



Sun Pharmaceutical Industries Limited

Clarification Note to Business Responsibility and Sustainability Report (BRSR) 2022 -23

In the XBRL file there are certain fields which are Not Applicable and certain fields where it does not allow to enter text or provide remarks, hence for such points we have mentioned 0 in the XBRL and we are providing our responses as per our Business Responsibility and Sustainability Report forming a part of our Annual Report 2022-23, in the following clarification notes:

1. Point 4 (a) of SECTION A: GENERAL DISCLOSURES -

Markets served by the entity –

Locations	Number
National (No. of States)	Pan-India
International (No. of Countries)	Over 100 countries served across the six continents -

2. Point 2 and 4 of Essential Indicators and points 1, 3 & 4 of Leadership Indicators in PRINCIPLE 2

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

Yes, the Company endeavours to implement responsible procurement practices across its supply chain. As a measure of enhancing its impact on the environment and society, the Company encourages local sourcing, which improves supply chain resilience, limits various risks including currency risk and reduces supply timelines. Further, it encourages local businesses to improve their capabilities. In its endeavour to further ESG practices in the supply chain, the Company has introduced ESG parameters in vendor audits intended to better understanding the supply chain ESG risks and remediation requirements.

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

100% of inputs sourced from critical suppliers is sourced sustainably.

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?

Yes, the Company is registered as Brand Owner as per the Extended Producer Responsibility (EPR) mandates. The Company has appointed a waste management agency to collect the end use plastic/post-consumer plastic waste from municipal garbage. The collected EPR target quantities of plastic waste is recycled every year as per the provisions of plastic waste management rules.

Leadership Indicators:

1) Has the entity conducted Life Cycle Perspective /Assessment (LCA) for any of its products (for manufacturing industry) or for its services (for service industry):

Given that this was a leadership indicator we have not reported it in BRSR

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

As 100% of the Company's production activities focus on manufacturing pharmaceutical products, there is no utilisation of re-used or recycled input material. There is no scope for reusing or recycling any input material due to the criticality involved in producing and safely delivering

pharmaceutical products from the perspective of consumer health, safety, compliance with pertinent regulations, and clinical studies.

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

The Company reclaims expired/damaged medicine stock from the stockist as per the Company's standard operating procedures and guidelines. The reclaimed medicine stock is then disposed of in a safe manner, as per the regulatory guidelines.

3. Point numbers 10, 11 and 14 of Essential Indicators and Point 1, 4, & 5 of Leadership Indicators in PRINCIPLE 3

10. Health and Safety Management System

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No).

All manufacturing locations of the Company have a formal Occupational Health and Safety management system, aligned to the requirements of ISO 45001, OHSAS 18001 standards, the Company's EHS Management system, and the legal requirements such as Factories Act, Indian Boilers Act, Environment Protection Act, The Epidemic Disease Act, among others. Requisite safety management systems are in place at our office locations.

d. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, The Company has formalised robust Standard Operating Procedures (SOPs) for timely identification and mitigation of work-related hazards and risks. The Company provides occupational health and safety training to all workers. The training modules cover methodologies to identify workplace hazards, evaluate the risks involved, as well as take appropriate action to reduce them. Employees receive training on how to use emergency equipment like fire hydrants, fire-fighting systems, leak and spill control methods, safety alarms, and more during the safety and emergency evacuation drills. Additionally, the ability of the staff to handle emergencies is assessed on a regular basis. The practical training and online safety modules educate employees about reporting and responding to work-related hazards.

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

Yes, the Company provides its employees and workers with non-occupational medical and healthcare services. Moreover, the Company ensures that all of its employees and workers have access to medical insurance. The Company designs holistic health programmes that promote healthy lifestyle practices in order to enhance physical and mental well-being for all employees and workers.

Examples of health programmes and services provided to employees include:

- Family welfare camp
- Nutrition awareness camp
- Eye, dental, and heart screenings
- Stress management session
- Lifestyle counselling session
- Monthly sessions on Health topics with renowned Doctors
- Mann Talks – Counselling sessions on mental health

11. Details of Safety related incidents for Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)* :

Since decimal numbers cannot be filled in the XBRL file,, the details for Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked) are provided below:

Safety Incident/Number	Category	Current FY	Previous FY
		2022-23	2021-22
Lost Time Injury Frequency Rate (LTIFR)*	Permanent Employees and workers	0.088	0.085
	Temporary employees (includes contractors, apprentices)	0.089	0.134

*The Company refers the OSHA standard for calculating rates for LTIFR, as per the standard 2,00,000 hrs is used for calculation of the rate.

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	100% of the locations are audited internally by the entity. Internal experts conduct the audits in order to ensure compliance with safety rules and the identification of important improvement areas. 63.15% of locations have been assessed on health and safety practices by third party auditors, as per requirements of the ISO 45001:2018 standards).
Working conditions	100% (All the sites are assessed on their working conditions by the external and internal audits).

Leadership Indicators

1) Does the entity extend any life insurance or any compensatory package in the event of death of: (Y/N)?

Yes, the Company extends a compensatory package to all its employees including workers in event of death. During the COVID-19, additional benefits over and above the compensatory package were provided to family members of the deceased employees in the form of sponsorship of education for children until the age of 18.

4) Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company periodically provides skill-upgradation training programs to all its employees during their employment. The training programs cater to the specific requirements of the cadre and relevant function areas which further enable the employees to pursue employment post retirement or termination, based on the acquired skillset.

5) Details on assessment of value chain partners:

	% of value chain partners that were assessed (by value of business done with such partners)
Health and safety conditions	100% of critical vendors
Working conditions	100% of critical vendors

As per the Company's Global Code of Conduct, the value chain partners are expected to adhere to the principles of Health and safety practices, working conditions as per extant regulations. However, no independent assessment is carried out.

4. Point number 4 and 8 of Essential Indicators and Point number 4 of Leadership Indicators of PRINCIPLE 5

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

Yes, the Company's Head of Human Resources is responsible for monitoring and addressing human rights impacts and issues. As part of its Human Rights Policy, the Company expects all key stakeholders to respect and comply with the policy principles, as well as all applicable laws and regulations, in all of its operating regions.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Human Rights requirements have been embedded into the Company's business agreements. The Global Code of Conduct highlights the Company's commitment to Human Rights and extends to all employees and business partners throughout the value chain. Furthermore, in 2021-22, the Company implemented a dedicated Supplier Code of Conduct Policy capturing human rights practices and provisions. Further details may be found at: <https://sunpharma.com/policies/>.

Leadership Indicators :

4. Details on assessment of value chain partners:

Given that this was a leadership indicator we have not reported it in BRSR

5. Point 1 of Essential Indicators and Points 1, 2, 3, 4 and 8 of Leadership Indicators in PRINCIPLE 6

1. The details of total energy consumption are provided in Giga Joules (GJ) and energy intensity is provided in (Total energy consumption in GJ / turnover in ₹ Million)

Leadership Indicator

1. The details of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources are provided in Giga Joules (GJ)

2. Details related to water discharged

(iv) Sent to third parties	FY 2022-23	FY 2022-23
With treatment – please specify level of treatment	Primary treatment (post primary treatment, sent to the CETP) - 58,189 kL Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain) - 60,958 kL	Primary treatment (post primary treatment, sent to the CETP) - 36,528 kL Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain) - 53,947 kL

3. (iii) Water withdrawal, consumption and discharge in areas of water stress

(iv) Sent to third parties	FY 2022-23	FY 2022-23
With treatment – please specify level of treatment	Tertiary treatment (Inhouse ETP treatment, post which sent to the Municipality sewage drain) - 6,308 kL	Tertiary treatment (Inhouse ETP treatment, post which sent to the Municipality sewage drain) - 4,424 kL

4. Scope 3 emissions and its intensity:

Parameter	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Given that these were leadership indicators we have not reported Scope 3 emissions data in BRSR	
Total Scope 3 emissions per rupee of turnover		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company's Supplier Code of Conduct is developed based on the best practices, standards and guidelines for evaluation of suppliers in the pharmaceutical supply chain. The evaluation checklist encompasses various ESG parameters to ascertain the adherence with the Company's Supplier Code of Conduct. Assessment of value chain partners on the basis of the Company's Supplier Code of Conduct has been initiated for selected vendors and will be extended to all critical vendors in due course.

6. Point no. 6 of Leadership indicator of PRINCIPLE 8

6. Details of beneficiaries of CSR Projects:

Validation error in column for 'No. of persons benefitted from CSR Projects'

Sr. no	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Support towards setting up of Cancer Sanatorium Institute, Wadala, Mumbai.	Community	NA
2	Elimination of Malnutrition through Action – Research on Moderately and Acute Malnourished Children	Community	NA
3	Mobile Healthcare Unit	1,90,145	100%
4	Healthcare Infrastructure Support & Awareness	Community	100%
5	Medicines for Health Activities	Community	100%
6	Anganwadi Infrastructural Development	666	100%
7	School Infrastructure Development Project	8,238	100%
8	Promotion of Scientific Medical & Pharma Research Outcomes for Public Health Improvement	Community	100%
9	Setting-up of Digital Classroom Project	1214	100%

10	Installation of Solar Street lights	Community	100%
11	Rural Infrastructure Development Projects	Community	100%
12	Tree Plantation	Community	0%
13	Drinking Water	360 Households	100%
14	Provision of COVID-19 Relief Material and Awareness	Community	100%

7. Point no.6 of Leadership indicator of PRINCIPLE 9

6. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact: On March 1, 2023, the Company disclosed an information security incident that impacted some of the Company's IT assets. The Company promptly took steps to contain and remediate the impact of the information security incident, including employing appropriate containment protocols to mitigate the threat, and enhancing security measures and utilising global cyber security experts to ensure the integrity of the Company's IT systems' infrastructure and data. As part of the containment measures, the Company proactively isolated its network and initiated recovery procedures. As a result of these measures, certain business operations were also impacted. The Company has since strengthened its cybersecurity infrastructure and is in the process of implementing improvements to its cyber and data security systems to safeguard against such risks in the future.

