

Pioneering innovation with sustainability

ESG REPORT 2023-24



Nacharam, Hyderabad campus

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Introduction



Nacharam, Hyderabad campus

About this Report

We are delighted to present Aragen's ESG Report, which offers a detailed overview of our performance in Environmental, Social, and Governance (ESG) areas for FY24. Through this report, we aim to communicate our strategy, achievements, and ambitions for sustainable and responsible growth to our stakeholders.

Reporting Principles

This report is prepared in accordance with the Global Reporting Initiative (GRI), reflecting our dedication to supporting the United Nations Sustainable Development Goals (UN SDGs). Additionally, we have incorporated other pertinent disclosures to provide a deeper insight into our sustainability efforts and outcomes.

The reporting scope and boundary of this report encompass all global operations of Aragen, including subsidiary (INTOX & Aragen Biosciences). Our global headquarter is situated in

Nacharam, Hyderabad, India. For the purpose of this report, 2021 serves as the baseline year for all data comparisons.

This report provides details of our financial and non financial performance for the financial period FY24, i.e. April 1, 2023 to March 31, 2024. The scope and boundary of the report cover all our business core area- Research & Development Campuses, Manufacturing Facilities, across India, and the United States.

Manufacturing facilities:

- Nacharam, Hyderabad, India
- Visakhapatnam, India.

R&D campuses:

- Nacharam, Hyderabad, India
- Mallapur, Hyderabad, India,
- Bengaluru, India

Aragen Subsidiaries

1. **Aragen Bioscience, Inc. – USA. (Wholly owned subsidiary)
2. Aragen Life Sciences B.V. – Netherlands (Wholly owned subsidiary).
3. **Intox Private Limited – India (subsidiary)
4. Aragen Foundation – India (Wholly owned subsidiary)
5. Aragen Biologics Private Limited (ABPL) (Wholly owned subsidiary)

Our expansive footprint showcases our commitment

** ESG Impact of these two subsidiaries are included in the report

to excellence and innovation across borders. This comprehensive report provides a detailed account of our endeavors and achievements in sustainability, highlighting our dedication to environmental stewardship and social responsibility.

Reporting period, Frequency

This report presents a detailed information outlining our non-financial performance for the fiscal year 2023-2024, covering the period from April 1, 2023, to March 31, 2024. As part of our commitment to transparency and accountability, we publish our ESG report annually. This ensures our stakeholders receive a comprehensive and up-to-date overview of our sustainability initiatives, progress, and achievements.

We value open communication and actively seek feedback from our stakeholders. If you have any queries, comments, or suggestions regarding the information disclosed in this report, please reach out to us.

CONTACT:

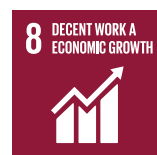
Mr. Shivaji Jadhav

Head- EHS and Sustainability

Email: shivaji.jadhav@aragen.com

U.N. Sustainable Development Goals - FY 20 to FY 24

Aragen's ESG vision is intricately aligned with the United Nations Sustainable Development Goals (SDGs). Through a transparent and rigorous process, we identify and prioritize the SDGs that are most relevant to our business operations. This alignment not only underscores our commitment to sustainability but also drives our strategic initiatives to create lasting, positive impacts on both the environment and society.



- » **SDG 3 (Good health and wellbeing):** Company has set target of zero lost time incident
- » **SDG 5 (Gender Equality):** 6.1% improvement in gender equality
- » **SDG 8 (Decent work and economic growth):** Zero sexual harassment complaint
- » **SDG 12 (Responsible consumption and production):**
 - 22% reduction in freshwater consumption intensity
 - 6% reduction in wastewater generation intensity

- » **SDG 13 (Climate action):**
 - 30% reduction in GHG emission intensity
 - 8% reduction in electrical energy consumption intensity
 - 22% increase in contribution of RE in total energy mix
- » **SDG 17 (Partnerships for the goals):**
 - SBTi, CDP, UNGC, PSCI, GRI South Asia Charter on Sustainability Imperatives
 - 100% suppliers complying to Aragen's supplier code of conduct

Who We Are: Aragen Life Sciences

Aragen Lifesciences is a global manufacturing organization (CDMO) that provides comprehensive solutions for small molecules and biologics across the biopharmaceutical value chain. Since our establishment in 2001, we have offered end-to-end solutions and integrated services ranging from drug discovery to commercial manufacturing, within the global life sciences industry.

With an unrelenting focus on innovation, we continuously explore novel approaches in medicinal chemistry services, biology services, scale-up technologies, formulation and analytical services, process research development and custom chemical synthesis.

Driven by our purpose, **"In every molecule is the possibility for better health"**, we are committed to operating and growing our business in a sustainable manner. Our state-

of-the-art facilities and infrastructure, spanning 1,448,700 square feet in India and the United States, enable us to transform hope into better health for millions of people worldwide.

As a leading player in the life sciences service industry, we are intricately connected to a broad network that includes large pharmaceutical customers, supply chain partners, various pharma suppliers, end users of pharmaceutical products and regulatory bodies such as the United States Food and Drug Administration (USFDA), World Health Organization (WHO), Pharmaceuticals and Medical Devices Agency (PMDA), European Directorate for the Quality of Medicines & HealthCare (EDQM) and European Medicines Agency (EMA). This extensive network underscores our pivotal role in advancing global health outcomes.

Our Values

Our values "ETHICS", guide our decisions, express our beliefs and define our culture. From leadership to staff, the values embedded in our ETHICS, determine 'how we do what we do' for our customers, for each other, and for every stakeholder at Aragen.





Empowerment

Freedom to make a difference.

At Aragen, employees at all levels are empowered to make decisions. They are encouraged to take responsibility, raise issues, reward team members, drive changes, and own outcomes. This empowerment fosters a highly committed and responsive workforce dedicated to exceeding customer expectation.



Teamwork

One Team. One Purpose.

We believe in the power of teams over individuals, especially when united around our goal of keeping our customers ahead in the race for better health. At Aragen, we prioritize agility over formality and protocol. We function as agile, cross-functional teams dedicated to addressing customer challenges and accelerating solutions. Our collaborative approach ensures we deliver on our promise 'Together Ahead'.



Honesty & Integrity

Say what you do. Do what you say.

At Aragen, we are mindful of our role in the global biopharma ecosystem and fully aware of our responsibility in providing reliable, consistent, and quality data to accelerate our customers programs. Our work impacts lives by contributing to better health outcomes, and we are committed to upholding the highest standards of honesty and integrity in everything we do.



Innovation

Unlocking our collective genius.

At Aragen, Innovation means developing solutions that are both effective and commercially relevant. Our success is driven by some of the best scientific talent in the industry makes this possible. As an extension of our customers' in-house R&D, we continuously seek new and better ways to cultivate novel approaches to drug discovery, development, and manufacturing. This commitment to innovation ensures we remain at the forefront of the biopharmaceutical industry.



Customer Focus

Exceed expectation consistently.

At Aragen, we place customer needs at the center of all our decisions. By providing flexible, integrated, end-to-end services along the concept-to-commercial continuum, we deliver effective and timely solutions. Our collaborative and transparent approach to every engagement demonstrates our commitment to partnership. A customer repeat rate of over 90% reflects our relentless focus on customer centricity and our dedication to exceeding expectations consistently.



Safety & Compliance

First and Always.

At Aragen, 'Safety and Compliance Always' is a way of life. As a solutions partner to the life sciences industry, every employee recognizes the importance and impact of safety and compliance within the organization and on external stakeholders. Our commitment to embedding and continuously improving safety and compliance is demonstrated through regular reviews, training, seminars, and the implementation of advanced technologies.



Global brand with industry-leading capabilities

- Concept to commercial
- Collaborative approach
- 20+ year track record serving the life sciences industry



Small molecule and biologics solutions

- Integrated platform to follow the molecule
- Track record in NCEs
- Biologics advantage



Experienced, professional management

- 3,800+ scientists and 450+ PhDs
- Global expertise and exposure
- Industry best practices and policies
- Value-based organization



Strong board & corporate governance

- Transparent processes
- Board comprises pharma veterans, independent directors
- Global Private Equity investor has a significant stake



Flexible, delivery-oriented offering

- Operational excellence in delivery
- Collaborative approach to solving problems: Together Ahead
- Great Place to Work-Certified™
- Proprietary project management platform



Diverse customer base

- 400+ clients in US, Europe, and J-APAC
- 7/10 big pharma and 100+ well-funded biotechs
- Innovator clients account for >95% of FY23 revenue
- Pharmaceutical & Biotech, Animal Health, Agrochemical, Nutrition, Specialty & Performance Chemicals



Scalable platform with world class infrastructure

- 5 campuses in India + 1 campus in the US
- Alternative sites for expansion, flexibility and risk-mitigation
- Accredited by USFDA, EQDM and PMDA
- Future-forward investment strategy

Aragen by Numbers

3800+

Science

450+

PhDs

A vibrant talent pool

400+

Clients

7/10 large pharma and 100+ biotechs

3000+

Projects/
Target per month

large pool of discovery, late-stage development and commercial molecules

Industries we serve

- Pharmaceutical & Biotech
- Animal Health
- Agrochemical
- Nutrition
- Performance Chemicals

Global Footprint



Our Vision for 2025 and Beyond

Zero Landfill

organization by 2025

Gender Diversity

25% by 2026

Near Term

50.4% reduction in Scope 1,2&3 by 2032 (ABS)

Water Neutral

by 2035

Net Zero

by 2050

Carbon Neutral- Elimination of all CO₂ emissions from operations

Net Zero- Elimination of all forms of GHG emissions (CO₂, CH₄, N₂O, HFCs, PFCs & SF₆)


A Message from **Our CEO**

Dear Stakeholders,

I am proud to present Aragen Life Sciences Limited's ESG Report for FY 24. This year, we have demonstrated strong financial performance and a steadfast commitment to sustainability.

Our purpose, driven by the belief that **“in every molecule is the possibility for better health,”** guides our mission to provide high-quality solutions to the global pharmaceutical industry while prioritizing environmental sustainability and social responsibility. We participated in the CDP 2023 survey, reflecting our transparency and accountability. We have set ambitious targets aligned with the Science Based Targets initiative (SBTi), aiming for water neutrality by 2035 and net zero emissions by 2050.

Our commitment to best practices is reinforced by our adherence to the SBTi, the Global Reporting Initiative (GRI), the South Asia Charter on Sustainability Imperatives, and our membership in the United Nations Global Compact and the Pharmaceutical Supply Chain Initiative.

Safety and compliance are core values at Aragen. We prioritize a healthy work-life balance, professional growth, and employee training and development. This commitment is reflected in our strong employee ratings on various social media platforms.

We have made significant environmental strides, with renewable energy consumption reaching 26% in FY 24 and 98% of hazardous waste being recycled.

Sustainability is central to our purpose and values. We aim to create a positive legacy, focusing on both profitability and enduring impact. Our dedication to innovation and commitment to making a substantial impact beyond conventional CDMO roles build trust among our customers and ultimately benefit patients.

Thank you for your continued support and trust in Aragen. Together, we are paving the way for a brighter, more sustainable future.

With Best Regards,
Together Ahead.

“Set ambitious target aligned with SBTi, aiming water neutrality by 2035 and net zero emissions by 2050”

Manni Kantipudi
Whole-time Director and CEO



Performances



Health & Safety

- Completed 45.79 million-man hours without lost time incident (from July 2019)
- 0.26, Total Recordable Injury Rate (TRIR) in FY 24 compared to 0.20 in FY 23
- 0.10, Process Safety Event Rate (PSER) in FY 24 compared to 0.23 in FY 23



Environment

- Renewable energy consumption increased from 3.2% in FY 21 to 26 % in FY 24
- 98.4 % Eco disposal index in FY 24 compared to 95.62% in FY23
- 66% reduction in Scope 1 GHG emission intensity (MTCO2e/MnR) compared to FY21
- 19.7 MTCO2e GHG emission (Scope 1,2&3) intensity per employee per year in FY24 compared to 23.8 in FY23
- 17.46% reduction in water withdrawal intensity (KL/MnR) compared to FY 21.
- 38% increase of recycle water quantity in FY24 compared to FY 21



Social

- 21.7% female employees contributing to a diverse workforce
- 18.24 hrs/employee training hours FY 24
- 5% of total domestic shipments through EV/CNG vehicles in FY 24 compared to 2.0% in FY 23
- 80% of line items are sourced from local suppliers based in India in FY24
- 50% suppliers trained on Green Supply Chain Management in FY 24 compared to 24% in FY23



Governance

- Zero confirmed corruption cases reported in FY 24
- Zero confirmed information security incidents reported in FY 24
- Zero confirmed whistle-blower incident reported to ombudsman in FY 24



Others

- Improvement in Ecovadis sustainability assessment score from 68 in 2023 compared to 64 in 2022
- 16,747 million total income in INR
- 2,248 million profit before tax (PBT) in INR
- 1,601 million profit after tax (PAT) in INR

Our Holistic ESG Approach

Four Pillars of Aragen's ESG Journey

At Aragen, our commitment to excellence in Environmental, Health, Safety, and Sustainability (EHS&S) forms the foundation of our operations. We believe that robust EHS&S practices not only protect our employees and the environment but also drive innovation and long-term success. Our ESG journey is built on four essential pillars:



Healthy Planet



Healthy Workforce



Healthy Communities



Healthy Organization

In this summary, we highlight the key initiatives and achievements across these pillars, demonstrating our dedication to continuous improvement and alignment with global standards and best practices. Join us as we explore the significant strides, we've made in creating a safer, more sustainable future for our employees, stakeholders, and the communities we serve.

Healthy Planet

At Aragen, we recognize that advancing global health outcomes is intrinsically linked to the health of our planet. This year, we have intensified our efforts to drive environmental value creation through comprehensive management and innovative practices. Our Environmental Management System (EMS), certified to ISO 14001: 2015 and ISO 50001: 2018- standards, continues to be the backbone of our environmental strategy, covering all Aragen sites and focusing on performance, compliance, and setting ambitious targets. We have implemented several environmentally focused policies, including our EHS, Sustainability, Energy, and Biodiversity policies. In FY24, we have expanded our initiatives to manage emissions, energy, water, biodiversity, and waste more effectively. Our use of renewable energy has surged to 26%, and we have achieved a 37 % reduction in scope-1 GHG emissions by replacing coal with bio briquettes at our Hyderabad manufacturing unit. Our structured interventions are designed to propel us towards a green and sustainable future, encompassing not only our core business but also our entire value chain.

Healthy Workforce

Our work family is our most valuable asset, and their well-being is essential to our success. In FY24, we have further enhanced our people-centric strategy by implementing policies that support a healthy, engaged, and motivated workforce. Our Occupational Health and Safety Management System, certified to ISO 45001:2018, ensures a safe working environment across all our plants.

We have increased our average training hours per employee to 30, reflecting our commitment to continual professional development. Our human resource practices, grounded in compassion, humility, equity, and ethics, aim to provide every employee with a rewarding experience at Aragen.

Healthy Communities

Engaging with and supporting the communities where we live and operate is a core belief at Aragen. Our Corporate Social Responsibility (CSR) efforts, guided by our comprehensive CSR policy and Committee, are designed to create a positive impact in education, environment, and healthcare. In FY24, we have launched new initiatives and strengthened existing ones to foster inclusive growth and improve the quality of life for our communities. One such notable project was the development of storm water management systems and a garden in Hyderabad, aligned with the broader CSR strategy of improving water resource management and promoting biodiversity. The residents of IP-Mallapuram had been experiencing issues related to sewer management and water logging which had created adverse impacts on the health and livelihoods. Aragen's CSR team helped solved the crisis, delving deep to identify the root cause and find the best possible long-term solution. Appropriate changes

in elevations were made in and around the affected area, followed by diversion of stormwater through an optimised drain route. This significantly improved the local aquatic ecosystems and reduced water pollution. The rock garden at IDA Nacharam serves more than just a place of tranquility to help enhance the physical and mental well-being of nearby residents. The first phase of this garden has already positively impacted the ecological balance and biodiversity of the region, bringing back native species and pollinators. Further, these activities have provided an additional benefit of educating and creating awareness among the residents on the importance of environmental protection and sustainability. Our tailored governance framework ensures that our CSR interventions are effectively implemented for maximum impact. Through such efforts, we strive to build stronger, healthier communities that thrive alongside our business.



Nacharam, Hyderabad campus

Healthy Organization

A healthy organization is fundamental to supporting sustainable development. At Aragen, our robust Corporate Governance framework interweaves all facets of our business, guided by our Board of Directors. Our diverse Board, comprising industry and domain experts, ensures that we uphold the highest standards of governance. This year, we have continued to enhance our governance practices by

fostering independent judgments on strategic areas through our Board-level Committees. These committees play a crucial role in driving industry-leading governance practices, generating sustainable outcomes across our business. Our unwavering commitment to ethical conduct, transparency, and accountability remains the cornerstone of our approach to corporate responsibility, ensuring that we build and preserve value over time.

Safety: Anchored by People

- EHS Personnel doubled in 4 years.
- 20% employees trained in emergency preparedness.
- 110-member PHA team; Consultant firm for updating training
- Competency development focus
- Hired team from diverse industries.
- Industrial hygiene guidelines & SOPs
- Engineering controls, detection, containment systems

Sustainability

- Annual ESG report; completed GHG inventorization.
- Committed to Science-based target initiatives (SBTi)
- Signatory to UNGC; Associate member, PSCI
- Member of GRI South Asian Charter on Sustainability imperatives
- Targets for ESG
 - Zero landfill organization by 2025
 - 25% gender diversity by 2026
 - 50.4% reduction in absolute Scope 1,2&3 by 2032
 - Water neutrality by 2035
 - 90% reduction in absolute Scope 1,2 &3 by 2050



System, Technology & Infrastructure

- State of the art Process Safety Lab
- Process safety and industrial hygiene guidelines & SOPs
- Focus on safety software tools and training.
- Engineering controls, detection, containment systems
- Updated tech transfer protocol with PHA consideration
- PHA review and evaluation of competency by consulting company (AcuTech). Long term contract signed.

Culture and Governance

- Regular reviews by management and board
- Monthly Safety & Sustainability Committee meeting
- Site EHS review by location head
- Site leadership rounds
- Safety Incident Message (SIM), Friday learnings, Toolbox talks
- Rewards mechanism

Note: Aragen is one of the top CDMO in India as per recent Ecovadis rating. Scored 68. We are in the top 9% of the total assessed companies across the globe.

From the desk of Our EHS and Sustainability Head

At Aragen, we uphold the paramount importance of Environmental, Social, and Governance (ESG) principles in creating enduring positive impacts on our planet and society. This year, our commitment to sustainable practices across our operations and value chain has strengthened, as we strive to further mitigate our environmental footprint, cultivate a diverse and inclusive workplace, and maintain the highest standards of corporate governance.

Our sustainability journey is a collective endeavor involving every member of the Aragen team. We are committed to engaging transparently with our stakeholders, ensuring accountability, and pursuing continuous improvement. This year, we have made substantial progress in aligning our initiatives with global best practices, enhancing our contributions to the UN Sustainable Development Goals (SDGs), and setting ambitious targets to address climate change and social inequities.

We have expanded our environmental initiatives, leveraging advanced technologies and innovative solutions to drive efficiency and reduce carbon emissions. Our commitment to renewable energy has intensified, and we have implemented comprehensive strategies to achieve carbon neutrality by 2030 and water neutrality by 2035. Our adherence to the Science-Based Targets initiative (SBTi) and active participation in CDP surveys underscore our dedication to transparency and impactful action.

On the social front, we have strengthened our policies to promote diversity, equity, and inclusion. A diverse and empowered team is essential for driving innovation and achieving our strategic goals. This year, we increased our investment in employee development, ensuring our team members are well-equipped to excel in a rapidly evolving industry.

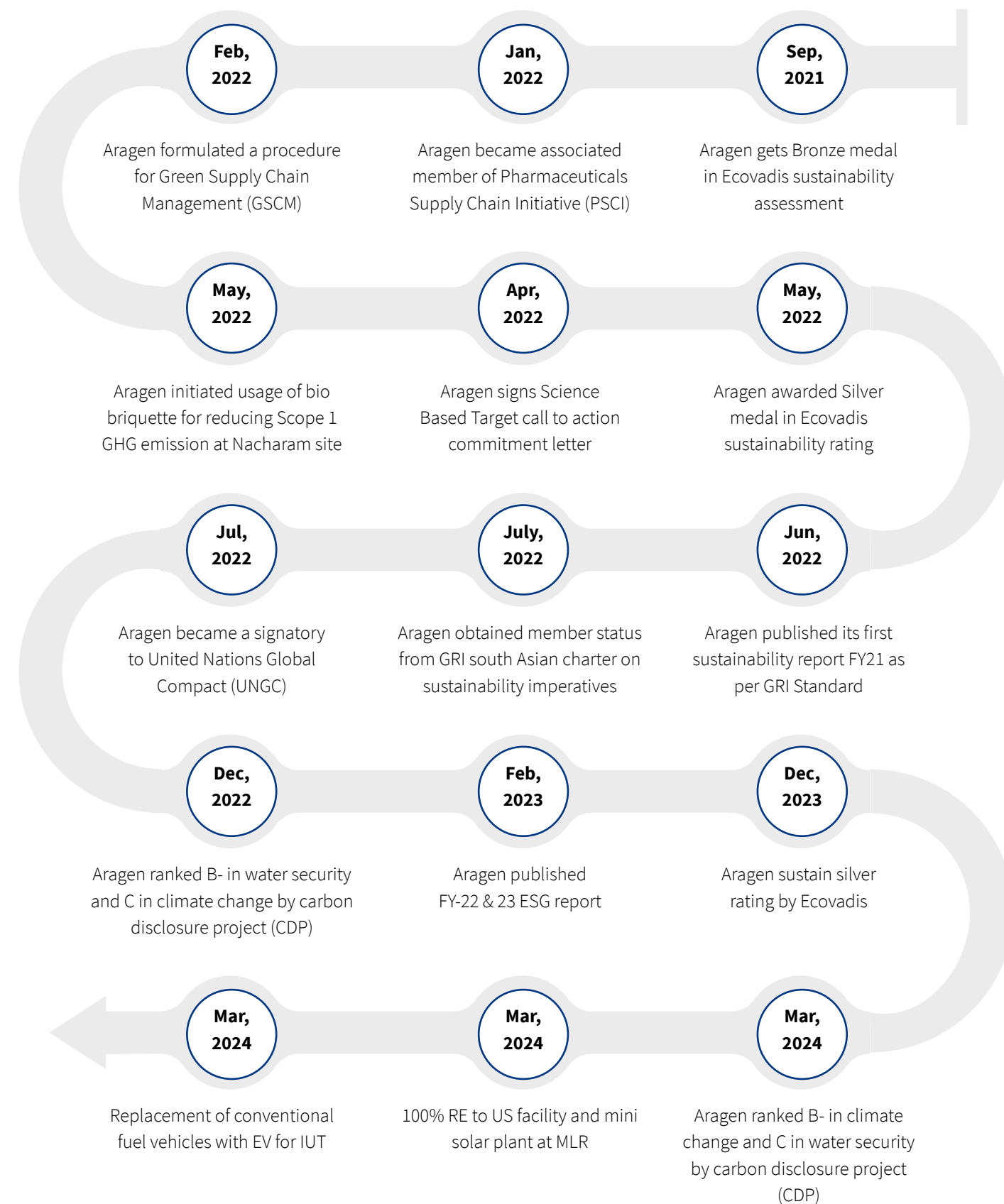
In governance, we have reinforced our framework to ensure the highest levels of ethical conduct and decision-making. Our diverse Board of Directors continues to provide robust oversight and strategic guidance. Enhanced internal controls and compliance mechanisms ensure the integrity and transparency of our operations.

Inspired by our progress, we remain steadfast in our mission to build a resilient, equitable, and sustainable future for our communities and future generations. With the unwavering support of our stakeholders, we will continue to lead by example and drive positive change.



Shivaji Jadhav
Head EHS & Sustainability

Laying the Pathway to a Sustainable Future



Aragen ESG policies

At Aragen, we are deeply committed to embedding our principles of responsible business conduct across every aspect of our operations. We have established a comprehensive set of policies, systems, and programs that form the cornerstone of our Corporate Governance practices.



Allocating Responsibility

Responsibility for implementing these commitments is distributed across various levels within Aragen:

- **Board of Directors:** Provides oversight and strategic direction.
- **Audit Committees and Functional Committees:** Ensure adherence to governance standards and policy implementation.
- **Senior Level Oversight:** The Board, supported by the audit committee and an independent global audit firm, ensures compliance with global standards and accurate financial reporting.

Day-to-Day Responsibility

Human Resources (HR) manages Human Right policy and anti-harassment policies, reporting to senior decision-makers to ensure alignment with organizational values.

Formal Discussions and Systematic Means for Governance

Responsible business conduct is a regular agenda item at meetings of the Board of Directors and senior executives. Aragen uses formal mechanisms, such as functional committees: Audit committee, ESG&CSR committee, Nomination and remuneration committee, Risk management committee, Stakeholders relationship committee - these are at the Board level. Anti-Harassment Committee, Safety Committee, Works Committee – these are at shopfloor level, to facilitate discussions and address specific governance and policy implementation areas.

Integration into Organizational Strategies

Our policy commitments are integrated into organizational strategies, operational policies, and procedures through comprehensive governance frameworks and regular audits. This ensures alignment with global standards and continuous improvement.

Alignment with Risk Management and Due Diligence

Application in Decision-Making

Our policy commitments guide decisions about sourcing and operating locations, ensuring that business practices align with ethical standards and compliance requirements.

Monitoring Compliance

Compliance with policy commitments is monitored through internal audit systems. Regular audits and evaluations across functions and geographic locations ensure adherence to standards and prompt corrective actions where necessary.

Implementation with Business Relationships

Aragen embeds its commitments into procurement and investment practices, using pre-qualification processes, bidding criteria, and screening to ensure alignment with responsible business conduct. Contracts and investment agreements reflect these commitments, ensuring suppliers and partners adhere to expected standards.

Supporting and Incentivizing Business Partners

Processes like capacity building and peer sharing enable business partners to implement policy commitments. Aragen offers incentives, such as price premiums, increased orders, and long-term contracts, to encourage alignment with our policy commitments.

Training and Communication

100% of our Board of Directors have received training on anti-corruption. We have communicated our anti-corruption policies and procedures to 100% of our business partners in India. Importantly, no confirmed incidents of corruption have been reported in the last two years.

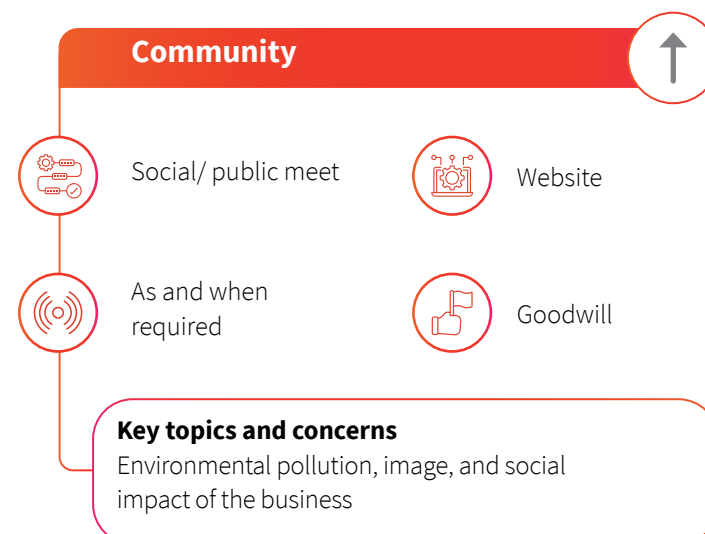
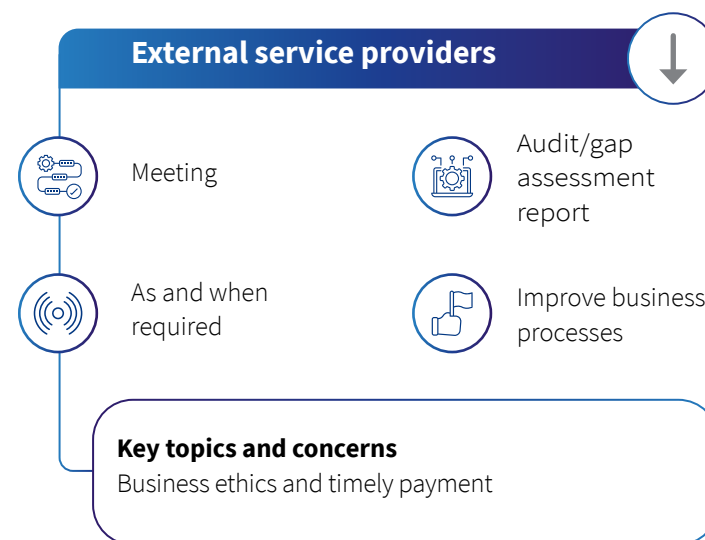
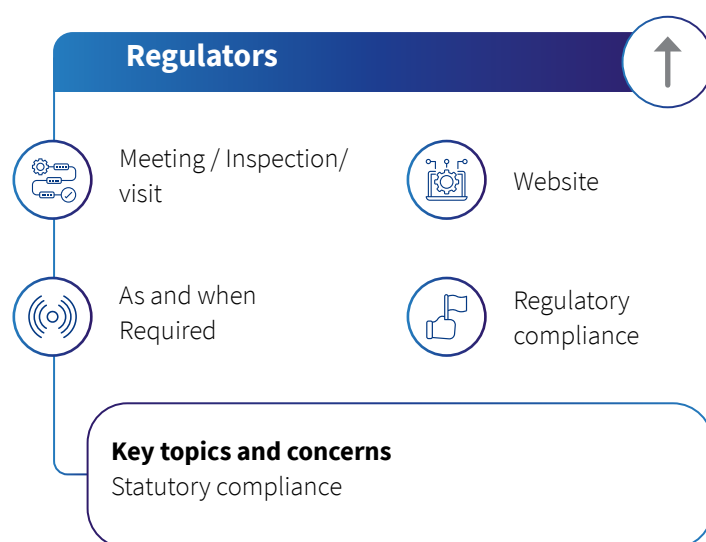
By embedding these comprehensive policy commitments, Aragen ensures that responsible business conduct is at the heart of our operations, driving sustainable growth and maintaining the trust of our stakeholders.

