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**

   022-68389616

8. **Website**

   https://www.nykaa.com/

9. **Financial year for which reporting is being done**

   April 1, 2025 – March 31, 2026

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

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

11. **Paid-up Capital (as on 31st March, 2026)**

    - 2,86,32,27,356

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: + 91 022 6838 9616

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'.

14. **Name of assurance provider**

    TUV India Pvt.Ltd.

15. **Type of assurance obtained**

    Reasonable Assurance in line with ISAE 3000 (Revised)

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, fashion and wellness products on the online platforms or websites such as e-commerce, m-commerce, intranet, and offline channel such as Stores.	85%
2.	Marketing support and marketplace service		10%
3.	Wholesale of cosmetics, Fashion Apparels (Offline - Own Brands, Imported Brands, Other Brands)		5%

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	95%
2.	Wholesale of cosmetics, Fashion Apparels (Offline - Own Brands, Imported Brands, Other Brands)	51391	5%

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	75*	75
International		Not Applicable	

**Includes 31 Warehouses, 7 Office Clusters, and 37 Rapid Stores.*

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	Not Applicable

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, fashion 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)	2,028	1,360	67.06%	668	32.94%
2	Other than Permanent (E)	893	153	17.13%	740	82.87%
3	**Total employees (D + E)**	**2,921**	**1,513**	**51.80%**	**1,408**	**48.20%**
Workers						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	8,567	8,024	93.66%	543	6.34%
6	**Total workers (F + G)**	**8,567**	**8,024**	**93.66%**	**543**	**6.34%**

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)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	**Total differently abled employees (D + E)**	**-**	**-**	**-**	**-**	**-**
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	11	3	27.27%
Key Management Personnel	5	2	40%

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-2026			FY 2024-2025			FY 2023-2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29%	40%	32%	26%	38%	30%	26%	40%	31%
Permanent Workers	-	-	-	-	-	-	-	-	-

Turnover figures for the previous reporting period have been restated to align with the current year's reporting methodology and presentation, ensuring comparability across reporting periods.

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 (formerly "Dot & Key Wellness Private Limited")	Direct Subsidiary	90.06%	No
8	Nudge Wellness Private Limited	Direct Subsidiary	100.00%	No
9	Earth Rhythm Private Limited	Direct Subsidiary	75.83%	No
10	Nykaa Essentials Private Limited	Direct Subsidiary	100.00%	No
11	Nykaa Foundation	Direct Subsidiary	100.00%	No
12	FSN Global FZE	Step down Subsidiary	100.00%	No
13	Nykaa International UK Limited	Step down Subsidiary	100.00%	No
14	Nessa International Holdings Limited	Step down Subsidiary	55.00%	No
15	Nysaa Beauty LLC	Step down Subsidiary	55.00%	No
16	Nysaa International for Wholesale and Retail Trade Co. SPC	Step down Subsidiary	55.00%	No
17	Nysaa Cosmetic Trading	Step down Subsidiary	55.00%	No
18	Nysaa Trading LLC	Step down Subsidiary	55.00%	No
19	Nysaa Cosmetics SPC	Step down Subsidiary	55.00%	No
20	Nysaa Distribution FZE	Step down Subsidiary	55.00%	No
21	Nysaa Beauty Bahrain WLL	Step down Subsidiary	55.00%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) — 78,489.90 INR Million

(iii) Net worth (in ₹) — 27,343.3 INR 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)	FY 2025-2026			FY 2024-2025		
	(If yes, then provide web-link for grievance redress policy)	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	-	0	0	-
Employees and Workers	Yes*	0	0	-	2	0	-
Customers	Yes* https://www.nykaa.com/privacy-policy/lp	5,879	0	All grievances have been resolved	6933	0	All grievances have been resolved
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 are closely linked to customer trust, particularly in a business model that depends on third-party suppliers and partner manufacturers. This makes rigorous oversight of ingredients, formulations and finished products essential, as any lapse could lead to regulatory scrutiny and weaken customer confidence in the products offered on the platform. At the same time, consistent quality assurance enables Nykaa to strengthen its position as a trusted destination for authentic and high-quality products. By maintaining strong controls across sourcing, product evaluation and supplier requirements, the Company can reinforce reliability, deepen customer confidence and support lasting brand loyalty.	Nykaa safeguards product safety and quality through disciplined controls across sourcing, formulation, production and post-development validation. This includes responsible supplier selection, environmentally conscious formulations, manufacturing aligned with Good Manufacturing Practices, consumer testing, packaging choices with lower environmental impact and clearly defined supplier expectations, helping ensure that products offered across the platform are safe, dependable and consistently high in quality.	Negative & Positive
2.	Talent Attraction & Retention	Risk & Opportunity	Nykaa operates in a dynamic talent market characterised by high attrition and intense competition for skilled professionals. To address these challenges, Nykaa continues to strengthen its employee value proposition through focused learning and development programmes, employee engagement initiatives, and a strong employer brand. These efforts support the attraction, development, and retention of talent while fostering a high-performing workforce aligned with the Company's values and long-term business objectives, thereby contributing to sustainable growth.	Nykaa follows a strategic and structured approach to talent acquisition, with a focus on attracting experienced professionals across key business functions, including product development, technology, sales, digital marketing, brand management, omni-channel retail, customer experience, supply chain, operations, and corporate functions. The Company also continues to strengthen its leadership pipeline through the induction of experienced professionals into critical leadership roles. This approach enhances organisational capability, supports innovation and operational excellence, and enables the Company to effectively execute its long-term growth strategy.	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)
3.	Responsible Marketing & Customer Satisfaction	Risk & Opportunity	Exposure to customer-related risks may emerge from breakdowns in service delivery, non-compliant or inaccurate promotional messaging, and evolving legal obligations, including ASCI norms and consumer protection requirements. Yet, when managed effectively, these same areas can help Nykaa reinforce credibility, nurture stronger customer connections, and elevate brand affinity through clear communication, tailored engagement, and timely support.	Nykaa adopts an integrated multi-channel marketing approach that reduces dependence on any one medium while supporting compliance with labelling requirements. Ratings, reviews, and structured grievance and satisfaction tracking provide clear customer insights, while continuous monitoring of feedback helps identify improvement areas and align offerings more closely with customer expectations.	Negative & Positive
4.	Responsible Supply Chain	Risk & Opportunity	Nykaa's value chain remains sensitive to a range of external factors, including geopolitical developments, climate-related events, infrastructure limitations and rising sustainability expectations, each of which can influence operating performance, customer experience and brand perception. At the same time, a more resilient supply network, supported by responsible sourcing practices, can strengthen ESG performance, reduce environmental impact, deepen relationships with values-aligned suppliers and investors, and enhance the Company's overall market standing.	Nykaa's decentralised and locally anchored supply chain supports stronger inventory planning, greater logistics efficiency and a lower environmental footprint. By engaging MSMEs for packaging procurement and reinforcing human rights expectations across suppliers and partners through contractual provisions, the Company further strengthens the resilience and ethical stewardship of its supply chain.	Negative & Positive
5.	Data Privacy, Digitization and Innovation	Risk	Safeguarding customer information is essential to maintaining trust in a digital commerce environment. As an e-commerce platform that handles sensitive customer data, the Company remains mindful that any instance of unauthorised access, misuse or fraud could lead to financial implications, regulatory scrutiny and a decline in customer confidence.	Nykaa strengthens data security through advanced cybersecurity controls, supported by periodic internal and external technology assessments. The Company's processes and controls are ISO 27001 certified, while monitoring of high-risk activities, review of seller transaction histories and targeted fraud controls help mitigate misuse and protect customer information. Company-wide awareness initiatives further promote secure practices across the organisation, supporting stronger customer confidence in the platform.	Negative

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)
6.	Climate Change, GHG Emissions and Energy Efficiency	Risk & Opportunity	Climate-related disruptions, including extreme weather events, may affect operational continuity, while compliance with evolving emissions regulations could place additional pressure on operating costs. Improvements in energy efficiency can, however, support the deployment of advanced AI-enabled tools for inventory management and automation, helping enhance customer experience through faster deliveries while also improving logistics efficiency.	Nykaa is progressively incorporating renewable energy across our facilities while continuing to enhance both operational and energy efficiency.	Negative & Positive
7.	Packaging and Waste Management	Risk & Opportunity	Packaging and waste management remain important considerations in light of evolving regulatory requirements, environmental priorities and the reputational implications associated with unsustainable packaging practices. At the same time, this area presents a significant opportunity to advance sustainability through more responsible packaging choices and greater consumer participation in recycling, while also strengthening operational effectiveness and customer affinity.	Nykaa uses corrugated boxes made from recycled paper/ board for the tertiary packaging of its e-commerce shipments and sources packaging materials from suppliers that align with its environmental expectations. The Company's e-commerce packaging mix comprises recycled plastic and paper, with paper accounting for 90% of the external packaging and plastic comprising the remaining 10%. To address the plastic waste associated with the primary packaging of Nykaa's own brand products, Nykaa enables the recycling of an equivalent quantity through CPCB-registered recyclers and has remained compliant with Extended Producer Responsibility (EPR) requirements since 2021.	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)	• 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)	• Health, Safety, and Environment (HSE) Policy • Sustainable Sourcing Policy	• 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) • Supplier Code of Conduct	• Code of Practices and Procedures for Fair Disclosure of UPSI • Whistle-Blower (Vigil-Mechanism) Policy	• Human Rights Policy • Prevention of Sexual Harassment Policy (PoSH) • Supplier Code of Conduct	• Health, Safety, and Environment (HSE) Policy	• Whistle-Blower (Vigil-Mechanism) Policy	• Corporate Social Responsibility Policy • Human Rights Policy	• 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.								
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								

<table>
<tr><th colspan="2">Disclosure Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>4.</td><td>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.</td><td></td><td>BIS CDSCO</td><td></td><td></td><td></td><td></td><td></td><td></td><td>Vegan and cruelty-free products- BUREAU VERITAS certified, PETA certification for Own Brands ISO 27001</td></tr>
<tr><td>5.</td><td>Specific commitments, goals and targets set by the entity with defined timelines, if any.</td><td colspan="9" rowspan="2">Nykaa’s ESG approach is embedded within its governance framework and business processes, with strategic oversight provided by the Board-level CSR & ESG Committee. Through regular stakeholder engagement and periodic policy reviews, the Company identifies, assesses and addresses material environmental, social and governance matters. This approach is supported by a comprehensive policy framework covering sustainable sourcing, health, safety and environment, human rights, anti-bribery and anti-corruption, whistleblower protection, and data privacy, reflecting the Company’s commitment to embedding responsible business practices across its operations and value chain.