The Company is also implementing certain long-term measures to augment its security controls systems across the organisation. The Company worked with legal counsel across relevant jurisdictions to notify applicable regulatory and data protection authorities, where considered required, and the Company believes there is no material legal non-compliance by the Company on account of the information security incident. The Company believes that all known impacts on its financial statements for the year ended March 31, 2023 on account of this incident have been considered.

Business Responsibility and Sustainability Report

Director's Message

Dear Stakeholders,

I am extremely pleased to present our Business Responsibility and Sustainability Report (BRSR) for FY 2022-23, which highlights our steadfast commitment to delivering sustainable value for all our stakeholders. Our commitment to excellence extends beyond the traditional bounds of business to encompass environmental, social, and governance (ESG) parameters. We have incorporated sustainability principles in our business from the outset and have built a strong foundation for creating a sustainable future.

As part of our commitment to sustainable development, we recognise the importance of transparency in our communication with stakeholders. We believe that the BRSR is one of the essential tools to provide an accurate and detailed account of our corporate responsibility initiatives, sustainability measures, and overall performance. This report demonstrates our efforts to integrate sustainability into our everyday operations while providing a holistic view of our ESG performance.

Our corporate governance framework is an integral factor for driving the best governance practices across our businesses, enabling sustainable outcomes for all our stakeholders. The Board has oversight through various committees focussing on different aspects of responsible business practices as part of our corporate governance framework. We have adopted multiple policies to facilitate the implementation of these practices. We also employ a secure grievance redressal and global whistle blower mechanism for our stakeholders, enabling us to uphold our values and highest standards of corporate governance. To enhance transparency, several of our Company policies and redressal mechanisms are publicly available on our corporate website. Furthermore, as a member of the United Nations Global Compact (UNGC), we support the 10 principles covering human rights, labour, environment and anti-corruption and further we are committed to ensure that these principles are a part of our overall business strategy.

Our approach to workforce well-being and community upliftment emphasises our commitment to caring for people, communities, and the planet. Our strong workforce of 24,767 employees (permanent and contractual) with Sun Pharmaceutical Industries Limited (SPIL), the standalone entity, is essential to realising our vision.

We take a systemic approach to create a conducive working environment for employees through training and inclusive policies that foster employee well-being and resource development. Our company has received the "Great Place To Work" certification in India, reflecting an inclusive work culture and positive people practices.

As a responsible Company, we are committed to delivering social impact through a well-defined CSR strategy. Our CSR initiatives demonstrate our strong commitment towards social causes and responsibilities. Our CSR initiatives in FY 2022-23 included programs covering healthcare, education, rural development, environment conservation, drinking water and disaster relief.

As a leading global generic pharmaceutical company, we enable access to medical products through our global presence in over 100 countries and a portfolio of 1,000+ products spanning across multiple therapeutic segments.

We are committed to addressing the impact of climate change through strategic actions to manage and mitigate carbon emissions associated with our operations and by assessing climate risk exposure. Our climate change action plans are in line with Nationally Determined Contributions (NDCs) and Paris Agreement. We are also signatory to India CEO forum on Climate Change. In the near future, we plan to initiate a climate risk assessment as per the Task Force on Climate-related Financial Disclosures (TCFD) protocol. We are also planning to carry out Biodiversity assessment for some of our manufacturing locations. With 2020 as the baseline year, we have set targets for reducing Scope 1 and Scope 2 emissions by 35% by 2030, reducing water consumption by 10% by 2025, and disposing of 30% of hazardous waste through co-processing by 2025. We have a comprehensive roadmap for achieving these targets, including energy, water, and waste management plans and corresponding implementation and integration strategies.

While we continue to integrate sustainability principles into our operations, and deliver on our promises of sustainable value creation, we welcome your valuable feedback in order to improve our sustainability performance.

Regards,

Sailesh Desai
Whole-time Director



Section A: General Disclosures

1. Details of the Listed Entity

Corporate Identity Number (CIN) of the Listed Entity	L24230GJ1993PLC019050
Name of the Listed Entity	Sun Pharmaceutical Industries Limited
Year of incorporation	1993
Registered office address	SPARC, Tandalja, Vadodara - 390 012, Gujarat
Corporate address	Sun House, CTS No. 201 B/1, Western Express Highway Goregaon (E), Mumbai 400063, Maharashtra, India
E-mail	secretarial@sunpharma.com
Telephone	(+91 22) 4324 4324
Website	www.sunpharma.com
Financial year for Reporting	April 1, 2022 to March 31, 2023
Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the Business Responsibility and Sustainability Report (BRSR)	Anoop Deshpande (Company Secretary) Email: anoop.deshpande@sunpharma.com Tel. No. +91-22-4324 4324
Reporting boundary	Standalone Basis
Name of the Stock Exchange(s) where shares are listed	BSE Limited, National Stock Exchange of India Limited
Paid-up Capital	₹ 2,399,334,970

2. Products / Services

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

Sr. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY23)
1.	Pharmaceutical	Manufacturing and marketing of pharmaceutical products	100%

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

Sr. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Manufacture of pharmaceuticals, medicinal and chemical products	210	100%

3. Operations

Location	Number of plants	Number of offices	Total
National	18*	2	20
International	0	14	14

*The plants include the Company's manufacturing locations and R&D centres

4. Markets Served By The Entity

a. Number of locations

Location	Number
National (No. of States)	Pan-India
International (No. of Countries)	Over 100 countries served across the six continents - Asia, North America, Europe, Africa, South America and Australia

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

Over the years, the Company has focused on increasing its market reach, serving market requirements in over 100 countries spanning across the six continents, viz Asia, North America, Europe, Africa, South America and Australia. Further, the Company has been undertaking several initiatives to fulfil market needs across the globe and continue to grow exports. In the reporting year, 75.6% of total turnover was contributed by exports.

c. A brief on types of customers

Patients are the end customers and are serviced through our distribution chain including distributors, wholesalers and retailers.

5. Employees

Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEE						
1.	Permanent (D)	14,248	13,100	91.94	1,148	8.06
2.	Other than Permanent (E)	1,267	943	74.43	324	25.57
3.	Total employees (D + E)	15,515	14,043	90.51	1,472	9.49
WORKER						
4.	Permanent (F)	4,876	4,724	96.88	152	3.12
5.	Other than Permanent (G)	4,376	3,812	87.11	564	12.88
6.	Total workers (F + G)	9,252	8,536	92.26	716	7.73

b. Differently-abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	14	13	92.86	1	7.14
2.	Other than Permanent (E)	4	2	50.00	2	50.00
3.	Total differently abled employees (D + E)	18	15	83.33	3	16.67
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	5	4	80	1	20
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	5	4	80	1	20

c. Participation/Inclusion/Representation of women as on March 31, 2023

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.28
Key Management Personnel	2	0	0

Note: After the year end and up to the date of the Report, Mr. Rolf Hoffmann was appointed as an Independent Director for a term of five years to be effective from the date of allotment of Director Identification Number, subject to approval of the shareholders. Mr. Aalok Shanghvi (DIN: 01951829) was appointed as a Whole-time Director for a term of five years effective from June 1, 2023, subject to approval of the shareholders.

d. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.2%	13.9%	13.2%	10.0%	15.7%	10.4%	7.6%	12.0%	7.9%
Permanent Workers	6.2%	2.2%	6.1%	10.3%	10.5%	10.3%	18.6%	11.8%	18.4%

6. Holding, Subsidiary And Associate Companies (Including Joint Ventures)

The names of the holding / subsidiary / associate companies / joint ventures as on March 31, 2023, are available on page 286 of our Annual Report for FY 2022-23. The Annual Report can be accessed at the following link: <https://sunpharma.com/investors-annual-reports-presentations/>.

Most Company level policies and practices essential for SPIL are also extended to subsidiaries and associates. Our Indian subsidiaries, where applicable, participate in the sustainability and business responsibility initiatives of our Company.



7. Corporate Social Responsibility (CSR) Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (in ₹ Million)	203,946.3
(iii) Net Worth (as per companies Act) (in ₹ Million)	193,614.7

8. Transparency and Disclosure Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		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, the Company utilises mobile health care units to reach out to 20-25 villages in the surrounding areas of its working locations. Each mobile health care unit carries a register that is accessible to all community members in order to record grievances and questions through written complaints. The concerned authority members then take the necessary steps to address the concerns raised.	0	0	-	0	0	-
Shareholders	Yes, the Company has a procedure for resolving shareholder grievances. Link Intime India Private Limited has been appointed as the Company's Share Transfer Registrars/Agents. They handle shareholder inquiries, requests, and complaints. Within the framework specified/ defined by SEBI, Share Transfer Registrars/ Agents respond to enquiries/questions, requests, and complaints. There is a dedicated email id to receive the grievances from shareholders - secretarial@sunpharma.com .	34	0	-	3	0	-
Employees and workers	Yes, the employees and workers can use the Company's Global Whistleblower process. The Company provides numerous channels of communication for grievances via the Global Whistleblower mechanism, including an email address, a web portal and written complaints.	7	0	-	3	0	-
Customers*	Yes, customers can get their grievances addressed using several channels of communication such as e-mail, couriers, and the quality complaints form on the Company website. Link to the Product Quality form: https://sunpharma.com/product-quality-complaint-form/ .	1,011	7	-	1,184	0	-
Value Chain Partners	Yes, value chain partners can file complaints via email, shared service helpdesk, or the Global Whistleblower mechanism.	0	0	-	0	0	-

*These complaints pertain to packaging defects such as missing components, damaged label, damaged outer packaging, product quality, etc.

