



July 10, 2024

Listing Department

Code: 531 335

BSE LIMITED

P. J. Towers, Dalal Street, Fort,

Mumbai-400 001

Listing Department

Code: ZYDUSWELL

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, C/1, Block G,

Bandra Kurla Complex,

Bandra (E),

Mumbai-400 051

Re.: Business Responsibility and Sustainability Report for FY 2023-2024

Dear Sir / Madam,

Pursuant to regulation 34(2)(f) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**"), we are submitting herewith the Business Responsibility and Sustainability Report of the Company for the Financial Year 2023-2024.

Please receive the same in order.

Thanking you,

Yours faithfully,

For, **ZYDUS WELLNESS LIMITED**

NANDISH P. JOSHI

COMPANY SECRETARY

Zydus Wellness Limited

Regd. Office: 'Zydus Corporate Park', Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, S. G. Highway, Ahmedabad – 382481, India.

Phone No.: +91-79-71800000; **Website:** www.zyduswellness.com

CIN: L15201GJ1994PLC023490

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (BRSR)

Section A: General disclosures

I. Details of the Listed Entity:

1. Corporate Identity Number (CIN) of the Listed Entity	L15201GJ1994PLC023490
2. Name of the Listed Entity	Zydus Wellness Limited
3. Year of incorporation	1994
4. Registered office address	Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar), Nr. Vaishnodevi Circle, Sarkhej-Gandhinagar Highway, Ahmedabad – 382481
5. Corporate address	Same as above
6. E-mail	investor.grievance@zyduswellness.com
7. Telephone	079-48040000
8. Website	www.zyduswellness.com
9. Financial year for which reporting is being done	2023-2024
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11. Paid-up Capital	₹ 636 millions (Rupees Six Hundred Thirty Six millions only)
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Umesh V. Parikh Designation: Chief Financial Officer (CFO) Telephone number: 079 – 48040000 Ext. No. 1330 E-mail address: umesh.parikh@zyduswellness.com
13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Consolidated basis. The disclosure under this report for both the financial years includes the Standalone Parent Company i.e. Zydus Wellness Limited, its wholly owned subsidiary companies, their manufacturing facilities, national and international offices, excluding two wholly owned subsidiaries as mentioned in point no. V(23)(a).
14. Name of assurance provider	Intertek India Private Limited
15. Type of assurance obtained	Reasonable assurance on BRSR Core parameters

II. Products/services:

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

S. No.	Description of the Main Activity	Description of Business Activity	% of the Turnover of the entity
1.	Manufacturing of Fast Moving Consumer Goods	The Company is engaged in health and wellness segments. Five of its six brands are market leading brands viz. Sugar Free, Nutralite, Glucon-D, Nycil and Everyuth Scrubs and Peel Offs. It is engaged in research and development, manufacturing, marketing and distribution and sale of its products.	100%

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

S. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Sugar Free	10729	
2.	Complan	10509	
3.	Glucon-D	10623	
4.	Nutralite	10504	100%
5.	EverYuth	20237	
6.	Nycil	20237	
7.	I'mlite	10729	

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

Location	Number of plants	Number of offices	Total
National	4	11	15
International	-	2	2

19. Markets served by the entity:**a. Number of locations:**

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	26

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

Contribution of exports (includes exports from India) as a percentage of the Company's consolidated turnover is 1.2%.

c. A brief on types of customers:

The Company is a leading consumer wellness company with an Indian heritage and a global footprint with a market leadership in five of its six brand categories. The Company continues to focus on expanding the category size of each of these brands and increasing the market share with necessary investments in each brand through product innovations, various media campaigns, sales promotions, and digital initiatives. The Company enjoys a pan India marketing presence through a distribution network comprising of 24 (twenty four) integrated Carrying and Forwarding Agents ("CFA") partners, 1700+ distributors and ~2500 feet-on-street representatives reaching to more than 50+ millions consumers as a testament to brands that are engraved in consumer's daily needs and shopping basket.

IV. Employees:**20. Details as of the end of the Financial Year:****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	774	725	93.7%	49	6.3%
2.	Other than Permanent (E)	44	33	75.0%	11	25.0%
3.	Total employees (D + E)	818	758	92.7%	60	7.3%
Workers						
4.	Permanent (F)	234	233	99.6%	1	0.4%
5.	Other than Permanent (G)	2,317	2,153	92.9%	164	7.1%
6.	Total workers (F + G)	2,551	2,386	93.5%	165	6.5%

b. Differently abled employees and workers:

S No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled employees						
1.	Permanent (D)	0	0	0.0%	0	0.0%
2.	Other than Permanent (E)	0	0	0.0%	0	0.0%
3.	Total differently abled employees (D + E)	0	0	0.0%	0	0.0%
Differently abled workers						
1.	Permanent (F)	2	2	100%	0	0.0%
2.	Other than permanent (G)	0	0	0.0%	0	0.0%
3.	Total differently abled workers (F + G)	2	2	100%	0	0.0%

21. Participation/Inclusion/Representation of Women:

	Total (A)	No. and the percentage of females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.5%
Key Management Personnel	3	0	0.0%

22. Turnover rate for permanent employees and workers:

	FY 2023-2024			FY 2022-2023			FY 2021-2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	30.0%	33.0%	31.0%	33.0%	33.0%	33.0%	31.0%	39.0%	31.0%
Permanent workers	3.0%	0.0%	3.0%	6.0%	0.0%	6.0%	3.0%	0.0%	3.0%

V. Holding, Subsidiary and Associate Companies (including joint ventures):**23. (a) Names of holding/subsidiary/associate companies/joint ventures:**

S No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by the listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Zydus Lifesciences Limited	Holding Company	57.5%	No
2.	Zydus Wellness Products Limited			Yes
3.	Liva Nutritions Limited	Wholly owned subsidiary	100%	No*
4.	Liva Investment Limited			No*
5.	Zydus Wellness International DMCC, Dubai			Yes
6.	Zydus Wellness (BD) Pvt. Limited, Bangladesh			Yes

* Do not have any physical operational activities.

