

Annexure – VII

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity

L52600MH2012PLC230136

2. Name of the Listed Entity

FSN E-Commerce Ventures Limited

3. Year of incorporation

April 24, 2012

4. Registered office address

104, Vasan Udyog Bhavan, Sun Mill Compound, Tulsi Pipe Road, Lower Parel, Mumbai 400 013, Maharashtra, India.

5. Corporate address

A2, 4th Floor, Cnergy IT Park, Appasaheb Marathe Marg, Opposite Tata Motors, Prabhadevi, Mumbai 400025, Maharashtra, India.

6. E-mail

nykaacompanysecretary@nykaa.com

7. Telephone

+9122 6838 9616

8. Website

<https://www.nykaa.com/>

9. Financial year for which reporting is being done

April 1, 2024 - March 31, 2025

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Retail sale via e-commerce	The Company is engaged in the business of selling & distribution of beauty, wellness, fitness, personal care, health care, skin care, hair care products on the online platforms or websites such as e-commerce, m-commerce, internet, intranet.	83%
2.	Marketing support and marketplace service		11%
3.	Wholesale of cosmetics (Offline - Own Brands)		6%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Retail sale via e-commerce	52512	94%
2.	Wholesale of cosmetics (Offline - Own brands)	51391	6%

10. Name of the Stock Exchange(s) where shares are listed

- BSE Limited (BSE)
- National Stock Exchange of India Limited (NSE)

11. Paid-up Capital (as on March 31, 2025)

₹2,85,92,52,483

12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report

Mr. P. Ganesh, CFO

Email: nykaacompanysecretary@nykaa.com

Tel: + 91 22-66149696

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).

We have considered FSN E-Commerce Ventures Limited and its subsidiary Nykaa E-Retail Limited ('E-Retail') for the purpose of disclosures under this report, collectively referred to as 'Company' or 'Nykaa'. From this financial year, Nykaa E-Retail Limited also comprises of Superstore business of FSN Distribution Limited.

14. Name of assurance provider

TUV India Pvt. Ltd.

15. Type of assurance obtained

Reasonable Assurance

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not Applicable	38*	38
International		NA	

*Includes 31 warehouses and 7 office clusters.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	NA

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil, the Company has a separate subsidiary (FSN International) which deals with exports.

c. A brief on types of customers

Nykaa leverages an omnichannel strategy encompassing e-commerce, mobile commerce, and physical retail to cater to the growing demand for beauty and personal care (BPC) products among tech-savvy consumers in India, with a particular focus on Gen Z and millennial demographics.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% [B / A]	No. (C)	% [C / A]
Employees						
1	Permanent (D)	1,981	1,327	67.00%	654	33.00%
2	Other than Permanent (E)	912	158	17.32%	754	82.68%
3	Total employees (D + E)	2,893	1,485	51.33%	1,408	48.67%
Workers						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	8,098	7,626	94.17%	472	5.83%
6	Total workers (F + G)	8,098	7,626	94.17%	472	5.83%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled employees						
1	Permanent (D)	1	1	100%	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total differently abled employees (D + E)	1	1	100%	-	-
Differently abled workers						
4	Permanent (F)	-	-	-	-	-
5	Other than permanent (G)	-	-	-	-	-
6	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	3	30%
Key Management Personnel	3	1	33%

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY25			FY24			FY23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31%	23%	26%	26%	40%	31%	27%	38%	31%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding /Subsidiary / associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated in column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Nykaa E-Retail Limited	Direct Subsidiary	100.00%	Yes
2	FSN Brands Marketing Private Limited	Direct Subsidiary	100.00%	No
3	Nykaa-KK Beauty Private Limited	Direct Subsidiary	51.00%	No
4	Nykaa Fashion Limited	Direct Subsidiary	100.00%	No
5	FSN International Limited	Direct Subsidiary	100.00%	No
6	FSN Distribution Limited	Direct Subsidiary	100.00%	No
7	Dot & Key Wellness Limited	Direct Subsidiary	90.04%	No
8	Nudge Wellness Private Limited	Direct Subsidiary	60.00%	No
9	Earth Rhythm Private Limited [#]	Direct Subsidiary	74.63%	No
10	Illuminar Media Limited*	Step down Subsidiary	100.00%	No
11	Nykaa Essentials Private Limited	Direct Subsidiary	100.00%	No
12	Nykaa Foundation	Direct Subsidiary	100.00%	No
13	FSN Global FZE	Step down Subsidiary	100.00%	No
14	Nykaa International UK Limited	Step down Subsidiary	100.00%	No
15	Nessa International Holdings Limited	Step down Subsidiary	55.00%	No
16	Nysaa Beauty LLC	Step down Subsidiary	55.00%	No
17	Nysaa International for Wholesale and Retail Trade Co. SPC	Step down Subsidiary	55.00%	No
18	Nysaa Cosmetic Trading	Step down Subsidiary	55.00%	No
19	Nysaa Trading LLC	Step down Subsidiary	55.00%	No
20	Nysaa Cosmetics SPC	Step down Subsidiary	55.00%	No
21	Nysaa Distribution FZE	Step down Subsidiary	55.00%	No

[#]Earth Rhythm Private Limited ("ERPL"), which was an Associate Company, became a Subsidiary of the Company with effect from November 26, 2024 consequent to increase in stake in ERPL.

*Illuminar Media Limited has been merged with Nykaa Fashion Limited w.e.f. May 29, 2025 and has ceased to exist effective the mentioned date.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – Yes
- (ii) Turnover (in ₹) – 66,792.1 million
- (iii) Net worth (in ₹) – 19,304.1 million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY25			FY24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes*	0	0	-	0	0	-
Investors (other than shareholders)	Yes*	0	0	-	0	0	-
Shareholders	Yes*	0	0	-	8	0	-
Employees and workers	Yes*	2	0	-	3	1	-
Customers	Yes* Privacy Policy (nykaa.com)	6,933	0	0.014% of total orders - reduction due to optimising SOPs	8,156	0	0.021% of total orders
Value Chain Partners	Yes*	0	0	-	0	0	-
Others — Brand Partners	Yes*	0	0	-	0	0	-

*Vigil mechanism/ Whistle blower policy, all stakeholders can write mail to nykaa@tip-offs.in / whistleblower.employees@nykaa.com or call on toll free number 1800 210 8988 and anonymously raise actual or suspected concerns regarding incidents of wrongdoing, fraud or any unethical practices that violates Nykaa code of conduct.

The Company policies are hosted on the website at <https://www.nykaa.com/policies>