Material ESG Topics and Stakeholder Engagement

At Aragen, effective stakeholder engagement is crucial for understanding priorities and fostering meaningful dialogue. We prioritize stakeholders based on their impact and continually assess their perceptions. Our strategy emphasizes

transparency, engagement, proactivity, and inclusivity. By regularly engaging with stakeholders, we align our goals with their expectations, striving for continuous improvement and collaboration.

Stakeholder Engagement



Materiality Assessment

Aragen's FY 2022-23 materiality assessment identified key environmental, social, and economic impacts to align sustainability goals with business strategy. Maintaining the same material topics for FY 2023-24, the assessment involved analyzing the organization's context, identifying impacts, and prioritizing significant issues for reporting. Feedback from 501 stakeholders and consultations with management finalized 18 material topics. No new assessment was conducted this year, as the existing topics remain relevant.

Focus for FY 2024

For FY 2024, we remain committed to the material topics identified last year, ensuring continuity and consistency in our sustainability strategy. This approach allows us to maintain our strategic focus on the critical issues that drive our environmental, social, and economic performance, ensuring we effectively address the needs and expectations of our stakeholders.

Material Topics

Environment

Climate action/ Climate change

We have all heard of climate change and its drastic consequences on the environment, society, and economy. Climate action refers to efforts that allow us to address these challenges by implementing processes that reduce emissions, build resilience to climate impacts, and finance global climate goals

Energy efficiency and management

The use of energy in an optimum manner to reduce energy consumed while providing the same amount of useful output

Environmental management and compliance

Management of and compliance with environmental laws, regulations, standards, and other legal or regulatory requirements that are applicable to an organization

GHG emissions

Greenhouse gas (GHG) emissions refer to gases that trap heat within the Earth's atmosphere, thereby strengthening the greenhouse effect and contributing to global warming

Waste and water management

The streamlined process used by organizations to responsibly manage waste, from generation to final disposal, as well as water resources with respect to both quantity and quality across all water uses



Social

Community engagement and development

The investment and activities that an organization undertakes to address pressing social challenges and in turn deliver social impact

Customer management

Organizational practices aimed to enhance customer experience, prioritize customer health and safety, and cultivate customer relationships through consistent engagement

Diversity, equity, and inclusion

An approach that seeks to promote the representation, participation, and fair treatment of all people irrespective of gender, nationality, race, disability, etc.

Employee wellbeing, health, and safety

The management of workplace safety and safety standards, with a strong focus on the prevention of hazards. It refers to the physical, mental, and emotional health and wellbeing of employees, both within and outside the workplace

Human capital management

The administrative and strategic practices and processes related to workforce planning. It aims to increase employee job satisfaction by allowing them to use their skills and knowledge to contribute to organizational objectives

Stakeholder engagement

The process of active and frequent communication between organizations and their stakeholders



Governance

Talent attraction and retention

Talent attraction refers to attracting and recruiting skilled employees, while talent retention refers to an organization's ability to retain skilled employees

Sustainable supply chain management

Management of the environmental, social and economic impacts across the supply chain, from raw materials sourcing, to production, storage, delivery, and returns handling

Business ethics

The implementation of business policies and procedures concerning moral and ethical issues in a business environment, such as fraud, corruption, bribery, discrimination, etc.

Corporate governance

The set of rules used to direct, control, and manage an organization

Data privacy and security

Mechanisms governing the collection, sharing, and usage of data, including practices that protect an organization's private information

Financial performance

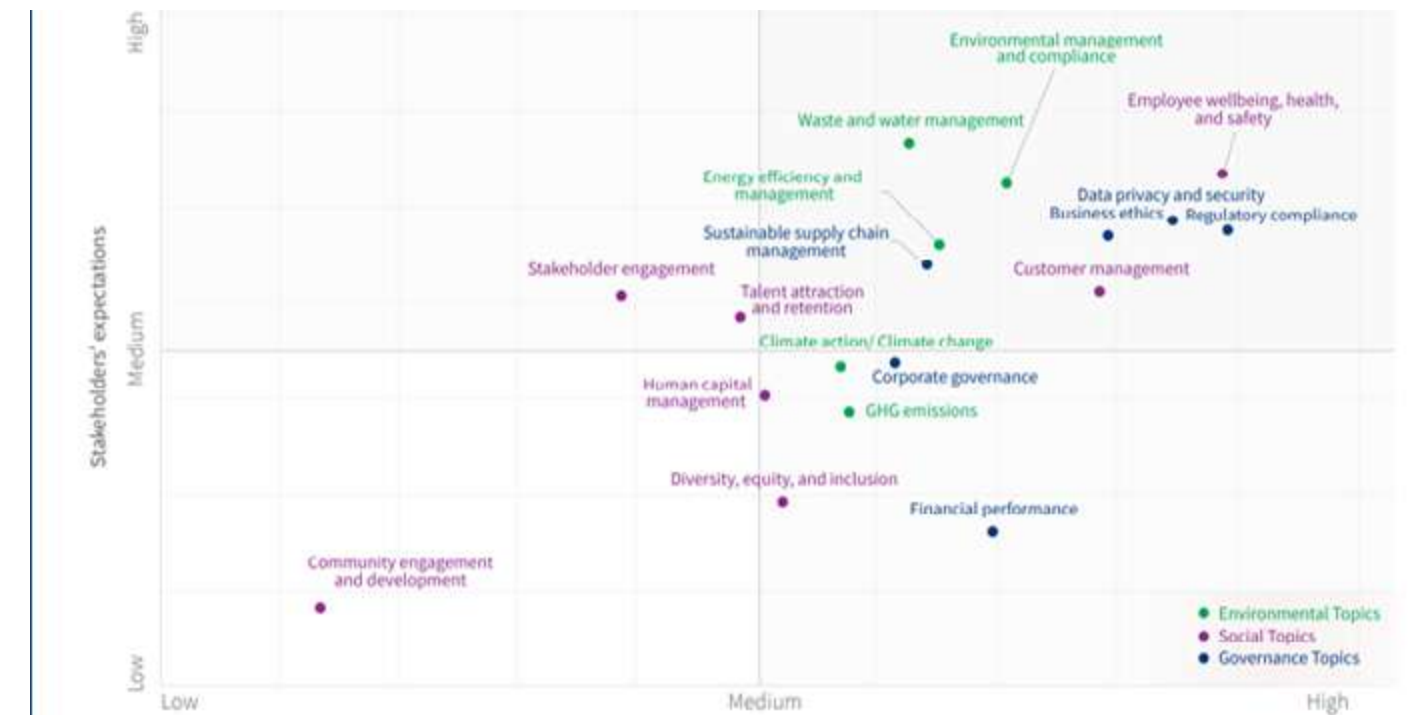
A quantitative measure of the overall financial health of an organization

Regulatory compliance

An organization's adherence to government regulations, laws, and guidelines as applicable to its business



Materiality Matrix



Visakhapatnam, Andra Pradesh

OUR ESG Commitments

Committed to Environmental Protection

- **Freshwater Conservation:** 68,376 KL conserved through advanced recycling and reuse techniques.
- **Hazardous Waste Management:** 4,070 MT of hazardous waste successfully recycled.
- **GHG Emissions Reduction:** Achieved a reduction of 3,602 MtCO₂ in Scope 1 emissions.
- **Renewable Energy Use:** 26% of our energy consumption is sourced from renewables.
- **Awards and Recognition:** Our manufacturing and research labs have been recognized for excellence in environmental protection and energy conservation practices.

Guided by our core value – ‘Safety & Compliance Always’

- **Accreditations:** Our facilities are accredited with ISO 14001:2015, ISO 45001:2018, and ISO 50001:2018 standards.
- **Safety Milestone:** Achieved 42.87 million man-hours without a Lost Time Incident (LTI).

Committed to Our Responsibilities

At Aragen, we uphold the highest standards of business conduct and ethics, reflecting our unwavering commitment to our responsibilities in three critical areas: IP Protection & Data Security, Corporate Governance, and Corporate Social Responsibility.

IP Protection & Data Security

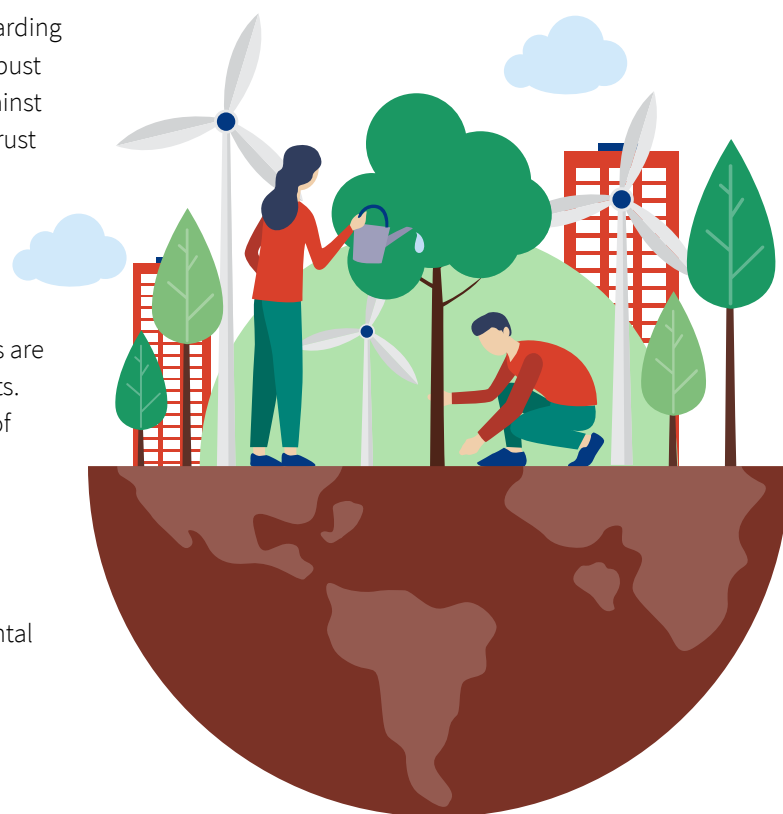
For over two decades, we have been steadfast in safeguarding our customers’ privacy and intellectual property. Our robust security measures ensure sensitive data is protected against unauthorized access and misuse, earning us complete trust and confidence from our partners.

Corporate Governance

Our governance framework is built on transparency and accountability. We ensure all decision-making processes are conducted with integrity, protecting stakeholder interests. Through these practices, we maintain the highest level of corporate responsibility and ethical standards.

Corporate Social Responsibility

We are dedicated to positively impacting society by committing to better health, education, and environmental sustainability. Our initiatives are designed to enhance community well-being, showcasing our commitment to ethical practices and social stewardship.



Committed to Diversity and Inclusion

At Aragen, we champion gender diversity and inclusion. Our workforce comprises 21.7% women, with inspiring leaders like Anita Ramachandran, a seasoned HR veteran and our board member and chairperson for the NRC, along with two women leaders on our Executive Committee.

AWE – Accelerating Women Empowerment

Under the AWE initiative, we have launched several programs to foster a supportive and inclusive environment for women at Aragen:

- **EvolWE:** Women Executive Development Program: Empowering women executives through leadership development and career advancement opportunities.
- **Celebrating Motherhood Initiative:** Providing comprehensive support to women employees during their motherhood journey, ensuring smooth work-life integration.
- **Women in Chemistry and Science at Aragen Network:** Attracting and nurturing women in scientific leadership roles, promoting growth and representation in the field.
- **Women Wellness Programs:** Educating women on health-related issues to prevent ailments and promote overall well-being.
- **Supportive Workplace Policies:** Including POSH (Policy on Sexual Harassment), a comprehensive grievance policy, and an equal opportunity policy to ensure a safe and supportive work environment.

At Aragen, diversity and inclusion are core values integral to our organizational culture. We believe empowering women and fostering an inclusive workplace leads to greater innovation, productivity, and success for all.

“At Aragen, our commitment to ESG principles is fundamental to our analytical solutions and overall mission. Serving pharmaceutical companies globally, we understand that environmental sustainability, social responsibility, and strong governance are essential in driving innovation and achieving long-term success. Our focus on ESG goes beyond compliance; we strive to foster a culture that values ethical practices, inclusivity, and sustainable growth, ensuring our contributions positively impact the industry and society at large.”

Dr. Vijaya Bharathi
Analytical Solutions – BU Head



Innovative Solutions for a Healthier World

For over two decades, Aragen has established itself as a trusted partner in the CDMO (Contract Development and Manufacturing Organization) industry. Our unwavering commitment to excellence in small and large molecule discovery, development, and manufacturing has earned us a reputation for reliability and expertise.

What sets us apart?

- **Seasoned Staff:** Our team is comprised of highly committed and experienced professionals, bringing a wealth of knowledge to every project.
- **Cutting-Edge Facilities:** We are equipped with state-of-the-art research and development labs and utilize precise instrumentation to deliver superior results.
- **Proven Track Record:** With over 20 years of experience, we have a proven track record of success in supporting pharmaceutical companies across the development spectrum.

By choosing Aragen, you gain a partner dedicated to your success.

At Aragen, we provide an extensive range of services for both small molecule and biologic drug development, covering every stage from discovery to commercial manufacturing. Our integrated discovery capabilities leverage cutting-edge chemistry, biology, and robust safety assessments to identify and optimize potential drug candidates.

During the development phase, Aragen offers end-to-end solutions for drug substances and products. Our advanced analytical development, performance chemical analysis, and developability and analytics services ensure that each compound meets stringent quality and efficacy standards. We excel in cell line development for biologics, ensuring

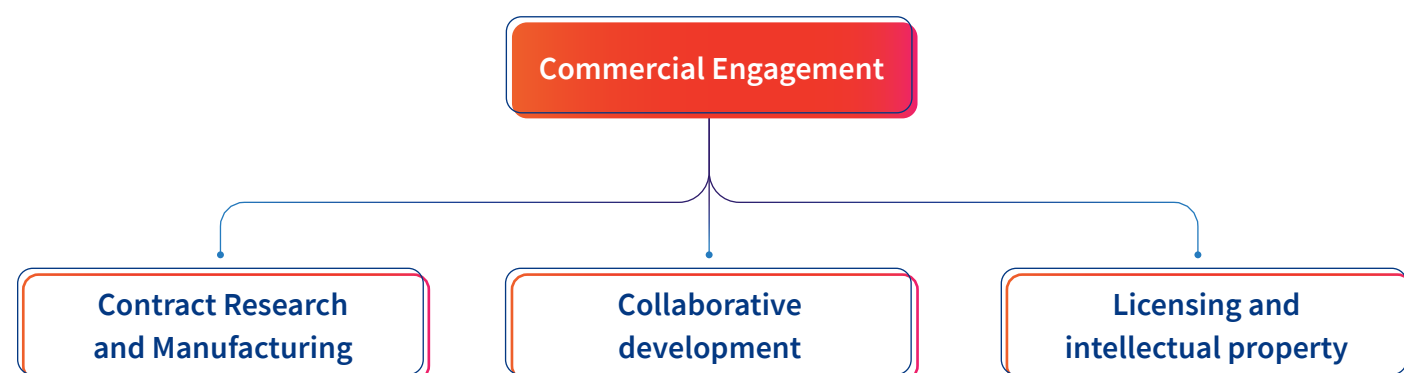
robust and high-yield production systems, and our process research and development capabilities ensure scalable and efficient manufacturing processes, supporting seamless progression through clinical trials and regulatory approvals.

Aragen's manufacturing capabilities include custom chemical synthesis for small molecules and custom bioproduction solutions for biologics. Our state-of-the-art facilities support efficient, scalable production from small batches to large-scale commercial supply, ensuring consistent, high-quality output. With a steadfast commitment to quality, compliance, and innovation, Aragen is a trusted partner in bringing both small molecule and biologic therapies to market.

Investments and services

Aragen engages in three types of investments and services: commercial, in-kind, and pro bono. We balance these engagements to create value for clients, advance scientific innovation, and support local communities.

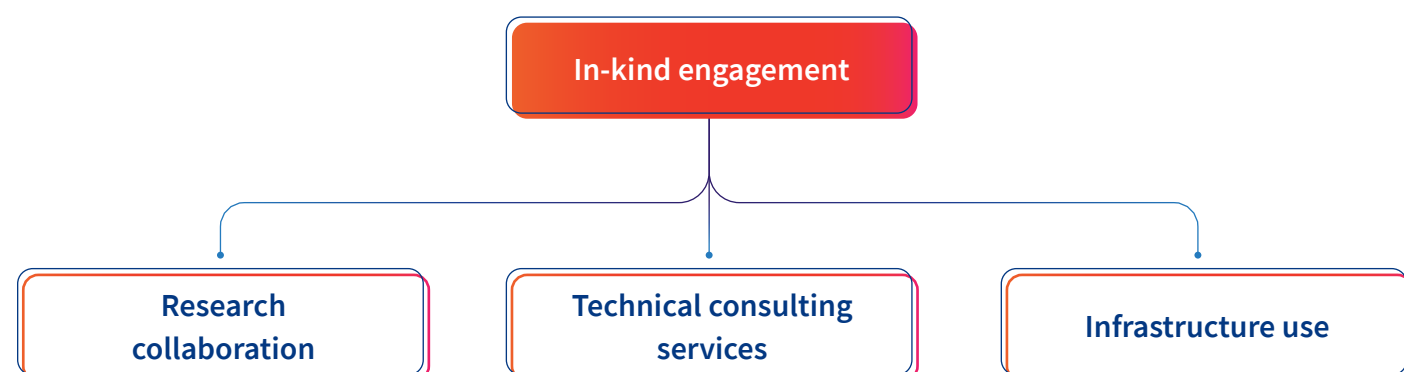
Commercial Engagement



Through commercial engagements, Aragen provides solutions or infrastructure to clients for a prescribed fee. These engagements support business sustainability, create jobs, and boost local economies through our operations and related activities.

In-Kind Engagements

Through in-kind engagements (non-monetary contributions), Aragen provides services, expertise, or resources without direct financial exchange, aiming for mutual benefit or community support. These engagements facilitate innovation and skill development, enhance local educational and research capabilities, and lead to long-term benefits for the local scientific community.



- **Research Collaborations:** Partnering with academic institutions or non-profits by providing lab space, equipment, or expertise in exchange for research outcomes or future collaboration.
- **Technical Support:** Offering technical assistance or scientific consulting to local start-ups or academic institutions to foster innovation and skill development.
- **Infrastructure Use:** Allowing community or academic groups to use Aragen's facilities for educational or training purposes.

Through pro bono engagements, Aragen provides services or investments voluntarily, without expecting payment, often as part of our corporate social responsibility (CSR) initiatives. These engagements support community welfare and address social issues, contributing to community well-being and social development without financial returns. Local residents benefit from improved healthcare, education, and social services.

CSR Initiatives: Conducting health camps, educational workshops, and environmental conservation projects in local communities.

Philanthropic Support: Donating funds, equipment, or resources to local schools, healthcare centers, and community organizations.

Employee Volunteering: Encouraging employees to volunteer their time and skills for community service projects.

Operational Excellence Journey at Aragen - ACE*

Program launched in January'22



*ACE: Aragen's Continuous Excellence

People Outcomes: FY24 YTD Status

Training to build the culture of Operational Excellence

Total **984 employees** covered through OpEx Programs (YTD-FY24) as against a target of 1500 for FY24



Manufacturing projects



Driving Initiatives Leading to Enhancement in Batch Sizes, Reduction of Cycle Times and Improvement in Yield in Manufacturing



Driving Initiatives Leading to reduction of power consumption in Manufacturing

Glimpse of ACE AWARDS 2024



Star Performer ACE Awards-24
Manufacturing



Emerging Performer ACE Awards-24
Supply Chain



Driving Initiatives Leading to Cost Avoidance in Manufacturing Operations

Driving Sustainable Growth



From the desk of Our CFO

"I am thrilled to underscore our unwavering commitment to ESG and sustainability. At Aragen, we firmly believe that financial success and sustainable practices are intrinsically linked. We have incorporated ESG considerations into our financial decision-making, aligning our growth with responsible environmental and social stewardship. By actively addressing environmental impacts, upholding ethical business practices, and valuing our diverse workforce, we aim to create long-term value for all stakeholders. Our commitment to transparency and accountability compels us to share our progress in reducing carbon emissions, promoting responsible sourcing, and fostering a culture of integrity and innovation"

Sachin Dharap
Chief Financial Officer



Economic Performance

Our commitment to economic resilience is driven by responsible and ethical business conduct. We believe in creating additional value through our unwavering focus on innovation and improving livelihoods. Our economic performance is meticulously monitored and reported in full compliance with local rules and regulations, and our financial activities are duly audited to ensure transparency and accountability.

In FY24, we encountered a slight downturn, with the direct economic value generated and the economic value distributed decreasing by approximately 4.5% and 9% respectively compared to FY23. This decline was primarily due to recession in US & European market and reduced funding to small biotech companies in these two regions. Despite these challenges, Aragen has successfully retained an economic value of 18% in FY24, against our performance in FY23.

Values are in million INR

Parameters	FY 2022	FY 2023	FY 2024
Direct Economic Value Generated	14,021.20	17,520.32	16,738.85
Economic Value Distributed	11,347.54	14,454.82	13,115.86
Economic Value Retained	2,673.66	3,065.50	3,622.99

Financial Implications and Other Risks and Opportunities due to Climate Change

Understanding the Impact of Climate Change and Efforts to Risk Mitigation

We understand that climate change presents significant physical and financial risks to Aragen’s business operations. Recognizing the gravity of these challenges, our Sustainability team is actively engaged in discussions with relevant stakeholders to identify and address these risks.

Collaborative Efforts for Risk Mitigation

Our Sustainability team is working closely with various stakeholders to pinpoint physical and financial risks associated with climate change. Through these collaborative efforts, we are confident to develop comprehensive mitigation strategies that align with our commitment to sustainability.

Adopting the Task Force on Climate-Related Financial Disclosures (TCFD)

In our pursuit of transparency and proactive risk management, Aragen is looking forward to contemplating the adoption of the Task Force on Climate-Related Financial Disclosures (TCFD) framework. By incorporating TCFD guidelines, we believe we can establish a robust system for calculating the financial implications and costs of climate change on our business operations.

Developing a Comprehensive Financial Disclosure System

The foundational work for integrating TCFD principles into our financial disclosure system is currently underway. We are in discussions with key stakeholders to lay the groundwork for a pilot system, which we expect to implement by FY26/FY27. This system will enable us to accurately assess the financial impacts of climate change, enhancing our ability to make informed decisions and allocate resources effectively

Commitment to Sustainable Business Practices

Aragen is committed to address climate change risks by proactively managing the financial and physical impacts of climate change, hence we not only protect our operations but also demonstrate our leadership in environmental stewardship. Our efforts to adopt TCFD and develop a comprehensive disclosure system are integral to our strategy for ensuring long-term business resilience and sustainability.

Additional Local Market Benefits

Recognizing the diverse needs of our workforce, Aragen also provides additional benefits tailored to local market practices and industry norms. These may include the provision of a company car, tax and financial planning services, and a range of insurance benefits. By offering these supplementary benefits, we aim to enhance the overall economic wellbeing of our employees, ensuring they have access to valuable resources that support their financial health and personal goals

Supporting Financial Planning and Security

We believe that financial planning is a critical aspect of economic wellbeing. Therefore, we provide our employees with access to expert tax and financial planning services. These services are designed to help our employees navigate their financial landscapes, make informed decisions, and optimize their financial strategies

Retirement Plan	Type of Plan	Level of Participation	Applicable Jurisdiction/ Country	% Salary Contribution by Employer	% Salary Contribution by Employee
Provident Fund	Defined contribution	Mandatory	India	3.67%	12%
Pension	Defined benefit	Mandatory	India	8.33%	0%
Voluntary Provident Fund	Defined contribution	Mandatory	India	0%	Based on employee request
Gratuity	Defined benefit	Mandatory	India	4.81%	0%
ESI	Defined contribution	Mandatory	India	3.25%	0.75%

Financial Assistance Received from Government

Boosting Growth through Government Support

In an effort to stimulate the growth of consumer goods and services, governments across countries often provide financial assistance aimed at reducing production costs. This support not only enhances competitiveness but also fosters innovation and expansion within the industry. At Aragen, we have benefitted from such initiatives, enabling us to continue delivering high-quality products and services.

Government of India's Financial Assistance

In FY24, Aragen received financial assistance amounting to INR 7.9 million from the Government of India. This support was granted under two significant programs: the Merchandise Exports from India Scheme (MEIS) and Production Linked Incentive (PLI) scheme. The MEIS program is designed to boost the export of goods from India by providing duty credit scrips to exporters, thereby reducing their overall production costs. Meanwhile, the PLI scheme incentivizes companies to enhance their production capabilities, encouraging local manufacturing and reducing reliance on imports.

By lowering production costs, these incentives allow us to reinvest in research and development, improve our manufacturing processes, and enhance the quality of our products.

It is to be noted that our wholly owned subsidiary in the United States did not receive any financial assistance from the respective local or national government for its business operations in FY24. Despite this, we remain committed to maintaining high standards of operational excellence and continue to explore opportunities for growth and support in all our markets.

Employee Economic Benefits

Supporting Employee Economic Wellbeing

At Aragen, our support towards employees extends beyond their professional lives, encompassing their economic wellbeing and overall health. We understand that financial security is a crucial component of our employees' overall wellness, and we strive to provide comprehensive economic benefits that comply with local and national regulations. Our defined benefit plans are designed to ensure that our employees can look forward to a secure and comfortable retirement.

Equitable Compensation

We adhere strictly to local and national regulations to ensure that all our employees, whether permanent or contractual, receive fair and adequate compensation and support the economic well-being of our workforce.

Livable Wages

The average minimum wage for our entry-level employees at Aragen is INR 303,450 per year which demonstrates that Aragen support the workforce by exceeding local minimum wage requirements, with our entry-level wage set at a ratio of 2.15:1 compared to the local minimum wage which is a substantial difference.

Parameters	Male	Female
No. of employees compensated based on wages subject to minimum wage rules	-	-
Average compensation of employees at entry level	303,950	303,450
Minimum wage as per wage rules	141,144	141,144

Equal Pay for Equal Work

At Aragen, we ensure that entry-level wages are fair and equal for all genders. By maintaining a transparent and equitable wage structure, we promote a culture of inclusivity and respect.

Boosting Growth through Government Support

Fostering Local Talent

Our commitment to diversity and inclusion extends to our hiring practices, ensuring that we tap into the rich talent pool available in the areas surrounding our facilities. Currently, around 57% of our senior management *Assistant Vice President and above is considered as senior management in Aragen. is comprised of professionals from the local areas around our facilities.

Empowering Local Economic Growth

By bringing in senior management from the localities, we are able to foster a deeper understanding of the community's needs and values. This connection helps us to build stronger relationships with local stakeholders and enhances our ability to operate effectively within these communities.

Indirect economic benefits

Significant identified indirect economic impacts

Aragen generates significant indirect economic impacts through its operations. These impacts, while not direct consequences of our activities, result from secondary effects on the local economy and broader community. By understanding these indirect impacts, we have developed strategies to enhance positive outcomes and mitigate negative effects, contributing to sustainable and inclusive local economic development.

Positive Indirect Economic benefits

Boosting Local Supplier Networks:

Local companies supplying lab equipment or chemicals benefit from increased business, leading to growth and the creation of new jobs.

Infrastructure Development and Real Estate Value Enhancement:

Aragen's establishment in an area leads to improved local infrastructure, including roads, utilities, and communication networks. These enhancements make the area more attractive for other businesses and residents, boosting real estate values and encouraging further development.