Overview of The Entity's Material Responsible Business Conduct Issues

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:

Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1.	Corporate Governance and Business Ethics	Risk and Opportunity	<p>Risk: Failure to maintain the highest standards of corporate governance and business ethics may lead to regulatory repercussions and financial and reputational loss.</p> <p>Opportunity: Adherence to good governance practices and ethical standards will lead to long term sustainable value creation for all stakeholders.</p>	<ol style="list-style-type: none"> Ensuring regulatory compliance across our operations / markets through proactive interaction with regulatory organisations, to reduce the risk of non-compliance. Ensuring strict adherence to the Company's policies by all employees through regular training on business ethics and code of conduct. We also place a strong emphasis on our quality control measures in operating locations to ensure cGMP compliance. 	<p>Positive: The Company's dedication to ethical business practices and consistent regulatory compliance will be viewed favourably by its stakeholders and improve our perception as an ethical corporate citizen.</p> <p>Negative: The Company's reputation and business continuity may be negatively impacted in the long run due to non-compliance with regulatory standards.</p>
2.	Product Quality, Safety and Recall Management	Risk	<p>Risk: Due to the pharmaceutical industry's significant vulnerability to product quality and safety issues, addressing risks related to product responsibility is critical.</p>	<ol style="list-style-type: none"> Ensure strict adherence to global quality standards and procedures. Employ robust and centralised pharmacovigilance processes encompassing detailed SOPs that ensure efficient surveillance and reporting of adverse events. Make consistent investments in technological interventions, training on cGMP standards, automation and digitalisation, and employee capacity-building. Undertaking periodic quality review of third-party suppliers. Implementing brand protection (IP and trademark) and anti-counterfeit measures to ensure authenticity of our products in the market. 	<p>Positive: Adherence to the highest standards of product quality and safety helps preserve our positive brand image and further strengthens the reputation of the company amongst our stakeholders.</p> <p>Negative: Any major issues identified in product quality and safety may result in recalls, warnings from regulatory agencies, leading to temporary disruption of operations and brand/reputation loss. It may also expose us to litigation risks, fines and penalties.</p>
3.	Cyber Security and Data Privacy	Risk and Opportunity	<p>Risk: The security and integrity of the IT system across the entire business is directly impacted by risks related to Cyber Security and Data Privacy.</p> <p>Opportunity: A strong governance mechanism for data integrity, technology and digitalisation leads to a secure IT network, thus supporting the productivity and growth of the business.</p>	<ol style="list-style-type: none"> To avoid breaches related to company or stakeholders' data, the vulnerability of our technology and IT systems is evaluated on a regular basis. In order to mitigate the risks associated with cyber security and data breaches, we have implemented perimeter security, IT monitoring systems, antivirus, and patch management. Cybersecurity trainings have also been conducted for our employees. We also enhance awareness of our employees via periodic internal emails related to safe practices surrounding data security, protection against potential phishing attacks, and prevention of hacker attacks. 	<p>Positive: Cutting-edge technology, digitalisation, and data integrity principles ingrained in our processes ensures compliance with data security and privacy laws, protects against data loss, and facilitates productivity improvement, ultimately leading to sustainable growth in the long term.</p> <p>Negative: Lack of a robust data integrity and security mechanism could increase the rate of data breaches and result in the loss of valuable data that may have an adverse impact on the business. Breach of customer/stakeholder data may potentially expose us to litigations, fines and penalties.</p>
4.	Innovation Management	Opportunity	<p>Opportunity: Development and commercialisation of a strong product portfolio (including generics and specialty products), driven by investments in innovation and technology helps in catering to unmet patient needs and in improving product accessibility across global markets.</p>	-	<p>Positive: A stronger portfolio of innovative products will help in addressing the unmet needs of patients globally as well as facilitate patient access to newer products and therapies. Additionally, innovation in processes may result in higher productivity and resource efficiency in operations.</p>



Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
5.	Human Capital Development	Risk and Opportunity	<p>Risk: Human Capital Development pertains to talent management initiatives, including talent acquisition, retention, development, employee well-being and satisfaction. As our business is dependent on the well-being of our people, failure to meet/exceed employee expectations may have an adverse impact on the Company's employee retention rate, productivity, and business continuity.</p> <p>Opportunity: The Company's efforts to improve employee welfare and development directly demonstrates its focus on human capital development. This facilitates retention and attracts the right talent, which drives productivity, innovation, long term growth of the business and leads to value creation for all stakeholders.</p>	<ol style="list-style-type: none"> We have multiple initiatives to attract and retain talent through development programs encompassing global talent management, competitive remuneration, inclusive work culture and other employee benefits programs. Formal succession planning programme for all leadership positions. Employee skill enhancement through continuous training and development. 	<p>Positive: Focused efforts on human capital development results in a motivated workforce with a high retention and satisfaction rate. These metrics demonstrate the Company's efforts to foster a healthy work environment and reflects a proactive strategy for workforce development, which is imperative for long term growth and sustainability of the business.</p> <p>Negative: Failure to cater to employee expectations could have negative long-term effects on employee productivity and adversely impact the Company's growth.</p>
6.	Access to and Affordability of Medicines	Risk and Opportunity	<p>Risk: Addressing impediments related to product portfolio, product accessibility, and pricing, is important for the pharmaceutical sector. Lack of access to medicines owing to pricing and availability has a negative impact on the society's access to medicines and may create challenges in aligning with the Company's vision and long-term growth potential.</p> <p>Opportunity: Given our strong generic and specialty product portfolio, coupled with our global presence, the company is well positioned to facilitate access to medicines for its patients across the world, and meet the growing demand for pharmaceutical products.</p>	<ol style="list-style-type: none"> We have a strong focus on establishing a robust and diversified product portfolio by enhancing cross-functional synergies, organisational capabilities, project management, and governance focused on product identification, development, planning, and launch. Strengthening in-licensing and out-licensing of products. We prioritise development and commercialisation of complex generics and specialty products, amongst other things. We focus on operational excellence programs aimed at enhancing yields, ensure supply chain continuity and maintain adequate inventories. 	<p>Positive: The Company's product innovation and research efforts enhance the brand value by offering a wide range of products that are both easily accessible and reasonably priced. These products enable us to cater to unmet patient needs and also facilitates access for low and middle income countries.</p> <p>Negative: In the long run, the Company's brand value and long-term growth may be negatively impacted in case of inaccessibility of its products and inability to expand geographically.</p>
7.	Environmental Impact Management	Risk	<p>Risk: Management of water and waste are critical issues for the company to create a positive environmental footprint. Focused efforts for efficient water usage and reduced waste generation and proper disposal are imperative to demonstrate the company's commitment to a sustainable future and a healthy planet.</p>	<ol style="list-style-type: none"> The Company continuously identifies opportunities to manage its environmental impact. We have established targets for water conservation and waste management. We have a target to reduce water consumption by 10% by 2025 and 30% of hazardous waste co-processing by 2025. We are continuously monitoring our performance on water and waste parameters. We are focusing on efficient water consumption, reducing water withdrawal and increasing water recovery. For waste management, we are focusing on increasing the share of recycling and reuse within our own operations, and co-processing of hazardous waste. 	<p>Negative: Failure to manage environmental impacts can lead to adverse legal, regulatory and financial consequences, loss of reputation and stakeholder trust, ultimately leading to a loss of license to operate.</p>

Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
8.	Climate Change	Risk and Opportunity	<p>Risk: Ineffective management of greenhouse gas (GHG) emissions may expose the company to climate related physical and transition risks which might lead to disruption of operations and affect business continuity.</p> <p>Opportunity: Adapting new low carbon technologies may unlock opportunities for more efficient manufacturing processes and will contribute towards business resilience.</p>	<ol style="list-style-type: none"> 1. The Company has taken a GHG reduction target to reduce 35% GHG emissions (covering scope 1 and scope 2) by 2030. 2. We are also conducting climate risk assessment across our operations to evaluate physical and transitional risks. 3. We are continuously exploring avenues to reduce our reliance on fossil fuels in our operations by increasing the share of biomass, procurement of renewable energy and implementing energy efficiency initiatives to optimise our energy consumption. 	<p>Negative: Potential immediate physical risks to our operations may damage our assets, which in turn, could lead to business interruptions and increased expenses for repairs and restoration of damaged sites. The transition risks associated with climate change could also result in more stringent regulations in the countries of our operations and exports, leading to higher compliance costs or investment costs in newer technologies.</p> <p>Failure to adapt to adverse impacts of climate can also lead to loss of reputation and stakeholder trust.</p> <p>Positive: Working towards climate change mitigation and adaptation may offer businesses opportunities to take advantage of emerging technologies and more efficient means of production.</p>
9.	Diversity, Equity and Inclusivity	Opportunity	<p>Opportunity: Diversity, inclusion and providing equal opportunities improves the company's performance by bringing together people with varied knowledge, views, and perspectives. This results in identifying innovative ideas and improves talent attraction and retention at the workplace.</p>	-	<p>Positive: A diverse and inclusive workforce from different genders, age, ethnicities, and special abilities enables a productive environment and drives innovative thinking, helping in employee engagement and unlocking higher efficiencies.</p>
10.	Sustainable Supply Chain and Responsible Procurement	Risk and Opportunity	<p>Risk: Due to the pharmaceutical industry's reliance on the supply chain for critical raw materials and last mile delivery of medicines, any disruption of supply chain may impact business continuity and/or product quality. Non-substitutable suppliers also pose a risk in terms of continued availability of critical raw materials.</p> <p>The Company requires its supply chain partners to adhere to its ESG principles and any non-adherence may result in a disruption of supplies.</p> <p>Opportunity: Supply chain plays a determining role in the sustainability of an organisation. Integrating suppliers into the ESG journey helps the Company to develop a resilient supply chain and cascade a virtuous cycle of environmentally and socially responsible behaviour across the value chain.</p>	<ol style="list-style-type: none"> 1. We are continuously exploring opportunities to de-risk the supply chain by evaluating alternate suppliers for critical or non-substitutable raw materials. 2. As part of the Company's Supplier Code of Conduct, the suppliers are expected to adhere to the Company's ESG standards. 3. The Company has a high focus on developing quality products and safety of consumers. The quality of raw materials for our production process is ensured by conducting periodic supplier audits. 	<p>Negative: Long-term commercial partnerships with suppliers may be impacted if standards related to various social, environmental and safety aspects are not complied with by suppliers, leading to loss of business value.</p> <p>Non-substitutable and critical raw material suppliers may impact the business in case of any unforeseen disruptions.</p> <p>Positive: The Company's ability to deal with supply chain disruptions brought on by unprecedented circumstances is ensured by responsible supply chain practices. In addition, the Company's adherence to its responsible sourcing enhances its social and environmental performance.</p> <p>Assessing alternate suppliers may also help reduce risk exposure and open access to previously unexplored suppliers for raw materials. It may lead to discovery of local suppliers, which reduces environmental footprint and may result in better control over evaluation of supplier practices.</p>