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Products Quality and Safety	Risk & Opportunity	Product safety and quality pose risks to Nykaa due to the need for stringent quality control over ingredients and products sourced from third-party suppliers, as any lapse can lead to regulatory penalties and loss of consumer trust. Conversely, maintaining rigorous quality assurance enables Nykaa to build a reputation as a reliable platform offering genuine, high-quality products, thereby strengthening customer confidence and loyalty.	Nykaa mitigates product safety and quality risks through ethically sourced ingredients, environmentally friendly formulations, and rigorous safety testing throughout development. All products also undergo annual safety testing. The Company follows low carbon footprint manufacturing practices aligned with Good Manufacturing Practices (GMP) and uses eco-conscious packaging. Extensive consumer testing ensures product efficacy and safety, while partnerships with high-quality	Negative & Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				suppliers maintain strict standards. These measures collectively uphold Nykaa's commitment to delivering safe, reliable, and high-quality products.	
2.	Talent Attraction & Retention	Risk & Opportunity	While high attrition and competitive hiring dynamics present challenges in attracting and retaining skilled talent, Nykaa counters these pressures through focused employee development, robust engagement initiatives, and a compelling employer brand. These efforts collectively foster a motivated, high-performing workforce that is aligned to the Company's values and instrumental in driving sustained growth.	At Nykaa, we adopt a strategic and consistent approach to talent acquisition, focusing on experienced professionals across critical domains - including product design, technology, sales, digital marketing, brand management, omni-channel retail, customer experience, supply chain, operations, and corporate functions. We actively strengthen our senior management by onboarding key market leaders, bolstering our leadership depth and capability. This deliberate focus on high-calibre talent enables us to stay competitive, foster innovation, and uphold operational excellence, thereby supporting our long-term growth aspirations.	Negative & Positive
3.	Responsible Marketing & Customer Satisfaction	Risk & Opportunity	Risks arise from potential service failures, misleading claims, and the need to comply with regulations such as ASCI advertising guidelines, the Consumer Protection Act, etc. However, they also offer opportunities to build trust, deepen customer relationships, and strengthen brand loyalty through transparent communication, personalised experiences, and responsive service.	Nykaa has adopted a diversified 360-degree marketing strategy that reduces dependence on any single channel and ensures compliance with industry labelling standards. The platform's extensive product rating and review system enables transparent consumer feedback, while our grievance mechanism systematically tracks and analyses customer complaints and satisfaction surveys. By continuously monitoring product reviews and post-resolution feedback, we identify areas for improvement to better meet customer expectations.	Negative & Positive
4.	Responsible Supply Chain	Risk & Opportunity	Nykaa's supply chain faces risks from disruptions due to geopolitical events, extreme weather, infrastructure failures, and the growing demand for sustainable practices. These risks can impact revenue, customer satisfaction, and brand reputation. On the other hand, sustainable sourcing and a resilient supply chain present opportunities to reduce environmental impact, strengthen ESG performance, build partnerships with ethical suppliers and investors, and enhance overall brand value.	The Company operates a decentralised supply chain strategy focused on localised fulfilment, which optimises shipment costs, inventory management, and reduces environmental impact. Nykaa supports social responsibility by procuring packaging from small and medium-scale enterprises, fostering the MSME ecosystem. Furthermore, Nykaa endeavours to either recommend or contractually impose compliance with human rights standards by its business partners and suppliers, including child labour, forced labour, harassment prevention, and non-discriminatory employment practices, thereby working towards the strengthening of supply chain resilience and ethical integrity.	Negative & Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Data Privacy, Risk Digitisation and Innovation	Risk	Data privacy and fraud risks threaten Nykaa due to its role as an e-commerce platform handling sensitive customer data, potentially leading to financial losses, legal penalties, and a loss of consumer trust if breaches occur.	Nykaa employs advanced cybersecurity technologies, conducting regular internal and third-party IT system assessments, and working towards ISO 27001 certification. The Company closely monitors high-risk activities, evaluates sellers based on transactional histories, and enforces restrictions when necessary to prevent fraud. Additionally, Nykaa fosters a culture of security through Company-wide awareness sessions, ensuring best practices are upheld to protect customer data and enhance overall satisfaction.	Negative
6.	Climate Change, GHG Emissions and Energy Efficiency	Risk & Opportunity	Extreme weather events due to climate change have the potential to disrupt operations, while regulations relating to emissions management can add to the Company's operating costs. Improving energy efficiency provides an opportunity to adopt advanced AI-driven tools for inventory management and automation, which can contribute to improving customer experience via reduced delivery times and enable the Company to optimise logistics costs.	The Company is integrating renewable energy sources at its facilities. We are also consistently striving to improve our operational and energy efficiency.	Negative & Positive
7.	Packaging and Waste Management	Risk & Opportunity	Packaging and waste management pose a risk to Nykaa due to regulatory requirements environmental impact, and potential damage to brand reputation from excessive or non-sustainable packaging. At the same time, it presents an opportunity for Nykaa to lead in sustainability by adopting eco-friendly packaging, optimising logistics, and engaging consumers in recycling initiatives, thereby enhancing operational efficiency and strengthening customer loyalty.	Nykaa incorporates recycled plastics in tertiary packaging used for e-Commerce delivery and sources packaging materials from eco-friendly suppliers. All of our e-Commerce packaging is composed of recycled plastics and paper. We ensure proper recycling of an equivalent quantity of the plastic waste generated via CPCB registered recyclers and have been compliant with EPR regulations since 2021. We have further launched initiatives to reduce the amount of waste we generate, such as reduction in the amount of BOPP tape used for packaging.	Negative & Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	<ul style="list-style-type: none"> • Anti-Corruption & Anti-Bribery Policy • Code of Conduct for prevention of Insider Trading • Code Of Conduct • Whistle-Blower (Vigil-Mechanism) Policy (both versions) • Information Security Policies (such as Access Management Policy, Acceptable Usage Policy, Cryptographic Control Policy) 	<ul style="list-style-type: none"> • Health, Safety, and Environment (HSE) Policy • Sustainable Sourcing Policy 	<ul style="list-style-type: none"> • HR Security Policy • Human Rights Policy • Employee Referral Policy • Learning & Development Policy • Leave Policy, Maternity Policy, Time & Attendance Policy, Transfer Policy • Employee Grievance Redressal Policy • Prevention of Sexual Harassment Policy (POSH) 	<ul style="list-style-type: none"> • Code of Practices and Procedures for Fair Disclosure of UPSI • Whistle-Blower (Vigil-Mechanism) Policy 	<ul style="list-style-type: none"> • Human Rights Policy • Prevention of Sexual Harassment Policy (PoSH) 	<ul style="list-style-type: none"> • Health, Safety, and Environment (HSE) Policy 	<ul style="list-style-type: none"> • Whistle-Blower (Vigil-Mechanism) Policy 	<ul style="list-style-type: none"> • Corporate Social Responsibility Policy • Human Rights Policy 	<ul style="list-style-type: none"> • Privacy Policy • Record Retention, Disposal, and Cardholder Information Privacy Policy
b. Has the policy been approved by the Board? (Yes/No)	Yes. Policies are approved by the Board where their review and approvals are required, other policies are reviewed and approved by the respective responsible functionaries.								
c. Web Link of the Policies, if available	Policies can be accessed on the link: https://www.nykaa.com/policies/lp and some internal policies as applicable to employees are available on our intranet.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has translated the policy into procedures. (Yes / No)					Yes				
3. Do the enlisted policies extend to your value chain partners? (Yes/No)					Yes				
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		BIS CDSCO							Vegan and cruelty-free products - BUREAU VERITAS certified, PETA certification for Own Brands

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Nykaa is committed to building a strong foundation for long-term ESG impact. Our efforts are anchored in the Nykaa 10x10 initiatives – a platform designed to drive progress across key areas such as energy efficiency, sustainable packaging, employee well-being, and ethical sourcing. Over the past year, we have taken meaningful steps to further shape and enhance the Nykaa 10x10 platform, strengthening our overall ESG strategy through deeper cross-functional engagement and alignment with evolving business priorities.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
	A critical part of this journey has been improving the quality and granularity of our data. This year, we made significant progress in establishing standardised measurement systems across locations – for instance, installing water meters at most of our operational sites has allowed us to shift from estimated to actual water consumption. Similarly, we have expanded our tracking of different waste streams, including paper and wood waste, which will support better monitoring and targeted reduction efforts going forward.								
	We also continue to advance waste management across our operations. In FY25, we recycled over 159.73 tonnes of plastic across locations and re-used 17.23 tonnes of carton waste within our Owned Brand warehouses and superstores. Our approach to packaging remains firmly rooted in sustainability, with a consistent preference for Eco-friendly materials wherever feasible.								
	Recognising the importance of extending our ESG focus beyond our operations, we have adopted a Sustainable Sourcing Policy along with a Supplier Code of Conduct, both of which signal our commitment to responsible practices throughout our value chain. In parallel, we are also working towards ISO 27001 certification as we strengthen our information security and governance standards. Our shift towards cleaner energy is underway, with renewable energy expected to be operationalised at multiple warehouses in FY 26.								
	Nykaa continues to strengthen internal people-centric initiatives through ongoing investments in employee engagement, leadership development, and inclusive workplace practices. On the community front, we deepened our social impact through targeted CSR programmes. We supported 4000+ students through the STEM SPARK Programme with the American India Foundation and enabled vocational training for young women in partnership with the Delhi Council for Child Welfare. We also continued our longstanding partnerships with the Indian Deaf Cricket Association and SlumSoccer, empowering young athletes from marginalised communities with opportunities for skill development, confidence building, and inclusion through sport.								
	Together, these initiatives reflect our steady and deliberate progress towards building a more sustainable and responsible business.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>).	We at Nykaa recognise that long-term business resilience and stakeholder trust are closely linked to our ability to deliver not just financial performance but also meaningful progress on environmental, social, and governance (ESG) priorities. ESG considerations are becoming an integral part of our operational approach, informing decision-making processes and contributing to our evolving definition of long-term business success.								
	Over the past year, we have taken important steps to build the internal infrastructure needed to embed ESG more deeply into our operations. This has included setting up data collection processes across multiple locations, conducting internal assessments to identify material issues, and initiating goal-setting exercises in consultation with relevant functions.								
	We also continue to invest in responsible practices across our value chain – from sustainable sourcing and waste management to employee engagement and workplace inclusion. While we are still at an early stage in our ESG journey, we are laying a strong foundation for consistent and transparent performance tracking in the years to come.								
	As we move forward, our focus remains on driving improvement through structured initiatives, meaningful stakeholder engagement, and targeted investments. We remain committed to building a sustainable business that creates long-term value for our shareholders, employees, customers, and the broader community.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policies.	The Company's Board of Directors establishes well-defined goals that promote shareholder value and encourage growth, all while adhering to the organisation's sustainability principles. Oversight and review of ESG-related activities are carried out by the Corporate Social Responsibility (CSR) and Environment, Social, and Governance (ESG) Committee to ensure proper implementation.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Corporate Social Responsibility (CSR) and Environment, Social, and Governance (ESG) Committee.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, the Company's Board of Directors, alongwith its Board-level Committees, including the Nomination and Remuneration Committee (NRC), Stakeholders' Relationship Committee, Audit Committee, Risk Management Committee, and Corporate Social Responsibility (CSR) & Environment Social Governance (ESG) Committee, are diligently involved in governance matters.									Quarterly/Half yearly/Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the Company adheres to all relevant statutory and regulatory mandates.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If "Yes", provide the name of the agency.																		
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
We have an internal audit program that includes independent evaluations of key procedures and process to ensure alignment with the intent and requirements of our policies. These audits are conducted by external, independent firms during the year, helping to ensure that critical policy elements are thoroughly reviewed and effectively reinforced.																		
12. If answer to question (11) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:																		
Questions																		
The entity does not consider the principles material to its business (Yes/No)																		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)																		
It is planned to be done in the next financial year (Yes/No)																		
Any other reason (please specify)																		
Not applicable																		

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

The Company has disclosed both "Essential" (all) and "Leadership" (to the extent applicable to the Company) indicators in this report.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Regulatory updates and analysis of implication: a) Listing Regulations 2015 b) Insider Trading Regulations, 2015 c) Rumour Verification process d) Related Party Transactions and disclosures	100%
Key Managerial Personnel	6	Training Sessions on PIT implementations, handling of UPSI, Structured Digital database	100%
Employees other than BoD and KMPs	137	The employees at Nykaa are being trained in a diverse range of topics covering POSH, HSE, Annual Awareness training, code of conduct, Annual security awareness training, digital marketing, data analytics, business strategy, leadership, project management, supply chain, UX/UI design, AI and machine learning, financial management, programming, and IT skills.	100%
Workers	86	Awareness training POSH, Human Rights Policy and Gender Diversity; Emergency Response trainings; road safety trainings; Awareness on Women Safety, Employee Wellbeing sessions, Health & Safety trainings, Waste segregation & disposal trainings, Sessions on safety Do's & Dont's and Awareness sessions on workplace safety incidents etc.,	85%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Penalty/ Fine		Nil			
Settlement					
Compounding fee					
Non-Monetary					
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment		Nil			
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Nykaa's 'Anti-Corruption and Anti-Bribery Policy' applies to all directors, officers, and employees of the Company and its subsidiaries or affiliates, collectively referred to as "the Company," "Our Company," or "Nykaa." This policy also extends to anyone acting on behalf of the Company, including direct and indirect employees, contractors, suppliers, and directors.

To uphold Nykaa's commitment to the highest ethical standards, every employee is required to acknowledge the Code of Conduct (CoC) during onboarding. The CoC explicitly covers anti-corruption and anti-bribery provisions. Additionally, Nykaa conducts a comprehensive annual training programme that includes both the CoC and the Prevention of Sexual Harassment (POSH) policies.