Educational and Skill Development Enhancement:

Aragen collaborates with local educational institutions to offer internships and training programs, enhancing the skills of the local workforce. This makes the area more attractive to other high-tech industries.

Community Health and Social Benefits:

Aragen's involvement in community health initiatives has improved local healthcare infrastructure and services.

Proportion of spending on local suppliers

At Aragen, we are dedicated to green chemistry and sustainable supply chain management, benchmarking our performance with EcoVadis global sustainability ratings. By designing safer chemical products and integrating environmental considerations across all operations, we optimize logistics

and reduce waste, enhancing sustainability and innovation. This commitment strengthens our corporate reputation and business efficiency. In FY24, we spent nearly 44% of our procurement budget on local suppliers, supporting local economies and fostering sustainable partnerships.

Indirect Economic Impacts

Enhancing Biopharmaceutical Innovation

Aragen offers contract research, development, and manufacturing services and we continuously work towards enhancing these services which reflects in the development of a comprehensive infrastructure that supports every phase of drug discovery, development, and manufacturing. By continuously investing in advanced facilities, cutting-edge digital technologies, robust quality systems, and sustainable practices, we ensure that we meet the evolving and complex needs of the biopharmaceutical industry.

State-of-the-Art Facilities

Our state-of-the-art facility in our operations provides a strong foundation for our extensive range of services. Each facility is equipped with the latest technology and adheres to stringent industry standards, ensuring precision, efficiency, and reliability in every project. This advanced infrastructure allows us to expedite the drug development process, reducing time to market and enabling us to deliver high-quality therapies more rapidly.

Harnessing Digital Technologies

Aragen leverages advanced digital tools and platforms to enhance data management, streamline workflows, and facilitate seamless collaboration across all stages of drug development. By integrating these technologies into our operations, we provide data-driven solutions that enhance the accuracy and effectiveness of our research, ultimately leading to better patient outcomes.

Uncompromising Quality Systems

Through rigorous testing protocols, detailed documentation, and strict adherence to regulatory requirements, we guarantee the integrity and safety of our solutions. This commitment to quality ensures that our clients can trust in our ability to deliver consistent, reliable, and superior biopharmaceutical products. Renowned for its comprehensive end-to-end services across

both small and large molecules, Aragen is committed to supporting infrastructure development in several critical areas, including research and development facility, manufacturing and production, digital and automation technologies, quality & compliance, research & network, sustainability & environmental initiatives, and customer support.

Current or expected impacts on communities and local economies

Aragen's operations have notable impacts on communities and local economies contributing to job creation, infrastructure development, and overall community well-being. However, it also poses challenges, particularly related to environmental impacts and socio-economic disparities. Aragen can maximize the following positive impact by actively engaging with local stakeholders and implementing sustainable practices.

Aragen's CSR initiatives focused on environmental enhancement through the construction of a rock garden in IDA Nacharam and the development of a storm water management system in IP-Mallapur, Hyderabad, India. These projects aimed to boost urban biodiversity, improve water and

sewer management, and provide recreational spaces for the community. The monitoring and evaluation process assessed the planning, implementation, and outcomes, ensuring compliance with CSR guidelines and achieving environmental and community objectives. The rock garden enhanced local biodiversity and provided a community recreational area, while the storm water management system addressed water logging and sewer issues, improving infrastructure resilience. The report details the methodologies, benefits, regulatory alignment, best practices, and lessons learned, ensuring transparency and accountability in the use of CSR funds by Aragen Life Sciences.

Positive impact

Economic Growth and Employment

Aragen offers diverse employment opportunities across various skill levels, from scientists and researchers to support and administrative staff which boosts local employment rates and stimulates the economy. We also provide competitive salaries and benefits, elevates our living standards of employees and their families, and increases disposable income in the community. In addition, we are also increasing demand for local goods and services, benefiting surrounding businesses such as suppliers and retail outlets.

Education and Skill Development

Aragen invests in its workforce training and upskilling them which can have a long-term positive effect on, boosting the local talent pool. Collaborations with educational institutions for internships and research can elevate local education standards. In addition, through our facilitates, we drive knowledge transfer and encourages spurring local innovation and technological advancements.

Infrastructure Development

Aragen's investment in facilities often leads to the development of supporting infrastructure, such as improved transportation networks and utilities, which can benefit the broaderentire community. In addition to its facility development, we enhance community health outcomes through direct involvement or strategic partnerships through local healthcare services.

Corporate Social Responsibility (CSR) Initiatives

Aragen engages in CSR activities such as educational programs, health camps, and environmental initiatives, contributing to the enhancing local community welfare of local communities. We also invest in green. technologies and sustainable practices help in, mitigating environmental impacts, fostering and promoting a healthier local environment



Customer Relationship Excellence - Building lasting connections.

At Aragen, we forge lasting connections that go beyond mere transactions. We actively engage with sustainability-conscious customers, sharing the challenges and measures we undertake to maintain sustainable business operations. This proactive

engagement enhances the customer experience, builds trust, and positions Aragen as a strategic partner, deeply committed to sustainable practices.

Proactive and Transparent Customer Engagement

Our approach to customer service is both prompt and proactive with every query met with a thorough and prudent review before response. We are continuously striving to reduce turnaround times for responding to requests for proposals (RFPs) and are dedicated to maintaining clear and transparent communication lines. We ensure that our responses are both timely and informative, reinforcing our reputation as a responsive and reliable partner.

Leveraging Digital Innovation with “Mycule”

We have invested in “Mycule,” a cutting-edge digital platform designed to provide unique and tailored experiences to each of our customers. This centralized platform allows customers to receive prompt and adequate responses from our designated team, facilitating a seamless and transparent relationship.



Enhancing Customer Journey and Convenience

We continuously seek ways to make processes such as Drug Master File (DMF), Investigational New Drug (IND), New Drug Application (NDA), and Abbreviated New Drug Application (ANDA) filings more convenient and streamlined. By simplifying these critical steps, we ensure that our customers have a smooth and hassle-free experience. Regular review meetings and feedback collection sessions are integral to our process, allowing us to adapt and improve continually based on our customers’ needs and insights.

Achieving High Customer Retention

Our dedication to customer satisfaction and relationship-building has resulted in an impressive customer retention rate of 90%. This achievement reflects our commitment to understanding and meeting our customers’ needs, fostering a sense of loyalty and trust.

At Aragen, we deliver the highest quality and safest products to enhance health outcomes with every molecule we develop. Our robust quality assurance system begins at the point of discovery and extends through the development and manufacturing of the final product. We believe that quality is everyone’s responsibility, from the shop floor to senior management, ensuring that our commitment to safety and excellence permeates every level of our organization.

A dedicated team of over 160 professionals ensures quality at each stage of the process. From vendor qualifications and material procurement to rigorous testing procedures during processing and stringent manufacturing controls and batch releases, health and safety is a mandatory aspect taken into consideration.

Transparency and Compliance

Aragen supports our customers in meeting their regulatory requirements. We provide continuous support in regulatory filings, including DMF, IND, NDA, and ANDA. Our extensive experience includes over 25 regulatory filings, more than 35 New Chemical Entities (NCEs), and 3 Investigational New Drugs (INDs). Our commitment to quality and compliance is further validated by our audits conducted by world-renowned regulatory agencies, including the USFDA, EDQM, PMDA, and WHO. We take immense pride in our recent USFDA audit, which concluded with no observations.

Our customers are integral to our value chain, providing us with valuable feedback through audits, which we use to identify areas for improvement and achieve excellence in quality and product safety.

Our two specialized teams tackle every challenge on the quality front during the pre-clinical and clinical phases.

The Development Quality Assurance (DQA) team oversees tasks such as facility assessment, initial product development, establishing analytical and validation methods, regulatory compliance, and quality risk assessments during the pre-clinical phase. They are supported by our R&D team, which facilitates the technology transfer to the manufacturing and clinical phases. Once in the clinical phase, our quality assurance team takes over, managing technology absorption, analytical method transfers, quality risk assessments, and validations, as well as regulatory procedures for manufactured batches. Each product category is subject to rigorous compliance procedures, ensuring uniformity in product quality worldwide and thereby guaranteeing customer satisfaction.

Culture of Excellence

We recognize our responsibility in embedding quality improvement across all levels of our organization. Each of our individual site quality assurance teams reports directly to the global quality head and CEO. Aragen’s Corporate quality assurance team targets activities that promote best-in-class quality assurance, including uniform standards across the organization for vendor management, procedural adherence, and digitalization initiatives.

Product Stewardship at Aragen: Leading with Responsibility and Innovation

Commitment to High Standards

Recognizing both the challenges and opportunities in our production processes, we prioritize Product Stewardship as a key area of our business operations. Our focus on sustainable pharmaceutical development and accurate marketing ensures that our products not only meet regulatory requirements but also align with our commitment to ethical practices and environmental responsibility.

Comprehensive Product Lifecycle Management

By extensively assessing gaps, we formulate interventions to manage and mitigate the key environmental and societal impacts of our products and processes. Our ambitious goals to reduce energy consumption, GHG emissions, waste, and improve eco-balance reflect our dedication to integrating product stewardship considerations at every stage of research and development.

Collective Actions for Responsible Production

Our clinical and commercial teams collaborate to create sustainable initiatives that enhance the societal value of our products while minimizing negative impacts on people and the environment. By addressing key concerns like sustainable packaging, logistics transparency, and product disposal, we emphasize the use of renewable, plant-based, and biodegradable materials throughout our supply chain.

Investing in Green Chemistry

As part of our commitment to product responsibility, we invest in Green Chemistry to minimize resource use, reduce waste, and lessen the chemical impact on human health and the environment. We follow a Define, Measure, Analyze, Improve, and Control (DMAIC) program to achieve operational excellence.

Process Mass Intensity (PMI) for Sustainable Manufacturing

Process Mass Intensity (PMI) is a key metric used to evaluate the sustainability of manufacturing processes in the pharmaceutical industry. The American Chemical Society Green Chemistry Institute's Pharmaceutical Roundtable has chosen PMI as a high-level metric for benchmarking progress towards sustainable manufacturing. PMI is valued for its ease of use in generating, measuring, and communicating data, providing a quick estimation of the "greenness" of our processes.

Supply Chain Integrity for responsible and ethical sourcing

Aragen Supply Chain Mantra

"To be an Agile & Sustainable Supply Chain with high Responsiveness & Partnership approach driving Continuous Improvement through Risk Management, Technological adoption, People Development and ensuring focus on Safety & Compliance."

EnVision

Aragen is committed to green and sustainable supply chain under our unique program called **EnVision**. The focus of the EnVision initiative is on creating an enabling ecosystem where we demonstrate our commitment towards sustainability by adopting best practices & supply chain partners share our collective vision. Sustainability is embedded in the routine operational activities of all our procurement & logistics team working around the world. The Envision program underscores our firm commitment to sustainability, driving positive change both within our organization and across our supply chain ecosystem.

The company's approach includes setting measurable goals for a **green supply chain**, conducting **annual vendor assessments** against a Green Supply Chain Management (GSCM) checklist, and collaborating to devise improvement action plans. **Annual training programs** communicate sustainability expectations and engage non-compliant suppliers to drive enhancements, while encouraging participation in supplier's conferences organized by **pharmaceutical supply chain initiatives (PSCI)**

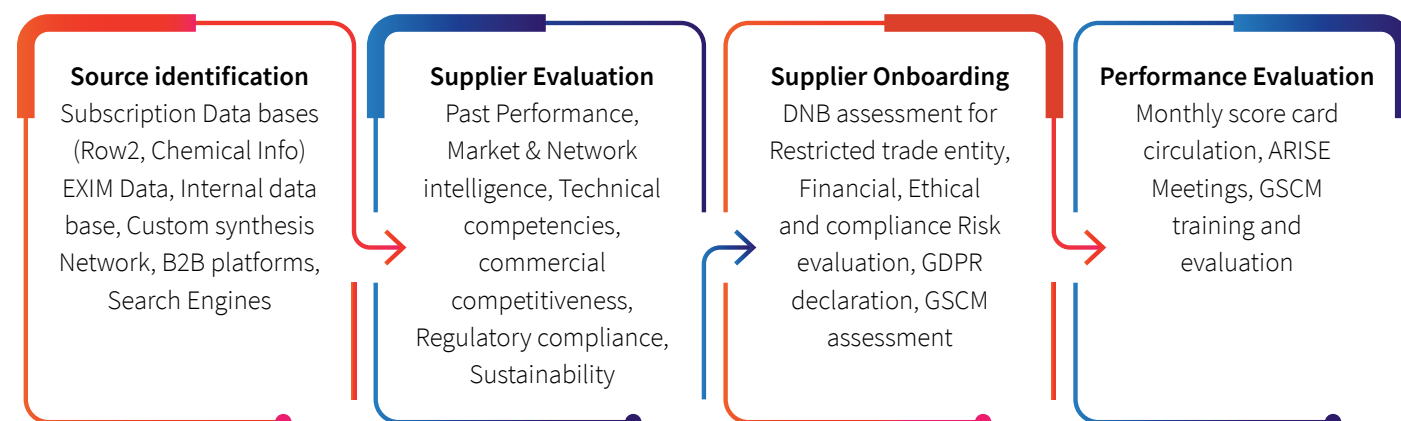
Policies & Procedures

We have implemented comprehensive and effective procedures and policies governing our supply chain activities and ensuring our commitment to drive green supply chain. This has been implemented after multiple deliberations and applying collective intelligence of all stakeholders including our supply partners.

- **Responsible Supply Chain Policy:** A robust supply chain policy is implemented to uphold ethical practices, sustainability, and transparent operations at every stage of the supply chain process.
- **Supplier Code of Conduct:** Designed for establishing clear guidelines and expectations from supply partners regarding labour practices, environmental standards, business ethics, social responsibility and compliance with relevant laws and regulations.
- **Risk Management:** Designed to identify, assess & mitigate the supply chain risks including third party risks which helps SCM to minimize disruptions, ensuring data security, business continuity and sustainability.



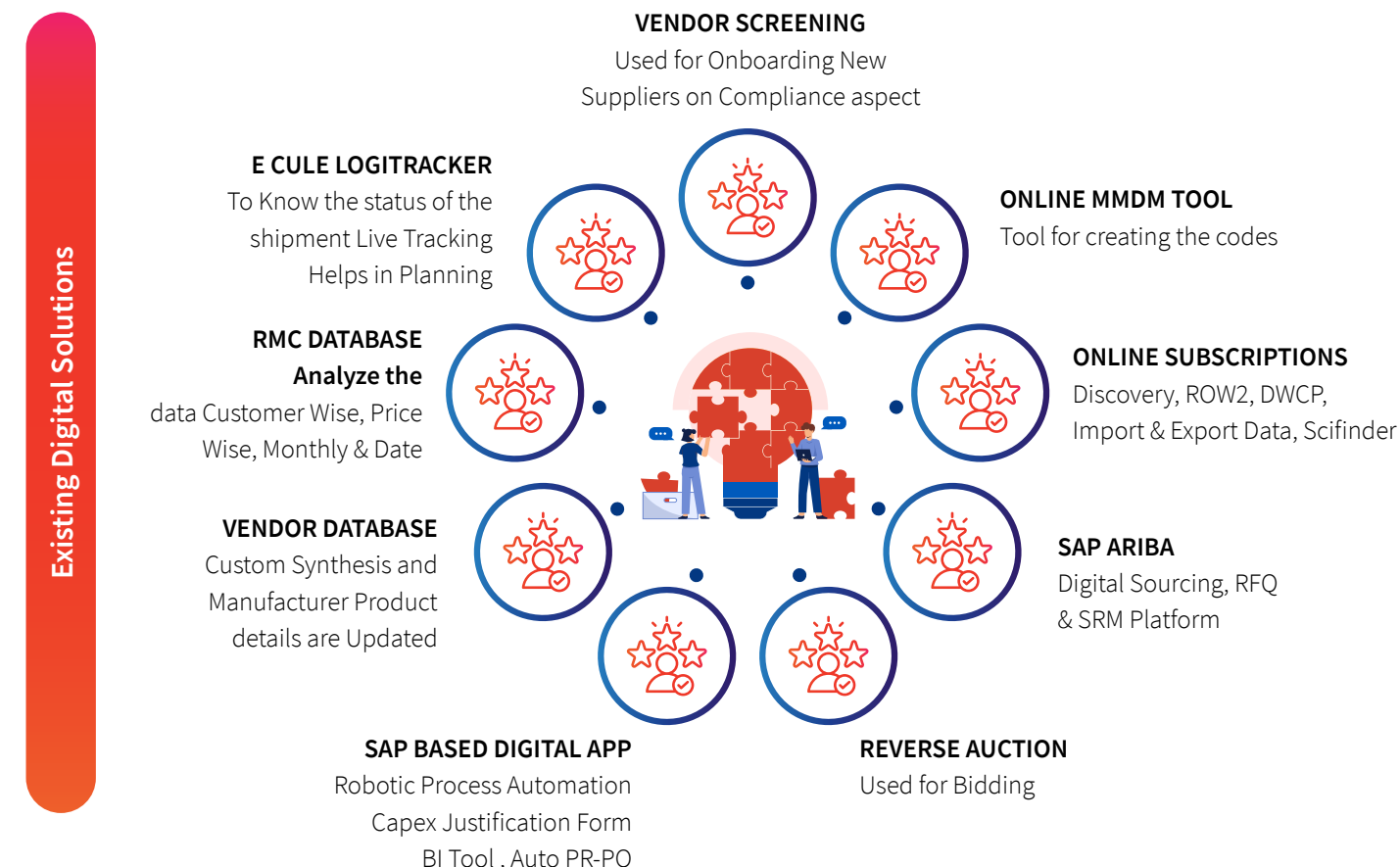
- **Vendor Onboarding & Assessment:** Designed to ensure that we give fair opportunities through standard assessment to potential supply partners for building a long term and mutually beneficial relationship. Assessment of potential supply partners covers critical aspects of financial credibility, technical capability, infrastructure & scalability, commitment to ESG, risk mitigation & compliance to relevant laws & regulation.
- **Performance Management:** Implemented to measure the performance of supply partners on critical parameters like productivity, OTIF, quality adherence, right documentation, commercial competitiveness, holding supply partners accountable for their performance which fosters a culture of continuous improvement and reliability.
- **Supplier Diversity:** Implemented policy for collaborating with diverse suppliers such as minority owned/women entrepreneurs/MSME.
- **Incentivizing Program:** Under this program, e- certificates are issued to those supply partners who complete our training & assessment on GSCM. Supply partners who perform distinctly in the assessment and score high on action plan implementation are recognised as green supplier.
- **Grievance Management:** A structured grievance redressal process called Supply Partner Grievance Portal (SPGP) demonstrates a commitment to partner satisfaction and reinforces trust within the network. Timely resolution of grievances not only has enhanced partner relationships but also contributes to overall operational efficiency and resilience.



Digitalization

- Implementing **digitalization and e-procurement solutions** to curtail paper consumption, contributing to our broader efforts in minimizing environmental footprint across operations.

Digital footprint - SCM



Upcoming Digital Solutions

- 1 CATALOGUE & B2B INTEGRATION**
B2B Integration from Supplier Website to Aragen SAP
- 2 ASSET & CONTRACT MANAGEMENT**
Digital Application for Managing Contracts across Aragen
- 3 AI Sourcing Tool**
AI Based Solution for RM Sourcing

- **Digitized Sourcing with ARIBA:** Recently we have implemented ARIBA solution to digitalize end to end P2P process.



- » Enhanced Supply Partner Engagement & Lifecycle Mgmt.
- » Efficient Management of RFI, RFQ, RFP Processes & its Database
- » Shortened Sourcing Cycles & Faster Payment Processing
- » Improved Data Transparency, Compliance and Audit Trails
- » Paperless Transactions
- » Improved Supply Chain MIS & Data Analytics

35000 + PO Line Items Issued
2000+ Supply partners registered
1800 Hrs of Training to Supply Partner
10000+ RFQ Floated

We would like to thank all our supply partners who have contributed during testing & implementation phase & now have embraced the new solution effectively

Development & Training

- **ARISE** - We have designed a unique program called ARISE- Aragen Relationship Initiative for Supplier Partner Engagement to support and develop our supply partner capabilities towards strategic initiatives of risk management, high performance, sustainability, technology adoption & long-term collaboration.
- **Meetings:** In FY24, we have conducted 300 + hours of strategic meetings with multiple supply partner involving both the management representatives of Aragen as well as supply partners.
- **Training:** In FY24, we have completed 1200+ hours of training.
- **ASCEND** - We have designed a structured employee engagement program called ASCEND -Aragen's Supply Chain Employee Engagement Drive -in which we work to strengthen the employee relationship and team bonding along with skill upgradation and effective new employee induction program. Employees have also undergone six sigma certifications.
 - » **Buyer training & certification:** A cumulative 1800+ hours of training to 100% of our buyers have been imparted followed by an assessment where in buyer must achieve 85% marks to pass the assessment.

Performance & Recognition

- **100 %** of our critical supply partners have completed GSCM training and assessment, fostering a network of partners aligned with our sustainability goals and practices.
- Achieved **91% Green Score** in FY24
- Improvement in **sustainable procurement** section in **Ecovadis sustainability assessment** score from 60 to 70 in CY23
- Improved our CDP Supplier Engagement rating from **Disclosure(D)** to **Management(B)** band.
- Signed Up for Go-Green Plus agreement for usage of Sustainable Aviation fuel (SAF) for logistics of Aragen shipments with DHL thereby reducing scope 3 emissions, we are the **first SBTi target committed organisation** to have adopted this in India.
- Achieved **diverse supply partner spend, within 250km range spend & local procurement spend of 45%,44% & 80%** respectively.
- Supply partner Grievance reduced by 40 % which enhanced supply partner experience.
- 300 + e- certificates issued to supply partners on successful completion of GSCM training.
- 100 % integration of **Pharmaceutical Supply Chain Initiative (PSCI)** principles into our business processes, guiding both our operations and key suppliers towards ethical and sustainable practices
- Supply partner Survey covered 80 % spend and achieved a score of 4.58 out of 5 in FY24.
- Received **Gold Award for Excellence in Supplier Relationship Management** at Supply Chain Logistics Summit 2024, New Delhi organized by ET Now (Times Group India).
- Received **Gold Award in Sustainable Leadership Awards** at Supply Chain Summit 2023, New Delhi organized by Business World Media.
- Received **Gold Award in Excellence in Innovation & Creativity** at Supply Chain Summit 2023, New Delhi organized by Business World Media.
- Recognized as **Best Contract research organization** at 9th Thought Leadership Awards & Summit 2023, Mumbai organized by Institute of Supply Chain Management (ISCM)
- Received **Best -In -Class Supply Chain Innovation Awards** at 15th Express Logistics & Supply Chain Conclave, Mumbai Organized by Kamikaze & Blue Yonder Group



Fostering impactful partnerships and memberships for collective growth.

At Aragen, our commitment to the global climate goal and enhancing business sustainability is demonstrated through partnerships with the Science Based Target Initiative (SBTi), United Nations Global Compact (UNGC), UNSDG, and GRI South Asia Charter on Sustainability Imperatives.

Science Based Target Initiative (SBTi)

Aligning our operations with the Paris Agreement's goal of limiting global temperature increases to 1.5°C above pre-industrial levels is a cornerstone of our strategy. As part of this commitment, Aragen has pledged to the Science Based Targets initiative (SBTi) to achieve Net Zero by 2050. Our SBTi target has been submitted and is currently undergoing validation. We will receive approved SBTi targets by Aug 2024, marking a significant step in our journey towards a sustainable and climate-resilient future.

Pharmaceutical Supply Chain Initiative (PSCI)

Aragen is a member of the Pharmaceutical Supply Chain Initiative (PSCI), a collaborative platform dedicated to enhancing social, health, safety, and environmental standards within the pharmaceutical industry.

PSCI members, including Aragen, are committed to implementing robust governance and management systems to identify and mitigate supply chain risks. By working together and sharing best practices, we aim to foster a sustainable and responsible pharmaceutical supply chain that benefits both people and the planet.

Principles of United Nations Global Compact (UNGC) membership certificate

In June 2022, Aragen proudly became a signatory to the United Nations Global Compact (UNGC), signaling our steadfast commitment to sustainability to all our stakeholders. As part of this global collective effort, we are dedicated to the annual submission of communication on our progress in achieving the ten fundamental principles of the UNGC.

GRI South Asia Charter on Sustainability Imperatives

Aragen's active membership in the GRI South Asia Charter on Sustainability Imperatives reflects our dedication to three key pillars: 'Beyond Compliance,' 'Ethics and Governance,' and 'Transparency and Disclosure.' Guided by these principles, we integrate sustainability-oriented imperatives into our core business processes. By adhering to the GRI Standards, we build transparency and support the UN Sustainable Development Goals (SDGs).

United Nations Sustainable Development Goals (SDGs)

Driving business operations that contribute to the United Nations Sustainable Development Goals (SDGs) is integral to Aragen's strategy. We have embedded the SDGs into our business strategies, operations, and decision-making processes, setting specific targets and indicators to measure our progress. This alignment with the UNSDGs ensures that we not only contribute to global sustainability goals but also foster innovation, resilience, and inclusive growth within our organization.



Empowering a Diverse and Dynamic Workforce



From the desk of **CHRO**

“As the Chief Human Resources Officer, I am proud to share Aragen’s steadfast commitment to ESG and sustainability. I firmly believe that our employees are at the core of our sustainability journey, and together, we embrace the responsibility of building a sustainable future. We continuously strive to create a happy, healthy, inclusive, and safe workplace by prioritizing employee wellbeing and engagement, involving them in our environmental initiatives, and emphasizing diversity. By fostering a culture of collaboration and purpose, we aim to positively impact the lives of our employees, customers, partners, and the communities we serve, collectively shaping a better and more sustainable world for generations to come.”

Suresh Anubolu
Chief Human Resources Officer



Workforce Overview

Aragen is committed to fostering a diverse and inclusive workplace, with a clear goal of increasing gender diversity to 25% by 2026. We have made significant strides, achieving a gender diversity of 21.7% in FY 24 compared to 20.5% the previous year. We are home to more than 4,000 employees spread across multiple locations, comprising over 10% PhDs and 74% with MSc qualifications. Currently, 21.7 % of our workforce represents gender diversity, reflecting our ongoing efforts to create an equitable environment.

Aragen values long-term employee retention, with 22% of our workforce having been with us for five years or more. This continuity is testament to our recognition as a Great Place to Work for five consecutive years, as evidenced by 87% of our employee's expressing satisfaction with their workplace experience.

We are honored to have been recognized as the “Most Preferred Workplace 2022-23 Health & Wellness Edition” by Marksmen Daily, underscoring our commitment to employee well-being. Additionally, Aragen has been awarded the National Best Employer Brand in 2018, 2019, and 2021, and recognized as the Best Organization in Learning & Development Practices for 2023 by Indian Society for Training and Development (ISTD). These accolades highlight our dedication to creating a supportive environment where talent thrives and grows, ensuring that Aragen remains a leader in the pharmaceutical sector.

Various training sessions were conducted for employees on process safety, industrial hygiene, laboratory safety, sustainability, environment management & emergency preparedness. Total training man hours for the year was 73,290 which resulted in 18.24 hours of training/employee/year.



Cultivating Our People and Culture

We are consistently committed to fostering an inclusive workplace where gender discrimination is unequivocally prohibited. Our comprehensive anti-discrimination policy ensures that every aspect of employment, from recruitment and hiring to promotion, compensation, benefits, and termination, is conducted with fairness and equity.

Commitment to DEI policy

As an equal opportunity employer, Aragen is devoted to providing fair and equitable treatment to all employees, regardless of gender, race, ethnicity, age, sexual orientation, or any other characteristic protected under applicable laws and regulations.

Zero-Tolerance Policy for Harassment

At Aragen, we maintain a zero-tolerance policy for all forms of harassment. We provide clear mechanisms for reporting incidents confidentially and without fear of retaliation. Our robust reporting systems ensure that every employee feels safe and supported, knowing that any concerns will be addressed promptly and effectively.

Tracking Gender Diversity

We believe that representation matters. That's why we diligently track gender diversity across all levels of our organization, including leadership positions. By monitoring and promoting gender diversity, we ensure that women have equal opportunities for career advancement and that their voices are represented in decision-making processes.

Supporting Work-Life Balance

To support work-life balance and enhance employee retention, Aragen offers family-friendly policies such as flexible work arrangements, parental leave, and childcare support. These initiatives are designed to help our employees balance their professional and personal responsibilities, making Aragen a workplace where everyone can achieve their full potential.

Promoting a Culture of Inclusivity

Aragen's dedication to anti-discrimination and gender equality is more than just policy—it is a core value that drives our corporate culture. By upholding these principles, we create an environment where innovation thrives, and employees feel valued and respected.

Five Year ESG Strategy (culture)

Building safety culture for leadership team & Middle management

Safety perception survey (Safety Culture Measurement)

Individual safety plan for leadership

BBS programme

Half-yearly EHS newsletter

Tool for measuring safety culture

Embracing Inclusion and Diversity

We celebrate individuality and are committed to providing equal opportunities for everyone to discover and develop their professional and personal capabilities while enjoying their time at Aragen.