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

(ii) Turnover (in ₹): 23,417 millions (Rupees Twenty Three Thousand Four Hundred Seventeen millions)

(iii) Net worth (in ₹): 53,575 millions (Rupees Fifty Three Thousand Five Hundred Seventy Five millions)

VII. Transparency and disclosures compliances:**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-2024		FY 2022-2023	
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year
Communities	Yes. https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf and https://www.zyduswellness.com/investor/public-policy.pdf	0	0	0	0
Investors (other than shareholders)	Yes. Investors can connect with us on 079-48040000, 079-71800000 or send us an email at investorcommunication@zyduswellness.com .	0	0	0	0
Shareholders	Yes. For lodgement of any documents or any grievances / complaints, members may contact the Company or Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company at 079-48040000, 079-71800000 or 079-26465179/86/87 or send email at investor.grievance@zyduswellness.com or ahmedabad@linkintime.co.in .	16	0	9	0
Employees and Workers	Yes. Mentioned in below policies. https://www.zyduswellness.com/investor/whistle-blower-policy-revised-may-28-2019-final.pdf https://www.zyduswellness.com/investor/zwl-posh-policy-feb-20.pdf https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf	0	0	0	0
Customers	Yes. The Company has a dedicated customer relationship cell to address customer related grievances. Customers can connect with us at 18001206868 for feedback & queries or send us an email at customercare@zyduswellness.com	1378	0	1196	0
Value Chain Partners	Yes. Vendor's grievances are addressed via email communication. Materials are supplied only after specifications are signed off with the vendor, and any non-conformance is assessed against these specifications. In the event of disagreement, meetings are convened to resolve issues against these specifications. In the event of disagreement, meetings are convened to resolve issues. Additionally, we have a policy in place which can be accessed at https://www.zyduswellness.com/investor/code-of-conduct-for-vendors-feb-2023.pdf	0	0	0	0
Others (Please specify)	-	0	0	0	0