Sr. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
11.	Occupational Health and Safety	Risk	Risk: Occupational health and safety is a vital component of the Company's commitment towards providing a safe and secure working environment. Ineffectiveness of the current Health and Safety management programs may lead to a large number of health and safety incidents.	<ol style="list-style-type: none"> The company has a strong Environment Health and Safety (EHS) management system that includes regular internal and external audits of its EHS practices. Our risk assessment methodology and safety practices are based on guiding principles of our Process Safety Management system which adds cohesiveness to our health and safety approach from the aspects of risk assessment and working conditions. Adoption of a detailed corrective action plan post the identification of hazards and assessment of safety incidents help in preventing any such instances in the future. 	Negative: Frequent health and safety incidents will have a negative influence on the Company's performance in terms of both safety and workforce well-being. This will impact the brand image, reputation and the Company's ability to attract and retain talent.
12.	Ethical Clinical Trials and Animal Testing	Risk	Risk: Addressing risks associated with clinical trials and animal testing is critical to demonstrate the Company's commitment to responsible research practices, especially around the ethical and safety related concerns of trials on human subjects and animal testing. Adverse events related to research practices can cause delays in product development and lead to financial losses and negative public perception.	<ol style="list-style-type: none"> The Company complies with all relevant regulatory requirements governing clinical trials and animal testing. We have dedicated teams responsible for ensuring adherence to these regulations, which involve obtaining necessary approvals, permits, and maintaining thorough documentation. We also implement robust quality control and safety measures throughout the research process. This involves monitoring and auditing the conduct of clinical trials, data collection, and analysis to ensure accuracy, reliability, and compliance with relevant standards. Long term safety studies are undertaken for some of our innovative specialty products, post commercialisation, in order to evaluate and measure safety parameters over a longer time horizon. On certain projects we collaborate with academic institutions, research organisations, and regulatory agencies to share knowledge, expertise, and resources. Such collaborations also enable collective efforts, checks and balances to enhance the quality and ethical standards of clinical trials and animal testing. 	Negative: Failure to comply with guidelines and regulations of clinical trials and animal testing can undermine the efficacy and safety of the Company's clinical trials. It may also have an adverse regulatory/legal impact, lead to financial damages and reputation loss and have a negative impact on participant's health and safety. Delays at any stage can also prolong the overall timeline for drug development, leading to increased costs.
13.	Social Impact through Community Engagement	Opportunity	Opportunity: By aligning CSR programs with the needs of the community, through impact assessments and stakeholder engagement sessions, the Company focuses on creating an environment of mutual trust with the community. This will help in ensuring a long-term beneficial relationship with the community and enhance the social positioning of the Company.	-	Positive: The Company's perception among the local community members is enhanced by its contributions to the community's upliftment through various initiatives and partnerships that focus on health, education, rural infrastructure development, sanitation, and environment conservation among others. These efforts also help to promote positive social outcomes.

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.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs Advocates nine principles referred as P1-P9 as given below:

Principle 1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive towards all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Has the policy been approved by the Board? (Yes/No)	Yes, the Company has developed comprehensive policies covering these principles, some of the Policies have been approved by the Board as per relevant statutory requirements.								
Web Link of the Policies, if available	https://sunpharma.com/policies/								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle									
Principle 1	National Guidelines on Responsible Business Conduct (NGRBC), United Nations Global Compact (UNGC)								
Principle 2	Environment Management System - ISO 14001: 2015, Extended Producer Responsibility (EPR) regulations, NGRBC								
Principle 3	Health and Safety - ISO 45001: 2018, International Labour Organisation (ILO), NGRBC, UNGC								
Principle 4	NGRBC								
Principle 5	United Nations Guiding Principles on Business and Human Rights (UNGP), NGRBC, UNGC								
Principle 6	Environment Management System - ISO 14001:2015, NGRBC, Energy Management System ISO 50001:201, UNGC								
Principle 7	NGRBC								
Principle 8	NGRBC								
Principle 9	Product Quality - ISO 9001: 2015, NGRBC								



Disclosure	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	P6: a) To reduce water consumption by 10% by 2025, considering baseline of 2020 b) To reduce carbon emissions (Scope 1 and 2) by 35% by 2030 considering the baseline of 2020. c) To dispose 30% of hazardous waste through co-processing by 2025								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	By implementing out several ESG initiatives at different levels, the Company has been able to achieve: a) Reduction in overall water consumption by 17.7% in FY 2022-23, as compared to baseline of 2020 b) Reduction in carbon emissions (Scope 1 and Scope 2) by 10.4% in FY 2022-23 as compared to the baseline of 2020. c) 21.8% of hazardous waste has been disposed of through co-processing in FY 2022-23								
Governance, Leadership, and Oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements -	Director's Message at the beginning of this Business Responsibility and Sustainability Report.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Sailesh Desai Designation: Wholetime Director DIN number: 00005443								
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, Mr. Sailesh Desai is responsible for decisions on sustainability-related issues.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Director									Periodically/ Need based								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Director									Ongoing basis								
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency	No, the Company internally reviews the working of the above-mentioned policies.																	

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.

Ethics and Integrity

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 FY23:

Category	Total number of training and awareness programs held	Topics / principles covered under the training and its impacts	Percentage of persons in respective category covered by the awareness programs
Board of Directors	5	P2, P8, P9	100%
Key Managerial Personnel	5	P2, P8, P9	100%
Employees other than BoD and KMPs Workers	353*	Periodic awareness programs were organised and conducted on the Global Code of Conduct, Safety Awareness, etc.	100%

* Employee and worker training numbers are provided on a consolidated basis.

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):

The Company has not paid any fines or penalties in the reporting year FY 2022-23 to regulatory/ Enforcement agencies/ judicial institutions as specified in regulation 30.

Monetary

	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NA	NA	0	NA	NA
Settlement	NA	NA	0	NA	NA
Compounding fee	NA	NA	0	NA	NA

Non-monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA
Punishment	NA	NA	NA	NA

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.

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, the anti-bribery clauses in the Company's Global Code of Conduct (Code) outlines the Company's commitment to conduct business with integrity. The Company abides by all the applicable anti-bribery laws including US Foreign Corrupt Practices Act (FCPA). The anti-bribery clause as part of the Global Code of Conduct is applicable to all the employees (whether permanent, temporary or on contract, direct or through contractor, retainer or full-time consultant), and members of the Board of Directors of the Company ("Personnel"). The Company expects its business partners, including suppliers, service providers, agents, channel partners (dealers, distributors and others) to adhere to the code and its principles.

Weblink – Global Code of Conduct: <https://sunpharma.com/wp-content/uploads/2023/03/Global-Code-of-Conduct-effective-from-30th-March-2023.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 2022-23	FY 2021-22
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

Leadership Indicators

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

Yes, the Company's Global Code of Conduct (GCoC) requires all of its personnel (including members of the Board) to refrain from engaging in any activity or having a personal interest that presents a conflict of interest. The Board members give an annual declaration confirming adherence to the GCoC. The Board members give disclosure of interest in other persons / entities annually as well as whenever there is a change and the same is placed before the Board for its information. The Company has constituted a Corporate Governance and Ethics Committee (CGEC), with the objective to monitor the Company's compliance with the Corporate Governance guidelines and applicable laws and regulations, make recommendations to the Audit Committee and thereby to the Board on all such matters and on corrective actions, if any, to be undertaken, review and ensure implementation of ethical standards and practices in respect of Corporate Governance by the Company in spirit, substance and intent perspective. The CGEC also evaluates and approves all related party transactions as per the requirements of the policy on Related Party Transactions as approved by the Board. All contracts/ arrangements/ transactions entered by the Company during the year under review with the related parties were approved by the CGEC and were undertaken in the ordinary course of business and on an arm's length basis.

Sustainable Business

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 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	100%	100%	R&D investments pertain to spending on various projects focused on improving the environmental and/or social impacts of our products and processes.
Capex*	15.60%	6.98%	These projects pertain to improving environment footprint, i.e., energy conservation, water conservation, increasing renewable energy adoption, etc.

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

Yes, the Company endeavours to implement responsible procurement practices across its supply chain. As a measure of enhancing its impact on the environment and society, the Company encourages local sourcing, which improves supply chain resilience, limits various risks including currency risk and reduces supply timelines. Further, it encourages local businesses to improve their capabilities. In its endeavour to further ESG practices in the supply chain, the Company has introduced ESG parameters in vendor audits intended to better understanding the supply chain ESG risks and remediation requirements.

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

100% of inputs from critical suppliers is sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:

	Disposing at the end of life
Plastics (including packaging)	The Company has an established system for collecting back the plastic waste or multi-layered packaging generated due to its products as per the Extended Producer Responsibility (EPR) regulations. The recycling and disposal of the reclaimed plastics (including packaging) is carried out as per the Government rules and the provisions of the Plastic Waste Management Rules. We have engaged a waste management agency to collect and recycle plastic waste in accordance with regulatory norms.
E-waste	Not Applicable
Hazardous Waste	Not Applicable
Other waste (Expired products)	The Company has a comprehensive standard operating procedure, for handling and safe disposal of saleable and non-saleable stock returned by the stockist.