From an environmental perspective, the Company continued to advance initiatives focused on responsible packaging, waste management and resource efficiency. During the year, Nykaa ensured the responsible disposal of 151.3 metric tonnes of plastic waste through authorized recyclers while implementing measures to minimise waste generation across its operations. The Company also achieved 100% reuse of corrugated carton waste in its Private Label warehouses, reinforcing its circularity efforts. Under Project Aranyam, implemented through its supplier Pack8, Nykaa facilitated the plantation of 4,911 trees, which are estimated to sequester approximately 98,220 kilograms of carbon over their lifetime. In parallel, the Company invested in energy-efficient technologies across its offices and warehouses, progressively increased the adoption of renewable energy in a phased manner, and initiated the monitoring of Scope 3 greenhouse gas emissions from FY 2025–26.

On the social front, Nykaa continued to strengthen its focus on workplace health and safety, employee wellbeing, human rights and inclusive community development. The Company’s occupational health and safety management system extends across its workplaces, warehouses, logistics operations and associated activities. This is supported through comprehensive HSE audits, emergency response teams, periodic inspections, evacuation drills and regular safety training programmes. Employee wellbeing is further enhanced through a range of wellness initiatives, including teleconsultations with medical professionals, access to counselling services and other wellbeing programmes.

Within the community, Nykaa continued to invest in programmes focused on women’s skilling, economic empowerment and education. Through the Sambhav Foundation, the Company supports women from underserved communities by providing professional beauty training and placement assistance, enabling sustainable livelihood opportunities. Nykaa also partnered with the American India Foundation to support the STEM SPARK programme, which aims to strengthen teacher capacity and encourage girls from underserved communities to pursue education and careers in science, technology, engineering and mathematics (STEM).

These initiatives reflect Nykaa’s continued commitment to integrating ESG considerations into its governance, operational decision-making, value chain practices and community engagement, thereby creating long-term value for its stakeholders.</td></tr>
<tr><td>6.</td><td>Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</td></tr>
</table>

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).

At Nykaa, we recognise that environmental, social and governance (ESG) considerations are fundamental to building a resilient business, creating long-term stakeholder value and enabling responsible growth. As our business continues to expand, we remain conscious of the evolving challenges associated with responsible sourcing, product quality and safety, climate-related risks, packaging and waste management, data privacy, and the rising expectations of consumers, employees, investors and communities.

Our response has been to further integrate ESG considerations into our governance framework, strategic decision-making and day-to-day operations. Oversight of ESG-related matters is provided by the Board-level CSR & ESG Committee, supported by structured stakeholder engagement and periodic policy reviews that help identify material issues, assess emerging risks and strengthen our management approach.

During the year, we made meaningful progress in advancing our ESG priorities. We continued to strengthen responsible practices across our value chain, enhanced our focus on resource efficiency and sustainable packaging, expanded our environmental initiatives, reinforced workplace health, safety and employee wellbeing, and sustained our investment in programmes that promote women's empowerment, livelihoods and education. These efforts reflect our commitment to embedding responsible business practices across our operations while creating positive outcomes for the communities we serve.

Looking ahead, we remain focused on strengthening ESG performance by improving environmental stewardship, advancing responsible sourcing and supply chain practices, enhancing climate-related disclosures and emissions management, fostering an inclusive and safe workplace, and creating lasting social impact. We believe that responsible business conduct is integral to Nykaa's long-term success, and we remain committed to driving sustainable and inclusive growth with transparency, accountability and integrity.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policies.

The Board of Directors provides overall oversight of the Company's Business Responsibility and Sustainability agenda and establishes strategic priorities that support long-term value creation while aligning with Nykaa's sustainability commitments. The Board-level Corporate Social Responsibility and ESG ("CSR & ESG") Committee oversees the implementation and periodic review of the Company's ESG strategy, policies, initiatives and performance.

To support effective implementation, Nykaa has constituted an ESG Core Committee comprising the Chief Financial Officer (CFO), Chief Human Resources Officer (CHRO), Chief Information Officer (CIO) and the ESG Lead. The Committee is responsible for driving the execution of ESG initiatives, monitoring progress against key priorities, facilitating cross-functional coordination, and reviewing ESG performance across the organisation.

The ESG Lead oversees the day-to-day management and implementation of ESG initiatives, coordinates with business functions to drive execution, monitors ESG-related activities, and supports reporting and disclosure requirements. The ESG Core Committee periodically updates and presents progress, key developments and strategic recommendations to the Board-level CSR & ESG Committee for its oversight and guidance.

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, CSR & 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/									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, alongside the Board-level Committees, including the Nomination and Remuneration Committee (NRC), Stakeholders' Relationship Committee, Audit Committee, Risk Management Committee, and CSR & 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 an 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. Additionally, company has obtained ISO 27001 certification (Independent Assessor – Intertek) and has undergone a cyber security maturity assessment based on NIST CSF v2.0 by Deloitte.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	Not applicable								
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)									

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.

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 under the following topics: a) SEBI (Listing Regulations and Disclosure Requirements) 2015 b) SEBI (Prohibition of Insider Trading) Regulations, 2015 c) Related Party Transactions and disclosures d) Digital Personal Data Protection Rules, 2025 e) The new Labour Law Codes	100%
Key Managerial Personnel	5	Conducted awareness sessions for Designated Persons (DPs) covering SEBI (PIT) Regulations 2015, dealing with UPSI and compliances pertaining to Structured Digital Database (SDD).	100%
Employees other than BoD and KMPs	181	The employees at Nykaa are being trained in a diverse range of topics covering POSH, HSE, Employee Wellbeing sessions, Annual Awareness training, Code of Conduct, Annual security awareness training, digital marketing, data analytics, business strategy, leadership, project management, supply chain, UX/UI design, prompt engineering, BCM awareness, AI and machine learning, financial management, programming, and IT skills.	100%
Workers	98	Awareness training on POSH and Human Rights Policy, Emergency Response trainings, Road Safety trainings, Waste segregation & disposal trainings, awareness sessions on Water & Electricity management and conservation, awareness sessions on workplace safety incidents etc.	100%

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 INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	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.**

Yes. Nykaa has an Anti-Corruption and Anti-Bribery Policy that applies to all Directors, Officers, and Employees of the Company, including our subsidiaries and affiliates. It also extends to persons acting on the Company's behalf, including contractors and suppliers. Nykaa has conducted Code of Conduct refresher training, with employees formally acknowledging their understanding and adherence. In addition, employees are required to acknowledge the Code of Conduct during onboarding, which expressly includes anti-corruption and anti-bribery provisions. Nykaa also conducts annual training covering the Code of Conduct and POSH policy to reinforce awareness and continued compliance.

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:**

	FY 2025-2026	FY 2024-2025
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

	FY 2025-2026		FY 2024-2025	
	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:**

	FY 2025-2026	FY 2024-2025
Number of days of accounts payables	41	35

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

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		FY 2025-2026	FY 2024-2025
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	6%	10%
	b.	Number of dealers / distributors to whom sales are made	20,104	27,578
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	68%	71%
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	17%	18%
	b.	Sales (Sales to related parties / Total Sales)	3%	7%
	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%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

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 periodically organises awareness programmes for selected value chain partners on a range of priority topics. These initiatives cover areas such as fire safety, emergency response protocols and road safety, with the objective of supporting a safe working environment. The Company also conducts sessions on POSH guidelines to encourage more inclusive workplaces, while sharing monthly updates to keep partners informed of relevant rules and regulatory requirements.		

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. Nykaa has processes in place to identify and manage conflicts of interest involving members of the Board through our Code of Conduct for Board and Senior Management. The Code requires Leadership to act in the best interests of the Company, avoid situations where personal interests may conflict with Company interests, and refrain from deriving any direct or indirect personal advantage. Directors and Senior Management are also required to disclose actual or potential conflicts, including relationships with individuals, firms, or body corporates, at the time of appointment and whenever circumstances change. In addition, we maintain a zero-tolerance approach to bribery and corruption, periodically review Board effectiveness under our governance framework, and provide a dedicated reporting channel, speakup@nykaa.com, for raising such concerns. The complete Code of Conduct can be found on the Company's Investor Relations webpage: https://www.nykaa.com/media/wysiwyg/2021/Investors-Relations/pdfs/10-11/Code-of-Conduct-for-Board-and-Senior-Management.pdf

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.**

	FY 2025-2026	FY 2024-2025	Details of improvement in environmental and social aspects
R&D	100%	100%	Amount spent on improving the formulation of Own Brands' products by incorporating non-hazardous and environmentally friendly ingredients
Capex	0.29%	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?**

Nykaa has formally adopted a Sustainable Sourcing Policy to embed ESG considerations across our procurement and supply chain activities. The policy articulates the standards expected from business partners in areas including ethical business conduct, fair labour practices, safe working conditions and environmental responsibility.

Business partners are further required to comply with the Supplier Code of Conduct. Nykaa's Supplier Code of Conduct expects business partners to comply with applicable laws and industry standards, uphold ethical business practices, protect labour and human rights, maintain safe and healthy workplaces, safeguard data and product quality, reduce environmental impact, and cascade these expectations across their own supply chains. Supplier commitment to adhere to the CoC is obtained during onboarding for non-trade vendors.

To translate these commitments into practice, the Company is in the process of establishing mechanisms for ESG due diligence, partner evaluation and performance monitoring. Evaluations are to be undertaken through a Sustainable Supply Chain Questionnaire.

Nykaa also works with supply chain partners to encourage the use of sustainable materials and the adoption of circularity practices. Taken together, these measures reflect a structured and transparent approach to responsible sourcing, anchored in continuous improvement.

