness programmes led by the factory medical officer support overall employee well-being.

Our Commitment to Continuous Policy Improvement

EHS Performance Metrics: We have defined robust metrics and key performance indicators (KPIs) to evaluate our environmental impact, workplace safety, and employee health outcomes, with regular reporting to monitor progress against established targets.

EHS Innovation: Strides is committed to continuously investing in research and development to adopt innovative technologies that enhance environmental performance and strengthen occupational health and safety.

National Safety Day: Embedding a Culture of Safety Everyday

At Strides, safety is a core value that guides every aspect of our operations. National Safety Day provided an opportunity to reinforce our commitment to creating a safe and healthy workplace while strengthening employee awareness of Environment, Health and Safety (EHS) practices.

During the observance, manufacturing sites, R&D facilities, and offices conducted a series of awareness programmes, toolbox talks, safety pledge ceremonies, emergency preparedness exercises, and employee engagement activities. These initiatives focused on hazard identification, safe work practices, incident prevention, contractor safety and emergency response readiness.

The event encouraged employees to take ownership of workplace safety and fostered a proactive safety culture where risks are identified and addressed before incidents occur. Through interactive quizzes, poster competitions, and EHS training sessions, employees were reminded that safety is not merely a compliance requirement but a shared responsibility.

Our continued focus on safety is supported by robust management systems, ISO-certified processes, regular audits, risk assessments, and leadership engagement. Through these efforts, Strides remains committed to protecting the health and wellbeing of employees, contractors, and communities while maintaining operational excellence.

Stakeholder Equity

Material Topics[101]

CSR

Corporate Social Responsibility (CSR)

Building Stronger Communities[102]

At Strides, we believe that sustainable business growth must go hand-in-hand with meaningful social contribution. We recognise that our operations significantly impact the well-being of the communities we serve. Through our CSR initiatives, we remain committed to creating long-term, inclusive, and sustainable value for society.

Our CSR vision is centred on creating a positive and lasting impact within communities by addressing critical socio-economic challenges. Guided by our philosophy of innovation, quality, and continuity, we focus on delivering interventions that are not only impactful but also scalable and sustainable over time. 100% of our India Operations, are engaged with local community engagement, impact assessments, and development programs.

CSR Governance

Oversight of our CSR agenda rests with the Board of Directors. The CSR Committee guides strategic priorities, monitors implementation, and reviews programme performance, and meets periodically to review progress. Through the Strides Foundation and implementation partners, we deliver community interventions with a strong focus on transparency, accountability, and measurable impact.

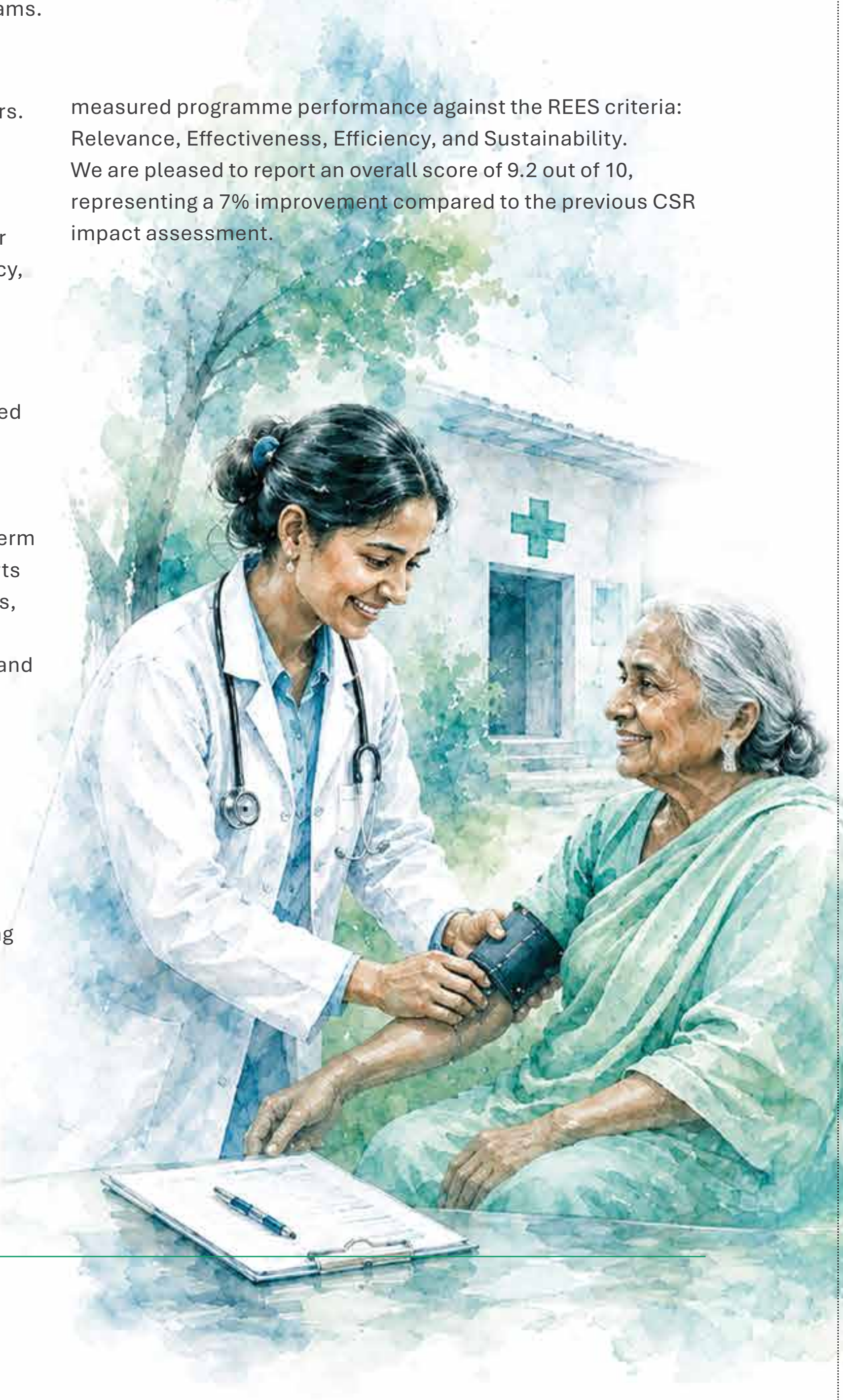
Our Approach to Community Development

Our community development programmes are closely aligned with our purpose of improving lives through responsible business practices. By strengthening access to healthcare, improving educational infrastructure, and enhancing employability, we aim to create transformational and long-term outcomes for underserved communities. We focus our efforts primarily in regions surrounding our manufacturing locations, including Bengaluru Rural (Haragadde) and Puducherry (Kalapet), ensuring that our interventions deliver sustained and localised impact.

CSR Needs and Impact Analysis

Our CSR strategy is grounded in periodic community needs assessments, enabling us to identify areas that require focused intervention. Based on this analysis, health and hygiene, education, employability and livelihood, and community welfare have emerged as priority areas for driving meaningful impact.

To evaluate the impact of our initiatives, we voluntarily conducted a third-party assessment of our programmes for the period from 2020 to 2023, conducted by Social Audit Network India (SAN India) in accordance with the Social Accounting and Audit (SAA) framework. The assessment measured programme performance against the REES criteria: Relevance, Effectiveness, Efficiency, and Sustainability. We are pleased to report an overall score of 9.2 out of 10, representing a 7% improvement compared to the previous CSR impact assessment.



[101] GRI 3-3
[102] GRI 413-1

Our Focus Areas

Our CSR initiatives are structured across three core pillars under community welfare:

Our CSR Initiatives

Health & Hygiene Programmes

We aim to improve access to quality healthcare services while promoting preventive and curative care. Through integrated healthcare initiatives, we address both immediate medical needs and long-term community health outcomes.

Educational Initiatives

We focus on strengthening educational infrastructure and improving learning outcomes through initiatives such as *Vidyadhama* – Strides Model Government Higher Primary School, which became operational in FY26 and is designed to benefit over 400 students.

Employability and Livelihood

Our livelihood initiatives are designed to enhance employability among underserved populations through skill-building programmes, with a strong emphasis on inclusivity and long-term economic empowerment.

Pillar I: Health & Hygiene Programmes

Healthcare continues to remain a cornerstone of our CSR strategy. Through our Integrated Healthcare Facility – *Arogyadhama*, we provide primary, preventive, promotive, and curative healthcare services to communities in Bengaluru Rural.

FY26 Highlights

14,228
Patients treated at *Arogyadhama*

552+
Patients newly diagnosed and treated for chronic conditions

700+
Individuals screened for tuberculosis and other diseases

Enhanced collaboration
with government healthcare systems

Our initiatives also include sanitation infrastructure development and access to safe drinking water, improving overall community health and quality of life.

Our key interventions under this pillar include:

Diagnosis & Free Consultations

- Delivered healthcare services to 96,000+ individuals over the past decade, reaching 10,000+ beneficiaries annually across 12 villages.
- Provided access to diagnostics, specialist consultations, pharmacy support, and preventive, promotive, and curative healthcare services through a well-equipped healthcare facility.

Management of Non-Communicable Diseases (NCDs)

- Conducted door-to-door screenings covering 22 key health parameters to support early detection and management of NCDs.
- Enabled access to counselling, medication, and government welfare schemes, including Ayushman Bharat and disability support programmes.

Safe Drinking Water & Community Infrastructure

- Installed multiple RO plants, atmospheric water generators, and borewell infrastructure to improve access to safe drinking water.
- Reduced the incidence of water-borne diseases through reliable potable water access, regular quality monitoring, and sustainable community ownership.

Enhanced Healthcare Access & Community Health Management

- Strengthened healthcare access in underserved communities through mobile health units and community health workers.
- Improved early diagnosis, preventive care, and continuous health monitoring through an integrated community healthcare model.

Dental & Eye Care Services

- Expanded access to specialised dental and eye care through dedicated clinics and periodic health camps.
- Improved early identification and treatment of vision and oral health conditions, enhancing overall well-being and productivity.

Pillar II: Education Initiatives

The operationalisation of Vidyadhama School in FY26 marks a significant milestone in our education efforts. The school supports quality education delivery with improved infrastructure and learning environments.

FY26 Impact

305
Students currently benefitted, with capacity for 400+

668
Students covered under LeAPS programme

Our key interventions under this pillar include:

Leadership Adoption Programme for Schools (LeAPS)

- Delivered a year-long life skills and leadership development programme for government school students since 2013, integrated into the school curriculum.
- Combined life skills education with academic support, exam preparation, and career guidance to strengthen confidence, critical thinking, and decision-making skills.

Infrastructure Development

- Transformed a primary school in Muthanallur through comprehensive infrastructure upgrades, including an assembly, dining hall, stage, and improved sanitation facilities.
- Enhanced the learning environment and school usability, benefiting students, teachers, parents, and the wider community.

Enhancing Early Childhood Care

- Established a modern Anganwadi centre in Medahalli village to support early childhood education, nutrition, and care.
- Created a safe and inclusive space equipped with an activity hall, kitchen, storage facilities, and play area, benefiting children, pregnant women, and new mothers.

Vidyadhama

- Developed the Vidyadhama – Strides Model Government Higher Primary School in Haragadde to provide a safe, inclusive, and conducive learning environment.
- Created model school infrastructure designed to strengthen academic and co-curricular learning outcomes and enhance student engagement.

Vocational Training

- Partnered with Tata Institute of Social Sciences (TISS) to deliver a BVoc Programme in Pharmaceutical Manufacturing in Puducherry.
- Combined classroom learning with practical industry training to equip disadvantaged youth with job-ready skills and improve employability through successful completion and placement outcomes.

Pillar III: Employability and Livelihood

We continue to strengthen employability through targeted skill development Programmes.

FY26 Impact

100%
Placement success achieved in vocational training batches

Focus on inclusion,
with programmes benefiting vulnerable and marginalised groups

Employee Engagement and Volunteering

We actively encourage employees to participate in CSR initiatives, fostering a culture of responsibility and community engagement.

FY26 Highlights

100+
Units of blood donated

24 donation kits
contributed under the "Joy of Giving" initiative

Employee participation strengthens organisational culture, enhances collaboration, and nurtures leadership qualities rooted in empathy and social responsibility. We remain committed to scaling our CSR initiatives and deepening impact across our focus areas. Our future strategy is focused on expanding successful programmes, strengthening impact measurement, and reporting frameworks, and enhancing partnerships and stakeholder engagement. By continuing to invest in sustainable, high-quality interventions, we aim to create long-term value for communities, foster resilience, and contribute meaningfully to inclusive and equitable development.

Enhancing Access to Affordable Healthcare[103]

We are a committed partner in advancing global health, working collaboratively with leading global health organisations and public health stakeholders to enhance access to quality-assured medicines and healthcare solutions. Through innovative programmes and a steadfast commitment to underserved populations, we continue to address critical healthcare challenges, strengthen healthcare delivery systems, and improve patient outcomes across diverse geographies. We have strengthened healthcare access through innovative programmes and a steadfast commitment to serving underserved populations.

Our strategic collaborations have enabled the registration, supply, and distribution of essential therapies across multiple countries. These partnerships play a pivotal role in expanding access to life-saving treatments, particularly for high-burden diseases such as HIV and malaria, while supporting efforts to address challenges related to affordability, drug resistance, and last-mile healthcare delivery.

Complementing these efforts, we continue to invest in innovation, research, and evidence-based initiatives that enhance treatment strategies and support better health outcomes for vulnerable populations. By combining manufacturing excellence, strategic engagement with health authorities, and scalable healthcare solutions, we are helping strengthen healthcare systems and advance more equitable access to care worldwide.

Access to healthcare remains a key pillar of our Africa growth strategy. We pursue a multi-faceted approach to expanding medicine access across the continent through the growth of our branded generics business under the Brands Africa programme, strategic partnerships with global procurement agencies and donor-funded healthcare programmes through our Access Markets business, and local manufacturing capabilities through Universal Corporation Limited (UCL) in Kenya. Together, these channels enhance the availability, affordability, and reach of quality-assured medicines, supporting stronger healthcare systems and improved patient outcomes across African markets.

Guided by our motto, **"Live Well, Live Strong"**, our approach to healthcare access is anchored in four strategic pillars

Leveraging Partnerships	Manufacturing Excellence	Comprehensive Strategy for Infectious Diseases

"In Africa, For Africa" Programme

We do not file or enforce patents on any of our products for diseases within the scope of the Access to Medicine Index, across all Least Developed Countries (LDCs), Low-Income Countries (LICs), and Lower-Middle-Income Countries (LMICs), as classified under the 2024 Access to Medicine Index methodology.

FY26 Access Highlights

28.94 Mn tablets
Artemether/Lumefantrine (AL) – for the adult population in LMICs

28.78 Mn tablets
AL-dispersible tablets

0.32 Mn capsules
Artesunate rectal capsules (RAC) – for the paediatric population in LMICs

- For Malaria, we have supplied a total of 58.04 million tablets and capsules to 15 low- and middle-income countries (LMICs)
- For HIV, we have supplied a total of 73.74 Million TLD tablets to 9 countries across the LMICs
- For FY27, we target to supply ~7 million treatments for malaria and 0.7 million treatments for HIV
- During the year, we strengthened our Africa business through the acquisition and in-licensing of branded generic products from Sandoz across key sub-Saharan African markets, including Ghana, Nigeria, Kenya, and Western Africa (comprising 10 countries)

[103] GRI 203-1

Brands Africa

Our branded business across 12 French speaking African countries is built on a localised, patient-centric model that combines global quality standards with strong regional understanding, improving access and affordability of medicines. We are steadily expanding our portfolio from acute therapies into chronic care areas such as cardiovascular disease, diabetes, central nervous system disorders, and women's health.

Under the Brands Africa programme, we expanded our presence in Sub-Saharan Africa in FY26 through the acquisition and in-licensing of Sandoz's portfolio of established branded generics, enhancing our presence across key markets including Ghana, Nigeria, Kenya, Western Africa, and other Sub-Saharan African countries. This acquisition more than doubles our regional footprint and is expected to position us among the top five pharmaceutical companies in Sub-Saharan Africa by sales and among the top two players in the addressable market.

Furthermore, it supports our broader "In Africa, for Africa" strategy, which focuses on building a locally relevant and scalable healthcare platform. It also enables us to expand beyond acute therapies and strengthen our chronic disease portfolio, supporting the growing healthcare needs of African populations.

This strategic transaction enhances our ability to address a broad spectrum of healthcare needs across the region by expanding access to quality-assured medicines in critical therapeutic areas such as anti-infectives, cardiovascular care, and dermatology. By integrating Sandoz's well-established brands with our existing commercial platform and leveraging long-term manufacturing and supply arrangements, we are strengthening medicine availability across pharmacies, clinics, and healthcare institutions, while expanding access to affordable healthcare solutions across the region.

Expanding Access to Healthcare Across LMICs

Delivering essential medicines to improve lives and strengthen health systems in low- and middle-income countries (LMICs).

Malaria

58.04 Mn
Treatments supplied

15
Countries reached

~7 Mn treatments
Targeted supply for FY27

Medicines Supplied

28.94 Mn tablets
Artemether/Lumefantrine (AL) for the adult population in LMICs

28.78 Mn tablets
AL DT (Dispersible Tablets)

0.32 Mn capsules
Artesunate Rectal Capsules (RAC) for the paediatric population in LMICs

- Supporting both adult and paediatric malaria treatment across LMICs

HIV

73.74 Mn
TLD tablets supplied

9
Countries reached

~0.7 Mn Treatments
Targeted supply for FY27

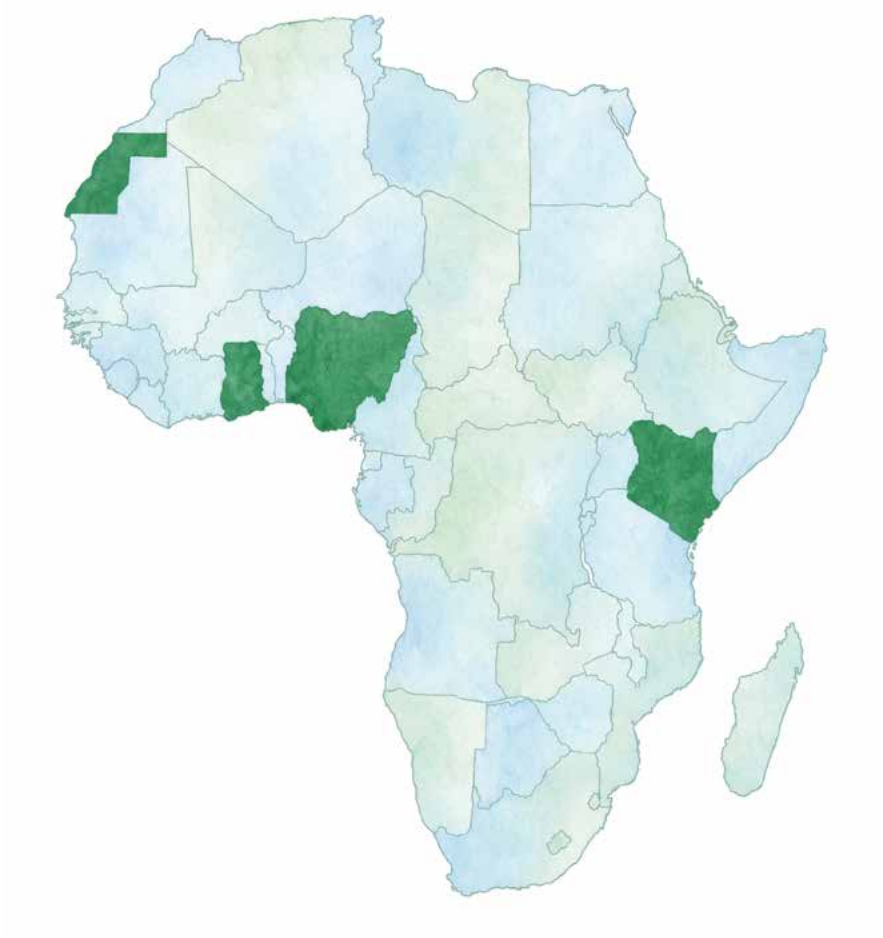
- Dolutegravir-based fixed-dose combination therapy (TLD)
- Helping improve access to HIV treatment across LMICs

Strengthening Our Africa Business

During the year, we strengthened our Africa business through the acquisition and in-licensing of branded generic products from Sandoz.

Expanded across key sub-Saharan African markets:

- Ghana
- Nigeria
- Kenya
- Western Sahara



131.78 Mn+
Total Malaria & HIV treatments supplied

24
Countries reached

2
Critical disease areas addressed
Malaria | HIV

Supporting Healthcare Access Across LMICs

Expanded Access Through Strategic Partnerships

"In Africa, For Africa" Initiative

Historic Milestone: Global Fund procures First African-Made First-Line HIV Treatment
In a groundbreaking milestone, UCL–Kenya has supplied the first African-manufactured, Global Fund-procured first-line HIV treatment to Mozambique. This milestone involves the delivery of life-saving, quality-assured antiretroviral medicines (ARVs), specifically the TLD (tenofovir, lamivudine, and dolutegravir), which have been prequalified by the World Health Organisation (WHO). The supplied volume is substantial enough to treat over 72,000 patients annually within the country.

This landmark achievement is a testament to Strides' dedication to enhancing regional manufacturing and capacity building as a part of the "**In Africa, For Africa**" initiative. The Global Fund has issued a press statement marking this significant milestone, which provides further details on the impact and importance of the initiative. For more information, please refer to the announcement available at the following link: Historic First: Global Fund Procures African-Made First-Line HIV Treatment.

Catalysing Access Through Strategic Partnerships

Through strategic partnerships and collaborative initiatives, we are committed to enhance access towards vital healthcare treatments and extend the reach of quality medicines. By working closely with trusted global partners, we aim to co-develop and expand the reach of medicines in critical healthcare areas.

We are proud to partner with the Medicines Patent Pool (MPP) and ViiV Healthcare through voluntary licensing agreements that accelerate access to Dolutegravir (DTG), an innovative antiretroviral drug for adult and paediatric patients across LMICs:

95 countries
(Adult agreement)

123 countries
(Paediatric agreement)

We are an approved supplier to leading global procurement and public health agencies, including the Global Fund, USAID, UNICEF, PAHO (WHO), UNDP, the Global Drug Facility (GDF), and PEPFAR (the U.S. President's Emergency Plan for AIDS Relief). These partnerships are driven through our Access Markets programme.

We maintain a robust portfolio of anti-infective therapies, with 11 anti-HIV and antimalarial products included in the World Health Organisation's Prequalification (WHO PQ) programme and four anti-HIV products approved by the U.S. Food and Drug Administration (USFDA).

We continue to engage with ministries of health across African countries and actively participate in public healthcare tenders, leveraging our extensive product registrations in the region. Through direct participation in these procurement programmes, we aim to increase the availability of quality-assured and affordable ARV and antimalarial medicines, supporting national healthcare initiatives and improving access to critical treatments for patients.

Medicines for Malaria

ARTESUNATE

Partnership with Medicines for Malaria Venture (MMV) enables the production and distribution of Artesunate rectal capsules, specifically catering to low-and middle-income countries.

Medicines for HIV

ANTI-RETROVIRAL

1. Our collaboration with Gilead Sciences allows manufacturing of Tenofovir combination products.
2. Further, collaboration with ViiV/MPP (Medicine Patent Pool) facilitates Strides to manufacture Dolutegravir (DTG) combination products.

Medicines for Hepatitis B&C

SOFOSBUVIR

Our alliance with Gilead Sciences enables us to extend manufacturing to Sofosbuvir combination products across 112+ countries.

Our therapeutic solutions include:

- Pain Management
- Cold Relief
- Urology
- Neuropsychiatry
- Dental Hygiene
- Antivirals
- Antimalarial
- Antifungal
- Dermatology
- Cardiology
- Diabetes Management
- Gastrointestinal Health

Our commitment to advancing equitable healthcare access by delivering high-quality, cost effective medicines that address the needs of underserved populations is guided by a patient-centric approach. We continuously strengthen our manufacturing capabilities, supply networks, and delivery systems to enhance the availability and accessibility of essential treatments. Our strategic framework is designed to address both preventive and curative aspects of healthcare, tackling critical needs. Our comprehensive approach to healthcare delivery is anchored in a five-pronged strategy.

Driving Sustainable Cost Efficiencies

Improving efficiencies in the supply chain to foster sustainable business practices and offer cost benefits.

Building Resilient Sourcing Networks

Diversifying API sourcing for ARV and Malaria products with WHO prequalification to reduce risks, lead time, and optimise costs.

Strengthening Supply Reliability

Implementing structured forecasting and advanced planning mechanisms to ensure a reliable supply of essential medicines while enhancing operational predictability.

Enhancing Supply Chain Agility

Streamlining stocking and distribution practices to shorten lead times for timely healthcare deliveries.

Optimising Inventory Management

Leveraging advance procurement and demand planning maintain optimal inventory levels, improve resource utilisation, and minimise holding costs.

Comprehensive Strategies for Infectious Disease Management

At Strides, we are committed to advancing healthcare solutions by improving access to affordable, high-quality treatments especially for infectious diseases that continue to pose significant public health challenges. Recognising the significant burden of diseases such as HIV/AIDS, malaria, hepatitis, and tuberculosis, we have adopted a comprehensive and integrated approach to expanding access to effective therapies for underserved populations. Through collaborations with leading pharmaceutical companies and global health organisations, we have extended the reach of our infectious disease portfolio to more than 105 developing countries, providing access to critical therapies, including antiretroviral (ARV) treatments for HIV/AIDS and artemisinin-based combination therapies (ACTs) for malaria.

Our efforts are underpinned by best-in-class manufacturing facilities in India and Kenya, which are accredited by leading international regulatory authorities, ensuring the consistent production and supply of quality-assured medicines that meet rigorous global standards. These capabilities enable us to deliver reliable, scalable healthcare solutions while strengthening regional access to essential treatments.

Further, we strive to create lasting healthcare impact through research-driven innovation, disease awareness initiatives, diagnostic support programmes, and stakeholder engagement activities. By combining manufacturing excellence and community-focused interventions, we aim not only to help address the burden of infectious diseases but also to strengthen healthcare systems and foster informed health practices across the regions we serve.

For HIV (Human Immunodeficiency Virus)

Strides has established a strong presence in the global HIV treatment landscape, with a focus on the advancement and provision of complex-to-manufacture antiretroviral (ARV) therapies that address evolving patient needs. Our portfolio includes paediatric dispersible formulations and innovative fixed-dose combinations, expanding treatment options across diverse patient populations. We have secured strategic licensing agreements with leading innovators such as Gilead Sciences and ViiV Healthcare, alongside collaborations with the Medicines Patent Pool (MPP), reflecting our ongoing commitment to enhancing access to high-quality, affordable HIV therapies in underserved and emerging markets. Since 2020, we have been at the forefront of broadening access to HIV/AIDS care through pioneering initiatives and strong partnerships with global health and funding organisations.

Progress and Targets

In FY26, we delivered an additional 73.74 million TLD tablets, further expanding access to affordable HIV treatment. Building on this momentum, we aim to supply over 2.9 Million tablets in FY27. As we scale our impact, we remain focused on expanding capacity, enhancing operational efficiency, and improving affordability across our HIV portfolio. We are also advancing next-generation HIV Programmes to address emerging drug resistance, healthcare delivery challenges, and the needs of vulnerable populations, ensuring broader access to effective treatments.

For Malaria

Malaria remains a major public health challenge, particularly among infants and children in endemic regions. To address this burden, Strides supplies a portfolio of WHO pre-qualified antimalarial medicines, including Artemether/Lumefantrine (AL) tablets, AL dispersible tablets, Artesunate suppositories for pediatric use and Amodiaquine (as hydrochloride)+Sulfadoxine/Pyrimethamine dispersible tablets (SPAQ), Pyrimethamine/Sulfadoxine dispersible tablets. By ensuring the availability of quality-assured, life-saving treatments for Malaria in infants and children, we contribute to global efforts to combat malaria and improve healthcare outcomes for vulnerable populations.

Our progress is underpinned by dedicated manufacturing capabilities in India and Kenya, enabling the reliable production and delivery of essential treatments across low- and middle income countries (LMICs). Our manufacturing facility in Kenya, the only WHO-prequalified site in Sub-Saharan Africa, plays a critical role in strengthening regional healthcare access and supporting local government procurement Programmes. This strategic presence enables us to respond to support local government tenders and fulfil our commitment to evolving healthcare needs while enhancing the availability of lifesaving treatments in malaria-endemic regions. Strides is actively working on new advanced antimalarial drug projectsfocused on addressing emerging drug resistance, overcoming healthcare delivery challenges, and meeting the needs of vulnerable populations, with formal announcements to follow upon project confirmation.

Progress and Targets

- Since 2013 (until 2026), we have supplied over 2,414 million tablets of Artemether/Lumefantrine (AL) products, benefiting more than 60 countries worldwide.
- We have achieved our Targets for FY26 of delivering 28.94 million doses of AL tablets and 2-million-unit doses of Artesunate Rectal Capsules.
- For FY27, we are committed to expanding our impact by targeting the delivery of ~7 million treatments of Artemether/Lumefantrine in LMICs.
- With the recent funding halt by the U.S. administration impacting the WHO, Global Fund, and USAID, our FY27 forecast has been prepared on a risk-adjusted basis.