Web-link: <https://www.nykaa.com/media/wysiwyg/2021/Investors-Relations/pdfs/10-11/Anti-Corruption-andAnti-Bribery-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY25	FY24
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY25		FY24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable, as no such cases were observed.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY25	FY24
Number of days of accounts payables	35	36

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY25	FY24
Concentration of purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. Number of trading houses where purchases are made from	NIL	NIL
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NIL	NIL
Concentration of sales	a. Sales to dealers / distributors as % of total sales	10%	6%
	b. Number of dealers / distributors to whom sales are made	27,578	623
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	71%	77%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	18%	16%
	b. Sales (Sales to related parties / Total Sales)	7%	5%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	100%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nykaa regularly conducts awareness programmes for specific value chain partners covering a wide range of important topics. These include fire safety, emergency response procedures, and road safety to maintain a secure working environment. Sessions on POSH guidelines help foster inclusive workplaces, while monthly updates keep them informed about relevant rules and regulations. Periodic seminars also aim to promote positive social values.		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company upholds a Code of Conduct specifically designed for its Board of Directors and Senior Management, collectively referred to as "Leadership." This Code establishes ethical guidelines, including a clear framework for identifying and managing conflicts of interest. Leadership members are expected to act impartially, avoiding any situations that might compromise their independent judgment or lead to personal or associate gain. To promote transparency and ethical decision-making, Leadership must disclose any actual or potential conflicts of interest, including relationships with individuals, firms, or entities that could affect their objectivity in fulfilling their duties. These disclosures are required both at the time of appointment and whenever relevant circumstances change.

Nykaa is deeply committed to maintaining the highest ethical standards and enforces a strict zero-tolerance policy towards bribery and corruption. The Board's effectiveness is continuously evaluated under a strong governance framework, with the Chairperson of the Nomination and Remuneration Committee leading ongoing discussions to improve Board performance. Additionally, a dedicated reporting channel, speakup@nykaa.com, is available for raising concerns related to conflicts of interest. The complete Code of Conduct can be found on the Company's Investor Relations webpage: [Code-of-Conduct-for-Board-and-Senior-Management.pdf \(nykaa.com\)](#)

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY25	FY24	Details of improvement in environmental and social aspects
R&D	100%	-	₹18,70,950 was spent on improving the formulation of Own Brands' products by incorporating non-hazardous and environmentally friendly ingredients
Capex	0.24%	-	Amount spent on upgrading infrastructure at offices and warehouses with energy-efficient technologies to reduce electricity consumption and lower carbon emissions

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Nykaa does have procedures in place for sustainable sourcing.

- b. If yes, what percentage of inputs were sourced sustainably?

The Company has formally adopted a Sustainable Sourcing Policy that integrates Environmental, Social, and Governance (ESG) principles into its procurement and supply chain operations. This policy sets out expectations for business partners, covering areas such as ethical business conduct, fair labour practices, safe working conditions, and environmental responsibility.

To operationalise these commitments, the Company has instituted a framework for ESG due diligence, partner evaluation, and performance monitoring. ESG criteria are embedded into supplier onboarding and selection processes and business partners are required to adhere to the Supplier Code of Conduct. Evaluations will be conducted using a Sustainable Supply Chain Questionnaire, and assessments on critical partners will be undertaken to ensure alignment with the Company's sustainability goals.

The Company also encourages the adoption of sustainable materials and circularity practices through ongoing collaboration with its supply chain partners. These measures reflect a structured approach to responsible sourcing, with continuous improvement and transparency at the core.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Given Nykaa's emphasis on retail operations, the generation of product-related waste is mainly confined to expired and damaged goods. The Company works with authorised vendors to guarantee the safe disposal of such waste through incineration. Additionally, since April 2021, Nykaa has adhered to Extended Producer Responsibility (EPR) guidelines. The plastic packaging waste from product shipments is recycled through certified vendors.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Nykaa actively upholds environmental responsibility by fully complying with Extended Producer Responsibility (EPR) regulations since April 2021, having obtained certification as a "Brand Owner and Importer" from the Central Pollution Control Board (CPCB). To ensure effective waste management across various states, the Company collaborates with authorised CPCB-registered recyclers. This partnership enabled Nykaa to meet its EPR targets for FY25 and complete all required annual filings on the EPR portal.

Leadership Indicators

1. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action taken
<p>The Company's core business centres around retail operations, there is no direct involvement in manufacturing activities. However, Nykaa embraces its broader environmental and social responsibilities, guiding its approach throughout the entire product lifecycle - from creation and design to execution. Ethical sourcing is a key focus area, with ingredients carefully selected to minimise environmental impact. Product formulations are developed with eco-friendliness in mind, while production follows Good Manufacturing Practices (GMP) and incorporates low-carbon footprint methods. This commitment extends to packaging, where environment friendly materials are prioritised to support sustainability goals.</p> <p>Ensuring product safety and quality is paramount at Nykaa. All products undergo rigorous safety testing to meet strict regulatory standards, alongside extensive consumer testing to guarantee a positive user experience before launch. Social responsibility is further reflected in Nykaa's wide range of offerings that exclude parabens and mineral oils, adhere to cruelty-free practices, and include many vegan and naturally derived products. This comprehensive dedication to ethical sourcing and sustainable development highlights Nykaa's commitment to the wellbeing of both society and the environment.</p>		

2. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY25	FY24
Not Applicable		

3. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY25			FY24		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste (Expired products)	NA	NA	4.89	NA	NA	12.17

4. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1,327	1,327	100.00%	1,327	100.00%	NA	NA	1,327	100%	Provision of day care facilities for all eligible locations is under review	
Female	654	654	100.00%	654	100.00%	654	100%	NA	NA		
Total	1,981	1,981	100%	1,981	100%	654	33.01%	1,327	66.98%		
Other than Permanent employees											
Male	158	158	100%	-	-	-	-	-	-	-	-
Female	754	754	100%	-	-	-	-	-	-	-	-
Total	912	912	100%	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

		% of workers covered by									
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male		Not Applicable									
Female		-									
Total		-									
Other than Permanent workers											
Male	7,626	7,626	100.00%	7,626	100.00%	NA	NA	NA	NA	NA	NA
Female	472	472	100.00%	472	100.00%	472	100.00%	NA	NA	NA	NA
Total	8,098	8,098	100.00%	8,098	100.00%	472	5.83%	NA	NA	NA	NA

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY25	FY24
Cost incurred on well- being measures as a % of total revenue of the Company	0.03%	0.04%

Note: If any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes, reasonable assurance has been carried out by TUV India Private Limited on the above indicator.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY25			FY24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100.00%	Yes	100%	100%	Yes
Gratuity	100%	100.00%	Yes	100%	100%	Yes
ESI	0.15%	71.84%	Yes	0.48%	96%	Yes
Others – please Specify (Employee Compensation Policy as per Act)	-	28.16%	Yes	-	4%	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Nykaa aims to create an inclusive and accessible work environment for all employees. Our office spaces are designed and continuously improved to meet accessibility standards, ensuring a comfortable and supportive experience for everyone on site. This commitment is reinforced by our Human Rights Policy, which emphasises respect for human rights and specifically declares our support for employees with disabilities by providing the necessary resources and facilities to perform their roles effectively, in accordance with the Rights of Persons with Disabilities Act.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, Nykaa's commitment to equal opportunity is firmly embedded in our Code of Conduct, which enforces a strict zero-tolerance policy against discrimination of any kind – whether based on gender, caste, colour, creed, disability, or any other unlawful factor throughout its value chain. This commitment is further strengthened by the Human Rights Policy, which underlines Nykaa's dedication to enabling equal opportunity and a fair workplace where every individual has the chance to compete and succeed.

To support inclusivity, Nykaa provides necessary resources to employees with disabilities, ensuring they can perform their roles effectively. The Company strives to continuously nurture a diverse and inclusive culture, promoting respect and equal treatment for all employees across the organisation.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00%	76%	-	-
Female	100.00%	42%	-	-
Total	100.00%	67%	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	<p>Yes, Nykaa has instituted multiple channels for grievance redressal and a well-defined process to address employee concerns in a timely manner.</p> <p>Formal Channels:</p> <ul style="list-style-type: none"> • Direct Communication: Employees are encouraged to initially discuss any grievances with their Reporting Manager and the respective Head of Department. • Human Resources Department: Provided satisfactory resolution is not reached, employees can approach the HR department for further investigation and action. <p>Additional Reporting Options:</p> <ul style="list-style-type: none"> • Independent Third-Party Facility: Nykaa utilises an independent, third-party facility which enables the reporting of concerns, which enables employees to report their concerns anonymously if desired. • Periodic HR Connect: The HR department conducts regular visits to various workplace locations. This encourages direct interaction with employees, encouraging them to raise any concerns directly with HR personnel. <p>E-Grievance Reporting:</p> <p>The Company further offers dedicated email addresses for reporting specific concerns:</p> <ul style="list-style-type: none"> • SpeakUp (speakup@nykaa.com): This platform facilitates the reporting of concerns related to ethics and compliance. • POSH (Posh@nykaa.com): Employees can use this email address to report incidents of harassment or discrimination under the Prevention of Sexual Harassment (POSH) Act. • Whistle Blower policy (nykaa@tip-offs.in): This platform facilitates the reporting of any irregularity/concern.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY25			FY24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total Permanent Workers	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY25					FY24				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill Upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	1,327	910	68.57%	962	72.49%	1,071	675	63%	765	71%
Female	654	635	97.09%	507	77.52%	598	348	58%	407	68%
Total	1,981	1,545	78%	1,469	74.15%	1,669	1,023	61%	1,172	70%
Workers										
Male	7,626	7,626	100%	-	-	4,185	700	17%	-	-
Female	472	472	100%	-	-	155	57	37%	-	-
Total	8,098	8,098	100%	-	-	4,340	757	17%	-	-

9. Details of performance and career development reviews of employees and worker:

Category	FY25			FY24		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	1,327	1,135	85.13%	1,071	1,008	94%
Female	654	534	81.65%	598	545	91%
Total	1,981	1,669	84.25%	1,669	1,553	93%
Workers						
Male						
Female						
Total						

NA

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Yes, Nykaa has implemented a comprehensive occupational health and safety management system that covers all its operations, including workplaces, warehouses, logistics, and related activities. This system is founded on a robust Health, Safety, and Environment (HSE) Policy that prioritises the health and safety of employees, customers, business partners, suppliers, and visitors.