Supporting Personal and Professional Development

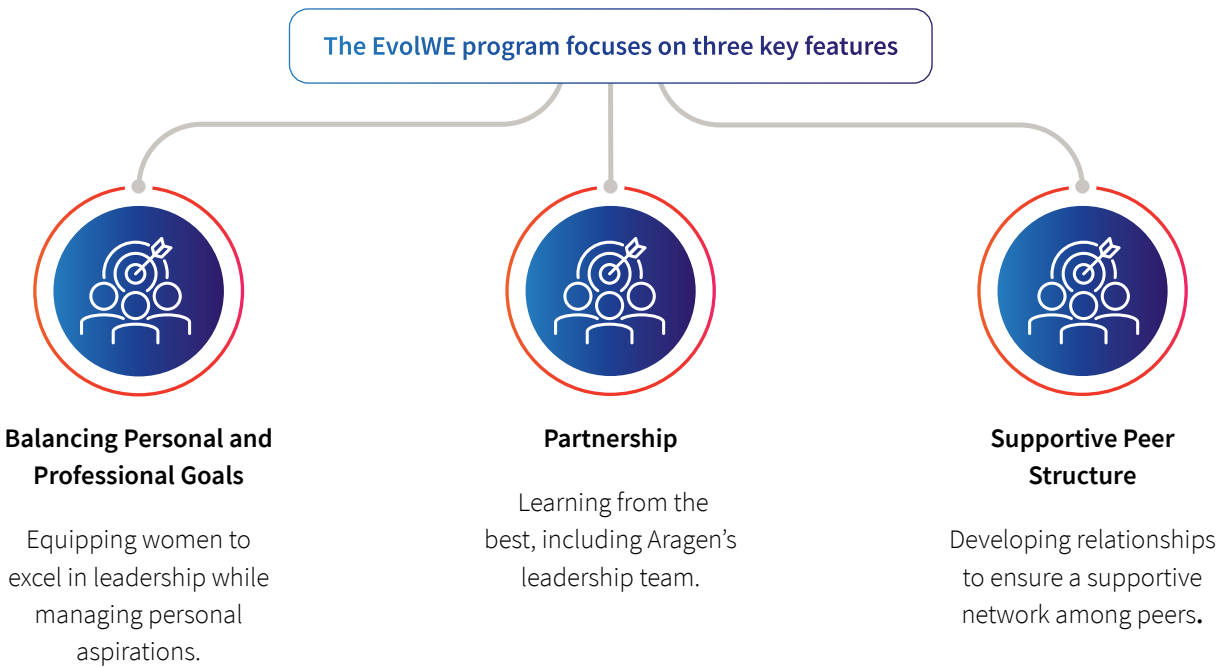
AWE

Aragen recognizes the unique needs of our women employees, offering special facilities to help them balance their personal and professional lives. Accelerating Women Empowerment (AWE) encompasses a series of initiatives aligned with this vision.

EvoLWE

Aragen is proud to host specifically designed training and development programs for women. EvoLWE (Women Executive Development Program) is dedicated to promoting women in leadership roles. Curated for women managers, EvoLWE aims to cultivate a robust internal talent pool of women who can

transition into senior leadership positions. Diversifying our board ensures a variety of opinions and views at the highest management levels, which broadens our perspective and makes us a future-ready organization.



Celebrating Motherhood

Our “Celebrating Motherhood” program supports women during and after maternity leave with facilities such as crèche services, shuttle services with nurse assistance if needed, monthly update calls, and flexible working hours. Celebrating major life events, like the beginning of maternity leave and the return to work, are moments we cherish. We strive to create an environment where returning to work post major life events is a preferred choice.

Women’s Wellness Initiatives

provide education on health-related topics and hope to help our women employees stay as healthy as possible. By bringing experts from various medical fields to address their questions, we aim to equip our employees with the knowledge to look out for their health proactively.

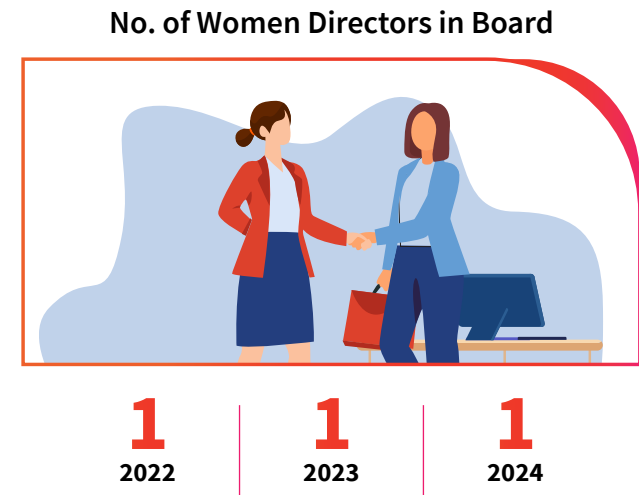
Support at the Workplace

At Aragen, we support women in taking on challenging roles and achieving their career goals. Whether they are starting, growing, or finishing their careers with us, we are proud to help them establish themselves in the fast-paced and dynamic fields of science and technology.

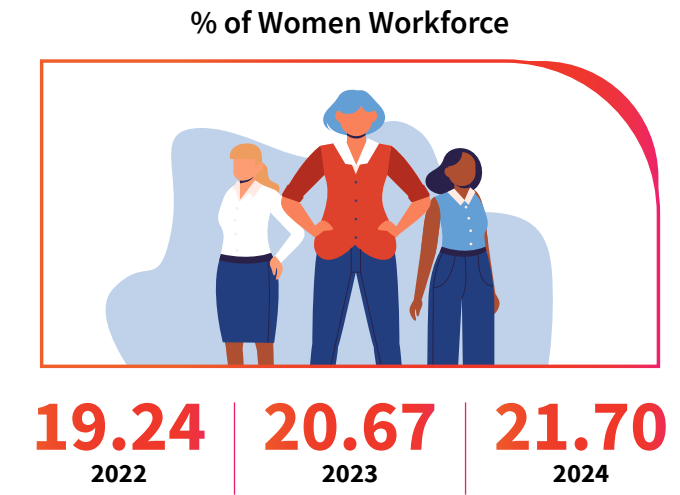
Aragen maintains a zero-tolerance policy towards discrimination and harassment. Our comprehensive policies, including Grievance Redressal, Equal Opportunity, and Policy on Sexual Harassment (POSH), ensure that Aragen remains a safe and healthy work environment.

Our ongoing initiatives reflect our dedication to building a supportive, inclusive, and empowering environment for all employees, making Aragen a leader in workplace equality and innovation.

Diversity of Governance Bodies



Diversity of Workforce



Remuneration Ratio of Basic Salary (Female to Male)

	2024	2023	2024
Junior Management	0.78	0.78	0.74
Middle Management	0.83	0.86	0.86
Senior Management	0.81	0.73	0.68
Non- Management	NA	NA	NA

Lifelong Learning: Training and Education Initiatives

Building a Foundation of Excellence

At Aragen, we firmly believe that investing in the growth of our people is synonymous with investing in the growth of our company. We are deeply committed to helping individuals realize their true potential, reaping personal, professional, and business benefits along the way.

Cultivating Continuous Growth

The Aragen Academy is meticulously designed to support the holistic development of every individual, encompassing five key focus areas:

Scientific knowledge

Manufacturing

Behavioural development

Leadership development

Sales and marketing

We encourage our employees to take charge of their learning journey and explore their areas of interest. Whether it's pursuing higher education or transitioning to a different team to uncover and develop new skills, Aragen stands as a steadfast supporter in helping our employees achieve their career goals and skill development milestones.



Supporting Employee Development

At Aragen, we offer robust support systems for employee development. New managers benefit from specially designed training programs that help them understand their roles and responsibilities, equipping them with the confidence to perform at their best. Our new talents undergo a comprehensive six-month training course and on-the-job duties before fully integrating into the Aragen workforce. Each individual's development plan (IDP) is carefully monitored and supported through Empower learnings on the Aragen Academy and on-the-job training. We emphasize gaining expertise on a global scale, surrounded by international-level guidance and mentorship.

Our platforms, such as Buzz, Business Updates, Coffee with Business Heads, and Celebrations, foster connections with exceptional minds. Through our eConnect program, we promote the sharing of ideas, expectations, suggestions, and aspirations across the company.

Our Talent Development Highlights

- **Young Achiever's Program (YAP) and Finishing School Program:** These structured programs are crafted to introduce fresh graduates and campus hires to the corporate world, easing their transition and setting the stage for their professional journey.
- **Aspire & Aspire Plus:** These programs are tailored for professionals seeking to enhance their personal and professional performance, empowering them to reach new heights.
- **LEAP & LEAP Plus:** These transition programs are specifically designed for our Director and Vice President bands, facilitating their growth into higher leadership roles.
- **Empower & Empower Plus:** These programs are designed to enhance collaboration, innovation and foster professional growth. The focus on client-centric initiatives and strategic partnerships in the Empower Plus program help Aragen employees gain a competitive edge.
- **EvoLWE:** A program dedicated to supporting women executives in their growth and development journey, fostering an inclusive and supportive environment.
- **SEA Talks:** Targeting the latest innovations and advancements, challenges and opportunities in the biotechnology and pharmaceutical industries of South Asia, these talks serve as platforms not only for collaboration and innovation across the industry. A total of 24 SEA talks were conducted this year with the remarkable participation of 3048 employees.
- **Mandatory and Voluntary Training Modules:** Each scientific and functional department benefits from specialized training modules, ensuring continuous learning and skill enhancement.

Summary on Training: FY 2024

Description	Number of Employees	Total Hours of Training Received	Average Hours of Training Received per Category or Type
Based on Gender			
Males	4,178	56,065	60.49
Females	1,160	17,225	96.46
Based on Employee Category			
Managerial	1,093	12,595	69
Non-Managerial	4,012	60,766	55.2



Nurturing Growth Through Feedback and Recognition

Constructive Development Through Feedback

We recognize that feedback is a cornerstone of constructive development for all our employees. Regular performance and career development reviews are integral to our approach, ensuring that each individual stays on track with their goals and receives continuous support. By fostering open communication and providing timely feedback, we empower our employees to achieve their fullest potential.

Summary on Training: FY 2024

Description	Percentage of eligible employees that received a regular performance and career development review
Based on Gender	
Males	100%
Females	100%
Based on Employee Category	
Managerial	100%
Non-Managerial	100%

Celebrating Excellence: Rewards and Recognitions

We believe in celebrating those who go above and beyond to drive Aragen’s growth and cultivate a positive organizational culture. Our rewards and recognition program are a testament to this commitment. This year-round program encompasses various award categories to ensure that every effort is acknowledged and appreciated.

Certification	Manufacturing Unit I, Nacharam	Manufacturing Unit II, Visakhapatnam	Nacharam Labs	Mallapur Labs	Bangalore Labs
ISO 9001:2015	🏆	🏆	Not applicable	Not applicable	U/Process (Pre-Audit completed)
ISO 14001:2015	🏆	🏆	🏆	🏆	🏆
ISO 27001:2022	🏆	🏆	🏆	🏆	🏆
ISO 45001:2018	🏆	🏆	🏆	🏆	🏆
ISO 50001:2018	🏆	🏆	🏆	🏆	🏆
ISO/IEC 17025:2017 (NABL)	Not applicable	Not applicable	Not applicable	🏆 (ASL)	Not applicable
WHO GMP (CDSCO & DCA)	🏆	🏆	Not applicable	🏆 (ASL & FMF)	Not applicable
FDA	🏆	No	Not applicable	🏆 (ASL)	Not applicable
PMDA	🏆	🏆	Not applicable	Not applicable	Not applicable
EDQM	🏆	No	Not applicable	Not applicable	Not applicable
WHO Geneva	🏆	No	Not applicable	Not applicable	Not applicable
AAALAC	Not applicable	Not applicable	🏆	Not applicable	🏆

NOTE: *Our subsidiary, INTOX Pvt Limited, Pune is accredited with AAALAC certification, CDSCO, DSIR, CPCSEA and NGCMA.

**Our US wholly owned subsidiary, Aragen Biosciences LLC, in California is accredited with ISO 9001:2015 certification



Categories of Awards

- **Service Award:** Honoring long-term commitment and dedication, the Service Award acknowledges employees who have demonstrated unwavering loyalty and consistent performance over the years.
- **Outstanding Achiever Award:** This award celebrates individuals who have made significant contributions through exceptional performance. Whether through innovative solutions, exemplary leadership, or remarkable project outcomes, these achievers set new benchmarks for success. A total of 1488 awards have been distributed this year.
- **Value Award:** The Value Award is given to those who embody Aragen’s core values in their daily work. These individuals exemplify integrity, collaboration, and excellence, serving as role models and reinforcing our organizational culture. 18 such individuals were recognized this year in this category.
- **Team Award:** Recognizing the power of collaboration, the Team Award celebrates groups that have achieved outstanding results through teamwork. By working together towards a common goal, these teams demonstrate that collective effort can lead to extraordinary outcomes.
- **Green Chemistry Award:** These awards, given biannually, focus on green chemistry contributions, offering recognition for cost-saving, productivity, and speed improvements. Managers at G1 and above can nominate their direct reportees and team members for these awards.

Award category	Number of nominations	Number of awards
Value awards	34	32
Team awards	438	352
Outstanding Achievers Awards	1808	1488
Green chemistry awards	45	31
Service awards as of (31- 03-2024)	5 years,10 years, 15 years, 20 years & 25 years	299

At Aragen, we are unwavering in our quest to elevate our workforce every single day. Our employees are the essence of who we are; they are the foundation upon which the Aragen brand is built. Their dedication and passion drive our success, proving that when we invest in our people, we invest in a brighter future for all.

Commitment to Safety and Health

Our mission is encapsulated in our Target Zero initiative—Zero Accidents and Zero Harm. At Aragen, we believe that every molecule holds the possibility for better health. We are dedicated to adopting a systematic approach to EHS management with the aim of making significant contributions to all EHS aspects through:

- Ensuring compliance with legal and other requirements.
- Protecting the environment by preventing pollution and minimizing adverse impacts.
- Preventing work-related injury and ill health by eliminating hazards and reducing Occupational Health & Safety (OH&S) risks.
- EHS awareness and providing environmentally friendly, safe, and healthy working conditions for employees.
- Committing to environmental stewardship throughout the product lifecycle, seeking innovative solutions to reduce environmental impacts, and ensuring a healthy and sustainable future for all.

Environmental Health and Safety Achievements

- **ISO Certifications:** We have completed ISO 14001:2015, ISO 45001:2015, and ISO 50001:2015 surveillance audits without non-conformances (NCs), demonstrating our commitment to high standards.
- **Corporate EHS SOPs:** These have been implemented across all Business Units (BUs), ensuring uniformity and adherence to best practices.
- **Emergency Preparedness:** Regular mock drills and fire drills are conducted in all locations as per schedule. Tabletop drills covering all emergency scenarios enhance our readiness.
- **Safety Committee Meetings:** Conducted in line with regulatory requirements to ensure continuous improvement and adherence to safety standards.
- **Training Programs:** We conduct various safety training programs, including basic first aid, fire safety, advanced firefighting skills, and more, to empower our employees with the knowledge and skills to maintain a safe working environment.



R&D campus, Morgan Hills, California, US

Prioritizing Wellbeing and Support

As an organization committed to delivering the best, Aragen is sure to provide its employees with a highly supportive work environment.

Championing Employee Rights: Freedom of Association and Collective Bargaining

Fundamental Human Rights

We recognize that freedom of association and the right to collective bargaining are fundamental human rights, upheld by international standards such as the International Labour Organization (ILO) conventions. These rights empower our employees to organize and negotiate the terms and conditions of their employment collectively, fostering a more equitable and collaborative workplace.

Our Commitment to Employee Rights

Aragen has established a Human Rights policy that supports the rights of employees to associate or not associate with third-party organizations, join unions, seek representation, and bargain collectively or individually, all in accordance with local laws. This policy ensures that our employees can exercise these rights without fear of reprisal, intimidation, or harassment. We believe that respecting these rights is crucial to maintaining a fair and inclusive work environment.

Empowering Our Workforce

By endorsing the principles of freedom of association and collective bargaining, we empower our workforce to have a voice in their employment conditions. This empowerment leads to a more engaged and motivated workforce, as employees feel their concerns and suggestions are heard and valued. It also promotes transparency and trust between employees and management, essential elements for a harmonious and productive workplace.

Creating a Supportive Environment

We are continuously putting effort into creating an environment where employees feel safe and supported in exercising their rights. We invest in providing guidelines and resources to help employees understand their rights and the processes available to them. These principles ensure that every employee can participate in collective bargaining or choose not to, based on their personal preferences, without any negative consequences.



Eradicating Child Labour: A Commitment to Ethical Practices

Our Ethical Commitment

Our operations span across various regions, with an extensive supply chain. We recognize that child labour is a grave violation of children's rights, depriving them of their childhood, potential, and dignity. This fundamental violation of children's rights is a globally recognized issue, and at Aragen, we are deeply committed to its eradication.

Our Robust Policy Framework

Aragen has established a comprehensive policy framework that explicitly prohibits the use of child labour in any aspect of our operations or supply chain. This stringent policy extends to all our suppliers and contractors. We have implemented rigorous processes to identify and mitigate the risks of child labour, ensuring full compliance with our standards. This includes meticulous documentation of all relevant employee details, such as employment contracts and age proof documents, which may include education certificates or government issued age proof documents.

Supplier Assessments and Audits

To ensure adherence to our stringent standards, Aragen conducts thorough supplier assessments, audits, and ongoing monitoring. These processes are designed to identify any potential risks of child labour within our supply chain and to ensure that all our partners uphold the same ethical standards. This year, 183 new suppliers were assessed for social responsibility and compliance.

Engaging and Educating Suppliers

We believe in the power of collaboration especially to improve the ESG aspects across the supply and value chain of Aragen. We engage with our suppliers to raise awareness about the critical issue of child labour and to promote the adoption of responsible labour practices.

Transparency and Accountability

Through our comprehensive policies, robust due diligence processes, and unwavering transparency in reporting, we are dedicated to upholding our commitment to abolishing child labour. Our efforts are a testament to our commitment to ethical practices and our responsibility towards creating a better, more equitable world.



Our Stance Against Forced Laboring

Commitment to Ethical Practices and Human Rights

We recognize that freedom of association and the right to collective bargaining are fundamental human rights, upheld by international standards such as the International Labour Organization (ILO) conventions. These rights empower our employees. Our Human Rights policy reflects our unwavering commitment to ethical practices and human rights. This policy is a cornerstone of our corporate responsibility efforts, ensuring that every aspect of our operations—from our supply chain to

our workforce—is free from any form of forced or involuntary labor. Our dedication to labor and human rights has been appreciated by the prestigious EcoVadis rating system. collaborative workplace.

Reflection of our Core Values

We believe that fostering a sustainable and responsible business model necessitates prioritizing human rights above all else. By ensuring our operations are free from forced labor, we contribute to a fairer and aligning our business practices with our ethical beliefs.

Ethical Security Practices

Commitment to Human Rights in Security

Our commitment to human rights training underscores our responsibility to ensure that every action taken by our security personnel aligns with international standards and respects the dignity and rights of all individuals.

Comprehensive Human Rights Training Curriculum

Our training programs are firmly anchored in international frameworks such as the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights. Our human rights training curriculum is comprehensive to equip Aragen security personnel with the necessary knowledge and skills to navigate security challenges while safeguarding human rights. Key components of our curriculum include:

- **Understanding International Human Rights Standards**
- **Ethical Decision-Making**
- **Use of Force and Conflict Resolution**
- **Cultural Sensitivity and Diversity Awareness**
- **Reporting and Accountability Mechanisms**

Promoting Health and Wellness in Our Communities

Positive Economic Impact

Aragen's operations bring significant positive impacts to local communities by contributing to local economies through job creation and employment opportunities across various skill levels. Our focus on healthcare access initiatives plays a crucial role in improving community health outcomes, particularly benefiting underserved populations. Additionally, our investments in educational programs and vocational training enhance local capabilities and contribute to long-term economic stability.

Stakeholder Consultations and Impact Assessments

Regular stakeholder consultations with community leaders, non-governmental organizations (NGOs), and residents are integral to our approach. These consultations help us understand and address community concerns effectively. Furthermore, periodic impact assessments enable us to evaluate the social, economic, and environmental effects of our operations comprehensively. Through these assessments, we can identify areas for improvement and tailor our initiatives to better meet the needs of local communities.

Community Health and Education Initiatives

Our commitment to community development is reflected in a range of initiatives and programs. These include extensive community health initiatives such as healthcare services, vaccination campaigns, and disease awareness programs. We promote leading healthy lifestyles by sponsoring marathons and fitness events. Aragen is also actively involved in blood donation camps, building necessary sanitation facilities in rural areas, and educating on the importance of personal hygiene.

We also prioritize education and skill development through initiatives aimed at enhancing employability within local communities. Aragen has adopted many zilla parishad schools in various states, equipping thousands of underprivileged and differently abled children with proper educational facilities. Additionally, our environmental sustainability efforts encompass waste management programs, energy efficiency projects, and other initiatives to reduce our environmental footprint. We operate zero liquid discharge wastewater treatment plants at two of our facilities, are actively involved in multiple greenery development activities and have ongoing awareness initiatives on campus on important initiatives like resource conservation and reducing use of single use plastics.

Infrastructure Investments and Community Support

We make strategic investments in local infrastructure projects that directly benefit communities, such as improvements in healthcare facilities and essential infrastructure. Financial contributions and grants support local community initiatives, disaster relief efforts, and cultural preservation programs. Collaborative partnerships with local institutions and organizations further strengthen community resilience and contribute to sustainable development in the regions where we operate.

Ensuring Transparency and Accountability

To ensure transparency and accountability, we have established clear communication channels and grievance mechanisms. At Aragen, we have a committee which conducts the grievances redressal of the community manually and ensure that they are all taken care of within the stipulated time. We take every grievance seriously, analyze feedback received, and take prompt actions to address issues and improve relations with affected communities.

Measuring Performance and Community Satisfaction

Our performance is measured through key indicators such as the number of local hires, the impact of healthcare access initiatives on community health metrics, and the level of community satisfaction. Surveys and feedback mechanisms help gauge community sentiment and satisfaction levels, enabling us to continuously refine our strategies and initiatives.

Corporate Social Responsibility (CSR) Initiatives

Aragen's commitment to corporate social responsibility is demonstrated through active community engagement. We participate in national safety campaigns, environmental campaigns, and local community initiatives, reinforcing our dedication to fostering a better future for the communities in which we operate.

Stewardship and Integrity: **Leading with Effective Governance**



From the desk of **Our CCO**

“As Aragen’s Chief Commercial Officer, I am proud to emphasize our organization’s dedication to ESG and sustainability. While we strive for growth and innovation in the global market, we remain deeply committed to environmental and social responsibility. Aragen’s business development strategy focuses on identifying opportunities that align with our ESG principles, ensuring we create value for our stakeholders while maintaining sustainable practices. We actively seek partnerships and collaborations that drive positive social impact and contribute to a greener future. By fostering relationships built on trust and sustainability, we aim to empower our stakeholders to navigate challenges and succeed in a rapidly evolving world”.

**Ramesh
Subramanian**
Chief Commercial Officer



Strong Corporate Governance and Risk Management

Corporate governance

We believe that strong corporate governance is essential for effective management of our business operations. Our corporate governance system ensures that we comply with all the applicable industrial laws, rules, and regulations.

Our corporate governance mechanism and structures ensures accountability, promote ethical behaviour and values that endorse integrity, honesty, and fairness. Our mechanism is supplemented by well-defined policies and procedures for managing risk, compliance with laws and regulations, systems for oversight and transparent communication of our activities and decisions.



Board of Directors

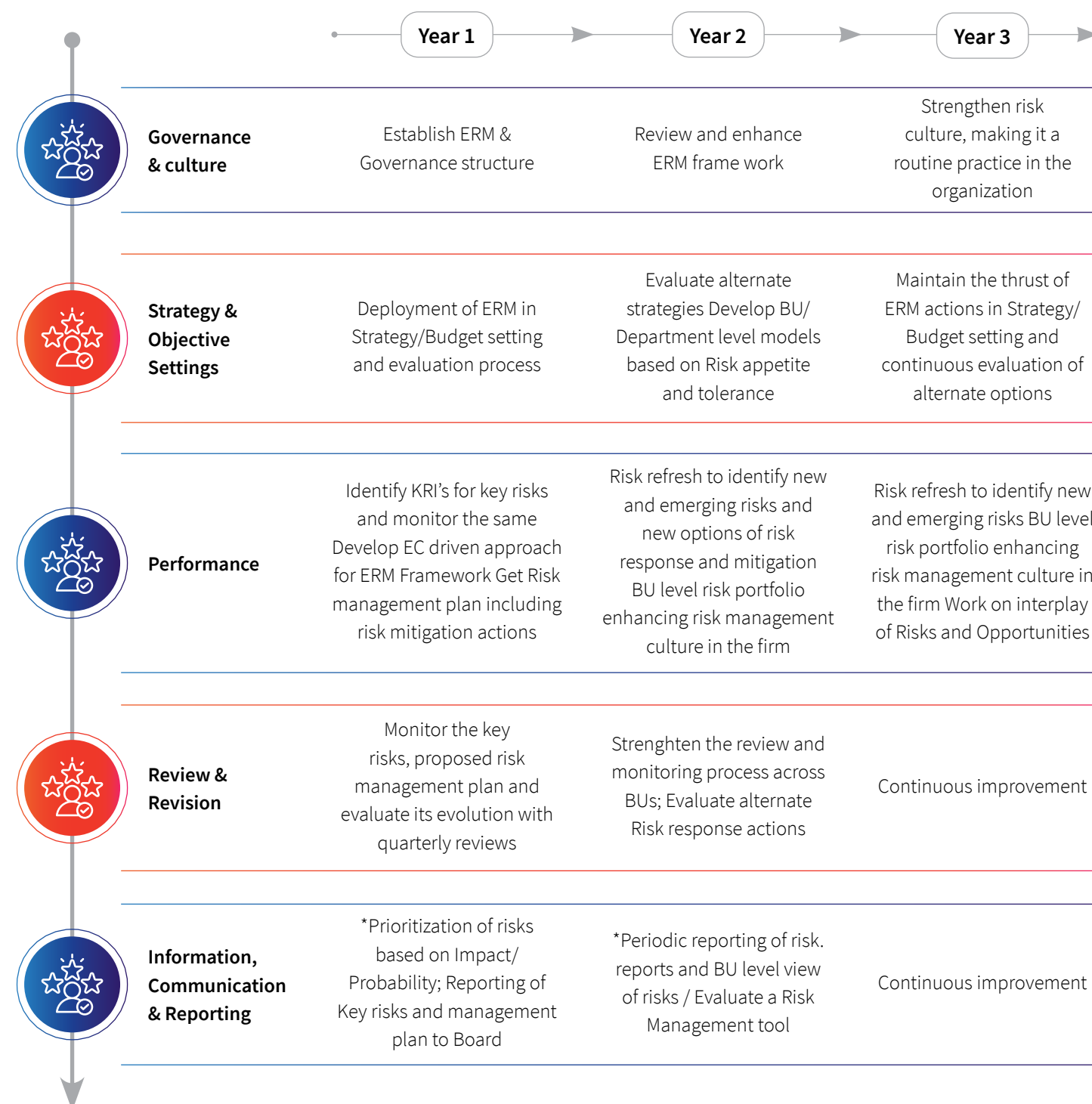
Board of Directors of Aragen is responsible for ensuring that we abide by all applicable financial, operational, and labour laws, uphold transparent decision-making procedures and management monitoring. Absolute transparency with respect to the composition, structure, and independence of the board of directors are maintained.