Strategic Deployment and Study of Artesunate Suppositories - SeMA ReACT

Advancing Access to Severe Malaria Treatment

Reducing the global burden of severe malaria remains a key priority for us. Our Malaria Alleviation Programme delivers comprehensive treatment solutions integrating both prevention and intervention strategies. This program is pivotal in expanding access to life-saving treatments in LMICs given its focuses on supporting vulnerable and hard-to-reach communities where timely medical intervention is often limited.

Advancing Community-Based Malaria Treatment Through Research

Access to timely treatment remains a significant challenge for children experiencing severe malaria in remote and resource-constrained settings. To address this challenge and strengthen the evidence base for severe malaria management, the SeMA ReACT study is being implemented in Nchelenge, Zambia, and Kapolowe, Democratic Republic of Congo. The study evaluates the effectiveness and feasibility of delivering pre-referral Rectal Artesunate (RAS) through strengthened Integrated Community Case Management (iCCM) services. This study is an effectiveness–implementation hybrid Type 3 study combining community-based care with research to evaluate treatment timeliness, outcomes, and healthcare utilization for children with severe malaria. The study will generate real-world evidence on the effectiveness of community-based pre-referral treatment for severe malaria in resource-constrained settings, helping address barriers to care, inform policy and programme improvements, and support scalable approaches to improve treatment access, reduce mortality, and help mitigate drug resistance.

Donations of Free Rectal Artesunate capsules in FY 26 for SeMA ReACT Study

We have delivered over 0.32 million doses of antimalarial treatments across LMICs, supporting malaria management across diverse patient populations. In FY 2025–26, we further strengthened our efforts by partnering with the Medicines for Malaria Venture (MMV).

Creating Impact Beyond Product Donations

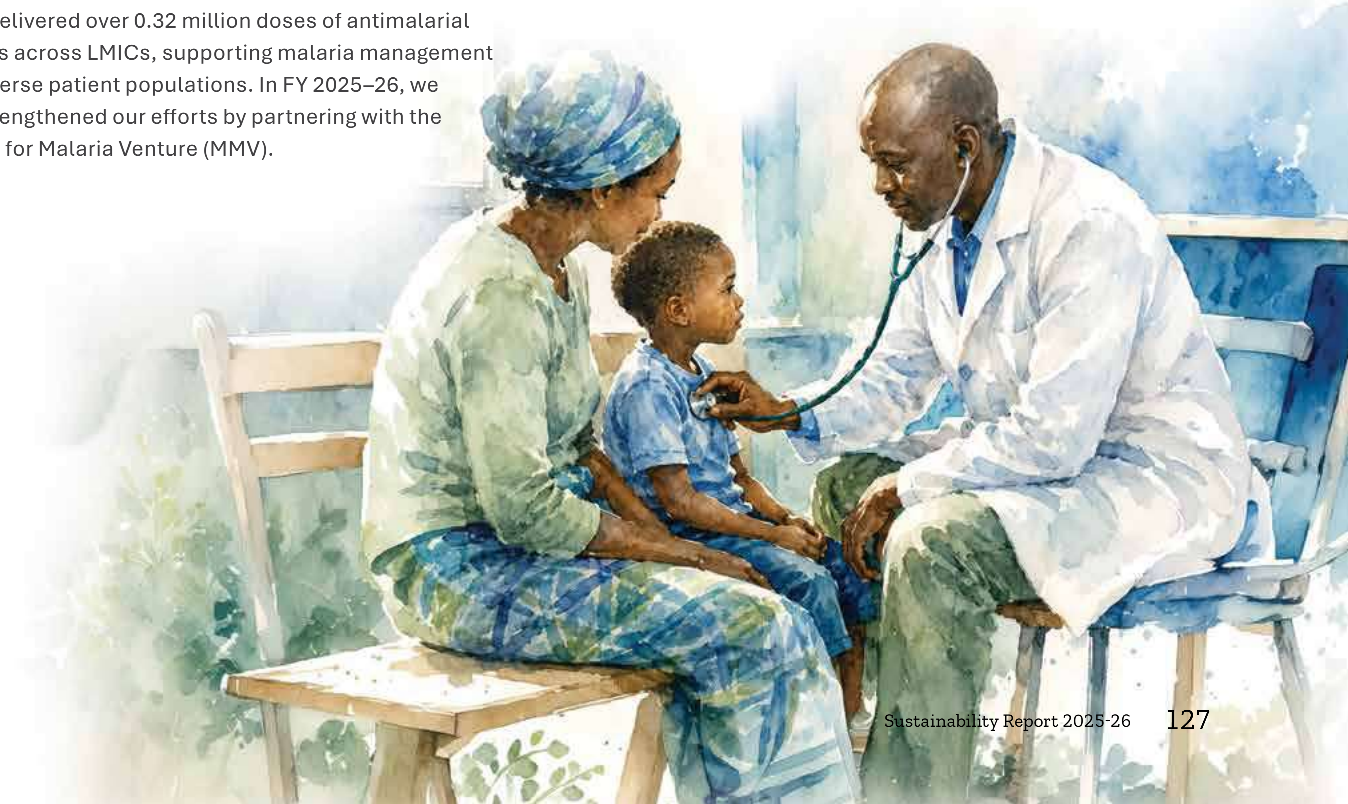
Strategic Access Expansion: Donations are directed towards underserved and hard-to-reach regions with significant supply chain constraints, helping bridge treatment access gaps for vulnerable populations.

Real-World Insights: Deployment in resource-constrained settings generates valuable insights into product use, informing ongoing product enhancement and healthcare delivery improvements. Supports scalable, evidence-based solutions to reduce severe malaria mortality among children.

Strengthening Trust-Based Partnerships: Collaboration with local health systems and global health stakeholders fosters trust, enhances healthcare delivery, and supports long-term public health initiatives.

Supporting Product Innovation: Insights gathered through field-based deployment help identify unmet needs and inform the development of more accessible and effective healthcare solutions

Awareness and Uptake: Donations help increase familiarity with critical treatment options among healthcare providers and communities, supporting broader adoption and effective utilisation.



A Long-Standing Partner for Co-Development and Medical Outreach with Global Majors

License Holders

medicines patent pool

MMV Medicines for Malaria Venture

ViiV Healthcare

GILEAD Creating Possible

Boehringer Ingelheim

Procurement Agencies

The Global Fund To Fight AIDS, Tuberculosis and Malaria

USAID From the American People

unicef

PAHO Pan American Health Organization World Health Organization

TRAC1 Logistics

PEPFAR U.S. President's Emergency Plan for AIDS Relief

UNDP

Chemonics Development works here.

Clinton Health Access Initiative

Bill & Melinda Gates foundation

Manufacturing Excellence

We are recognised for our manufacturing excellence, supported by state-of-the-art facilities and a steadily expanding market presence in Africa. This strong foundation reflects our commitment to delivering high-quality pharmaceutical products across the continent. Our advanced KRSG facility in Bengaluru manufactures a broad portfolio of life-saving products, adhering to stringent global regulatory standards and receiving approvals from authorities such as the US-FDA, MHRA, TGA, and WHO.

We also operate a facility in Kenya, Universal Corporation Limited (UCL). It is one of only two WHO-prequalified pharmaceutical manufacturing facilities in sub-Saharan Africa participating in local government tenders and has maintained this status continuously for the past 13 years. Following our strategic partnership with UCL in 2016, the facility has continued to strengthen its reputation for quality, compliance with global standards, and operational excellence. In 2020, UCL achieved WHO certification for AL 20/120 mg. This was followed by a landmark achievement in 2021, when it became the first local manufacturer to receive WHO certification for the antiretroviral therapy TLD. Building on this momentum, UCL secured WHO certification for several anti-malarial drugs in 2022, further advancing local pharmaceutical manufacturing capabilities. In 2023, SPAQ HS and SPAQ LS became the latest additions to its WHO-certification portfolio, marking yet another first for a local manufacturer and reinforcing UCL's position as a leader in the production of quality-assured medicines for the region. UCL is expected to produce over 100 formulations, extending its supply to more than 23 countries and showcasing its expansive footprint in the pharmaceutical landscape.

1. Generics in Africa
2. In-Market Manufacturing in Kenya
3. Partnerships in Global Donor-Funded Programmes
4. WHO Prequalification

Key Enablers Driving Delivery Excellence at the UCL Facility

Strategy

Diversified business with 'in-market-for-market' strategy to cater to African markets.

Capabilities

Dosage manufacturing capability across tablets, capsules, ointments, creams, and powder (Sachets)

Capacity

Capacity to produce over 3 Bn tablets, 160 Mn capsules, 95 Mn sachets, 120 Mn liquids, and 12 Mn creams

Compliance

Good track record of compliance with global regulatory accreditations

- Strategically located with ease of access, both by sea and air routes
- State-of-the-art lab for quality control, assurance, and managing the GMP standards
- Wide basket of products across cardiology, urology, dermatology, diabetes, and pediatrics amongst others
- Institutional business with integrated R&D capabilities of Strides
- Approved by WHO, UNICEF, CHMP, ICRC, and PIC/S

Donor-Funded Drug Donations Across Africa

UCL is currently providing drugs to multiple countries through donor-funded healthcare programmes, supporting access to quality treatments across the region. These nations include Aruba, Afghanistan, Benin, Cameroon, Central African Republic, Chad, Comoros, Congo, Cote d'Ivoire, Denmark, Ethiopia, The Gambia, Ghana, Haiti, Kenya, Liberia, Madagascar, Malawi, Mozambique, Niger, Nigeria, Pakistan, Sierra Leone, Somalia, Sudan, South Sudan, Swaziland, Tanzania, Togo, Uganda, Venezuela, Yemen, Zambia, and Zimbabwe. This initiative reinforces UCL's contribution to health and wellness across multiple regions, facilitating access to essential medications across multiple regions.

UCL operates across a diverse range of countries, including, Kenya, Uganda, Tanzania, Ethiopia, South Sudan, Congo, Zambia, and Malawi, reflecting our commitment to enhancing healthcare accessibility throughout Africa.

We supply to 31+ countries through UNICEF, Iplus, Global Fund, and USAID.

- Malawi
- Zimbabwe
- Haiti
- Denmark
- Tanzania
- Uganda
- Sierra Leone
- Burkina Faso
- Congo
- Aruba
- Somalia
- Zambia
- Togo
- Liberia
- Pakistan
- Afghanistan
- Mozambique
- Niger
- Yemen
- Benin
- Sudan
- Nigeria
- Madagascar
- Cameroon
- Chad
- Côte d'Ivoire
- Swaziland
- Ghana
- Comoros
- Ethiopia
- Central African Republic

Our Milestones

28 Years of experience in pharmaceuticals

26+ Countries in Africa

500+ Workforce

10 Mn Children treated

2 Bn Production capacity

100+ Products spanning tablets, capsules, ointments, creams, gels, syrups, and sachets

We are currently engaging with:

4,100+ Doctors in Africa

2,750+ Doctors in Kenya

1,300+ Doctors across markets

We are supplying to :

5,500+ Pharmacies in Africa

4,200+ Pharmacies in Kenya

1,300+ Pharmacies in export markets

Strategies for Other Infectious Disease Management

Hepatitis:

Through our licensing agreement with Gilead Sciences, established in 2014, we have expanded access to Hepatitis B and C therapies across more than 105 developing countries. Since then, we have introduced Sofosbuvir and its combination therapies across Africa, Southeast Asia, the CIS (Commonwealth of Independent States) region, and Latin America, supporting broader access to effective and affordable care. The World Health Organisation (WHO) recommends the use of pan-genotypic direct-acting antivirals (DAAs) for the treatment of Hepatitis C across age groups. While access to these therapies remains limited in many high-income markets due to cost, the availability of quality-assured generic medicines has significantly improved affordability in LMICs. Among the most widely used pan-genotypic regimens are Sofosbuvir- and Daclatasvir-based therapies, which have expanded treatment access and improved cure rates globally. As a cornerstone therapy for Hepatitis C, Sofosbuvir is recognised for its high efficacy, strong resistance profile, convenient once-daily dosing, favourable safety profile, and minimal drug-drug interactions. When used in combination therapy, it delivers pan-genotypic efficacy and high cure rates across diverse patient populations. Through our partnership with Gilead Sciences, we continue to support access to affordable hepatitis treatments in developing markets. Since 2015 (until 2023), we have supplied over 5.9 Million units of hepatitis therapies, benefitting patients across 17 countries, including Cameroon, Cuba, DRC, India, Kenya, Kyrgyzstan, Malaysia, Mongolia, Nigeria, Pakistan, South Africa, Tajikistan, Turkmenistan, Uganda, Ukraine, Uzbekistan, and Vietnam.

Tuberculosis

Strides has a state-of-the-art anti-TB drug facility formulating a second-line TB drug called Cycloserine 250mg capsule.

Cryptococcal Meningitis:

In 2020, Strides received US FDA approval for Flucytosine 250 mg and 500 mg capsules. An orphan drug indicated for the treatment of cryptococcal meningitis, a life-threatening fungal infection that disproportionately affects people living with HIV. The product is manufactured at our flagship facility in Bengaluru, and marketed in the United States through Strides Pharma Inc. It is supplied to the Global Fund under its Pooled Procurement Mechanism (PPM) as part of the WHO Essential Medicines List of core non-ARV interventions. Access to effective treatment for cryptococcal meningitis remains a significant challenge in many high-burden regions due to limited availability and affordability. By ensuring a reliable supply of Flucytosine, Strides is helping bridge this treatment gap and supporting global health initiatives. From 2022 to FY26, Strides supplied approximately 6.9 Million capsules in the U.S. and around 0.85 Million capsules in low- and middle-income countries, supporting global efforts to improve outcomes for vulnerable patient populations.

H1N1 (Swine Flu):

Strides has been a global supplier of WHO-prequalified Oseltamivir since 2010, supporting the treatment of H1N1. Manufactured at our USFDA-approved, WHO-prequalified facility in Bengaluru, our portfolio includes US FDA-approved Oseltamivir capsules (30 mg, 45 mg, and 75 mg) and a 6 mg/mL oral suspension, all bioequivalent to Tamiflu®. Through our robust manufacturing and supply capabilities, we continue to support global access to quality-assured influenza therapies.

COVID -19

In response to the COVID-19 pandemic, Strides demonstrated agility by rapidly developing and commercialising Favipiravir Antiviral tablets showcasing significant efficacy for the treatment of mild-to-moderate COVID-19 infections. As one of the early contributors to pandemic response efforts, we became the first Indian company to export Favipiravir to Gulf Cooperation Council(GCC) countries, followed by expansion into Southeast Asian markets, integrating them into national COVID-19 treatment programs. Manufactured at our state-of-the-art facility in Bengaluru, accredited by leading regulatory authorities including the USFDA and WHO, Favipiravir reinforced our commitment to ensuring timely access to quality-assured therapies. This milestone reflects our ability to respond swiftly to evolving public health challenges while leveraging our manufacturing and regulatory expertise to support global healthcare needs.

Providing Patient Financial Assistance

Arogyadhama: We have established Arogyadhama Strides, a Primary Health Centre (PHC) near our Bengaluru facility, in partnership with the Strides Foundation, Karuna Trust India, and local governing bodies. The centre provides free healthcare services to underserved rural populations, improving access to essential medical care while reducing the financial burden on patients.

Financial assistance: Through Arogyadhama, medical expenses are considerably reduced, and the need for patients to travel to urban centres for routine diagnostics and treatments is substantially reduced, thereby easing the prohibitive financial burden on underserved patients seeking access to healthcare.

Initiative activities: The centre provides free or deeply subsidised healthcare services, including consultations, diagnostics such as X-rays and scans, preventive care, eye and dental services, and conducts community health initiatives such as vaccination drives such as polio and MMR, disease surveys such as tuberculosis and malaria, and health awareness campaigns.

Initiative impact:

- Reduced out-of-pocket healthcare expenditure for over 14,000 villagers with valid patient ID cards.
- Lowered travel costs by providing local access to diagnostic tests and basic medical procedures. Outreach via 35 health school camps and 9 specialty health camps in FY26.

Capacity-building in financing: Our approach to improving access to healthcare is centred on providing high-quality, affordable generic medicines that help reduce treatment costs for patients and healthcare systems. We evaluate medicine donation opportunities on a case-by-case basis, particularly where excess inventory can be responsibly utilised to support patient needs. In certain markets, access to our products is further supported through government-mandated healthcare programmes, including federal pricing programmes in the United States that require eligible healthcare providers to have access to medicines at discounted prices. While our products are already among the lowest-cost therapeutic options available in the markets we serve, we continue to focus on maintaining affordability, quality, and reliable supply. Through these focused efforts, we continue to support broader and more equitable access to essential healthcare.

Innovation to facilitate Access

Medical products based on WHO guidelines: Product innovation has been a key driver of Strides' efforts to expand access to Hepatitis B and C treatment in developing markets especially in LMICs. Through its licensing agreement with Gilead Sciences, established in 2014, Strides has introduced Sofosbuvir and its combination therapies across more than 105 developing countries, including Africa, Southeast Asia, the Commonwealth of Independent States (CIS), and Latin America. A key focus of this effort has been the introduction of pan-genotypic direct-acting antiviral (DAA) regimens aligned with WHO treatment guidelines. Among the most widely used and affordable treatment options is the Sofosbuvir and Daclatasvir combination, which offers high cure rates, once-daily dosing, a strong resistance barrier, and a favourable safety profile across multiple Hepatitis C genotypes. Through the development and launch of these licensed generic therapies, Strides has expanded the geographic reach of innovative Hepatitis C treatments and contributed to improving treatment affordability in low- and lower-middle-income countries, supporting broader access to curative care.

Multi drug combinations: We have strengthened our pipeline through the development of bioequivalent products using advanced multi-drug combination technologies and the progression of differentiated therapies, including NDA filings for an HIV treatment product. These innovations are intended to address unmet clinical needs and improve access to effective treatment options in LMICs.

Malarial rectal suppositories: Product innovation remains central to our efforts to address unmet healthcare needs. We are advancing novel formulations that simplify treatment regimens and reduce pill burden for patients, including rectal suppository formulations for malaria. Designed as an alternative to injectable treatments, these products provide an important treatment option in emergency and paediatric settings, particularly where access to healthcare facilities is constrained.

Anti-Hypertensive Drug: As part of our innovation pipeline, we are advancing a novel antihypertensive combination therapy designed to mitigate side effects associated with current treatment options while improving therapeutic efficacy, patient adherence, and treatment convenience through a reduced pill burden.

Outreach and Awareness Initiatives for Patients and Healthcare Professionals

At Strides, enhancing access to healthcare and improving health outcomes remain central to our purpose of serving communities across Africa. Guided by our belief of "In Africa, For Africa," we continued to invest in initiatives that promote health awareness, strengthen preventive care, and empower individuals to make informed health decisions. Through targeted outreach programmes, we engaged with diverse communities to raise awareness of prevalent health conditions, support early detection and intervention, and contribute to improved long-term health outcomes.

During FY26, our patient outreach efforts included detection and awareness camps across Neuropathy, Diabetes, Hypertension and lipid profiling. These initiatives were designed to enhance disease awareness, facilitate early screening and diagnosis, and encourage preventive healthcare practices, helping patients take a more proactive approach to managing their health and well-being.

Complementing our community-focused efforts, we continued to invest in healthcare professional education and capacity building to strengthen the quality of care delivered across the region. Through focused training programmes in critical areas such as hypertension management and cardiovascular resuscitation, we enhanced clinical capabilities among healthcare providers. These efforts were further supported by a series of webinars, workshops, scientific engagements, educational grants, and knowledge-sharing platforms, led by renowned key opinion leaders, fostering continuous learning and exchange of clinical insights across key therapeutic areas. We also strengthened scientific collaboration through strategic partnerships and professional forums, including specialist symposia, medical congresses, and pharmacy conferences, creating valuable platforms for knowledge exchange and healthcare advancement.

During the year, we expanded our footprint into Djibouti and introduced new initiatives such as paediatric immunisation programmes to further strengthen healthcare access and community health outcomes. Together, these initiatives demonstrate our commitment to strengthening healthcare systems, expanding access to quality care, and supporting better patient outcomes.

In FY26, we further enhanced our outreach and engagement strategies by collaborating directly with key stakeholders and implementing impactful initiatives, thereby advancing healthcare education and professional development. Our strategic actions are exemplified through:

Expanding global engagement in scientific congresses: We supported healthcare professionals (HCPs) engagement in leading scientific congresses across key therapeutic areas. During FY26, we participated in 74 congresses, engaging 18,750 HCPs and promoting continuous clinical learning.

Educational Grants Fueling Academic Advancement: In its second year, the Strides Special Initiative DES "Student Educational Grant" supported 154 postgraduate students at universities across four therapy areas through targeted grants, fostering academic growth.

Driving progress through health professional dialogues: We held regular meetings with HCPs to discuss and share insights into various therapeutic areas, fostering improved patient outcomes. We completed 741 meetings, involving 11,000+ participants, and we plan to conduct 800+ meetings with an expected participation of 12,000+. These regular scientific programmes were designed to strengthen HCP engagement, trust, and expertise within the medical community.

Advancing healthcare through new strategic partnerships: We launched several new initiatives to strengthen scientific collaboration and healthcare capacity building. These included the First International Symposium of Cardio-Diabetes Specialists to enhance patient-centric care with 30+ participants. We were instrumental in establishing Ivory Coasts' first Neurological Society, which subsequently hosted their First National Neurology Congress with 30 participants. In addition, we participated in the region's first pharmacy conference, conducting three conferences that engaged over 750 pharmacists and enhanced awareness of new therapies and product innovations.

Expanding healthcare access in emerging markets: As part of our regional expansion strategy, we successfully introduced our therapies in Djibouti, extending our healthcare footprint in the region. Through hypertension, diabetes, and general health screening camps, we engaged with 400 HCPs, 100 pharmacies, and 1,000 patients, contributing to enhanced disease awareness and improved access to healthcare.

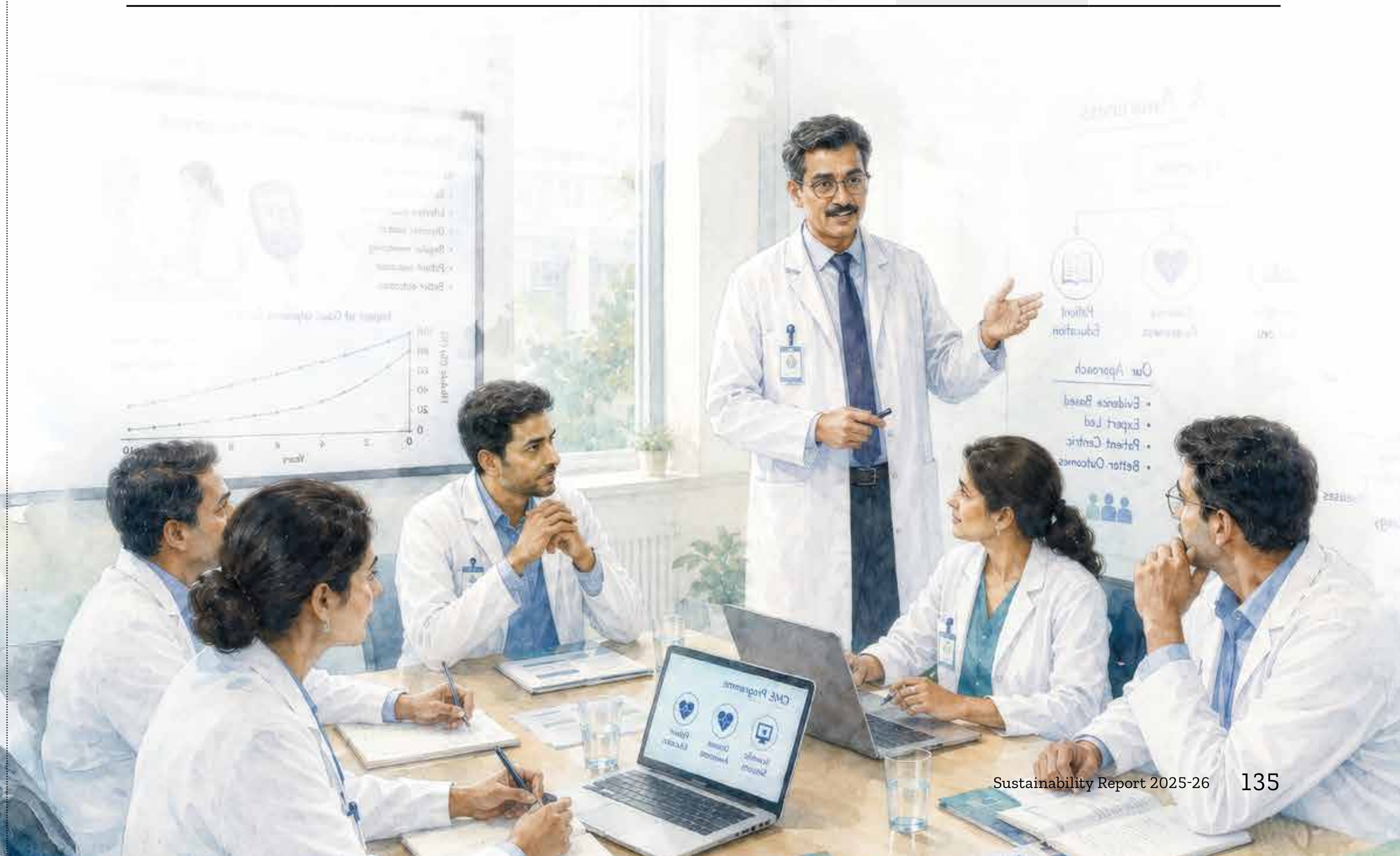
Advancing Accessibility: Patient Outreach and Ongoing Capacity Building Initiatives[104]

Name	Description	Impact		Targets for FY 2026-27
		In FY 2024-25	In FY 2025-26	
Comprehensive Neuropathy Education and Diagnostics	For over a decade, we have been actively educating communities and organising free neuropathy check-up camps to facilitate early detection and diagnosis, thereby enhancing patients' quality of life.	**540** Camps **10,800+** Patients	**615** Camps **12,910+** Patients	**700** Camps **14,300** Patients
Strengthening Maternal & Adolescent Health via Haemoglobin Screening	Our goal is to progressively raise awareness about anaemia, provide timely medical advice, and improve patient health through haemoglobin screening camps. These camps are designed to detect anaemia, offer vital health insights, and encourage early intervention.	**600** Camps **12,000+** Patients	**740** Camps **17,750+** Patients	**850** Camps **19,000** Patients
Holistic Diabetes Management and Community Education Programme	Our diabetes detection camps focus on educating the public about lifestyle disorders such as diabetes and its management as well as associated complications, across French Africa.	**110** Camps **1,650** Patients	**137** Camps **2,466** Patients	**150** Camps **3,000** Patients
Hypertension Camp	Our diabetes screening camp supports by improving patient well-being through early diagnosis, preventive care, and better access to health services.	**90** Camps **1,350** Patients	**104** Camps **1,768** Patients	**120** Camps **1,900** Patients
Lipid Camps	Our lipid testing camp was introduced in FY26 to promote preventive healthcare and encourage patient well-being.	-	**30** Camps **600** Patients	**35** Camps **660** Patients
Immunisation Centre Connects	New initiative on paediatric immunisation drives to promote preventive healthcare and better access to health services.	-	**25** Camps **500** Patients	**28** camps **550** Patients
Integrated Pharmacy Engagement	Our patient engagement efforts include continuous awareness through posters and literature on multiple disease conditions and their management at dispensing points. Additionally, our monthly pharmacy meetings help share the latest scientific information to Pharmacists.	**298** Pharmacy meetings **2,980** Patients	**328** Pharmacy meetings **3,278** Patients	**385+** Pharmacy meetings **3,740+** Pharmacists
Bonjour–Scientific Therapy Update Activity	Early-morning, quick meetings to share scientific updates in our therapy areas, especially malaria and pain management.	**403** Meetings **7,275** Patients/HCPs/ pharmacists	**438** Meetings **8,695** Patients/HCPs/ pharmacists	**530** Meetings **9,500** Patients/HCPs/ pharmacists

[104] GRI 203-2

Empowering Providers: Training and Awareness for Healthcare Professionals

Name	Description	Impact		Targets for FY 2026-27
		In FY 2024-25	In FY 2025-26	
Educational Initiatives for Healthcare Professionals	Throughout the year, our Brands Africa team hosted a series of webinars and workshops aimed at healthcare professionals (HCPs) and pharmacists. These scientific sessions focused on key therapeutic areas and featured presentations by renowned Key Opinion Leaders (KOLs) who shared their expertise and practical experiences. The webinars provided an interactive platform for participants to engage directly with experts, seek clarification on clinical queries, exchange insights, and stay informed on the latest developments and emerging trends in their respective fields.	**7** Webinars **2,741** HCPs	**7** Webinars **4,150+** HCPs	**10** Webinars **4,300** HCPs
Continuing Medical Education Programme (CME)	The CME sessions provided HCPs with the latest medical knowledge and practical insights, ensuring they stay abreast of advancements in their respective specialties.	**200** Sessions for HCPs **4,460** Participants	**249** Sessions for HCPs **5,500** Participants	**280** Sessions for HCPs **6,000** Participants
Conference Registration Support	During the year, Strides facilitated the participation of healthcare professionals in scientific meetings and educational forums, helping strengthen their knowledge and clinical expertise across Gynaecology, pain management, AI, Cardiology & Diabetes, Gastroenterology, and Paediatrics.	-	**906** HCPs	



Catalysing Global Health Awareness Through Strategic Special Days Campaigns

In FY26, Strides strengthened its commitment to advancing disease awareness and improving treatment management among healthcare professionals (HCPs) and the broader community through targeted initiatives across eight key markets.