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.**

Nykaa's retail-led operations generate limited product-related waste, primarily from expired or damaged goods. To ensure safe end-of-life handling, the Company partners with authorised vendors for disposal through incineration. Further, since April 2021, Nykaa has been compliant with Extended Producer Responsibility (EPR) guidelines. Plastic packaging waste arising from product shipments is also 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.**

Yes, Extended Producer Responsibility (EPR) is applicable to Nykaa's activities. Since April 2021, the Company has complied with EPR regulations and is registered with the Central Pollution Control Board (CPCB) as a "Brand Owner and Importer". To support implementation across states, Nykaa works with authorised CPCB-registered recyclers. Through these arrangements, the Company achieved our EPR targets for FY 2026 and completed 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
Nykaa's core business is retail, and the Company is not directly involved in manufacturing. However, we recognise the broader environmental and social responsibilities across the product lifecycle, from design and development to execution. Ethical sourcing remains a priority, with ingredients selected to reduce environmental impact. Product formulations are developed with eco-friendliness in mind, production follows Good Manufacturing Practices (GMP), and low-carbon footprint methods are encouraged. Environmentally friendly packaging materials are also prioritised. Product safety and quality are equally important. All products undergo rigorous safety and consumer testing to meet regulatory standards and ensure a positive user experience before launch. Nykaa's social responsibility is also reflected in our portfolio, which includes products free from parabens and mineral oils, follows cruelty-free practices, and features many vegan and naturally derived offerings. This approach demonstrates Nykaa's commitment to both environmental sustainability and social wellbeing.		

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	
	FY 2025-2026	FY 2024-2025
Not Applicable, as the Company is not directly involved in the business of manufacturing.		

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:**

	FY 2025-2026			FY 2024-2025		
	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	33.46[1]	NA	NA	4.89

[1]Expired products are accumulated internally until they reach a defined threshold for disposal, which may cause variations in annual disposal volumes

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, as the Company is not directly involved in the business of manufacturing	

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	1360	1360	100%	1360	100%	-	-	1360	100%	Provision of day care facilities for all eligible locations is under review	
Female	668	668	100%	668	100%	668	100%	-	-		
Total	**2028**	**2028**	**100%**	**2028**	**100%**	**668**	**32.93%**	**1360**	**67.06%**		
Other than Permanent employees											
Male	153	153	100%	-	-	-	-	-	-	-	-
Female	740	740	100%	-	-	-	-	-	-	-	-
Total	**893**	**893**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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

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 workers											
Male	Not Applicable										
Female											
Total	-										
Other than Permanent workers											
Male	8024	8024	100%	8024	100%	NA	NA	NA	NA	NA	NA
Female	543	543	100%	543	100%	543	100%	NA	NA	NA	NA
Total	**8567**	**8567**	**100%**	**8567**	**100%**	**543**	**6.34%**	**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

	FY 2025-2026	FY 2024-2025
Cost incurred on well-being measures as a % of total revenue of the company	0.02%	0.03%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

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

Benefits	FY 2025-2026			FY 2024-2025		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/No/Not Applicable)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/No/Not Applicable)
PF	100%	100%	Yes	100%	100.00%	Yes
Gratuity	100%	100%	Yes	100%	100.00%	Yes
ESI	0.00%	68.92%	Yes	0.15%	71.84%	Yes
Others — please Specify (Employee Compensation Policy as per Act)	-	31.08%	Yes	-	28.16%	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 is committed to ensuring that our workplaces are accessible and inclusive for all employees. Accessibility considerations are built into office design and ongoing improvements, so that employees have a comfortable and enabling experience at work. This approach is supported by Nykaa's Human Rights Policy, which reaffirms respect for human rights and highlights support for employees with disabilities through the provision of appropriate resources and facilities, in line 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 approach to equal opportunity is reflected in our Code of Conduct, which upholds a strict zero-tolerance stance on discrimination across the value chain, including on the basis of gender, caste, colour, creed, disability, or any other unlawful ground. This commitment is further reinforced through Nykaa's Human Rights Policy, which emphasises the importance of equal opportunity and a workplace where every individual is treated fairly and has an equal chance to grow and succeed.

Nykaa also supports employees with disabilities by providing the resources needed for them to perform their roles effectively. Through these measures, Nykaa continues to strengthen a diverse and inclusive workplace culture built on respect and equal treatment for all.

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%	84.13%	-	-
Female	97.06%	65.00%	-	-
Total	**98.84%**	**79.52%**	**-**	**-**

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 Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, Nykaa has established multiple mechanisms to receive and address grievances raised by employees and workers, supported by a clear process for timely resolution. At the first level, employees are encouraged to raise concerns directly with their Reporting Manager or the relevant Head of Department. If the issue remains unresolved, it may be escalated to the Human Resources team for further review and action. In addition, Nykaa has put in place an independent third-party reporting facility, which allows employees to report concerns anonymously, if preferred. Nykaa also strengthens grievance redressal through periodic HR connects, where HR teams visit different workplace locations and engage directly with employees, creating additional opportunities to surface and resolve concerns. For specific issues, dedicated email-based channels are available: SpeakUp (speakup@nykaa.com) for ethics and compliance matters, POSH (Posh@nykaa.com) for reporting harassment or discrimination under the Prevention of Sexual Harassment Act, and the whistle-blower channel (nykaa@tip-offs.in) for reporting irregularities or other concerns.

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

Category	FY 2025-2026			FY 2024-2025		
	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	NIL			NIL		
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2025-2026					FY 2024-2025				
	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	1360	1023	75.22%	984	72.35%	1327	910	68.57%	962	72.49%
Female	668	575	86.07%	492	73.65%	654	635	97.09%	507	77.52%
Total	**2028**	**1598**	**78.79%**	**1476**	**72.78%**	**1981**	**1545**	**78%**	**1469**	**74.15%**
Workers										
Male	8024	8024	100%	-	-	7626	7626	100%	-	-
Female	543	543	100%	-	-	472	472	100%	-	-
Total	**8567**	**8567**	**100%**	**-**	**-**	**8098**	**8098**	**100%**	**-**	**-**

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

Benefits	FY 2025-2026			FY 2024-2025		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	1360	1144	84.12%	1327	1135	85.13%
Female	668	560	83.83%	654	534	81.65%
Total	2028	1704	84.02%	1981	1669	84.25%
Workers						
Male	NA					
Female						
Total						

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?**

Nykaa has implemented an occupational health and safety management system that extends across all operations, including offices, warehouses, fulfilment operations, logistics and associated activities. The system is guided by the Company's Health, Safety and Environment (HSE) Policy and is designed to protect employees, contract workers, customers, business partners, suppliers and visitors through preventive risk management, structured oversight and continuous improvement.

The system is supported by workplace safety infrastructure across facilities, including smoke detectors, sprinkler systems, fire hydrants and public address systems. Fire safety compliance is a mandatory requirement before any new workplace becomes operational. Preventive controls are further strengthened through periodic HSE, fire and electrical safety audits, workplace inspections and hazard assessments to enable timely identification and mitigation of potential risks.

Emergency preparedness forms an integral part of the system. Trained Emergency Response Teams, comprising first-aid and fire response personnel, are deployed across warehouse locations and conduct bi-monthly inspections, evacuation drills and mock drills in collaboration with certified agencies. Incident management is supported through HSE Single Points of Contact across locations and multiple reporting channels, including QR code-enabled reporting for incidents, near misses and unsafe conditions. These are investigated, reviewed periodically and used to drive corrective and preventive actions and organisational learning.

The system is also reinforced through employee capability building. All new employees undergo HSE induction, while contract personnel deployed at warehouses receive dedicated safety orientation before commencing work. Weekly HSE training sessions across warehouses and monthly safety training programmes across Rapid Stores cover key topics such as fire safety, electrical safety, emergency preparedness, hazard identification and risk assessment, safe material handling, ergonomics, PPE usage, incident reporting, waste management, water conservation and energy efficiency.

In addition, first-aid facilities are available across workplaces, employees have access to medical consultation and wellness support, and the Wellspring programme (the Company's employee wellbeing programme) extends preventive healthcare and well-being services to employees and their immediate family members. Together, these measures support a safe, resilient and health-conscious operating environment across the Company.

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

Nykaa remains focused on maintaining a safe and secure workplace for all employees. Given the nature of the Company's operations, exposure to hazardous materials is limited. During the year, no significant incidents or workplace accidents were reported.

To strengthen prevention and early action, workplace incidents are reviewed every month, enabling potential hazards to be identified and addressed in a timely manner. Recognising the importance of preventive action, Nykaa continues to advance workplace safety through ongoing improvements and sustained attention to this area.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. Yes/ No

Nykaa seeks to strengthen a workplace culture grounded in safety and open communication through an incident reporting mechanism deployed across all locations. Each site has a designated Health, Safety and Environment (HSE) Single Point of Contact (SPOC), to whom employees are encouraged to promptly report incidents, near misses and unsafe conditions.

To build familiarity with the process, the Company conducts regular training sessions for employees. In addition, QR codes have been placed across workplaces to enable quick reporting of near misses, unsafe conditions and unsafe acts through mobile devices. Together, these measures encourage active employee participation in maintaining a safe and healthy workplace environment.

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

While Nykaa's operations are non-hazardous in nature and the Company does not maintain an on-site healthcare centre, employees and workers have access to non-occupational medical and healthcare support through a range of preventive and wellness-focused services.

First-aid facilities are available across all workplaces to ensure immediate medical assistance when needed. In addition, the Company has partnered with a qualified medical practitioner to provide timely medical consultation and guidance to employees whenever required.

Nykaa also extends healthcare and wellness support through Wellspring, our employee wellness programme developed in partnership with The Wellness Corner. The programme provides employees and their immediate family members with access to preventive healthcare services, teleconsultations with medical practitioners, mental health counselling, nutritional guidance, health assessments and wellness programmes through an integrated digital platform.

This is further complemented by discounted gym memberships, onsite wellness initiatives, counselling support, unlimited teleconsultations with doctors across multiple specialties, access to diet and therapist consultations, discounted in-clinic consultations and health tests, a 24/7 helpline and wellness content designed to support physical, mental and emotional well-being. Together, these measures help provide convenient, accessible and holistic non-occupational healthcare support to employees.

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

Safety Incident/Number	Category*	FY 2025-2026	FY 2024-2025
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 in the contract workforce*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

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

Nykaa promotes workplace health and safety through an integrated model that combines preventive safeguards, response readiness, continuous learning and employee wellness support. Before any workplace becomes operational, fire safety compliance is completed as a mandatory requirement. Across offices, warehouses and related facilities, safety infrastructure such as smoke detectors, sprinkler systems, fire hydrants and public address systems is maintained to support day-to-day protection and preparedness. This is reinforced through periodic HSE, fire and electrical safety audits, workplace inspections and hazard assessments to identify risks early and enable timely mitigation.

Risk prevention is supported through regular Health, Safety and Environment (HSE) audits and ongoing hazard assessment so that emerging concerns can be identified early and addressed without delay. Preparedness at the site level is reinforced through trained Emergency Response Teams stationed across locations, including personnel for first aid and fire response, while emergency drills conducted with certified agencies across warehouses are used to evaluate and strengthen response capability. Immediate care is further supported through the placement of first-aid boxes across all workplaces.