Risk management

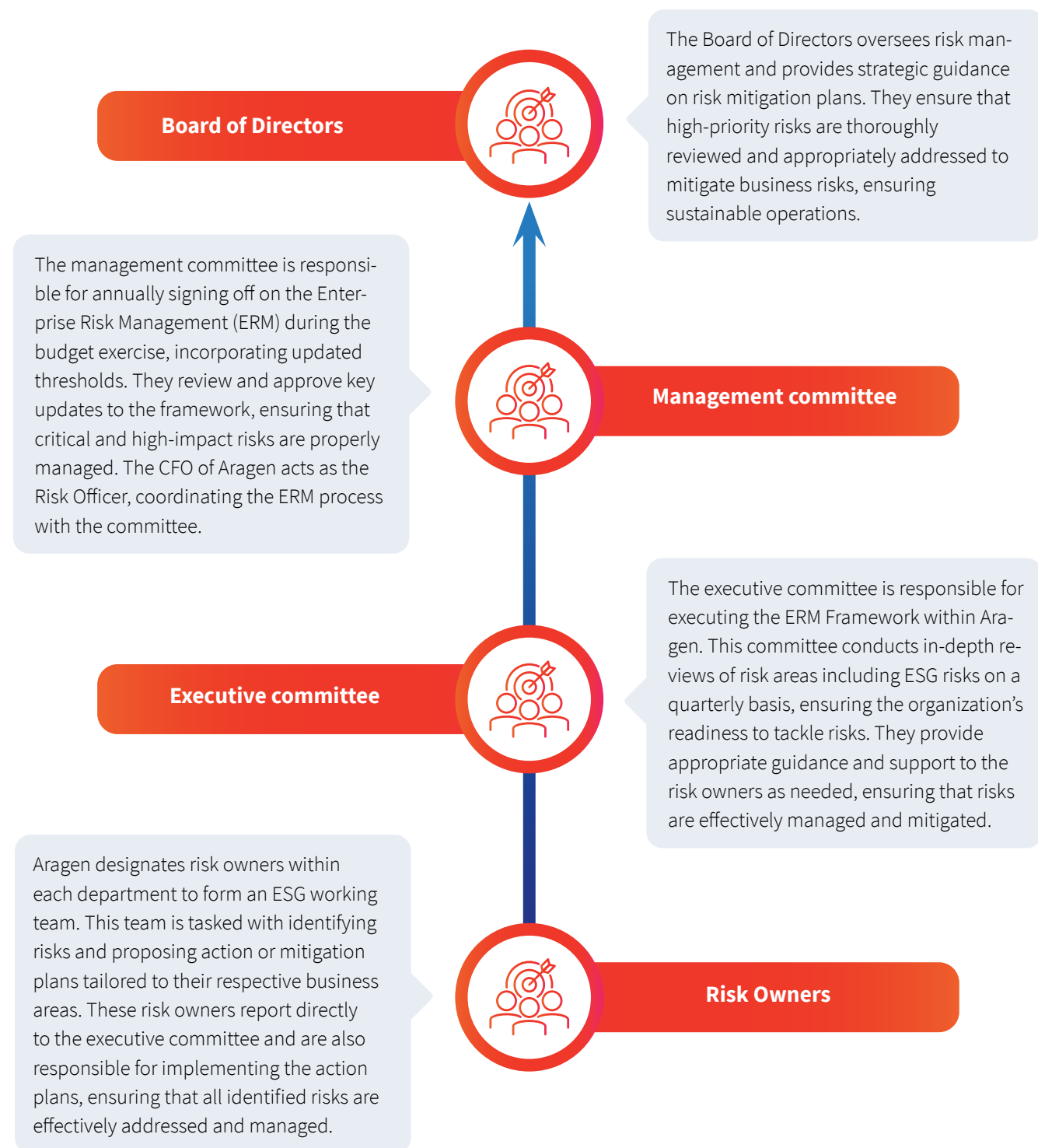
Our corporate strategy generates both opportunities and risks for our business. We are exposed to both internal and external risks and therefore, we embed the effective enterprise risk management within Aragen's strategy to detect, analyse, mitigate, and monitor risks. We have a risk management policy in place that details our objectives and principles of risk management. In addition, we consider the universally accepted risk management standards and best practices in our risk management

process. All the key identified risks are reviewed quarterly by the management committee and the audit committee of the Board.

Our three-year risk management framework maturity plan includes the methodology for strategy and objective settings, performance, review and revision, communication, and reporting.



Risk Review Framework



- Key Risks and Opportunities – These are risks that are currently relevant to the business and require mitigation within a year.
- Emerging Risks – These are risks likely to become relevant in the next 2-5 years, necessitating advance planning to mitigate their potential impact.

Risks and Descriptions	Potential Impact	Mitigation and Opportunities
Key risks		
Climate change Climate risk encompass a combination of chronic as well as acute physical risks, transition risks, and the failure to mitigate and adapt to climate change	We are exposed to physical risks (e.g., flooding, water scarcity, heat, sea level rise, from severe weather events) and transition risks (e.g., carbon pricing, regulatory frameworks, cost of and access to capital), which would vary in impact and magnitude depending on different geographies. Physical risks can lead to business and supply chain disruptions, increased costs, loss of life and facilities as well as disruptions in the healthcare systems. Whereas the transitional risks can lead to increase in the direct cost of operations and create similar impact in the supply chain.	The Company is focusing on decarbonising operations, reducing Green House Gas (GHG) emissions and utilising renewable energy like solar. Aragen is also focusing and allocating funds on energy efficiency, resource efficiency, green chemistry, low carbon technologies and use of bio briquette /CNG/PNG as a fuel for addressing the climate change and assessing physical climate risk for climate-proofing assets.
Financial risks Financial risks arise from occurrences that result in an undesirable financial impact on the company, arising from but not limited to, increased OPEX and CAPEX resulting from investment in environmental management or compliance, delayed payments, etc.	Current and future financial debt can limit the flexibility to plan and dynamics of the business. The cash flow to invest in CAPEX or to meet other capital needs will also be limited. Moreover, the increased expenditure in environmental management, i.e., energy transition, waste management, etc., will also limit the cash flow for investment in R&D or any other function. Due to an unstable financial environment, there is always a possibility of delayed payments from the clients and customers, causing an uncertainty on the flow of cash in the organization.	<ul style="list-style-type: none"> • Continuous benchmarking with peer companies • Work on Operational Excellence / Efficiency to mitigate the price competition risk through cost optimization. • M&A prioritization based on Strategic plan of the company. • Detailed business case and synergy planning based on due diligence and asset capability. • Sensitivity analysis for all key business decisions and building of risk mitigation in these. • Proactive cost management in case of anticipated revenue risks • Forward looking and anticipatory planning and monitoring through internal reviews and controls

Risks and Descriptions	Potential Impact	Mitigation and Opportunities
Supply chain risks Supply chain risks include various vulnerabilities that may occur at any stage of the supply chain. This includes events that lead to disruptions such as changing dynamics, inability to maintain continuity or timely supply, risks associated with third parties and failure to maintain governance of such relationships	<p>Advance planning of production activities due to the inherent complexities of the process and the requirement of highly specialized raw materials.</p> <p>Owing to these factors, any disruption in the supply chain will directly affect the ability to meet the customer and market demands. Moreover, the inability of our suppliers to manage risks can lead to product shortage or shutdown.</p> <p>Shortage of any critical product will directly affect our reputation, loss of sales or even potential litigation or allegations.</p>	<ul style="list-style-type: none"> Supply reliability assessment and audits along with development of secondary source for key materials Advanced planning for price sensitive materials like solvents, usage of custom bond warehouses for advance purchase and storage of products Development of own solvent storage facility Vendor development for project-based requirements
Data security Data security risks refer to the risk related to the increased probability of cybersecurity breaches and cyberattacks	<p>We are vulnerable to cybersecurity due to the heavy dependence on critical and complex IT systems. Cyberattacks impact our key business processes, like our ability to conduct clinical trials and scientific research, submission of information to health authorities, our manufacturing and supply chain processes, customer shipments, legal compliance, and communication between employees and with third parties.</p> <p>We also deal with large sets of patients and customer information, illegal use, or loss of which can lead to reputational harm, legal obligations, damaged relationships with partners and in some cases, monetary penalties.</p>	<ul style="list-style-type: none"> Aragen has employed extensive IT security systems and controls (ISO 27001:2022 certified) across all processes. These systems are regularly evaluated and upgraded to address new emerging threat scenarios. Business continuity plan is in place for unavoidable scenarios like network/server attack and closure. Stress testing of systems, ethical hacking scenarios for identification & corrective actions on possible breaches Standard Operating Procedures SOPs are in place with mandatory adherence. Training, Confidential Disclosure Agreements (CDA's), transfer of rights of inventions, mobile and IT solutions at work

Risks and Descriptions	Potential Impact	Mitigation and Opportunities
Technology risk Technology risks refer to the various adverse outcomes of technological advancements such as uncertainties of transformational technologies, breakdowns of and disruptions in critical systems, and failure to keep pace with new developments	<p>We rely on information and other business systems to leverage data to operate our business system. Using these technologies involves certain risks, including a failure to integrate the technology, potential loss of data, compliance issues, cost delays, operational disruptions, or failure of the technology to operate as expected. All these risks will impact the effectiveness of the internal controls and operational efficiency.</p>	<ul style="list-style-type: none"> Establish internal 'Scientific Board' to continuously keep a tab on technology development and response plan in different areas. Partner with Universities and Research institutions on emerging trends Work on licensing tie-ups with innovators Creation of 'Digital Roadmap' along with AI & ML Platform for strengthening company's position
Market risks Market risks refer to external factors that impact the performance of financial markets and in turn, organizations. Factors include fluctuations in currency rates, interest rates, inflation, and prolonged economic downturns	<p>Market risks (currency exchange rate) are major for our business operations.</p> <p>Distribution of retained earnings from local affiliates, or to pay intercompany payables due from different countries will become limited due to the currency exchange controls.</p>	<ul style="list-style-type: none"> Internal financial controls on proposals and pricing Correct assessment of business in terms of targeted mix Forward looking and anticipatory planning and monitoring through internal reviews and controls. Continuous benchmarking with peer companies with respect to market scenarios Strict adherence to the policies and regular reviews to ensure compliance
Product risk Risks related to product quality include the inability to ensure adequate product controls in development and manufacturing	<p>Development of our products are complex and highly regulated by the authorities around the world. Failure to meet such expectations may impact adversely or even suspension of operating license.</p> <p>The same regulations apply to our suppliers as well and their failure to meet these expectations will result in similar adverse impacts, along with the need to suspend clinical trials, inability to import or ship new products or significant penalties.</p>	<p>We have a Quality Management System (QMS) in place to ensure constant vigilance across the whole supply chain in terms of product quality, supply, and security. A team of quality control professionals leads the QMS, assuring strict checks and controls</p>

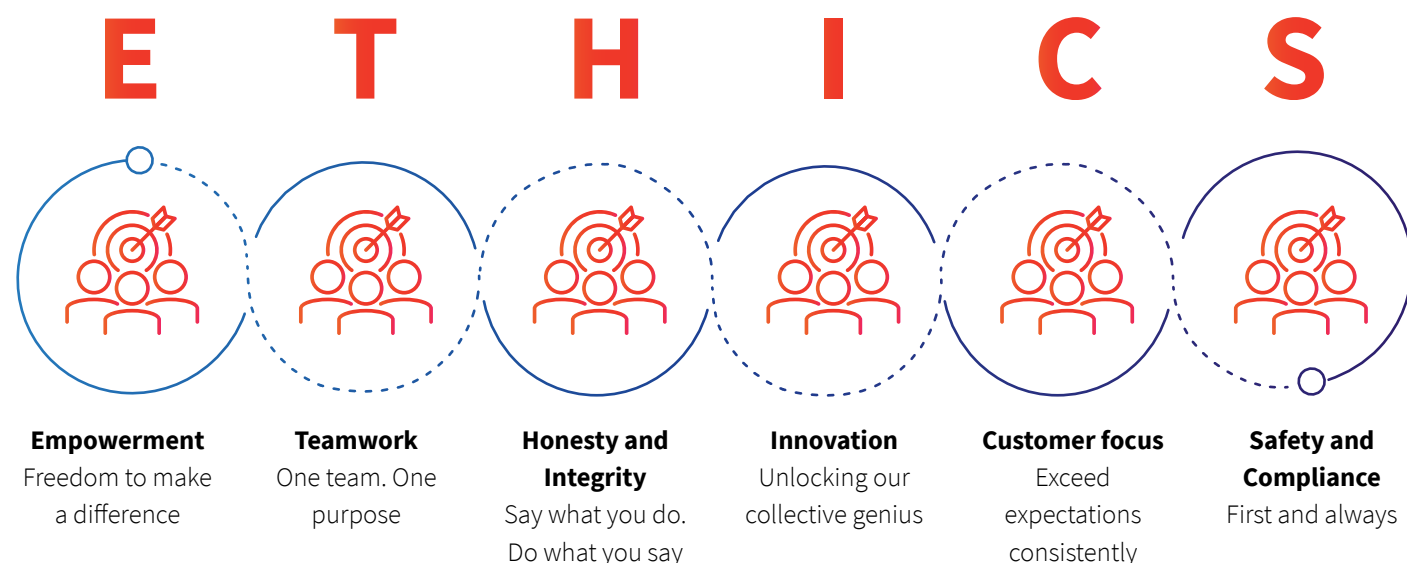
Risks and Descriptions	Potential Impact	Mitigation and Opportunities
Emerging risks		
Legal and regulatory non-compliance Failure of the organization to meet evolving regulations surrounding issues such as climate change, taxation, and new product registrations, among others	We are obligated to the laws of all countries where we operate or sell our products. Some of these regulations can be complex and non-compliance with these laws will lead to reputational damage, monetary penalties or can even lead to litigations or lawsuits. New laws and regulations can also come into effect as a result of changing government, societal expectations, or environmental pressure.	<ul style="list-style-type: none"> Identifying & mapping all compliance requirements & accountabilities through an external tool Keeping track of changes in compliance requirements by individual owners. Continuous focus on Internal control and review framework for various compliance items Compliance culture including proper KRA weightage for compliance. Proactively work with local Industry association and Government
Increasing competition The increasingly competitive industry landscape often results in companies being forced to adopt more competitive pricing or aggressive marketing tactics, or potentially losing exclusivity of key products	We have a huge competition in our business arena. Customers may choose competitor products instead of ours if they perceive it to be safer, cost effective, convenient, among other reasons. This will directly impact our revenue and the results of our operations. Price of the product may become competitively which will lead to the loss of our market share and adversely affect our sales and profits.	<ul style="list-style-type: none"> Company adopted strategies such as specialization with a strong focus on a few value chain segments and niche technologies. Horizontal consolidation, external growth based on capacity acquisition in the same value chain segment, and vertical integration. Backward or forward integration in adjacent value chain segments by acquisition More focus on to acquire business from the big pharma companies than biotech companies
Stakeholder dissatisfaction Stakeholder dissatisfaction risk arises from high levels of public scrutiny and the failure to meet increasing expectations	Environmental, social and governance (ESG) plays a significant role in our business. Therefore, we have to perform well and transparently disclose all aspects of ESG to the public. Failing to meet these expectations will negatively impact our reputation, financials, operations, recruitment, and retention. Our ability to collaborate and create industry partnerships will also be adversely affected with high levels of public scrutiny.	<ul style="list-style-type: none"> Periodical stakeholder engagement and consultation process is in place. Early involvement of operational team in project evaluation and proposal Project management working as 'challenger' to improve on OTIF. Establish industry leading project management group - consolidation of project management teams under one umbrella with Operational Excellence as added KPI. Yearly suppliers meet to establish close relationship with suppliers

Risks and Descriptions	Potential Impact	Mitigation and Opportunities
Geopolitical risks Geopolitical risks include the threat of international and interstate political conflict	Various parts of the world are experiencing unstable political conditions, including backlash against free trade, global pandemic, social unrest, fear of terrorism, among others. These unstable conditions disturb the international flow of goods and increase difficulty and costs of making transactions internationally. This could significantly impact our ability to supply the products in these parts of the world in a smooth fashion.	<ul style="list-style-type: none"> Strengthening of sales force in the key geographies for addition of new clients Exploring opportunities in other regions Look for key assets near customer to gain from Onshoring/near-shoring of emerging business and niche discovery areas. Continuous audit of facilities for identification of gaps & fortification through upgrade Continuous work on operational excellence and cost competitiveness



Ethical Business Practices

At Aragen, our approach to managing ethical decisions is to uphold high standards and set commitments that apply across our entire business. Therefore, we promote a value-based decision-making system through ETHICS – Empowerment, Teamwork, Honesty & Integrity, Innovation, Customer Focus, and Safety & Compliance.



Responsible Business Conduct

We are committed to conducting responsible business and acting ethically in accordance with all applicable laws and regulations. We expect the same level of commitment and integrity from our suppliers, consultants, and representatives. This commitment ensures that everyone associated with Aragen operates with the highest ethical standards, fostering trust and reliability throughout our business relationships.

Strict Prohibition on Political Contributions

Aragen maintains a clear and strict policy against making any direct or indirect contributions, whether monetary or in-kind, to political parties, candidates, or organizations involved in political activities.

Adherence to Legal and Regulatory Standards

We diligently adhere to the applicable laws and regulations in every region where we operate, particularly concerning political contributions and lobbying activities. Our policies are meticulously designed to ensure full compliance with local, national, and international standards.

Building Trust and Success

We recognize that the ethical behavior of our employees, stakeholders, and suppliers not only builds trust but also attracts talent, mitigates risk, and contributes to long-term

success in the pharmaceutical sciences. Ethical conduct is a cornerstone of our business, enhancing our reputation and ensuring sustainable growth.

Ethical Training and Continuous Improvement

To ensure our employees uphold our ethical standards, we conduct regular ethical training sessions, managed through a suite of internal policies and controls. Our dedication to ethical behavior was recognized by EcoVadis, which rated us as 'good' in their assessment. To improve further, we are developing an internal auditing system on business ethics, expected to be operational by the end of 2024.

Encouraging Open Communication

We encourage our employees, stakeholders, and suppliers to speak up on any ethical dilemmas they encounter. We provide thoughtful consideration and principled decision-making to guide them toward the best possible outcome. This open communication fosters a culture of transparency and integrity, ensuring that ethical behavior is at the heart of all our operations.

Anti-Bribery and Corruption

Commitment to Ethical Integrity

Aragen maintains a zero-tolerance policy towards bribery and corruption. Our Anti-Bribery and Corruption Policy ensures high standards and explicitly prohibits unethical behavior in dealings with government officials, business partners, and suppliers. As a signatory to the United Nations Global Compact on the Ten Principles, we diligently comply with anti-bribery and corruption principles, reinforcing our unwavering commitment to integrity.

We periodically assess the risks related to corruption in our business operations at Aragen. These thorough evaluations have revealed no significant risks. To maintain our high standards, 100% of our Board of Directors have received comprehensive training on anti-corruption. Additionally, we have ensured that every one of our business partners have been communicated of our anti-corruption policies and procedures.

Communication and Training

To ensure our commitment to anti-corruption is well understood and practiced, all employees and notified third-party suppliers receive risk-based, role-specific training upon hire and regularly thereafter. By providing continuous education, we empower our team to uphold our integrity standards in every aspect of their roles.

Incidents of Corruption

We are proud to report that no confirmed incidents of corruption were identified during the reporting year. This reflects our effective policies and the dedication of our employees to ethical practices.

Monitoring and Continuous Improvement

As part of our efforts towards compliance to anti-bribery and corruption, we have established a monitoring team tasked with evaluating and mitigating risks related to unethical behavior. This team promotes anti-bribery and corruption efforts by exchanging strategic insights and implementing multistakeholder actions.



Anti-Competitive Behavior

Commitment to Compliance

At Aragen, our commitment to compliance and ethical business practices ensures that we avoid disputes, lawsuits, and regulatory inspections related to anti-competitive behavior. We have successfully navigated patent, tax, and commercial matters that occasionally arise in the ordinary course of business, demonstrating our compliance to legal standards.

Guidance from Legal Counsel

Our business operations are consistently guided and assisted by our legal counsel, ensuring that we meet all legal requirements and maintain a litigation-free record. This proactive approach allows us to operate smoothly and focus on our core mission of advancing scientific innovation and supporting our customers.

Responsible Approach to Tax

At Aragen, tax is a fundamental aspect of our business, reflecting our commitment to contributing to society. Our Board of Directors oversees tax matters, ensuring that relevant tax risks are reviewed, and decisions are endorsed at the highest level.

Governance and Compliance

Led by our CFO, the finance team ensures robust systems and controls are in place to enforce tax governance across our organization. We adhere strictly to the tax laws of India and the US, adapting promptly to any regulatory changes.

Transparency and Collaboration

We prioritize a collaborative and transparent approach to tax compliance and planning, maintaining open relationships with tax authorities. Our Management and Board of Directors are responsible for presenting accurate financial results that reflect true profits and losses, in line with Indian Accounting Standards and global principles.

Integrity and Accountability

Aragen is dedicated to safeguarding assets, preventing fraud, and ensuring accurate accounting. We integrate tax considerations into our organizational framework, complying with local and international laws, maintaining precise records, and submitting timely tax filings.

Strategic Planning and Risk Management

Our finance team strategically plans tax obligations to optimize efficiency while adhering to legal requirements. We periodically assess tax-related risks and implement mitigation strategies, ensuring all relevant information is transparently disclosed to stakeholders.

Commitment to Assurance

As part of our commitment to transparency and reliability, we engage an accredited third-party agency for annual financial audits, disclosing the results after Board approval.

Living Our Value of Integrity

At Aragen, integrity is more than just a principle; it's the foundation of our operations and our commitment to excellence. We uphold the highest standards of honesty, transparency, and ethical behavior in all aspects of our work.

We make sure our processes and practices are transparent and accountable. We prioritize open communication with

stakeholders, address concerns proactively, and adhere to ethical standards in all our business dealings. By fostering a culture where integrity is key, we enhance our organizational reputation and create a positive, respectful work environment.

How do we Live Our Value of Integrity?

Business Code of Conduct & Ethics

At Aragen, our Business Code of Conduct & Ethics shows our strong commitment to ethical business practices. This framework ensures all employees follow the highest standards of integrity and accountability, creating a culture of transparency and respect.

Non-Disclosure

At Aragen, we prioritize the confidentiality of data. Our Non-Disclosure policy is carefully designed to protect sensitive information, ensuring that client data and proprietary information stay secure. This commitment to confidentiality not only protects our clients' interests but also builds their trust in us.

Equal Opportunity Employer

As an Equal Opportunity Employer, Aragen is committed to providing equal employment and advancement opportunities for all employees. We strive to create a diverse and inclusive workplace where everyone is valued and respected, regardless of their origin, religion, color, age, race, gender, or disability.

IP Protection

Aragen uses top industry protection methods to safeguard client data and information. Our strong IP Protection policy ensures intellectual property is well-protected from unauthorized access and infringement. This commitment to IP security is key to maintaining the highest standards of confidentiality and integrity in our operations.

Anti-Bribery

Aragen is committed to preventing bribery and other corrupt practices. Our Anti-Bribery policy includes strict measures to detect and stop any form of bribery or corruption within the organization.

POSH & Anti-Harassment Policy

Aragen is committed to a work environment free from discrimination and harassment. Our POSH (Policy on Sexual Harassment) and Anti-Harassment Policy ensures all employees can work safely and respectfully, free from any harassment or discrimination.

Employee Background Check Policy

To maintain the integrity and security of our workforce, Aragen requires every employee to undergo a thorough background check before being hired. Our Employee Background Check Policy ensures we recruit trustworthy and reliable individuals.

Whistleblower Policy

Aragen's Whistleblower Policy offers a secure and confidential way to report unethical or improper practices within the company. Employees can report concerns directly to the company ombudsman, ensuring prompt and proper handling of all issues. This policy shows our commitment to transparency and accountability, empowering employees to speak up without fear of retaliation.

Customer-Centric Approaches

Quality Policy

Aragen's Quality Policy is implemented through a comprehensive Quality Management System along with ETHICS as values built into the processes to meet the expectations of customers and stake holders.

Aragen Management is committed to maintaining a high-quality culture with appropriate systems and processes in place to drive focused behaviors that protect Aragen's clients and Aragen's reputation and business.

As a part of commitment to Quality

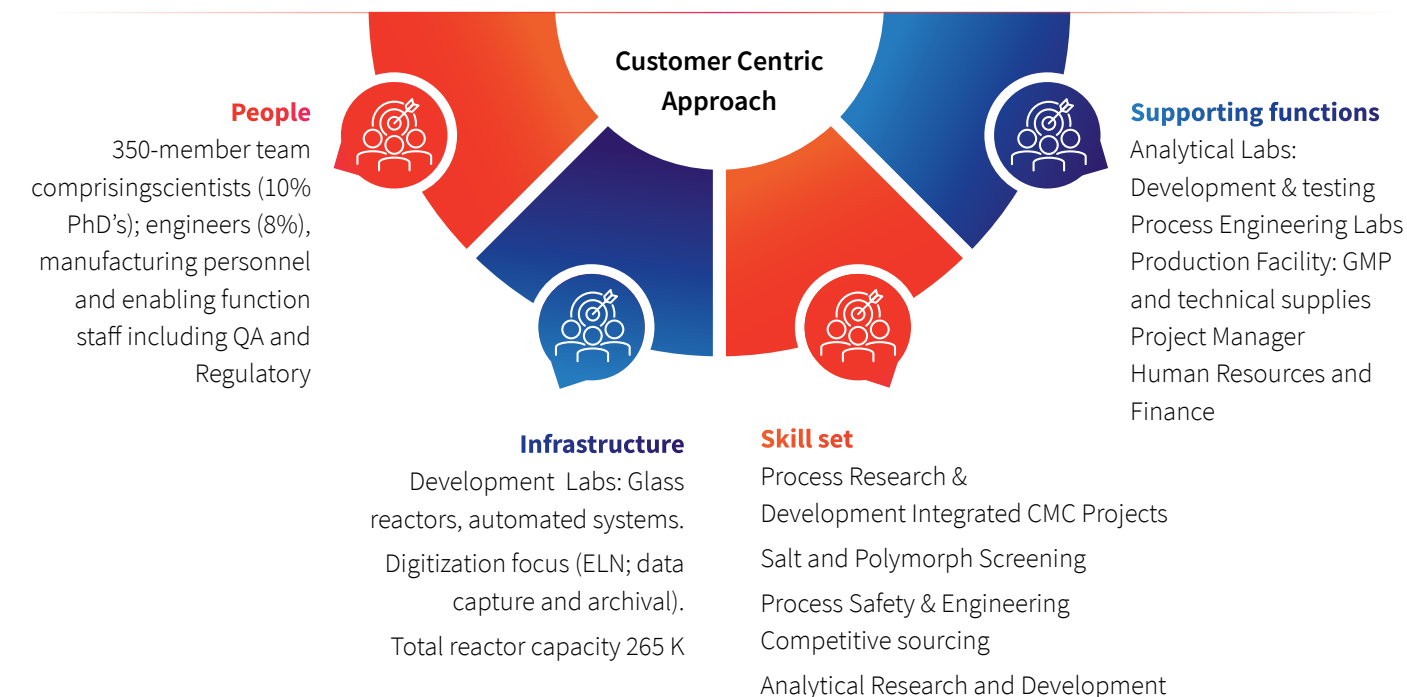
Every employee of Aragen has appropriate training, educational qualifications, skills, and experience to carry out their job effectively and is accountable for ensuring product and service quality.

We develop, manufacture and supply products, and deliver services using appropriate science and facilities, in accordance with applicable international and local regulations and laws. We adopt a culture of identifying and implementing continuous improvement, with vigorous engagement of all individuals and involvement of management.



Our purpose motivates us to drive the success of your programs, so that we can together transform hope into better health; be it for humans, animals, or plants

Purpose Driven: In every molecule is the possibility for better health!



Comprehensive Regulatory Support

At Aragen, our dedication to customer-centricity is evident in every facet of our operations, particularly through our Development Quality Assurance (DQA) framework. We routinely assist customers with their DMF (Drug Master File), IND (Investigational New Drug), NDA (New Drug Application), and ANDA (Abbreviated New Drug Application) filings. Our clients receive comprehensive support for regulatory submissions and compliance, ensuring smooth and efficient processes.

DQA Team Excellence

Our DQA team, comprising over 160 professionals, is dedicated to ensuring quality at every stage. From vendor qualifications and material procurement to quality control, in-process testing, stability testing, manufacturing controls, and batch release, we leave no stone unturned. This meticulous attention to detail guarantees customer satisfaction and regulatory compliance, as evidenced by our 15+ regulatory approvals and support for over 70 molecules.

Robust Quality Systems

We implement a robust Documentation System and Change Management process, conduct Internal Audits, and adhere to Good Laboratory Practices (GLP). Our proactive approach to quality assurance is integrated well before production begins, building quality into our products and services from the ground up. This includes CAPA (Corrective and Preventive Action) management, tech transfers, and the use of e-Cule Note-ELNB for streamlined data integrity and compliance.

Training and Development

We provide extensive training on both quality and customer-centricity, ensuring all employees are well-equipped to meet client needs. Annually, 100% of our employees undergo CGMP (Current Good Manufacturing Practice) and Data Integrity Training, reinforcing our dedication to excellence.

Holistic Quality Assurance Strategy

At Aragen, our holistic quality assurance strategy encompasses proactive regulatory support and stringent quality measures. Our commitment to customer-centricity and excellence ensures that our customers receive not only top-notch products but also a reliable partner dedicated to their success.



Robust Cybersecurity and Data Privacy Measures

At Aragen, robust cybersecurity and data privacy measures are fundamental to protecting our clients' sensitive information and maintaining their trust. Our comprehensive approach to cybersecurity ensures that all data is safeguarded against unauthorized access, breaches, and other cyber threats, while our stringent data privacy policies ensure compliance with global standards and regulations.