We conducted scientific presentations, health talks, awareness campaigns, sample distribution, and educational outreach programmes focused on promoting informed healthcare practices and improving disease awareness by leveraging globally health observance days such as:

- World Cancer Day
- World Malaria Week
- World Diabetes Day
- World Heart Day
- World Hypertension Day
- World Midwives Day
- World Pneumonia Day
- International Women's Day
- World Digestive Day

Our targeted outreach successfully connected with

1,340 patients and 135 HCPs, helping to expand health literacy and strengthen community understanding of critical health conditions.

With an unwavering commitment to global health education and community empowerment,

we achieved a 15% increase in HCP outreach by FY26. These sustained efforts underscore our commitment to contributing to healthier, more resilient communities that we serve across Africa.

1.Diversity in clinical trials:

The participant selection process includes representative population groups representing the intended patient who receive the investigational product, enabling generalisability of results to the broader population. Phase 3 clinical trial protocols generally aim to incorporate diverse participant populations across race, ethnicity, gender, age, and sexual orientation/identity, wherever applicable to the study design and regulatory requirements. As per the current GCP requirement Certain trials like early-phase, proof-of-concept, and bioequivalence studies may not require such heterogeneous populations inclusion.

2.Accessibility & Transparency of Research:

As a generics manufacturer, a significant portion of our trials are bioequivalence studies which by regulatory design, typically enroll healthy volunteers. Even within these constraints, diversity considerations are applied where feasible (e.g., age and gender representation among eligible healthy volunteers). Where trial design permits broader patient population involvement, enrolment criterions are structured to reflect the intended populations in our studies.

We are committed to sharing clinical trial results and study outcomes with regulatory agencies, stakeholders, investigators, clinical trial participants, and Ethics Committee members. Clinical trial and study outcomes are registered and publicly accessible via the Clinical Trials Registry in India (CTRI, https://ctri.nic.in/Clinicaltrials/login.php), in line with applicable regional regulatory requirements.For trials conducted outside India, trial details and results are published on the country specific clinical trial registry in line with their regulatory requirements.

Environmental Sustainability

Material Topics[105]

Climate Change, Climate Change Mitigation, Energy, Water Consumption, Pollution

At Strides, we recognise that a healthy planet is inseparable from healthy communities. The challenges of climate change, biodiversity loss, and health equity are deeply interconnected, and they demand bold ambition, disciplined execution, and accountable leadership. Environmental stewardship is therefore a core dimension of our sustainability strategy-one that enables us to reduce risks, build operational resilience, and contribute to a healthier future for the generations we serve.

Our environmental agenda is built around three guiding commitments: boosting resource efficiency, promoting circularity, and reducing emissions. These commitments are operationalised through a comprehensive programme that spans decarbonisation, water stewardship, waste minimisation, biodiversity protection, and product life cycle. Each is supported by measurable targets, rigorous governance, and continuous investment.

During the year, we expanded the boundary of our environmental reporting to include additional entities and locations across our global operations which represents ~97% of our consolidated revenues.

The enhanced scope now covers manufacturing facilities and offices in the United States, the United Kingdom, Switzerland, Germany, Canada, Singapore, Denmark, South Africa, Kenya, and Cyprus. Within India, the reporting boundary was further extended to include our registered office in Maharashtra and Arco Lab Private Limited, Bengaluru, a wholly owned subsidiary. As a result of this expanded reporting scope, our environmental disclosures now reflect a broader operational footprint across the Group.

The inclusion of these additional facilities contributed to an approximately 130% increase in total energy consumption, 49% increase in Scope 1 and Scope 2 greenhouse gas emissions, 54% increase in water withdrawal, and 79% increase in waste generated during the reporting period. This enhancement improves the completeness, accuracy, and transparency of our environmental reporting, providing stakeholders with a more comprehensive representation of the organisation's environmental impacts and resource use across its global operations. This inclusion is applicable to all the data reported in this section except air emissions.

Environmental Governance

Our environmental governance framework connects Board-level oversight to site-level execution, ensuring that environmental responsibility is embedded at every level of the organisation. At the apex, the Risk Management and Sustainability Committee (RM&SC) of the Board of Directors is responsible for addressing environmental sustainability at an organisational level. The Committee reviews environmental strategy, climate-related risks, and performance against targets. It is supported by the Group Level Steering Committee (GLSC), which, together with the EHS Head, provides strategic oversight and monitors the implementation of the EHS Policy. The Risk Office tracks key climate-related risks by leveraging the enterprise risk management framework and engages closely with the EHS team on risk management.

At the operational level, our corporate Environment, Health and Safety (EHS) Policy framework outlines our commitment to environmental stewardship and provides structured, systematic guidance for managing environmental aspects and performance. The Functional EHS Head oversees implementation of the EHS strategy across the organisation, monitoring progress and helping Strides achieve its environmental goals. Site-level EHS Heads report to the Functional EHS Head on the implementation of Strides' EHS Policy, the functioning of Environmental Management Systems, and any significant risks identified at their sites.

All Indian manufacturing sites and the R&D facility are certified to ISO 14001 for Environmental Management Systems. Our environmental management framework is further supported by ISO 45001 certification across the KRSG, Puducherry, and Chandapura sites, and ISO 50001 Energy Management certification at the KRSG facility. These certifications provide a structured foundation for environmental protection, occupational health and safety, and continual improvement in energy performance. 100% of our Indian sites are certified under ISO 14001. Our environmental awareness and capability-building programme reinforces this certification through monthly ESG talks, technical training sessions, EHS Leadership Programmes, and Standard Operating Procedure (SOP) training at site level all designed to ensure that environmental responsibility is embedded in the everyday decisions of our people.

[105] GRI 3-3

Environmental accountability is further anchored in executive incentives. Sustainability-linked KPIs, including environmental factors such as water use, emissions, and energy consumption are integrated into the Key Result Areas (KRAs) of senior leadership. The Managing Director and Group CEO has 20% of annual performance weightage assigned to company-wide projects where sustainability, including climate risk management, is a core element. Long-term financial and sustainability performance is additionally linked to remunerative benefits extended to the MD & Group CEO and the Executive Director, with achievement tracked annually by the Board and its committees. CXO-level KRAs similarly carry explicit sustainability deliverables. Environmental compliance remains a non-negotiable foundation of our governance model. No environmental fines or penalties were paid during the year, and no environmental liability was accrued at year end.

In FY26, we had zero violations of environmental legal obligations or regulations.

Energy Management[106]

Energy management is central to our operational efficiency agenda and directly supports our Scope 1 and Scope 2 reduction pathway. We are committed to improving our energy performance through structured energy management programmes across our operations. We conduct periodic energy audits to identify opportunities for reducing energy consumption in utilities, manufacturing processes, HVAC systems, boilers, compressors, chillers, lighting, and other energy-intensive equipment. Based on these audits, we have set internal targets for energy-saving including reductions in total energy use, energy intensity, fuel consumption, and electricity consumption. We have implemented actions such as LED lighting upgrades, installation of variable frequency drives, optimisation of HVAC and chiller operations, steam and compressed air system improvements, preventive maintenance, and process efficiency initiatives. We regularly evaluate our progress by monitoring energy data, reviewing performance against targets, analysing deviations, and implementing corrective actions where required. We also focus on increasing the use of clean and green energy through renewable energy procurement and solar power opportunities, wherever feasible. In addition, we have invested in innovation, technology upgrades, automation, energy monitoring systems, and research-driven process improvements to reduce energy demand while maintaining product quality and regulatory compliance. To strengthen our energy conservation culture, we provide energy efficiency training and awareness programmes to employees, encouraging responsible energy use and active participation in reducing energy consumption across the organisation[107].

Category	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	India			
Non-Renewable Energy	MWh	71,366.93	27,913.73	43,453.20	26,384.26	30,064.12	29,353.44
Renewable Energy	MWh	34,629.52	224.88	34,404.64*	19,625.51	23,311.84	18,271.95
Total Energy	MWh	105,996.45	28,138.61	77,857.84*	46,009.77	53,376.02	47,625.39

*includes purchased steam data which was not reported in FY 2025 due to data limitation.

GHG Emission Management

Category	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	India			
Scope 1: Direct emissions[108]	tCO_2eq	9,204.71	2,662.44	6,542.27	5,376	5,332	4,490
Scope 2: Location-based[109]	tCO_2eq	24,213.81	5,376.05	18,837.76	17,099	19,893	19,548
Total Scope 1 & 2 emissions	tCO_2eq	33,445.16	8,065.13	25,380.03	22,475	25,225	24,038
Scope 3: Indirect emissions[110]	tCO_2eq	383,615.29	11,222.95	372,392.33	47,827	NA	NA
Total GHG emissions	**tCO2eq**	**417,060.45**	**19,288.08**	**397,772.36**	**70,302**	**25,225**	**24,038**

*FY26 emissions reflect a methodological update, with estimates based on Purchasing Power Parity (PPP) rates rather than currency exchange rates, and include all international locations under operational control.

Note: GHG inventory prepared in accordance with GHG Protocol Corporate and Scope 3 Standards. Emissions reported in tCO_2e, using GWP values from IPCC AR6. Supplier-specific, activity-based, and spend-based data have been used, as applicable, following best practices.

[106]GRI 302-1
[107]GRI 305-5
[108]GRI 305-1
[109]GRI 305-2
[110]GRI 305-3

Net-Zero Commitment and Strategy

Climate leadership begins with clear, science-aligned ambition. In recognition of this, Strides has formally submitted its commitment to the Science Based Targets initiative (SBTi). We are in the process of getting our targets validated by SBTi. This submission represents an important step forward in our climate journey, ensuring that our targets are grounded in the latest climate science and consistent with global best practice.

Our long-term ambition is to achieve net-zero emissions by 2050 or sooner, in line with the SBTi Net-Zero Standard and the global objective of limiting warming to 1.5°C, above pre-industrial levels. This alignment anchors our climate strategy in scientific rigour while ensuring relevance to the expectations of regulators, investors, and partners operating in increasingly climate-conscious markets.

Delivering against this ambition requires more than aspiration; it requires a defined pathway, supported by measurable milestones and disciplined execution. We have developed a structured transition plan for our Scope 1 and Scope 2 emissions, supported by climate-related metrics that track progress against intermediate targets. Near-term priorities centre on three operational levers: increasing the share of renewable electricity in our power mix, transitioning boiler operations from conventional fuels to low-emission Piped Natural Gas (PNG), and reducing overall energy demand through efficiency upgrades and cleaner technologies. Anchoring this transition is our near-term GHG reduction target: a 42% reduction in absolute Scope 1 emissions and a 42% reduction in absolute Scope 2 emissions by FY30, against an FY23 base year.

Our decarbonisation agenda addresses emissions across all three scopes, extends beyond our own operations into the upstream and downstream value chain, and draws on innovation, partnership, and science-based methodology to accelerate progress. The combination of Scope 3 inventorisation, science-based target-setting, renewable energy expansion, and sustainable logistics collaboration reflects our intent to lead from the front, demonstrating that a complex generics business can align with the most ambitious climate standards.

Our decarbonisation plan essentially includes three key aspects :

1. Boosting Renewable Energy Use

Transitioning away from fossil-based power is the most direct lever available to us for reducing Scope 2 emissions. For India, our renewable energy mix stood at 44.19% in FY26, compared with 42.63% in FY25; our flagship KRSG site operates on ~86% renewable electricity. This progress reflects a deliberate shift of our manufacturing operations toward cleaner sources of power, combined with disciplined efforts to moderate absolute energy demand across the enterprise.

Looking ahead, our intent is to replicate KRSG-level performance across our wider site network. This will be achieved through a combination of rooftop and ground-mounted solar installations, third-party renewable Power Purchase Agreements (PPAs), and continued investment in clean-energy infrastructure at our manufacturing locations. Working toward this commitment, we have initiated a long-term PPA at our Alathur facility for 2.14 MWac (megawatts alternating current) and at our Puducherry facility for 0.81 MWAC, projected to cumulatively convert ~71 lakh kWh/year to renewable electricity. Beyond reducing our own emissions, this transition serves a secondary purpose, positioning Strides as a credible, low-carbon supplier to our customers and institutional partners, many of whom are themselves pursuing ambitious climate commitments.

2. GHG Reduction through Fuel Switch

Fuel switching is our principal lever for reducing Scope 1 emissions, and we are advancing a series of site-specific conversions. At KRSG, we have converted the boiler operations from furnace oil to Piped Natural Gas (PNG), a cleaner alternative that materially reduces both carbon emissions and local air pollutants. At our Alathur manufacturing site, we are already operating a briquette-fired boiler that substitutes fossil fuels with sawdust and agricultural waste for steam generation.

Another key feature of our roadmap is the transition to cleaner fuel. KRSG site is converting its boiler fuel from furnace oil to PNG. At our Alathur manufacturing site, we are using sawdust and agricultural waste in our briquette-fired boiler steam production. This initiative led to a net emission reduction of 412 tons of CO_2e.

3. Decarbonising Logistics and Sustainable Fuels

Recognising that a significant share of our Scope 3 emissions arises from upstream and downstream transportation, we have extended our decarbonisation efforts into our logistics chain through the Low Emission Transport Programme (LETP). The LETP focuses on the adoption of biofuels in partnership with logistics providers, replacing fossil fuels in shipment execution. In FY26, the programme helped avoiding 496 tCO_2e GHG emissions. Beyond its direct environmental benefit, LETP contributes to the ESG performance of our consignees, extending the decarbonisation impact of each shipment well beyond Strides' own boundary.

Waste Management[111]

We are committed to managing waste responsibly and improving waste performance across our operations through a structured and measurable approach. We conduct periodic waste audits to identify key waste streams, assess generation patterns, and determine opportunities for waste reduction, reuse, recycling, and improved disposal practices. Based on these assessments, we have developed action plans and established quantified targets to minimise waste generation, reduce waste intensity, and improve resource efficiency across our manufacturing and support activities. We have set an annual target of reducing hazardous waste generation by 5% for Indian operations. We continue to invest in innovation, process improvements, and research and development initiatives aimed at reducing material losses, improving yields, optimising packaging, and minimising waste at source. We also provide waste reduction training and awareness programmes to employees and contractors to encourage proper segregation, responsible handling, and active participation in waste minimisation initiatives.

Every site follows a defined Standard Operating Procedure (SOP) for managing both hazardous and non-hazardous waste. These site-level SOPs cover key stages of the waste life cycle, including segregation, collection, transportation, storage, and disposal through authorised agencies, in line with applicable statutory requirements. We use colour-coded systems for safe segregation and collection of waste at source to support compliance and improve handling practices.

Strides is committed to full environmental and regulatory compliance in its hazardous waste disposal. Our disposal methods are guided by the Ministry of Environment, Forest and Climate Change (MoEFCC), the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, the Bio-Medical Waste Management Rules, 2016, and ISO 14001 standard. We partner only with licensed third-party contractors who adhere to environmental best practices, and we conduct regular audits to uphold compliance and ensure environmental safety across the waste supply chain. Hazardous waste streams include waste oil, oil-contaminated residues, process waste residues, off-specification products, wastewater treatment sludge, empty chemical containers, e-waste, and biomedical waste.

Biomedical waste is segregated according to the Bio-Medical Waste Management Rules, 2016, using colour-coded containers. Waste is stored in leak-proof, puncture-resistant barcoded bags and disposed of through authorised service providers within prescribed timelines. Treatment methods include autoclaving and authorised incineration.

We also follow a defined process for managing expired or rejected chemicals. Our QC team identifies expired chemicals through LIMS-based records and ensures compatible storage. The EHS team then reviews and verifies these materials with the relevant Safety Data Sheet (SDS) documentation before they are labelled for disposal. The required SDS information is also shared with the authorised waste disposal agency to support safe handling and clearance.

Waste Reduction and Circularity[112]

To reduce the quantity of waste from our own operations sent to landfill, we have implemented waste prevention and reduction initiatives through lean manufacturing practices, 5S, Kaizen programmes, batch-size optimisation, Overall Equipment Effectiveness (OEE) improvement programmes, FEFO inventory management, green chemistry initiatives, and packaging optimisation programmes. In FY26, ~20% waste generated in India was co-processed through Pollution Control Board certified aggregator. More than 40% of our waste was diverted from the landfill.

Yield Improvement

Yield improvement projects are undertaken across sites to maximise the proportion of products that meet quality standards without defects. Maintaining high yields reduces waste, lowers production costs, and enhances operational efficiency, which supports competitive advantage through consistent and reliable production. Manufacturing teams continuously monitor critical products by developing detailed process flow maps to identify yield losses at each stage, from granulation to coating, inspection, and packaging. Daily product data is collected and reviewed in weekly meetings to analyse rejection causes and prioritise key issues.

[111]GRI 306-1
[112]GRI 306-2, GRI 306-4

Waste Generation[113, 114]

Category	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	India			
Hazardous*	Tonnes	838.24	74.42	763.82	578.97	457.00	730
Non-hazardous#	Tonnes	1,873.99	727.53	1,146.46	572.07	253.00	221
Total Waste	**Tonnes**	**2,712.23**	**801.95**	**1,910.28**	**1,516.68**	**843.06**	**1,144.5**

*Hazardous Waste includes Biomedical Waste, Battery Waste, E-waste, and other hazardous waste

#Non-Hazardous Waste includes Plastic, Packaging, Cardboard, Corrugated Boxes, Metal Scrap, Paper, Glass, Food, general waste, etc

Note: Refer pg 177 for details on waste generation.

Water Management[115]

We are committed to responsible water management and continuously improving water efficiency across our operations. We conduct periodic water use assessments to identify opportunities for reducing consumption in manufacturing processes, utilities, cleaning operations, cooling systems, boilers, and domestic use. Based on these assessments, we establish measurable targets to reduce water withdrawal, improve water-use efficiency, and optimise water consumption per unit of production. We implement various actions to reduce water use, including leak detection and rectification, optimisation of cleaning processes, efficient operation of cooling towers and utilities, installation of water-efficient fixtures, preventive maintenance, and process improvements. We also focus on improving wastewater quality through effective operation and monitoring of effluent treatment systems, segregation of wastewater streams, regular quality testing, chemical optimisation, and ensuring compliance with applicable discharge standards. Wherever feasible, we apply water recycling and reuse practices by treating wastewater and reusing it for utilities, gardening, flushing, cooling tower make-up, or other suitable non-process applications. In addition, we provide awareness training to employees and contractors on water efficiency management programmes, encouraging responsible water use, timely reporting of leakages, and active participation in water conservation initiatives across the organisation.

Water Monitoring and Efficiency

Water consumption is monitored through site-specific water balance diagrams which are periodically reviewed and updated. Monthly water reports and trend analyses are used to identify high-consumption areas and implement corrective actions. Flow meters are installed at key points to improve measurement accuracy and accountability. Freshwater withdrawal is monitored against regulatory limits prescribed in site consent conditions and reported annually through statutory submissions.

Water Saving Initiatives for FY 2026

In FY26, 1.06 Lakh kL of water was recycled and reused within our facilities. At our Puducherry plant, treated water received from third-party treatment facilities is reused in cooling towers and utilities, reducing freshwater withdrawal.

We have rainwater harvesting systems at three sites, namely KRSG (Bengaluru), Puducherry, and Chandapura, with a combined harvested capacity of 1,400 kL. In FY26, our flagship facility at KRSG harvested 41,195.29 kL of rainwater, while the Puducherry site harvested 23,692.80 kL. These volumes contribute to groundwater recharge and reduce dependence on municipal and groundwater sources.

Treated water from our Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) is used for in-house horticulture, further reducing freshwater dependence and the energy footprint associated with water supply.

Groundwater Recharge

We support groundwater replenishment through rainwater harvesting and recharge initiatives implemented based on site-specific hydrogeological conditions and recharge capacities. These initiatives complement Strides' broader strategy of reducing freshwater dependency while improving water resilience.

Water Risk Assessment

To understand the long-term water risks facing our operations, we have undertaken a comprehensive water risk assessment for all its manufacturing facilities in India, using the WWF Water Risk Filter. The assessment evaluates three risk categories: physical, regulatory, and reputational. Further, they are disaggregated into twelve sub-categories including water scarcity, flooding, regulatory instruments, and cultural importance of water. We have used FY2020 as the baseline, with 2030 and 2050 as future scenarios. During FY26, we revalidated the findings of its water risk assessment for its India operations using the WWF Water Risk Filter. No material change was observed in the water risk categorisation of operational sites, and the overall assessment continued to indicate low-to-medium levels of water stress risk. Existing mitigation and monitoring measures therefore remain appropriate and continue to be implemented.

[113]GRI 306-3
[114]GRI 306-1
[115]GRI 303-1

Water Withdrawal by Sources[116]

Source	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	India			
Fresh groundwater	m^3	120,541.74	97,103.37	23,438.36	41,094	60,544	59,877
Municipal water supplies (or from other water utilities)	m^3	175,419.94	9,571.50	165,848.44	151,280	1,43,872	1,34,901
Bottled drinking water	m^3	1,010.88	-	1010.88	NA	NA	NA
Total water withdrawal	m^3	296,972.56	106,674.87	190,297.69	192,374	204,416	194,778
Total water consumption[117]	m^3	296,972.56	106,674.87	190,297.69	192,374	204,416	194,778

Note: Total water withdrawal from water stressed areas was 110,720.40 KL (Groundwater - 23,438.37, third-party water 87,282.03 KL) in Bengaluru, Karnataka.

Wastewater Management[118]

All our manufacturing plants are equipped with combined effluent and sewage treatment plants, supported by an in-house environmental lab that verifies the quality of treated water before it is reused. At our Puducherry site, we partner with the Zero Liquid Discharge facility of our sister firm, M/s Solara Active Pharma, to treat wastewater, enabling absolute recycling and conversion of dissolved organics and inorganics into solid residue. At our KRSG plant, a new 300 KLD Zero Liquid Discharge facility is in the final commissioning stage. Once operational, this facility will convert ETP-treated water into utility-grade recycled water, significantly reducing the site's freshwater footprint.

We have set a target of reducing water consumption by 5% annually for Indian operations.

Toward Sustainable Water Management[119]

Water stewardship remains a critical component of Strides' environmental sustainability strategy. As part of our commitment to reducing freshwater dependency and improving resource efficiency, we have been investing in advanced water treatment and recycling infrastructure across our operations. Our formulation plant is operating a combined effluent and sewage treatment plant. Treated water from both these plants are used for gardening and horticultural purposes. A significant milestone in this journey is the commissioning of a 300 KLD Zero Liquid Discharge (ZLD) facility at our KRSG manufacturing site with a potential to save almost 250 KLD of fresh water. The facility is designed to process effluent treated water from the Effluent Treatment Plant (ETP) and convert it into utility-grade recycled water suitable for reuse within operations. The ZLD system enables maximum recovery and reuse of water while eliminating liquid discharge from the facility. By recovering valuable water resources and reducing dependence on external freshwater sources, the initiative supports operational resilience, water conservation, and regulatory compliance. In parallel, our Puducherry facility continues to utilise ZLD-treated water through collaboration with a third-party treatment facility, enabling complete recycling and reuse of wastewater streams. Together, these initiatives strengthen Strides' circular water management approach and contribute to our broader target of reducing water consumption by 5% annually for Indian operations.

The ZLD programme complements other water stewardship initiatives, including rainwater harvesting, groundwater recharge, wastewater recycling, and water-efficiency projects. In FY26, Strides recycled and reused more than 1.06 Lakh m^3 of water across our Indian operations, demonstrating our commitment to responsible water management and long-term environmental sustainability.

Key Benefits of ZLD

- Eliminates wastewater discharge
- Maximises water recovery and reuse
- Reduces freshwater withdrawal
- Supports regulatory compliance
- Enhances water security and climate resilience
- Strengthens circular resource management practices

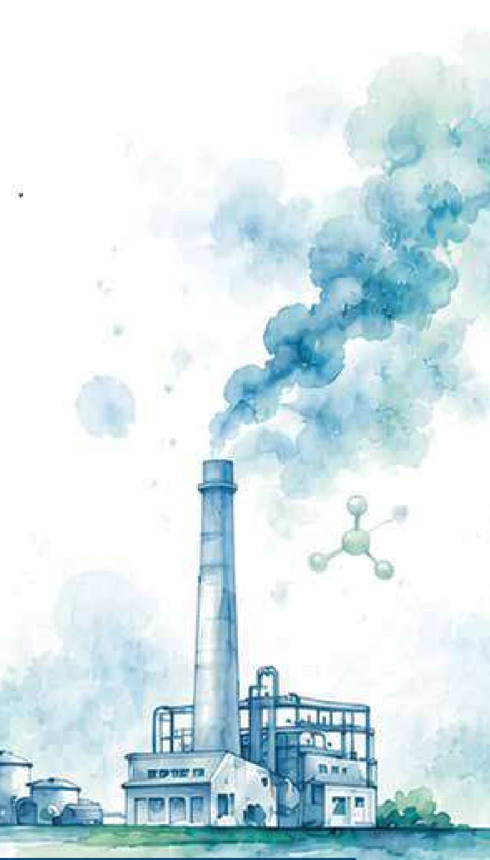
[116] GRI 303-3
[117] GRI 303-5
[118] GRI 303-2
[119] GRI 303-4

Air Emissions[120]

Air quality management forms an integral part of our environmental management system. Regular monitoring is conducted for stack emissions, diesel generator emissions, and ambient air quality across operational locations. Monitoring is performed by National Accreditation Board for Testing and Calibration Laboratories (NABL)-accredited laboratories using approved methodologies and frequencies prescribed by applicable regulations. Results are reviewed internally for trend analysis, identification of deviations, and implementation of corrective and preventive actions where required.

Our manufacturing facilities comply with the requirements of the Ministry of Environment, Forest and Climate Change (MoEFCC), the Central Pollution Control Board (CPCB), the State Pollution Control Boards, and other applicable regulatory authorities. Monitoring reports are periodically submitted to regulators in line with statutory obligations.

We are also exploring opportunities to enhance air emissions performance through advanced emission control technologies, operational improvements, and effective environmental management practices. All diesel generator sets below 800 kVA are equipped with Retrofit Emission Control Devices (RECDs), supporting improved air quality performance and emission control. Air pollutant quantification is performed using methodologies aligned with the Confederation of Indian Industry (CII) Corporate Air Emissions Reporting Guide. Air emissions are monitored through accredited third-party stack monitoring programmes and evaluated using pollutant concentrations, discharge flow rates, and equipment operating hours.



Air emissions	Unit	FY 2025-26
PM	Tonnes	8.28
SOx	Tonnes	1.99
NOx	Tonnes	3.19

Air emissions	Unit	FY 2024-25	FY 2023-24	FY 2022-23
PM	mg/Nm^3	40.50	169	57.60
SOx	mg/Nm^3	27.10	131.60	63
NOx	mg/Nm^3	130.70	227.10	31.50

*Until FY25, air emissions were reported in mg/Nm^3, which reflects pollutant concentration levels. Beginning in FY26, we have transitioned to reporting emissions in tonnes, as this provides a more comprehensive representation of our total emissions impact. The table above has been retained for reference and Y-O-Y comparison purposes. Going forward, all air emissions will continue to be reported in tonnes.

Environmental Targets

Water
5%
Reduce water consumption by 5% Y-O-Y for Indian operations

Waste
5%
Reduce hazardous waste generation 5% Y-O-Y for Indian operations

Climate
42%
Continue progress toward 42% reduction in Scope 1 & 42% reduction in Scope 2 FY2030 (FY23 baseline)

Net Zero
2050
Achieve net-zero emissions by FY2050 or earlier

[120] GRI 305-7

Climate Resilience

At Strides, we have integrated climate governance in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework, ensuring climate risks and opportunities, are systematically identified, assessed, and integrated into business decisions.

Climate Risk Assessment[121]

We understand that climate risk assessment is important for operational resilience. The assessment focused on identifying potential climate-related risks and their impacts on our operations, infrastructure, and financial health. It considered both physical climate risks and transition risks associated with the shift toward a lower-carbon economy.

The assessment covered eight acute and chronic physical climate hazards: flood, wind, heat, cold, precipitation, drought, hail, and wildfire. It also considered transition risks, including potential regulatory changes and evolving consumer preferences associated with the transition to a lower-carbon economy.

The assessment covered the following sites and facilities:

India -

- **Bengaluru, Karnataka** - Manufacturing Plant (KRSG, Chandapura), Corporate Office, R&D Centre
- **Alathur, Tamil Nadu** - Manufacturing Plant
- **Puducherry** - Manufacturing Plant

Overseas -

- **USA -** Manufacturing Plant at Chestnut Ridge, New York
- **Italy -** Manufacturing Plant at Milan

The assessment proactively identifies potential climate-related challenges and support the development of appropriate measures to strengthen the resilience of our operations and infrastructure.