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, the Company is registered as Brand Owner as per the Extended Producer Responsibility (EPR) mandates. The Company has appointed a waste management agency to collect the end use plastic/post-consumer plastic waste from municipal garbage. The collected EPR target quantities of plastic waste is recycled every year as per the provisions of plastic waste management rules.

* Capital expenditure (capex) pertains to the amount capitalised during the year by the entity



Leadership Indicators

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

As 100% of the Company's production activities focus on manufacturing pharmaceutical products, there is no utilisation of re-used or recycled input material. There is no scope for reusing or recycling any input material due to the criticality involved in producing and safely delivering pharmaceutical products from the perspective of consumer health, safety, compliance with pertinent regulations, and clinical studies.

2. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	2011.52 MT	0	0	531.11 MT	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

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

The Company reclaims expired/damaged medicine stock from the stockist as per the Company's standard operating procedures and guidelines. The reclaimed medicine stock is then disposed of in a safe manner, as per the regulatory guidelines.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Pharmaceuticals	2.16%

Employee Well-being

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	
		No.(B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	13,100	13,100	100	13,100	100	-	-	13,100	100	13,100	100
Female	1,148	1,148	100	1,148	100	1,148	100	-	-	1,148	100
Total	14,248	14,248	100	14,248	100	1,148	8.05	13,100	91.1	14,248	100
Other than Permanent Employees											
Male	943	943	100	943	100	-	-	943	100	943	100
Female	324	324	100	324	100	324	100	-	-	324	100
Total	1,267	1,267	100	1,267	100	324	25.57	943	74.42	1,267	100

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No.(B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	4,724	4,724	100	4,724	100	-	-	4,724	100	4,724	100
Female	152	152	100	152	100	152	100	-	-	152	100
Total	4,876	4,876	100	4,876	100	152	3.11	4,724	96.88	4,876	100
Other than Permanent Workers											
Male	3,812	3,812	100	3,812	100	-	-	3,812	100	3,812	100
Female	564	564	100	564	100	564	100	-	-	564	100
Total	4,376	4,376	100	4,376	100	564	12.88	3,812	87.11	4,376	100

2. Details of retirement benefits.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	6.1%	27.5%	Y	4.64%	37.31%	Y

Accessibility of Workplaces

3. 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.

In accordance with the requirements of the Rights of Persons with Disabilities Act, 2016, the Company's manufacturing facilities and corporate offices provide ramps, lifts, and infrastructure for differently abled individuals.

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, the Company's Global Code of Conduct demonstrates its commitment to non-discrimination, by offering equal opportunity to all its employees regardless of race, colour, religion, sex, national origin, ancestry, age, marital status, sexual orientation or disability.

Web link to the policy - Global Code of Conduct: <https://sunpharma.com/wp-content/uploads/2023/03/Global-Code-of-Conduct-effective-from-30th-March-2023.pdf>.



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%	82%	100%	83%
Female	70%	77%	0%*	100%
Total	96%	82%	100%	83%

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.

Permanent Employees and Workers	The Company provides an 'Ask HR' portal for its permanent employees to address any concerns or questions. In January 2023, the Company launched RAY, a new grievance redressal platform for both permanent employees and workers. Additionally, the Company provides a grievance redressal procedure as part of its Global Whistleblower Policy and encourages its employees and workers to report any instances of unethical behaviour, incidents, fraud, or violations. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Employees/workers can file any complaints/grievances related to sexual harassment under this mechanism.
Other than Permanent Employees and Workers	Yes, the non-permanent employees and workers can report their concerns to their respective superiors. The grievances are then submitted to the Company for required action and resolution. They can also use the Company's Global Whistleblower process to report any instances of unethical behaviour, incidents, or violations. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Employees/workers can file any complaints/grievances related to sexual harassment under this mechanism.

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

Category	FY 2022-23			FY 2021-22		
	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)
Permanent Employees						
Male	13,100	0	0.00	12,338	0	0.00
Female	1,148	0	0.00	1,057	0	0.00
Total	14,248	0	0.00	13,395	0	0.00
Permanent Workers						
Male	4,724	864	18.29	4,980	702	14.1
Female	152	88	57.89	155	96	61.9
Total	4,876	952	19.5	5,135	798	15.5

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	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)
Permanent Employees										
Male	13,100	13,100	100	13,100	100	12,338	12,338	100	12,338	100
Female	1,148	1,148	100	1,148	100	1,057	1,057	100	1,057	100
Total	14,248	14,248	100	14,248	100	13,395	13,395	100	13,395	100
Permanent Workers										
Male	4,724	4,724	100	4,724	100	4,980	4,980	100	4,980	100
Female	152	152	100	152	100	155	155	100	155	100
Total	4,876	4,876	100	4,876	100	5,135	5,135	100	5,135	100

*The return to work rate for Permanent Workers (Female) is 0% as only one female worker has opted for maternity leave which is ending post March 31, 2023.

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	13,100	13,100	100	12,338	12,338	100
Female	1,148	1,148	100	1,057	1,057	100
Total	14,248	14,248	100	13,395	13,395	100
Permanent Workers						
Male	4,724	4,724	100	4,980	4,980	100
Female	152	152	100	155	155	100
Total	4,876	4,876	100	5,135	5,135	100

10. Health and Safety Management System:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No).	All manufacturing locations of the Company have a formal Occupational Health and Safety management system, aligned to the requirements of ISO 45001, OHSAS 18001 standards, the Company's EHS Management system, and the legal requirements such as Factories Act, Indian Boilers Act, Environment Protection Act, The Epidemic Disease Act, among others. Requisite safety management systems are in place at our office locations.
b. If yes, the coverage of such a system?	The coverage of the Company's Occupational Health and Safety Management System is 100%.
c. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	In line with the requirements of the ISO 45001 Standard, periodic internal and external audits are undertaken to monitor compliance and identify and assess work-related hazards in a timely manner. The Company also provides Environment Health and Safety (EHS) training to all personnel. The Company's Process Safety Management system supports the implementation of best safety practices. Identification of potential risks are also undertaken through designed checklists, Hazard and Operability Studies (HAZOP), Hazard Identification and Risk Assessment (HIRA) and other consequence modelling studies.
d. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Yes, The Company has formalised robust Standard Operating Procedures (SOPs) for timely identification and mitigation of work-related hazards and risks. The Company provides occupational health and safety training to all workers. The training modules cover methodologies to identify workplace hazards, evaluate the risks involved, as well as take appropriate action to reduce them. Employees receive training on how to use emergency equipment like fire hydrants, fire-fighting systems, leak and spill control methods, safety alarms, and more during the safety and emergency evacuation drills. Additionally, the ability of the staff to handle emergencies is assessed on a regular basis. The practical training and online safety modules educate employees about reporting and responding to work-related hazards.
e. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)	Yes, the Company provides its employees and workers with non-occupational medical and healthcare services. Moreover, the Company ensures that all of its employees and workers have access to medical insurance. The Company designs holistic health programmes that promote healthy lifestyle practices in order to enhance physical and mental well-being for all employees and workers. Examples of health programmes and services provided to employees include: <ul style="list-style-type: none"> • Family welfare camp • Nutrition awareness camp • Eye, dental, and heart screenings • Stress management session • Lifestyle counselling session • Monthly sessions on Health topics with renowned Doctors • Mann Talks – Counselling sessions on mental health

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

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)*	Employees	0.088	0.085
	Workers	0.089	0.134
Total recordable work-related injuries	Employees	13	13
	Workers	8	13
No. of fatalities	Employees	0	1
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

* The Company refers to the OSHA standard for calculating rates for LTIFR. Therefore, as per the standard 200,000 hrs is used for calculation of the rate.

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

Within its Environment, Health, and Safety (EHS) management system, the Company incorporates the guidelines and principles of ISO 45001:2018, OSHA standards, the Factory Act, and other state-level regulations. The EHS Policy promotes a safe environment for all employees, contractors, subcontractors, visitors, and the neighbouring communities. The Company conducts internal and external audits on a regular basis to ensure that its safety practices and procedures are in accordance with the EHS management system and the ISO 45001:2018 criteria. The Company identifies key areas requiring immediate corrective action as part of the auditing procedures. The safety incidents and hazards are investigated to establish the root cause, after which corrective action plans are developed for preventing similar incidents from arising in the future.

Furthermore, as part of the EHS management system, the Company conducts safety training for all of its employees and workers through various modules and safety drill practices. The safety training programs enable the workforce to build a firm foundation in terms of their abilities to detect, reduce, and prevent occupational health and safety issues. The Company strives to prevent negative health impacts on employees through various health awareness sessions, medical facility services, and medical insurance benefits. Furthermore, the Company offers voluntary health promotion services such as lifestyle counselling, stress management sessions, and nutritional awareness programs, among others, to encourage healthy lifestyle practices.

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

	FY 2022-23			FY 2021-22		
	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	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the locations are audited internally by the entity. Internal experts conduct the audits in order to ensure compliance with safety rules and the identification of important improvement areas. 63.15% of locations have been assessed on health and safety practices by third party auditors, as per requirements of the ISO 45001:2018 standards).
Working conditions	100% (All the sites are assessed on their working conditions by the external and internal audits).

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.

There have been no adverse findings from the assessments undertaken for the reporting year and hence no corrective action undertaken.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends a compensatory package to all its employees including workers in event of death. During COVID-19, additional benefits over and above the compensatory package were provided to family members of the deceased employees in the form of sponsorship of education for children until the age of 18.