Commitment to Data Privacy and Security

At Aragen, we recognize that compliance in information handling is crucial for a company dedicated to creating breakthroughs in life science and technology. Ensuring the security of data is paramount, and we have implemented advanced measures to protect against cybercrime risks, thus maintaining the highest standards of data integrity.

Advanced Data Protection Measures

Aragen employs Forcepoint data leak prevention to minimize the risks associated with human handling of data. This system enhances the visibility and control of data-centric areas, ensuring robust protection against potential breaches. Complementing this is our mobile data management solution, which acts as a protective barrier against data leaks from mobile devices.

Automation and backup services are integral to our data protection strategy, creating a highly secure datacenter. Aragen's commitment to data security is evident as we prioritize it in our journey towards state-of-the-art digitalization. By implementing Electronic Lab Notebooks (ELN) and the eCule mobile app, we have virtually eliminated risks associated with data on paper. Notably, Aragen is the first and only company in India to develop and implement a highly secure app for exchanging structural information and orders, setting a benchmark in data protection.

Transparency and Stakeholder Awareness

We strongly believe that transparency is key to building trust with our stakeholders. We ensure that all our data handling and security practices are communicated clearly through our detailed Privacy Notice, available on our website. This notice includes all basic definitions in data security, outlining our comprehensive practices and protocols, including those concerning third-party arrangements. For any concerns or information, stakeholders are encouraged to reach out to us at data.protection@aragen.com, where they will receive a prompt and dedicated response.

Zero-Cybercrime Record

Aragen takes pride in being a zero-cybercrime organization. To date, we have not recorded any instances of privacy breaches or data leaks, either internally or externally identified. This spotless record underscores our commitment to maintaining the highest standards of data protection.

Advanced Cybersecurity Infrastructure

Aragen has employed extensive IT security systems and controls across all processes. These systems are regularly evaluated and upgraded to address new and emerging threat scenarios, ensuring our defenses remain strong and current. Our dedicated IT security team continuously monitors for potential threats and swiftly responds to any incidents, maintaining the integrity and security of our data.

Business Continuity Planning

To prepare for unavoidable scenarios such as network or server attacks and closures, Aragen has a robust business continuity plan in place. This plan ensures that we can quickly restore operations and minimize disruptions, protecting both our data and our clients' interests.

Stress Testing and Ethical Hacking

We conduct regular stress testing of our systems and ethical hacking scenarios to identify potential vulnerabilities. These proactive measures allow us to implement corrective actions on possible breaches before they can be exploited, strengthening our overall cybersecurity posture.

Standard Operating Procedures (SOPs)

Aragen has established comprehensive Standard Operating Procedures (SOPs) that provide clear guidelines on maintaining security protocols, handling data, and responding to potential security incidents, ensuring a consistent and effective approach to cybersecurity across the organization.

- **Training and Awareness**

Recognizing that employees are often the first line of defense against cyber threats, Aragen conducts regular cybersecurity training and awareness programs. These programs cover various topics, including safe handling of sensitive information, phishing awareness, and password management. Additionally, we use Confidentiality Disclosure Agreements (CDAs) and enforce the transfer of rights of inventions to minimize risks of e-theft and ensure intellectual property protection.

- **Secure Mobile and IT Solutions**

To further enhance our cybersecurity measures, Aragen employs secure mobile and IT solutions at work. These solutions are designed to protect data when accessed remotely or through mobile devices, reducing the risk of unauthorized access and data breaches.

- **Data Privacy Policies and Compliance**

Our data privacy policies are designed to comply with global regulations, such as General Data Protection Regulation (GDPR), Health Insurance Portability and Accountability Act (HIPAA), and other relevant standards. These policies govern the collection, storage, processing, and sharing of personal data, ensuring that all information is handled with the utmost care and confidentiality.

- **Incident Response and Recovery**

Aragen has established a comprehensive incident response plan to address any cybersecurity incidents swiftly and effectively. This plan includes predefined protocols for identifying, containing, and mitigating security breaches, and procedures for recovering affected systems and data.

- **Secure Data Management Practices**

We implement secure data management practices across all stages of the data lifecycle. This includes strict access controls, regular data backups, and secure data disposal methods. All sites of Aragen are ISO 27001:2022 certified for information security, cybersecurity, and privacy protection.



Our Commitment to **Environmental Sustainability and Health**



From the desk of **EHS & Sustainability Head**

“At Aragen, we deeply understand the crucial importance of Environmental, Social, and Governance (ESG) principles in creating a positive and enduring impact on our planet and society. We are dedicated to implementing sustainable practices throughout our operations and value chain, striving to minimize our environmental footprint, promote a diverse and inclusive workplace, and uphold the highest standards of corporate governance. Our sustainability journey is a collective effort, and we are committed to engaging with our stakeholders to ensure transparency, accountability, and continuous improvement. Together, we aim to build a more resilient, equitable, and sustainable future for our communities and future generations.”

Shivaji Dashrath Jadhav

VP & Head, EHS & Sustainability

Environmental Stewardship and Responsibility

Guided by our core principles of innovation, responsibility, collaboration, and impact, we are dedicated to driving sustainability within our company and throughout our value chain. Our mission is to continuously enhance our sustainability efforts, ensuring steady and meaningful progress

Climate Change and Public Health

In general, decreasing air quality, extreme weather events, and increasing stress on natural resources are clear indicators of climate change's impact on our quality of life. As an integral part of the global healthcare industry, Aragen acknowledges its responsibility to mitigate health risks. We are committed to delivering timely products for patients, customers, and consumers while simultaneously enhancing our operational efficiency, optimizing resource consumption, and reducing our emissions and environmental footprint.

Commitment to National and Global Goals

In alignment with the Government of India's commitment under the Paris Agreement, targeting net-zero GHG emissions by 2070 and a 50% energy intensity reduction by 2030, Aragen is actively contributing to these national targets. In February 2022, we took a significant step by signing our Science Based Target Initiative (SBTi) commitment letter and aiming to validate our targets in FY25 and bolster our climate change mitigation efforts.

Environmental Spotlights FY 24

100% Renewable Energy at US Facility

Starting from February 2024, Aragen's US facility is powered entirely by renewable energy, marking a significant milestone in our journey towards sustainability.

Water Conservation

We have repurposed 21,900 KL annually of treated STP water for gardening, effectively reducing the equivalent consumption of fresh water and demonstrating our commitment to resource conservation.

GHG Emissions Reduction

Aragen has achieved a remarkable reduction of 3602MTCO₂e in Scope 1 GHG emissions, reflecting our proactive measures to minimize our environmental footprint.

Renewable Energy Usage

27% of our energy consumption now comes from renewable sources, underscoring our commitment to transitioning towards cleaner energy.

Sustainable Aviation Fuel

From January 30th, 2024, we have adopted sustainable aviation fuel for outbound shipments, significantly reducing our Scope 3 GHG emissions and advancing our sustainability goals. In the same month, DHL Express India and Aragen Life Sciences signed the Go Green Plus partnership to reduce carbon emissions.

All our locations are ISO 14001 certified under environment, ISO 45001 certified under safety and ISO 50001 certified under energy energy management.



Addressing Climate Change and Environmental Challenges

Climate Action and Climate Risk Assessments

At Aragen, our commitment to mitigating climate change and addressing environmental challenges is deeply embedded in our operations. Our manufacturing facilities' GHG emissions primarily stem from the use of fossil fuels and grid electricity. Direct emissions arise from diesel generators, boilers using coal, furnace oil, and HSD, while indirect emissions come from purchased grid electricity and steam. Since our first ESG Report, we have been systematically tracking our GHG emissions, categorizing them under direct (Scope 1) and indirect (Scope 2) emissions. We take IPCC guidelines into consideration for GHG inventories and use emission factors data from the Indian Central Electricity Authority, DEFRA, GHG Protocol and the United States Environmental Protection Agency US EPA.

We continuously assess the impact of climate change on our business, particularly concerning potential supply disruptions. To ensure uninterrupted access to life-saving medicines, we conduct comprehensive climate risk assessments and implement adaptation projects.

Science-Based Targets

Aragen has committed to setting near-term Science-Based Targets, aligning with the Science-Based Targets initiative (SBTi). Collaborating with SBTi provides us access to expert resources that facilitate meaningful reductions in our climate impact and offer an external assessment of our progress.

Key Milestones:

- **Commitment to SBTi:** Our GHG emission reduction targets will be validated by SBTi by Aug 2024.
- **Supply Chain Greenness:** We aim to achieve 25% greenness in our supply chain by FY24.

Achievements – FY 24:

- **GHG Emissions Reduction:** We have achieved a reduction of 3602 MTCO₂e in Scope 1 GHG emissions.
- **Renewable Energy Usage:** 27 % of our energy consumption now comes from renewable sources.

Future Targets:

- **SBTi near term Targets:** Boiler fuel change from furnace oil to PNG at manufacturing unit II, Improve renewable energy share in entire product mix from 25% to 35%, Conduct energy audit and take actions as per recommendations, Procurement of IE-3 motors (efficiency -93.6%) /IE-4 motor (efficiency-96%), Replacement of existing refrigerants (R-404a, R-22) with low Global Warming Potential (GWP) refrigerants (R-32/R-290) by 2030, Sustainable aviation fuel (SAF) for inbound shipments, Changes in business travel policy, Supplier engagement and training programme.
- **Net Zero Emissions:** Our long-term goal is to reach net-zero emissions by 2050.

Sustainability Achievements

Aragen has made significant strides in sustainability, earning several recognitions, and achieving noteworthy milestones. In CY23, Aragen received the Silver Rating in the EcoVadis Global Sustainability Assessment, placing us in the top 5% of companies in the scientific research and development industry with a score of 68 out of 100. Additionally, Aragen disclosed its performance in the CDP 2023 assessment, scoring B for supplier engagement, B- for climate change and C for water security, reflecting our commitment to addressing environmental challenges.

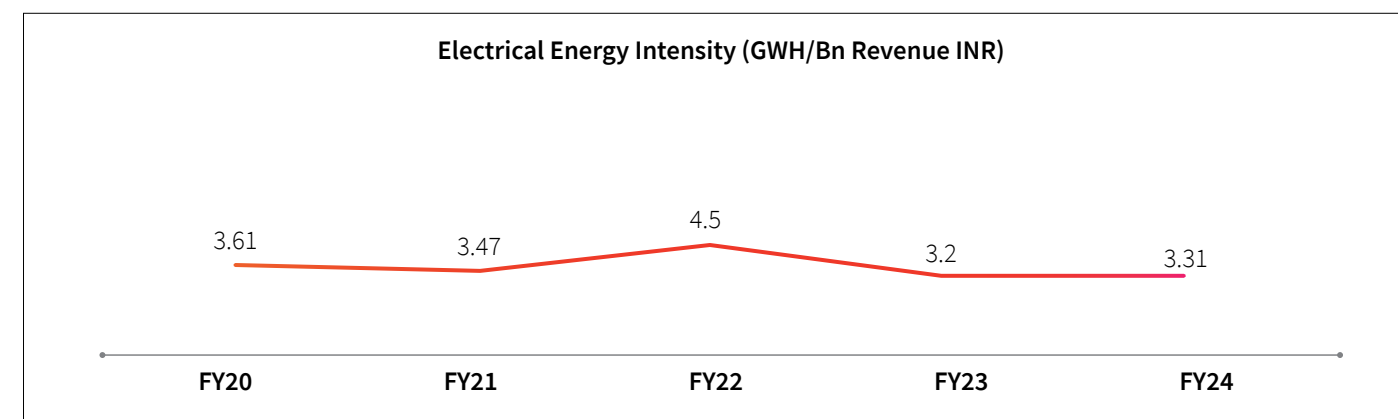
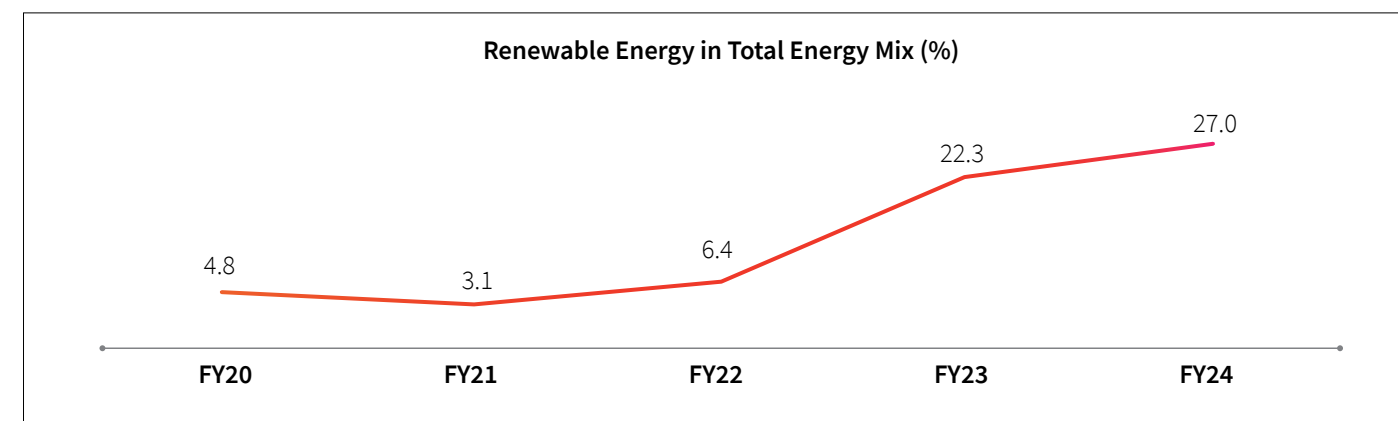
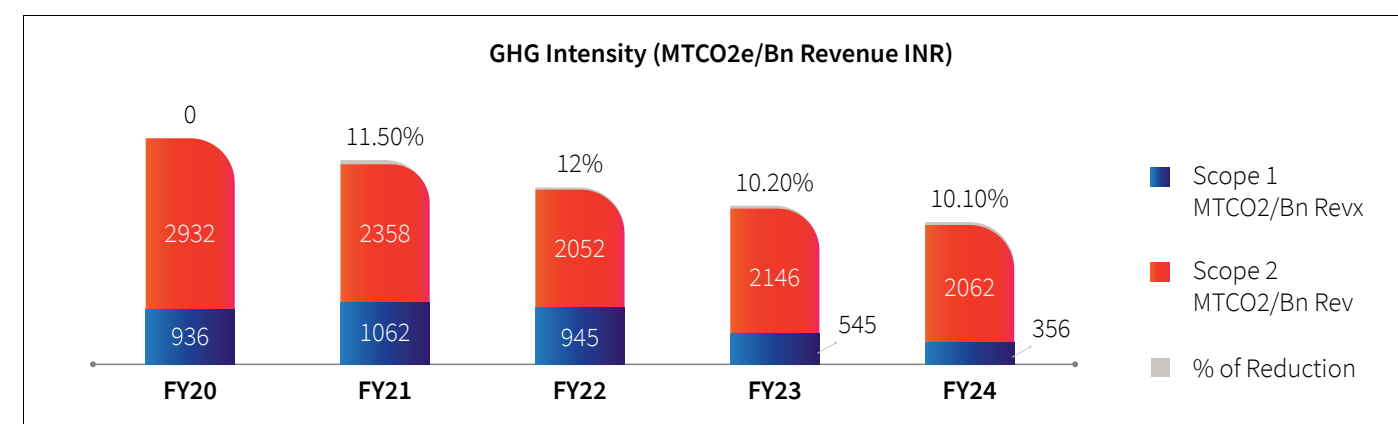


Climate Scenario Analysis and Adaptation

Using the RCP 4.5 scenario, we conducted a thorough exploration of climate variables such as temperature trends, precipitation patterns, sea-level rise, and extreme weather events. This comprehensive analysis enabled us to make informed decisions and develop adaptive strategies.

- **Financial Risks and Mitigation:** We recognized financial risks, including increased insurance costs and asset depreciation, which prompted us to invest in climate-resilient infrastructure and adopt renewable energy sources.

- **Regulatory Influence:** Our insights into regulatory changes have driven us to engage proactively with policymakers, advocating for favorable climate policies that support our sustainability goals.
- **Opportunities in a Low-Carbon Economy:** We embrace the transitioning to a low-carbon economy which presents significant opportunities for innovation and cost-efficiency.



Energy Efficiency and Emission Reduction

Aragen is dedicated to improving energy efficiency and reducing emissions as part of our broader ESG strategy.

Energy Efficiency Initiatives

Aragen actively pursues energy efficiency measures to reduce its carbon footprint. Key initiatives include:

- **Investment in Energy-Efficient Equipment:** We continually optimize energy consumption across our facilities by investing in high-efficiency equipment, such as BEE 5-star rated appliances.
- **Employee Awareness Programs:** We promote energy conservation through engaging and educating our employees.
- **Transition to LED Lighting:** Adopting LED lighting has significantly reduced our energy consumption.
- **Renewable Energy Adoption:** Currently, 27% of our energy is sourced from renewable resources. Our US facility, as of February 2024, runs entirely on renewable energy.
- **Boiler Fuel Conversion:** We have replaced coal with bio-briquettes and diesel with PNG, showcasing our commitment to cleaner energy.

Emission Reduction Strategies

Aragen is committed to minimizing greenhouse gas emissions through several key strategies:

- **Adoption of Renewable Energy Sources:** Implementing solar street lighting to generate clean electricity.
- **Carbon Accounting:** Tracking emissions across operations to identify and act on reduction opportunities.
- **Supplier Collaboration:** Working closely with suppliers to reduce emissions throughout the supply chain.
- **GHG Emissions Reduction:** We achieved a reduction of 3,602 MTCO₂ in Scope 1 GHG emissions through various initiatives.
- **Science-Based Targets:** Committed to near-term Science-Based Targets (SBTi) for a structured and scientifically backed approach to emission reduction
- **Supply Chain Greenness:** Aiming for 25% greenness in our supply chain by FY24, integrating sustainability into every aspect of our operations.



Ongoing Efforts and Future Plans

At Aragen, continuous monitoring and reporting of energy usage and emissions ensure transparency and drive continuous improvement in our sustainability efforts. We are committed to exploring innovative technologies and practices to further enhance energy efficiency and reduce emissions. Additionally, we actively encourage and educate our employees on energy conservation and sustainable practices, fostering a culture of environmental responsibility throughout the organization.

Aragen measures its energy intensity ratio using energy consumed per monetary unit of revenue. The denominator chosen for this calculation is the monetary unit - revenue,

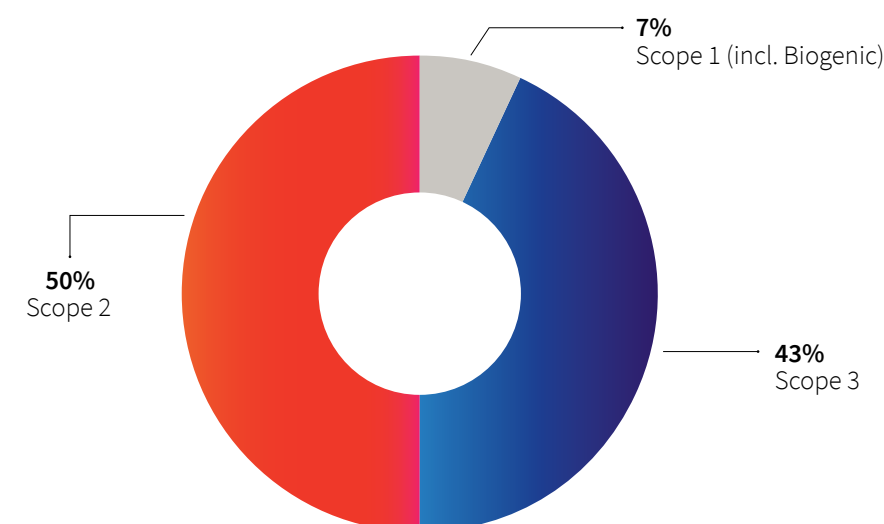
ensuring a clear financial perspective on energy efficiency. The types of energy included in this ratio are fuel and electricity. This calculation encompasses energy consumption within the organization, as detailed in the boundary scope of the ESG Report for FY 24.

Aragen prioritizes environmental stewardship and maintaining exceptional air quality at our manufacturing facilities. We are committed to continuous improvement, actively investing in process technology upgrades and optimizations to minimize air emissions and ensure they consistently adhere to the most stringent permissible levels.

Summary of Fuel consumption within the Organization

S. No.	Name of the fuel used	Units	FY-22	FY-23	FY-24
Non-Renewable fuels					
1	Coal	GJ	72,119	22,171	4,979
2	Diesel	GJ	8,513	11,094	7,249
3	Gasoline (petrol)	GJ	0	0	77
4	Fuel Oil	GJ	22,030	15,454	12,775
5	Natural Gas	GJ	3,768	5,087	1,490
Renewable fuels					
1	Biomass	GJ	0	39,888	45,195

GHG INVENTORY - FY 24



Summary of Energy within the Organization

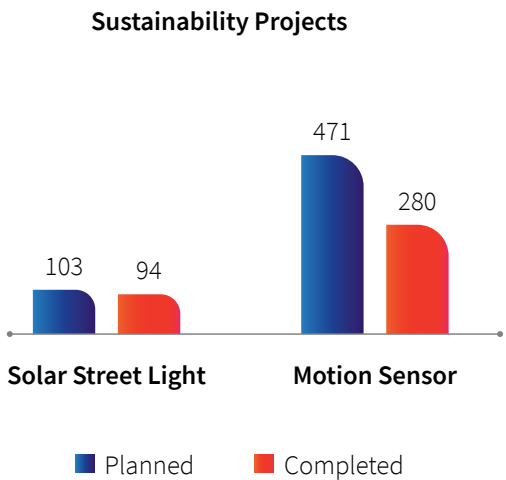
S. No.	Type of Energy consumption	Units	FY-22	FY-23	FY-24
Purchased Grid power					
1	Grid power	GJ	128,624.9	168,433	175,520
Purchased Green power					
1	Solar power	GJ	31,490.2	24,471.8	24,346

Table 2: Summary on Energy consumption within the organization

S. No.	Type of Energy consumption	Units	FY24
1	Electricity	GJ	205,256
2	Steam	GJ	63,418
3	Heating	GJ	2502
4	Cooling	GJ	0
5	Total Renewable energy consumption	GJ	69,541
6	Total Non- Renewable energy consumption	GJ	201,637
7	Total Energy consumption	GJ	271,179



Sustainability Projects: Planned Vs Completed



MFG UI has installed solar streetlights in all locations.

GHG emission:
167.69 MtCO₂e/Annum
 Energy reduction:
205,751 kWh/Annum

Environmental initiatives



Effluent pre-treatment facility @MLR



Effluent pre-treatment facility @NRM



EV vehicle for inter-unit transportation

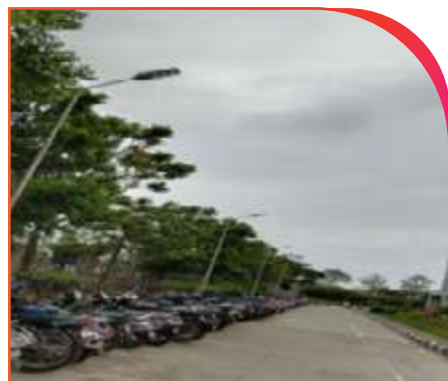


PNG station @ BLR



Solar street light @ U2

Sustainability Projects



Installation of Solar Streetlights



Installation of Motion Sensors

Installation of Waterless Urinals



Sustainable Facility Design

At Aragen, we integrate sustainability principles into every aspect of our facility planning, construction, and operation, ensuring that our facilities are not only efficient but also environmentally responsible. Some of the key initiatives include:

- **Green Building Certification:** We have achieved Indian Green Building Council (IGBC) certification for our MLR 4 & 5 buildings, and our new R&D facility in Vizag has earned the IGBC Green Interiors rating.
- **Motion Sensors Installation:** To enhance energy efficiency, we have installed motion sensors in restrooms, corridors, conference rooms, and stability chambers at all sites.

Sustainability and Green Procurement Initiatives

- **Procurement of Bureau of Energy Efficiency BEE 5 Star Rated Appliances**
Aragen is committed to energy efficiency and sustainability, exemplified by our procurement of BEE 5 star rated appliances. These high-efficiency appliances significantly reduce energy consumption, supporting our goal of minimizing our environmental footprint while enhancing operational efficiency.
- **IE 3 Rated Motors**
Our dedication to sustainable operations is further highlighted by our use of IE 3 rated motors. These premium efficiency motors not only lower energy usage but also reduce greenhouse gas emissions, aligning with our commitment to creating a cleaner, greener future.
- **Procurement of Low VOC Paints**
To improve indoor air quality and promote healthier work environments, Aragen procures low VOC (volatile organic compounds) paints. These eco-friendly paints release fewer pollutants, ensuring safer and more sustainable spaces for our employees and stakeholders.
- **Procurement of Forest Stewardship Certified Products**
Aragen prioritizes responsible sourcing by procuring products certified by the Forest Stewardship Council (FSC). These products come from sustainably managed forests, supporting biodiversity and forest conservation while meeting our high standards for environmental stewardship.
- **Procurement of Recycled Bricks for New Construction**
In our construction projects, Aragen opts for recycled bricks, underscoring our commitment to resource conservation and sustainable building practices. Using recycled materials not only reduces waste but also lowers the environmental impact of our construction activities.
- **Procurement of Green Housekeeping Chemicals**
Aragen ensures a safe and sustainable work environment by procuring green housekeeping chemicals. These environmentally friendly cleaning agents are free from harmful chemicals, promoting health and safety while reducing our ecological footprint.

Sustainability and Green Procurement Initiatives



USGBC/IGBC Rating for All New Buildings

At Aragen, we ensure that all new buildings meet the highest standards of sustainability by obtaining USGBC (U.S. Green Building Council) or IGBC (Indian Green Building Council) ratings. These certifications reflect our commitment to creating energy-efficient, environmentally responsible, and healthy spaces for our employees and stakeholders.



Light Fixtures are LED Type

Aragen is committed to energy efficiency, which is why we have transitioned to LED light fixtures throughout our buildings. LED lighting not only consumes less energy but also has a longer lifespan, reducing maintenance costs and furthering our goal of minimizing our environmental impact. Additionally, we have installed motion sensors in conference halls and corridors to further enhance our energy-saving efforts.

Replacement of Streetlights with Solar Lights

In our quest to reduce carbon emissions and promote renewable energy, Aragen is replacing conventional streetlights with solar-powered lights. This initiative not only lowers our energy consumption but also harnesses the power of the sun to provide sustainable and cost-effective lighting solutions.



Installation of Zero Ozone Depleting Potential Fire Suppression System

We prioritize environmental protection and safety by installing fire suppression systems with zero ozone-depleting potential.



Installation of Waterless Urinals

To conserve water and enhance our sustainability efforts, Aragen is installing waterless urinals across our facilities. These innovative fixtures significantly reduce water usage, demonstrating our dedication to resource conservation and efficient water management.



AHU Chillers with Eco-Friendly Refrigerant Gas

Aragen uses AHU chillers with eco-friendly refrigerant gases to minimize our impact on the environment. These chillers are designed to be energy-efficient and reduce greenhouse gas emissions.

Green Building Standards

We adhere to green building standards, such as IGBC (Indian Green Building Certification), in the construction and renovation of our facilities. These standards guide us in creating buildings that are resource-efficient, environmentally friendly, and conducive to the health and well-being of our employees. Our manufacturing and research facilities are accredited with ISO 14001:2015, ISO 45001:2018, and ISO 50001:2018 certifications, demonstrating our commitment to sustainable practices.

Global Recognitions & Associations

- Sustainability Awards:** Silver medal in Ecovadis Global Sustainability Assessment for 2023 and 2022, Greenco silver rating from CII for MFG Unit-1, MFG Unit-2, and Nacharam labs, listed as “ESG Warriors of India” in the ESG Champions of India report released by Dun & Bradstreet, June 2023.
- EHS&S Awards:** Manufacturing Unit II in Vizag has won the International Safety Award from the British Safety Council for the fourth consecutive time; MFG Unit-II and Mallapur facility received Gold Award, and Manufacturing Unit-I and Bengaluru labs received Silver Award at the CII Southern EHS Excellence Awards-2022. Awarded Green Leaf Platinum Award by Apex India Foundation.
- Certifications:** ISO 45001, ISO 14001, and ISO 50001 certified.



Water Conservation and Stewardship

Water Management overview at Argen



Water Withdrawal

Argen ensures a sustainable and reliable water supply through third-party municipal suppliers at all locations, except our Pune facility, which relies on groundwater. This strategic approach supports our commitment to efficient and responsible water use.



Water Consumption

Water is a crucial component in many pharmaceutical processes at Argen. We use it extensively for cleaning, steam generation, cooling towers, domestic cleaning, and drinking purposes. This underscores the necessity for effective water management practices to support our operational needs while minimizing our environmental impact.



Water Discharge

Argen employs several methods for the responsible discharge of used water across its facilities including Zero Liquid Discharge ZLD.