Time Horizons considered for conducting the climate risk assessment:

- Short-term – 5 years (up to 2030)
- Medium-term – 10 years (up to 2035)
- Long-term – 30 years (up to 2050)

By implementing a comprehensive climate risk assessment process, we aim to enhance our adaptability in a changing environment, safeguarding our business while reinforcing our commitment to sustainability.

Climate Change Governance Mechanism

The Risk Management & Sustainability Committee (RM&SC) of the Board of Directors of Strides is responsible for the overall sustainability initiatives, including assessing risks related to Climate Change and further undertaking mitigation actions.

The committee meets at least twice a year to discuss the risks and mitigation measures that can be implemented.

The Chief Sustainability Officer (CSO), along with the Sustainability team at Strides, plays a crucial role in embedding sustainability, including climate change management, across the organisation. The CSO, in collaboration with operational function heads, assists the Committee in developing and implementing a sustainability strategy aligned with corporate goals and global standards.

Identifying and Assessing Climate-Related Risks

- **Risk Identification:** Climate-related risks are systematically identified by analysing historical data and industry reports specific to our operational locations.
- **Risk Assessment:** Potential impact and likelihood of identified risks are evaluated using scenario analysis based on the IPCC Shared Socioeconomic Pathways (SSP) framework, including SSP1-2.6, SSP2-4.5, and SSP5- 8.5 scenarios, which are used to assess physical climate risks under different future climate scenarios, to understand possible outcomes.
- **Risk Quantification:** Financial and operational impacts of risks are quantified to prioritise and allocate resources effectively, calculating potential economic losses and operational disruptions.
- **Risk Mitigation:** Climate risks are embedded into strategic and operational decision-making, including infrastructure planning and enhancement, renewable energy adoption, insurance, workforce planning, production, and business continuity, to strengthen operational resilience and minimise potential climate-related disruptions.
- **Monitoring and Disclosure:** Risk management efforts are continuously monitored, and progress and outcomes are discussed with relevant stakeholders, ensuring alignment with strategic objectives and sustainability goals.

Climate-Related Scenario Analysis

To understand future hazard trends, an assessment using Shared Socioeconomic Pathways (SSPs) 1, 2, and 5 scenarios through 2100 was conducted. The analysis used scenarios from the IPCC Sixth Assessment Report (AR6), published by the Intergovernmental Panel on Climate Change (IPCC) in 2022, to evaluate physical risks, while scenarios developed by the Network for Greening the Financial System (NGFS) were used to assess transition risks.

[121]GRI 201-2

Physical climate risk data is available at five-year intervals from the present through 2100. The SSPs are based on five narratives that describe broad socioeconomic trends likely to influence future society. For our physical risk assessment, three climate scenarios have been considered for all the locations:

SSP 1

Sustainability – Taking the Green Road

- Low challenges to mitigation and adaptation
- Shift to sustainable practices results in rapid technological development, relative global equality of income, and environmental sustainability
- Emissions continue to increase through the end of the century, with resulting warming of more than 1°C by 2100

SSP 2

Middle of the Road

- Medium challenges to mitigation and adaptation
- Decisive mitigation actions to reduce emissions to half of current levels by 2080
- Emissions will continue to increase through the end of the century, with warming of more than 2°C by 2100

SSP 5

Fossil-fueled Development – Taking the Highway

- High challenges to mitigation, low challenges to adaptation
- Continuation of business as usual with emissions at current rates
- High-growth energy-intensive emissions result in warming of more than 4°C by 2100

Risks Identified

Physical risk – Divided into Acute Risk and Chronic Risk :

- Acute risks such as cyclones, floods, and extreme weather events, particularly affecting our operations
- Chronic risks include rising temperatures and long-term water stress

Physical Risks	Category	Business Impact/Implications	Facilities at Risk
Flooding	Acute Risk	• Flooding could cause physical damage to operational infrastructure such as buildings, equipment, power and water supply, vehicles, raw materials, and stored products. There may be downtime whilst repairs, maintenance, and clearing of floodwater takes place. • Flooding may block key site areas and access routes for materials, goods, and site personnel. This could lead to downtime and disruptions to operations and scheduled maintenance.	**Medium Risks** • BeltaPharm, Milan
Wind and Cyclone	Acute Risk	• Cyclones are expected to pose a high risk to manufacturing. • High wind speeds can cause physical damage to operational infrastructure, such as buildings, equipment, power, water supply, vehicles, raw materials, and stored products.	**Medium Risks** • Bengaluru, Karnataka (KRSG, Chandapura, Corporate Office, R&D Office)
Extreme Heat	Chronic Risk	A high wet-bulb temperature above 35°C leads to loss of productivity due to thermal discomfort and can result in heatstroke or death. Additionally, we require cooling to avoid product spoilage during the formulation stage and raw material transportation and distribution. This would result in high demand for air conditioning in our offices, leading to high energy demands. This, in turn, culminates in (i) high pressure on the grid leading to disrupted supply of electricity at city or regional level and (ii) high expenses toward increasing demand of electricity/energy impacting our profitability.	**High Risks** • Bengaluru, Karnataka (KRSG, Chandapura, Corporate Office, R&D Office) **Medium Risks** • BeltaPharm, Milan • Chestnut Ridge, New York • Puducherry • Alathur, Tamil Nadu

Physical Risks	Category	Business Impact/Implications	Facilities at Risk
Precipitation	Chronic Risk	• Excessive precipitation, including heavy rainfall or prolonged wet conditions, could lead to water ingress and moisture accumulation in operational facilities. This can damage sensitive manufacturing equipment, raw materials, and finished products, particularly those vulnerable to humidity and contamination. • Increased precipitation may disrupt logistics and supply chains by causing road flooding, delays in the transportation of raw materials, and distribution of finished products, impacting timely deliveries and overall production schedules.	**High Risks** • Bengaluru, Karnataka (KRSG, Chandapura, Corporate Office, R&D Office) • BeltaPharm, Milan • Chestnut Ridge, New York **Medium Risks** • Puducherry • Alathur, Tamil Nadu
Drought	Acute Risk	Water Stress & Drought could potentially result in shortage of water for our production activities as well as office operations. During times of stress, the high cost of purchasing water would impose an unexpected financial contingency on our business. Additionally, we would also need to calibrate our water use to comply with water use restrictions imposed by local and regional authorities in such events.	**Medium Risks** • Puducherry
Hail/ Thunderstorms	Acute Risk	None of our assessed sites is prone to medium/high risk of Hail/Thunderstorms	None
Wildfire	Acute Risk	None of our assessed sites is prone to medium/high risk of Wildfires	None
Cold	Chronic Risk	None of our assessed sites is prone to medium/high risk of Cold	None

Transition Risks

Transition risks stem from the economic and regulatory changes associated with the shift to a lower-carbon economy and may influence operating costs, market dynamics, technology adoption, and stakeholder expectations. Recognising these risks as a strategic business consideration, Strides expanded its climate scenario analysis during the reporting year to assess potential financial and operational implications under different transition pathways. The assessment supports informed decision-making and strengthens our preparedness for evolving climate-related risks and opportunities.

This assessment also helped us to better understand the potential implications of evolving climate policies, low-carbon technologies, market shifts, and changing stakeholder expectations. This analysis strengthens our ability to identify, manage, and respond to emerging risks and opportunities associated with the global transition to a lower-carbon economy. The impacts were assessed across:

Time Horizons:

- Short-term – 2026-2030
- Medium-term – 2031-2040
- Long-term – 2041-2050

Scenarios:

Nationally Determined Contributions (NDCs):
This scenario reflects a transition pathway where countries implement their existing climate commitments under the Paris Agreement. It assumes a gradual strengthening of climate policies, moderate carbon pricing, and continued growth in low-carbon energy sources. Electricity price projections reflect the expected impact of these measures on energy markets while balancing economic growth and energy security. The scenario is generally aligned with a global warming outcome of approximately 2.5°C-3°C by 2100.

Net Zero 2050:
This scenario represents an accelerated transition pathway aimed at achieving net-zero greenhouse gas emissions by 2050 and limiting global warming to approximately 1.5°C. It assumes rapid decarbonisation, large-scale deployment of renewable energy, electrification, carbon capture technologies, and higher carbon prices. Electricity price projections reflect the costs associated with this accelerated energy transition and the resulting transformation of energy systems and markets.

Risk Category	Risk Sub-Type	Time Horizon	Likelihood	Magnitude
Technology	Low-emission manufacturing transition	Medium-term (2031–2040)	Expected	High
	Investment in green chemistry	Medium-term (2031–2040)	Likely	Medium
Reputation	Stakeholder/investor preference for Net Zero healthcare systems	Medium-term (2031–2040)	Expected	Medium
Market	Demand shift toward low-carbon pharmaceuticals	Medium-term (2031–2040)	Likely	Medium–High
	Pricing pressure from carbon costs across value chain	Short-term (2026-2030)	Very Likely	Medium–High
Policy & Legal	Disclosure mandates	Medium-term (2031–2040)	Expected	Medium

Technology Risks

Low-Emission Manufacturing Transition

Time Horizon:	Likelihood:	Magnitude:
Medium-term (2031–2040)	Expected	High

Transitioning our predominantly India-based manufacturing base to low-emission operations including renewable electricity, electrified thermal processes, and continuous manufacturing requires significant capital investment and regulatory re-validation across the global jurisdictions we serve, including the US market where clean-energy sourcing expectations are rising.

Financial Implications:

- To assess the relative financial significance of these impacts, the projected increase in electricity costs was evaluated as a proportion of projected revenue, referred to as the Cost of Risk as a Proportion of Exposed Revenue. This metric indicates the extent to which higher electricity costs could impact revenue generated from exposed operations under each climate scenario.
- Scenario analysis indicates that electricity consumption costs may increase under all assessed climate pathways due to potential changes in electricity prices associated with energy system decarbonisation, evolving climate policies, renewable energy integration costs, and broader transition-related market developments.
- Across the assessed scenarios, the Cost of Risk remains relatively stable, ranging from approximately 1.60%–2.20% of exposed revenue in 2030, 1.50%-2.20% in 2040, and 1.40%-1.80% in 2050.
- The Net Zero 2050 scenario exhibits marginally higher Cost of Risk values than the Nationally Determined Contributions (NDCs) scenario, reflecting the effects of more stringent transition assumptions and associated changes in future electricity prices. However, across all scenarios, the Cost of Risk remains below 2.5% of projected revenue, indicating a relatively moderate level of financial exposure under the modeled pathways.

Cost of Risk as a Proportion of Exposed Revenue*

Nationally Determined Contributions :
2030 – ₹ 1,163–1,422 Million
(1.60%–2.00% of the revenue)
2040 – ₹ 3,083–3,768 Million
(1.50%–1.90% of the revenue)
2050 – ₹ 8,011–9,792 Million
(1.40%–1.70% of the revenue)

Net Zero 2050 :
2030 – ₹ 1,330–1,625 Million
(1.80%–2.20% of the revenue)
2040 – ₹ 3,589–4,387 Million
(1.80%–2.20% of the revenue)
2050 – ₹ 8,495–10,383 Million
(1.50%–1.80% of the revenue)

Mitigation measure :

We continue to undertake multiple initiatives focused on reducing carbon emissions and increasing the utilisation of alternative and clean energy sources. During the year, over 15,600 tonnes of CO_2e emission reduction was achieved through the utilisation of approximately 0.79 lakh GJ of clean energy generated from solar power, including both in-house generation and imported renewable energy. This represented approximately 43% of Strides' total power consumption of 2.8 lakh GJ across all sites, with 1.2 lakh GJ sourced from clean energy sources. Additionally, a 5,100 SCM capacity Piped Natural Gas (PNG) system was commissioned at the KRSG plant for steam generation in manufacturing operations and the in-house kitchen, replacing furnace oil and LPG for cleaner fuel usage. All electrical motors procured across sites now comply with IE4 efficiency ratings or higher. Capital investment on energy conservation equipment during FY26 stood at approximately ₹ 48 Million.

Cost of Mitigation :
In ₹ 235.35 Million from 2026 to 2030

*Projected revenues through 2050 have been estimated using a 10.75% CAGR, consistent with the decarbonisation plan. Each year's projected revenue value reflects growth from the baseline revenue in accordance with this assumption.

Investment in Green Chemistry		
Time Horizon: Medium-term (2031–2040)	**Likelihood:** Likely	**Magnitude:** Medium

Advancing our sustainability agenda requires investment in green chemistry approaches, including solvent-free processes, biocatalysis, and sustainable excipients, some of which are still maturing from pilot to commercial scale within our product categories.

Financial Implications:

Transition to low-GWP technologies may require moderate incremental investments in R&D and manufacturing process enhancements to support product redesign, testing, certification, and commercialisation activities.

Mitigation

We are adopting a staged investment approach, prioritising green chemistry pilots on our highest-volume products, partnering with technology providers to reduce development risk, and scaling investment only after technical and regulatory feasibility is demonstrated. In parallel, we are advancing process innovation programmes focused on improving material efficiency, reducing waste generation, and enhancing resource productivity across manufacturing operations. Additionally, we are exploring adoption of solvent reduction, solvent recovery, and where technically feasible, solvent-free manufacturing processes.

Market Risk

Stakeholder/Investor Preference for Net Zero Healthcare Systems		
Time Horizon: Medium-term (2031–2040)	**Likelihood:** Expected	**Magnitude:** Medium

Public healthcare procurement systems, most notably the UK NHS (with its Net Zero Supplier Roadmap requiring carbon reduction plans and eventual net-zero commitments as a condition of contract eligibility) and EU public procurement bodies (increasingly embedding Green Public Procurement criteria and carbon disclosure requirements into pharmaceutical tenders), are systematically integrating supplier decarbonisation credentials into sourcing decisions. NHS supplier requirements are already being phased in, with full net-zero-aligned supply chain requirements targeted for the coming years.

Financial Implications:

Potential loss of market share and revenue growth opportunities in key regulated markets, especially in the EU and the UK, as public healthcare procurement bodies increasingly incorporate supplier decarbonisation credentials and net-zero commitments into sourcing decisions.

Mitigation

We are pursuing third-party validated climate targets such as SBTi and developing product-level carbon footprint data for key tender markets. We are closely monitoring requirements of NHS and EU procurement bodies to maintain market access as requirements evolve.

Reputation Risk

Demand Shift Toward Low-Carbon Pharmaceuticals		
Time Horizon: Medium-term (2031–2040)	**Likelihood:** Likely	**Magnitude:** Medium-High

Independent of direct procurement mandates, a broader market-level shift is underway among healthcare payers, hospital groups, and institutional buyers toward preferentially sourcing pharmaceuticals with demonstrated lower embedded carbon footprints. This is increasingly formalised through carbon-weighted scoring criteria in tender evaluation frameworks (particularly across EU member states and the UK), where a supplier's disclosed product carbon footprint can influence tender scoring alongside traditional price and quality criteria.

For Strides, this represents a structural competitive risk. Competitors who move faster to credential low-carbon manufacturing and disclose product-level carbon data may capture disproportionate tender share even at comparable pricing, as buyers use carbon performance as a tie-breaking or differentiating criterion. This risk compounds over the 2030–2040 window as carbon-weighted procurement criteria mature from pilot programmes into standard tender practice across a growing number of markets.

Financial Implications:

Gradual erosion of market share in sustainability-linked tenders due to increasing customer and procurement requirements related to environmental performance and product sustainability attributes.

Potential revenue loss arising from the growing adoption of sustainable packaging requirements by customers, procurement agencies, and healthcare systems, particularly where existing packaging solutions do not align with evolving sustainability expectations.

Mitigation Measures

We are developing product-level carbon footprint disclosures for our highest-volume tender-facing products and positioning select portfolio segments competitively within evolving carbon-weighted procurement frameworks.

Market Risk

Pricing Pressure from Carbon Costs Across the Value Chain		
Time Horizon: Short-term (2026–2030)	**Likelihood:** Very Likely	**Magnitude:** Medium-High

Strides' global supply chain is exposed to increasing climate-related cost pressures as carbon pricing mechanisms, emissions trading systems, and transportation decarbonisation requirements expand across key markets. These costs are expected to affect raw materials, APIs, intermediates, packaging materials, and logistics services, with suppliers increasingly passing carbon compliance costs through the value chain. As these are largely pass through costs originating with upstream suppliers and logistics partners, Strides will have limited ability to avoid them and will need to bear a significant portion of this cost burden directly. The risk is particularly significant for Strides as a generic pharmaceutical manufacturer operating in highly competitive and regulated markets, where pricing flexibility is limited and the ability to transfer additional costs to customers is constrained. Early impacts are already being observed through low-carbon shipping surcharges passed on by logistics providers serving the UK and European markets. As carbon regulations become more widespread after 2030, additional supplier tiers are expected to face compliance obligations, potentially leading to further increases in procurement and distribution costs that Strides will be required to absorb given its constrained pricing position.

Financial Implications:

Under the NGFS Net Zero 2050 scenario, carbon pricing represents the most significant transition-related cost exposure. The estimated impact is approximately 3.70% of projected revenue in 2030, declining to 1.50% in 2040 and 0.60% in 2050. Despite a substantial increase in modelled carbon prices, the declining impact reflects our projected decarbonisation pathway and resulting reduction in emissions intensity over time. This indicates increasing resilience to carbon-pricing mechanisms under an accelerated climate transition scenario. Carbon pricing presents a moderate short-term transition risk under the NGFS Net Zero 2050 scenario. However, projected decarbonisation initiatives significantly reduce exposure over the medium and long term.

Cost of Risk as a Proportion of Exposed Revenue*

Nationally Determined Contributions :
2030 | ₹ 378–463 Million
(0.50%–0.60% of the revenue)
2040 | ₹ 533–652 Million
(0.20%–0.30% of the revenue)
2050 | ₹ 344–421 Million
(>0.10% of the revenue)

Net Zero 2050 :
2030 | ₹ 2,679–3,274 Million
(3.35%–4.10% of the revenue)
2040 | ₹ 3,024–3,696 Million
(1.50%–1.80% of the revenue)
2050 | ₹ 3,118–3,811 Million
(0.50%–0.60% of the revenue)

Mitigation Measures:

We are mapping supply chain carbon cost exposure, looking to diversifying sourcing, and optimising logistics to limit uncontrolled cost pass-through. Supplier engagement will be required to reduce our exposure to high emission logistics and manufacturing. During FY26, we carried out supplier assessments for 50 critical suppliers accounting for 73.50% of our direct procurement value. We estimate our supplier engagement mitigation costs to be ~0.10 Million per supplier. The costs of mitigation may lies upwards of 2.5 Million annually, assuming we engage with a large proportion of critical supplier annually, varying from one-time costs to regular engagement.

Cost of Mitigation :
Supplier Engagement – 2.5 Million annually

*Projected revenues through 2050 have been estimated using a 10.75% CAGR, consistent with the decarbonisation plan. Each year's projected revenue value reflects growth from the baseline revenue in accordance with this assumption

Policy & Legal Risk

Disclosure Mandates		
Time Horizon: Medium-term (2031–2040)	**Likelihood:** Expected	**Magnitude:** Medium-Low

Strides is subject to evolving climate disclosure requirements across key markets, particularly the European Union and the United States. Regulations such as the Corporate Sustainability Reporting Directive (CSRD) and New York's climate disclosure requirements (Part 253) will require enhanced reporting on greenhouse gas emissions, climate-related risks, transition plans, and associated assurance requirements.

For the US operations, non-compliance may result in civil enforcement actions and financial penalties. While the New York framework provides for penalties of up to $100,000 per day for willful non-compliance, capped at $500,000 per reporting year, enforcement guidance indicates that regulatory action is expected to focus primarily on non-filing rather than good-faith estimation errors. Consequently, the estimated cost of risk reflects a general probability of non-compliance despite documented compliance efforts and has been evaluated across the four climate scenarios.

As there are currently no NGFS scenarios addressing disclosure-related compliance risks, the assessment has been developed using assumptions that account for good-faith compliance practices typically recognised by US regulators. Given the regulatory uncertainty and evolving implementation requirements, these estimates should be considered indicative rather than predictive and will be reassessed as regulatory frameworks mature and enforcement practices become established.

Financial Implications:

- Recurring compliance costs (assurance, data systems, and reporting resources)
- Non-compliance risk includes penalties/legal liability in international markets with Strides manufacturing presence
- Statutory penalty provisions (up to $500,000 per reporting year for wilful non-compliance as the worst-case scenario) are weighed by the low likelihood of such an outcome given our proactive compliance programme, alongside anticipated programme administration fees. Additionally, Part 253 is still a early-stage framework with no enforcement track record yet.
- Additional compliance and administrative costs may arise as climate disclosure regulations mature and evolve, requiring ongoing monitoring of policy developments, updates to reporting processes, and alignment with changing regulatory expectations across jurisdictions.

Mitigation Measures :

To address this risk, Strides is strengthening emissions data management and disclosure processes proactively, ensuring readiness for future reporting obligations and reducing the risk of compressed implementation timelines.

Physical Risk Adaptation Measures

Strides is implementing a range of adaptation measures to enhance resilience against identified risks:

Infrastructure Resilience: To enhance operational resilience against extreme weather events, Strides prioritises strengthening critical infrastructure and investing in robust, adaptable technologies. Machinery is engineered to endure temperatures up to 50°C, with backups of essential equipment and adequate spare parts maintained to ensure rapid recovery during emergencies. Advanced drainage systems are in place to effectively manage heavy rainfall, while reliable power backups and diesel generators support continuous operation of key machinery. Workplace environments are designed with open windows, fans, water coolers, and exhaust systems to maintain comfortable conditions. Additionally, select sites are equipped with solar power plants, further contributing to energy resilience and sustainability.

Energy Efficiency: We are committed to reducing our total absolute Scope 1 and Scope 2 emissions by 42% by FY2030 compared to base year FY23. Also, we have committed to achieving Net Zero by FY50. A key focus for Strides this year is its commitment to setting science-based targets for decarbonisation. This initiative aligns with global efforts to limit temperature rise and demonstrates our dedication to reducing its carbon footprint in line with scientific recommendations. Our renewable energy mix stands at 42.63% in FY25 compared to 44% in FY24, with our flagship KRSG plant currently at ~87% renewable. Essentially, the energy usage in our operations, i.e., at manufacturing sites has been shifted more toward renewable sources, whereas in terms of overall energy usage, we are putting efforts to improve steadily. KRSG site is converting its boiler fuel from furnace oil to PNG. At our Alathur manufacturing site, we are using sawdust and agricultural waste in our briquette-fired boiler steam production. At our Puducherry site, we replaced all CFL and sodium vapor lighting systems with energy-efficient LED lights. Additionally, we installed Variable Frequency Drive (VFD) devices to optimise motor efficiency, contributing to reduced operational costs[122].

Water Management: As droughts and water scarcity intensify due to climate change, we recognise that some of our sites may face water-related risks disrupting operations and impacting revenues temporarily. To assess these risks, we used the WWF Water Risk analysis at all our sites. All our manufacturing plants are equipped with Wastewater Treatment Facilities, supported by an in-house Environmental Lab to ensure the quality of treated water before it is used in the Facility for horticultural purposes. We have taken a target to reduce water consumption by 5% or more by FY26 from the FY25 for our India sites.

To strengthen resilience against climate-related disruptions, Strides has invested in infrastructure adaptation measures including advanced drainage systems, resilient utility infrastructure, standby power systems, backup critical equipment, and adequate inventories of essential spare parts. Manufacturing equipment is designed to operate under high-temperature conditions, and workplace environments are supported through ventilation systems, cooling arrangements, and other employee protection measures to address rising heat risks. Selected sites are additionally supported by renewable energy installations that strengthen operational resilience and energy security.

Climate-Related Management Incentives

Employees are recognised and rewarded for their contributions toward Strides' sustainability initiatives, including climate risk management. To reinforce accountability and align individual performance with our sustainability commitments, department-specific sustainability-related KPIs have been incorporated into employees' overall KRAs. These KPIs include key environmental indicators such as water consumption, emissions, energy usage, and other climate-relevant factors. As these indicators can have significant environmental impacts and contribute to climate-related risks if not effectively managed, performance against them is closely monitored. Successful achievement of these KPIs and annual sustainability goals is reflected positively in employees' overall annual performance assessments.

At the highest level of governance, sustainability considerations are integrated into leadership performance and remuneration structures. For the Managing Director (MD) & Group CEO, 20% of the performance weightage is linked to company-wide long-term projects, of which sustainability, including climate risk management, constitutes a core component. Sustainability priorities are further cascaded across senior leadership to promote shared accountability and effective execution. In addition, remunerative benefits are extended to the MD & Group CEO and the Executive Director based on the long-term achievement of financial objectives and the successful delivery of sustainability-related projects. Progress against these long-term goals is reviewed annually by the Board and its relevant committees.

[122] GRI 302-4

Across the senior leadership team, sustainability-related deliverables form part of the KRAs of key executives. The Chief Sustainability Officer (CSO), Chief Human Resources Officer (CHRO), and Chief Operating Officer (COO), each have at least 10% performance weightage assigned to relevant focus areas, including operational efficiency, productivity, social indicators, environmental performance, and climate-related KPIs. The CSO holds overall responsibility for sustainability oversight and leads the implementation of Strides' sustainability agenda through the core sustainability team.

At the operational level, employees in relevant functions, including sustainability, facilities & engineering, human resources, environment, health and safety (EHS), supply chain management (SCM), manufacturing, and other related departments, have up to an 80% linkage to sustainability-related KPIs in their goal sheets. This approach helps embed sustainability accountability across functions and ensures that performance management supports the effective execution of our sustainability strategy.

In addition to integrating sustainability into performance management systems, we also recognise exceptional contributions through project-specific spot bonuses.

Biodiversity

Strides is committed to identifying, assessing, and managing biodiversity-related risks and impacts across its operational footprint, recognising that healthy ecosystems are essential to the long-term sustainability of our business and to the communities in which we operate. Our commitment to biodiversity conservation is guided by our Environment, Health and Safety Policy and Biodiversity and No-Deforestation Commitment, which together support our approach to identifying, assessing, mitigating, and managing impacts on nature across our operational footprint and value chain[123].

We pursue biodiversity stewardship through structured assessments, biodiversity risk screening, targeted conservation actions, employee awareness, and collaboration with stakeholders including communities, authorities, conservation partners, and subject matter experts.

Biodiversity Risk Assessment[124]

Strides strengthened its biodiversity risk management approach through a structured biodiversity proximity and sensitivity assessment of its operational sites, which identified the KRSG plant in Bengaluru and the Puducherry manufacturing plant as priority sites for further biodiversity-related assessment and intervention[125]. The assessment applied a location-specific approach using proximity and sensitivity analysis within a 10 km radius of operations, supported by tools including Google Earth Pro, ArcGIS and the Integrated Biodiversity Assessment Tool (IBAT), a globally recognised platform for screening operational sites against protected areas and ecologically sensitive locations.

As part of the assessment process, the sites were evaluated for proximity to internationally recognised biodiversity-sensitive areas, including Key Biodiversity Areas (KBAs), protected habitats, and areas associated with species listed on the IUCN Red List of Threatened Species.

A proximity and sensitivity analysis undertaken using a 10 km screening radius identified KRSG, Bengaluru and the Puducherry manufacturing plant as priority sites for further biodiversity-related intervention due to their proximity to ecologically sensitive features. KRSG was identified as being 4.3 km from a Protected Area, Key Biodiversity Area and Tiger Corridor in the Bannerghatta landscape, while the Puducherry manufacturing plant was identified as being 3.2 km from the Kaliveli Tank and Yeduyanthittu estuary Key Biodiversity Area. The proximity and sensitivity assessment also identified habitats associated with threatened species listed on the IUCN Red List within the screened landscapes around certain operations. For example, the Puducherry manufacturing plant was associated with 24 IUCN Red List species identified within the assessment radius, including 4 Critically Endangered, 7 Endangered, and 13 Vulnerable species. To complement the site-level screening, Strides also conducted a company-level assessment of biodiversity dependencies and impacts using ENCORE, which helped identify nature-related dependencies, impacts,and risks linked to business activities and ecosystem services. In addition, site-level physical and reputational biodiversity risks were evaluated through the WWF Biodiversity Risk Filter. Together, these tools provided a more comprehensive view of biodiversity-related dependencies, impacts and risk exposure across operations and surrounding landscapes, supporting a more systematic integration of biodiversity into sustainability and risk management processes. Based on the screening undertaken during the reporting period, no significant direct biodiversity impacts were identified. However, the findings highlighted biodiversity-sensitive site contexts and the need for continued monitoring, further assessment and site-level management measures at priority locations[126].

The findings from these assessments support Strides' broader environmental risk identification and management approach by enabling a more systematic and multidisciplinary evaluation of biodiversity-related risks within Strides' overall sustainability and enterprise risk management processes. Through this approach, Strides continues to strengthen its capacity to monitor, assess and manage biodiversity-related risks across its operations and value chain.

[123]GRI 101-1
[124]GRI 101-4
[125]GRI 101-5
[126]GRI 101-4

Biodiversity Management Plan[127]

Building on the findings of the biodiversity proximity and sensitivity assessment, Strides has prioritised the development of a Biodiversity Management Plan (BMP) for the KRSG site in FY2025–26, while progressively strengthening biodiversity management approaches at other operational sites based on risk prioritisation. In developing site-level biodiversity responses, Strides applies the mitigation hierarchy and LEAP methodology to reduce biodiversity loss and guide management actions.