The management system emphasises proactive risk management by continuously identifying and mitigating potential safety and environmental hazards. Regular evaluations and benchmarking against industry standards ensure ongoing improvement. Incident response procedures are well-established to enable effective reporting, investigation, and learning from safety incidents, preventing recurrence.

Continuous improvement is embedded in the culture through regular audits, enhancement programmes, and active employee engagement in safety initiatives. Comprehensive training and communication programmes equip employees with the necessary knowledge and skills to comply with policies and best practices, while lessons learned from past incidents are shared company-wide.

Nykaa maintains and upgrades its HSE systems across all facilities, with Emergency Response Teams (ERTs) established in every warehouse. These teams conduct bi-monthly inspections and lead emergency evacuation drills, supported by multiple training sessions throughout the year to reinforce safety awareness.

To ensure compliance with safety regulations, regular HSE & electrical safety audits are conducted at all locations, with recent audits confirming adherence to electrical and general safety standards. Additional safety measures include weekly training sessions on 16 critical HSE topics across all warehouses, safety incident case study discussions, and a monthly review meeting with all relevant stakeholders to monitor HSE progress and provide support.

In this year, our HSE management has been strengthened by the institution of safety inductions for all new contract workers in our warehouses. Programmes addressing behavioural aspects of safety are planned for implementation in the future. Microlearning videos, fire safety mock drills in all warehouses, customised safety posters in critical areas, and weekly safety awareness sessions are some other initiatives undertaken to enhance our safety culture. Standardised guidelines for carrying out HSE related trainings have also been developed, leading to an increase in training coverage. We are further planning to carry out activity-based Hazard Identification and Risk Assessment (HIRA), framing corrective and preventive actions (CAPA), and preparing emergency evacuation plans across warehouses.

There have been zero major safety incidents in the current financial year.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company is dedicated to ensuring a safe and secure work environment for all employees. Due to the nature of our operations, the risk of exposure to hazardous materials remains minimal. There were no significant incidents or workplace accidents reported throughout the year. By monitoring workplace incidents on a monthly basis, we are able to quickly identify and address potential hazards.

Understanding the importance of proactive safety initiatives, Nykaa remains committed to continually enhancing workplace safety and implementing further improvements in this area.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Nykaa is committed to promoting a culture of safety and transparent communication throughout the organisation. To support this goal, we have established a robust incident reporting system that operates across all our workplaces.

At each site, a dedicated Health, Safety, and Environment (HSE) Single Point of Contact (SPOC) is assigned. Employees are encouraged to promptly report any incidents, including near misses or unsafe conditions, directly to their designated HSE SPOC. These SPOCs play a key role in the process by:

- Receiving and recording all incident reports
- Leading investigations into reported issues
- Implementing corrective measures to address hazards and prevent recurrence.

To promote awareness of this reporting process, regular training sessions are held for all staff. Additionally, QR codes are displayed throughout our workplaces enabling employees to quickly report near misses, unsafe conditions and unsafe act using their mobile devices. This comprehensive strategy empowers our workforce to take an active role in sustaining a safe and healthy workplace environment.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, although Nykaa does not operate an on-site healthcare centre due to the non-hazardous nature of its business activities, first-aid kits are easily accessible in all workplace areas. Additionally, the Company has arranged a partnership with a medical professional to ensure employees can access necessary healthcare services whenever required. During this year, a new employee wellness programme has been launched. It offers discounted gym memberships, onsite well-being programmes, and unlimited teleconsultations with doctors across 32+ specialties for employees and their immediate families. Other benefits include diet and therapist consultations, in-person counsellor visits to all offices, discounted in-clinic visits and health tests, 24/7 helpline support, and access to wellness content like videos and events—all designed for convenient, accessible holistic employee wellness management.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY25	FY24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Nykaa ensures a safe and healthy workplace through a layered approach that integrates preventive infrastructure, rapid response systems, ongoing education, and employee wellness initiatives.

a. Preventive Safety Infrastructure

Comprehensive Safety Installations: Workplaces are equipped with smoke detectors, public address systems, sprinklers, and fire hydrants.

Workplace Compliance: Fire safety compliance is a prerequisite for opening of any new workplace.

b. Proactive Risk Management

Routine HSE Audits: Regular Health, Safety, and Environment (HSE) audits are conducted to identify and mitigate risks before they escalate.

Continuous Hazard Identification: Ongoing evaluation ensures hazards are addressed promptly.

c. Emergency Preparedness & Response

Emergency Response Teams (ERTs): Trained ERTs, including first-aid and fire-fighting personnel, are stationed at every location.

Mock Drills & Simulations: Emergency drills, conducted in collaboration with certified agencies across all our workplaces, to test and improve readiness.

Accessible First-Aid: First-aid boxes are strategically placed across all workplaces for immediate care.

d. Employee Training & Awareness

Safety Inductions: Every new employee receives comprehensive HSE induction training.

E-Learning Modules: All staff have access to an online HSE module, ensuring ongoing knowledge retention.

Regular Safety Training: Employees participate in frequent safety training and awareness sessions.

e. Continuous Improvement Initiatives

Standardised Protocols: Standard training guidelines for HSE trainings and mock drills have been defined, ensuring consistency and thoroughness.

Feedback & Enhancement: Drills and audits are used to identify gaps and drive improvements in safety practices.

f. Holistic Employee Well-being

Wellness Programme: Nykaa has launched a cost-effective wellness programme supporting physical as well as mental health, ensuring employees' holistic well-being.

13. Number of Complaints on the following made by employees and workers:

Topic	FY25			FY24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	No complaints			No complaints		
Health & Safety						

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

During the current year, no major workplace-related incidents have been reported. In response to a few minor incidents, the Company has taken corrective and preventive measures, including offering additional safety training and enhancing safety awareness programmes throughout the entire workforce. Through these proactive initiatives, we aim to further reduce the risk of future incidents.

Leadership Indicators

1. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Nykaa secures statutory compliance from its value chain partners through several measures. All partners are contractually obligated to adhere to relevant agreements and legal requirements. The Company conducts regular assessments to evaluate whether partners are meeting regulatory standards. In addition, Nykaa engages specialised third-party agencies to perform thorough compliance checks. Ongoing oversight by compliance partners further ensures that all statutory obligations are consistently met.

2. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY25	FY24	FY25	FY24
Employees				
Workers				

None

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Nykaa places a strong emphasis on transparent communication and active collaboration with its stakeholders. The Company has established a dedicated Stakeholder's Relationship Committee to oversee and guide the engagement process, ensuring that all relevant groups are appropriately identified and involved.

Stakeholder identification is carried out using the following three criteria:

Dependence: Individuals or groups who rely, directly or indirectly, on Nykaa's products, services, activities, or performance.

Interdependence: Entities that Nykaa relies upon for its own effective functioning.

Influence: Stakeholders who have the capacity to affect Nykaa's strategic or operational decisions.

Special attention is given to disadvantaged, vulnerable, and marginalised groups, in alignment with Nykaa's CSR priorities. These priorities include supporting the upliftment and mentorship of vulnerable age groups, enhancing access to healthcare, and advancing equitable quality education and skill development. By engaging proactively with a broad spectrum of stakeholders, Nykaa not only nurtures mutually beneficial relationships but also reinforces its commitment to social responsibility and inclusive growth.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, notice boards, meetings, townhalls and internal portals (HRMS)	Regularly	Business Discussions and Employee Connect to share Feedback on processes, policies and improvement areas. Talent management, Internal Job Postings, Employee Surveys, Skill Development Sessions, Learning Portals and Helpdesk Portals
Vendors/ Value Chain Partners/ Brand Partners	No	Emails, notice boards, calls and meetings, management reviews, and relationship meetings	Regularly	Vendor Selection, Onboarding, Work execution, invoice processing and payments, business scaling, ideas to attract customers, and brand partnerships
Customers	No	Website, Email, Newsletters, Brochures, social media platforms, helpline, and store visits	Regularly	Identifying opportunities to improve customer service and products, retain them, improve overall experience.
Shareholders/ Investors	No	Website, Email, Newspaper advertisements and portals of regulatory bodies	Quarterly	Financial Results, Investor Presentations, Annual Report, Press Release, Financial Statements and matters requiring approval of shareholders as per applicable laws.
Regulatory bodies like SEBI, NSE, BSE and MCA	No	Respective Portal for regulatory filing	Regularly	Financial Results, Financial Statements, Press Release and matters to be reported / filed with regulatory bodies as per applicable laws.
Communities and NGOs/ Implementation Agencies	Yes	Various collaborations with NGOs, direct consultations, field-visits & trainings, digital platforms, volunteering work, including e-volunteering, reviewing programme achievements and impacts	Regularly	To understand the concerns of communities our business operates in the underprivileged as well as society at large. Implement programmes that help drive inclusive growth and equitable development among relevant communities in education, upskilling and entrepreneurship.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Nykaa demonstrates its commitment to Corporate Social Responsibility (CSR) and Environmental, Social, and Governance (ESG) principles through a dedicated board-level committee. This committee follows a consultative and inclusive process to guide CSR initiatives and address key economic, environmental, and social concerns. The Company collaborates closely with NGOs, who provide regular progress reports. These reports incorporate findings from site visits conducted by Nykaa's CSR team and feedback gathered from local stakeholders. All such inputs, along with any emerging issues, are presented to and reviewed by the Board to ensure informed decision-making and oversight.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, Nykaa actively engages with stakeholders to inform the identification and management of key environmental and social topics. Through ongoing consultations with NGO partners, community members, and beneficiaries, the Company gathers valuable insights into ground-level needs and emerging concerns. These inputs play a vital role in shaping Nykaa's CSR and ESG priorities.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

Nykaa actively engages with vulnerable and marginalised groups through strategic partnerships with NGOs and community-based organisations. These collaborations begin with detailed needs assessment surveys to identify community-specific challenges and inform the design of targeted empowerment programmes. The initiatives primarily focus on skill development, financial independence, and social inclusion—responding to concerns such as limited employability, lack of education, and socio-economic marginalisation.