To support timely action, each location has an HSE Single Point of Contact, and employees can report incidents, near misses and unsafe conditions through multiple channels, including QR code-enabled reporting. Reported concerns are investigated and reviewed periodically so that corrective and preventive actions can be implemented and lessons can be integrated into operations.

The Company also places strong emphasis on training, awareness and continual enhancement of safety practices. Every new employee undergoes HSE induction, all staff have access to online HSE learning modules, and regular training and awareness sessions are conducted to sustain knowledge and preparedness.

To bring consistency to implementation, standard guidelines have been defined for HSE training programmes and mock drills, while findings from drills and audits are used to identify gaps and improve safety practices over time. Alongside these measures, Nykaa has introduced a wellness programme that supports both physical and mental health, reflecting our broader focus on employees' overall well-being.

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

Topic	FY 2025-2026			FY 2024-2025		
	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 Health & Safety	No			No		

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.

No major workplace-related incidents were reported during the current year. Following a limited number of minor incidents, the Company implemented both corrective and preventive actions, including additional safety training and stronger safety awareness programmes across the workforce. Through these measures, Nykaa seeks to further lower the likelihood 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. Additionally, Nykaa conducts a partner compliance audit to check their statutory compliances. 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 familymembers have been placed in suitable employment	
	FY 2025-2026	FY 2024-2025	FY 2025-2026	FY 2024-2025
Employees	None			
Workers				

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.**

   At Nykaa, we believe that progress is a shared journey. Guided by our Stakeholder's Relationship Committee, we maintain a culture of transparency and active engagement. To ensure we are listening to the right voices, we identify our partners based on three key pillars:

   Dependence: Supporting those who rely on our products and services.

   Interdependence: Strengthening the entities that help us function effectively.

   Influence: Engaging with those who shape our strategic and operational path.

   Our purpose extends far beyond commerce. We are deeply committed to social responsibility, focusing our efforts on uplifting vulnerable and marginalized communities. By providing mentorship, improving healthcare access, and championing equitable education, we turn our commitment into action - nurturing the diverse relationships that make inclusive growth possible for everyone.

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, noticeboards, meetings, townhalls and internal portals (HRMS)	Regularly	We are committed to fostering a high-performance culture rooted in transparency, continuous learning, and employee well-being: **Strategic Talent Management:** Driving career progression through internal mobility, structured performance reviews, and skill development via specialized learning portals and leadership programs. **Engagement & Recognition:** Cultivating an inspired workforce through the "Chairperson's Award," annual engagement surveys, and regular town halls that build trust and alignment. **Holistic Well-being & Growth:** Prioritizing the "whole employee" through health camps, mental health support, and interactive workshops designed to enhance both professional capability and personal resilience. **Governance & Feedback:** Ensuring an open-door culture through robust whistle-blowing mechanisms and dedicated one-on-one communication channels, empowering employees to directly influence process and policy improvements.
Vendors/ Value Chain Partners/ Brand Partners	No	Emails, notice boards, calls and meetings, management reviews, and relationship meetings	Regularly	We drive sustainable growth through a rigorous approach to supply chain management and collaborative business development: **End-to-End Vendor Management:** Streamlining the lifecycle from selection and onboarding to work execution, automated invoicing, and timely payments to facilitate seamless business scaling. **Strategic Growth & Branding:** Cultivating high-impact brand partnerships and innovative customer acquisition strategies to expand market presence. **Operational Alignment:** Conducting structured performance reviews and leadership meetings to resolve operational bottlenecks and align on strategic goals. **Quality Assurance & Compliance:** Maintaining uncompromising standards through regular third-party audits of supplier facilities and formal feedback loops to drive continuous process improvement.

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
Customers	No	Website, email, newsletters, brochures, social media platforms, helpline, and store visits, events and campaigns, product sampling	Regularly	Our consumer-centric strategy focuses on driving growth and loyalty through the following initiatives: **Continuous Improvement:** Proactively identifying opportunities to enhance product quality and service delivery based on market insights. **Dynamic Social Engagement:** Leveraging influencer collaborations and real-time updates on social platforms to foster brand advocacy and maintain a transparent dialogue with our community. **Robust Redressal Mechanisms:** Strengthening customer retention by streamlining grievance redressal through our dedicated helpline to ensure a seamless end-to-end experience. **Market Development:** Accelerating consumer adoption through targeted product trials and rigorous testing to ensure market fit and satisfaction.
Shareholders / Investors	No	Website, email, newsletters, advertisements and portals of regulatory bodies	Quarterly	- Annual General Meeting - Quarterly Earnings Call - Annual Investor Day - Investor and Analyst Meetings and Conferences - Engagement via emails
Regulatory bodies like SEBI, NSE, BSE and MCA	No	Respective portal for regulatory filing	Regularly	We maintain the highest standards of corporate governance and investor communication through disciplined financial reporting: **Comprehensive Financial Reporting:** Ensuring the integrity and accuracy of our financial statements and performance results to provide a clear view of our fiscal health. **Proactive Investor Communication:** Delivering timely press releases and detailed performance updates to keep the investment community and other stakeholders informed. **Statutory Compliance:** Adhering to all applicable laws and regulatory frameworks through the meticulous filing of mandatory disclosures with governing bodies.

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
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	We are dedicated to fostering a positive societal footprint through strategic community investment and rigorous ethical oversight: **Inclusive Community Development:** Actively engaging with underprivileged and local communities to address systemic gaps through high-impact programs centered on education, vocational upskilling, and the promotion of entrepreneurship. **Strategic ESG Oversight:** Ensuring board-level accountability through regular meetings of the ESG Committee, comprising Independent Directors, to steer our sustainability roadmap. **Materiality & Impact:** Utilizing a robust ESG materiality process to identify and prioritize the social and environmental issues most relevant to our stakeholders, ensuring that our initiatives drive equitable and long-term growth.

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's commitment to CSR & ESG is anchored through a dedicated committee at the Board level. This committee adopts a consultative and inclusive approach in steering CSR programmes and considering material economic, environmental and social matters. The Company works in close coordination with NGOs, which submit periodic progress updates incorporating observations from site visits undertaken by Nykaa's CSR team as well as feedback received from local stakeholders. These inputs, together with any emerging concerns, are placed before the Board for review, thereby supporting informed decision-making and effective 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.**

   Nykaa engages actively with stakeholders to support the identification and management of material environmental and social issues. Through continued dialogue with NGO partners, community members and beneficiaries, the Company gathers insights into stakeholder needs and emerging concerns. These inputs help inform and shape Nykaa's CSR & ESG priorities.

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

   Nykaa engages with vulnerable and marginalised groups through partnerships with NGOs and community-based organisations. These interventions begin with detailed needs assessments to identify community-specific challenges and shape focused empowerment programmes. These efforts are directed toward skill-building, financial independence and social inclusion, while responding to issues such as low employability, educational gaps and socio-economic exclusion.

   Through its partnership with Sambhav Foundation, the Company supports women from low-income communities by providing professional beauty training along with job placement assistance to help strengthen their economic independence. In addition to vocational interventions, Nykaa extends support to inclusive programmes in education, sports and entrepreneurship.

During the year, the Company partnered with the American India Foundation Trust (AIFT) to undertake an initiative in an aspirational district of Maharashtra aimed at building teacher capacity and advancing STEM education, thereby addressing educational disparities in underserved areas. This structured, community-first approach enables Nykaa to remain consistently engaged with marginalised stakeholders and incorporate their perspectives into its CSR framework, while addressing immediate concerns and supporting sustained 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	FY 2025-2026			FY 2024-2025		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	2028	2028	100%	1981	1981	100%
Other than permanent	893	893	100%	912	912	100%
Total Employees	**2921**	**2921**	**100%**	**2893**	**2893**	**100%**
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	8567	8567	100%	8098	1604	19.81%
Total Workers	**8567**	**8567**	**100%**	**8098**	**1604**	**19.81%**

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

Category	FY 2025-2026					FY 2024-2025				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal To 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	1360	-	-	1360	100%	1327	-	-	1327	100%
Female	668	-	-	668	100%	654	-	-	654	100%
Other than Permanent										
Male	NA*									
Female	NA*									
Workers Permanent										
Male	NA*									
Female	NA*									
Other than Permanent										
Male	8024	29	0.36%	7995	99.64%	7626	4	0.05%	7622	99.95%
Female	543	1	0.18%	542	99.82%	472	1	0.21%	471	99.79%

**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	8	Refer Board's report	3	Refer Board's report
Key Managerial Personnel	3	Refer Board's report	2	Refer Board's report
Employees Other than BoD and KMP	1357	10.67 Lacs	666	8.80 Lacs
Workers	8024	2.11 Lacs	543	1.96 Lacs

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

	FY 2025-2026	FY 2024-2025
Gross wages paid to females as % of total wages	22.52%	21.77%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

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)**

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's Human Rights Policy establishes the Company's position on key workplace and labour matters, including equal treatment, prohibition of child labour, employee wellbeing and safety, and the maintenance of a workplace free from harassment. Concerns relating to these areas may be reported by employees through specified channels such as speakup@nykaa.com and Posh@nykaa.com, with defined processes available for appropriate escalation and timely closure.

The Company further maintains a Whistleblower Policy under which employees and other stakeholders may confidentially and anonymously report suspected fraud, unethical behaviour or other instances of misconduct through nykaa@tip-offs.in or the toll-free helpline at 1800 210 8988. Together, these mechanisms support Nykaa's ethics framework by enabling protected reporting through secure channels and helping ensure that concerns may be raised without retaliation.

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

Category	FY 2025-2026			FY 2024-2025		
	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	-	-	NA	1	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child labour	-	-	NA	-	-	NA
Forced labour/ involuntary labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other human rights related issues	-	-	NA	-	-	NA

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

	FY 2025-2026	FY 2024-2025
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees / workers	0	0.05%
Complaints on POSH upheld	0	1

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

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

Nykaa is committed to maintaining an environment in which employees and business partners are able to voice concerns, share views and report issues without apprehension of reprisal. The Company does not permit retaliatory or adverse action against any individual who raises a concern in good faith.

To support this commitment, Nykaa has put in place multiple reporting avenues, including a whistle-blower helpline operated by an independent third party to preserve impartiality, transparency and confidentiality during the review process. These arrangements are designed to encourage openness and provide a secure channel for grievance reporting, while strengthening the Company's standards of ethics and accountability.