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk or opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Leadership and Corporate Governance	R/O	<p>Risk: Inadequate corporate governance standards may hinder progress towards long-term strategic goals and expose organizations to reputational, operational, and legal risks. Upholding ethical behavior among stakeholders is crucial to maintaining trust, particularly in the health and wellness sector, and is integral to safeguarding the Company's reputation and long-term viability.</p> <p>Opportunity: Implementing strong corporate governance practices that prioritize transparency, accountability, and technological innovation can enhance business growth, reputation, and stakeholder trust, ultimately benefiting consumers.</p>	<p>The governance framework comprises the Board of Directors and its Committees at the highest tier, with an internal operational structure below. The CEO & Whole Time Director operates under the oversight of the Board, overseeing the organization's overall functioning. The Company adheres to Corporate Governance standards outlined in The Companies Act, 2013, and The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> <p>Adopting proactive measures becomes paramount. Firstly, establishing clear lines of communication and accountability within the governance structure can enhance oversight and minimize potential pitfalls.</p> <p>Secondly, implementing robust policies and procedures aligned with regulatory requirements and industry best practices can mitigate risks associated with poor governance. Additionally, fostering a culture of transparency, integrity, and ethical conduct throughout the organization can mitigate reputational risks and enhance stakeholder trust. Regular monitoring and evaluation of governance practices, coupled with timely adjustments as needed, can further strengthen the organization's resilience to such risks.</p>	<p>Positive: Implementing effective Corporate Governance practices not only mitigates risks associated with safety, legal, performance, and warranty issues but also translates into tangible financial benefits. By streamlining processes and fostering transparency, unnecessary expenses can be minimized, allowing for more strategic allocation of resources towards innovation and growth initiatives.</p> <p>Furthermore, robust governance ensures financial security for stakeholders, shareholders, customers, staff, and the Board of Directors, fostering long-term stability and trust.</p> <p>Negative: Failure to adhere to ethical business conduct regulations across operational geographies exposes the Company to significant financial risks and reputational damage. Non-compliance may result in hefty fines and sanctions imposed by the regulatory bodies, draining financial resources and tarnishing the Company's reputation. The erosion of trust among customers and shareholders due to potential reputational damage can further exacerbate financial implications, impacting profitability and shareholder value. Therefore, prioritizing adherence to ethical standards and regulatory compliance is crucial to safeguarding financial health and preserving stakeholder trust.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk or opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Energy & Emissions	R/O	<p>Risk: Effective energy and emissions management is crucial for the Company due to its direct impact on business performance and sustainability. Failure to actively address these areas can pose significant risks. Inadequate energy management may result in higher operational costs and decreased competitiveness in an increasingly environmentally conscious market. Failure to reduce emissions could lead to regulatory non-compliance, resulting in potential fines and penalties that harm the Company's reputation and brand image.</p> <p>Opportunity: Conversely, effective energy and emissions management present opportunities for the Company to enhance its business performance and sustainability. By actively managing energy consumption and reducing emissions, the Company can minimize operational costs and strengthen its competitive position in the market. Adopting energy efficient technologies and renewable energy sources can lead to substantial cost savings and streamlined operational processes. Furthermore, by showcasing a commitment to sustainability initiatives and reducing environmental impact, the Company can attract environmentally conscious consumers, potentially leading to enhanced market penetration and revenue generation. This prioritization of sustainable practices demonstrates the Company's commitment to long-term resilience and financial success.</p>	<p>In addressing the risks associated with energy emissions, it's imperative to adopt a proactive approach to adapt and mitigate potential challenges. One strategy is to set clear targets for emission reduction, renewable energy adoption, and energy intensity reduction. For instance, the Company has established ambitious goals for the FY 2028-2029 compared to the base FY 2021-2022:</p> <ul style="list-style-type: none"> - Including 15.0% reduction in emissions (Scope 1+2), - 15.0% increase in renewable energy usage, and - 20.0% decrease in energy intensity. <p>To achieve these targets, the Company has implemented several initiatives.</p> <p>The Company has focused on enhancing energy efficiency through adoption of advanced technologies, optimizing energy usage across operations. Additionally, the Company has prioritized transitioning to greener fuels wherever feasible, further reducing its carbon footprint. We will see significant increase in the utilization of solar power from FY 2024-2025, leveraging renewable energy sources to reduce emissions.</p> <p>By implementing these measures, the Company aims to not only mitigate the risks associated with energy emissions but also contribute to environmental sustainability and long-term business resilience.</p>	<p>Positive: Effective management of energy and emissions presents numerous positive financial implications for the Company. By reducing energy consumption and emissions, the Company can achieve significant cost savings through lower operational expenses, such as reduced energy bills and maintenance costs.</p> <p>Additionally, investing in renewable energy sources can provide long-term financial benefits by stabilizing energy costs and potentially generating revenue through renewable energy credits or selling excess energy back to the grid. Moreover, implementing energy-efficient technologies and practices can enhance operational efficiency, leading to improved productivity and profitability.</p> <p>Negative: Conversely, neglecting to address energy and emissions management can result in negative financial implications for the Company. Increased energy consumption and emissions may lead to higher operational costs, diminishing profitability. Non-compliance with environmental regulations and emissions standards can result in fines, penalties, and legal expenses, negatively impacting the Company's financial performance and reputation. Additionally, failure to adapt to evolving consumer preferences for sustainable products and practices may lead to decreased market share and revenue loss. Overall, inadequate management of energy and emissions can pose significant financial risks to the Company's bottom line.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk or opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Business Ethics	R/O	<p>Risk: The pursuit of profitability and business objectives may entice Companies to compromise on ethical standards. Ethical risks, such as human rights violations, corruption, environmental harm, or breaches of data privacy, can tarnish the Company's reputation and erode trust among consumers and investors.</p> <p>Opportunity: Prioritizing ethical and sustainable practices presents an opportunity for the Company to cultivate trust among customers, investors, and stakeholders, establishing a competitive edge in the market. By embracing ethical practices, the Company can enhance financial performance, as customers and investors are more inclined to support and invest in ethically responsible companies.</p>	<p>Business ethics pose a significant risk, as any deviation from ethical standards can lead to reputational damage, loss of consumer trust, and legal consequences. To mitigate this risk, the Company prioritizes transparency, accountability, and integrity across all business operations. Implementing comprehensive compliance programs, providing ongoing ethics training, and fostering a culture of ethical behavior can help mitigate the risk of ethical breaches. Regular monitoring and enforcement of the "Code of Business Conduct" among partners, coupled with swift corrective action in case of violations, are essential steps to safeguarding the Company's reputation and maintaining stakeholder trust.</p> <p>Additionally, establishing clear communication channels for reporting ethical concerns and whistleblower protection mechanisms can encourage early detection and resolution of ethical issues. Ultimately, embedding ethical principles into the Company's core values and decision-making processes is crucial for effectively managing the risk of business ethics.</p>	<p>Positive: Adhering to high ethical standards can yield numerous positive financial outcomes for the Company. By maintaining a reputation for integrity and trustworthiness, the Company can attract and retain loyal customers, leading to increased sales and revenue. Additionally, ethical business practices can enhance investor confidence, resulting in higher stock prices and greater access to capital. Moreover, companies with strong ethical cultures often experience lower employee turnover and recruitment costs, as employees are more likely to be engaged and motivated to contribute to the company's success.</p> <p>Negative: Conversely, failing to prioritize business ethics can have detrimental financial consequences for the Company. Ethical lapses may lead to reputational damage, customer defection, and loss of market share, resulting in decreased sales and revenue. Legal fees, fines, and settlements stemming from ethical violations can also impose significant financial burdens on the company.</p> <p>Moreover, unethical behavior can erode employee morale and productivity, leading to higher turnover and decreased operational efficiency. Ultimately, the financial implications of neglecting business ethics can include decreased profitability, diminished shareholder value, and long-term damage to the company's bottom line.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk or opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Plastic and Waste Management	R/O	<p>Risk: The indiscriminate use of plastic packaging presents a notable risk, not only to the environment but also to our Company's reputation. As consumers become increasingly mindful of environmental impact, failure to address plastic waste concerns may result in reputational damage and loss of consumer trust. Furthermore, regulatory authorities are tightening restrictions on plastic usage, increasing the risk of non-compliance, penalties and legal ramifications. Therefore, it is imperative for us to proactively mitigate these risks by adopting sustainable packaging alternatives and implementing effective waste management strategies.