For instance, Nykaa's partnership with the Sambhav Foundation equips women from low-income communities with professional beauty skills, along with job placement support, enabling them to achieve economic self-reliance. Beyond vocational training, Nykaa also supports inclusive initiatives across sectors like education, sports, and entrepreneurship.

This year, in collaboration with American India Foundation Trust [AIFT], Nykaa launched a project in an aspirational district of Maharashtra aimed at enhancing teacher capacity and promoting STEM education—addressing educational inequities in underserved regions.

Nykaa's structured, community-first approach ensures continuous engagement with marginalised stakeholders, embedding their voices into the CSR framework. Through these sustained efforts, the Company not only addresses immediate concerns but also fosters long-term social and economic empowerment.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY25			FY24		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1,981	1,981	100%	1,669	1,669	100.00%
Other than permanent	912	912	100%	1,018	1,018	100.00%
Total Employees	2,893	2,893	100%	2,687	2,687	100.00%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	8,098	1,604	19.81%	4,340	1,164	26.82%
Total Workers	8,098	1,604	19.81%	4,340	1,164	26.82%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY25					FY24				
	Total (A)	Equal Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1,327	-	-	1,327	100%	1,071	-	-	1,071	100.00%
Female	654	-	-	654	100%	598	-	-	598	100.00%
Other than Permanent										
Male	NA*									
Female										
Workers										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	7,626	4	0.05%	7,622	99.95%	4,185	259	6%	3,926	94%
Female	472	1	0.21%	471	99.79%	155	2	1%	153	99%

*Other than Permanent category consists of fixed term contractors (FTCs) and interns. The professional fees / stipends paid to them are not comparable to the salaries paid to employees.

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors	7	Refer Director's report	3	Refer Director's report
Key Managerial Personnel	2	Refer Director's report	1	Refer Director's report
Employees Other than BoD and KMP	1,324	10.30 lacs	652	8.28 lacs
Workers	7,626	1.97 lacs	472	2.01 lacs

Note: The median salaries for men and women differ by less than 10% across roles and levels. The aggregate difference is higher in the table above due to differences in the employee gender mix.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY25	FY24
Gross wages paid to females as % of total wages	21.77%	30.9%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, our Human Resource (HR) department assumes the responsibility for addressing human rights concerns and issues. Additionally, a dedicated POSH Committee handles matters related to harassment, ensuring a safe and respectful work environment for all employees.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Nykaa has adopted a comprehensive Human Rights Policy that underscores its commitment to non-discrimination, prevention of child labour, employee health and safety, and maintaining a harassment-free workplace. Employees can raise concerns related to these issues through designated email channels-speakup@nykaa.com and Posh@nykaa.com, with clear procedures in place to ensure timely resolution and escalation of grievances.

Additionally, Nykaa's Whistleblower Policy enables anonymous reporting of suspected fraud, unethical conduct, or other misconduct via the email nykaa@tip-offs.in or a toll-free number, 1800 210 8988. This policy reinforces Nykaa's dedication to ethical practices by providing secure and confidential avenues for employees and stakeholders to report concerns without fear of retaliation.

6. Number of Complaints on the following made by employees and workers:

	FY25			FY24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	1	0	-	1	0	-
Discrimination at workplace	-	-	-	-	-	-
Child labour	-	-	-	-	-	-
Forced labour/ involuntary labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

Note: The sexual harassment complaint for FY2024-2025 pertains to Nykaa E-Retail Limited

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY25	FY24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees / workers	0.05%	0.06%
Complaints on POSH upheld	1	0

Note: The complaint for FY2024-25 pertains to Nykaa E-Retail Limited.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Nykaa is committed to engendering a workplace where employees and business partners can freely share their opinions, concerns, and issues without fear of retaliation. The Company strictly prohibits any form of retaliation or adverse action against individuals who raise concerns in good faith. To support this, Nykaa has established multiple reporting channels, including a Whistle-Blower helpline managed by an independent third party to ensure objectivity, transparency, and confidentiality for whistleblowers throughout the investigation process.

These mechanisms encourage open communication and provide a safe environment for raising grievances, reinforcing Nykaa's dedication to ethical conduct and accountability. The Company ensures that complaints are handled with the utmost confidentiality and timely resolution, reflecting its commitment to protecting those who speak up and maintaining a culture of trust and integrity.

9. Do human rights requirements form part of your business agreements and contracts?

(Yes/No)

Yes, Nykaa incorporates human rights, ethical business practices, and statutory compliance into its vendor onboarding process to ensure that all business and vendor partners adhere to these principles. Business agreements include specific clauses requiring partners to comply with standards related to employee qualifications, working hours, safety training, emergency preparedness, and overall workplace safety. For long-term contractors, Nykaa conducts periodic audits to verify ongoing compliance with these requirements.

10. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/ involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No case reported.

Leadership Indicators

1. Details of the scope and coverage of any Human rights due diligence conducted.

Nykaa remains committed to the protection and respect of human rights within its operations by regularly conducting assessments focused on critical areas such as labour practices, child labour prevention, equal pay for equal work, and non-discrimination. These assessments also include a process for identifying and remedying any human rights violations that are discovered.

2. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, Nykaa continually strives to improve the accessibility of our office and new warehouse facilities to ensure a positive experience for everyone. This commitment is reflected in our ongoing efforts to enhance infrastructure and meet accessibility standards. Our Human Rights policy further declares our commitment to adhere to the standards as laid down under the Rights of Persons with Disabilities Act.

3. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour	Several key initiatives are in place to promote responsible behaviour by suppliers/vendors:
Forced/ involuntary labour	<ul style="list-style-type: none"> Vendor Assessments: The internal team conducts periodic on-site visits to all contract manufacturing and packaging vendors.
Sexual harassment	
Discrimination at workplace	<ul style="list-style-type: none"> Child Labour Prevention: Central HR and warehouse team undertakes KYC verification to mitigate child labour risks.
Wages	
Others – please specify	

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY25 (GJ)	FY24 (GJ)
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	24,197.49	17,144
Total fuel consumption (E)	4,315.18	3,206
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	28,512.67	20,350
Total energy consumed (A+B+C+D+E+F)	28,512.67	20,350
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.43	0.40
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP)	8.82	8 [#]
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by IMF for India which is 20.66.

[#]Last year, Energy intensity adjusted for PPP was rounded up to the nearest whole number, value up to 2 decimal places was 8.38.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Yes, Reasonable Assurance from TUV India Pvt. Ltd.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable, as we are not an energy-intensive industry as outlined under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 25 (KL)	FY24 (KL)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	57,664.27	62,816
(iii) Third party water (tanker)	1,075	1,566
(iv) Seawater / desalinated water	-	-
(v) Others (municipal supply system)	20,130.37	31,869
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	78,869.64	96,251
Total volume of water consumption (in kilolitres)	78,869.64	96,251
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	1.18	1.91
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)	24.40	40[#]
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by IMF for India which is 20.66.

[#]Last year, Water intensity adjusted for PPP was rounded up to the nearest whole number, value up to 2 decimal places was 40.03.

The Company has installed water meters at almost all locations leading to the more accurate measurement of water consumption. This is unlike previous years where water consumption was partly derived based on assumptions.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – Yes, Reasonable Assurance from TUV India Pvt. Ltd.

4. Provide the following details related to water discharged:

Parameter	FY25	FY24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	At Nykaa offices and warehouses, the water consumed is only for 'Domestic purpose' and not for manufacturing of goods and services. Therefore, the question is not applicable.	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not applicable for Nykaa as the Company does not manufacture any products and water is solely used for domestic consumption.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY25	FY24
NOx		Air emissions are not applicable for Nykaa since our operations include only offices and warehouses. Diesel generators are utilised in the warehouses, however only as a back-up power source. Nevertheless, we closely monitor our generator usage to further reduce our fuel consumption.	
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY25	FY24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	386.01	223
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4,886.55	3,410
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.08	0.07
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*		1.51	2 [#]
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by IMF for India which is 20.66.

[#]Last year, Emissions intensity adjusted for PPP was rounded up to the nearest whole number, value up to 2 decimal places was 1.47.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Yes, Reasonable Assurance from TUV India Pvt. Ltd.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, Nykaa has made progress in its efforts to adopt renewable energy sources. Suitable locations have been identified for incorporating renewable energy, and will be made operational in a phased manner in FY26.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY25	FY24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	159.73	141
E-waste (B)	3.04	0
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	0	0
Radioactive waste (F)	Not Applicable	Not Applicable
Other Hazardous waste. Please specify, if any. (G) (Expired products)	4.89	12.17
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2,020.16	1,492.72
	(Carton Waste)	(Carton waste)
	10.98	-
	(Paper Waste, Wooden Pallet Waste)	
Total (A+B + C + D + E + F + G + H)	2,198.81	1,645.89

Parameter	FY25	FY24
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.03	0.03
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP)	0.68	1 [#]
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	17.23 [^] (Carton waste)	13.83 [^] (Carton waste)
(iii) Other recovery operations	0	0
Total	17.23	13.83
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration (Expired products disposed via incineration)	4.89	12.17
(ii) Landfilling	0	0
(iii) Other disposal operations (Plastic waste disposed via third party vendors for recycling)	159.73	141
(Carton waste disposed via third party vendors for recycling, excludes the quantity that is re-used within the reporting boundary)	2,002.93	1,478.89
(Paper and Wooden waste disposed via third-party vendors for recycling)	10.98	-
(E-waste disposed vis third-party vendors for recycling)	3.04	-
Total	2,181.57	1,632.06

Note: [#]The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2025 by IMF for India which is 20.66.

*E-waste is accumulated internally until it reaches a defined threshold for disposal, which may cause variations in annual disposal volumes.

[^]In an effort to minimise its waste footprint, the Company re-uses 100% of carton waste generated within the premises of its Private Label warehouses.