Biodiversity Management Plan—KRSG, Bengaluru

Strides has initiated the development of a Biodiversity Management Plan for its KRSG site in Bengaluru, selected based on its strategic importance to operations and its proximity to biodiversity-sensitive features in the surrounding Bannerghatta landscape. The objective of the BMP is to strengthen biodiversity risk management at the site by supporting regulatory compliance, applying mitigation measures, and minimising potential impacts on surrounding ecosystems and ecological connectivity.The assessment is being conducted with reference to the Taskforce on Nature-related Financial Disclosures (TNFD) framework, with a focus on identifying biodiversity components, ecosystems, and ecosystem services within and around the site. The study is intended to strengthen Strides' biodiversity-related risk management capabilities, particularly in landscapes where natural habitats associated with threatened, protected, or endemic species may be present. The BMP will include stakeholder engagement, collection, and analysis of relevant biodiversity data, and the identification of mitigation, monitoring, and review mechanisms.

Biodiversity Conservation Initiatives

Beyond risk assessment, Strides undertakes biodiversity conservation and awareness initiatives intended to contribute positively to local ecological outcomes. These initiatives are designed to support native species and habitats while building awareness and engagement among employees and surrounding communities. Strides periodically organises tree plantation drives, including at its corporate office, planting native species that support local ecology. Employees participate actively in these initiatives, reinforcing a culture of environmental responsibility beyond the workplace.

Through internal ESG talks, awareness sessions, and community-focused environmental programmes, we build a shared understanding of biodiversity's role in sustainable development. Employees are encouraged to contribute to conservation initiatives both within and beyond Strides' operations.

Sustainable Packaging

Packaging plays a critical role in the pharmaceutical value chain, protecting product integrity, ensuring regulatory compliance, safeguarding patient safety, and enabling global distribution. At the same time, packaging is a significant driver of material use, waste generation, and downstream environmental impact. At Strides, sustainable packaging is both a technical discipline and a commercial priority, receiving significant R&D focus across our product life cycle. Our sustainable packaging initiatives and document proofing systems are aligned with the guidelines of major regulatory agencies including the United States Food and Drug Administration (US FDA), the Medicines and Healthcare products Regulatory Agency (MHRA, UK), the Therapeutic Goods Administration (TGA, Australia), the South African Health Products Regulatory Authority (SAHPRA), the World Health Organisation (WHO), and the Central Drugs Standard Control Organisation (CDSCO, India). This alignment ensures consistent quality, regulatory compliance, and patient safety throughout the product lifecycle, while enabling us to pursue packaging improvements within the rigorous parameters that govern pharmaceutical packaging.

Significant R&D investment is directed toward incorporating sustainable packaging principles across our product portfolio spanning material reduction, recyclable-material transitions, and design-for-environment considerations. Our commitment to sustainable packaging innovation has been recognised through the India Pharma Packaging Award for Excellence in Sustainable Pharma Packaging. FY26 marked the third consecutive year that Strides received this prestigious recognition, making it the first pharmaceutical company to achieve this distinction. The award reflects our continued focus on sustainable packaging design, material optimisation, regulatory excellence, and innovation across its packaging portfolio[128].

The Packaging Development team continues to integrate sustainability principles into product design through material reduction, right-sizing initiatives, digital proofing systems, recyclable-material exploration, and packaging optimisation programmes. These efforts support both environmental objectives and operational efficiency while maintaining the highest standards of product quality, patient safety, and regulatory compliance.

[127]GRI 101-2
[128]GRI 301-2

Compact Packaging

Optimisation of primary packaging plays a critical role in reducing overall material consumption. Through the standardisation of bottle specifications, including minimum wall thickness, weight, and headspace, we have reduced material usage and eliminated the requirement for gap fillers in bottle pack products. This right-sizing and design-led approach has also contributed to a reduction in plastic consumption. A similar methodology has been implemented across blister pack formats through right-sizing and structural design enhancements. These measures include the reduction of foil and film grammage, the elimination of non-essential perforations and stiffeners, and the redesign of blister packs to enable the removal of paper layers from Child Resistant (CR) blister foil, where paper has traditionally been used as the outer layer.

Within our commercial packaging operations, Strides has undertaken targeted initiatives to reduce the GSM (grams per square metre) of Patient Information Leaflets (PILs) and secondary cartons, resulting in a significant reduction in paper and paperboard consumption. In parallel, the adoption of e-print proofing, e-medication guides, and e-PILs, together with the elimination of inner cartons, is supporting our transition toward the removal of paper and paperboard in selected packaging formats. We are also exploring sustainability innovations aimed at reducing plastic usage in Child Resistant (CR) closures and blister films, to make our packaging systems more circular.

Product Life Cycle Assessment[129]

As part of our broader environmental responsibility, Strides has begun focusing on Product Life Cycle Assessment (LCA) as a structured tool to understand the environmental footprint of our products across their value chain. Life cycle thinking helps us identify where the most significant environmental impacts occur from raw material extraction, through manufacturing, to distribution and end-of-life and enables us to direct mitigation actions to the stages of greatest potential. In FY 2025, we completed Life Cycle Assessment for Macrogol. This product contributed 39.25% of our total products on a weight basis and amounted to ~4% of our FY 2025 consolidated revenue.

LCA of Vancomycin

This year, we have initiated a detailed Life Cycle Assessment of Vancomycin to identify the environmental impacts directly attributable to its functioning throughout its life cycle. The assessment includes two variants of Vancomycin 125 mg and 250 mg. The rationale for selecting this product is its strategic and commercial significance: Vancomycin contributed approximately 1.5% of our FY26 consolidated revenue, and is exported to North America, Europe, the UK, Africa and Australia, where we operate.

The assessment has been carried out in accordance with ISO 14040 (Principles and Framework for LCA) and ISO 14044 (Requirements and Guidelines for LCA). It is being undertaken to quantify the life cycle greenhouse gas emissions of Vancomycin from cradle to extended gate, identify environmental hotspots and mitigation actions, and support transparent communication with external stakeholders. The assessment is based on a credible scientific approach using SimaPro software to model and simulate the entire lifecycle of the product, with emission factors drawn from the Ecoinvent database.

The LCA of Vancomycin covers sixteen environmental impact categories, providing a multi-dimensional view of the products environmental footprint across upstream, operational, and downstream stages of the value chain: global warming, stratospheric ozone depletion, terrestrial acidification, freshwater eutrophication, marine eutrophication, human toxicity, terrestrial toxicity, marine toxicity, freshwater toxicity, ozone formation, ionising radiation, particulate matter, land use, water consumption, metal resource scarcity, and fossil resource scarcity.

Strides will continuously advance its Product Life Cycle Assessment programme during FY27. As of FY 2026, we have covered Macrogol, PEG, and Vancomycin, some of our key products, under lifecycle assessment, covering 9.10%% by revenue for FY 2026.

Sustainable Materials and Green Chemistry

We evaluate opportunities to replace hazardous solvents, chemicals, and processing aids with lower-hazard alternatives wherever technically and regulatorily feasible. We incorporate green chemistry principles into process development, technology transfer, and commercial manufacturing to reduce environmental and occupational health impacts.

Environmental Criteria in Product Development

Environmental criteria are considered in the development and improvement of selected products and packaging formats. Informed by product life cycle assessment, sustainable packaging initiatives, and manufacturing efficiency programmes, these criteria are used to identify opportunities to reduce environmental impacts across the product life cycle while maintaining regulatory compliance, product quality, and patient safety.

[129]GRI 302-5

The criteria considered currently include:

- We evaluate opportunities for solvent substitution, solvent recovery, the use of safer chemicals, and the adoption of bio-based materials to reduce reliance on hazardous solvents, chemicals and processing aids, wherever technically and regulatorily feasible.
- We apply green chemistry and sustainability principles during process development, technology transfer, and commercial manufacturing, including the use of lower-impact materials and components through material reduction, lightweighting, recyclable-material transitions, and lower-plastic packaging options.
- We seek to reduce manufacturing-related impacts, including raw material losses, waste generation, energy use, and water consumption, through process optimisation and yield improvements.
- We aim to minimise distribution and storage impacts through packaging right-sizing and compact product formats that can reduce packaging-related transport and storage burdens.
- We support the reduction of use-phase impacts through e-PILs, e-medication guides, and digital proofing systems, helping decrease reliance on paper-based product literature.
- We take end-of-life considerations into account by pursuing design improvements that support material efficiency, recyclability, and more circular packaging outcomes where feasible.

This approach enables Strides to increasingly integrate environmental considerations into product and packaging decisions across relevant stages of the value chain.

World Environment Day 2026

World Environment Day serves as an important reminder of our collective responsibility to protect natural resources and support a sustainable future. At Strides, the occasion was marked through awareness campaigns and employee engagement activities designed to inspire environmental stewardship and responsible resource consumption.

Employees across locations participated in initiatives focused on water conservation, waste reduction, energy efficiency, and biodiversity protection. Awareness sessions highlighted the importance of individual actions in addressing global environmental challenges such as climate change, pollution, and resource depletion.

The observance aligned closely with Strides' environmental commitments, including increasing renewable energy adoption, improving water reuse, reducing waste generation, and progressing toward our long-term net-zero ambition. During FY26, our operations in India achieved a renewable energy share of 44.19%, recycled and reused more than 1.06 Lakh m^3 of water, and diverted significant waste from landfill through recycling and co-processing initiatives.

World Environment Day also provided an opportunity to celebrate the contributions of employees who actively support sustainability initiatives across the organisation. By combining awareness with action, Strides continues to strengthen its culture of environmental responsibility and contribute to the achievement of global Sustainable Development Goals.

Appendix

Annexure 1

ESG Databook FY 2025-26

We provide an accurate and transparent account of our Company's sustainability data that is material to our business through this Environmental, Social and Governance (ESG) Databook FY 2025-26. The ESG Databook presents the key performance indicators of Strides across material business categories, reflecting our commitment to disclose the impacts of our business responsibly. However, for certain ESG data parameters, we have limited the information to operations within India (including environmental performance data). In this ESG Data Book, we disclose relevant financial and non-financial information (including historical figures in some cases) that we consider to be of material significance to our stakeholders.

List of "in-scope" entities:

1. Strides Pharma Science Ltd, India;
2. Strides Pharma Inc., USA;
3. Strides Pharma UK Ltd, United Kingdom;
4. Strides Pharma International AG, Switzerland (formerly, Fairmed Healthcare AG, Switzerland);
5. Fairmed Healthcare GmbH, Germany;
6. Arco Lab Private Limited, India;
7. Strides Pharma Canada Inc., Canada;
8. Strides Pharma Global Pte. Limited, Singapore;
9. Strides Nordic ApS, Denmark;
10. Trinity Pharma (Pty) Ltd, South Africa;
11. UCL Brands Limited, Kenya;
12. Strides Pharma (Cyprus) Limited, Cyprus

In addition, we have also covered our partnered facility, Universal Corporation Ltd, Kenya (UCL), which is an Associate Company of the Group, for reporting on some social and environment parameters.

All reported data is as of and for the fiscal year ending 31st March 2026.

Economic & Governance Performance

Economic value

Category	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Total revenue	Mn ₹	50,093.96*	46,240.57*	42,141.00	37,672.00
Operating Cost	Mn ₹	30,044.00	28,998.00	26,664.00	26,720.00
Total employee-related expenses (salaries and benefits)	Mn ₹	9,289.57	8,628.00	7,728.00	7,431.00
Payments to providers of capital**	Mn ₹	2,246.00	3,057.00	3,279.00	2,611.00
Payment to the government(s)	Mn ₹	766.82	466.00	419.00	(292)
Community investments	Mn ₹	29.07	55.09	35.00	21.00
Economic Value distributed[130]	Mn ₹	42,375.46	41,204.09	38,125.00	36,491.00
Economic value retained	Mn ₹	7,718.50	5,036.48	4,016.00	1,181.00

*Consolidated revenue including other income

**Includes dividend and finance cost , as applicable

Philanthropic contributions, Business ethics & Political Contributions

Category	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
CSR expense	Mn ₹	29.07	55.09	35.00	21.00
Community investments	% of total CSR spend	100%	100%	100%	100%
Political contributions[131]	Mn ₹	0	0	0	0

[130] GRI 201-1
[131] GRI 415-1

Fines/Settlements/Complaints related to anti competition, anti-corruption and bribery

Category	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Fines or settlements related to anti-competitive practices	Mn ₹	0	0	0	0
Fines as % of total revenue	%	0	0	0	0
Confirmed cases of corruption and bribery	No.	0	0	0	0

Contributions towards Policy Influence, Lobbying & Trade Associations

Category	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Total Contributions towards Lobbying, interest representation or similar	₹	600,425.711	536,886.67	672,426.54	351,346.27
Total Contribution towards Trade associations or tax-exempt groups (including membership fees)	₹	1,362,370.00	814,484.00	2,153,269.00	685,260.00
Local, regional or national political campaigns / organisations / candidates	₹	0	0	0	0
Total contributions	₹	**1,962,795.71**	**1,351,370.67**	**2,825,695.54**	**1,036,606.27**

* Note - Cumulative total for all in-scope entities and UCL. The amount has been converted into ₹ using the conversion rate as of March 31, 2026.

Breaches & Incidents

Category	Unit	FY 2025-26	FY 2024-25
Current involvement in any ongoing corruption and bribery cases	No.	0	0
No. of incidents of discrimination and harassment[132]*	No.	0	1*
Number of incidents of conflicts of interest[133]	No.	0	0
Number of incidents of insider trading**	No.	1	2
Number of incidents of money laundering	No.	0	0
Total no. of information security breaches	No.	0	0
Complaints concerning breaches of customer privacy and losses of customer data[134]	No.	0	0
Incidents of non-compliance concerning the health and safety impacts of products and services[135] (on customers)	No	0	0

*One complaint of sexual harassment was received and resolved within the timeline prescribed by law

**Instances of inadvertent violations; appropriate actions were taken and reported to concerned stock exchanges as prescribed by law

CEO-to-Employee Pay Ratio[144]

Indicator	FY 2025-26	FY 2024-25
CEO/ MD's total compensation including fixed and variable compensation as well as all other parts of compensation which are required to be included in total remuneration reporting according to national accounting standards	65,622,111	58,100,000
Mean annual compensation of all employees, except the Chief Executive Officer (or any equivalent position)*	1,940,262	1,661,439
The ratio between the total annual compensation of the CEO and the mean employee compensation: CEO compensation divided by the mean employee compensation	33.82	34.97
The currency used in the table:	₹	₹

*for all in-scope entities and UCL

[132]GRI 406-1
[133]GRI 2-15
[134]GRI 418-1
[135]GRI 416-2
[144]GRI 2-21

Management Ownership as at March 31, 2026

Position	Name	Multiple of base salary*
Managing Director & Group CEO	Badree Komandur	1.07
Group CFO	Vikesh Kumar	0.79
Group COO	Ramaraju PVS	1.42
Executive Director#	Aditya Arun Kumar	3.42
Across other Executive committee members owning shares (CFO, COO and ED)		1.88

Note: (share price at the end of the FY * the number of shares held by executive A / base salary of executive) + (share price at the end of the FY * the number of shares held by executive B / base salary of executive) + (...) / number of executives with shareholdings reported

*(Shareholding/Base Salary)

#As on 31st March 2026 Aditya held executive position

Membership Associations (India)

Parameter	Details FY 2025-26
List of industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.	United Nations Global Compact - India Chapter
	Bombay Chamber of Commerce and Industry
	Bangalore Chamber of Industry and Commerce
	Karnataka Drugs & Pharmaceutical Manufacturers Association
	Confederation of Indian Industry (CII)
	Pharmaceuticals Export Promotion Council of India
	Federation of Karnataka Chambers of Commerce and Industry
	Indian Drug Manufacturers' Association

Suppliers and Procurement Spend

Category	Unit	FY 2025-26	FY 2024-25
Total suppliers	No.	2,056	2,130
Total Critical Suppliers	No.	290	767
Total Non-Critical Suppliers	No.	1,766	1,363
Total procurement spends	Mn ₹	18,005	16,994
Proportion of spending on local suppliers[137]	%	74.4% (13,392 Mn.)	73% (12,472 Mn.)

Supplier Assessment and/or Development [138] [139]

Category	Unit	FY 2025-26	FY 2024-25
Total Number of Unique Suppliers	No.	2,056	2,130
No. of Unique Significant Suppliers	No.	290	230
No. of unique significant suppliers assessed via desk assessments/on-site assessments	No.	199	48
No. of unique significant suppliers supported with development measures	No.	71	38
Number of unique significant suppliers assessed with substantial actual/potential negative impacts	No.	16	18
Number of unique significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	No.	3	-
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	%	1.5%	5.6%
Number of suppliers with substantial actual/potential negative impacts that were terminated	No	13	5
% New suppliers that were screened using environmental criteria[138]	%	100	40
% New suppliers that were screened using social criteria[139]	%	50	-

[137]GRI 204-1
[138]GRI 308-1, GRI 412-2
[139]GRI 414-1

Supplier Capacity-Building Programs

Capacity building programs	Unit	Target for FY2026-27	FY 2025-26		FY 2024-25	
			Target	Actuals	Target	Actuals
Total number of suppliers in capacity-building programs	No.	80	50	71	40	38

Tax Strategy and Governance[140]

Yes, we have a publicly available, group-wide tax policy covering the following elements	
A commitment to compliance with the spirit as well as the letter of the tax laws and regulations in the countries in which the company operates.	Yes
A commitment not to transfer value created to low-tax jurisdictions	Yes
A commitment not to use tax structures without commercial substance	Yes
A commitment to undertake transfer pricing using the arm's length principle.	Yes
A commitment not to use secrecy jurisdictions or so-called "tax havens" for tax avoidance	Yes
An approval process of the tax policy by the board of directors.	Yes

Tax Reporting

Yes, we publicly report on the following for each tax jurisdiction in which we operate	
Names of all the resident entities	Yes
Primary activities	Yes
Number of employees	Yes
Revenue	Yes
Profit (Loss) before tax	Yes
Income tax accrued (current year)	Yes
Income tax paid	Yes

Financial reporting	FY 2025-26	FY 2024-25	FY 2023-24
Earnings before Tax (₹ Mn)	6,950.60	4,204.23	1,282.20
Reported Taxes (₹ Mn)	941.66	775.16	291.12
Effective Tax Rate (in %)	13.55%	18.44%	22.70%
Cash Taxes Paid (₹ Mn)	849.19	636.51	353.46
Cash Tax Rate (in %)	12.13%	15.14%	27.57%

Note: For the purposes of determining the Effective Tax Rate (ETR), the profits before following has been considered as Earning before tax:

I. Exceptional items,

II. Share of profits from Joint Ventures or Associates, and

III. Tax expense

Financial assistance received from the Government

Total Monetary assistance received from any government during the reporting period (₹ Mn.)

Any Tax relief and Tax credits	-
Any subsidies received by Strides	-
Any investment grants, research and development grants, and other relevant types of grants	-
Any financial awards or royalty holidays	-
Any financial assistance from Export Credit Agencies (ECAs)	-
Any financial incentives	-
Any other financial benefits received or receivable from any government for any operation[141]	₹ 355.00 Mn.**
Is any government entity present in Strides' shareholding structure? If so, what is the extent?	0.01%

**Strides Pharma Science Limited has filed an application on June 14, 2025, making a claim of ₹ 355 Mn for FY 2024-25. Post verification of the claim, such would be disbursed during FY 2025-26

[140]GRI 207-2
[141]GRI 201-4

Product Recall, Regulatory Inspection & Warning Letters

Category	Indicator	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Class I Recalls	Number of Class I recall (or equivalent)	0	0	0	0
	Total value of recalled products (USD Mn)	0	0	0	0
Class II Recalls	Number of Class II recall (or equivalent)	2	1	2	4
	Total value of recalled products (USD Mn)	0.05	0.03	0.01	6.31

Category	Indicator	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Regulatory agency inspections	No. of inspections	13	19	1	3
Form 483 observations (or equivalent)	Number of Form 483 Observations (or equivalent)	0	2	0	8
	Annual revenues generated from the affected facilities	0	0	0	0
	Annual revenues impacted by production stoppages.	0	0	0	0
FDA Warning Letters (or equivalent)	Number of FDA Warning Letter	0	0	0	0
	Annual revenues generated from the affected facilities.	0	0	0	0
	Annual revenues impacted by production stoppages.	0	0	0	0

Incident of non-compliance in FY 2025-26

Non-Compliance Issues	No. of Cases
Health and safety impacts of products and services	0
Product and service information and labelling	0

Social Performance

Scope for Social Performance data tables is In-scope entities & UCL, unless otherwise specified.

Board of Directors & Workforce[143]

Employee Category[142]	Category	Unit	FY 2025-26	FY 2024-25
Board of Directors (not part of total workforce)	Male	No.	6	6
	Female	No.	2	2
	<30	No.	0	0
	30-50	No.	1	1
	>50	No.	7	7
	Cannot disclose	No.	0	0
Leadership Tier*	Male	No.	19	14
	Female	No.	3	5
	<30	No.	0	0
	30-50	No.	8	8
	>50	No.	11	9
	Cannot disclose	No.	3	2
Top Tier#	Male	No.	29	35
	Female	No.	4	3
	<30	No.	0	0
	30-50	No.	19	22
	>50	No.	12	12
	Cannot disclose	No.	2	4
Senior Management[4]	Male	No.	142	112
	Female	No.	35	25
	<30	No.	0	1
	30-50	No.	112	80
	>50	No.	56	45
	Cannot disclose	No.	9	11
Middle management	Male	No.	517	463
	Female	No.	147	109
	<30	No.	50	35
	30-50	No.	528	473
	>50	No.	60	40
	Cannot disclose	No.	26	24
Junior Management plus associates and trainees[5]	Male	No.	1,428	1,238
	Female	No.	580	511
	<30	No.	1,275	1,068
	30-50	No.	668	622
	>50	No.	54	52
	Cannot disclose	No.	11	7
Permanent Employees (1)	Male	No.	2,135	1,862
	Female	No.	769	653
Permanent Workers (2)	Male	No.	998	1,068
	Female	No.	107	107
	<30	No.	168	198
	30-50	No.	774	820
	>50	No.	163	157
	Cannot disclose	No.	0	0
Total Permanent workforce (1+2) (A)	Male	No.	3,133	2,930
	Female	No.	876	760
Contractual employees / Executives on Contract[7] / Non-Permanent Employees (3)	Male	No.	577	383
	Female	No.	294	138
Contractual workers / Non-Permanent Workers (4)	Male	No.	912	946
	Female	No.	686	614
Total non-permanent workforce (3+4) (B)	Male	No.	1,489	1,329
	Female	No.	980	752
Total Workforce of in-scope entities and UCL (A+B)	Male	No.	4,622	4,259
	Female	No.	1,856	1,512
	Total	No.	6,478	5,771

*Leadership Team includes All CXOs and Functional Heads
#Top Tier is for each in-scope entities and UCL

[142]GRI 405-1
[143]GRI 2-7, GRI 2-8

Workforce Breakdown: Gender (Across Levels & Functionality)

Category	FY 2025-26	FY 2024-25	Target for 2030
Share of women in workforce as % of total workforce	28.65%	26.19%	-
Share of women in workforce as % of total permanent workforce	21.85%	20.60%	25%
Share of women in junior management positions i.e. first level of management as % of total junior management positions	28.88%	27.56%	30%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions	12.73%	14.04%	25%
Share of women in all management positions, including junior, middle, and top management	22.16%	22.54%	25%
Share of women in management positions in revenue-generating functions (e.g. sales)*	22.66%	22.49%	30%
Share of women in STEM-related positions	25.33%	25.92%	35%

*Since Arcolab is a Global Capability Centre (GCC), all functions except the STEM functions of Arcolab are considered as revenue generating functions

Workforce Breakdown by Other Categories

Category	As a Percentage	Unit	FY 2025-26	FY 2024-25	Target for 2030
People with disabilities	as a % of the total workforce	%	0	0	1% of corporate roles
LGBTQI+	as a % of the total workforce	%	0	0	

Workforce Breakdown by age

Category	Breakdown	Unit	FY 2025-26	FY 2024-25
Workforce global	<30	No.	1,493	1,302
	30-50	No.	2,109	2,025
	>50	No.	356	315
	Cannot disclose	No.	51	48
	Total	No.	**4,009**	**3,690**

Workforce Breakdown by Nationality[145]

Nationality	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
Indian	89.17%	89.53%
American	4.74%	4.08%
Kenyan	2.67%	0.75%
South African	1.45%	2.11%
British	0.45%	0.88%
German	0.27%	0.68%
Canadian	0.20%	0.48%
Others*	1.05%	1.50%
Total	**100.0%**	**100.0%**

*Other include Danish, Senegalese, Malian, Icelandic, Venezuelan, Lithuanian, Singaporean, Israeli, Swiss, Chinese, Ecuadorian, Latvian, French, Beninese, Burkinabé, Congolese, Turkish.

[145]GRI 202-2

New employee hires

Category	Employees	Unit	FY 2025-26	FY 2024-25
Top management (Leadership + Top Tier)	Male	No.	6	5
	Female	No.	1	0
	<30	No.	0	0
	30-50	No.	3	4
	>50	No.	4	1
	Cannot disclose	No.	0	0
Senior management	Male	No.	23	17
	Female	No.	8	0
	<30	No.	0	0
	30-50	No.	19	14
	>50	No.	10	2
	Cannot disclose	No.	2	0
Middle management	Male	No.	109	61
	Female	No.	26	24
	<30	No.	30	13
	30-50	No.	91	60
	>50	No.	6	1
	Cannot disclose	No.	8	11
Junior management	Male	No.	562	475
	Female	No.	181	181
	<30	No.	626	530
	30-50	No.	107	114
	>50	No.	3	12
	Cannot disclose	No.	7	0
Permanent Workers	Male	No.	64	28
	Female	No.	5	6
	<30	No.	45	14
	30-50	No.	19	16
	>50	No.	5	4
	Cannot disclose	No.	0	0
Total New employee hires	Male	No.	764	586
	Female	No.	221	211
	<30	No.	701	557
	30-50	No.	239	208
	>50	No.	28	20
	Cannot disclose	No.	17	11

Positions filled internally & Average hiring cost[146]

Scope: In-scope entities and UCL

Category	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Percentage of open positions filled by internal candidates (internal hires)	%	6.60%	6.65%	3.19%	10.08%
Percentage of open positions filled	%	87.95%	81.16%	75.00%	68.00%
Average hiring cost/FTE	₹	40,878	48,280	52,124	1,68,990
New employee hires	No.	985	797	709	535

Note: For the percentage of open positions filled by internal hires, the 2026 figure includes all instances where employees have undergone a functional role change within the organization.

[146]GRI 401-1

Gender-pay indicators

Employee level	Unit	FY 2025-26	
		Average Female Salary	Average Male Salary
Executive level (Leadership Tier) (base salary only)	₹	11,166,667	24,387,203
Executive level (Leadership Tier) (base salary + other cash incentives)	₹	13,666,667	30,780,801
Management level (base salary only)	₹	3,032,342	2,715,260
Management level (base salary + other cash incentives)	₹	3,332,665	3,034,617
Non-management level	₹	1,064,546	1,019,473
Mean gender pay gap	%	25.51%	
Median gender pay gap	%	21.28%	
Mean bonus gap	%	41.69%	
Median bonus gap	%	33.00%	

Gender Pay Gap Analysis by Employee Category FY 2025-26[147]

Employee category	Ratio of basic salary of female to male employee (%)	Ratio of total remuneration of female to male employee (%)
Top Management	46.09%	44.70%
Senior Management	117.99%	115.71%
Middle Management	135.10%	137.03%
Junior Management + Associates & Trainees	106.83%	109.08%
Permanent Workers	181.57%	181.41%

Employee turnover rate[148]

Employee Turnover (Gender, Age & Management Level)

Category	Employees	FY 2025-26 (%)		FY 2025-26 (No.)		Headcount
		Voluntary	Total	Voluntary	Total	Total
Top Management (Leadership + Top Tier)	Male	16.67%	16.67%	8	8	48
	Female	14.29%	14.29%	1	1	7
	<30	0.00%	0.00%	0	0	0
	30-50	11.11%	11.11%	3	3	27
	>50	18.18%	18.18%	4	4	22
	Cannot disclose	33.33%	33.33%	2	2	6
Senior management	Male	8.45%	9.86%	12	14	142
	Female	2.86%	2.86%	1	1	35
	<30	0.00%	0.00%	0	0	0
	30-50	6.31%	9.91%	7	11	111
	>50	5.36%	5.36%	3	3	56
	Cannot disclose	30.00%	30.00%	3	3	10
Middle management	Male	13.35%	14.51%	69	75	517
	Female	12.24%	13.61%	18	20	147
	<30	24.00%	24.00%	12	12	50
	30-50	11.71%	13.05%	61	68	528
	>50	11.11%	14.81%	6	8	60
	Cannot disclose	20.51%	20.51%	8	8	26

[147]GRI 405-2
[148]GRI 401-1

Category	Employees	FY 2025-26 (%)		FY 2025-26 (No.)		Headcount
		Voluntary	Total	Voluntary	Total	Total
Junior management	Male	19.54%	22.34%	279	319	1428
	Female	19.14%	19.66%	111	114	580
	<30	20.39%	22.98%	260	293	1275
	30-50	17.51%	19.01%	117	127	668
	>50	16.67%	16.67%	9	9	54
	Cannot disclose	36.36%	36.36%	4	4	11
Permanent Workers	Male	4.31%	4.41%	43	44	998
	Female	4.67%	4.67%	5	5	107
	<30	14.29%	14.29%	24	24	168
	30-50	1.16%	1.29%	9	10	774
	>50	9.20%	9.20%	15	15	163
	Cannot disclose	0.00%	0.00%	0	0	0

Category	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Voluntary turnover rate	%	13.64%	11%	12%	21%
Total employee turnover rate	%	14.99%	13%	13%	27%
Data coverage (as % of all FTEs globally)	%	100%	100%	100%	100%

Training man-hours[149]

Category	Average Hours (FY 2025-26)		Head Count		Total Hours	
	Male	Female	Male	Female	Male	Female
Top Management (Leadership + Top Tier)	30.51	33.85	48	7	1,465	237
Senior Management	66.28	45.52	142	35	9,412	1,593
Middle management	66.15	50.51	516	147	34,134	7,424
Junior management	42.06	38.26	1,428	580	60,058	22,192
Other employees (non-executive) (contractual)	0.90	0.91	409	135	366	123
Permanent workers	23.91	32.00	998	107	23,859	3,424
Contract workers	6.89	9.14	912	686	6,280	6,272

Average Hours & Amount Spent on Training & Development

Scope: In-scope entities and UCL

Category	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Average hours per FTE of training and development[149]	40.87	35.12	32.75	14.45
Total amount spent per FTE on training and development (₹)	49,631,988	41,632,604	36,391,357	13,628,700
Average amount spent per FTE on training and development (₹)	12,319	11,283	10,625	4,782
Data coverage as % of global FTEs	100%	100%	100%	100%*

*Only India and Arcolab, during FY22-23, employees had a Self-Development Goal however, there was no mandatory requirement for them to complete a specified number of learning hours or targeted learning programs during the year.