Nykaa also seeks to ensure that complaints are managed confidentially and addressed within an appropriate timeframe, thereby supporting those who speak up and reinforcing 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 our 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?**

Nykaa continues to strengthen accessibility across office spaces and newly developed warehouse facilities with the aim of creating a positive experience for all. This commitment is reflected in ongoing infrastructure improvements and continued efforts to align facilities with applicable accessibility standards. The Company's Human Rights Policy also affirms our commitment to complying with the standards prescribed 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 Forced/ involuntary labour Sexual harassment Discrimination at workplace Wages Others – please specify	Several key initiatives are in place to promote responsible behaviour by suppliers/vendors: • **Vendor Assessments:** The supply chain team conducts periodic on-site visits to all contract manufacturing and packaging vendors, verifying adherence to safe and healthy working conditions. • **Child Labour Prevention:** Central HR and warehouse team undertakes KYC verification to mitigate child labour risks.

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	FY 2025 – 2026 (GJ)	FY 2024 – 2025 (GJ)
From renewable sources		
Total electricity consumption (A)	940.74	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**940.74**	**0**
From non-renewable sources		
Total electricity consumption (D)	26,276.50	24,197.49
Total fuel consumption (E)	4710.35	4,315.18
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	**30,986.85**	**28,512.67**
Total energy consumed (A+B+C+D+E+F)	**31,927.59**	**28,512.67**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ/INR Million)	0.41	0.43
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/USD Million)	8.27	8.82

**The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
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? [Yes/No] 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 2025 – 2026	FY 2024 – 2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	62,602.76	57,664.27
(iii) Third party water (tanker)	1,055	1,075
(iv) Seawater / desalinated water	0	0
(v) Others (municipal supply system)	21,404.58	20,130.37
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**85,062.35**	**78,869.64**
Total volume of water consumption (in kilolitres)	85,062.35	78,869.64
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (KL/INR Million)	1.08	1.18
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (KL/USD Million)*	22.04	24.40

**The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34.*

The Company has installed water meters at almost all locations leading to the more accurate measurement of water consumption.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No 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	FY 2025 – 2026	FY 2024 – 2025
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 information is not collated on water discharge.	
- 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? Yes/ No If yes, name of the external agency. Not Applicable

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	FY 2025-2026	FY 2024-2025
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)			
Persistentorganic 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? Yes/ No 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	FY 2025 – 2026	FY 2024 – 2025
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	$MTCO_2e$	388.14	386.01
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	$MTCO_2e$	5182.31	4,886.55
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	$MTCO_2e$ / INR Million	0.07	0.08
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)*	$MTCO_2e$ / USD Million	1.34	1.51

**The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No 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.**
The Company has adopted renewable energy in 7 locations. Additional suitable locations have been identified for incorporating renewable energy and will be made operational in a phased manner.

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

Parameter	FY 2025-2026	FY 2024-2025
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	151.30	159.73
E-waste **(B)**	2.09	3.04
Bio-medical waste **(C)**	NA	NA
Construction and demolition waste **(D)**	NA	NA
Battery waste **(E)**	0	0
Radioactive waste **(F)**	NA	NA
Other Hazardous waste. Please specify, if any. **(G)** (Expired products)	33.46[1,4]	4.89
Other Non-hazardous waste generated (**H**). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2,447.30 (Carton Waste)	2,020.16 (Carton Waste)
Other Non-hazardous waste generated **(H).** Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	23.09 (Paper Waste, Wooden Pallet Waste)	10.98 (Paper Waste, Wooden Pallet Waste)
Total (A+B + C + D + E + F + G + H)	**2,657.25**	**2,198.81**

Parameter	FY 2025-2026	FY 2024-2025
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/INR Million)	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) (MT/USD Million)[2]	0.69	0.68
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	121.43[3] (Carton waste)	17.23 (Carton waste)
(iii) Other recovery operations	0	0
Total	**121.43**	**17.23**
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)	33.46[1,4]	4.89
(ii) Landfilling	0	0
(iii) Other disposal operations (Plastic waste disposed via third party vendors for recycling)	151.30	159.73
(Carton waste disposed via third party vendors for recycling, excludes the quantity that is re-used within the reporting boundary)	2,325.87	2,002.93
(Paper and Wooden waste disposed via third-party vendors for recycling)	23.09	10.98
(E-waste disposed vis third-party vendors for recycling)[4]	2.09	3.04
Total	**2,535.81**	**2,181.57**

[1] In line with the precautionary approach under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, Nykaa disposes all expired products as hazardous waste, drawing reference to Schedule I, Item 28 (Production/formulation of drugs/pharmaceutical and health care products), which lists date-expired products as a possible source of hazardous waste. This conservative classification ensures that no hazardous waste arising from expired stock is undercounted or excluded from disposal and reporting obligations.

[2] The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34.

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

[4] E-waste and expired products are accumulated internally until they reach a defined threshold for disposal, which may cause variations in annual disposal volumes.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No 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 dispose of hazardous chemicals due to the nature of our 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? Yes/ No If no, the reasons thereof and corrective action taken, if any.
Not applicable as Nykaa does not have operations in/around ecologically sensitive areas.*			

**A small section of the approach road to our warehouse at Baprour Village, Patiala (Punjab) passes through forest land. The landlord has obtained all necessary permissions in this regard.*

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 Yes/ No. 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's operations/offices 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.				

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, Gurgaon, Delhi, Haryana, Patna, Ghaziabad and Punjab.

(ii) Nature of operations: Offices, Warehouses and Rapid Stores.

(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	FY 2025 – 2026	FY 2024 – 2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	19,764.22	20,353.31
(iii) Third party water (tanker)	1,055	1,075
(iv) Seawater / desalinated water	0	0
(v) Others (municipal supply system)	4,544.78	3,374.37
Total volume of water withdrawal (in kilolitres)	25,364.01	24,802.68
Total volume of water consumption (in kilolitres)	25,364.01	24,802.68
Water intensity per rupee of turnover (Water consumed / turnover)	0.32	0.37
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		

Parameter	FY 2025 – 2026	FY 2024 – 2025
(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

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency – Yes, Reasonable Assurance from TUV India Pvt.Ltd.

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2025-2026	FY 2024-2025
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	$MTCO_2e$	3,807.66	Not Available
Total Scope 3 emissions per rupee of turnover	$MTCO_2e$/INR Million	0.05	Not Available

**Nykaa has started monitoring its Scope 3 emissions from FY 2025-26. Emissions for the following categories have been reported – Category 2 (Capital Goods), Category 3 (Fuel-and-Energy Related Activities), Category 5 (Waste Generated in Operations), Category 6 (Business Travel).*

3. **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.

4. **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 by our supplier Pack8	Under this programme, a tree is planted in Nykaa's name for each purchase of identified packaging variants. The initiative is being carried out by our packaging supplier in partnership with Grow-Trees.com and Grow Billion Trees, both of which work in the areas of reforestation and climate action.	4,911 trees planted in FY 2025–26. Estimated 98,220 kilograms of carbon sequestered upon maturity. Employment generated for local communities through nursery work, sapling transport, planting, and maintenance activities.

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

Nykaa has instituted a cloud-enabled Disaster Recovery Framework under which critical databases are backed up to the cloud every hour. To test the effectiveness of these arrangements, the Company undertakes disaster recovery drills twice each year to verify that the website can run seamlessly on the alternate system within the prescribed Recovery Time Objectives (RTOs). To support business operations during remote working situations, VPN access has also been extended to a majority of Nykaa users.

Nykaa has rolled out a group-level Business Continuity Management (BCM) programme in alignment with global standards. This has included carrying out Business Impact Analyses (BIAs) and Risk Assessments across key functions and processes, based on which functional-level Business Continuity Plans and a site-level Crisis Management Plan have been developed.

6. **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 incorporates Health, Safety and Environment (HSE) declarations into our business agreements, including provisions that permit termination in the event of non-compliance with these requirements. Waste generated at the Company's warehouses is entrusted to authorised vendors for safe disposal and recycling. To support audit and compliance requirements, Nykaa retains certificates evidencing proper waste handling practices. Together, these measures reflect the Company's commitment to environmental responsibility and support transparent and accountable waste management in alignment 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
1	For regulatory compliance matters, Nykaa engaged with industry bodies such as FICCI, CII, IBHA and RAI. Through these associations, the Company participated in regulatory discussions on key sector issues, including labelling-related matters under Legal Metrology, challenges associated with the import of cosmetics, and broader industry concerns that were represented before the Ministry of Consumer Affairs.	With member of association representing industry POV and its comments in draft stage of regulatory documents	Yes	Annually	Association and regulatory authority links for new regulations and updates

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 FY 2025-26.					

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 INR)
During FY 2025-26, 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.**

Nykaa advances community development across our operating locations through ongoing engagement with key stakeholder groups, including local communities, NGOs and implementing partners, with the objective of understanding and addressing their concerns. Where any specific grievance is raised, the matter is recorded, examined in detail and resolved in a timely manner. To support this process, the Company has designated grievanceofficercs@nykaa.com as a dedicated channel for grievance redressal. Nykaa also enables stakeholders to report suspected wrongdoing under our Whistleblower Policy, which permits anonymous reporting of fraud, misconduct and unethical conduct through nykaa@tip-offs.in or via the toll-free helpline at 1800 210 8988.

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

Source	FY 2025 – 2026	FY 2024 – 2025
Directly sourced from MSMEs/ small producers	28%	24%
Directly from within India	99%	99%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd

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.**

Source	FY 2025 – 2026	FY 2024 – 2025
Rural	0.03%	-
Semi-urban	0.26%	0.02%
Urban	16.10%	7.86%
Metropolitan	83.62%	92.12%
Total	**100%**	**100%**

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

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

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 FY 2025-26.	