[#]Last year, Waste intensity adjusted for PPP was rounded up to the nearest whole number, value up to 2 decimal places was 0.63.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Yes, Reasonable Assurance from TUV India Pvt. Ltd.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Nykaa prioritises responsible waste management and chemical safety, but doesn't use, produce, or disposes off any hazardous chemicals due to the nature of its business.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Warehouse operation located at Baprou village, Patiala (Punjab)	Warehouse	Yes, Landlord has obtained requisite approvals/clearance for one of our warehouses taken on lease.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable as none of Nykaa's projects require environmental impact assessments.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
	Yes, Nykaa workplaces comply with applicable environmental law, regulations of the country and operate as per Consent to Operate conditions from the Central and State Pollution Control Boards. Further, no fine/penalty/action was initiated against the entity under any of the applicable environmental laws/regulation/guidelines in India.			

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: Bengaluru, Dwarka, Gurgaon, Delhi, Haryana, Indore and Punjab
- (ii) Nature of operations: Offices and warehouses
- (iii) Water withdrawal, consumption and discharge in the following format: At Nykaa offices and warehouses, the water consumed is only for 'domestic purpose' and not for manufacturing of goods and services. Therefore, water discharge is not applicable.

Parameter	FY25	FY24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	20,353.31	34,143
(iii) Third party water (tanker)	1,075	1,566
(iv) Seawater / desalinated water	0	0
(v) Others (municipal supply system)	3,374.37	17,384.14
Total volume of water withdrawal (in kilolitres)	24,802.68	53,093
Total volume of water consumption (in kilolitres)	24,802.68	53,093
Water intensity per rupee of turnover (Water consumed / turnover)	0.37	1.05
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
– No treatment		
– With treatment – please specify level of treatment		
(ii) Into Groundwater	NA	NA
– No treatment		
– With treatment – please specify level of treatment		
(iii) Into Seawater	NA	NA
– No treatment		
– With treatment – please specify level of treatment		
(iv) Sent to third parties	NA	NA
– No treatment		
– With treatment – please specify level of treatment		
(v) Others	NA	NA
– No treatment		
– With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	NA	NA

The Company has installed water meters at almost all locations leading to the more accurate measurement of water consumption. This is unlike previous years where water consumption was partly derived based on assumptions.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Yes, Reasonable Assurance from TUV India Pvt. Ltd.

2. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable, as none of Nykaa's operations fall under ecologically sensitive zones.

3. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Project Aranyam – Tree Plantation Initiative in Partnership with Pack8	Under this initiative, trees are planted in the name of Nykaa for every purchase of specified packaging variants. The programme is implemented in partnership with Grow-Trees.com and Grow Billion Trees, organisations focused on reforestation and climate action.	2,946 trees planted in FY25 Estimated 58,920 kg of carbon sequestered upon maturity. Employment generated for local communities through nursery work, sapling transport, planting, and maintenance activities.

4. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, Nykaa has implemented a cloud-based Disaster Recovery Framework that backs up critical databases hourly to the cloud. We conduct biannual disaster recovery drills to ensure the website operates smoothly on the backup system within defined Recovery Time Objectives (RTOs). Additionally, a majority of Nykaa users are provided VPN access to support remote work capabilities.

The Company is in the process of establishing a Business Continuity Management (BCM) programme. Business Impact Analyses (BIAs) and Risk Assessments have been conducted across key identified functions and processes. A robust Business Continuity Plan at the functional level and a Crisis Management Plan at the site level are being put in place.

5. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Nykaa's business agreements incorporate Health, Safety, and Environment (HSE) declarations, including clauses that allow termination if these standards are violated. Waste produced at our warehouses are handled through authorised vendors for safe disposal and recycling. These practices promote transparent and accountable waste management in line with our sustainability objectives.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

4

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	FICCI-Federation of Indian Chambers of Commerce and Industry	National
2	IBHA-Indian Beauty Health Association of India	National
3	CII-Confederation of Indian Industries	National
4	RAI-Retailers Association of India	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
No such cases observed in the reporting period.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half Yearly/ Quarterly/ Others – please specify)	Web Link, if available
	We collaborated with external associations such as the Federation of Indian Chambers of Commerce & Industry (FICCI), Confederation of Indian Industry (CII), Indian Beauty Health Association (IBHA), and Retailers Association of India (RAI) for regulatory compliance. Our involvement in regulatory agendas included addressing labelling issues under Legal Metrology, conveying the pain points with regard to importing cosmetics, and voicing industry related hurdles to the Consumer Affairs Ministry	With member of association representing industry POV and its comments in draft stage of regulatory documents	Yes	Annually	

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain. (Yes / No)	Relevant Web link
Not applicable for Nykaa as there was no Social Impact Assessment required to be conducted during FY25.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
During FY25, Nykaa has not undertaken any projects that require Rehabilitation and Resettlement (R&R).						

3. Describe the mechanisms to receive and redress grievances of the community.

We are committed to promoting community development across our locations by actively engaging with all stakeholders, including local communities, NGOs, and implementing partners, to understand and address their concerns. Any specific grievance raised is properly documented, thoroughly investigated, and promptly resolved. Nykaa has established a dedicated email, grievanceofficer@nykaa.com, to facilitate an effective grievance redressal system.

Nykaa also encourages stakeholders to report any suspected wrongdoing through a strong Whistleblower Policy, which allows anonymous reporting of fraud, unethical behaviour, or misconduct via the email nykaa@tip-offs.in or by calling the toll-free number 1800 210 8988.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Source	FY25	FY24
Directly sourced from MSMEs/ small producers	24%	21%
Directly from within India	99%	98%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost.

Location	FY25	FY24
Rural	-	-
Semi-urban	0.02%	0.43%
Urban	7.86%	3.57%
Metropolitan	92.12%	96.00%
Total	100%	100%

(Place categorised as per RBI Classification System – rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified

Corrective action taken

Not applicable for Nykaa as there was no Social Impact Assessment required to be conducted during FY25.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (in ₹)
1.	Maharashtra	Nandurbar	39.65 lakhs

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No, Nykaa does not currently have a preferential procurement policy in place.

(b) From which marginalised /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	Not applicable as Nykaa doesn't have any IPR based on traditional knowledge			

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Name of authority	Brief of the case	Corrective action taken
Not applicable, as there are no adverse orders in intellectual property related disputes wherein the usage of traditional knowledge was involved.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Sambhav Foundation: In FY25, Nykaa, in partnership with Sambhav Foundation, empowered 1,094 women from low-income communities by training them as professional beauty service providers. Delivered across five fully equipped centres in Bangalore, Guwahati, Noida, Pune, and Mysore, the five-month programme combined technical training with on-the-job experience. Women participants were supported with placement opportunities at local salons and some women chose their own freelance ventures. This initiative not only unlocked new career pathways for these women but also helped them move closer to financial independence and social inclusion.	1,094	100%
2	Beauty & You: Nykaa has partnered with Estée Lauder International as a lead partner for Beauty & You Grants. The primary objective of these Grants is to discover and propel the next generation of beauty entrepreneurs and to help founders, innovators, and creators build their businesses holistically, incorporating innovative and research-oriented ideas and by identifying brand goals, achieving scale ambitions, and curating product portfolios for Indian consumers. The awardees receive a Grant that can be utilised to take forward their ideas and build their innovative and research-oriented business models in the beauty space, along with receiving mentorship, guidance, training and awareness that would facilitate their progress in the beauty industry. This year, Nykaa supported three women-led organisations.	3	0%
3	Indian Deaf Cricket Association (IDCA): Nykaa has been a proud supporter of the Indian Deaf Cricket Association (IDCA), advancing the development, training, and recognition of differently abled athletes. In FY25, Nykaa served as the Principal Sponsor of the 2 nd IDCA T10 Women's Deaf Premier League held in Mumbai, which empowered 250 women cricketers with training, exposure, and a platform to showcase their talent. This initiative underscores Nykaa's commitment to inclusivity and equal opportunities in sports.	250	100%
4	Krida Vikas Sanstha (Slum Soccer): For the third consecutive year, Nykaa has supported Slum Soccer in its mission to empower underprivileged youth through the unifying power of sports. In FY25, Nykaa proudly backed the National Inclusion Cup in Nagpur, where 250 young athletes – 120 girls and 130 boys from marginalised communities across India trained, competed, and grew together. This initiative is not just about football – it's about building confidence, teamwork, and opportunity for the game changers of tomorrow.	250	100%
5	Anushkaa Foundation: Nykaa, in partnership with Anushkaa Foundation, is helping children with Clubfoot, walk confidently into a better future. Using the globally acclaimed Ponseti method, this initiative offers a cost-effective, two-phase treatment to children from rural and semi-urban low-income communities. In FY25, Nykaa supported the full treatment journey of 91 children, ensuring long-term mobility and a life free from physical and social limitations.	91	100%
6	Aatapi Seva Foundation: With Nykaa's support, Aatapi Seva Foundation is empowering rural women to become beauty care entrepreneurs, blending skill development with financial literacy and business training. Through this tailored initiative, 65 women received foundational training in beauty services, and advanced to higher-level entrepreneurship training. By nurturing their skills and confidence, the programme is helping women transform ambition into sustainable livelihoods and local enterprise.	65	100%
7	Delhi Council for Child Welfare (DCCW): In partnership with DCCW, Nykaa is supporting 10 vocational training centres that are equipping 500 girls and young women from low-income communities with practical skills in Beauty & Wellness and Stitching. These year-long courses, delivered through daily two-hour sessions, are designed to foster employability and self-reliance – opening doors to dignified work, income generation, and a more empowered future.	500	100%
8	American India Foundation Trust: Supported by Nykaa, the STEM SPARK Program is transforming STEM education in 30 government schools across Nandurbar, an aspirational district in Maharashtra. By strengthening the capacity of teachers and introducing hands-on STEM Kits and Labs, the initiative is fostering engaging, inquiry-based learning for 4,597 students—including 2,352 girls. The programme empowers young minds, especially girls in grades 6–8, to dream bigger and pursue pathways in science, technology, engineering, and math.	4,597	100%