</p> <p>Opportunity: Amidst the challenges posed by plastic waste, there are significant opportunities for innovation and advancement. By investing in alternative packaging materials and implementing efficient recycling initiatives, our Company can not only mitigate environmental risks but also achieve long-term cost savings and operational efficiency. Moreover, addressing plastic waste aligns with consumer preferences for environmentally friendly products, potentially enhancing brand reputation and market competitiveness. Embracing sustainability in packaging and waste management not only fulfills our social responsibility but also fosters innovation and drives positive change within our industry.</p>	<p>For the risks associated with plastic and waste management, it is essential to adopt proactive measures. This includes collaborating with government-approved waste collection agencies and recyclers, adhering to Extended Producer Responsibility (EPR) commitments, and setting ambitious targets for waste reduction and recycling. Additionally, investing in innovative packaging materials, promoting recyclable and reusable packaging, and exploring the use of recycled materials can help mitigate environmental risks and enhance sustainability efforts.</p> <p>We collaborate with government-approved waste collection agencies and recyclers to exceed our EPR commitments.</p> <p>In FY 2023-2024, we surpassed our EPR target by recycling and safely disposing 7392.2 tons of post-consumer plastic packaging waste, with an additional collection of 86.2 tons.</p> <p>We have initiated projects aimed at saving 280 tons of packaging material annually, contributing to our goal of reducing 1,000 tons over the next three years, starting from FY 2023-2024. Projects are underway to achieve this goal in various product lines such as Nycil bottles, Sugarfree powder concentrate bottles and caps, Complian Cartons, and Corrugated boxes.</p> <p>We are committed to transitioning from multi-material packaging (category 3) to multi-layer plastic material (category 2) and ultimately to fully recyclable materials by FY 2027-2028. Our efforts also include replacing aluminum-based plastic laminates with all-plastic laminates for Glucon D sachets. Moreover, we are exploring the use of Post-Consumer Recycled (PCR) material in product categories permitted by the Plastic Waste Management Act. Everyuth body lotion is currently being tested in PCR-based containers for potential integration of PCR material.</p>	<p>Positive: Investing in effective plastic and waste management strategies can yield positive financial outcomes for the Company. By reducing packaging material usage and increasing recycling efforts, the Company can achieve cost savings through lower raw material expenses and waste disposal costs. Moreover, embracing sustainable practices can enhance brand reputation and consumer loyalty, potentially leading to increased sales and market share.</p> <p>Additionally, compliance with regulatory requirements and meeting EPR commitments can help avoid fines and penalties.</p> <p>Negative: Neglecting plastic and waste management can result in negative financial consequences for the Company. Increased usage of packaging materials and inefficient waste management practices may lead to higher operational costs and waste disposal expenses.</p> <p>Furthermore, failure to address environmental concerns related to plastic waste can tarnish the Company's reputation and result in lost sales opportunities. Non-compliance with regulatory requirements may incur hefty fines and legal expenses, further impacting financial performance. Overall, the financial implications of inadequate plastic and waste management can include decreased profitability, reduced market competitiveness, and potential legal liabilities.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk or opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Human rights	R/O	<p>Risk: According to the World Press Freedom Index India ranks 150th position in 180 nations globally in the Human Freedom Index, implying that the Companies currently operate in a region with high cases of human rights issues. Companies have a responsibility to ensure they respect of core human rights in the communities in which they operate. In particular, companies should ensure that no child labour, forced or bonded labour, or human trafficking occurs within their value chain.</p> <p>Opportunity: By disclosing policies, practices and impacts on human rights allows businesses to proactively identify and address any human rights issues within operations. By engaging with stakeholders on Human rights fosters trust, build stronger relationships with all the stakeholders.</p>	<p>The Company is committed to providing fair opportunities at all levels, safe and healthy workplaces and protecting human health and the environment.</p> <p>The Company strives to provide a non-discriminatory and harassment-free workplace for all its employees and contractual staff. The Factories Act, 1948 provides the overarching framework for the Company's policy on human rights for the employees working in the Company's factory.</p>	<p>Positive: By demonstrating a commitment to human rights in its operation, the Company can enhance reputation and get competitive advantage in the market. Consumers and Investors are increasingly considering human rights performance while purchasing and making investment decisions. By aligning with the human rights reporting, the Company can attract socially responsible consumers, Investors and partners who value human rights.</p> <p>Negative: The Company has an extensive supply chain footprint regionally and globally. Ensuring respect for human rights throughout the value chain is essential to avoid reputational and financial damage.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk or opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Health & Nutrition	R/O	<p>Risk: Ensuring safe production of consumer goods is crucial for maximizing public health benefits and maintaining consumer trust. Poor product quality can erode consumer confidence and negatively impact sales.</p> <p>Opportunity: Growing consumer demand for healthier products presents a significant opportunity for the Company. By meeting market expectations and offering products that prioritize health and well-being, the Company can expand brand categories, increase market share, and adapt to evolving consumer preferences.</p>	<p>To address health & nutrition risks, the Company adopts a comprehensive approach. Thorough research and testing, including clinical and preclinical studies, are prioritized to ensure that all products meet necessary nutrition requirements and safety standards. Additionally, stringent quality control measures are implemented, with regular monitoring and assessment throughout the production process to mitigate health risks effectively. Collaboration with experts such as nutritionists, dieticians, and healthcare professionals is also integral to ensuring that products align with health guidelines and consumer needs. Transparent labeling practices are employed, providing clear nutritional information and ingredient lists to consumers, enabling them to make informed choices. Furthermore, the Company invests in innovation, utilizing research findings to enhance product quality and meet evolving health and nutrition demands.</p> <p>The Company has established an Ethical and Responsible Marketing policy, which can be accessed at https://www.zyduswellness.com/investor/Ethical%20and%20Responsible%20Marketing%20Policy.pdf</p>	<p>Positive: Investing in health and nutrition initiatives can yield positive financial outcomes for companies. Providing products that align with consumer demand for healthier options can lead to increased sales and market share. Moreover, promoting health and nutrition can enhance brand reputation and consumer loyalty, driving long-term profitability. Additionally, by addressing health concerns proactively, companies can mitigate potential legal and regulatory risks, avoiding fines and penalties.</p> <p>Negative: Neglecting health and nutrition concerns can result in negative financial consequences for companies. Failure to meet consumer demand for healthier products may lead to decreased sales and market share loss. Moreover, if products are found to pose health risks, companies may face lawsuits, recalls, and damaged brand reputation, resulting in significant financial losses. Additionally, non-compliance with health and nutrition regulations can lead to fines, legal expenses, and tarnished corporate image, impacting profitability and shareholder value.</p> <p>Overall, the financial implications of ignoring health and nutrition can include decreased revenue, increased costs, and diminished market competitiveness.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk or opportunity	In case of risk, an approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Accounting and financial reporting	R/O	<p>Risk: Accounting and financial reporting can pose a risk if the Company engages in unethical practices or there is failure to comply with accounting and reporting standards specified by the regulators.</p> <p>Opportunity: Accounting and financial reporting can present an opportunity to demonstrate Company's commitment to transparency, good corporate governance and ethical behavior. By providing accurate and complete financial, environmental and social impact information, the Company can build trust within stakeholders and business partners.</p>	<p>As a Listed Company it ensures compliance with applicable provisions of The Companies Act, 2013, The SEBI Regulations, Indian Accounting Standards and other applicable laws and regulations while prioritizing transparency and ethical behavior.</p> <p>The Company has designed and implemented a process driven framework for Internal Financial Controls.</p>	<p>Positive: By disclosing information about financial, environmental and social impacts as per reporting frameworks and standards, Company can make more informed decisions about resource allocation and capital investment. This can lead to improved financial performance, increased shareholders value and stronger competitive advantage.</p> <p>Negative: Failure to report accurate financial information, environmental and social indicators or misinterpretation of financial statements can result into significant financial losses, fines, penalties and damage to the reputation of the Company.</p>
8.	Privacy & Data Security	R/O	<p>Risk: Data breaches and privacy violations can result in the legal and regulatory penalties, loss of customer's trust and reputational damage.</p> <p>Opportunity: Privacy and data security can present an opportunity for the Company to demonstrate our commitment to ethical behavior and build customer trust.</p>	<p>The Company has adequate measures and control implemented to mitigate any probable or actual risk which may arise. The Company periodically carries out risk assessment and implements adequate measures. We are also in the process of implementing ISO 27001:2022 certification.</p> <p>The Risk Management Committee is presented on a periodical basis about steps taken for the compliance of The India Digital Personal Data Protection Act, 2023.</p>	<p>Positive: By implementing strong privacy and data security measures, the Company assures stakeholders that their personal information is protected, building loyalty and improved reputation.</p> <p>Negative: Data breaches can lead to financial losses such as the cost of investigating and repairing the breach, compensating affected stakeholders and potential fines and litigation.</p>