[149]GRI 404-1

Completion rates of key trainings

Topics	% of employees trained in FY 2025-26
Code of Conduct & Ethics, Anti-bribery and anti-corruption	86%
POSH training	88%
ESG	68%
Infosec	85%

Note - Both ESG trainings and infosec trainings are mandatory for all management category employees. Accordingly, the percentage of employees trained has been calculated based on the total eligible management-category employee population across all sites

Employees receiving performance and career development review[150]

Description	Number
Total Permanent Employees	4,009
Employees Eligible for Performance Appraisal	2,194
Percentage of Eligible Employees receiving performance appraisal	100%

Long Term Incentives for Employees

Type of Long-Term Incentive	Type of Employees the program applies to	No. of years for employee pay out	% of company's workforce at and below senior management level that the program applies to	Number of company's workforce below senior management level that the program applies to	Does the company have targets associated with sustainability performance
Retention Pay Program - To incentivize employees to stay with the company for a certain period of time. The main objective is to reduce turnover and retain key talent within the organization.	Applicable to senior management level and below	2 years	62%	2,486	Yes. Certain employees have been identified to mandatorily include Sustainability-Linked KPIs as part of their overall KRAs, ensuring alignment with the organization's sustainability goals and commitments.

Note: Number of employees below senior management level (max. two levels from the CEO) that this program applies to: 62% are eligible for the retention pay program below N-2 level from the CEO i.e. 2,486 out of 4,009 employees (Top management is not included as they are at or above N-2 level from the CEO and trainees/trainee executive & SMTs are not eligible for the long-term incentives).

The retention-based rewards were given to 110+ employees below N-2 level from CEO in FY26.

[150]GRI 404-3

Parental leave (Permanent employees)[151]

Category	FY 2025-26		FY 2024-25	
	Male	Female	Male	Female
Employees entitled to parental leave	3,133	876	2,930	760
Employees that took parental leave	134	43	134	36
Employees that returned to work in the reporting period after parental leave ended	134	42	134	36
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work	128	42	129	34
Rate of return to work that took parental leaves	100.00%	97.67%	100.00%	100.00%
Retention rate of employees that took parental leave	95.52%	97.67%	96.27%	94.44%

Employee Support Programmes		
Paid parental leave for the primary caregiver	No. of weeks	26 weeks + 4 additional weeks
Paid parental leave for the non-primary caregiver	No. of weeks	1 week

Employee Benefits

Category/types of benefits provided[152,153]	FY 2025-26		Comments
	Permanent employees	Temporary employees	
Life insurance	Yes	No	-
Health care	Yes	Yes	-
Disability	Yes	No	Applicable only in Fairmed, SPIAG and SPI-US
Parental leave (maternity leave or paternity leave)	Yes	Yes	-
Marriage leave (additional to normal leaves allotted)	Yes	No	Applicable only in Fairmed, SPIAG
Bereavement leave (additional to normal leaves allotted)	Yes	No	Applicable in SPI-US and SPUK
Retirement provision	Yes	No	-
Stock ownership	Yes	No	-
Transportation	Yes	No	-
Housing	Yes	No	Applicable only in UCL and UBL
Food allowance	Yes	Yes	Applicable only in UCL and UBL
Extra paid holidays	Yes	Yes	-
Citizenship leave	No	No	-
Car lease	Yes	No	-
Sabbatical	No	No	Given in the past on case-by-case basis
Gender reassignment leave	No	No	-
Family treatment leave	Yes	Yes	Applicable in SPI-US and SPUK
Fertility treatment leave	No	No	-
Learn while you can	Yes	Yes	-

[152]GRI 401-3
[153]GRI 201-3, 401-2

Employee Engagement

Indicator	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Region-wise Employee Net Promoter Score (eNPS)	% of employees with top level of engagement, satisfaction, wellbeing, or employee net promoter score (eNPS)	82.4% (India)	82.44%	82.09%	79.36%
Data coverage	% of employees who responded to the survey	70%	69%	66%	65%
Overall Employee Net Promoter Score (eNPS)		82.4%			
Target for FY26		85%			

Employee Development Program[154]

Name of program	LEAP (Leadership Empowerment & Acceleration Program)	Plant Managers Academy	Cultural Education	Digital Transition
Description of the program	LEAP is a purpose-built leadership development initiative designed to strengthen the organisation's succession planning capabilities, with particular emphasis on critical roles within technical departments. Established three years ago in recognition of the strategic importance of technical talent to the organisation's long-term growth, LEAP is designed for middle and senior management, with the objective of preparing high-potential employees to assume greater responsibility as organisational needs evolve.	The Plant Managers Academy is a multi-day, immersive learning module designed to prepare participants for the responsibilities of plant management, with organisational alignment among key stakeholders as a central focus. The curriculum combines masterclasses from in-house subject matter experts on business development, portfolio strategy, and new product development, alongside external sessions and case studies that broaden participants' perspective and reinforce strategic decision-making frameworks. Successive editions are curated for new cohorts of potential plant managers and functional experts, allowing the program to evolve year over year	The Cultural Education and Values-Based Learning initiative is designed to build shared understanding and collaboration across our globally distributed workforce. It comprises annual global assimilation sessions and unconscious bias training for cross-country teams, alongside language training (French) for employees working closely with international counterparts. The program also includes periodic in-person retreats that bring together colleagues from different regions and functions, such as the April 2025 retreat in Agra, which convened around 30 colleagues from the Africa sales team and India-based marketing team, to strengthen cross-cultural understanding and enable more effective joint working.	STRIDE-VR is our flagship digital transformation program, using immersive VR simulation to train shop-floor personnel on equipment operation before they work on live production equipment. Beyond VR, digital capability building extends across other functional programs. For supply chain teams, the rollout of SAP IBP is supported by training across the function. Under Project RISE, employees were trained on digital tools and processes. MYSetu, deployed across manufacturing plants, is used for EHS and safety reporting, tracking incidents and KPIs.
Learning method	Mentoring & Coaching	Mentoring & Coaching	Teams and Networks	Coaching

[154]GRI 404-2

Type of program	Internal	Internal	Internal	Internal and External
Business benefits of the programme	LEAP represents a deliberate risk-mitigation strategy against succession gaps in critical and technical roles. Where such gaps remain unaddressed, the organisation is exposed to material costs, including delayed decision-making, elevated external hiring expenditure, extended ramp-up periods, and the loss of institutional knowledge upon key role turnover. LEAP addresses this exposure by establishing a qualified internal talent bench, ensuring that critical roles are supported by identified successors. In addition to risk mitigation, the program generates measurable business value across several dimensions. A credible, visible pathway for advancement strengthens retention among high-potential employees, lowering attrition risk in key roles. Leaders developed internally also retain organisational and technical context that would otherwise require significant time to rebuild through external hires.	Plant managers sit at the intersection of operational execution and commercial decision-making, making leadership gaps in this role especially costly. The Academy shortens the time it takes for high-potential employees to become commercially fluent, plant-ready leaders, reducing the organisation's reliance on external hires for these positions. By standardising exposure to strategic frameworks across cohorts, the program also brings greater consistency to how plant managers across different sites approach decision-making, reducing variability in judgment on matters with direct commercial and operational consequence.	By deliberately building cultural fluency and mutual understanding across regions, this initiative reduces friction in cross-functional collaboration and enables geographically dispersed teams to operate with greater cohesion. This is particularly critical for teams like Africa sales and India marketing, whose ability to work closely together directly influences commercial outcomes in those markets.	STRIDE-VR reduces the risk of undertrained execution on the shop floor by validating competency before employees touch live equipment, cutting down on errors, rework, and the supervision burden that comes with on-the-job learning. In supply chain, SAP IBP training sharpens the accuracy and responsiveness of planning and forecasting decisions, rather than leaving a capable system underutilised through gaps in user proficiency. Project RISE lowers the friction and productivity dip that typically accompanies process change, helping the organisation adopt new ways of working faster and with less disruption. MYSetu strengthens EHS oversight by ensuring safety incidents and KPIs are consistently tracked, flagged, and followed up on which helps in reducing the risk of unresolved safety issues going unaddressed on the plant floor.
Quantitative impact of business benefits	In the current year, 49 employees are enrolled in LEAP, of whom 13 have been promoted into higher levels of responsibility. The program has sustained 100% retention among all participants, underscoring its effectiveness as both a leadership accelerator and a retention lever for high-potential talent.	Retention among trained plant managers stood at 64%.	This translated into tangible business outcomes, with Growth Markets delivering 22% year-on-year revenue growth in FY26, driven primarily by our Africa operations.	STRIDE-VR resulted in an average task cycle-time reduction from approximately 7 hours to 5 hours at Level 3 (~29% reduction), with highly proficient employees completing the task in around 4 hours (~43% reduction versus the status quo). To date, the program has trained 24 employees to Level 3, clocking approximately 40 hours per participant. Around 33% of this cohort are advancing to Level 4, to form a deeper bench of high-precision operators. Learning hours completed by employees on digital platforms - LMS and SEEK, increased by approximately ~140% in FY26 compared to FY25.
Coverage	Own Employees	Own Employees	Own Employees	Employees and contractual workers

Human Capital Return On Investment

Indicator	Unit	FY 2025-26*	FY 2024-25*	FY 2023-24	FY 2022-23
a) Total Revenue	₹ Mn	50,093	46,240	42,141	37,672
b) Total Operating Expenses	₹ Mn	30,044	28,998	26,664	26,720
c) Total employee-related expenses (salaries + benefits)	₹ Mn	9,289	8,628	7,728	7,431
Resulting HC ROI (a - (b-c)) / c	-	3.15	2.9	2.6	2.4
Total employees	No.	4,009	3,690	3,566	3,337

*Consolidated revenue including other income (excludes UCL since it is an associate company)

Freedom of Association[155]

Category	Total workers of non-scope entities in respective category (A)	No. of workers of non-scope entities who are part of association(s) or Union (B)	% (B/A)
Male	998	826	82.77%
Female	107	73	68.22%
Total Permanent Workers	**1,105**	**899**	**81.36%**

Metric	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Percentage of employees represented by an independent trade union or covered by collective bargaining agreements	81%	87%	90%	94%*

Note: FY26 figures include newly added management entities (sales and trading), which do not have unionized workers, thereby increasing the overall employee base and reducing the percentage. Also, the data mentioned for FY 2022-23 covers our India operations only.

Human Rights Impact Assessment

Category	% of total assessed in last three years	% of total assessed where risks have been identified	% of risk with mitigation actions taken
Own Operations (including Joint Ventures where the company has management control) **As a % of Revenue**	100	100	100
Contractors and Tier I Suppliers (as a % of contractors or Tier I Suppliers **As % of Procurement Spends**	63.3	0	0

Occupational Health & Safety – LTIFR & Fatalities (India)

Parameter	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23	Target FY 2025-26
Fatalities (Employees)	Number	0	0	0	0	Maintain a track record of zero fatalities across our operations
Fatalities (contractors)	Numbers	0	0	0	0	
Lost-Time Injury Frequency Rate (LTIFR) – Employees*	LTIFR (n/Mn hours worked)	0.16	0.34	0.37	0.16	Less than 0.25
Lost-Time Injury Frequency Rate (LTIFR) – Contractors*	LTIFR (n/Mn hours worked)	0	NA	NA	0	
Data Coverage	In %	100%	100%	100%	100%	

*LTIFR is calculated based on IS 3768 guideline.

Note: No cases of ill health were reported during FY26.

[155]GRI 2-30, GRI 407-1

Safety Incidents for FY 2025-26 (India)[156]

Safety Incidents	Employees	Contractors
Total recordable work-related injuries	5	3
High-consequence work-related injuries (excluding fatalities)	0	0
Injury Rate (TRIR)*	0.81	0.98

*TRIR is calculated based on IS 3768 guidelines

Contribution to Societal Healthcare

Impact on Access to Healthcare

	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Number of patients with low-cost access to the organization's products or services to address diseases/conditions	7,657,307	24,390,000	16,060,000	17,360,000
Total number of patients for the organization's products or services to address diseases/conditions*	8,852,013	25,553,487	16,983,950	18,305,536

*The number of patients reached is estimated by dividing the annual sales volume by usage dose per patient as one standard pack.

Fair Pricing

Weighted Percentage Y-o-Y change in:	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Average List Price	(9%)	(9%)	(21%)	N.A.
Average Net Price	(17%)	2%	(11%)	N.A.

Ethical Marketing Performance

Incidents	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Incidents of non-compliance concerning product and service information and labelling[157]	0	0	0	0
Incidents of non-compliance concerning marketing communications	0	0	0	0

Privacy Protection

Indicator	Unit	FY 2025-26	FY 2024-25
Percentage of customers whose data is used for secondary purposes	%	0	0
Number of requests for customer information received from government or law enforcement agencies	No.	0	0
Of the requests, the percentage of requests that resulted in disclosure	%	0	0

[156]GRI 403-9
[157]GRI 417-2

Environmental Performance

Global data reported below, includes Registered Office, Navi Mumbai and Arcolab, Bengaluru.

Energy consumption[158]

Category	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	India			
Non-Renewable Energy	MWh	71,366.93	27,913.73	43,453.20	26,384.26	30,064.12	29,353.44
Renewable Energy	MWh	34,629.52	224.88	34,404.64	19,625.51	23,311.84	18,271.95
Total Energy	MWh	105,996.45	28,138.61	77,857.84	46,009.77	53,376.02	47,625.39
Energy Intensity[159]	Total Energy consumption (MWh)/Revenue in Mn ₹*	2.18	1.05	3.57	2.11	2.40	2.46

Breakup of energy consumption based on the fuel type:

Category	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	India			
Diesel	KL	504.28	13.91	490.37	846.00	802.82	NA
Furnace Oil / Low Sulphur Heavy Stock	KL	1,085.07	-	1,085.07	939.00	1,392.57	NA
Petrol	KL	9.91	3.87	6.04	0.0	0.0	NA
Biomass Briquette	Tonne	385.50	-	385.50	309.80	402.00	NA
Natural Gas	SCM	1,411,232.73	1,370,453.49	40,779.24	-	-	NA
Purchased Steam	Tonne	13,529.07	641.07	12,888.00	-	-	NA
Electricity purchased from Grid	MWh	40,502.06	14,446.81	25,964.83	23,573.24	27,653.29	NA
Renewable Energy Generated	MWh	698.36	0.0	698.36	1,520.85	2,161.84	NA
Renewable Energy Purchased	MWh	31,243.39	224.88	31,018.50	18,104.65	21,150.00	NA

GHG Emissions[160, 161]

Category	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	India			
Scope 1: Direct emissions	tCO_2eq	9,204.71	2,662.44	6,542.27	5,376	5,332	4,490
Scope 2: Location-based	tCO_2eq	24,213.81	5,376.05	18,837.76	17,099	19,893	19,548
TOTAL Scope 1 & 2 emissions[162]	tCO_2eq	33,445.16	8,065.13	25,380.03	22,475	25,225	24,038
Emission Intensity for Scope 1 & 2[164]	tCO_2eq/ Revenue in Mn ₹*	0.69	0.30	1.16	1.03	1.13	1.24
Scope 3: Indirect emissions[163]	tCO_2eq	383,615.29	11,222.95	372,392.33	47,827	NA	NA
Emission Intensity for Scope 3[164]	tCO_2eq/ Revenue in Mn ₹*	7.90	0.42	17.08	2.19	NA	NA
Total Emissions	tCO_2eq	417,060.45	19,288.08	397,772.36	70,302	25,225	24,038

*Standalone revenue for FY25 considered for this since data is only for India operations.

Note : GHG inventory prepared in accordance with GHG Protocol Corporate and Scope 3 Standards. Emissions reported in tCO_2e, using GWP values from IPCC AR6. Supplier-specific, activity-based, and spend-based data have been used, as applicable, following best practices.

[158]GRI 302-1
[159]GRI 302-3
[160]GRI 302-3
[161]GRI 305-2
[162]GRI 305-1
[163]GRI 305-3
[164]GRI 305-4

FY 2025-26- Scope 3 Emissions: Category-wise, as applicable[163]

Category	Details	Consolidated	Global	India
Category 1	Purchased goods and services	348,669.75	6,886.08	341,783.67
Category 2	Capital goods	3,992.26	22.32	3,969.94
Category 3	Fuel-and-energy-related activities (not included in Scope 1 or 2)	12,901.26	2,488.85	10,412.41
Category 4	Upstream transportation and distribution	8,483.48	16.97	8,466.52
Category 5	Waste generated in operations	31.45	9.05	22.40
Category 6	Business travel	2,178.44	181.90	1,996.54
Category 7	Employee commuting	5,861.59	1,086.18	4,775.41
Category 8	Upstream leased assets	25.92	1.20	24.72
Total Upstream emissions		**382,144.17**	**10,692.56**	**371,451.61**
Category 9	Downstream transportation and distribution	1,062.00	121.28	940.72
Category 15	Investments	409.11	409.11	0.0
Total Downstream emissions		**1,471.12**	**530.39**	**940.72**
Total Scope 3 Emissions		**383,615.29**	**11,222.95**	**372,392.33**

Stack Emissions[165]

Air emissions	Unit	FY 2025-26*
PM	Tonnes	8.28
SOx	Tonnes	1.99
NOx	Tonnes	3.19

Air emissions	Unit	FY 2024-25	FY 2023-24	FY 2022-23
PM	mg/Nm^3	40.50	169	57.6
SOx	mg/Nm^3	27.1	131.6	63
NOx	mg/Nm^3	130.7	227.1	31.5

*Until FY25, air emissions were reported in **mg/Nm^3**, which reflects pollutant concentration levels. Beginning FY26, we have transitioned to reporting emissions in tonnes, as this provides a more comprehensive representation of our total emissions impact. The table above has been retained for reference and year-on-year comparison purposes. Going forward, all air emissions will continue to be reported in tonnes.

Water Management

Water Withdrawal by Sources[166]

Source	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	India			
Fresh groundwater	m^3	120,541.74	97,103.37	23,438.37	41,094	60,544	59,877
Municipal water supplies (or from other water utilities)	m^3	175,419.94	9,571.50	165,848.44	151,280	1,43,872	1,34,901
Bottled drinking water	m^3	1,010.88	-	1,010.88	NA	NA	NA
Total water withdrawal	m^3	296,972.56	106,674.87	190,297.69	192,374	204,416	194,778
Total water consumption	m^3	296,972.56	106,674.87	190,297.69	192,374	204,416	194,778
Total water discharge	m^3	0	0	0	0	0	0
Water recycled	m^3	106,087.77	-	106,087.77	89,609	88,654	-
Water Intensity	m^3/ Revenue in Mn ₹*	6.11	3.98	8.73	8.80	9.18	10.05
Target for water withdrawal	m^3	-	-	182,755	200,762	185,039	-

165GRI 305-7
166GRI 303-4, GRI 303-3, GRI 303-5

Water Withdrawal from Water-stressed Areas

Source	Unit	FY 2025-26	FY 2024-25	FY 2023-24
Third-party	m^3	87,282.03	74,255	61,706
Surface water	m^3	0	0	0
Groundwater	m^3	23,438.27	41,094	60,544
Total	m^3	110,720.40	115,349	122,250

Note – All 4 locations in Bengaluru, i.e., 2 plants at Anekal Taluk (KRSG, Chandapura), Corporate office and R&D centre considered as "water stressed areas" as per Central Ground Water Authority guidelines

Waste Management

Waste Generation[167, 168]

Category	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
		Consolidated	Global	Indian			
Plastic Waste	Tonnes	459.88	5.95	453.93	347.99	108.00	192
E-Waste	Tonnes	5.10	-	5.10	4.90	8.05	1.5
Battery Waste	Tonnes	0.27	-	0.27	6.82	10.41	0
Biomedical Waste	Tonnes	6.69	-	6.69	5.93	6.60	0
Other Hazardous Waste	Tonnes	826.18	74.42	751.76	578.97	457.00	730
Other Non-hazardous Waste*	Tonnes	1,414.11	721.58	692.53	572.07	253.00	221
Total	**Tonnes**	**2,712.23**	**801.95**	**1,910.28**	**1,516.68**	**843.06**	**1,144.5**

*Non Hazardous Waste -(Packaging Waste, Cardboard, Corrugated Boxes, Food, Metal Scrap, Paper, Glass and General Waste etc.)

Note: Since the offices of Nordic, Singapore, Canada, Trinity, Cyprus operate from rented premises, the operational control including waste collection is managed by renting authority.

Total Waste Disposal[169, 171]

Sr No	Category	Unit	FY 2025-26			FY 2024-25	FY 2023-24	FY 2022-23
			Consolidated	Global	Indian			
A	**Bio-composting**	tonnes	1.33	NA	1.33	NA	NA	NA
B	**Total waste recycled/reused**	tonnes	1,344.95	527.75	817.20	652.70	253.00	414.00
C	**Total waste disposed[170]**	tonnes	1,307.23	215.48	1,091.75	863.99	457.00	736.00
a	Waste landfilled	tonnes	49.41	23.28	26.13	7.95	0.00	0.00
b	Waste incinerated with energy recovery (co-processing)	tonnes	388.87	0.0	388.87	0.00	0.00	0.00
c	Waste incinerated without energy recovery	tonnes	775.80	192.20	583.60	816.15	457.00	736.00
d	Others (piggery and municipal corporation)	tonnes	93.15	NA	93.15	39.89	0.00	0.00
	Total waste (A+B+C)	tonnes	2,653.51	743.23	1,910.28	1,516.69	710.00	1,150.00

167GRI 306-3
168GRI 306-1
169GRI 306-1
170GRI 306-4
171GRI 306-5

Hazardous Waste Disposal

Sr no	Category	Unit	FY 2025-26 Consolidated	FY 2025-26 Global	FY 2025-26 India	FY 2024-25	FY 2023-24	FY 2022-23
A	**Bio-composting**	Tonnes	1.33	0	1.33	0.0	0.0	0.0
B	**Total Hazardous Waste recycled/ reused**	Tonnes	169.86	15.18	154.69	130.61	0.0	0.0
C	**Total Hazardous Waste disposed**[41]	Tonnes	651.99	44.18	607.81	466.00	0.0	0.0
a	Hazardous Waste landfilled	Tonnes	26.13	0	26.13	7.95	0.0	0.0
b	Waste incinerated with energy recovery (co-processing)	Tonnes	388.87	0	388.87	0.0	0.0	0.0
c	Hazardous Waste incinerated without energy recovery	Tonnes	236.99	44.18	192.81	458.06	457.00	736.00
d	Hazardous Waste with unknown disposal method	Tonnes	NA	NA	NA	NA	NA	NA
	Total Hazardous Waste (A + B+ C)	Tonnes	**823.19**	**59.36**	**763.83**	**596.62**	**457.00**	**736.00**

Environmental Violations

Environmental Violations (India and Abroad)[172]

Source	Unit	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Number of violations of legal obligations/regulations	No.	0	0	0	0
Amount of fines/ penalties related	₹	Nil	Nil	Nil	Nil
Environmental liability accrued at year end	₹	Nil	Nil	Nil	Nil

[172]GRI 2-27

Financial Risk and Opportunity of Climate Change (In-scope entities)

Financial Risk of Climate change

Indicator	Risk driven by changes in regulation	Risks driven by changes in physical climate parameters
Significant risk and methods description	**India moved from subsidisation to Taxation of Carbon emissions. Carbon pricing has been prominent in the European Union, where the mechanism is the EU ETS (Emission Trading Scheme).** The introduction of a carbon price and the planned launch of Indian Carbon Markets in 2026 will likely raise the costs of fossil fuel energy and carbon-intensive goods, potentially leading to increased production expenses and a reduction in demand. As global ambitions to achieve net-zero emissions rise, carbon taxes and emissions trading systems may expand into sectors with higher abatement costs. In some parts of the USA, ETS and RGGI (Regional Greenhouse Gas Initiative) are followed. The carbon pricing mechanism after implementation in India would initially be predominant for energy-intensive industries included under PAT (Perform, Achieve and Trade) scheme and gradually the other sectors would also be included. **In the reporting year, the list of Designated Consumers has been amended to include the chemical sector (including pharmaceuticals API) with an energy consumption of 3,000 Metric tons of Oil equivalent per year or above.** By staying abreast of these developments, we aim to proactively prepare and align our strategies with the evolving regulatory landscape, ensuring our continued contribution to the nation's energy transition and climate action efforts.	We recently carried out a comprehensive physical climate risk assessment, including scenario analyses, following the TCFD Framework. Using Jupiter Intelligence's Climate model under a high-emission scenario (SSP 5 - 8.5), we found that our site in BeltaPharm Srl, Italy faces significant flood risks through 2050, with average flood depths estimated ~2 metres. This site manufactures OLT (Ointment, liquid and topicals). Flood events could cause temporary disruptions to operations for several days each year, affecting our ability to manufacture and deliver formulations during these periods. We plan to implement tailored strategies to reduce this site's risk exposure in the coming years. In the meantime, existing insurance coverage may help offset losses resulting from flooding.
Estimated financial implications of the risk before taking action (₹)	Strides understand the importance of taking timely action in order to mitigate the potential risks. At Alathur site, we have a planned project (capex approved) of Power Purchase Agreement (PPA) of 3 MW DC for delivery of renewable power. The project is estimated to yield reduction of 3,925 tCO_2e/MWh annually. For transition risks assessment, we referred to the International Energy Agency (IEA) Stated Policies Scenario and the Announced Policies Scenario (APS) as outlined in the World Energy Outlook 2023. As per the IEA STEPS (Stated Policies Scenario) scenario developed by the International Energy Agency (IEA) to explore future energy transitions and climate outcomes, the potential Carbon Costs in 2030 would be ₹ 53 Mn. Hence the estimated risks would be approx. ₹ 1,040,125 Mn if we don't take the necessary steps to reduce our Carbon footprint.	₹ 127.49 Mn

Indicator	Risk driven by changes in regulation	Risks driven by changes in physical climate parameters
Estimated time frame (Years)	5 years	25 Years
Estimated cost to mitigate the risk	₹ 12,600,000	The risk of production loss due to physical risks is covered under the overall insurance coverage of the company. The figure in cost USD 4,405 of response to risk indicates the insurance cost for the Company, for its overall global insurance coverage, which includes all kinds of risks (property, liability, transit, employee benefits, crime, cyber, etc). It is not possible to disaggregate the specific insurance cost for the above-mentioned manufacturing site. We also have other approved formulation facilities wherein we can transfer formulations on a case-to-case basis and supply from alternate sites to maintain continuity of supplies to our customers.