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 INR)
1.	Maharashtra	Nandurbar	34 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	Nykaa, in partnership with Sambhav Foundation, is empowering women from low-income communities by training them as professional beauty service providers. The five-month program was delivered across five fully equipped centres in Bangalore, Guwahati, Delhi, Kolkata, and Navi Mumbai, combining classroom-based technical training with on-the-job practical exposure. Participants were supported through placement linkages with local salons, while many also pursued freelance opportunities, enabling them to achieve greater financial independence, confidence, and long-term livelihood security.	1522	100%
2	In partnership with the Delhi Council for Child Welfare (DCCW), Nykaa is supporting 10 vocational training centres that equip girls and young women from low-income communities with practical skills in Beauty & Wellness and Stitching. Delivered through year-long courses conducted in daily two-hour sessions, the program focuses on building employability, technical proficiency, and confidence. By enabling access to market-relevant skills, the initiative opens pathways to dignified employment, sustainable income generation, and greater economic independence.	573	100%

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
3	With Nykaa's support, Aatapi Seva Foundation is empowering rural women to become beauty care entrepreneurs by integrating skill development with financial literacy and business training. Participants first receive foundational training in beauty services and then progress to advanced entrepreneurship modules focused on enterprise management, customer engagement, and income planning. By strengthening both technical expertise and business capabilities, the initiative enables women to build sustainable livelihoods, expand local enterprises, and move toward long-term economic independence and community leadership.	100	100%
4	In collaboration with the Desai Foundation, Nykaa has initiated a skill development project to nurture the entrepreneurial aspirations of women in semi-urban communities, beginning with a pilot in Navsari, Gujarat. The initiative equips participants with the capabilities required to establish and manage their own beauty care businesses. The program includes a comprehensive three-month training curriculum, delivered through daily three-hour sessions, covering both basic and advanced beauty skills, along with practical exposure designed to build confidence, employability, and enterprise readiness.	135	100%
5	In a first-of-its-kind CSR initiative in Shillong and Gangtok, Nykaa, in partnership with the Beauty & Wellness Sector Skill Council (B&WSSC), launched a pilot program to train young women for the role of Assistant Beauty and Wellness Consultant (Retail Sales). The program equipped participants with industry-relevant technical and retail skills while also generating insights into local youth aspirations and their willingness to relocate to regions with higher demand for beauty and wellness retail professionals, supporting stronger workforce alignment.	100	100%
6	Nykaa has partnered with Vipla Foundation to launch a pilot Entrepreneurship Development Program for women who are already freelancing or managing small beauty businesses from their homes or rented spaces. The program provides a comprehensive training curriculum that blends theoretical knowledge with intensive hands-on practical sessions, covering both basic and advanced beauty care services. It is designed to strengthen participants' technical expertise, business management capabilities, customer engagement skills, and overall entrepreneurial confidence to help them scale their ventures sustainably.	114	100%
7	In a first-of-its-kind CSR initiative in Nagaland, Nykaa, in partnership with YouthNet, the state's largest NGO, has launched a Beauty Skilling Program to empower young women with professional, industry-relevant beauty skills. The initiative focuses on building technical proficiency, confidence, and workplace readiness, enabling participants to pursue sustainable careers as skilled beauty professionals. By strengthening employability and income-generation opportunities, the program supports long-term economic independence and contributes to inclusive livelihood development in the region.	60	100%
8	The STEM SPARK Program, an initiative by the American India Foundation (AIF) supported by Nykaa, focuses on strengthening the capacity of government school teachers while encouraging girls in Grades 6—8 to pursue STEM education. Through the introduction of STEM kits and the establishment of STEM labs, the program enhances teaching methodologies and creates more engaging, hands-on learning environments across 30 government schools in the remote regions of Nandurbar, an aspirational district of Maharashtra.	4689	100%

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
9	Nykaa has partnered with the Akanksha Foundation to support a school in Pune, providing free, high-quality education to students from Jr. KG to Grade 10. The school primarily serves children from low-income families, many of whom are first-generation learners with parents engaged in daily wage work and limited educational backgrounds. By ensuring access to quality education and holistic development opportunities, the initiative aims to break the cycle of poverty and enable students to build brighter, more secure futures.	925	100%
10	For the fourth consecutive year, Nykaa partnered with Krida Vikas Sanstha (Slum Soccer) to empower underprivileged youth through the transformative power of sports. In FY 26, Nykaa supported the training and development of athletes who went on to represent India at the Homeless World Cup in Oslo, Norway (August 2025). By enabling access to structured sports training, mentorship, and competitive exposure, the initiative helps young athletes build confidence, life skills, and opportunities for social inclusion and personal growth.	16	100%
11	Nykaa has been a proud supporter of the Indian Deaf Cricket Association (IDCA), advancing the development, training, and recognition of differently abled athletes. In FY26, Nykaa served as the Principal Sponsor of the 3rd IDCA T10 Women's Deaf Premier League in Mumbai, empowering 250 women cricketers with professional training, competitive exposure, and a national platform to showcase their talent. This initiative reinforces Nykaa's commitment to promoting inclusivity, representation, and equal opportunities in sports for differently abled athletes.	250	100%
12	In partnership with the Anushkaa Foundation, Nykaa is supporting children with clubfoot to walk confidently toward healthier, more independent futures. The initiative uses the globally recognized Ponseti method, a cost-effective two-phase treatment that ensures early and effective correction, particularly for children from rural and semi-urban low-income communities. In FY26, Nykaa supported the complete treatment journey of 132 children, enabling long-term mobility, improved quality of life, and freedom from the physical and social limitations associated with untreated clubfoot.	142	100%
13	Nykaa supported the Basti Project of Create Foundation, an initiative focused on preventing violence against women and children while fostering positive gender attitudes within local communities. The project uses Forum Theatre as an interactive medium, encouraging community participation where audiences - particularly men, suggest alternative outcomes and reflect on real-life behaviours. Supported by the involvement of public figures to enhance visibility, the initiative also includes follow-up visits and impact assessments, ensuring sustained community sensitization and long-term behavioural change at the grassroots level.	750	100%
14	Nykaa, in partnership with Desai Foundation, has launched a new Beauty Skilling Project in Jaipur, further strengthening its commitment to empowering girls and women through structured skill development programmes. The project deliver a curated three-month training programme covering beauty therapy, makeup, and hair styling, designed to equip participants with industry-relevant technical skills. In addition to hands-on training, the programme also provides livelihood and placement support, enabling participants to build sustainable careers in the beauty and wellness industry and move towards greater financial independence.	150	100%

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
15	Rise Against Hunger India: In alignment with Rise Against Hunger India's mission to end hunger and empower communities, Nykaa supported to prepare 53,568 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.	422	100%
16	Nykaa has partnered with the Latika Roy Memorial Foundation to establish a state-of-the-art, universally accessible salon at the Foundation's purpose-built campus in Dehradun, specially designed to support children with sensory needs. As part of this Diversity & Inclusion initiative, the salon will provide essential beauty services while also functioning as a training centre for differently abled youth enrolled in the Foundation's skilling programmes. The project is expected to directly benefit 200 children, equipping them with employable skills and fostering a more inclusive future.	200	100%
17	In partnership with the National Council of Applied Economic Research (NCAER), India's oldest and largest independent non-profit economic policy research think tank, Nykaa has initiated a nationwide study to assess the social, economic, and financial empowerment of women. The first phase involves a ground-level sample survey across 11 states, generating insights that will culminate in the development of a Women's Empowerment Index. The findings will help measure progress, identify systemic barriers, and inform evidence-based policies and interventions to advance women's empowerment.	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.**

   Nykaa has put in place a structured and accessible framework to capture, track and address consumer complaints and feedback. To make escalation channels easy to access, the Company displays the contact details of our Grievance Officers and Nodal Officers, including their names, addresses, email IDs and phone numbers, across our e-commerce platforms and websites. In addition, every marketed product carries the registered office address, email ID and phone number of the marketing entity on its label for direct consumer reference.

   Complaints raised through different channels are recorded in the system against unique ticket IDs to enable systematic tracking. The customer service team manages consumer interactions through a dedicated platform that automatically generates grievance tickets and monitors response as well as resolution timelines. Once an issue has been closed, customers are invited to share their views through satisfaction surveys, and the inputs received are used to strengthen service delivery.

   Consumers are also kept informed of complaint status through email and/or calls, supporting transparency throughout the grievance redressal process. Collectively, these measures enable a timely, accountable and consumer-focused approach to complaint resolution 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:**

	FY 2025 - 2026			FY 2024 - 2025		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	-	-	NA	-	-	NA
Advertising	-	-	NA	-	-	NA
Cyber-Security	-	-	NA	-	-	NA
Delivery of essential services	-	-	NA	-	-	NA
Restrictive Trade Practices	-	-	NA	-	-	NA
Unfair Trade Practices	-	-	NA	-	-	NA
Other	5879	-	All consumer complaints have been closed	6933	-	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.**

Nykaa has adopted a detailed Data Privacy Policy that sets out our approach to handling customer information. The policy specifies the categories of customer data collected, explains the purpose for which such information is gathered, and identifies the circumstances in which it may be disclosed to third parties. It also outlines the safeguards applied to protect customer data and clearly sets out the rights available to customers in relation to their personal information.

The policy can be accessed here: https://www.nykaa.com/policy#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

Nykaa follows mandatory quality requirements and periodically checks adherence through audits as well as self-evaluation mechanisms. These requirements are intended to ensure that products are brought to market with due attention to safety and a high standard of quality, while remaining aligned with relevant industry and regulatory expectations across all countries in which the Company operates. The Company has also instituted management controls to reduce risk and safeguard consumers and markets. Where any product is found to be below the prescribed standard, prompt and decisive measures are taken to ensure that only products meeting Nykaa's quality criteria are made available in the market.

Cyber Security and Data Privacy

Nykaa has put in place a comprehensive Information Security Incident Management framework to support a structured response to security events. The framework lays down defined procedures for detecting and reporting incidents, initiating prompt containment measures to limit their impact, examining underlying causes, and collecting the required evidence. It also addresses the restoration of affected systems and data, while strengthening future preparedness through ongoing learning and process enhancement. To reinforce effective incident handling, the Company places significant focus on employee training, uses threat intelligence platforms, and maintains rigorous evidence collection practices.

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

   Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

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 supports informed and safe consumer choices by making product-related information easily accessible across multiple touchpoints. Each product is accompanied by clear and comprehensive usage directions intended to encourage responsible handling and safe application. To assist customers at the decision-making stage, the platform also offers buying guides that provide additional perspective on product selection, alongside editorial content designed to strengthen consumer understanding of products. Further, the Company engages cosmetic experts and beauty bloggers to conduct recurring awareness sessions on skincare and hygiene practices, giving consumers direct access to professional guidance and relevant information.