Section B: Management and process disclosures

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
Policy and management processes										
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs (Yes/No).	Yes ¹	Yes ²	Yes ³	Yes ⁴	Yes ⁵	Yes ⁶	Yes ⁷	Yes ⁸	Yes ⁹	
b. Has the policy been approved by the Board? (Yes/No).	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
c. Web Link of the policies, if available.	Policies can be accessed on the website of the Company under "Policies and Compliances" at https://www.zyduwellness.com/investors.php .									
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. Our Policies viz. ESG, Human Rights, Anti-Corruption and Bribery, Biodiversity, Occupational Health & Safety, Environment, and Code of Conduct for Vendors are extended to our Value Chain Partners. This demonstrates our commitment to upholding these standards across our entire network.									

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	<p>¹We have adopted Anti-corruption & Bribery policy, Company’s Code of Business Conduct and Ethics, Policy on Insider Trading , other HR policies and various other HR practices.</p> <p>²We have adopted ESG Policy, Environment Policy and Code of Conduct for Vendors, which inter-alia relates to safe and sustainable products.</p> <p>³We have Occupational Health & Safety and Corporate Health & Safety Policies for the wellbeing of employees.</p> <p>⁴We have adopted CSR Policy and adhere strictly to our Code of Business Conduct & Ethics, ensuring the utmost consideration for stakeholder interests.</p> <p>⁵We have adopted policies in place, including Human Rights and Prevention of Sexual Harassment of Women at Workplace to protect and address human rights issues.</p> <p>⁶We have policies in place, including Environment Policy, Corporate Environment Health & Safety Policy and Biodiversity Policy to ensure the protection and restoration of environment.</p> <p>⁷We are dedicated to upholding our Code of Business Conduct & Ethics with unwavering and strict adherence.</p> <p>⁸We have implemented a CSR policy to advance inclusive growth and equitable development, alongside a Diversity & Inclusion policy for our Company and subsidiaries, ensuring equal and fair opportunities for all.</p> <p>⁹The Company meets requirements through the introduction of innovative products and services. Additionally, it has adopted Ethical and Responsible Marketing Policy and Cybersecurity Policy and established a customer complaint redressal system to ensure effective redressal of complaints and customer satisfaction.</p>								
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	<p>The Company’s manufacturing plants situated at Ahmedabad, Sikkim (Unit I & II) and Aligarh are accredited for FSSC 22000 and plants situated at Ahmedabad and Sikkim (Unit I & II) are ISO 14001:2015 & 45001:2018 certified, GMP certification as applicable, for validating process, quality consistency and food safety. Additionally as part of our ESG initiatives, beginning from the financial year 2021-2022, we have voluntarily participated in S&P Global Corporate Sustainability Assessment (“CSA”).</p>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>The Company has outlined specific targets for the FY 2028-2029 against the base year FY 2021-2022:-</p> <ul style="list-style-type: none"> • 15.0% Scope (1&2) emission reduction • 15.0% increase in renewable energy • 20.0% energy intensity reduction • 15.0% reduction in water intensity <p>Additionally, we aim transition to fully recyclable multi-layer plastic for our packaging targeted by year FY 2027-2028 and our Goal is to decrease packaging material by 1,000 tons over the next 3 years, starting FY 2023-2024.</p>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>We have process in place to measure performance against target and the stated targets are achieved as below:</p> <ul style="list-style-type: none"> • Reduced scope 2 emissions by 2.0% Y-o-Y. • Reduced electricity consumption by 2.0% Y-o-Y. 								
Governance, leadership and oversight									
7. Statement by Director responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements:	<p>As a leading FMCG organization, we are steadfast in our commitment to integrating responsible and sustainable practices into our operations. Our recent achievements underscore our dedication to this mission, as we progress towards our FY 2028-29 ambitions. We have successfully reduced scope 2 emissions and electricity consumption by 2.0% Y-o-Y. Moreover, our forthcoming 2MW solar power installation in FY 2024-2025 will further bolster our renewable energy consumption. We have also implemented ESG related policies to strengthen our ESG Governance practices. Our latest BRSR report encapsulates our sustainability approach and performance, showcasing our strides in reducing environmental impact, fostering social responsibility, and upholding ethical business standards. We are implementing various initiatives, from internal carbon footprint reduction goals to promoting social inclusion and diversity, demonstrating our holistic commitment to sustainability. As we expand our operations, sustainability remains a cornerstone of our strategy, driving us to innovate, collaborate, and uphold responsible practices. We firmly believe that sustainability is intrinsic to our business's success and the well-being of our planet and communities. Through ongoing efforts, we aim to forge a sustainable future for all, and we trust that our BRSR report will offer valuable insights into our sustainability journey.</p>								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Tarun Arora, Chief Executive Officer (“ CEO ”) and Whole Time Director (“ WTD ”).																	
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.	<p>In FY 2022-2023, our Board of Directors (“Board”) transformed the “Corporate Social Responsibility Committee” into the “Corporate Social Responsibility and ESG Committee” to underscore our commitment to ESG principles. This Committee oversees ESG performance, strategies and initiatives, ensuring alignment with our long-term value creation goals. Its expanded mandate includes shaping ESG programs, endorsing public disclosures, making ESG related investment decisions and providing regular reports to the Board.</p> <p>The Committee is headed by Dr. Sharvil P. Patel (DIN: 00131995), Chairman of the Board who is a Non-Executive Director and comprises of Mr. Ganesh N. Nayak (DIN: 00017481), Non-Executive Director and Mr. Kulin S. Lalbhai (DIN: 05206878), Independent Director as members of the Committee.</p> <p>The Risk Management Committee (“RMC”) of the Board supports the Board in directing the risk management process, the controls and risk tolerance including sustainability (Environment, Social and Governance) related risks, information & cyber security. The Board is responsible for reviewing and ratifying the risk management structure, processes and guidelines which are developed and maintained by the RMC.</p>																	
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)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against the above policies and follow up action	The business responsibility performance of the Company is regularly monitored by the Company and reviewed by the Chairman and respective departmental heads.									The Board of Directors reviews it annually.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all the applicable laws and a statutory compliance certificate on applicable laws is provided by the CEO & WTD to the Board of Directors on a quarterly 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.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	The processes and compliances are assessed by independent Internal and Statutory auditors, as applicable. On a regular basis, the policies are reviewed and updated by senior functional heads and approved by the management, Committees of Directors or the Board. At our factories, we uphold rigorous standards, holding certifications in ISO 14001:2015, ISO 45001:2018, and FSSC 22000. Additionally in FY 2023-2024, we are conducting reasonable assurance for BRSR core parameters on a voluntary basis, ensuring transparency and accountability in our sustainability reporting.								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									Not Applicable
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C: Principle-wise performance disclosure