Financial Opportunity through Climate Change

Category	Response
Description of Opportunity	We are using lower-emission sources of energy, which have the potential to reduce direct costs. We have set our strategy to reduce absolute total Scope 1 and Scope 2 emissions by 42% by FY2030 compared to the base year FY2023. We undertake focused efforts for increased renewable energy consumption through the installation of solar rooftops, open access to solar and wind energy and long-term renewable energy power purchase agreements (at the KRSG site). We also leverage alternative sources of fuel. At our Alathur manufacturing site, we transitioned from furnace oil-fired boiler to using sawdust and agricultural waste in our Puducherry briquette-fired boiler steam production.
	Major projects implemented in FY 2024-25 are: 1. At the SPSL – KRSG site, transition in AMPIN resulting in 15,187 tCO_2e/MWh of GHG reduction and annual savings of ₹ 40.4 Mn 2. At SPSL – Chandapura site, transition in AMPIN resulting in 512 tCO_2e/MWh of GHG reduction and annual savings of ₹ 1.69 Mn 3. At the Alathur manufacturing site, use of sawdust and agricultural waste in briquette-fired boiler steam production leads to a net emission reduction of 412 tons of CO_2e. 4. Converting Boiler fuel from non-renewable fuel to more efficient and cleaner fuel 5. Installation of Variable Frequency Drive (VFD) devices at various locations **Major Projects at the implementation or planning stage:** 1. At the SPSL – Alathur site, implementing the PPA of 3 MW DC results in 3,925 tCO_2e/MWh of GHG reduction and annual savings of ₹ 17.2 Mn 2. At the SPSL – KRSG site, implementing a 330 KW DC Roof Top Solar power project resulting in 363 tCO_2e/MWh of GHG reduction and annual savings of ₹ 1.73 Mn 3. At the SPSL – Puducherry site, implementing an 814 KW DC Roof Top Solar power project resulting in 907 tCO_2e/MWh of GHG reduction and annual savings of ₹ 2.4 Mn 4. At SPSL – Alathur site, implementing a 200 KW DC Roof Top Solar power project resulting in 218 tCO_2e/MWh of GHG reduction and annual savings of ₹ 0.6 Mn.

Category	Response
Estimated financial positive implication (₹) of the opportunity	₹ 86 Mn
Estimated annual cost associated with developing the opportunity	₹ 12.6 Mn
Estimated time frame	5 years

Emissions Reduction Targets (India)

Target Scope	Target Type	Base year	Target year	Base year emissions	Percentage of total base year emissions covered	% reduction target from base year
Scope 1	Absolute Target	FY 2023	FY 2030	4,490 tCO_2e	100%	42%
Scope 2	Absolute Target	FY 2023	FY 2030	19,548 tCO_2e	100%	42%

Net Zero Commitment (India)

Target time Frame	Target scope and related emission reduction target (as % of base year emissions)	Comment
Target Year – FY 2050	Scope 1 & 2 – 90% Scope 3 – 90%	We have publicly committed to seek validation of GHG Emissions target by SBTi. We have defined or already implemented programs to achieve our emission reduction targets.

Annexure 2

Enterprise Value Creation

Material Issues for Enterprise Value Creation

Product Quality and Safety

Particular	Product / Service Quality & Safety
Material Issue	Product Quality and Safety
Business Case	**Patient Safety and Business Continuity:** Product quality is fundamental to protecting patient health and ensuring uninterrupted access to medicines. Any quality failure may result in product recalls, adverse patient outcomes, supply disruptions and loss of customer confidence. **Regulatory Compliance:** Quality failures can trigger regulatory actions, including warning letters, import alerts, site restrictions and delayed approvals, significantly affecting market access. **Revenue Protection:** High-quality products support sustained customer relationships, institutional procurement opportunities and continued access to global markets. **Reputation and Trust:** Product quality directly influences healthcare provider confidence, customer trust and Strides' reputation as a reliable pharmaceutical manufacturer. **Operational Excellence:** Robust quality systems reduce deviations, rework and compliance risks whilst improving operational efficiency.
Business Impact	Risk
Business Strategies	Strides operates a comprehensive Quality Management System supported by global quality governance, standardised operating procedures and risk-based quality oversight. The organisation continues to strengthen quality culture through digital quality transformation initiatives, including electronic Batch Manufacturing Records (eBMR), real-time release controls and data-driven quality monitoring systems. Building on Project RISE, Strides continues to promote a culture focused on Quality Culture, Product Robustness, Method Robustness and Investigation Excellence across manufacturing operations. The company is also evaluating AI-enabled quality solutions including deviation trending, predictive analytics, risk assessment and document intelligence to proactively identify quality risks and enhance compliance performance.
Target	Expand the principles of digital quality excellence initiatives across all manufacturing facilities whilst maintaining zero class I product recalls.
Target Year	2030
Progress	In FY26, Strides completed 11 regulatory inspections conducted by agencies including USFDA, ANVISA, EU GMP, MHRA and TGA, with all inspections concluded without major observations requiring regulatory action. The company has maintained zero Class I product recalls for the last four years.

Risk Management and Business Continuity

Particular	Risk Management
Material Issue	Risk Management & Business Continuity
Business Case	**Regulatory resilience:** We operate in a highly regulated pharmaceutical environment. Effective risk management enables us to comply with applicable local and international requirements and reduce our exposure to regulatory actions, financial penalties and operational interruptions. **Business continuity:** Our structured enterprise risk management and business continuity framework enables us to identify vulnerabilities, prepare for disruptions and maintain our critical manufacturing, quality and supply activities. **Operational resilience:** We proactively assess operational, financial, strategic, regulatory, cyber, climate-related and supply-chain risks. This enables us to implement timely mitigation measures and make informed decisions. **Protection of our reputation:** By effectively managing risks related to product quality, patient safety, regulatory compliance and ethical conduct, we protect stakeholder confidence and our reputation. **Long-term value creation:** By integrating risk considerations into our strategic planning, we can evaluate growth opportunities while operating within our defined risk appetite and tolerance levels.
Business Impact	Risk

Particular	Risk Management
Business Strategies	We have established systematic processes to identify, assess, prioritise, monitor and report risks across operational, financial, strategic, regulatory, quality, reputational, technological, environmental and supply-chain areas. Our Risk Management and Sustainability Committee oversees our material enterprise and ESG-related risks. Our Group-level steering mechanism supports the integration of risk management into strategic planning, capital allocation and our day-to-day business processes. Our defined risk appetite and tolerance levels guide our risk-related decisions and the development of appropriate mitigation actions. Our senior management periodically reviews material and emerging risks and monitors the progress of mitigation measures. Our business continuity and crisis-management arrangements support our preparedness for events that could affect manufacturing, product supply, critical technology, employee safety or regulatory compliance. We also conduct training and awareness programmes to strengthen risk ownership across our functions and operating locations.
Target	We aim to complete an independent third-party assessment of our risk management processes in alignment with ISO 31000.
Target Year	2027
Progress	We have an enterprise-level risk management framework aligned with ISO, COSO standards and other globally recognised risk-management frameworks. Our framework covers multiple risk categories and is supported by governance and management-level review mechanisms. We will prepare for an independent third-party assessment by finalising its scope, evaluation criteria, documentation requirements and site or business coverage.

Climate Change Adaptation and Water Stewardship

Particular	Environmental Policy and Management
Material Issue	Climate Change Adaptation and Water Stewardship
Business Case	**Operational Resilience:** Manufacturing facilities face increasing exposure to physical climate risks, including heatwaves, water scarcity, flooding and extreme weather events. **Business Continuity:** Reliable access to water is essential for pharmaceutical manufacturing processes including purified water production, cleaning, cooling, utilities and GMP-compliant operations. **Cost Management:** Climate-related disruptions may increase utility expenses, water procurement costs, infrastructure investments and supply chain costs. **Risk Preparedness:** Climate-related events may affect facility operations, logistics, inventory management and supply continuity if adequate adaptation measures are not implemented. **Long-term Sustainability:** Strengthening climate resilience and reducing freshwater dependency support long-term business continuity and stakeholder confidence.
Business Impact	Cost
Business Strategies	Strides continues to strengthen climate resilience and water stewardship across its manufacturing facilities through investments in water recycling, water reuse and climate adaptation initiatives. Following the initiation of construction in the previous year, the KRSG facility successfully commissioned and commenced operations of its Zero Liquid Discharge (ZLD) plant during FY26. The upgraded system enhances the existing wastewater treatment infrastructure by converting treated effluent into utility-grade recycled water for reuse within operations. This initiative supports water circularity, reduces dependence on freshwater withdrawals and strengthens the facility's resilience to increasing water stress and climate-related risks. At the Puducherry facility, treated ZLD water sourced from authorised third-party treatment facilities is reused in cooling towers and utility operations, promoting circular water use and reducing freshwater withdrawal. To support groundwater recharge and enhance water security, rainwater harvesting systems have been established at the KRSG, Puducherry and Chandapura facilities. Additionally, treated water from Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) is utilised for in-house horticulture applications across facilities, reducing freshwater consumption and lowering water-related energy requirements. Climate-related risks and water stewardship considerations continue to be integrated into environmental management and enterprise risk management processes.

Particular	Environmental Policy and Management
Target	Reduction of absolute Scope 1 and Scope 2 emissions by 42% by FY2030 compared with the FY2023 baseline and achievement of Net Zero emissions by FY2050.
Target Year	2030 / 2050
Progress	Strides has developed a decarbonisation strategy and completed physical climate risk assessments for its Indian facilities. During FY26, the KRSG Zero Liquid Discharge (ZLD) plant was successfully commissioned and became operational, enabling greater recovery and reuse of treated wastewater within the facility. Rainwater harvesting systems continue to operate at KRSG, Puducherry and Chandapura, supporting groundwater recharge and water security. Treated wastewater is also reused in utility operations and horticulture applications, contributing to improved water efficiency, reduced freshwater dependency and enhanced climate resilience across manufacturing sites.

Material Issues for External Shareholders

Healthcare Access

Indicator	Access to Healthcare
Material Issue	Access to Healthcare
Cause of the Impact	Operations, Products/Services, Supply Chain
External stakeholder(s) / impact area(s) evaluated	Society, Consumers, Organisations in Supply Chain
Mitigating Measures	We recognise that access to safe, effective and affordable medicines is essential for improving health outcomes. As a pharmaceutical manufacturer, we contribute positively by supplying quality-assured medicines across the markets we serve. Interruptions to our manufacturing operations, shortages of key materials, regulatory delays, quality-related disruptions, logistics constraints or concentration within our supplier base could reduce the availability of our medicines. Such interruptions may have a greater effect on patients who depend on continued and timely access to treatment. We manage these impacts through production planning, quality assurance, regulatory compliance, inventory oversight, supplier management and business-continuity arrangements. Our risk assessments help us identify products, materials, sites and suppliers for which a disruption could materially affect product availability. We aim to strengthen healthcare access by improving supply reliability, diversifying critical sources where feasible, maintaining appropriate contingency arrangements and monitoring shortages or service interruptions in relevant markets. We use digital planning tools, demand forecasting, manufacturing analytics and cross-functional coordination to support timely production and distribution while maintaining our required quality and regulatory standards.
Targets	• Expand registrations to an additional 10 French-speaking African countries for ARV products and 6 French-speaking African countries for antimalarial products. • Maintain commitment to ensuring affordability and accessibility of essential medicines.
Type of Impact	Positive
Output Metric	• Number of patients or estimated treatment units reached through our products, where measurable.
Impact Valuation	Through our products and services, we contribute to improved access to quality medicines and continuity of treatment. We also seek to reduce the potential health consequences associated with medicine shortages or delayed availability.
Impact Metric	Number of patients or treatment courses supported through our products.

Supplier Concentration and Single-Source Dependency

Indicator	Supply Chain Management
Material Issue	Supplier Concentration and Single-Source Dependency
Cause of the Impact	Supply Chain, Operations, Products/Services
External stakeholder(s)/ impact area(s) evaluated	Society, Consumers, Organisations in Supply Chain
Mitigating Measures	Reliable availability of medicines depends on resilient supply chains. Dependence on single-source suppliers or concentrated sourcing regions can increase the risk of medicine shortages, delayed deliveries and reduced healthcare access for patients. Disruptions arising from supplier failures, quality issues, geopolitical events or logistics interruptions may affect healthcare providers, institutional customers and end-users who depend on continuous access to essential medicines. To mitigate these impacts, Strides maintains supplier qualification processes, supplier risk assessments, alternative sourcing strategies and inventory planning measures aimed at strengthening continuity of supply.
Targets	• Increase supplier diversification across critical materials. • Expand supplier assessments to cover all critical suppliers. • Strengthen supplier risk monitoring and business continuity planning for critical inputs
Type of Impact	Negative
Output Metric	Percentage of critical materials with alternative qualified suppliers
Impact Valuation	Improved medicine availability and reduced risk of supply interruptions affecting patients, healthcare systems and institutional procurement programmes.
Impact Metric	• Reduction in supply disruption incidents. • Improvement in on-time product availability.

Embedding sustainability in accountability and performance - Linked Sustainability is fully integrated into leadership and departmental KRAs. MD & Group CEO, Executive Director, CSO, CHRO, and COO have ESG-linked KPIs covering environment, governance, human capital, learning, digital innovation & transformation and risk management, tied to performance and incentives. Relevant teams members' have up to 80% of their goals linked to sustainability targets, with spot bonuses awarded for exceptional project delivery

Annexure 3

Tax Information of Subsidiaries[173]

Particulars	Amount (₹) Mn
Cash taxes paid	1,052.14
Less: tax refund received	208.94
Net tax paid/(refund)	843.19

Tax Strategy and Governance

Yes, we have a publicly available, group-wide tax policy covering the following elements	
A commitment to compliance with the spirit as well as the letter of the tax laws and regulations in the countries in which the company operates.	Yes
A commitment not to transfer value created to low-tax jurisdictions	Yes
A commitment not to use tax structures without commercial substance	Yes
A commitment to undertake transfer pricing using the arm's length principle.	Yes
A commitment not to use secrecy jurisdictions or so-called "tax havens" for tax avoidance	Yes
An approval process of the tax policy by the board of directors.	Yes

Tax Reporting

Yes, we publicly report on the following for each tax jurisdiction in which we operate	
Names of all the resident entities	Yes
Primary activities	Yes
Number of employees	Yes
Revenue	Yes
Profit (Loss) before tax	Yes
Income tax accrued (current year)	Yes
Income tax paid	Yes

Financial reporting	FY 2025-26	FY 2024-25	FY 2023-24
Earnings before Tax (₹ Mn)	6,950.60	4,204.23	1,282.20
Reported Taxes (₹ Mn)	941.66	775.16	291.12
Effective Tax Rate (in %)	13.55%	18.44%	22.70%
Cash Taxes Paid (₹ Mn)	849.19	636.51	353.46
Cash Tax Rate (in %)	12.13%	15.14%	27.57%

Note: For the purposes of determining the Effective Tax Rate (ETR), the profits before following has been considered as Earning before tax:

I. Exceptional items,

II. Share of profits from Joint Ventures or Associates, and

III. Tax expense

[173]GRI 207-4

Name of the Company	Country of incorporation	Number of full-time employees as at March, 31, 2026	Revenue	Profit before tax	Provision for tax - as per Financial statement	Incometax paid (in ₹)	Tax refund- Received	Conversion rate	Currency	Relationship
Strides Pharma Science Limited	India	2,935	23,031.97	2,031.13	194.66	320.73	178.30	1.00	₹	Listed Company
Neviton Softech Private Limited	India	137	325.57	63.15	16.18	22.97	2.84	1.00	₹	Wholly owned Subsidiary
SVADS Holdings SA	Switzerland	0	37.63	8.96	4.15	0.75	-	111.22	CHF	Wholly owned Subsidiary
UCL Brands Limited	Kenya	0	532.64	237.77	74.02	16.97	-	0.69	KES	Subsidiary
Strides Pharma Global Pte Ltd	Singapore	2	17,410.59	2,044.76	292.59	176.64	-	88.82	USD	Wholly owned Subsidiary
Strides Pharma (Cyprus) Limited	Cyprus	15	1,903.32	-637.66	19.69	21.95	-	103.14	EUR	Wholly owned Subsidiary
Arco Lab Private Limited	India	600	1,920.18	195.89	52.83	69.03	-	1.00	₹	Wholly owned Subsidiary
Pivot Path Private Limited	India	0	-	-0.29	-	-	-	1.00	₹	Wholly owned Subsidiary
Strides Nordic ApS	Denmark	4	1,026.31	-61.16	-13.46	-	-	13.82	DKK	Wholly owned Subsidiary
Strides Netherlands B.V.	Netherlands	0	-	-	-	-	-	103.14	EUR	Wholly owned Subsidiary
Strides Pharma UK Ltd. (Refer note 4 below)	UK	29	4,564.78	617.77	171.97	92.30	-	119.11	GBP	Wholly owned Subsidiary
Trinity Pharma Proprietary Limited	South Africa	59	2,716.51	168.43	48.50	92.20		5.16	ZAR	Subsidiary
Strides Pharma Inc.	USA	218	21,145.71	796.84	208.25	233.56	27.80	88.82	USD	Wholly owned Subsidiary
Strides Lifesciences Limited	Nigeria	0	47.59	8.65	0.52	-	-	0.06	NGN	Wholly owned Subsidiary
Strides Pharma Global (UK) Ltd.	UK	0	-	-2.31	-	-	-	119.11	GBP	Wholly owned Subsidiary
Strides Arcolab International Ltd.	UK	0	-	-362.80	-90.29	-	-	88.82	USD	Wholly owned Subsidiary
Strides Pharma International Limited	Cyprus	0	-	-4.99	-	-	-	88.82	USD	Wholly owned Subsidiary
Altima Innovations, Inc.*	USA	0	-	-	-	-	-	84.61	USD	Wholly owned Subsidiary

Name of the Company	Country of incorporation	Number of full-time employees as at March , 31, 2026	Revenue	Profit before tax	Provision for tax - as per Financial statement	Incometax paid (in ₹)	Tax refund- Received	Conversion rate	Currency	Relationship
Apollo Life Sciences Holdings Proprietary Limited	South Africa	0	-	-	-	-	-	4.64	ZAR	Wholly owned Subsidiary
Generic Partners UK Limited***	UK	0	-	-	-	-		108.11	GBP	Subsidiary
Neviton Technologies Inc.	USA	1	73.75	7.78	0.50	0.26	-	88.82	USD	Subsidiary
Strides Pharma (SA) Proprietary Limited	South Africa	0	724.13	62.05	3.86	4.70	-	5.16	ZAR	Wholly owned Subsidiary
Strides Consumer LLC	USA	1	105.45	-73.27	-	-	-	88.82	USD	Subsidiary
Strides Global Consumer Healthcare Limited@	UK	0	5.31	-107.96	-	-	-	88.82	USD	Wholly owned Subsidiary
Strides Pharma Asia Pte. Limited	Singapore	0	4.26	-0.12	-	-	-	88.82	USD	Wholly owned Subsidiary
Amexel Pte. Limited	Singapore	0	159.87	48.90	8.31	-	-	88.82	USD	Wholly owned Subsidiary
Strides Pharma International AG	Switzerland	5	5,594.46	887.47	-	-	-	103.14	EUR	Wholly owned Subsidiary
Beltapharm S.r.L	Italy	42			-	-	-	103.14	EUR	Wholly owned Subsidiary
Fairmed Healthcare GmbH	Germany	11	1,995.38	157.65	7.03	-	-	103.14	EUR	Wholly owned Subsidiary
Strides Pharma Canada Inc.	Canada	7	251.56	-14.34	-	-	-	64.38	CAD	Wholly owned Subsidiary
Strides Consumer Pvt Ltd	India	0	123.21	80.80	-	0.07	-	1.00	₹	Wholly owned Subsidiary
Tax credit on account of Consol adjustments					-57.68					
Total Tax Cost as per Consolidated financial statement					**941.66**	**1,052.14**	**208.94**			

Notes

1. Taxes paid and refunds have been considered basis the actual outflow/ inflow within the cut-off date of March 31, 2026. Any outflow or inflow post such date in relation to the subject year will be considered in the subsequent financial year in which such payment is done;
2. Refund details provided does not include the interest component since the same is in the nature of interest income and not refund of taxes paid;
3. Conversion rate considered - (refer column 'J') is basis the average rate for FY 2025-26 considered for financial reporting;
4. Under the group relief, loss of SAIL UK amounting ₹ 259.14Mn. is adjusted against the taxable income of SPUK. Hence, taxes for SPUK has been paid post such adjustment

Annexure 4

FY26 GRI Content Index – ESG Report References

GRI Disclosure	Topic	ESG Report / Databook Section/Subsection	Page(s)
2-1	Organizational details	About Strides: Who We Are; Our Business; Our Operations	2
2-2	Entities included in sustainability reporting	About the Report: Report Boundary and Scope	1
2-3	Reporting period, frequency and contact point	About the Report: Report Boundary and Scope; Feedback	1
2-5	External assurance	ESG Journey and FY26 Highlights; Independent Assurance Statement	12
		Appendix: Independent Assurance Statement	198
2-6	Activities, value chain and business relationships	About Strides: Our Operations; Responsible Supply Chain: Overview / Governance; Distribution of Suppliers	5; 74; 79
2-7	Employees	Our People: Our Workforce	86;
		ESG Databook: Board of Directors and Workforce	164
2-8	Workers who are not employees	Our People: Our Workforce	86
		ESG Databook: Board of Directors and Workforce	164
2-9	Governance structure and composition	Effective Corporate Governance: Our Board of Directors; Board Composition	42
2-10	Nomination and selection of highest governance body	Effective Corporate Governance: Board Evaluation / Assessment	43
2-11	Chair of highest governance body	Effective Corporate Governance: Board Composition	42
2-12	Role of highest governance body in overseeing impacts	Effective Corporate Governance: ESG Governance Oversight; Board Strategic Role; RM&SC	45
2-13	Delegation of responsibility for managing impacts	Effective Corporate Governance: ESG Governance Oversight; Chief Risk & Sustainability Officer; Internal Sustainability Team	46
2-14	Role of highest governance body in sustainability reporting	Effective Corporate Governance: ESG Governance Oversight	45
2-15	Conflicts of interest	Effective Corporate Governance: Ensuring Ethical Conduct;	48
		Area of Reporting: No of Breaches for FY2025-26	50
		ESG Databook: Breaches & Incidents, conflicts of interest	160
2-16	Communication of critical concerns	Effective Corporate Governance: Whistleblowing Mechanisms; Reporting Channels; Governance and Oversight	50
2-17	Collective knowledge of highest governance body	Our People: Learning and Development: Leadership Development Programme	95
2-18	Evaluation of performance of highest governance body	Effective Corporate Governance: Board Evaluation / Assessment	43
2-19	Remuneration policies	Effective Corporate Governance: MD & Group CEO Remuneration; Executive Director Remuneration	43
2-20	Process to determine remuneration	Effective Corporate Governance: Board Evaluation/ Assessment; Managing Director & Group CEO Remuneration; Executive Director Remuneration	43
2-21	Annual total compensation ratio	Effective Corporate Governance: MD & Group CEO-to-Employee Ratio	44
		ESG Databook: CEO-to-Employee Pay Ratio	160
2-22	Statement on sustainable development strategy	Message from the Chief Sustainability Officer;	8
		Materiality & Strategy: Our Sustainability Strategy	24

GRI Disclosure	Topic	ESG Report / Databook Section/Subsection	Page(s)
2-23	Policy commitments	Effective Corporate Governance: Ensuring Ethical Conduct: Policies and Procedures	48
2-24	Embedding policy commitments	Effective Corporate Governance: Ensuring Ethical Conduct: Policies and Procedures; Key Ethics and Compliance Areas; Whistleblowing Mechanism; Anti-bribery and anti-corruption Policies & Practices	49, 50, 51
2-25	Processes to remediate negative impacts	Enterprise Risk Management: Risk Management Process;	35
		Effective Corporate Governance: Whistleblowing Mechanisms	50
2-26	Mechanisms for seeking advice and raising concerns	Effective Corporate Governance: Whistleblowing Mechanisms;	50
		Responsible Supply Chain: Supplier Capacity Building and Development	81
2-27	Compliance with laws and regulations	Effective Corporate Governance: Key Ethics and Compliance Areas;	50
		Anti-bribery and Anti-corruption Policies & Practices	51
		Environmental Violations (India and Abroad)	180
2-28	Membership associations	Economic Prudence: Contribution and Other Spending; Contribution to Trade Associations	82 83
2-29	Approach to stakeholder engagement	Stakeholder Engagement: Our Approach to Stakeholder Engagement	30
2-30	Collective bargaining agreements	Our People: Freedom of Association;	88
		Championing Human & Labour Rights: Employee Voice and Worker Representation	102
		ESG Databook: Freedom of Association	173
3-1	Process to determine material topics	Materiality & Strategy: From Priorities to Targets: Our Approach to Double Materiality;	18
3-2	List of material topics	Materiality & Strategy: From Priorities to Targets: Material Topics	21
3-3	Management of material topics	Enterprise Risk Management; Effective Corporate Governance; Quality Excellence; IT and Data Protection; Responsible Artificial Intelligence; Responsible Supply Chain; Economic Prudence; Innovation Management and R&D; Our People; Championing Human & Labour Rights; Fostering a Culture of Safety; Stakeholder Equity; Environmental Sustainability	32; 41; 52; 64; 70; 74; 82; 84; 85; 100; 108; 116; 137
101-1	Policies to halt and reverse biodiversity loss	Environmental Sustainability: Biodiversity	154
101-2	Management of biodiversity impacts	Environmental Sustainability: Biodiversity Management Plan	155
101-4	Identification of biodiversity impacts	Environmental Sustainability: Biodiversity Risk Assessment	154
101-5	Locations with biodiversity impacts	Environmental Sustainability: Biodiversity Risk Assessment	154
201-1	Direct economic value generated and distributed	ESG Databook: Economic value	159
201-2	Financial implications and other risks/opportunities due to climate change	Environmental Sustainability: Climate Risk Assessment	144
201-3	Defined benefit plan obligations and other retirement plans	Our People: Retirement Benefits	92
		ESG Databook: Employee Benefits	170

GRI Disclosure	Topic	ESG Report / Databook Section/Subsection	Page(s)
201-4	Financial assistance received from government	ESG Databook: Financial Assistance received from Government: Any other financial benefits received or receivable from any government for any operation	162
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Championing Human & Labour Rights: Equal Remuneration, Pay Equity and Workplace Dignity	102
203-1	Infrastructure investments and services supported	Stakeholder Equity: Enhancing Access to Affordable Healthcare	121
203-2	Significant indirect economic impacts	Stakeholder Equity: Advancing Accessibility, Patient outreach and ongoing Capacity-building Initiatives	134
204-1	Proportion of spending on local suppliers	Responsible Supply Chain: Distribution of Suppliers	79
		ESG Databook: Suppliers and Procurement Spend: Proportion of spending on local suppliers	161
205-1	Operations assessed for risks related to corruption	Effective Corporate Governance: Anti-bribery and Anti-corruption Policies & Practices	51
205-2	Communication and training about anti-corruption policies and procedures	Effective Corporate Governance: Anti-bribery and Anti-corruption Policies & Practices	51
205-3	Confirmed incidents of corruption and actions taken	Effective Corporate Governance: Area of Reporting: No of Breaches for FY2025-26: Corruption and Bribery	50
207-1	Approach to tax	Economic Prudence: Tax Strategy and Reporting	82
207-2	Tax governance, control and risk management	Economic Prudence: Tax Strategy and Reporting	82
		ESG Databook: Tax Strategy and Governance	162
207-3	Stakeholder engagement and management of concerns related to tax	Stakeholder Engagement: Stakeholder groups and the frequency of engagements	30
207-4	Country-by-country reporting	ESG Databook: Tax Information of Subsidiaries	186
301-2	Recycled input materials used	Environmental Sustainability: Sustainable Packaging	155
302-1	Energy consumption within organization	Environmental Sustainability: Energy Management	138
		ESG Databook: Energy Consumption	175
302-3	Energy intensity	ESG Databook: Energy Management	175
302-4	Reduction of energy consumption	Environmental Sustainability: Energy Efficiency	153
302-5	Reductions in energy requirements of products and services	Environmental Sustainability: Product Life Cycle Assessment	156
303-1	Interactions with water as a shared resource	Environmental Sustainability: Water Management	141
303-2	Management of water discharge-related impacts	Fostering a Culture of Safety: Pharmaceutical Impact on Environment;	114
		Environmental Sustainability: Wastewater Management:	142