Water Achievements

Argen has made significant strides in water conservation and management:

- Achieved a B for supplier engagement, B- for climate change and C for water security from the Carbon Disclosure Project (CDP).
- Committed to becoming Water Neutral by 2035.
- Enhanced the ZLD Reverse Osmosis RO plant capacity from 100 KLD to 150 Kiloliters per Day (KLD) (efficiency 70%).
- Reuse of RO permeate for scrubber make-up and toilet flushing.
- Replaced water jet ejectors with dry vacuum pumps.
- Conserved 66,485 KL of fresh water through effective recycling and reuse techniques.
- Replaced existing steam water jet and water ring vacuum pumps with dry screw vacuum pumps (Unit-I & II).
- Implemented the use of treated water in place of purified water in intermediate areas (Unit-II).



Water-Related Impacts

- Understanding and Mitigating Water Risks**
Aragen recognizes the critical importance of water as a resource and has conducted a comprehensive water-related risk assessment. This assessment identified several risks, including water stress, extreme weather events, and potential floods. These insights have enabled us to develop and implement robust water management strategies to mitigate these risks and ensure the sustainability of our water resources.
 - Proactive Water Stewardship**
Aragen’s commitment to sustainability involves a thorough understanding and proactive management of water-related risks across operations. Our water risk assessment identifies potential regulatory, reputational, and environmental risks at each key location, allowing us to implement targeted strategies to mitigate these risks and ensure sustainable water resource use.
- Localized Strategies and Community Engagement**
In high-risk areas such as Pune, Visakhapatnam, Hyderabad, and Bengaluru, Aragen focuses on stringent compliance, robust community engagement, and advanced water management systems, including ZLD. In Visakhapatnam, we enhance water treatment processes and collaborate with local authorities, while in California, we maintain compliance and optimize water usage despite low overall risks.
 - Comprehensive Impact Assessments**
Aragen conducts thorough water-related impact assessments using advanced tools like the Aqueduct Water Risk Atlas. These assessments cover present conditions and projections for the next 10 and 30 years, identifying significant water risks and opportunities for improvement. Through these efforts, Aragen is committed to proactive water stewardship and sustainability, reinforcing our dedication to the well-being of the planet and the communities we serve.

Summary on water management

S. No.	Description	Facility 1 (MFU-01 & NRM)	Facility 2 (MFU-02)	Facility 3 (MLR)	Facility 4 (BLR)	Facility 5 (Pune)	Facility 6 (US)
Fresh water							
1	Total volume of water withdrawn (in Kilolitre) from third-party sources	82,474	36,260	38,920	27,168	450	3,440
Recycled water							
2	Total volume of water recycled (in Kilolitre) within the processes and operations	42,253	4,726	6,536	14,862	0	0

Effluent Discharge

- Zero Liquid Discharge (ZLD) Facilities**
Two of our sites, Manufacturing Unit I in Nacharam and Bommasandra Unit in Bangalore, are equipped with state-of-the-art Zero Liquid Discharge (ZLD) facilities. These facilities ensure that no effluent is released into the environment, aligning with our goal of sustainable operations. By recycling and reusing treated water, such as RO permeate, for boiler feed and cooling tower makeup, we maximize resource efficiency and reduce our environmental footprint.
 - Adherence to Local and Central Regulations**
For sites without ZLD facilities, Aragen strictly adheres to the effluent discharge norms specified in the consent documents issued by local Pollution Control Boards
- (PCBs). Our practices are in full alignment with the guidelines set forth by the Central Pollution Control Board (CPCB). Effluent discharge from these sites is directed to Common Effluent Treatment Plants (CETPs) after thorough pre-treatment, ensuring compliance with regulatory standards and protecting local water bodies.

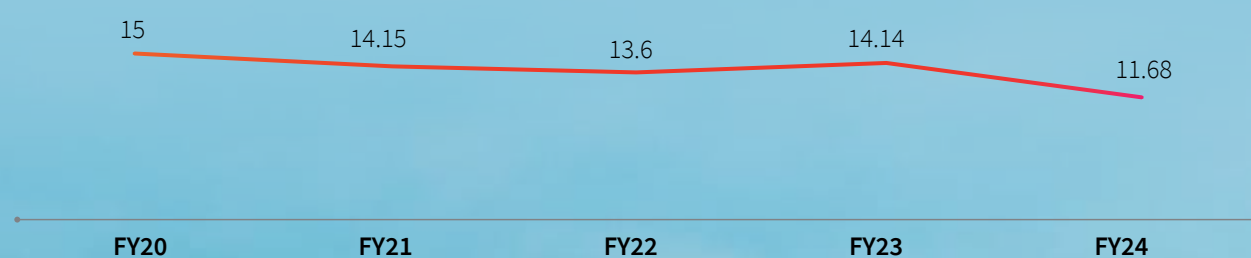
 - Internal Quality Standards**
Aragen has developed rigorous internal quality standards for ZLD operation sites. These standards focus on maintaining high-quality treated water, which is recycled within our operations. For non-ZLD sites, our pre-treatment processes ensure that all discharged effluent meets or exceeds the local PCB consent norms, reflecting our commitment to superior environmental stewardship.

S.No	Water withdrawal source	Quantity of total water withdrawn (in Kilolitre)	Quantity of water withdrawn (in Kilolitre) in the water stress areas
1	Groundwater	6,695	6,695
2	Third-party water	188,712	152,452
	Total	195,407	159,147

S.No	Water discharge destination	Quantity of total water discharged (in Kilolitre)	Quantity of water discharged (in Kilolitre) in the water stress areas
1	Groundwater	5,716	5,716
2	Third-party water	41,098	33,724

S. No	Facilities	Quantity of total water consumed (in Kilolitre) (withdrawal - discharge)	Quantity of water consumed (in Kilolitre) in areas with water stress (withdrawal - discharge)
1	Facility 1 (MFU-01 & NRM Labs)	69,574	69,574
2	Facility 2 (MFU-02)	28,886	-
3	Facility 3 (Mallapur Labs)	21,020	21,020
4	Facility 4 (BLR Labs)	27,168	27,168
5	Facility 5 (Pune Labs)	1,429	1,429
6	Facility N (US Labs)	516	516

Water Intensity (Thousand m3/Bn Revenue INR)



Waste Reduction and Recycling Initiatives

Aragen is deeply committed to minimizing waste generation and promoting sustainable practices throughout our operations. This commitment is rooted in our comprehensive Environmental Health and Safety (EHS) policy, which serves as the basis of our waste management initiatives. Our proactive efforts include regular employee awareness training sessions, the promotion of alternatives to single-use plastics, and stringent waste segregation protocols at the source. By adhering to green chemistry principles, we actively encourage the recovery and reuse of materials, such as sending solvents for recovery, to foster a circular economy.

Aragen's operations have been meticulously evaluated, and it has been determined that our activities have no significant actual or potential waste-related impacts. Our input materials,

processes, and outputs are managed in a manner that minimizes waste generation effectively. Additionally, the waste-related impacts are neither influenced by upstream nor downstream activities within our value chain. Consequently, Aragen maintains a sustainable and waste-free operational framework.

We rigorously screen our waste management vendors through strict EHS requirements and on-site audits. Our waste management practices extend beyond our operations to encompass third-party waste handlers. We employ a self-assessment questionnaire, supplier risk assessments, and on-site audits to ensure these partners comply with all contractual and legislative obligations. This holistic approach ensures that our waste management standards are maintained throughout our entire supply chain.

Effective Waste Data Management

For effective waste data management, Aragen has developed Standard Operating Procedures (SOPs) for hazardous and non-hazardous waste collection, as well as the handling of High Total Dissolved Solids (HTDS) and Low Total Dissolved Solids (LTDS). Regular awareness training sessions are conducted for employees, and designated locations for waste storage and treatment are maintained. Waste-related data is meticulously collected and monitored through monthly EHS review meetings, corporate safety review meetings, and board review meetings. This data is analyzed using specific metrics and Key Performance Indicators (KPIs) to track performance and identify areas for continuous improvement, ensuring our commitment to sustainability and environmental stewardship.

Incident Response and Continuous Improvement

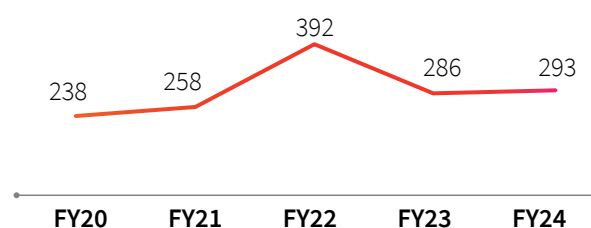
During the reporting period, Aragen experienced a significant spill incident involving the release of 200 liters of effluent waste at our MFU-01 location. This incident was promptly addressed following our established spill response protocols to mitigate environmental impact and ensure regulatory compliance. Continuous monitoring and preventive measures have been reinforced to prevent future occurrences, upholding our commitment to environmental stewardship and sustainability.

Initiatives and Achievements in Waste Management

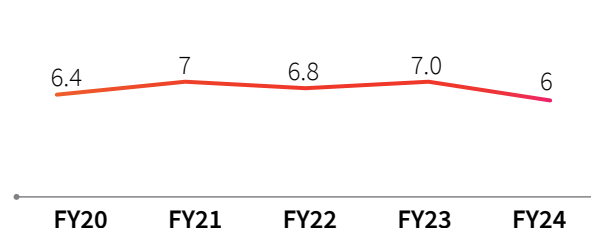
Aragen's waste management initiatives have led to significant achievements, underscoring our dedication to sustainability:

- Achieved zero landfill status for hazardous waste in September 2023 for all units, demonstrating our commitment to responsible waste disposal.
- Successfully recycled 5099 metric tons of hazardous waste through effective implementation of recycling techniques, highlighting our proactive approach to waste reduction and resource conservation.

Hazardous Waste Intensity (MT/Bn Revenue INR)



Wastewater generation (Thousand m3/Bn revenue)



Green Credentials FY24

S.No.	Details	UOM	FY-24		FY-23		FY-22	
			FY 24 Target	FY24 Actual	FY 23 Target	FY23 Actual	FY 22 Target	FY 22 Actual
1	Specific water consumption	KL/MnR	13.5	11.66	13.85	15.00	15.30	15.39
2	Specific wastewater generation	KL/MnR	6.41	6.0	7.62	7.12	8.01	8.02
3	Specific hazardous waste generation	MT/MnR	0.30	0.26	0.44	0.32	0.43	0.46
4	Specific hazardous waste recycled	MT/MnR	0.32	0.25	0.45	0.31	0.44	0.43
5	Specific energy consumption (Electrical)	KWH/MnR	3081	3362	4285	3244	4631	4510
6	Specific energy – renewable	KWH/MnR	463	426	768	441	544	731
7	Specific GHG emissions (Scope 1&2)	MTCO2/MnR	2.63	2.79	3.72	2.83	4.10	4
8	% Renewable energy (electrical)	%	13.61	12.6	16.22	13.61	13.3	16.2
9	Contribution of renewable energy in total energy mix in GJ	%	28	27	19.8	22.3	6.4	9.9

S. No.	Waste Stream Description	Quantity of Waste diverted from disposal due to Recycle (MT) A	Quantity of Waste diverted from disposal due to reuse (MT) B	Quantity of Waste diverted from disposal due to other recovery operations (MT) C	Total quantity of Waste diverted from disposal (MT) A+B+C
1	Hazardous waste	1073	0	2997	4070
2	Non-Hazardous waste	939	90.1267	0	1029

S. No.	Waste Stream Description	Quantity of Waste disposed through incineration (with energy recovery) (MT) A	Quantity of Waste disposed through incineration (without energy recovery) (MT) B	Quantity of Waste disposed through Landfilling (MT) C	Quantity of Waste disposed through other disposal operations (MT) D	Total quantity of Waste diverted from disposal (MT) A+B+C+D
1	Hazardous waste	66.902		15.7		67.602
2	Non-Hazardous waste	0.00836		0		0.00836

Partnering with Responsible Suppliers

At Aragen, our commitment to sustainability extends beyond our operations to our entire supply chain. By partnering with responsible suppliers, we ensure that our environmental standards are upheld across all facets of our business.

Supplier Assessment for Environmental Impacts

To support our continuous improvement initiatives, we have established measurable and time-bound targets for our green supply chain. One of our key objectives was to have 100% of new suppliers sign our Supplier Code of Conduct by FY2023, which we have successfully achieved. We have made significant progress toward this goal. In FY22, we evaluated 232 suppliers for their environmental impacts, 303 suppliers in FY23, and 183 suppliers in FY24. We are proud to report that 100% of our suppliers have been assessed, and no negative environmental impacts have been identified in our supply chain. Furthermore, there have been no reported incidents of violations involving potential negative environmental impacts during the reporting period.

performance of our suppliers. This comprehensive assessment ensures that all new and existing suppliers adhere to our stringent environmental criteria. Our vendor onboarding process includes a detailed questionnaire and adherence to our Supply Partner Code of Conduct, ensuring that every supplier aligns with our environmental standards. Additionally, all Purchase Order (PO) terms and conditions incorporate these stringent environmental criteria, reinforcing our commitment to sustainability throughout our supply chain.

Commitment to Sustainability

Aragen's unwavering dedication to sustainability is reflected in our meticulous approach to supplier management. By ensuring that all suppliers adhere to our high environmental standards, we not only protect our planet but also promote responsible business practices throughout our industry.

Green Supply Chain Management (GSCM) Scorecard

Our Green Supply Chain Management (GSCM) Scorecard is a key tool in evaluating and enhancing the environmental



EnVision -GSCM Internal Score Card

Green Supply Chain Score Card

GSCM Area	Criticality Score	Activity	FY23	Annual Target	Weightage	FY24	
						Actual	Actual iticality Score
Supplier Management & Collaboration 	30%	Diverse Suppliers on Spend (MSME /Women Enterprises/ Minority Owned)-Spend Basis	48%	53%	40%	45%	85%
		Sustainable Vendors -Spend Basis (Top 80 % Spend)	42%	46%	30%	41%	89%
		GSCM Assessment of Transacted suppliers (> 3.5 score) on FY23 Spend Base	14	45	30%	40	89%
		% Achieved Basis Criticality score				87%	26%
Operations 	35%	Paper quantity consumed Per Issue Value(Nos /Lac INR)	2.07	1.863	30%	2.82	49%
		Packaging Plastic accumulation in stores(kg)	456	410	40%	402	102%
		Reuse of Chemicals Value in Lac	918	1000	30%	804	80%
		% Achieved Basis Criticality score				79%	28%
Logistics 	25%	Domestic Ordering - Line-item basis	81%	81%	40%	80%	99%
		<250 Km Range Ordering -Spend Basis	43%	45%	30%	41%	91%
		Total IUT shipments per Month	3	4	10%	4	100%
		% EV/CNG Vehicles Shipments of Total Domestic Shipments -New Initiation	2%	2.5%	10%	5%	200%
		Return Shipments	0.00%	0%	10%	0%	100%
		% Achieved Basis Criticality score				107%	27%
Learning & Development 	10%	Supplier Trainings on GSCM -% of Transacted Suppliers	24%	50%	50%	50%	100%
		Buyer Trainings on GSCM-% of Buyers Trained	100%	100%	50%	100%	100%
		% Achieved Basis Criticality score				100%	10%
Total	100%		84%	88%			91%

Employee Engagement in Sustainability Efforts

At Aragen, our commitment to sustainability extends beyond our operations to our entire supply chain. By partnering with responsible suppliers, we ensure that our environmental standards are upheld across all facets of our business.



Training photographs



Town hall meeting with top management



Participation pics from HYD, BLR, Vizag



ABC - Participation pictures

Biodiversity in action

At Aragen, we recognize the importance of maintaining ecological balance in and around our manufacturing facilities. Our Biodiversity Policy aligns with the Convention on Biological Diversity (CBD, 1992) and focuses on assessing biodiversity risks from existing and planned activities. We develop biodiversity roadmaps and implement mitigation measures to minimize impacts. Additionally, we operate with care in critical habitats and ecologically sensitive areas. Our commitment extends to conducting awareness and training sessions for employees and suppliers to enhance biodiversity protection.

Harmonizing Industry and Nature: Aragen's Commitment to Biodiversity Conservation

1

Site-1: MFG UI is located at Nacharam, Telangana, India, our MFG UI site stands just 7 kilometers from the serene Kasu Brahmananda Reddy National Park. Spanning 16 acres, this site is a hub of innovation where manufacturing and research converge. Despite its proximity to the park, classified under International Union for Conservation of Nature IUCN Management Category II, the biodiversity impact is minimal. This is due to our meticulous adherence to environmental standards, ensuring that our operations harmonize with the surrounding ecosystems.

Habitats: Spanning 1.8 acres, we have successfully restored the land with 541 trees, transforming the area into a thriving green space that contributes to local biodiversity.

2

Site-2: MFG UII In the coastal city of Vizag, Andhra Pradesh, our MFG UII site thrives, occupying 10.3 acres and situated 7.5 kilometers from the Kambalakonda Wildlife Sanctuary. Here, our manufacturing endeavors co-exist with the sanctuary, which safeguards terrestrial and inland water ecosystems. Recognized under IUCN Management Category IV, this sanctuary, though small, is vital for biodiversity. We ensure our activities have a low/insignificant impact i.e., industrial wastewater is safely disposed of at CETP Pharmacy, and hazardous waste is managed by authorized agencies., demonstrating that industrial progress can align with environmental stewardship.

Habitats: At MFG UII, 3.5 acres of land have been revitalized with 1,818 trees. This restoration effort enhances the local ecosystem, creating a green haven that supports diverse flora and fauna.

3

Site-3: Mallapur Labs Located in Mallapur, Telangana, India, our Mallapur Labs site, covering 16.6 acres, is a research and development facility. It lies 7 kilometers north of the Mahavir Harina Vanasthali National Park, a protected area known for its terrestrial biodiversity and IUCN Category II status. With the measures such as industrial wastewater is directed to CETP MANA, and hazardous waste is responsibly managed, our commitment to maintaining low biodiversity impact is evident as we balance cutting-edge research with environmental preservation.

Habitats: Mallapur Labs exemplifies our dedication to habitat restoration, with 3.9 acres restored and 2,352 trees planted.

4

Site-4: Bangalore Labs Located in Bengaluru, Karnataka, our Bangalore Labs site occupies 8 acres and is dedicated to research and development. Positioned 20 kilometers from Bannerghatta National Park, this site demonstrates our commitment to safeguarding biodiversity. The park, a haven for terrestrial ecosystems under IUCN Category II, remains undisturbed by our operations.

5

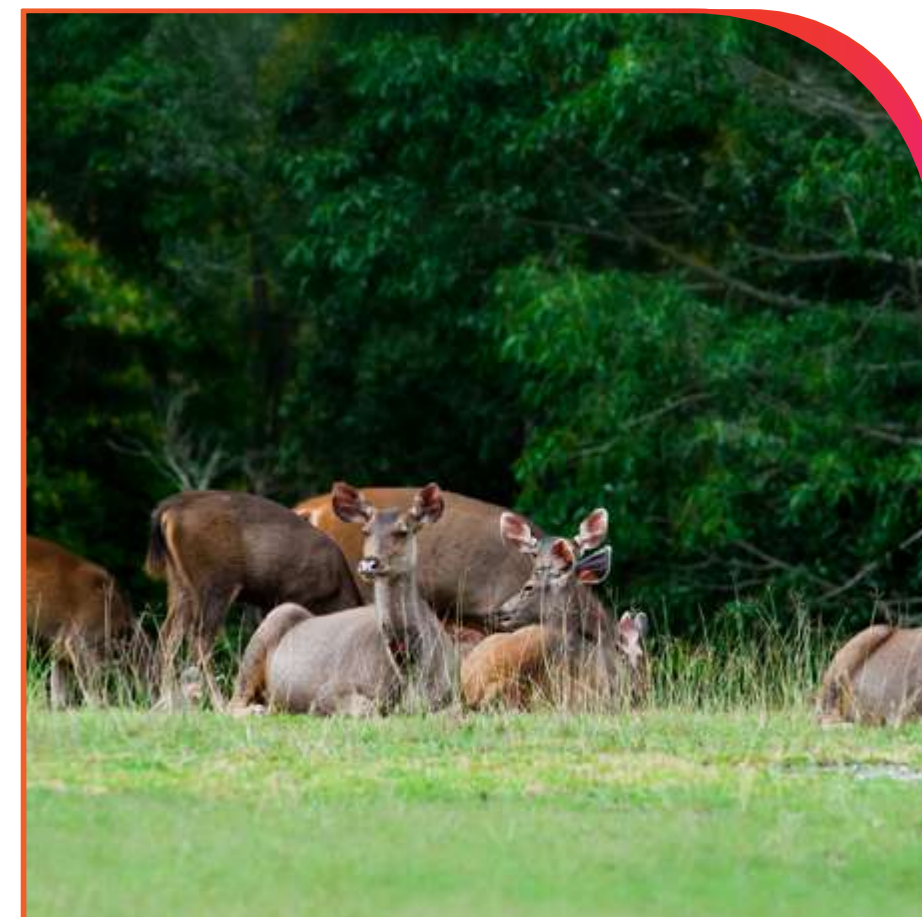
Site-5: Our subsidiary at Pune, Maharashtra, INTOX private limited: Our Intox subsidiary in Pune, Maharashtra, spreads over 5 acres and specializes in GLP safety assessments. Over 20 kilometers from the Koyna Wildlife Sanctuary, this site underscores our minimal environmental footprint. The sanctuary, categorized under IUCN Management Category IV, protects critical terrestrial and inland water ecosystems, reflecting our ethos of low-impact industrial activities.

6

Site-6: California, US (wholly owned subsidiary at): In the scenic locale of Morgan Hill, California, USA, our California subsidiary spans 3.5 acres and focuses on research and development. Just 5 kilometers from the Coyote Ridge Open Space, classified under IUCN Management Category V, this site highlights our global commitment to environmental responsibility. The cultural landscapes and biodiversity of the region remain intact, emphasizing our sustainable approach.

IUCN Red List Species and National Conservation List Species

We exhibit unwavering commitment to preserving the natural habitats and biodiversity around our operational areas. None of our sites and operations interfere with species listed on the IUCN Red List or national conservation lists. Our planning and sustainable practices ensure that these critical species and their ecosystems remain untouched and thrive without disruption.



Appendix 1

ESG Dashboard

S.No	Key Performance Indicators	Unit	FY 22	FY 23	FY 24
1	# of employees	Nos	3545	4205	4018
Environment					
2	Total energy consumption (Including solar)	KWh	44476392	53584673	56056531.94
3	Total renewable energy consumption	KWh	8747265	6797725	7097575
4	Total Scope 1 GHG emissions	metric tons CO2e	13252	9544	5972
5	Total Scope 2 GHG emissions	metric tons CO2e	28770	37600	34544
6	Total Scope 3 GHG emissions	tons CO2 eq	--	* 55072	40817
7	Scope 3 - Purchased goods and services	tons CO2 eq	--	* 31376	22865
8	Scope 3 - Capital goods	tons CO2 eq	--	* 5829	3372
9	Scope 3 - Fuel and energy related	tons CO2 eq	--	* 10893	7604
10	Scope 3 - Upstream transportation and distribution	tons CO2 eq	--	* 634	484
11	Scope 3 - Waste generation in operation	tons CO2 eq	--	* 169	112
12	Scope 3 - Business travel	tons CO2 eq	--	341	690
13	Scope 3 - Employee commute	tons CO2 eq	--	* 2470	2470
14	Scope 3 - Upstream leased assets	tons CO2 eq	--	* 6	7
15	Scope 3 - Downstream transport and distribution	tons CO2 eq	--	* 730	992
16	Scope 3 - Processing of sold products	tons CO2 eq	--	1947	1416
17	Scope 3 - End of Life treatment of packaging	tons CO2 eq	--	677	805
18	Total water consumption	Kilolitres	190746	247752	188203
19	% of sites covered under physical climate risk assessment	%	0	0	100
20	Total weight of waste	ton	6597	5687	5181
21	Total weight of Hazardous waste recovered (recycled/reused/co-processed)	ton	4368	4033	4070
22	Total weight of hazardous waste	ton	4703	4327	4152
23	Total weight of non hazardous waste	ton	1894	1360	1029
24	% of employees trained on environmental issues	%	32	39	20
25	% of operational sites covered under environmental risk assessment	%	100	100	100

S.No	Key Performance Indicators	Unit	FY 22	FY 23	FY 24
26	% of operating sites certified with ISO 14001 certification	%	100	100	100
Biodiversity					
27	% of sites covered under biodiversity assessment	%	0	0	0
28	Number of incidents reported wrt biodiversity loss due to operations	Nos	0	0	0
29	Number of critically endangered species used for drug testing	Nos	0	0	0
30	Total numbers of trees/plants available (inside and vicinity of the campus)	Nos	4833	6162	7491
Labour and Human Rights					
31	Stress-relieving active measures in place	Yes/No	Yes	Yes	Yes
32	% of all operational sites covered under employee health & safety risk assessment	%	100	100	100
33	Compensation for extra or atypical working hours paid	Yes/No	Yes	Yes	Yes
34	Additional days leave beyond standard vacation days granted	Yes/No	Yes	Yes	Yes
35	% of operational sites covered under Human rights impact assessment	%	No	Yes	Yes
36	% of operating sites certified with ISO 45001 certification	%	100	100	100
37	% of employees represented in formal joint management-worker health and safety committees	%	100	100	100
38	% of employees covered by collective agreement	%	0	0	0
39	% of employees covered by formally-elected employee representatives	%	0	0	0
40	% of eligible employees received regular performance and career development reviews	%	100	100	100
41	% of employees received career or skill-related training	%	37	49	51
42	% of employees received training on preventing discrimination and human rights violation	%	100	100	100
43	Average hours of training provided per employee	#	22.1	25.6	18.2
44	Average adjusted gender pay gap	%	** 24	** 21	19
45	% of employees from minority groups employed in organization	%	0	0	0

S.No	Key Performance Indicators	Unit	FY 22	FY 23	FY 24
46	% of employees from minority groups in top executive position	%	0	0	0
47	% of women in the workforce	%	19.2	20.5	21.7
48	% of women in top executive position	%	12	12	9.4
49	% of women within the organization's board	%	9	12.5	12.5
50	% of employees with flexible or irregular work arrangements	%	100	100	100
51	% of employees offered health care coverage	%	100	100	100
52	Total hours worked company wide	#	9452569	11950300	12105654
53	Number of days lost due to injuries	#	0	0	0
54	Lost time injury (LTI) events	#	0	0	0
55	LTI frequency rate for direct workforce	#	0	0	0
56	LTI severity rate for direct workforce	#	0	0	0
Ethics & Compliance					
57	% of employee trained on business ethics issues	%	100	100	100
58	Number of whistleblower reports received	#	0	0	0
59	Number of confirmed corruption incidents	#	0	0	0
60	Number of confirmed information security incidents	#	0	0	0
61	% of sites covered under internal business ethics risk assessment	%	0	0	0
62	% of sites covered under external business ethics risk assessment	%	0	100	100
63	Number of business partners who have undergone the third party anti-corruption due diligence-process	#	0	10	0
64	% of operating sites certified with anti corruption management system (ISO 37001)	%	0	0	0
65	% of operating sites certified with ISO 27001:2022	%	0	0	100
66	% of employees who have undergone IT security training	%	100	100	100
67	% of employee trained on whistleblower procedure	%	100	100	100
Sustainable Procurement					
68	% of procurement spend (within India)	%	63	72	74
69	% of targeted suppliers that have signed the supplier code of conduct	%	100	100	100
70	% of suppliers with contracts that include clauses on environmental, labor, and human rights requirements	%	100	100	100

S.No	Key Performance Indicators	Unit	FY 22	FY 23	FY 24
71	% of targeted suppliers covered by a CSR assessment	%	100	100	100
72	Number of targeted suppliers that have gone through a CSR on-site audit	#	0	0	2
73	% of buyers trained on sustainable procurement	%	100	100	100
74	Number of suppliers rated by EcoVadis sustainability assessment	#	0	41	46
75	% of spend delivery in EV/CNG vehicles	%	0	2	5
76	% of diverse suppliers on spend (MSME/Women Enterprises/Minority owned)	%	38	48	45
77	% of spend delivery in recyclable packaging	%	0	12	17
78	Sustainable vendors - spend basis (Top 80 % Spend)	%	37	42	41
79	GSCM Assessment of transacted suppliers (> 3.5 Score) on FY22 spend base	#	0	14	40
80	Paper quantity consumed per issue value	(Nos /Lac INR)	1.49	2.07	2.82
81	Packaging plastic accumulation in stores	Kgs	776	456	402
82	Reuse of chemicals value	Lacs	623	918	804