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in the respective category covered by the awareness programmes
Board of Directors and Key Managerial Personnel	4	<p>The Directors of the Company are briefed on the sustainability initiatives of the Company from time to time. The Directors are also updated on changes/developments in the domestic/global corporate and industry scenario.</p> <p>As a part of the familiarization programmes, the Directors of the Company at the time of their appointment are acquainted with the Company’s Core Values, Code of Business Conduct and their roles and responsibilities as a Director along with the Company’s operations / business and the industry in which it operates.</p> <p>During the meetings discussions are held on various topics including but not limited to business updates, innovation, new product launches, Risk Management, Governance, Compliance and Regulatory updates, ESG, insider trading etc.</p> <p>Further, at each meeting of the Board and Committees, the Directors and KMP are apprised, inter-alia, of the material developments in the Company and industry as a whole, including those pertaining to statutes/legislation and economic environment and on the matters affecting the Company, to enable them to take well informed and timely decisions.</p>	100%
Employees other than BoD and KMP	149	Prevention of Sexual Harassment of Women at the Workplace, Art of Feedback, Food Safety Training and Certification, SAP, Ownership mindset, Brand Science & Product detailing, Business Communication, Advanced microsoft excel, Comprehension Skills, Presentation Skills, My Performance My Ownership, Change Readiness, Passion Training.	100%
Workers	225	5S Awareness, Process Knowledge, Absenteeism & Productivity, Safety Awareness, Forklift operations, Autonomous Maintenance, 7QC Tools, Hold and Rework, Packing, Printer Handling, Material Handling, CEKA Machine Management, Use of Personal protective equipment, Handling & Storing and Fire Safety.	100%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format:

(Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement	There have been no instances of fines and penalties imposed by the Statutory Authorities on the Company.				
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment					
Punishment	There have been no instances of fines and penalties imposed by the Statutory Authorities on the Company.				

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

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

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

Yes, the Company has an anti-corruption and anti-bribery policy in place. Policy is uploaded on the website of the Company at <https://www.zyduwellness.com/investor/Anti-Bribery%20and%20Anti-Corruption%20Policy.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 2023-2024	FY 2022-2023
Directors		
KMPs	No such actions have been taken against our Directors/KMPs/employees/workers both for FY 2023-2024 and FY 2022-2023.	
Employees		
Workers		

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

	FY 2023-2024		FY 2022-2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

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.

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

	FY 2023-2024	FY 2022-2023
Number of days of accounts payables	72.5	65.3

9. Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties in the format provided:

Parameter	Metrics	FY 2023-2024	FY 2022-2023
Concentration of Purchases*	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top ten trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	59.8%	63.0%
	b. Number of dealers / distributors to whom sales are made	1,320	1,337
	c. Sales to top ten dealers / distributors as % of total sales to dealers / distributors	8.2%	7.1%
Share of RPTs in**	a. Purchases (Purchases with related parties / Total Purchases)	0.0%	0.0%
	b. Sales (Sales to related parties / Total Sales)	0.6%	0.4%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.0%	0.0%
	d. Investments (Investments in related parties / Total Investments made)	0.0%	0.0%

*For procurement of Packing Materials, we conduct 100% of our business directly with manufacturers, while for Raw Materials, we exclusively engage with authorized distributors and manufacturers.

** Transactions were entered with Related Parties on arms length basis after approval of the Audit Committee and the Board of Directors.

Leadership Indicators

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

Total number of awareness programmes held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
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We have a process of conducting concurrent audits in all our Channel partners (Carrying and Forwarding Agents) whereby through a mechanism of questions and answers the major principles herein are covered. In the year under review, all our 24 CFA locations have undergone this audit on a monthly basis. For our vendors, we have a model risk assessment criteria based on a quality management system.