GRI Disclosure	Topic	ESG Report / Databook Section/Subsection	Page(s)
303-3	Water withdrawal	Environmental Sustainability: Water Withdrawal by Sources	142
		ESG Databook: Water Withdrawal by Sources	176
303-4	Water discharge	Environmental Sustainability: Towards sustainable Water Management	142
		ESG Databook: Water Withdrawal by Sources	176
303-5	Water consumption	Environmental Sustainability: Water Withdrawal by Sources: Total water consumption	142
		ESG Databook: Water Withdrawal by Sources	176
305-1	Direct (Scope 1) GHG emissions	Environmental Sustainability: GHG Emission Management	138
		ESG Databook: GHG Emissions: Total Scope 1 & 2 Emissions	175
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Sustainability: GHG Emission Management: Scope 2 Location-based	138
		ESG Databook: GHG Emissions	175
305-3	Other indirect (Scope 3) GHG emissions	Environmental Sustainability: GHG Emission Management: Indirect Emissions	138
		ESG Databook: GHG Emissions and Scope 3 category-wise	175
305-4	GHG emissions intensity	ESG Databook: GHG Emission Management: Emission Intensity for Scope 3	175
305-5	Reduction of GHG emissions	Environmental Sustainability: Energy Management	138
305-7	NOx, SOx and other significant Air Emissions	Environmental Sustainability: Air Emissions	143
		ESG Databook: Stack Emissions	176
306-1	Waste generation and significant waste-related impacts	Environmental Sustainability: Waste Management; Waste Generation	140, 141
		ESG Databook: Waste Generation; Total Waste Disposal	177
306-2	Management of significant waste-related impacts	Environmental Sustainability: Waste Reduction and Circularity	140
306-3	Waste generated	Environmental Sustainability: Waste Generation	141
		ESG Databook: Waste Generation	177
306-4	Waste diverted from disposal	Environmental Sustainability: Waste Reduction and Circularity;	140
		ESG Databook: Total Waste Disposal	177
306-5	Waste directed to disposal	ESG Databook: Total Waste Disposal	177
308-1	New suppliers screened using environmental criteria	Responsible Supply Chain: Supplier Assessment on Sustainability Aspects	80
		ESG Databook: Supplier Assessment and/or Development	161
308-2	Negative environmental impacts in supply chain and actions taken	Responsible Supply Chain: Supplier Capacity Building and Development;	80
401-1	New employee hires and employee turnover	Our People: Hiring & Onboarding; Employee Retention Strategy	85, 87
		ESG Databook: New employee hires; Positions filled internally & Average hiring cost; Employee turnover rate	166,167
401-2	Benefits provided to full-time employees	Our People: Enhancing Employee Well-being / WeCare	91
		ESG Databook: Employee Benefits	170

GRI Disclosure	Topic	ESG Report / Databook Section/Subsection	Page(s)
401-3	Parental leave	Our People: Enhancing Employee Well-being: Leave Policy	92
		ESG Databook: Employee Benefits	170
403-1	Occupational health and safety management system	Fostering a Culture of Safety: OHS Management System: Governance, Compliance, and Assurance	112
403-2	Hazard identification, risk assessment and incident investigation	Fostering a Culture of Safety: Risk Assessment and Work Authorization; Incident Reporting	112
403-3	Occupational health services	Fostering a Culture of Safety: Workplace Safety and Occupational Health Management; Occupational Health Services	112, 114
403-4	Worker participation, consultation and communication on OHS	Championing Human & Labour Rights: Equal Remuneration, Pay Equity and Workplace Dignity;	102
		Fostering a Culture of Safety: Training, Awareness and Capability Building;	111
403-5	Worker training on OHS	Fostering a Culture of Safety: Training, Awareness and Capability Building	111
403-6	Promotion of worker health	Fostering a Culture of Safety: OHS Management System: Workplace Safety and Occupational Health Management	112
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Fostering a Culture of Safety: Emergency Preparedness and Incident Response	113
403-8	Workers covered by OHS management system	Fostering a Culture of Safety: Occupational Health and Safety; Policy Commitment & Guidelines	108
403-9	Work-related injuries	Fostering a Culture of Safety: Occupational Health and Safety	108
		ESG Databook: Safety Incidents for FY25-26 (India)	174
403-10	Work-related ill health	Fostering a Culture of Safety: Workplace Safety and Occupational Health Management	112
404-1	Average hours of training per year per employee	Our People: Learning and Development	93
		ESG Databook: Training man-hours; Average hours and amount spent on Training and Development	168
404-2	Programs for upgrading employee skills and transition assistance	Our People: Employee Development Programs;	94
		ESG Databook: Employee Development Program	171
404-3	Percentage receiving regular performance and career development reviews	Our People: Performance Management	88
		ESG Databook: Employees receiving performance and career development review	169
405-1	Diversity of governance bodies and employees	Effective Corporate Governance: Our Board of Directors;	41
		Our People: Our Workforce; Diversity & Inclusion;	86, 98
		ESG Databook: Board of Directors and Workforce	164
405-2	Ratio of basic salary and remuneration of women to men	Our People: Employee Retention Strategy; Championing Human & Labour Rights: Equal Remuneration for Men and Women; Equal Remuneration, Pay Equity and Workplace Dignity ESG Databook: Gender Pay Gap Analysis by Employee Category	87 101, 102 167

GRI Disclosure	Topic	ESG Report / Databook Section/Subsection	Page(s)
406-1	Incidents of discrimination and corrective actions taken	Effective Corporate Governance: Discrimination & Harassment	50
		ESG Databook: Breaches & Incidents: No. of incidents of discrimination and harassment	160
407-1	Operations and suppliers where freedom of association may be at risk	Our People: Freedom of Association;	88
		ESG Databook: Freedom of Association	173
408-1	Operations and suppliers at significant risk for incidents of child labour	Championing Human & Labour Rights: Human Rights Commitment	103
409-1	Operations and suppliers at significant risk for forced or compulsory labor	Championing Human & Labour Rights: Human Rights Commitment;	103,
		Responsible Supply Chain: Our Approach to Responsible Sourcing	105
413-1	Operations with local community engagement, impact assessments and development programs	Stakeholder Equity: Building Stronger Communities	116
414-1	New suppliers screened using social criteria	Responsible Supply Chain: Supplier Assessment on Sustainability Aspects	80
		ESG Databook: Supplier Assessment and/or Development	161
415-1	Political contributions	Economic Prudence: Contribution and Other Spending: Total Contributions	83
		ESG Databook: Philanthropic contributions, Business ethics & Political Contributions	159
416-1	Assessment of health and safety impacts of product and service categories	Quality Excellence: Building a Culture Where Quality Comes First; Our Commitment to Quality; Pharmacovigilance	52, 59
416-2	Incidents of non-compliance concerning health and safety impacts	ESG Databook: Breaches & Incidents;	160
417-1	Requirements for product and service information and labeling	Quality Excellence: Pharmacovigilance; Customer-Centric Quality Processes	59, 60
417-2	Incidents of non-compliance concerning product and service information and labeling	Quality Excellence: Pharmacovigilance	59
		ESG Databook: Ethical Marketing Performance	174
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	IT and Data Protection: Privacy Performance	69
		ESG Databook: Breaches & Incidents	160

Annexure 5

ISSB Index - IFRS S2 - Climate-related Disclosures

IFRS S2 Category	IFRS S2 Paragraph	IFRS S2 Disclosure Requirement	Location in Sustainability Report 2025-26
Governance	IFRS S2 - 6a (i)	Governance body: responsibilities reflected in mandates, role descriptions and policies	Environmental Governance p.137; Climate governance pg.144; ESG oversight pg.45-46
Governance	IFRS S2 - 6a (ii)	Governance body: availability/development of appropriate skills and competencies	Board composition, skills and ESG expertise pg.41-45
Governance	IFRS S2 - 6a (iii)	How and how often governance body is informed of climate risks/opportunities	RM&SC frequency p.34; climate governance pg.144
Governance	IFRS S2 - 6a (iv)	How climate matters inform oversight of strategy, major transactions and risk management, including trade-offs	Environmental governance p.137-138; climate-risk integration pg.144; Board/ RM&SC pg.45
Governance	IFRS S2 - 6a (v)	Oversight of climate targets/progress and linkage of related metrics to remuneration	Executive ESG KPIs pg.138; climate incentives pg.153-154; remuneration pg.43
Governance	IFRS S2 - 6b (i)	Delegation to management position/ committee and oversight of that role	EHS/Risk Office/GLSC p.137; CSO team pg.144; CRSO/team pg.46
Governance	IFRS S2 - 6b (ii)	Management controls/procedures and integration with internal functions	ERM integration pg.137; decision integration pg.144; three lines of defence pg.35
Strategy - climate risks/opportunities	IFRS S2 - 10a	Describe climate-related risks and opportunities expected to affect prospects	Climate and water risk pg.36; physical/ transition risks pg.144-152; ESG Databook pg. 179-181
Strategy - climate risks/opportunities	IFRS S2 - 10b	Classify identified risks as physical or transition risks	Physical and transition risks pg. 144-152
Strategy - climate risks/opportunities	IFRS S2 - 10c	Specify short-, medium- or long-term horizon for each risk/opportunity	Physical horizons pg.144; transition horizons pg.148
Strategy - climate risks/opportunities	IFRS S2 - 10d	Define time horizons and link them to strategic-planning horizons	Defined climate horizons pg.144,148;
Strategy - business model/value chain	IFRS S2 - 13a	Current and anticipated effects on business model and value chain	Value/business model pg.14-17; impacts pg.146-152; ESG Databook pg.179-181
Strategy - business model/value chain	IFRS S2 - 13b	Where risks/opportunities are concentrated by geography, facility or asset type	Facilities pg.146-147; value-chain exposure pg.148-152; ESG Databook pg.179-180
Strategy - strategy/ decision-making	IFRS S2 - 14a (i)	Current/anticipated business-model and resource-allocation changes	Transition plan pg. 139; investment/mitigation pg.149-152; ESG Databook pg. 180-181
Strategy - strategy/ decision-making	IFRS S2 - 14a (ii)	Current/anticipated direct mitigation and adaptation efforts	Renewables/fuel switch pg.139; adaptation pg.149,151; ZLD pg.142
Strategy - strategy/ decision-making	IFRS S2 - 14a (iii)	Current/anticipated indirect efforts through customers and supply chains	Low-emission transport pg.139; supplier/ carbon-footprint plans pg.150-151; supply chain pg.76-81
Strategy - strategy/ decision-making	IFRS S2 - 14a (iv)	Climate transition plan, key assumptions and dependencies	Scope 1/2 plan pg.139; NGFS assumptions pg.144-148; dependencies partly disclosed
Strategy - strategy/ decision-making	IFRS S2 - 14a (v)	How climate and GHG targets will be achieved	42% Scope 1/2 by FY2029-30 and net zero FY2049-50 pg.139; targets pg.143; ESG Databook pg.181
Strategy - strategy/ decision-making	IFRS S2 - 14b	Resources deployed and planned for strategy responses	₹48m FY2025-26 capex and mitigation costs pg.149-152; ESG Databook pg. 180-181
Strategy - strategy/ decision-making	IFRS S2 - 14c	Quantitative/qualitative progress against previously disclosed plans	FY2025-26 progress pg.138-143; ESG Databook pg. 175-181
Strategy - climate resilience	IFRS S2 - 22a (i)	Scenario-analysis implications for strategy/ business model and required response	Scenario analysis, implications & mitigation pg.144-153; ESG Databook pg.179-181
Strategy - climate resilience	IFRS S2 - 22a (ii)	Significant uncertainty considered in resilience assessment	Regulatory uncertainty pg. 152; scenario ranges/assumptions pg.148-152

IFRS S2 Category	IFRS S2 Paragraph	IFRS S2 Disclosure Requirement	Location in Sustainability Report 2025-26
Strategy - climate resilience	IFRS S2 - 22a (iii) (1)	Availability/flexibility of financial resources to respond or capture opportunities	Risk/mitigation costs pg.149-152; ESG Databook pg.179-181
Strategy - climate resilience	IFRS S2 - 22a (iii) (2)	Ability to redeploy, repurpose, upgrade or decommission assets	Adaptation, fuel conversion, upgrades pg. 149-153; alternate sites ESG Databook pg. 179-180
Strategy - climate resilience	IFRS S2 - 22b (i) (1)	Scenarios used and sources	IPCC SSP1-2.6, SSP2-4.5, SSP5-8.5; NGFS pg.144-148
Strategy - climate resilience	IFRS S2 - 22b (i) (2)	Whether a diverse range of scenarios was used	Three SSPs and NDC/Net Zero 2050 pg.144-148
Strategy - climate resilience	IFRS S2 - 22b (i) (3)	Whether scenarios cover physical and/or transition risks	Separate physical and transition analysis pg.144-152
Strategy - climate resilience	IFRS S2 - 22b (i) (4)	Use of a scenario aligned with latest international climate agreement	Net Zero 2050/1.5C alignment pg.139, 148
Strategy - climate resilience	IFRS S2 - 22b (i) (5)	Why selected scenarios are relevant	Scenario relevance pg.144-152;
Strategy - climate resilience	IFRS S2 - 22b (i) (6)	Time horizons used	Horizons pg.144-148
Strategy - climate resilience	IFRS S2 - 22b (i) (7)	Operational scope used	Locations covered for CRA pg.144
Strategy - climate resilience	IFRS S2 - 22b (ii)	Key assumptions: policies, macro trends, regional variables, energy mix and technology	Policy, energy, carbon price, technology and market assumptions pg.144-152
Strategy - climate resilience	IFRS S2 - 22b (iii)	Reporting period in which scenario analysis was performed	Scenarios pg.148; Report boundary & scope pg.1
Risk management	IFRS S2 - 25a (i)	Risk-process inputs, parameters, data sources and operational scope	ERM inputs/registers/KRIs pg.32-38; scenario data and scope pg.144
Risk management	IFRS S2 - 25a (ii)	Use of scenario analysis to identify climate risks	IPCC/NGFS scenario use pg. 144-152
Risk management	IFRS S2 - 25a (iii)	Assessment of nature, likelihood and magnitude using qualitative/quantitative criteria	Risk appetite/scoring pg.32,35-40; likelihood/magnitude pg.144-152
Risk management	IFRS S2 - 25a (iv)	Prioritisation of climate risks relative to other risks	DMA/ERM prioritisation pg.18-23; key climate risk pg.36
Risk management	IFRS S2 - 25a (v)	Monitoring of climate risks	Risk Office/EHS pg.137; monitoring pg.144; Risk registers/KRIs pg.32-38
Risk management	IFRS S2 - 25a (vi)	Changes in risk processes from prior period	FY2025-26 scope/process changes pg.10, 32, 38, 144,148
Risk management	IFRS S2 - 25b	Processes for climate opportunities, including scenario-analysis use	DMA/IRO pg.18-23; opportunities pg.149-152; ESG Databook pg.180-181
Risk management	IFRS S2 - 25c	Integration of climate risk/opportunity processes into overall risk management	ERM integration pg.18-23,32-38,137
Metrics and targets - climate metrics	IFRS S2 - 29a (i) (1)	Absolute gross Scope 1 GHG emissions (tCO_2e)	Scope 1: 9,204.71 tCO_2e pg.138; ESG Databook pg.175
Metrics and targets - climate metrics	IFRS S2 - 29a (i) (2)	Absolute gross Scope 2 GHG emissions (tCO_2e)	Location-based Scope 2: 24,213.81 tCO_2e pg.138; ESG Databook pg.175
Metrics and targets - climate metrics	IFRS S2 - 29a (i) (3)	Absolute gross Scope 3 GHG emissions (tCO_2e)	Scope 3: 383,615.29 tCO_2e pg.138; ESG Databook pg175-176
Metrics and targets - climate metrics	IFRS S2 - 29a (ii)	Measure GHG emissions under GHG Protocol Corporate Standard (2004), unless otherwise required	GHG data/categories pg.175-176;
Metrics and targets - climate metrics	IFRS S2 - 29a (iii) (1)	Measurement approach, inputs and assumptions	PPP/scope methodology pg.138; ESG Databook pg. 175-176; complete inputs not disclosed

IFRS S2 Category	IFRS S2 Paragraph	IFRS S2 Disclosure Requirement	Location in Sustainability Report 2025-26
Metrics and targets - climate metrics	IFRS S2 - 29a (iii) (2)	Reason for chosen approach, inputs and assumptions	FY2025-26 methodology update pg.138
Metrics and targets - climate metrics	IFRS S2 - 29a (iv) (1)	Disaggregate Scope 1/2 between consolidated group and other investees	Consolidated/Global/India split ESG Databook pg.175
Metrics and targets - climate metrics	IFRS S2 - 29a (v)	Location-based Scope 2 and relevant contractual instruments	Location-based Scope 2 and renewable instruments pg.138-139; ESG Databook pg.175
Metrics and targets - climate metrics	IFRS S2 - 29a (vi) (1)	Scope 3 categories included under GHG Protocol Value Chain Standard	Scope 3 Categories 1-9 and 15, ESG Databook pg.176
Metrics and targets - climate metrics	IFRS S2 - 29e	Capital expenditure, financing or investment for climate risks/opportunities	₹48m energy-conservation capex and mitigation costs pg.149-152; ESG Databook pg.180-181
Metrics and targets - climate metrics	IFRS S2 - 29f (i)	Whether/how internal carbon price is used in decision-making	External/modelled carbon prices pg.151; ESG Databook pg.179-180
Metrics and targets - climate metrics	IFRS S2 - 29g (i)	How climate considerations factor into executive remuneration	Climate KPIs in executive remuneration pg.138, 144, 153-154
Metrics and targets - climate metrics	IFRS S2 - 29g (ii)	Percentage of executive remuneration linked to climate considerations	20% MD/CEO projects; >=10% specified leaders pg.153-154;
Metrics and targets - climate targets	IFRS S2 - 33a	Metric used to set each target	Absolute emissions, net-zero, water/waste metrics pg.143; ESG Databook pg.181
Metrics and targets - climate targets	IFRS S2 - 33b	Target objective: mitigation, adaptation or science-based alignment	SBTi/1.5C objective pg.139; targets pg.143
Metrics and targets - climate targets	IFRS S2 - 33c	Entity scope to which target applies	India scope ESG Databook pg.181; global pathway pg.139-140
Metrics and targets - climate targets	IFRS S2 - 33d	Target period	FY2029-30 and FY2049-50 pg.143; ESG Databook pg.181
Metrics and targets - climate targets	IFRS S2 - 33e	Base period	FY2022-23 near-term base; FY2024-25 net-zero base pg.139; ESG Databook pg.181
Metrics and targets - climate targets	IFRS S2 - 33f	Milestones/interim targets	FY2029-30 milestone and FY2049-50 net zero pg.139; ESG Databook p.181
Metrics and targets - climate targets	IFRS S2 - 33g	Whether quantitative target is absolute or intensity-based	Scope 1&2 targets, ESG Databook pg.181
Metrics and targets - climate targets	IFRS S2 - 33h	How latest international climate agreement informed target	SBTi Net-Zero and 1.5C alignment pg.139
Metrics and targets - climate targets	IFRS S2 - 34a	Third-party validation of target/methodology	SBTi validation in process pg.139; ESG Databook pg.181
Metrics and targets - climate targets	IFRS S2 - 34b	Target-review processes	Annual Board monitoring pg.138, 153-154;
Metrics and targets - climate targets	IFRS S2 - 34c	Metrics used to monitor progress	Energy/GHG/water/waste metrics pg.138-143; ESG Databook pg.175-181
Metrics and targets - climate targets	IFRS S2 - 35	Performance against targets and trend/ change analysis	Progress pg.29; trends pg.138-143; ESG Databook pg.175-181
Metrics and targets - climate targets	IFRS S2 - 36b	Scopes covered by each emissions target	Scope 1&2 near-term and Scope 1,2&3 net-zero, ESG Databook pg.181
Metrics and targets - climate targets	IFRS S2 - 36c	Whether target is gross or net; disclose associated gross target for net target	Gross absolute Scope 1&2 and separate net-zero target, ESG Databook pg.181
Governance	IFRS S2 - 6a (i)	Governance body: responsibilities reflected in mandates, role descriptions and policies	Environmental Governance pg. 137; Climate governance pg.144; ESG oversight pg.45-46

Annexure 6

INDEPENDENT ASSURANCE STATEMENT

to the management of Strides Pharma Science Limited

Strides Pharma Science Limited (Corporate Identity Number L24230MH1990PLC057062, hereafter referred to as 'Strides' or 'the Company') has appointed DNV Business Assurance India Private Limited ("DNV", "us" or "we") to conduct an independent assurance of non-financial sustainability disclosures in its Sustainability Report for Financial Year (FY) 2025-26 (hereafter referred as 'Report').

Scope of Work and Boundary

The agreed scope of work is a limited Level of assurance of non-financial sustainability disclosures in the Report for the reporting period 01/04/2025 to 31/03/2026. The reported topic boundaries of non-financial sustainability performance are based on the double materiality assessment as mentioned in the 'Materiality & Strategy' section of the report, covering the Company's operations and reporting boundary as brought out in the section 'Report Boundary and Scope' of the report.

The reporting and assurance boundary covers the performance of Strides in all its manufacturing facilities, R&D Centre and Corporate Office in India and its subsidiaries across India, USA, UK, Switzerland, Germany, Denmark, South Africa, Kenya, Canada, Singapore, and Cyprus that fall under the direct operational control of the Company's Legal structure, unless otherwise specified in 'Report Boundary and Scope' or respective disclosures of the report by the Company.

Our competence, and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment – General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e FY 2025-26, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

Reporting Criteria and Standards

The disclosures have been prepared by Strides:

- With reference to the requirements of Global Reporting Initiative (GRI) standards 2021
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard

Assurance Methodology/ Standard

DNV carried out assurance engagement in accordance with DNV's VeriSustainTM protocol (V6.0), which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustainTM Protocol (V6.0) has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustainTM protocol (V6.0), DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements to evaluate Greenhouse gases (GHG) disclosures.

Basis of our conclusion

As part of our independent assurance engagement, we have evaluated the reported environmental, social, and governance (ESG) information against the agreed criteria. Throughout the engagement, we exercised professional judgment and maintained professional skepticism to ensure the integrity and reliability of our conclusions.

As part of the assurance process, multi-disciplinary team of assurance specialists performed assurance work for selected sites of Strides. We carried out the following activities:

- We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Reviewed the disclosures in the Report. Our focus included general disclosures, GRI topic-specific disclosures, and any other key metrics as per stated reporting criteria.
- Understanding the key systems, processes, and controls for collecting, managing, and reporting the non-financial sustainability disclosures in the Report.
- Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting requirements.
- Collect and evaluate documentary evidence and management representations supporting adherence to the reporting requirements.
- Interviews with the senior managers responsible for the management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility for monitoring, data collation, and reporting the selected sustainability disclosures.
- DNV audit team conducted on-site and remote audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
- Reviewed the process of reporting as defined in the reporting criteria and assurance methodology.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustainTM Protocol V6.0, for a limited level of assurance for the disclosure.

Our Conclusion:

On the basis of the assessment undertaken and agreed scope of work, nothing has come to our attention to suggest that the disclosures (as mentioned in Annexure I of this statement) are not fairly stated and are not prepared, in all material aspects, with reference to the reporting criteria.

Principles as per DNV VeriSustain^{TM} Protocol (V6.0):

1. **Materiality**

   The process of determining the issues that are most relevant to an organization and its stakeholders.

   The Report explains the double materiality assessment process carried out by the Company, which has considered concerns of both internal and external stakeholders, and inputs from peers and sector specific standards, as well as issues of relevance in terms of impact on Strides business. The list of topics has been prioritized, reviewed and validated, and the Company has indicated that there is no significant change in material topics from the previous reporting period.

   Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

2. **Stakeholder inclusiveness**

   The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

   The Report brings out the stakeholders who have been identified as significant to Strides, as well as the modes of engagement established by the Company to interact with these stakeholder groups. The key topics of concern and needs of each stakeholder group, which have been identified through these channels of engagement, are further brought out in the Report.

   Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

3. **Responsiveness**

   The extent to which an organization responds to stakeholder issues.

   The Report adequately brings out the Company's policies, strategies, management systems, and governance mechanisms in place to address the topics identified as material and significant concerns of key stakeholder groups.

   Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

4. **Completeness**

   How much of all the information that has been identified as material to the organization and its stakeholders is reported?

   The Report brings out the Company's performance, strategies, and approaches related to the environmental, social and governance issues identified as material for its operational control under the boundary of the Report, for the chosen reporting period, while applying and considering the requirements of the Principle of Completeness.

   Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

5. **Accuracy**

   The extent to which the Report provides correct and sufficiently detailed information to allow an assessment of the organization's impacts.

   The Report brings out the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The Report presents both qualitative and quantitative information in a manner that is consistent with available evidence and other reported disclosures. It clearly distinguishes between measured and estimated data, provides adequate descriptions of measurement methodologies, and outlines assumptions and limitations where applicable. Some of the data inaccuracies identified in the Report during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed post correction.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Accuracy.

6. **Reliability**

The extent to which the Report presents information that can be consistently and dependably verified and used for decision-making.

The Report provides disclosures that are supported by documented evidence, validated data sources, and established internal controls. It outlines the processes used to collect, compile, and review information, ensuring that the data presented is dependable and reproducible. The inclusion of third-party assurance further enhances the reliability of the disclosures and supports informed decision-making by stakeholders.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.

7. **Neutrality/Balance**

The extent to which a Report provides a balanced account of an organization's performance, delivered in a neutral tone.

The Report brings out the disclosures related to the Company's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

8. **Sustainability Context**

This addresses the requirement related to the presentation of the organization's performance in its own sustainability and general business context, i.e., a local, regional and international context.

The Report outlines how the Company monitors and evaluates its impact across local, regional, and global sustainability contexts. It reflects the Company's efforts to align its performance with broader societal needs and planetary boundaries to monitor, measure and evaluate its significant direct and indirect impacts linked to identified material topics across the Company, its significant value chain entities and key stakeholder groups.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Sustainability Context.

Responsibility of the Company

The Company has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The Company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and ensuring the quality and consistency of the information presented in the Report. Strides is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on its website.

DNV's Responsibility

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Use and distribution of Assurance statement

This assurance statement, including our conclusion, has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on the Company's website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DNV and Strides, and DNV does not accept any liability if this assurance statement is used for an alternative purpose from which it is intended, not to any third party in respect of this assurance statement.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/ measurement errors and omissions.
- DNV's opinion on financial disclosures relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- • The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

For DNV Business Assurance India Private Limited,

Chandan Sarkar
Lead Verifier
DNV Business Assurance India Private Limited, India.
Assurance Team: Suraiya Rahman, Mohanakrishnan R

Anjana Sharma
Assurance Reviewer
DNV Business Assurance India Private Limited, India.

11/09/2026, Bengaluru, India.

Annexure I

GRI Disclosures assured for limited level of assurance:

- GRI 2 general disclosure 2021 (GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-5, GRI 2-6, GRI 2-7, GRI 2-8, GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18, GRI 2-19, GRI 2-20, GRI 2-21-, GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-25, GRI 2-26, GRI 2-27, GRI 2-28, GRI 2-29, GRI 2-30);
- GRI 3: Material Topics 2021– 3-1, 3-2, 3-3;
- GRI 101: Biodiversity 2024 – 101-1, 101-2, 101-4, 101-5;
- GRI 202: Market Presence 2016 – 202-1;
- GRI 203: Indirect Economic Impacts 2016- 203-1, 203-2;
- GRI 204: Procurement Practices 2016 – 204-1;
- GRI 205: Anti-corruption 2016 – 205-1, 205-2, 205-3;
- GRI 301: Materials 2016 – 301-2;
- GRI 302: Energy 2016 – 302-1, 302-3, 302-4, 302-5;
- GRI 303: Water and Effluents 2018 – 303-1, 303-2, 303-3, 303-4, 303-5;
- GRI 305: Emissions 2016 –305-1*, 305-2**, 305-3***,305-4, 305-5;
- GRI 306: Waste 2020 – 306-1, 306-2, 306-3, 306-4, 306-5;
- GRI 308: Supplier Environmental Assessment 2016 – 308-1, 308-2;
- GRI 401: Employment 2016 – 401-1, 401-2, 401-3;
- GRI 403: Occupational Health & Safety 2018 – 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10;
- GRI 404: Training and Education 2016 – 404-1, 404-2, 404-3;
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1, 405-2;
- GRI 406: Non-discrimination 2016 – 406-1;
- GRI 407: Freedom of Association and Collective Bargaining 2016 – 407-1;
- GRI 408: Child Labor 2016 - 408-1;
- GRI 409: Forced or Compulsory Labor 2016 – 409-1;
- GRI 413: Local Communities 2016 – 413-1;
- GRI 414: Supplier Social Assessment 2016 - 414-1, 414-2;
- GRI 416: Customer Health and Safety 2016 – 416-1, 416-2;
- GRI 417: Marketing and Labeling 2016 – 417-1, 417-2;
- GRI 418: Customer Privacy 2016 – 418-1.

*Scope 1 GHG emissions are based on GHG Protocol - Emission_Factors_for_Cross_Sector_Tools_V2.0_0, and the Global Warming Potential (GWP) values were sourced from the IPCC Sixth Assessment Report, 2020 (AR6 – WG1).

**Scope 2 GHG emissions for Indian operations are calculated based on the Grid Electricity Emission Factor (EF) - Central Electricity Authority, Govt. of India, CO_2 baseline database for Indian Power Sector, version 21.0, December 2025. The grid emission factors considered for international locations are USA – Emissions & Generation Resource Integrated Database (eGRID), EPA 2023 (Jan 2025); Singapore Emission Factors Registry (SEFR/EMA); and IEA country electricity emission factor datasets (Germany, Switzerland, Italy, and Kenya).

***Scope 3 GHG emissions were calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard using a combination of supplier-specific data, USEEIO emission factors, DEFRA Greenhouse Gas Reporting: Conversion Factors 2025, Central Electricity Authority (CEA) grid emission factors, International Energy Agency (IEA) electricity emission factor datasets, GHG Protocol Transport Tools, EPA waste methodologies, and spend-based EEIO emission factors, as applicable to each Scope 3 category.

Annexure II – Sites selected for audit

S.no	Site	Location
1.	Corporate Office (remote)	Bengaluru
2.	India Sites (onsite)	KRSG, Bengaluru
3.	India Sites (remote audit)	Puducherry, Alathur

Strides

Strides Pharma Science Limited

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