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

The Company requires its value chain partners to abide by the principles of the Company's Supplier Code of Conduct and implement responsible business conduct principles in its operating practices and in line with contractual obligations.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	1	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Throughout their employment, all employees receive skill-upgradation training from the Company on a regular basis. The training programmes address the specific needs of the cadre and key function areas, allowing employees to continue working after retirement or termination based on the acquired expertise.

5. Details on assessment of value chain partners:

	% of value chain partners that were assessed (by value of business done with such partners)
Health and safety conditions	100% of critical vendors
Working conditions	100% of critical vendors

As per the Company's Global Code of Conduct, the value chain partners are expected to adhere to the principles of Health and safety practices, working conditions as per extant regulations.

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partner

Not Applicable



Stakeholder Inclusiveness

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.

Sun Pharmaceutical Industries Limited actively engages with stakeholders, carefully identifying critical material issues, and is committed to effectively addressing stakeholder expectations. As a responsible company, we are steadfast in our commitment to cultivating strong and meaningful relationships with stakeholders. The stakeholder engagement process, which is based on inclusivity, accountability, and responsibility, helps us to identify the stakeholder groups. The Company defined important stakeholder groups based on those who are impacted as well as those who have a significant impact on the business as part of the stakeholder engagement and materiality assessment exercise conducted in FY 2020-21. Investors/shareholders, regulators, suppliers/vendors/third-party manufacturers, non-governmental organisations (NGO), community, customer B2B, employees, and senior management are the primary internal and external stakeholder groups defined by the Company as part of the engagement process.

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
Investors / Shareholders	No	<ul style="list-style-type: none"> Annual/ quarterly reports and earning calls Attending investor conferences Issuing specific event-based press releases Investor presentations 	Quarterly/ need-based	Investors/ Shareholders form an integral part of the stakeholder group, influencing the decisions of the Company. The key areas of interest for the investors/ shareholders are: <ul style="list-style-type: none"> Corporate governance ESG Regulatory compliance Responsible supply chain management Product responsibility Cost competitiveness Overall Company performance
Regulator	No	<ul style="list-style-type: none"> In-person meetings E-mail 	Need - based	Transparent communication with the regulators is critical from the compliance perspective. The key areas of interests for the regulators are: <ul style="list-style-type: none"> Regulatory compliance Community engagement Rural market penetration Supply chain continuity Product responsibility
Supplier / Vendor / Third party manufacturer	No	<ul style="list-style-type: none"> Vendor meets Virtual modes such as e-mail, telephonically 	Ongoing	Responsible supply chain practices are critically important for ensuring the business continuity in a sustainable manner. Engagement with suppliers enables the Company to identify the key material issues impacting the supply chain. The key areas of interest for the suppliers are: <ul style="list-style-type: none"> Collaboration Quality standards adherence Timely Supply of Materials Timely payments
NGO	No	<ul style="list-style-type: none"> In-person meetings Virtual modes such as e-mail, telephonically 	Ongoing	Engaging with NGOs facilitates the streamlining of the CSR activities undertaken in partnership. The key areas of interest for NGO are: <ul style="list-style-type: none"> Employee volunteering Agile management process
Community	Yes	<ul style="list-style-type: none"> In-person meetings Engagement through NGO partners 	Ongoing	Community development programs initiated by the Company helps in driving a positive impact on the community members. The key areas of interest for community are: <ul style="list-style-type: none"> Community development programs with a focus on health, education, sanitation and infrastructure development

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 B2B	No	<ul style="list-style-type: none"> In-person meetings E-mail Customer feedback sessions 	Ongoing	Customers form a vital part of the Company's stakeholder engagement group. The key areas of interest for Customer B2B are: <ul style="list-style-type: none"> Product quality, timely supply and pricing
Employees	No	<ul style="list-style-type: none"> Employee focused web-portal E-mail Employee engagement surveys Town-halls 	Ongoing	Employee well-being and satisfaction is an integral part of the Company's growth strategy. Employee engagement through various means of communication provides an insight into the key action areas for employee well-being and growth. The key areas of interest for employees are: <ul style="list-style-type: none"> Learning and Development Professional Growth Well-being initiatives Employee recognition Fair remuneration Work-life balance
Senior Leadership	No	<ul style="list-style-type: none"> In-person meetings Virtual modes such as e-mail, telephonically 	Ongoing	Senior leadership are the key drivers of the Company's sustainable value creation strategy. Senior leadership engagement facilitates the interlinkage of business and sustainable value creation. The key areas of interest for senior leadership are: <ul style="list-style-type: none"> Sustainable and resilient business operations R&D and innovation Overall Company performance

Leadership Indicators

- 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.**

At Sun Pharmaceutical Industries Limited, we strongly acknowledge the importance of focused stakeholder engagement for timely identification of environment, social and governance issues material to the Company. Emerging from the extensive stakeholder engagement exercise undertaken in FY 2020-21, material issues were identified and presented to the highest governing member and the Board for their consideration towards guiding strategy and decision making. The stakeholder engagement exercise is periodically reviewed as part of the Company's efforts to continuously interact with internal and external stakeholder groups for identification of the important material issues influencing them.

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

Yes, material topics related to ESG are identified and prioritised after consultation with the stakeholders. The Company then formulates strategies and creates action plans for the identified material topics. The Company's Sustainability Report contains non-financial disclosures that are guided by the results and outcomes of the materiality assessment. The Company discloses its management strategy, targets/goals, and non-financial performance in the reporting year for each of the specified material areas in accordance with national and international norms and standards.

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

The Company has designated community members as a vulnerable/marginalised stakeholder group. The Company conducts a community needs assessment as part of the Corporate Social Responsibility (CSR) programs to determine and prioritise the focus areas for community development. The Company has implemented a number of such CSR projects in six priority areas, including disaster assistance, rural development, sanitation, and drinking water projects. Refer to the Annual Report and the Company's Annual CSR report for more information.



Human Rights

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:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	14,248	14,248	100	13,395	13,395	100
Other than permanent	1,267	1,267	100	2,588	2,588	100
Total	15,515	15,515	100	15,983	15,983	100
Workers						
Permanent	4,876	4,876	100	5,135	5,135	100
Other than permanent	4,376	4,376	100	992	992	100
Total	9,252	9,252	100	6,127	6,127	100

2. Details of minimum wages paid to employees and workers:

Category	FY 2022-23					FY 2021-22				
	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	13,100	0	0	13,100	100	12,338	0	0	12,338	100
Permanent Female	1,148	0	0	1,148	100	1,057	0	0	1,057	100
Total	14,248	0	0	14,248	100	13,395	0	0	13,395	100
Other than Permanent Male	943	0	0	943	100	2,381	0	0	2,381	100
Other than Permanent Female	324	0	0	324	100	207	0	0	207	100
Total	1,267	0	0	1,267	100	2,588	0	0	2,588	100
Workers										
Permanent Male	4,724	0	0	4,724	100	4,980	0	0	4,980	100
Permanent Female	152	0	0	152	100	155	0	0	155	100
Total	4,876	0	0	4,876	100	5,135	0	0	5,135	100
Other than Permanent Male	3,812	0	0	3,812	100	962	0	0	962	100
Other than Permanent Female	564	0	0	564	100	30	0	0	30	100
Total	4,376	0	0	4,376	100	992	0	0	992	100

3. Details of remuneration/salary/wages:

(Amount in ₹)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	8,050,000	1	4,800,000
Key Managerial Personnel	2	27,704,123	0	-
Employees other than BoD and KMP	13,096	804,935	1,148	750,012
Workers	4,724	353,508	152	447,204

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

Yes, the Company's Head of Human Resources is responsible for monitoring and addressing human rights impacts and issues. As part of its Human Rights Policy, the Company expects all key stakeholders to respect and comply with the policy principles, as well as all applicable laws and regulations, in all of its operating regions.

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

The Company's Human Rights Policy outlines the grievance redressal mechanism through the open channels of communication and the Ombudsman channel as per the Global Whistleblower Policy. The Ombudsman ensures the confidentiality of the complaints and grievances received through Email: ombudsmanSPIL@sunpharma.com.

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

	FY 2022-23			FY 2021-22		
	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	4	0	-	2	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

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

Under the Global Whistleblower Policy, the Company protects the complainant. The complaints are investigated carefully in a confidential manner, ensuring the complainant's protection from retaliation.

All whistleblowers are provided with the necessary safeguards to make Protected Disclosures in good faith in all areas mentioned in the Global Code of Conduct, such as business with integrity, responsible corporate citizenship, illegal and unfair labour practices, trade practices, and other laws.

For the cases pertaining to sexual harassment, the Company's policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder ensures strict confidentiality of the investigation procedure and protection of the identity of the complainant.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Human Rights requirements have been embedded into the Company's business agreements. The Global Code of Conduct highlights the Company's commitment to Human Rights and extends to all employees and business partners throughout the value chain. Furthermore, in 2021-22, the Company implemented a dedicated Supplier Code of Conduct Policy capturing human rights practices and provisions. Further details may be found at: <https://sunpharma.com/policies/>.

9. Assessments of 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%

All the locations under the entity are assessed on the above parameters, complying with the requirements of the Shops and Establishments Act for offices, and the Factories Act at plants and R&D centres.

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

In the reporting year, there have been no business process modifications as a result of addressing human rights grievances/complaints.

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

The Company's Human Rights Policy expects all the employees and members of the value chain to abide by its principles. As part of the policy statement, the Company outlines that it will undertake human rights due diligence to identify the adverse human rights impact of the business on all relevant stakeholders and correspondingly address, prevent and mitigate through corrective actions.

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

Yes, as per the requirements of the Rights of Persons with Disabilities Act 2016, the Company manufacturing premises and offices have ramps, elevators, and infrastructure for differently abled individuals.