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
9	Akanksha Foundation: Nykaa collaborated with Akanksha Foundation to support a school in Pune, providing free, high-quality education to 877 students from Jr. KG to Grade 10. The school serves children from low-income families, many of whom are first-generation learners with parents engaged in daily wage work and limited educational backgrounds. This initiative aims to break the cycle of poverty through education, empowering students with the knowledge and opportunities to build brighter futures.	877	100%
10	Rise Against Hunger India: In alignment with Rise Against Hunger India's mission to end hunger and empower communities, Nykaa supported to prepare 58,536 nutrient-rich meals. These fortified meals were distributed to underserved communities, helping combat malnutrition and food insecurity. This initiative contributes to immediate hunger relief while supporting long-term health and well-being for vulnerable populations.	874	100%
11	Latika Roy Memorial Foundation: Nykaa has partnered with Latika Foundation to create a state-of-the-art salon for children with sensory needs at the Foundation's purpose-built campus in Dehradun, designed with the concept of universal accessibility. This Diversity & Inclusion initiative will not only provide essential beauty services but also serve as a training centre for differently abled youth enrolled in Latika Foundation's skilling programmes. The project will directly impact 200 children, equipping them with valuable skills for employment and fostering a more inclusive future.	Salon will be ready by October 2025	
12	Nykaa Chair in Consumer Technology implemented by IIM-A: Nykaa partnered with the Indian Institute of Management Ahmedabad (IIM-A) Endowment Fund to institute the "Nykaa Chair in Consumer Technology". This collaborative programme spanning three years focuses on advancing research and education in the field of marketing – on how Nykaa provides brands its omnichannel ecosystem to grow and build brands, and what marketing/ funnel choices need to be made at different junctures. Additionally, collaborated for a 24-hour hackathon to identify and empower student-led tech innovations.	The project aims to create marketing education materials and conduct workshops/ hackathons.	
13	NCAER: In partnering with India's oldest and largest independent, non-profit, economic policy research think tank – National Council of Applied Economic Research ('NCAER') Nykaa has instituted a nationwide study to assess the social, economic and financial empowerment of women through a ground-level sample survey in 11 states of India during the first phase of the survey. The outcome of the study will be an index of women's empowerment and will help in measuring progress and identifying barriers to women's empowerment so that appropriate policies can be designed to overcome these barriers.	Work in progress and the ultimate output will be an index of empowerment of women, which will be a composite index of a few other subindices, like general education, banking and credit access, digital and technical skill, financial decision-making power, etc.	

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

As a consumer-centric organisation, we have established multiple mechanisms to receive and respond to consumer complaints and feedback effectively:

- We provide detailed contact information of Grievance Officers and Nodal Officers, including names, addresses, email IDs, and phone numbers, across all e-commerce platforms and websites to facilitate easy consumer access.
- Each marketed product carries labelling with the registered office address, email ID, and phone number of the marketing entity for direct consumer reference.
- Complaints received through various channels are logged into our system with a unique ticket ID, ensuring organised tracking.
- Our customer service team uses a dedicated system to manage all customer interactions, automatically creating tickets when grievances are received, and tracking response and resolution times. After resolving issues, customers receive satisfaction surveys to provide feedback, which helps us improve our service.
- Customers are notified of complaint status updates via email and/or calls, ensuring transparent communication throughout the grievance redressal process.

This integrated approach ensures timely, accountable, and customer-focused complaint handling and feedback management.

2. Turnover of products and/ services as percentage of turnover from all products/services that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

Our products are labelled with instructions for appropriate usage and any necessary precautions to ensure safe and effective use.

Our products are labelled with the appropriate recycling symbols to guide consumers on proper disposal.

3. Number of consumer complaints in respect of the following:

	FY25			FY24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-Security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	6,933	All consumer complaints have been closed		8,156	-	All consumer complaints have been closed

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	No such instances of forced or voluntary recall during the reporting period.
Forced recalls	Nil	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.

Yes, Nykaa has implemented a comprehensive Data Privacy Policy. This policy outlines the types of customer information collected, the reasons for collecting such data, and the circumstances under which it may be shared with third parties. It also details the security measures in place to protect customer data and clearly defines the rights of customers regarding their personal information. The policy can be accessed here: <https://www.nykaa.com/policy/lp#privacy-policy>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Product Recalls

We uphold strict mandatory quality standards, regularly verifying compliance through both audits and self-assessment processes. These standards are designed to ensure that all our products are delivered with safety and superior quality in mind, fully adhering to applicable industry and regulatory requirements in every country where we operate. Robust management procedures are in place to mitigate risks and protect both our consumers and markets. Should any product fall short of these standards, we act swiftly and decisively to guarantee that only products meeting our high-quality benchmarks reach the market.

Cyber Security and Data Privacy

Nykaa has established a thorough Information Security Incident Management framework. This framework defines clear steps for identifying and reporting security incidents, taking immediate action to contain and minimise their impact, investigating

root causes, and gathering necessary evidence. It also covers the recovery of affected systems and data, as well as the prevention of future incidents through continuous learning and process improvement. The Company places strong emphasis on employee training, leverages threat intelligence platforms, and ensures meticulous evidence collection to manage security incidents effectively.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches
0
- b. Percentage of data breaches involving personally identifiable information of customers
0
- c. Impact, if any, of the data breaches
None

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information regarding Nykaa's products and services can be accessed from the following channels:

- Website: <https://www.nykaa.com/>
- Nykaa Retail Stores.
- General Trade Stores and Modern Trade Stores where Nykaa products are available.
- Nykaa App

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Nykaa is dedicated to equipping consumers with the information they need to make informed decisions and use products safely. Every Nykaa product features clear, detailed instructions to promote responsible and safe usage.

To further support consumers, Nykaa provides buying guides on its platform, offering additional insights to assist with purchase decisions. Educational editorial articles are also available, empowering customers with deeper product knowledge.

In addition, Nykaa collaborates with cosmetic experts and beauty bloggers to host regular awareness sessions focused on skincare and hygiene best practices. These sessions give consumers direct access to valuable advice and information from industry professionals.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

At Nykaa, we do not operate within the essential services sector. However, should any disruptions arise, we are equipped to promptly communicate relevant information through our website, various social media channels, our distribution network, sales representatives, and email communications.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Yes, Nykaa is committed to ensuring that consumers receive clear and detailed information about every product. All mandatory product labels are fully compliant with industry regulations and established standards. In addition to these requirements, Nykaa includes logos or supplementary details on its labels to emphasise unique product features. These may indicate that a product is cruelty-free (not tested on animals), vegan (free from animal-derived ingredients), or clean (meeting specific sustainability criteria or formulated without certain ingredients).

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Nykaa's website features an extensive rating and review system for all products, enabling customers to share their experiences and satisfaction levels. This mechanism serves as an ongoing consumer feedback survey, providing valuable insights into product performance and customer preferences.

Additionally, every time a customer submits a grievance via email, our Zendesk platform automatically creates a support ticket and, upon resolution, sends a customer satisfaction (CSAT) survey or feedback request. The feedback collected through these surveys is systematically logged and analysed. We also monitor the first reply and resolution times for all customer grievances, enabling us to continually assess and enhance the quality of our customer service.

By actively monitoring and analysing both product reviews and post-resolution customer feedback, Nykaa identifies areas for improvement and product development. This customer-centric approach ensures that we continuously adapt our offerings to better meet consumer needs and expectations across all our locations of operation.

INDEPENDENT ASSURANCE STATEMENT

To,
The Board of Directors,
FSN E Commerce Ventures Limited,
Mumbai 400013

Nykaa E-Retail Limited and FSN E Commerce Ventures limited (hereafter 'Nykaa') engage TUV India Private Limited (TUVI) to conduct independent external assurance of BRSR Core disclosures ([09 attributes as per Annexure I - Format of BRSR Core](#)) following the ([BRSR Core -Framework for assurance and ESG disclosures for value chain](#) stipulated in SEBI [circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/01/2023](#) and [Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20/12/2024](#)) for the period April 01, 2024 to March 31, 2025. The BRSR is based on the National Guidelines on Responsible Business Conduct (NGRBC), [SEBI circular: SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10/05/2021](#) followed by the [notification number SEBI/LAD-NRO/GN/2023/131, dated 14/06/2023](#) pertaining to BRSR requirement. This assurance engagement was conducted in reference with BRSR, the terms of our engagement and ISAE 3000 (Revised) requirement.

Management's Responsibility

Nykaa developed the BRSR's content pertaining to the Core disclosures ([09 attributes as per Annexure I - Format of BRSR Core](#)). Nykaa management is responsible for carrying out the collection, analysis, and disclosure of the information presented in the BRSR (web-based and print), including website maintenance, integrity, and for ensuring its quality and accuracy in reference with the applied criteria stated in the BRSR, such that it's free of intended or unintended material misstatements. Nykaa will be responsible for archiving and reproducing the disclosed data to the stakeholders and regulators upon request.

Scope and Boundary

The scope of work includes the assurance of the following [09 attributes as per Annexure I - Format of BRSR Core](#) disclosed in the BRSR. The BRSR core requirements encompass essential disclosures pertaining to organization's Environmental, Social and Governance (ESG). In particular, the assurance engagement included the following:

1. Review of [09 attributes as per Annexure I - Format of BRSR Core](#) submitted by Nykaa.
2. Review of the quality of information,
3. Review of evidence (on a random samples) for [09 attributes as per Annexure I - Format of BRSR Core](#).