Appendix 2

GRI index

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Link-age	UNGC Principle	Page Number
1	Disclosure 2-1 Organizational details		Yes				7, 13
2	Disclosure 2-2 Entities included in the organization's sustainability reporting		Yes				7
3	Disclosure 2-3 Reporting period, frequency and contact point		Yes				8
4	Disclosure 2-4 Restatements of information		Not Applicable	No Restatement of statement			NA
5	Disclosure 2-5 External assurance						128-137
6	Disclosure 2-6 Activities, value chain and other business relationships		Yes				9
7	Disclosure 2-7 Employees		Yes				Appendix 1
8	Disclosure 2-8 Workers who are not employees		Not Applicable				NA
9	Disclosure 2-9 Governance structure and composition		Yes		5		23, 78
10	Disclosure 2-10 Nomination and selection of the highest governance body		Yes		5		78
11	Disclosure 2-11 Chair of the highest governance body		Yes		5		23

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Link-age	UNGC Principle	Page Number
12	Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts		Yes		5		23
13	Disclosure 2-13 Delegation of responsibility for managing impacts		Yes		5		23, 80
14	Disclosure 2-14 Role of the highest governance body in sustainability reporting		Yes				23
15	Disclosure 2-15 Conflicts of interest		Yes		8		72
16	Disclosure 2-16 Communication of critical concerns		Yes		8		70
17	Disclosure 2-17 Collective knowledge of the highest governance body		Yes				35, 36
18	Disclosure 2-18 Evaluation of the performance of the highest governance body		Yes				78
19	Disclosure 2-19 Remuneration policies		Yes				Nomination and Remuneration Policy Remuneration committee
20	Disclosure 2-20 Process to determine remuneration		Yes				Nomination and Remuneration Policy Remuneration committee

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Linkage	UNGC Principle	Page Number
21	Disclosure 2-21 Annual total compensation ratio		Not Available				NA
22	Disclosure 2-22 Statement on sustainable development strategy		Yes				14, 20
23	Disclosure 2-23 Policy commitments		Yes				89
24	Disclosure 2-24 Embedding policy commitments		Yes				22, 23, 89
25	Disclosure 2-25 Processes to remediate negative impacts		Yes				52,63
26	Disclosure 2-26 Mechanisms for seeking advice and raising concerns		Yes			10	89
27	Disclosure 2-27 Compliance with laws and regulations		Yes				28
28	Disclosure 2-28 Membership associations		Yes		17		56
29	Disclosure 2-29 Approach to stakeholder engagement		Yes				24, 25
30	Disclosure 2-30 Collective bargaining agreements		Yes				70
31	GRI 101: Biodiversity 2024	101-1: Policies to halt and reverse biodiversity loss	Yes		12, 13		120

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Linkage	UNGC Principle	Page Number
		101-2: Management of biodiversity impacts	Yes		12, 13		120, 121
		101-3: Access and benefit-sharing	"Information unavailable/incomplete"	Aragen has initiated data collection efforts this year and plans to compile and publish the results in the coming year.			120, 121
		101-4: Identification of biodiversity impacts	"Information unavailable/incomplete"	Aragen has initiated data collection efforts this year and plans to compile and publish the results in the coming year.			120, 121
		101-5: Locations with biodiversity impacts	Yes		12, 13		120, 121
		101-6: Direct drivers of biodiversity loss	Yes		12, 13		120, 121
		101-7: Changes to the state of biodiversity	Yes		12, 13		120, 121
		101-8: Ecosystem services	Yes		12, 13		120, 121
32	GRI 201: Economic Performance 2016	201-1: Direct economic value generated and distributed	Yes				40
		201-2: Financial implications and other risks and opportunities due to climate change	Yes		13		40
		201-3: Defined benefit plan obligations and other retirement plans	Yes		8		42
		201-4: Financial assistance received from government	Yes				42
33	GRI 202: Market Presence 2016	202-1: Ratios of standard entry level wage by gender compared to local minimum wage	Yes				42
		202-2: Proportion of senior management hired from the local community	Yes				43

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Linkage	UNGC Principle	Page Number
34	GRI 203: Indirect Economic Impacts 2016	203-1: Infrastructure investments and services supported	Yes		17		34, 74
		203-2: Significant indirect economic impacts	Yes		17		44
35	GRI 204: Procurement Practices 2016	204-1: Proportion of spending on local suppliers	Yes		12, 17		44
36	GRI 205: Anti-corruption 2016	205-1: Operations assessed for risks related to corruption	Yes			10	87
		205-2: Communication and training about anti-corruption policies and procedures	Yes			10	87
		205-3: Confirmed incidents of corruption and actions taken	Yes			10	87
37	GRI 206: Anti-competitive Behavior 2016	206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Yes				88
38	GRI 207: Tax 2019	207-1: Approach to tax	Yes				88
		207-2: Tax governance, control, and risk management	Yes				88
		207-3: Stakeholder engagement and management of concerns related to tax	Yes				88
		207-4: Country-by-country reporting	Yes				7
40	GRI 302: Energy 2016	302-1: Energy consumption within the organization	Yes		12, 13	7, 8, 9	98, 100, 101
		302-2: Energy consumption outside of the organization	Yes		12, 13	8	98, 100, 101
		302-3: Energy intensity	Yes		12, 13	7, 8, 9	101
		302-4: Reduction of energy consumption	"Information unavailable/incomplete"	Aragen has initiated data collection efforts this year and plans to compile and publish the results in the coming year.			102

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Linkage	UNGC Principle	Page Number
		302-5: Reductions in energy requirements of products and services	"Information unavailable/incomplete"	Aragen has initiated data collection efforts this year and plans to compile and publish the results in the coming year.			102-104
41	GRI 303: Water and Effluents 2018	303-1: Interactions with water as a shared resource	Yes		12, 13	7, 8, 9	111
		303-2: Management of water discharge-related impacts	Yes		12, 13	7, 8, 9	112
		303-3: Water withdrawal	Yes			7, 8, 9	1,12,113
		303-4: Water discharge	Yes			7, 8, 9	1,12,113
		303-5: Water consumption	Yes		12, 13	7, 8, 9	1,12,113
42	GRI 304: Biodiversity 2016	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Yes		12, 13	7, 8	1,20,121
		304-2: Significant impacts of activities, products and services on biodiversity	Yes		12, 13		1,20,121
		304-3: Habitats protected or restored	Yes		12, 13		1,20,121
		304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations	Yes		12, 13		1,20,121
43	GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG Emissions	Yes		12, 13	7, 8	103, Appendix 1
		305-2: Energy Indirect (Scope 2) GHG Emissions	Yes		12, 13	7, 8	103, Appendix 1
		305-3: Other Indirect (Scope 3) GHG Emissions	Yes		12, 13	7, 8	103, Appendix 1
		305-4: GHG Emissions Intensity	Yes		12, 13	8	101
		305-5: Reduction of GHG Emissions	Yes		12, 13	7, 8, 9	102
		305-6: Emissions of Ozone Depleting Substances	Yes			7, 8, 9	103, Appendix 1
		305-7: Nitrogen Oxides, Sulfur Oxides and Other Significant Air Emissions	Yes			7, 8, 9	103

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Linkage	UNGC Principle	Page Number
44	GRI 306: Effluents and Waste 2016	306-1: Waste generation and significant waste-related impacts	Yes		12, 13	7, 8, 9	115
		306-2: Management of significant waste-related impacts	Yes		12, 13	7, 8, 9	115
		306-3: Waste generated	Yes		12, 13	7, 8, 9	116
		306-4: Waste diverted from disposal	Yes		12, 13	7, 8, 9	116
		306-5: Waste directed to disposal	Yes		12, 13	7, 8, 9	116
45	GRI 306: Waste 2020	306-3: Significant spills	Yes		12, 13		115
46	GRI 308: Supplier Environmental Assessment 2016	308-1: New suppliers that were screened using environmental criteria	Yes		17		117, 118
		308-2: Negative environmental impacts in the supply chain and actions taken	Yes		17		51, 71, 82, 117
47	GRI 401: Employment 2016	401-1: New employee hires and employee turnover	Yes				89
		401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Yes		5		66
		401-3: Parental leave	Yes		5		61, 63
48	GRI 402: Labor/ Management Relations 2016	402-1: Minimum notice periods regarding operational changes	Yes				52, 63, 74
49	GRI 403: Occupational Health and Safety 2018	403-1: Occupational health and safety management system	Yes		3, 8		69
		403-2: Hazard identification, risk assessment, and incident investigation	Not Applicable	Incidents of Non compliance was not recorded in the reporting year	3, 8		NA
		403-3: Occupational health services	Not Applicable	Data not provided	3, 8		NA
		403-4: Worker participation, consultation, and communication on occupational health and safety	Yes		3, 8		70-73
		403-5: Worker training on occupational health and safety	Yes		3, 8		72

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Linkage	UNGC Principle	Page Number
		403-6: Promotion of worker health	Yes		3, 8		72
		403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Yes		3, 8		73
		403-8: Workers covered by an occupational health and safety management system	Yes		3, 8		69
		403-9: Work-related injuries	Not Applicable	Incidents of Non compliance was not recorded in the reporting year	3, 8		NA
		403-10: Work-related ill health	Not Applicable	Incidents of Non compliance was not recorded in the reporting year	3, 8		NA
50	GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	Yes				65
		404-2: Programs for upgrading employee skills and transition assistance programs	Yes				65
		404-3: Percentage of employees receiving regular performance and career development reviews	Yes				66
51	GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	Yes		5, 8	Principle 1, 2, 6	63
		405-2: Ratio of basic salary and remuneration of women to men	Yes		5, 8	Principle 1, 2, 6	63
52	GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	Not Applicable	Incidents of Non compliance was not recorded in the reporting year		Principle 1, 2, 6	NA

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Linkage	UNGC Principle	Page Number
53	GRI 407: Freedom of Association and Collective Bargaining 2016	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Yes		5, 8	Principle 3	70
54	GRI 408: Child Labor 2016	408-1: Operations and suppliers at significant risk for incidents of child labor	Yes		5, 8	Principle 1, 2, 4	71
55	GRI 409: Forced or Compulsory Labor 2016	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	Yes		5, 8	Principle 1, 2, 4	72
56	GRI 410: Security Practices 2016	410-1: Security personnel trained in human rights policies or procedures	Yes		5, 8	Principle 1, 2	72
57	GRI 411: Rights of Indigenous Peoples 2016	411-1: Incidents of violations involving rights of indigenous peoples	Not Applicable	Incidents of Non compliance was not recorded in the reporting year			NA
58	GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Yes				73, 74, 75
		413-2 Operations with significant actual and potential negative impacts on local communities	Not Applicable	No negative impacts recorded in the reporting year			NA
59	GRI 414: Supplier Social Assessment 2016	414-1: New suppliers that were screened using social criteria	Yes		17		117
		414-2: Negative social impacts in the supply chain and actions taken	Not Applicable	No negative impacts recorded in the reporting year	17		NA

S. No.	Disclosure	Description	Disclosed ? (Y/N)	Reason for Omission	SDG Linkage	UNGC Principle	Page Number
60	GRI 415: Public Policy 2016	415-1: Political contributions	Not Applicable	Aragen maintains a clear and strict policy against making any direct or indirect contributions, whether monetary or in-kind, to political parties, candidates, or organizations involved in political activities.			NA
61	GRI 416: Customer Health and Safety 2016	416-1: Assessment of the health and safety impacts of product and service categories	Yes		3		49
		416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	Yes		3		49
62	GRI 417: Marketing and Labeling 2016	417-1: Requirements for product and service information and labeling	Yes				49
		417-2: Incidents of non-compliance concerning product and service information and labeling	Not Applicable	Incidents of Non compliance was not recorded in the reporting year			NA
		417-3: Incidents of non-compliance concerning marketing communications	Not Applicable	Incidents of Non compliance was not recorded in the reporting year			NA
63	GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Yes				93

Appendix 3

Independent Assurance Statement



INDEPENDENT ASSURANCE STATEMENT

Introduction:

CETIZION Verifica Private Ltd, (CV, We) has been entrusted by the management of Aragen Life Sciences Ltd. (the Company), to conduct independent “Limited” assurance of ESG Report, titled: Pioneering innovation with sustainability (the Report). All contractual contents for this assurance engagement rest entirely within the responsibility of Aragen Life Sciences Ltd. Our task was to give a fair and adequate judgment on the Aragen Life Sciences Ltd. ESG Report.

The intended users of this assurance statement are stakeholders having relevance to the Aragen Life Sciences Ltd. overall ESG performance and impacts of its business activities during financial year 2023-2024 (April 2023 ~ March 2024).

CETIZION Verifica is a global service provider of ESG and Corporate Sustainability Services, licensed Assurance provider by AccountAbility AA1000, accredited Pharmaceutical Supply Chain Initiative (PSCI) audit provider, having qualified professionals in the field of Corporate Sustainability Assurance, Environment, Climate Change, GHG verification, Climate Change, Biodiversity, Human and Labor Rights, Supply Chain Due-diligence and Stakeholder Consultation. We have maintained complete impartiality and independence during the assurance engagement and were not involved in the preparation of report contents.

Assurance Standard:

The Independent Assurance was carried out in accordance with Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” (“ISAE 3000”) and with the International Standard on Assurance Engagements 3410 “Assurance Engagements on Greenhouse Gas Statements” (“ISAE 3410”). To achieve “Limited” assurance, ISAE 3000 and ISAE 3410 requires that we review the processes, systems and competencies used to compile the subject matter, on which we provide limited assurance. It does not include detailed testing for each of the KPI reported, or of the operating effectiveness of processes and internal controls.

Scope & Level of Assurance:

Our assurance engagement covers the following:

- Aragen Life Sciences Ltd. ESG performance and according to disclosure on management approach (DMAs) covering Environment, Social and Governance (ESG) disclosures. The report covers all global operations of Aragen, including subsidiaries (INTOX Private Limited, Pune & Aragen Biosciences, Inc, California, US). The scope and boundary of the report cover all core business areas– Research &Development campuses in US, Nacharam, Mallapur in Hyderabad, Bengaluru in Karnataka and manufacturing facilities, across India.

Limitation:

The assurance engagement was carried out at Aragen Life Sciences Ltd. corporate office at Hyderabad with representatives from manufacturing & R&D locations. We held focussed group discussion with concerned employees. We have not observed any significant situations to limit our assurance activity. The verification was carried out based on the data and information provided by Aragen Life Sciences Ltd., assuming they are complete and true. We did not verify the reported financial data as same is verified by another third party.



Assurance Methodology:

CETIZION Verifica has challenged the report contents and assess the process undertaken by Aragen Life Sciences Ltd. from source to aggregate in disclosure of information/data related to their sustainability performance. Our judgment is based on the objective review of reported information as per criteria defined under Assurance standards.

Analytical methods and the performance of interviews as well as verification of data, done as random sampling, to verify and validate the correctness of reported data and contents in light of contractual agreement and the factual Aragen Life Sciences Ltd. ESG strategy & framework as mentioned in the report and available on company website. Our work included consultation with over twenty four Aragen Life Sciences Ltd. representatives including ESG team, senior management and responsible employees. The consultations with external stakeholders were not carried out. The approach deemed to be appropriate for the purpose of assurance of the report since all data therein could be verified through original proofs, verified database entries.

The Assurance was performed by our multidisciplinary team of experienced professionals in the field of Corporate Sustainability, Environment, Climate Change, GHG, Human & Labor Rights, Supply Chain Due-diligence and Stakeholder consultation.

We are of the opinion that our work offers a sufficient and substantiated basis to enable us to come to a conclusion mentioned below and based on the content of our contract.

CETIZION Verifica has verified the below-mentioned GRI disclosures given in the report

S. No.	Disclosure	Description	Disclosed
1	General Disclosure	Disclosure 2-1 Organizational details	Yes
2	General Disclosure	Disclosure 2-2 Entities included in the organization’s sustainability reporting	Yes
3	General Disclosure	Disclosure 2-3 Reporting period, frequency and contact point	Yes
4	General Disclosure	Disclosure 2-4 Restatements of information	Yes
5	General Disclosure	Disclosure 2-5 External assurance	Yes
6	General Disclosure	Disclosure 2-6 Activities, value chain and other business relationships	Yes
7	General Disclosure	Disclosure 2-7 Employees	Yes
8	General Disclosure	Disclosure 2-8 Workers who are not employees	Yes



9	General Disclosure	Disclosure 2-9 Governance structure and composition	Yes
10	General Disclosure	Disclosure 2-10 Nomination and selection of the highest governance body	Yes
11	General Disclosure	Disclosure 2-11 Chair of the highest governance body	Yes
12	General Disclosure	Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts	Yes
13	General Disclosure	Disclosure 2-13 Delegation of responsibility for managing impacts	Yes
14	General Disclosure	Disclosure 2-14 Role of the highest governance body in sustainability reporting	Yes
15	General Disclosure	Disclosure 2-15 Conflicts of interest	Yes
16	General Disclosure	Disclosure 2-16 Communication of critical concerns	Yes
17	General Disclosure	Disclosure 2-17 Collective knowledge of the highest governance body	Yes
18	General Disclosure	Disclosure 2-18 Evaluation of the performance of the highest governance body	Yes
19	General Disclosure	Disclosure 2-19 Remuneration policies	Yes
20	General Disclosure	Disclosure 2-20 Process to determine remuneration	Yes
21	General Disclosure	Disclosure 2-21 Annual total compensation ratio	Yes
22	General Disclosure	Disclosure 2-22 Statement on sustainable development strategy	Yes
23	General Disclosure	Disclosure 2-23 Policy commitments	Yes
24	General Disclosure	Disclosure 2-24 Embedding policy commitments	Yes
25	General Disclosure	Disclosure 2-25 Processes to remediate negative impacts	Yes



26	General Disclosure	Disclosure 2-26 Mechanisms for seeking advice and raising concerns	Yes
27	General Disclosure	Disclosure 2-27 Compliance with laws and regulations	Yes
28	General Disclosure	Disclosure 2-28 Membership associations	Yes
29	General Disclosure	Disclosure 2-29 Approach to stakeholder engagement	Yes
30	General Disclosure	Disclosure 2-30 Collective bargaining agreements	Yes
31	GRI 101: Biodiversity 2024	101-1: Policies to halt and reverse biodiversity loss	Yes
		101-2: Management of biodiversity impacts	Yes
		101-5: Locations with biodiversity impacts	Yes
		101-6: Direct drivers of biodiversity loss	Yes
		101-7: Changes to the state of biodiversity	Yes
		101-8: Ecosystem services	Yes
32	GRI 201: Economic Performance 2016	201-1: Direct economic value generated and distributed	Yes
		201-2: Financial implications and other risks and opportunities due to climate change	Yes
		201-3: Defined benefit plan obligations and other retirement plans	Yes
		201-4: Financial assistance received from government	Yes
33	GRI 202: Market Presence 2016	202-1: Ratios of standard entry level wage by gender compared to local minimum wage	Yes



		202-2: Proportion of senior management hired from the local community	Yes
35	GRI 204: Procurement Practices 2016	204-1: Proportion of spending on local suppliers	Yes
36	GRI 205: Anti-corruption 2016	205-1: Operations assessed for risks related to corruption	Yes
		205-2: Communication and training about anti-corruption policies and procedures	Yes
		205-3: Confirmed incidents of corruption and actions taken	Yes
37	GRI 206: Anti-competitive Behavior 2016	206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Yes
38	GRI 207: Tax 2019	207-1: Approach to tax	Yes
		207-2: Tax governance, control, and risk management	Yes
		207-3: Stakeholder engagement and management of concerns related to tax	Yes
		207-4: Country-by-country reporting	Yes
40	GRI 302: Energy 2016	302-1: Energy consumption within the organization	Yes
		302-2: Energy consumption outside of the organization	Yes
		302-3: Energy intensity	Yes
		302-4: Reduction of energy consumption	Yes
		302-5: Reductions in energy requirements of products and services	Yes
41	GRI 303: Water and Effluents 2018	303-1: Interactions with water as a shared resource	Yes
		303-2: Management of water discharge-related impacts	Yes



		303-3: Water withdrawal	Yes
		303-4: Water discharge	Yes
		303-5: Water consumption	Yes
42	GRI 304: Biodiversity 2016	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Yes
		304-2: Significant impacts of activities, products and services on biodiversity	Yes
		304-3: Habitats protected or restored	Yes
		304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations	Yes
43	GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG Emissions	Yes
		305-2: Energy Indirect (Scope 2) GHG Emissions	Yes
		305-3: Other Indirect (Scope 3) GHG Emissions	Yes
		305-4: GHG Emissions Intensity	Yes
		305-5: Reduction of GHG Emissions	Yes
		305-6: Emissions of Ozone Depleting Substances	Yes
		305-7: Nitrogen Oxides, Sulfur Oxides and Other Significant Air Emissions	Yes
44	GRI 306: Effluents and Waste 2016	306-1: Waste generation and significant waste-related impacts	Yes
		306-2: Management of significant waste-related impacts	Yes
		306-3: Waste generated	Yes
		306-4: Waste diverted from disposal	Yes
		306-5: Waste directed to disposal	Yes



45	GRI 306: Waste 2020	306-3: Significant spills	Yes
46	GRI 308: Supplier Environmental Assessment 2016	308-1: New suppliers that were screened using environmental criteria	Yes
		308-2: Negative environmental impacts in the supply chain and actions taken	Yes
47	GRI 401: Employment 2016	401-1: New employee hires and employee turnover	Yes
		401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Yes
		401-3: Parental leave	Yes
48	GRI 402: Labor/Management Relations 2016	402-1: Minimum notice periods regarding operational changes	Yes
49	GRI 403: Occupational Health and Safety 2018	403-1: Occupational health and safety management system	Yes
		403-2: Hazard identification, risk assessment, and incident investigation	Yes
		403-3: Occupational health services	Yes
		403-4: Worker participation, consultation, and communication on occupational health and safety	Yes
		403-5: Worker training on occupational health and safety	Yes
		403-6: Promotion of worker health	Yes
		403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Yes
		403-8: Workers covered by an occupational health and safety management system	Yes
		403-9: Work-related injuries	Yes
		403-10: Work-related ill health	Yes



50	GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	Yes
		404-2: Programs for upgrading employee skills and transition assistance programs	Yes
		404-3: Percentage of employees receiving regular performance and career development reviews	Yes
51	GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	Yes
		405-2: Ratio of basic salary and remuneration of women to men	Yes
52	GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	Yes
53	GRI 407: Freedom of Association and Collective Bargaining 2016	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Yes
54	GRI 408: Child Labor 2016	408-1: Operations and suppliers at significant risk for incidents of child labor	Yes
55	GRI 409: Forced or Compulsory Labor 2016	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	Yes
56	GRI 410: Security Practices 2016	410-1: Security personnel trained in human rights policies or procedures	Yes
58	GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Yes
		413-2 Operations with significant actual and potential negative impacts on local communities	Yes
59	GRI 414: Supplier Social Assessment 2016	414-1: New suppliers that were screened using social criteria	Yes
		414-2: Negative social impacts in the supply chain and actions taken	Yes



61	GRI 416: Customer Health and Safety 2016	416-1: Assessment of the health and safety impacts of product and service categories	Yes
		416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	Yes
62	GRI 417: Marketing and Labeling 2016	417-1: Requirements for product and service information and labeling	Yes
		417-2: Incidents of non-compliance concerning product and service information and labeling	Yes
		417-3: Incidents of non-compliance concerning marketing communications	Yes
63	GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Yes

Conclusion:

Based on our Limited assurance procedures performed and evidence obtained, subject to the limitations mentioned above, nothing has come to our attention that causes us to believe that the selected KPIs for the financial year 23-24 (April 2023 - March 2024) has not been prepared, in all material respects, in accordance with the “Basis for Reporting” as appropriate.

The Report includes statements and claims that reflects Aragen Life Sciences Ltd. achievements and challenges supported by documentary evidence and internal records.
The performance data we found in the report are collected, stored, and analyzed in a systematic and professional manner and were plausible.
CETIZION Verifica shall not bear any liability or responsibility to a third party for perception and decision about Aragen Life Sciences Ltd. based on this Limited Assurance Statement.

For **CETIZION Verifica Private Limited**

Gangaa C SHARMA

Lead Verifier

Digitally signed by



GANGA CHARAN SHARMA

Signed Dated: 2024.08.03

13:30:00+05'30'

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Appendix 4

GHG verification



INDEPENDENT GREENHOUSE GAS (GHG) VERIFICATION STATEMENT

Introduction and objectives of work

CETIZION Verifica has been engaged by Aragen Life Sciences Limited to provide verification of GHG emission of scope 1, scope 2 and scope 3 with sub categories for the period 1st April 2023 to 31st March 2024. This verification statement applies to the related information included within the scope of work described below. The aim of this process is to provide verification to Aragen Life Sciences stakeholders over the accuracy, reliability and objectivity of the GHG emissions data.

Scope of work

The scope of our work was limited to verification over Aragen Life Sciences Limited scope 1, scope 2 and scope 3 GHG emissions data (the 'Selected Information')

Verification period: April 1, 2023, to March 31, 2024

Geographical scope: India: Hyderabad, Visakhapatnam, Bengaluru & Pune
United States: California

Organizational scope: Operations under Aragen Life Sciences Limited operational control

Emissions categories included:

- Scope 1 (including Biogenic emissions)
- Scope 2
- Scope 3

This verification covers a comprehensive range of GHG emissions, including direct emissions from owned or controlled sources (Scope 1), indirect emissions from purchased electricity (Scope 2), and all other indirect emissions that occur in the company's value chain (Scope 3). The inclusion of biogenic emissions in Scope 1 is noteworthy, as these are emissions from the combustion or biodegradation of biomass.

Limitations and Exclusions

The verification team understands that voluntary disclosures of sustainability data by nature are subject to uncertainty, including scientific and estimation uncertainty that lead to inherent limitations in the accuracy of the information reported. The verification team recognizes these inherent limitations and implements quality-checking processes to reduce the impact they may have on the accuracy of the resulting statements.

Reporting Criteria

The selected information are reported in accordance with the Aragen Life Sciences Limited internal procedure for GHG reporting which is aligned to 'ISO 14064-1:2018 greenhouse gases - Part 1: specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals' and the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (revised edition).



Summary of work performed

As part of its independent verification, CETIZION Verifica undertook the following activities;

- Assessed the appropriateness and accuracy of the selected information.
- Conducted interviews with relevant personnel of Aragen Life Sciences Ltd.
- Reviewed the data collection and consolidation processes used to compile the selected information, including assessing assumptions made, the data scope and reporting boundaries.
- Reviewed a sample of the selected information against the corresponding source documentation provided by Aragen Life Sciences Ltd.
- Performed a selection of aggregation calculations of the selected information.

CETIZION Verifica's Opinion

Type of opinion: Qualified opinion

Assurance level: Limited level of assurance

Main conclusion: Except for certain matters (not specified in this excerpt), CETIZION Verifica found no evidence to suggest that Aragen Life Sciences Ltd has not;

- Met the requirements of the previously mentioned criteria
- Disclosed accurate and reliable performance data and information (as summarized in table below, which is not provided in this excerpt)

Basis of opinion: Limited assurance engagement, materiality determined by the professional judgment of the verifier

Caveat: The opinion is qualified, meaning there are some matters that led to exceptions in the verification team's conclusion.

Basis for Qualified Opinion

The report includes CO2 emissions only.

Table: Summary of Aragen Life Sciences Ltd scope 1,2&3 inventory for FY 23-24

Category Wise Emission			
S. N.	Source	Emission MTCO _{2e}	Percentage
1	Fossil fuels and fugitive emissions (scope 1)	5,825	7.3%
	Biogenic emissions (scope 1)	147	
2	Purchased electricity from grid (scope 2)	34,544	42.5%
3	Supply chain emissions (scope 3)	40,817	50.2%
TOTAL		81,333	100%



Scope 3 - Category Wise Emissions			
S. N.	Emission Scope Categories	Emission MTCO ₂ e	Percentage
1	C1: Purchased Goods and Services	22,865	56.0%
2	C2: Capital Goods	3,372	8.3%
3	C3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	7,604	18.6%
4	C4: Upstream Transportation and Distribution	484	1.2%
5	C5: Waste Generated in Operations	112	0.3%
6	C6: Business Travel	690	1.7%
7	C7: Employee Commute	2,470	6.1%
8	C8: Upstream Leased Assets	7	0.2%
9	C9: Downstream Transportation and Distribution	992	2.4%
10	C10: Processing of Sold Products	1,416	3.5%
11	C12: End of Life Treatment of Packaging	805	2.0%
TOTAL		40,817	100%

Verification Conclusion:

CETIZION Verifica conducted an independent verification of Aragen Life Sciences Ltd GHG emissions inventory for the reporting year from April 1, 2023 to March 31, 2024. Based on the verification activities above, we found no material discrepancy, error or omission that would lead us to conclude the environmental performance statements are not fairly stated and prepared in all material respects in accordance with ISO 14064-3:2019 Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions and ISO 14064-1:2018 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.



Statement of Independence, Integrity and Competence

CETIZION Verifica is an independent professional services company that specializes in quality, environmental, health, safety, sustainability and social accountability. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes. CETIZION Verifica 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.

GANGA CHARAN SHARMA

Lead Verifier

Digitally signed by



GANGA CHARAN SHARMA

Signed Dated: 2024.08.03

13:30:00+05'30'

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