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

   Nykaa does not operate in the essential services sector. Nonetheless, the Company has established mechanisms to enable timely communication in the event of any disruption. Where required, relevant updates can be promptly shared through multiple channels, including our website, social media platforms, 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.**

   Nykaa seeks to equip consumers with complete and easy-to-understand product information through our labelling practices. Every mandatory declaration appearing on product packaging is aligned with relevant regulatory requirements and prescribed norms. Beyond statutory disclosures, the Company also uses additional on-pack markers such as logos and supporting information to draw attention to specific product characteristics. These identifiers may communicate that a product is cruelty-free, indicating that animal testing has not been undertaken; vegan, indicating the absence of animal-derived ingredients; or clean, indicating adherence to defined sustainability parameters or formulations that exclude 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)

   Nykaa has established multiple mechanisms to capture and assess customer feedback across operations. Our website features a comprehensive product rating and review system that allows customers to share their experiences and satisfaction levels, generating ongoing insights into product performance and customer preferences.

   In addition, grievances received through email are automatically converted into support tickets on the Zendesk platform, and once resolved, customers are invited to share their feedback through CSAT surveys or other feedback requests. The feedback collected through these channels is systematically logged and analysed. First reply and resolution times for customer grievances are also monitored to assess and strengthen service quality.

   By continuously analysing both product reviews and post-resolution feedback, Nykaa identifies areas for improvement and product development, enabling us to refine our offerings in line with evolving consumer needs and expectations across all locations of operation.

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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 (hereinafter referred to as "Nykaa" or the "Reporting Organization") engaged TUV India Private Limited ("TUVI") to perform an independent external assurance of its Business Responsibility and Sustainability Report ("BRSR") Core disclosures for the period April 1, 2025, to March 31, 2026. The Annual Report includes disclosures relating to the BRSR Core (the "09 attributes") as per Annexure I – Format of BRSR Core (collectively referred to as the "BRSR Core Information").

For the BRSR Core assurance, TUVI confirms that, prior to acceptance of the engagement, the preconditions for the assurance engagement were formally assessed in accordance with ISAE 3000 (Revised), specifically Para 24. As part of this formal criteria assessment, TUVI evaluated and documented that the subject matter is supported by suitable criteria (SEBI BRSR Core framework and GHG Protocol), which were determined to be available, relevant, and appropriate for the purpose of this engagement. Nykaa's management has acknowledged its responsibility for the preparation and presentation of the BRSR Core sustainability information and for providing access to relevant records, and that sufficient appropriate evidence was expected to be available to support the assurance conclusion. Accordingly, having satisfied all preconditions through this formal assessment, the BRSR Core assurance engagement was accepted and performed in accordance with ISAE 3000 (Revised).

The assurance process was conducted with reference to the following applicable frameworks and guidelines as below:

i. Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requiring disclosure of the Business Responsibility and Sustainability Report (BRSR);
ii. The *Industry Standards on Reporting of BRSR Core, as per SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20 December 2024;*
iii. *SEBI circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10 May 2021;*
iv. *The SEBI notification SEBI/LAD-NRO/GN/2023/131, dated 14 June 2023, related to BRSR reporting requirements;*
v. *The BRSR Core – Framework for Assurance and ESG Disclosures for the Value Chain, as stipulated by SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023;*
vi. *World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard).*
vii. *International Standard on Assurance Engagements ISAE 3000 (Revised).*

The assurance engagement comprised a reasonable assurance engagement over the BRSR Core indicators / nine attributes, performed in accordance with ISAE 3000 (Revised).

Management's Responsibility

Nykaa developed its BRSR Core information forming part of the Annual Report (based on the BRSR Core framework) and holds full responsibility for the collection, analysis, preparation, and disclosure of the information presented in the Annual Report, including its availability in both web-based and printed formats. This responsibility also extends to the maintenance and integrity of the website where the Annual Report is published. Management is responsible for ensuring the disclosed data is accurate, reliable, and free from material misstatements, for BRSR Core requirements. Additionally, Nykaa is responsible for the archiving and reproduction of the disclosed information and for ensuring that such data is made available to relevant stakeholders and regulatory authorities upon request. The Reporting Organization is responsible for complying with applicable laws. Any partial reproduction of this assurance statement could lead to misinterpretation of the assurance scope, procedures, and conclusions. The assurance conclusion is intended to be read in its entirety, together with the defined scope, methodology, limitations, and criteria described in this assurance statement. The primary intended user of this assurance statement is the Board of Directors, shareholders, regulators, and other stakeholders of Nykaa; however, the client may use it at their own discretion in accordance with their specific requirements.

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:

The assurance engagement included the following activities:

1. Review of General Disclosures, Management and Process Disclosures, and Nykaa's BRSR Core information;

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2. Review and evaluation of the nine attributes specified under Annexure I – Format of BRSR Core, as disclosed in the BRSR;
3. Assessment of the quality, clarity, and completeness of the reported information; and
4. Verification of supporting evidence on a sample basis, involving reasonable assurance for the nine attributes as per the BRSR Core framework.
5. The assurance does not include assurance of value chain disclosures. Value chain disclosures are presently voluntary and deferred under SEBI circular dated 28 March 2025 and are therefore excluded from the scope of this assurance engagement. (Reference: Measures to facilitate ease of doing business with respect to framework for assurance or assessment, ESG disclosures for value chain, and introduction of voluntary disclosure on green credits)

This approach ensured an assessment aligned with the principles of ISAE 3000 (Revised) for the BRSR Core disclosures, providing an independent and objective evaluation of the reliability and accuracy of Nykaa's ESG information.

TUVI has verified the below *09 attributes as per Annexure I - Format of BRSR Core* disclosed in the BRSR disclosed in the BRSR with reference to the Industry Standards on Reporting of BRSR Core (SEBI circular dated 20 December 2024) as part of the applicable assurance criteria.

<table>
<tr><th>Attributes</th><th colspan="2">KPI</th></tr>
<tr><td rowspan="3">Green-house gas (GHG) footprint
Boundary:
Scope 1 Boundary – Consumption from all Offices, Warehouses and Rapid stores under operational control of Nykaa.
Scope 2 Boundary – Consumption from all Offices, Warehouses and Rapid stores under operational control of Nykaa.</td><td colspan="2">Total Scope 1 emissions (with breakup by type) - GHG (CO_2e) Emission in MT - Direct emissions from organization's owned- or controlled sources (Calculated)</td></tr>
<tr><td colspan="2">Total Scope 2 emissions in MT - Indirect emissions from the generation of energy that is purchased from a utility provider (Calculated)</td></tr>
<tr><td colspan="2">GHG Emission Intensity (Scope 1+2), Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP (Calculated)</td></tr>
<tr><td rowspan="3">Water footprint Boundary:
Consumption from all Offices, Warehouses and Rapid stores under operational control of Nykaa.</td><td colspan="2">Total water consumption (in KL) (Calculated)</td></tr>
<tr><td colspan="2">Water consumption intensity - KL / Total Revenue from Operations adjusted for PPP (Calculated)</td></tr>
<tr><td colspan="2">Water Discharge by destination and levels of Treatment (KL)- Not applicable</td></tr>
<tr><td rowspan="3">Energy footprint *Boundary:*
Refer attribute "Green-house gas (GHG) footprint"</td><td colspan="2">Total energy consumed in GJ (Calculated)</td></tr>
<tr><td colspan="2">% of energy consumed from renewable sources - In % terms- (Calculated)</td></tr>
<tr><td colspan="2">Energy intensity -GJ/ Rupee adjusted for PPP (Calculated)</td></tr>
<tr><td rowspan="12">Embracing circularity - details related to waste management by the entity

Boundary:
Consumption from all Offices, Warehouses and Rapid stores under operational control of Nykaa.</td><td colspan="2">Plastic waste (A) (MT) (Calculated)</td></tr>
<tr><td colspan="2">E-waste (B) (MT) (Calculated)</td></tr>
<tr><td colspan="2">Bio-medical waste (C) (MT)- (Reported NIL)</td></tr>
<tr><td colspan="2">Battery waste (D) (MT) - Buy-back process (Reported NIL)</td></tr>
<tr><td colspan="2">Expired products (E) – Disposed under Hazardous waste. (Reported)</td></tr>
<tr><td colspan="2">Other non-hazardous waste. Carton waste (F) (Calculated)</td></tr>
<tr><td colspan="2">Total waste generated (A + B + C + D + E + F) (MT)</td></tr>
<tr><td colspan="2">Waste intensity
• MT / Rupee adjusted for PPP (Calculated)</td></tr>
<tr><td colspan="2">Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (MT) (Calculated)</td></tr>
<tr><td colspan="2">Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (Intensity)
✓ kg of Waste Recycled (or) Recovered /Total Waste generated</td></tr>
<tr><td colspan="2">For each category of waste generated, the total waste disposed by the nature of the disposal method (MT)</td></tr>
<tr><td colspan="2">For each category of waste generated, the total waste disposed by the nature of the disposal method (Intensity)
✓ Kg of Waste Recycled (or) Recovered /Total Waste generated (Reported)
✓ Expired products incineration (Reported)
✓ Plastic waste recycled via third-party vendors (Reported)
✓ Carton waste recycled via third-party vendors (Reported)</td></tr>
<tr><td rowspan="2">Enhancing Employee Wellbeing and Safety</td><td colspan="2">Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company - In % terms- (Calculated)</td></tr>
<tr><td colspan="2">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)</td></tr>
<tr><td rowspan="4">Enabling Gender Diversity in Business</td><td colspan="2">Gross wages paid to females as % of wages paid - In % terms - (Calculated)</td></tr>
<tr><td rowspan="3">Complaints on POSH</td><td>1) Total Complaints on Sexual Harassment (POSH) reported - (Reported NIL)</td></tr>
<tr><td>2) Complaints on POSH as a % of female employees/workers- (Calculated)</td></tr>
<tr><td>3) Complaints on POSH upheld- (Reported NIL)</td></tr>
</table>

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<table>
<tr><th>Attributes</th><th colspan="2">KPI</th></tr>
<tr><td rowspan="2">Enabling Inclusive Development</td><td colspan="2">Input material sourced from the 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)</td></tr>
<tr><td colspan="2">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
• Rural (Calculated)
• Semi-urban (Calculated)
• Urban (Calculated)
• Metropolitan (Calculated)</td></tr>
<tr><td rowspan="2">Fairness in Engaging with Customers and Suppliers</td><td colspan="2">Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events - In % terms- (Reported NIL)</td></tr>
<tr><td colspan="2">Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured</td></tr>
<tr><td rowspan="11">Open-ness of business</td><td rowspan="11">Concentration of purchases & sales done with trading houses, dealers, and related parties. Loans and advances & investments with related parties</td><td>1) Purchases from trading houses as % of total purchases (Reported NIL)</td></tr>
<tr><td>2) Number of trading houses where purchases are made from (Reported NIL)</td></tr>
<tr><td>3) Purchases from top 10 trading houses as % of total purchases from trading houses- (Reported NIL)</td></tr>
<tr><td>1) Sales to dealers/distributors as % of total sales- (Calculated)</td></tr>
<tr><td>2) Number of dealers / distributors to whom sales are made- (Calculated)</td></tr>
<tr><td>3) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors- (Calculated)</td></tr>
<tr><td>Share of RPTs (as respective %age) in -</td></tr>
<tr><td>• Purchases - (Reported)</td></tr>
<tr><td>• Sales - (Reported)</td></tr>
<tr><td>• Loans & advances - (Reported)</td></tr>
<tr><td>• Investments - (Reported)</td></tr>
</table>