In FY 2023-2024 we have conducted below mentioned awareness / training programs for various value chain partners:

- i. Farmers:** In partnership with "Lutin Pharma" camps were organized for farmers, were they were informed about good animal husbandry practices, animal nutrition, clean milk production techniques, good handling practices, preparation of silage and feeding practice. The sessions were conducted in 25 neighbouring villages of the Aligarh plant and 1,600 farmers were enrolled under this activity and distributed 12,000 large deworming, 6,000 small deworming and 1,500 mineral mixture packets. Also, farmer's helpline is started to resolve issues related to animals' health and feeding.
- ii. Carrying and Forwarding Agents:** 30 man hours were spent for providing training on topics like goods storage practices / precautions for products required to be stored during off season.
- iii. Co-Packers:** 161 man hours were spent for providing training on topics like coding, sleeving, capping defect, food safety, handling, cleaning, hygiene, sanitation, good manufacturing practices, product traceability and sampling.
- iv. Distributors:** Training on automation of distribution management system for accurate and timely submission of reports and claims, which is an ongoing process and we continuously upgrade our systems to synchronize with time and requirements.

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

Yes. The Company has adopted "Code of Business Conduct and Ethics", which expects Directors and Senior Management to disclose actual and potential conflicts of a material nature with the interests of the Company and they submit their affirmation for the compliance with the Code on an annual basis. Additionally, all Directors and Senior Management employees are expected to not engage in any business, relationship or activity which might detrimentally conflict with the interest of the Company and not divert to his / her advantage any business opportunity that the Company is in pursuit. The Code is available on the website of the Company at <https://www.zyduswellness.com/investor/code-of-business-conduct-and-ethics-policy.pdf>.

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

Essential Indicators

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

	FY 2023-2024	FY 2022-2023	Details of improvements in environmental and social impacts
R&D	100%	100%	During the year under review, we have invested in developing capability for non-destructive testing of plastic components which helps us in reducing the weight of components. In the product development front R&D has been working on formulations that enable lower use of energy during production enabling GHG reduction. We are also working towards reducing sugar per serving in its flagship product to improve overall health and wellness aspects.
Capex	44.0%	51.2%	We have undertaken several sustainable projects to increase energy efficiency which resulted into savings of 5.95 lakhs kWh in FY 2023-2024, which includes projects viz. refurbishment of electro static precipitator, replacement of boiler bed coils, installation of variable frequency drive, replacement of air compressor from lower to higher capacity, conversion of scattered to centralized manufacturing activities and replacement of old electronic items. We have also undertaken water conservation projects by re-using and recycling water, resulting into savings of 2.0% ground water consumption / ton at Aligarh plant and 4.3% surface water consumption at Ahmedabad and Sikkim plants. Also we have undertaken other projects viz. zero liquid discharge and upgradation of effluent treatment plant (ETP).

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No). b. If yes, what percentage of inputs were sourced sustainably?**

Yes. Currently, our vendor evaluation process relies on a quality checklist, and vendor audits are conducted for all vendors during onboarding as part of organizational initiatives. However, we recognize the importance of integrating Sustainable Sourcing performance factors into our vendor selection process. Moving forward, we plan to incorporate these factors into our vendor selection criteria.

In our initial assessment, we had sent an ESG Vendor checklist to our top 14 critical vendors, selected based on material criticality and business volume. They account for 25.0% of our total vendor value. The results show 43.0% of our vendors are certified with Forest Stewardship Council, Roundtable on Sustainable Palm Oil and have an Animal Welfare policy in place. Moving forward, we aim to extend this assessment to all our vendors to ensure comprehensive coverage and adherence to sustainable sourcing practices.

A "Code of Conduct for Vendors" has been adopted by the Company, which sets forth the basic requirements expected from the Vendors to respect and adhere to the policy while conducting business with the Company and the code is available on the website of the Company at <https://www.zyduwellness.com/investor/code-of-conduct-for-vendors-feb-2023.pdf>.

We use electronic platform for bidding process to procure highest quality material at a reasonable price which has bearing on long term sustainable sourcing.

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

The waste generated in the Company's manufacturing operations is recycled/reused to the extent possible. Waste is recycled by authorized third party agencies and records of the same are maintained at all our plants. Additionally, the Company's manufacturing facility has its own Effluent Treatment Plant, which ensures discharge of waste below the norms prescribed by the Pollution Control Board. Important raw materials and solvents are recovered and reused. It is a part of operational management.

In line with the Ministry of Environment, Forest and Climate Change's notification on Extended Producers Responsibility, we have strengthened our approach to the management of plastic packaging. Additionally, we have also undertaken design level changes to our products to reduce the raw materials used in their manufacturing.

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, EPR applies to the Company's activities and the waste collection plan is in line with the EPR action plan submitted to Central Pollution Control Board ("CPCB").

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No). If yes, provide the web-link
The Company hasn't conducted LCA for any of its products.					

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

Name of product/service	Description of the risk/concern	Action taken
Not applicable.		

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):

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Paper	100%	100%

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

	FY 2023-2024			FY 2022-2023		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	-	7392.2	-	-	2431	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
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In line with the Plastic Waste Management (PWM) Rules and the national guidelines on Extended Producer Responsibility (EPR), the Company has partnered with authorized Waste Management Agency for collection, recycling, co-processing and safe disposal of pre & post-consumer waste.

All our products which are expired or damaged and cannot be consumed, are not sold to the vendors for feeding cattle / consumption and are taken back from trade, audited by government approved agencies and disposed off as per the guidelines enumerated in the internal policy and adhering to the local laws and rules. Proof of products destroyed is maintained by the Company. Thereby, we ensure safe disposal of expired or damaged products.

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	725	698	96.3%	698	96.3%	0	0.0%	698	96.3%	0	0.0%
Female	49	43	87.8%	43	87.8%	43	87.8%	0	0.0%	13	26.5%
Total	774	741	95.7%	741	95.7%	43	5.5%	698	90.2%	13	1.7%
Other than permanent employees											
Male	33	33	100%	33	100%	0	0.0%	0	0.0%	0	0.0%
Female	11	11	100%	11	100%	11	100%	0	0.0%	4	36.4%
Total	44	44	100%	44	100%	11	25.0%	0	0.0%	4	9.1%

Note: In case of other than permanent employees Health and Accident Insurance is taken by the Contractor.