Environment

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:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	1,489,233 GJ	1,464,919 GJ
Total fuel consumption (B)	1,019,551 GJ	1,040,498 GJ
Energy consumption through other sources - Steam (C)	698,069 GJ	771,969 GJ
Total energy consumption (A+B+C)	3,206,853 GJ	3,277,386 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in ₹ Million)	15.7	21.1

An independent assurance has been carried out by an external agency, DNV Business Assurance towards environmental and social parameters as per GRI standards based on the scope defined for the Sustainability Report. Key information which are common in the defined scope of the Sustainability Report and BRSR have been reviewed by the assurance provider. Further, DNV has also reviewed company's policies mapped with BRSR principles especially policies related to requirements of Principle 6.

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

No, the Company is not identified as a designated consumer 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 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	578,741	583,455
(ii) Groundwater	752,557	809,849
(iii) Third party water	820,579	906,185
(iv) Seawater / Desalinated Water	0	0
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,151,878	2,299,489
Total volume of water consumption (in kilolitres)	2,032,731	2,209,014
Water intensity per rupee of turnover (Water consumed / turnover in ₹ Million)	10	14

An independent assurance has been carried out by an external agency, DNV Business Assurance towards environmental and social parameters as per GRI standards based on the scope defined for the Sustainability Report. Key information which are common in the defined scope of the Sustainability Report and BRSR have been reviewed by the assurance provider. Further, DNV has also reviewed company's policies mapped with BRSR principles especially policies related to requirements of Principle 6.

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

Yes. Within the Company's manufacturing facilities, 15 manufacturing and R&D locations are Zero Liquid Discharge (ZLD). The company has adopted reduce, reuse, recycle and recharge strategy to conserve water. Process and domestic wastewater is treated in a facility consisting of primary, secondary and tertiary treatment with membrane filtration (UF/RO). Treated process wastewater is recycled in utilities as boiler feed and cooling tower make up water. Domestic waste water is treated and used for gardening and flushing.



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

Parameter	Unit	FY 2022-23	FY 2021-22*
NOx	MT	126	166
SOx	MT	121	150
Particulate matter (PM)	MT	142	214
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

An independent assurance has been carried out by an external agency, DNV Business Assurance towards environmental and social parameters as per GRI standards based on the scope defined for the Sustainability Report. Key information which are common in the defined scope of the Sustainability Report and BRSR have been reviewed by the assurance provider. Further, DNV has also reviewed company's policies mapped with BRSR principles especially policies related to requirements of Principle 6.

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

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ eq.	41,174	47,743
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ eq.	261,803	254,394**
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ eq./ ₹ Million	1.49	1.95

An independent assurance has been carried out by an external agency, DNV Business Assurance towards environmental and social parameters as per GRI standards based on the scope defined for the Sustainability Report. Key information which are common in the defined scope of the Sustainability Report and BRSR have been reviewed by the assurance provider. Further, DNV has also reviewed company's policies mapped with BRSR principles especially policies related to requirements of Principle 6.

7. Does the entity have any project related to reducing Greenhouse Gas emission? If Yes, then provide details.

The Company is committed to continuously improve energy performance and conserve energy in its various operations along with reducing GHG emissions.

Major projects related to reducing GHG emission are listed below:

- Installation of Hybrid (Wind + Solar) power plant to meet partial power requirement for Gujarat sites.
- Solar rooftop installation at Halol Site.
- Energy efficient chiller installed at Mohali plant to improve Kw/TR.
- Utilisation of heat pump for hot water generator and reducing steam consumption.
- Installation of energy efficient blower for HVAC system.
- Installation of VFD in various motors including chiller compressor, pumps.
- Motion sensor for lighting load optimisation.
- Old motors are replaced with energy efficient motors.
- Demand side air management for reducing power consumption in air compressors.
- Replacement of old pump with energy efficient pump in cooling towers.
- AHU automation for power reduction.
- Energy efficient new compressed air dryer installed.
- Flash steam recovery system installed to recover waste heat.

* Revised figure for past year (including Goa and Silvassa)

** Emission factor revised as per CEA guidelines for Indian Power Sector released in December 2022

8. Provide details related to waste management by the entity:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,015	831
E-waste (B)	6	3
Bio-medical waste (C)	66	43
Construction and demolition waste (D)	0	0
Battery waste (E)	50	59
Radioactive waste (F)	0	0
Other Hazardous waste (G) - spent solvent, spent oil, spent catalysts, distillation residues, chemical sludge, process residue, discarded/ off-specification products	25,684	23,081*
Other Non-hazardous waste generated (H) - Glass scrap, metal scrap, wooden scrap, storage drums, corrugated box, paper waste, boiler ash	16,410	16,373*
Total (A + B + C + D + E + F + G + H)	43,231	40,390
Waste generated per rupee of turnover (Waste generated in MT / turnover in ₹ Million)	0.21	0.26
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Hazardous Waste		
(i) Recycled	14,111	13,447
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	14,111	13,447
Non-Hazardous Waste		
(i) Recycled	16,787	17,152*
(ii) Re-used	0	0
(iii) Other recovery operations	442.9	694
Total	17,230	17,846
E-waste		
(i) Recycled	2.34	4
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	2.34	4
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Hazardous Waste		
(i) Incineration	605	703*
(ii) Landfilling	7,286	7,134*
(iii) Co-Processing	2,198	1,900*
(iv) Other disposal operations	0	0
Total	10,089	9,737*
Non-Hazardous Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

An independent assurance has been carried out by an external agency, DNV Business Assurance towards environmental and social parameters as per GRI standards based on the scope defined for the Sustainability Report. Key information which are common in the defined scope of the Sustainability Report and BRSR have been reviewed by the assurance provider. Further, DNV has also reviewed company's policies mapped with BRSR principles especially policies related to requirements of Principle 6.

* Revised figure for past year



9. 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.

The Company's waste management plan includes a strategy for waste minimisation, segregation, and safe disposal. The Company has implemented a number of measures to reduce manufacturing rejects aligned with its resource optimisation and waste minimisation objectives. The Company complies with the requirements of Extended Producer Responsibility (EPR) by collecting end-of-use plastic and improving its management of plastic waste. Additionally, the Company has adopted initiatives to divert greater amounts of hazardous waste toward co-processing and recycling over other disposal mechanisms, such as burning and landfilling, as part of the hazardous waste disposal mechanism. Additionally, the Company has embraced digitalisation to reduce paper consumption.

10. 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:

The Company has one of its manufacturing locations located in an ecologically sensitive area.

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Maduranthakam	Manufacturing	The facility has the "consent to operate" from the concerned Pollution Control Board.

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

The Company has not undertaken any Environmental Impact Assessments in the reporting year.

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

Sr. 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
1.	Action under Section 32 of the water (Prevention and Control of Pollution) Act 1974 from Punjab Pollution Control Board	Accidental stagnation of greyish colour water, mix of rainwater, run off water from plant areas and an odour in treated water observed at open area at the Toansa facility.	Paid ₹ 5 million under section 32 of the Water (Prevention and Control of Pollution) Act 1974	All stagnant water was lifted for treatment at the ETP facility, and the area was cleaned, the upper layer of the soil was disposed of at TSDF facility Nimbua Punjab. Soil was tested and parameters found to be with the limit.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From Renewable Sources		
Total electricity consumption (A)	161,783 GJ	156,605 GJ
Total fuel consumption (B)	410,840 GJ	357,123 GJ
Energy consumption through other sources (C)	698,069 GJ	771,969 GJ
Total energy consumed from renewable sources (A+B+C)	1,270,692 GJ	1,285,697 GJ
Percentage of total energy from renewable sources	39.6%	39.2%
From Non-renewable Sources		
Total electricity consumption (D)	1,327,450 GJ	1,308,314 GJ
Total fuel consumption (E)	608,711 GJ	683,375 GJ
Energy consumption through other sources (F)	0 GJ	0 GJ
Total energy consumed from non-renewable sources (D+E+F)	1,936,161 GJ	1,991,689 GJ

An independent assurance has been carried out by an external agency, DNV Business Assurance towards environmental and social parameters as per GRI standards based on the scope defined for the Sustainability Report. Key information which are common in the defined scope of the Sustainability Report and BRSR have been reviewed by the assurance provider. Further, DNV has also reviewed company's policies mapped with BRSR principles especially policies related to requirements of Principle 6.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iv) Sent to third parties	119,147	90,475
- No treatment	-	-
- With treatment - please specify level of treatment	Primary treatment (post primary treatment, sent to the CETP) - 58,189 kL Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain) - 60,958 kL	Primary treatment (post primary treatment, sent to the CETP) - 36,528 kL Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain) - 53,947 kL
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	119,147	90,475
Water discharged per rupee of turnover (Water discharged in MT / turnover ₹ Million)	0.58	0.58

An independent assurance has been carried out by an external agency, DNV Business Assurance towards environmental and social parameters as per GRI standards based on the scope defined for the Sustainability Report. Key information which are common in the defined scope of the Sustainability Report and BRSR have been reviewed by the assurance provider. Further, DNV has also reviewed company's policies mapped with BRSR principles especially policies related to requirements of Principle 6.

3. 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*: Dadra, Gurugram, Mohali, Silvassa, Toansa
- (ii) Nature of operations: Manufacturing, R&D centre

*Identified as per Central Ground Water Board (CGWB) Report, 2022



(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	7,200	7,200*
(ii) Groundwater	447,394	497,240*
(iii) Third party water	53,998	51,717*
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	508,592	556,157*
Total volume of water consumption (in kilolitres)	502,284	551,733*
Water intensity per rupee of turnover (Water consumed / turnover in ₹ Million)	2.46	3.56*
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment - please specify level of treatment	Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain) - 6,308 kL	Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain) - 4,424 kL
Total water discharged (in kilolitres)	6,308	4,424

An independent assurance has been carried out by an external agency, DNV Business Assurance towards environmental and social parameters as per GRI standards based on the scope defined for the Sustainability Report. Key information which are common in the defined scope of the Sustainability Report and BRSR have been reviewed by the assurance provider. Further, DNV has also reviewed company's policies mapped with BRSR principles especially policies related to requirements of Principle 6.