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

Onsite Verification

1. 24th & 25th March 2026 - Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra 400013
2. 30th March 2026- Warehouse, Hyderabad
3. 03rd April 2026- Warehouse, Pune

Remote Verification

4. 22nd April 2026 - Remote audit for Mumbai Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra 400013

The assurance activities were carried out together with a desk review as per the 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 attributes and corresponding KPIs independently, without reference to any ESG targets or goals set by Nykaa. TUVI verified data on a sample basis; the responsibility for the authenticity of data entirely lies with Nykaa. TUVI has taken reference of the financial figures from the audited financial statements of FSN E Commerce Ventures Limited for FY 2025-26. The denominator values used in BRSR Core intensity ratio calculations — specifically, Total Revenue from Operations adjusted for Purchasing Power Parity (PPP) — were extracted from the audited financial statements and reconciled against the figures disclosed in Nykaa's Annual Report prior to use in intensity ratio verification. Financial figures were not independently assured under this engagement; Nykaa remains responsible for the appropriate application and disclosure of financial data. The application of this 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/2024/177, 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 and shall not be used to support misleading environmental or social claims, including greenwashing-related representations. The reporting Organization is responsible for ensuring adherence to relevant laws. The assurance procedures are subject to inherent limitations, including the use of estimates, assumptions, sampling, and reliance on internal controls and data systems maintained by Nykaa. Accordingly, there is an unavoidable risk that material misstatements or omissions may not be detected, particularly where information is subject to estimation uncertainty or dependent on management judgement. The responsibility for the authenticity of the data is confirmed by Nykaa. Any reliance placed by any person or third party on disclosed KPIs is entirely at their own risk.

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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 strategy, management of ESG-related issues or the sufficiency of the report 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.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing verification efforts on disclosures and issues of high material relevance to Nykaa and its stakeholders. The objective was to assess the reliability and accuracy of the non-financial information disclosed, with emphasis on the robustness of data management systems, internal controls, and information flows.

TUVI's assurance activities included:

1. **Document and Data Review**:
   i. Examination of documents, datasets, and supporting evidence provided by Nykaa for the nine attributes listed in Annexure I – Format of BRSR Core (non-financial disclosures).
   ii. Evaluation of disclosures related to Management Approach and performance indicators.
2. **Stakeholder Interviews**:
   i. Conducted interviews with key representatives, including data owners, process managers, and decision-makers across various departments.
   ii. Reviewed management representations regarding Nykaa's approach to stakeholder engagement and materiality determination; qualitative statements in the Annual Report are based on management representation and were not independently validated.
   iii. Interviews were conducted through both onsite visits and remote assessments, as applicable.
3. **Process and System Assessment**:
   i. Review of systems and processes for implementing ESG and sustainability-related policies as described in the BRSR, and for collecting, managing, and reporting both quantitative data and qualitative information for the reporting period.
   ii. Assessment of internal controls supporting data accuracy, traceability, and consistency.
4. **Substantive and Control Testing:** TUVI performed walkthrough procedures to evaluate the design and implementation of internal controls over ESG data processes, and substantive testing including document verification, recalculation, analytical review, and data traceability checks for selected KPIs and disclosures. For intensity ratio KPIs — including GHG emission intensity (Scope 1+2 / Revenue from Operations adjusted for PPP), water consumption intensity (kL / Revenue from Operations adjusted for PPP), energy intensity (GJ / Revenue from Operations adjusted for PPP), and waste intensity (MT / Revenue from Operations adjusted for PPP) — TUVI independently recalculated each ratio using verified numerator values (absolute environmental data) and denominator values (financial figures sourced from audited financial statements), and cross-checked the results against Nykaa's reported figures to confirm arithmetical accuracy and consistency of methodology. The combination of control testing and substantive procedures provided sufficient appropriate evidence in accordance with ISAE 3000 (Revised). For GHG emission calculations, Scope 2 emissions were computed using the CEA (Central Electricity Authority) grid emission factor for India applicable to the reporting period, in accordance with the WRI/WBCSD GHG Protocol Corporate Standard. Scope 1 emissions were calculated based on standard fuel conversion factors consistent with IPCC guidelines. The emission factor sources and calculation methodology were reviewed and found appropriate for the engagement.

5. **Sampling Methodology**: TUVI applied a risk-based sampling methodology to select representative samples of ESG disclosures, considering materiality thresholds, risk of misstatement, data complexity, estimation uncertainty, nature and scale of operations, and geographical spread of facilities. Sample selection prioritised locations with significant operational impact and KPIs with higher inherent risk, including those relevant to BRSR Core indicators. A materiality threshold of 5% (default as per TUV guidelines), determined with reference to the inherent estimation risk in environmental KPIs, the materiality of BRSR Core indicators to stakeholder decision-making, and the reasonable assurance level required under ISAE 3000, was applied to the selected samples for the verification of sustainability disclosures as applicable. Sites were selected based on proportionate

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contribution to total reported values, with Marathon Futurex Mumbai, Warehouse Hyderabad, and Warehouse Pune prioritized as primary onsite locations.

6. **Reporting Framework Adherence:** Verified Nykaa's adherence to reporting requirements under SEBI's BRSR Core guidelines.

This methodology enabled TUVI to provide a balanced and evidence-based assurance on the information disclosed, while maintaining alignment with ISAE 3000 (Revised) standards for non-financial assurance.

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 further enhance its ESG reporting by adopting a dedicated ESG analytics platform that enables real-time monitoring and deeper insights across environmental, social, and governance dimensions. Leveraging such a solution can further strengthen data collection processes, streamline reporting in alignment with global frameworks (GRI, SASB, TCFD, BRSR), and equip leadership with timely, actionable intelligence. This step would build on existing efforts, reinforce stakeholder confidence, and continue to position the organization as a forward-thinking and credible leader in sustainability.

ii. Nykaa can further strengthen its climate leadership by progressively expanding its Scope 3 emissions reporting in alignment with ISO 14064-1. Building on its current disclosures, this approach would enable more comprehensive coverage of value chain emissions, improve data robustness, and enhance overall transparency.

iii. Nykaa can assess its suppliers through a structured assessment framework aligned with its Supplier Code of Conduct, reinforcing expectations around ethical, social, and environmental practices.

Conflict of Interest

TUVI confirms its independence and the absence of any conflict of interest in relation to this assurance engagement, in accordance with ISAE 3000 (Revised), SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023, and the Industry Standards on Reporting of BRSR Core (SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024).

TUVI's independence framework is grounded in the IESBA Code of Ethics, adopting a threats-and-safeguards approach to identify and manage risks including self-interest, self-review, advocacy, familiarity, and intimidation. Organisational safeguards include segregation of responsibilities, independent technical review, documented conflict-of-interest controls, and a quality management system consistent with ISQM 1 and ISO 17029:2019.

During the reporting period, TUVI confirms that:

- No consulting, advisory, system design, data preparation, or implementation services related to ESG or BRSR were provided to Nykaa;
- TUVI was not involved in the preparation or drafting of BRSR Core disclosures, development of ESG strategy or targets, design or implementation of ESG data management systems, calculation of GHG emissions inventories, internal audit of ESG data, or consulting on materiality assessment; and
- No relationships, affiliations, or financial interests exist that could compromise the objectivity, independence, or impartiality of TUVI's findings, conclusions, or recommendations.

TUVI solely provides verification and assurance services and maintained professional impartiality towards all personnel interviewed throughout this engagement.

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on BRSR Core KPIs described in the BRSR report, along with the referenced information, have been prepared, in all material respects, in accordance with the applicable BRSR Core criteria, for the nine BRSR Core attributes, and meet the content and quality requirements of the BRSR.

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 refer 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 assess 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

a) **Governance, leadership and oversight:** The governance disclosures in the Annual Report / BRSR were reviewed based on management representations and available supporting documentation. Board meeting minutes and agenda records were made available for review. Messages from top management, business model disclosures, risk

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management approach, and environmental priorities were reviewed for consistency against available internal governance frameworks and management representations provided to TUVI. Disclosures relating to inclusive growth, equitable development, and environmental protection were found to be consistent with the governance structures described by management during the assurance engagement.

b) **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.

c) **Stakeholder engagement:** Based on management representations, the Report covers mechanisms of communication with key stakeholders to identify major concerns and to derive and prioritize short, medium and long-term strategies. The disclosures on stakeholder relationships and the organisation's responsiveness to stakeholder interests are reported as represented by management; independent validation of the stakeholder engagement process was not within the scope of this engagement.

d) **Materiality:** The material issues within 9 attributes and corresponding KPI as per BRSR requirement are reported properly.

e) **Conciseness:** The report 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.

f) **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.

g) **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.

h) **Impact:** Nykaa communicates its ESG performance through regular, transparent internal and external reporting throughout the year, aligned with BRSR, as part of its policy framework that includes POSH, ESG, Code of Conduct Policy, and Whistle Blower Policy. Nykaa reports on ESG performance to the Board of Directors, who oversees and monitors the implementation and performance periodically.

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 behaviour. 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 sustainability assurance services with qualified environmental and social specialists. The assurance team comprises lead verifiers holding Sustainability auditor qualifications, ISO 14064 verification competencies, as well as confirmed competence in conducting ISAE 3000 (Revised) assurance engagements. Lead verifier(s) possess ISO 14064 verification qualifications, ESG assurance experience, and sector expertise. The team's collective credentials encompass environmental data verification, social performance assessment, and sustainability reporting assurance aligned with GRI Standards and IIRC Integrated Reporting frameworks. TUVI's independence, impartiality, and conflict-of-interest position with respect to this engagement are confirmed in the Conflict-of-Interest section of this statement

MVBorekar

For and on the behalf of
TUV India Private Limited

TUV INDIA PRIVATE LIMITED
TÜVINDIA

Date: 15/07/2026
Place: Mumbai, India
Project Reference No: 8124804850
Revision:03