TUVI has verified the below [09 attributes as per Annexure I - Format of BRSR Core](#) disclosed in the BRSR

Attributes	KPI
Green-house gas (GHG) footprint Boundary: Scope 1 Boundary - Consumption from all Corporate Locations and Warehouses are part of financial statement. Scope 2 Boundary - All Corporate locations and Warehouses	Total Scope 1 emissions (with breakup by type) - GHG (CO ₂ e) Emission in MT - Direct emissions from organization's owned- or controlled sources (Calculated) Total Scope 2 emissions in MT - Indirect emissions from the generation of energy that is purchased from a utility provider (Calculated) GHG Emission Intensity (Scope 1+2), Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP (Calculated)
Water footprint Boundary: Covers all warehouses and corporate locations.	Total water consumption (in kL) (Calculated) Water consumption intensity - kL / Total Revenue from Operations adjusted for PPP (Calculated) Water Discharge by destination and levels of Treatment (kL)- Not applicable
Energy footprint Boundary: Refer attribute "Green-house gas (GHG) footprint"	Total energy consumed in GJ (Calculated) % of energy consumed from renewable sources - In % terms- (Reported NIL) Energy intensity -GJ/ Rupee adjusted for PPP (Calculated)
Embracing circularity - details related to waste management by the entity Boundary: Covers all Corporate Offices and Warehouses	Plastic waste (A) (MT) (Calculated) E-waste (B) (MT) (Calculated) Bio-medical waste (C) (MT)- (Reported NIL) Battery waste (D) (MT) - (Reported NIL) Other hazardous waste. Expired products (E) (Calculated) Other non-hazardous waste. Carton waste (F) (Calculated) Total waste generated (A + B + C + D + E + F) (MT) (Calculated) Waste intensity • MT / Rupee adjusted for PPP (Calculated) Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (MT) (Calculated) Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (Intensity)

	1. Kg of waste Recycles, Recovered / Total Waste generated	
	For each category of waste generated, total waste disposed by nature of disposal method (MT)	
	For each category of waste generated, total waste disposed by nature of disposal method (Intensity)	
	1. kg of Waste Recycled Recovered /Total Waste generated	
	2. Expired products incineration [Reported]	
	3. Plastic waste recycled via third party vendors [Reported]	
	4. Carton waste recycled via third party vendors [Reported]	
Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company - In % terms- (Calculated)	
	Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	
	1) Number of Permanent Disabilities (Reported NIL)	
	2) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) (Reported NIL)	
	3) No. of fatalities (Reported NIL)	
Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid - In % terms – (Calculated)	
	Complaints on POSH	1) Total Complaints on Sexual Harassment (POSH) reported - (Reported)
		2) Complaints on POSH as a % of female employees / workers- (Calculated)
		3) Complaints on POSH upheld- (Reported)
Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India - In % terms – As % of total purchases by value- (Calculated)	
	Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost - In % terms – As % of total wage cost	
	<ul style="list-style-type: none">• Rural (NIL)• Semi urban (Calculated)• Urban (Calculated)• Metropolitan (Calculated)	
Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events - In % terms (Nil)	
	Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured (Calculated)	
Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties	1) Purchases from trading houses as % of total purchases (NIL)
		2) Number of trading houses where purchases are made from (NIL)
		3) Purchases from top 10 trading houses as % of total purchases from trading houses- (NIL)
	Loans and advances	1) Sales to dealers / distributors as % of total sales- (Calculated)
	& investments with related parties	2) Number of dealers / distributors to whom sales are made- (Calculated)
		3) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors- (Calculated)
		Share of RPTs (as respective %age) in -
		<ul style="list-style-type: none">• Purchases - (Reported)• Sales - (Reported)• Loans & advances - (Reported)• Investments - (Reported)

The reporting boundaries cover FSN E Commerce Ventures Limited and Nykaa E-Retail Limited operations.

Onsite Verification

- 03 - 04 April 2025 - Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra 400013
- 07 July 2025 - Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra 400013.

Remote Verification

- 08 April 2025 - Remote audit for Bangalore office (Divyasree Technopolos, B- Block, East wing, 2nd floor, Yemlur Main road, Bengaluru -560037) and Ahmedabad warehouse (Plot No - D6 To D9, Gallop Industrial Park, Vil- Rajoda, Tal- Bavla, Ahmedabad, 382220, Gujarat).
- 10 April 2025 - Bangalore warehouse (NYKAA E-Retail.Pvt.Ltd. S.NO149/1, P149/2, 241/P, Ramasandra Hobli Narasapura Taluk, Kolar Dist -563130).

The assurance activities were carried out together with a desk review as per reporting boundary.

Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the BRSR, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion on the prospective information. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI verified 09

assurance statement is limited w.r.t [SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated Jul 12, 2023 and Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/111, dated 20/12/2024](#). This assurance statement does not endorse any environmental and social claims (related to the product, manufacturing process, packaging, disposal of product etc.) as well as advertisements by the reporting organization. TUVI does not permit use of this statement for Greenwashing or misleading claims. The reporting Organization is responsible for ensuring adherence to relevant laws.

Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a reasonable level of assurance for [09 attributes as per Annexure I - Format of BRSR Core](#) and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of Nykaa's strategy, management of ESG-related issues or the sufficiency of the BRSR against BRSR reporting principles, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes assurance of non-financial quantitative and qualitative information disclosed by Nykaa. Reporting Organization is responsible for archiving the related data for a reasonable time period.

TUVI is responsible

- i. For planning to obtain the reasonable assurance for BRSR attributes so that it is free from material misstatement,
- ii. Forming an independent opinion, based on the sampled evidence,
- iii. Reporting the opinion to the Directors of 'Nykaa'.

This assurance statement is prepared by considering that the data and information presented by 'Nykaa' are free from material mis-statement. The data is verified on a sample basis, the responsibility for the authenticity of data lies with the reporting organization. The primary intended user of this assurance statement is 'Nykaa'; however, the client may use it at their own discretion in accordance with their specific requirements.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing on verification efforts with respect to disclosures. TUVI has verified the disclosures and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- a) TUVI examined and reviewed the documents, data, and other information made available by Nykaa for non-financial [09 attributes as per Annexure I - Format of BRSR Core](#) (non-financial disclosures),
- b) TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of Nykaa,
- c) TUVI performed sample-based reviews of the mechanisms for implementing the sustainability-related policies and data management (qualitative and qualitative),
- d) TUVI reviewed the adherence to reporting requirements of "BRSR".

Opportunities for Improvement

The following are the opportunities for improvement reported to Nykaa. However, they are generally consistent with Nykaa management's objectives and programs. Nykaa already identified below topics and Assurance team endorse the same to achieve the Sustainable Goals of organization.

- i. Nykaa can quantitatively evaluate the training imparted to various employees following models like Kirkpatrick Model
- ii. Nykaa may plan to monitor all categories of indirect GHG (scope 3) emissions as per ISO 14064-1
- iii. Nykaa can plan long term projects like purchase of renewable energy or REC certificates
- iv. Nykaa may encourage their suppliers for the sustainability reporting

Conflict of Interest

In the context of BRSR requirements set by SEBI, addressing conflict of interest is crucial to maintain high integrity and independence of assurance engagements. As per SEBI guidelines, assurance providers need to disclose any potential conflict of interest that could compromise the independence or neutrality of their assessments. TUVI diligently identifies any relationships, affiliations, or financial interests that could potentially cause conflict of interest. We proactively implement measures to mitigate or manage these conflicts, ensuring independence and impartiality in our assurance engagements. We provide clear and transparent disclosures about any identified conflicts of interest in our assurance statement. We recognize that failure to address conflict of interest adequately could undermine the credibility of the assurance process and the reliability of the reported information. Therefore, we strictly adhere to SEBI guidelines and take necessary measures to avoid, disclose, or mitigate conflicts of interest effectively.

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on BRSR Core KPI described in the BRSR along with the referenced information provides a fair representation of the 9 attributes, and meets the general content and quality requirements of the BRSR. TUVI confirms its competency to conduct the assurance engagement for the BRSR as per SEBI guidelines. Our team possesses expertise in ESG verification, assurance methodologies, and regulatory frameworks. We ensure independence, employ robust methodologies, and maintain continuous improvement to deliver reliable assessments.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the BRSR requirements. Nykaa refers to general disclosure to report contextual information about Nykaa, while the Management & Process disclosures refers to the management approach for each indicator ([09 attributes as per Annexure I - Format of BRSR Core](#)).

Reasonable Assurance: As per SEBI reasonable assurance requirements including scope of Assurance, Assurance methodologies (risk-based approach and data validation techniques), mitigating conflicts of interests, documentation on evidence and communication on findings, TUVI can effectively validate the accuracy and reliability of the information presented in the BRSR, instilling confidence in stakeholders and promoting transparency and credibility in ESG reporting practices.

BRSR complies with the below requirements

- Governance, leadership and oversight: The messages of top management, the business model to promote inclusive growth and equitable development, action and strategies, focus on services, risk management, protection and restoration of environment, and priorities are disclosed appropriately.
- Connectivity of information: Nykaa discloses [09 attributes as per Annexure I - Format of BRSR Core](#) and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.
- Stakeholder responsiveness: The BRSR covers mechanisms of communication with key stakeholders to identify major concerns to derive and prioritize the short, medium and long-term strategies. The BRSR provides insights into the organization's relationships (nature and quality) with its key stakeholders. In addition, the BRSR provides a fair representation of the extent to which the organization understands, takes into account and responds to the legitimate needs and interests of key stakeholders.
- Materiality: The material issues within 9 attributes and corresponding KPI as per BRSR requirement are reported properly.
- Conciseness: The BRSR reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point sentences, graphs, pictorial, tabular representation is applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.
- Reliability and completeness: Nykaa has established internal data aggregation and evaluation systems to derive the performance. Nykaa confirms that, all data provided to TUVI, has been passed through internal checks. The majority of the data and information was verified by TUVI's assurance team (on sample basis) during the BRSR verification and found to be fairly accurate. All data, is reported transparently, in a neutral tone and without material error.
- Consistency and comparability: The information presented in the BRSR is on yearly basis and found reliable and complete manner. Thus, the principle of consistency and comparability is established.

Independence and Code of Conduct: TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. We recognize the importance of maintaining independence in our engagements and actively manage threats such as self-interest, self-review, advocacy, and familiarity. The assessment team was safeguarded from any type of intimidation. By adhering to these principles, we uphold the trust and confidence of our clients and stakeholders. In line with the requirements of the SEBI [circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/07/2023](#) and [Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20/12/2024](#).

TUVI solely focuses on delivering verification and assurance services and does not engage in the sale of service or the provision of any non-audit/non-assurance services, including consulting.

Quality control: The assurance team complies with quality control standards, ensuring that the engagement partner possesses requisite expertise and the assigned team collectively has the necessary competence to perform engagements in reference with standards and regulations. Assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control, TUVI 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.

Our Assurance Team and Independence

TUVI is an independent, neutral third-party providing ESG Assurance services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with Nykaa on any engagement that could compromise the independence or impartiality of our findings, conclusions, and observations. TUVI was not involved in the preparation of any content or data included in the BRSR, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.



For and on behalf of TUV India Private Limited
Date: 17/07/2025
Place: Mumbai, India



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