4. With respect to the ecologically sensitive areas reported at Question 10 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.

The manufacturing facility, Maduranthakam is located 3.72 km (West) from the Vedanthangal Bird Sanctuary. The facility was functional before the declaration of Vedanthangal Bird Sanctuary in 1998. The facility has no significant direct or indirect impact on the environment. Additionally, the Consent to Operate by the relevant Pollution Control Board has also been obtained. It is a Zero Liquid Discharge (ZLD) site, equipped with an effluent treatment facility to further direct the treated wastewater for in-house uses.

* Revised figure for past year

5. 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.	Hybrid Solar-Wind Powerplant	A hybrid solar-wind power plant has been installed for increased efficiency in generation of energy. This hybrid model enables regulated energy generation, enhancing conservation of energy.	Reduction in GHG emission.
2.	Electronically Commutated (EC) Blower	In order to address the challenges of conventional fan systems, EC Blowers have been installed as a direct drive Fan Grid solution. Such an integrated system enables minimal power loss. There is also minimal effort required for installation and maintenance. Further, the motor used in this blower is a brushless, permanent magnet motor with built-in electronics that control the torque and speed of the blower.	1. Reduction in GHG emission. 2. Reduction in Energy consumption 3. Reliability improvement

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

Yes, the Company has a business continuity and on-site emergency plan for all its locations. This business continuity plan enables the Company to adapt and respond to situations arising from any natural calamity or an unprecedented event which may disrupt the business operations. The Company continuously enhances its existing plan by incorporating inferences and observations from disruptions faced in unprecedented situations. Further, the Company's risk management plan enables the minimisation of disaster-linked losses, by assessing the potential for major disruption with its consequent risks to the business, and by providing appropriate mitigation action plans.

7. 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?

Not Applicable

8. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company's Supplier Code of Conduct is developed based on the best practices, standards and guidelines for evaluation of suppliers in the pharmaceutical supply chain. The evaluation checklist encompasses various ESG parameters to ascertain the adherence with the Company's Supplier Code of Conduct. Assessment of value chain partners on the basis of the Company's Supplier Code of Conduct has been initiated for selected vendors and will be extended to all critical vendors in due course.



Responsible Public Advocacy

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.

The Company is a member of 8 trade and industry chambers/associations.

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	The Associated Chambers of Commerce of India (ASSOCHAM)	National
2.	The Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3.	Confederation of Indian Industry (CII)	National
4.	Indian Drug Manufacturing Association (IDMA)	National
5.	Federation of Gujarat Industries (FGI)	State
6.	India CEO Forum on Climate Change	National
7.	Indian Pharmaceutical Alliance (IPA)	National
8.	Gujarat Employers Organisation (GEO)	State

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.

For the reporting year, there were no cases issued against the Company for issues pertaining to anticompetitive conduct based on adverse orders from regulatory authorities.

Leadership Indicators

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

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
1.	Regulatory Reforms for Pharma sector in India	FICCI publication	No	-	-
2.	Regulatory reforms to improve drug development process in India	Indian Pharmaceutical Alliance	No	-	-
3.	Trade Margin Rationalisation	Indian Pharmaceutical Alliance	No	-	-

Community Upliftment

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.**

In the reporting year, the Company did not undertake any Social Impact Assessments of projects.

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

None of the Company's operations or units have resulted in community displacement. As a result, no project required Rehabilitation and Resettlement (R&R) in the reporting year.

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

The Company engages with and redresses the grievances of all community members through its NGO partners and through in-person meetings. Mobile healthcare units visit the peripheral areas of the Company's operations in order to engage with local community. Each of the mobile health care units carries a register, which is accessible to all the community members to address grievances and queries through written complaints. The grievances received through the register are addressed by the Company. All community issues are adequately monitored and resolved on time.

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

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	15%	8%
Sourced directly from within the district and neighbouring districts	-	-

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):**

Not Applicable.

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

For the reporting year, the Company did not undertake any CSR projects in the designated aspirational districts.

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

No, the Company does not have any preferential procurement policy focusing on suppliers from marginalised/ vulnerable groups.



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:

The Company does not derive any benefits from intellectual properties owned or acquired 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.

Not Applicable

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	Support towards setting up of Cancer Sanatorium Institute, Wadala, Mumbai.	Community	NA
2.	Elimination of Malnutrition through Action – Research on Moderately and Acute Malnourished Children	Community	NA
3.	Mobile Healthcare Unit	1,90,145	100%
4.	Healthcare Infrastructure Support & Awareness	Community	100%
5.	Medicines for Health Activities	Community	100%
6.	Anganwadi Infrastructural Development	666	100%
7.	School Infrastructure Development Project	8,238	100%
8.	Promotion of Scientific Medical & Pharma Research Outcomes for Public Health Improvement	Community	NA
9.	Setting-up of Digital Classroom Project	1214	100%
10.	Installation of Solar Street Lights	Community	100%
11.	Rural Infrastructure Development Projects	Community	100%
12.	Tree Plantation	Community	NA
13.	Drinking Water	360 households	100%
14.	Provision of COVID-19 Relief Material and Awareness	Community	100%

For further information, please see the Company's CSR Annual Report and Sustainability Report.

Consumer Well-being

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.

The Company has a comprehensive complaint management process to facilitate timely redressal of the product quality complaints. Once a product quality complaint is received, either directly by the Company or through a third-party entity (appointed to handle product complaints), and registered in the Company's system, it is acknowledged, and a preliminary assessment is undertaken. In certain markets, based on local requirements, a Field Alert Report (FAR) may be filed for the complaint depending on its nature and severity. Along with the initial evaluation, a follow-up is initiated for requesting the complaint sample and any additional information to facilitate the preliminary assessment and the investigation. The initial risk assessment and the investigative process proceeds concurrently with the follow-up. A remedial action plan is launched after the investigation is completed and the root cause is determined. A complaint summary report is also prepared at the same time. The complaint is finally closed after a final risk assessment is completed and a response is delivered to the complainant. Any market actions for the impacted product are considered and may be communicated with the local regulatory authorities depending on local requirements.

The Company has a global Pharmacovigilance Policy and mechanism in place, which is supported by a product safety group, committed to responding to patient safety concerns and incidents.

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

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

Note: 100% of the Company's products carry information about its responsible and safe usage. Due to the criticality associated with the safe and responsible consumption of medicines, the Company displays relevant information on the product labels as per the requirements of national and international drug regulatory bodies.

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

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	-	-	-	-	-	-

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

	Number	Reasons for recall
Voluntary recalls	34	The reasons for recall of products were primarily found to be leakage and out of specification results for various test.
Forced recalls	0	Not Applicable

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.

The Company has put into place a risk management policy that includes a framework for identifying internal and external risks related to cybersecurity or information hazards.

Link to the policy: <https://sunpharma.com/wp-content/uploads/2022/08/Sun-Pharma-Risk-Management-Policy-Synopsis-May-2022.pdf>.

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.

In FY 2022-2023, there were no complaints filed related to advertising, provision of critical services, cyber security, consumer data privacy. The Company implemented corrective action plans for complaints concerning the quality of its products in accordance with each complaint's established root cause analysis.



The May 2022 USFDA inspection of Halol facility was classified as Official Action Indicated (OAI). The Halol facility was placed under import alert in December 2022 with certain products exempted from import alert. The Company is in communication with the US FDA to resolve the outstanding issues underlying OAI status and import alert.

The August 2022 USFDA inspection of Mohali facility was classified as Official Action Indicated (OAI) and subsequently, in April 2023, the US FDA issued a Non-Compliance letter to the Mohali facility. As a result, US FDA has directed the Company to take certain corrective actions at the Mohali facility before releasing further final product batches into the US. These actions include, among others, retaining an independent CGMP expert to conduct batch certifications of drugs manufactured at the Mohali facility and for shipment to the U.S. market.

Leadership Indicators

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

The links to the product list for India and US market are given below:

India Products: <https://sunpharma.com/india-products/>.

US Products: <https://sunpharma.com/usa/products/>.

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

The Company complies with pertinent regulatory obligations by informing its stakeholders about the appropriate and safe use of its products. Each product packaging/label includes information on safe and responsible usage of the product.

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

As per the regulatory guidelines, the Company discloses discontinuation of any scheduled formulation in India, by issuing a public notice for relevant stakeholders in addition to informing the local regulator at least six months prior to the intended date of discontinuation. However, if six months' advance notice is not possible, the notification is submitted as soon as practicable thereafter. Furthermore, in certain international markets, based on local regulatory requirements, a notification concerning a permanent discontinuance or interruption in manufacturing of a covered finished product must be submitted no later than five business days after the discontinuance or interruption in manufacturing occurs.

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.

The Company displays all relevant information mandated as per local laws regarding the product.

5. 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)

In the reporting year, the company didn't conduct any surveys to determine consumer satisfaction with its key goods and services or key operating hubs.

6. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact:

On March 1, 2023, the Company disclosed an information security incident that impacted some of the Company's IT assets. The Company promptly took steps to contain and remediate the impact of the information security incident, including employing appropriate containment protocols to mitigate the threat, and enhancing security measures and utilising global cyber security experts to ensure the integrity of the Company's IT systems' infrastructure and data. As part of the containment measures, the Company proactively isolated its network and initiated recovery procedures. As a result of these measures, certain business operations were also impacted.

The Company has since strengthened its cybersecurity infrastructure and is in the process of implementing improvements to its cyber and data security systems to safeguard against such risks in the future. The Company is also implementing certain long-term measures to augment its security controls systems across the organisation. The Company worked with legal counsel across relevant jurisdictions to notify applicable regulatory and data protection authorities, where considered required, and the Company believes there is no material legal non-compliance by the Company on account of the information security incident. The Company believes that all known impacts on its financial statements for the year ended March 31, 2023 on account of this incident have been considered.

b. Percentage of data breaches involving personally identifiable information of customers: Nil