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	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	233	222	95.3%	222	95.3%	0	0.0%	222	95.3%	0	0.0%
Female	1	1	100%	1	100%	1	100%	0	0.0%	0	0.0%
Total	234	223	95.3%	223	95.3%	1	0.4%	222	94.9%	0	0.0%
Other than Permanent workers											
Male	2,153	2,153	100%	2,153	100%	0	0.0%	0	0.0%	0	0.0%
Female	164	164	100%	164	100%	164	100%	0	0.0%	0	0.0%
Total	2,317	2,317	100%	2,317	100%	164	6.6%	0	0.0%	0	0.0%

Note: In case of other than permanent workers Health and Accident Insurance is taken by the Contractor.

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

	FY 2023-2024	FY 2022-2023
Cost incurred on wellbeing measures as a % of total revenue of the company	0.2%	0.2%

2. Details of retirement benefits:

Benefits	FY 2023-2024			FY 2022-2023		
	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%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	3.0%	100%	Yes	5.0%	100%	Yes
Others – please specify						
National Pension Scheme	8.0%	N.A.	Yes	8.0%	N.A.	Yes
Superannuation	3.0%	N.A.	Yes	4.0%	N.A.	Yes

3. Accessibility of workplaces:

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

Yes. The premises/offices of the Company are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

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:

The Company is an equal opportunity employer. We treat all job applicants fairly and do not support any form of unlawful discrimination. We respect all related laws in our employment decisions and do not discriminate against individuals based on race, color, gender, age, national origin, religion, sexual orientation, gender identity or expression, marital status or disability. However, the emphasis will continue to remain on merit, skill fitment and business requirement.

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	84.6%	73.3%	N.A	N.A
Female	66.7%	100%	N.A	N.A
Total	81.2%	76.5%	N.A	N.A

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Whistle Blower Policy is in place for reporting instances of unethical behavior, improper practices, actual or suspected fraud or violation of the Company's code of conduct and leakage of unpublished price sensitive information, which is available on the website of the Company at https://www.zyduswellness.com/investor/whistle-blower-policy-revised-may-28-2019-final.pdf .
Other than Permanent Workers	No.
Permanent Employees	Yes, Whistle Blower Policy is in place for reporting instances of unethical behavior, improper practices, actual or suspected fraud or violation of the Company's code of conduct and leakage of unpublished price sensitive information, which is available on the website of the Company at https://www.zyduswellness.com/investor/whistle-blower-policy-revised-may-28-2019-final.pdf .
Other than Permanent Employees	Yes. <ol style="list-style-type: none"> Aligarh Plant: The grievances of on roll workers are redressed through Zydus Wellness Association in conjunction with Unit HR Head on a regular basis, whereas the grievances of contract workers are redressed through Contractor and unit HR Head. In addition, we have 5 (five) number of suggestion boxes to redress the grievances reviewed by regular MIS. Ahmedabad Plant: There is a provision of Grievance Register wherein grievances are registered and addressed. 2 (two) number of suggestion boxes are placed at prominent place in the unit. Suggestion boxes are opened, reviewed and addressed periodically. Sikkim Plant: 6 (six) number of suggestion boxes are placed in the prominent location. The suggestions are reviewed and implemented to address before development of grievances.

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

Category	FY 2023-2024			FY 2022-2023		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association (s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	774	0	0.0%	748	0	0.0%
- Male	725	0	0.0%	705	0	0.0%
- Female	49	0	0.0%	43	0	0.0%
Total Permanent Workers	234	163	69.6%	227	165	72.7%
- Male	233	163	69.6%	226	164	72.6%
- Female	1	1	100%	1	1	100%

8. Details of training given to employees and workers:

Category	FY 2023-2024					FY 2022-2023				
	Total (A)	On health and safety measures		On Skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	758	83	11.0%	614	81.0%	731	112	15.3%	574	78.5%
Female	60	1	1.7%	60	100%	53	1	1.9%	13	24.5%
Total	818	84	10.3%	549	67.1%	784	113	14.4%	587	74.9%
Workers										
Male	2,551	2,551	100%	1,729	67.8%	2,337	2,337	100%	369	15.8%
Female	165	165	100%	57	34.5%	176	176	100%	46	26.1%
Total	2,716	2,716	100%	1,786	65.8%	2,513	2,513	100%	415	16.5%

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

Category	FY 2023-2024			FY 2022-2023		
	Total (A)	No. (B)	%(B / A)	Total (C)	No. (D)	%(D/C)
Employees						
Male	758	725	95.6%	731	705	96.4%
Female	60	49	81.7%	53	43	81.1%
Total	818	774	94.6%	784	748	95.4%
Workers						
Male	2,551	233	9.1%	2,337	226	9.7%
Female	165	1	0.6%	176	1	0.6%
Total	2,716	234	8.6%	2,513	227	9.0%

10. Health and safety management system:

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

Yes. The Company follows all applicable rules and regulations directed by Authorities for Employees' Health and Safety and it is covered at the group level including all the plants. The Company has adopted Occupational Health and Safety Policy which is available on the website of the Company at <https://www.zyduswellness.com/investor/Occupational%20Health%20and%20Safety%20Policy.pdf>.

The safety and wellbeing of our employees is of utmost importance to us. We continuously strive to promote safe practices to be followed by all our employees. We are committed to implementing and monitoring relevant requirements set forth by ISO standards for our plants. Our manufacturing plants at Ahmedabad and Sikkim are ISO 45001:2018 (OH&S) certified. We have established Occupational and Health centers, equipped with Ambulance facilities, at all our plants to serve 24*7.

In FY 2023-2024 we have invested 2,183 man-hours in training our employees on topics related to safety practices at the workplace. In FY 2023-2024, zero fatalities occurred and zero lost days were recorded across all the plants.

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

The Company has a centralized Environment, Health and Safety ("EHS") Cell, both at a group and the plant level to identify work related hazards and assess risks on a routine and non-routine basis. All relevant updated EHS documents, guidelines, policies, SOPs, and checklists are being regularly updated to the employees through this EHS portal and necessary compliance perspective actions are tracked. Further, at regular intervals, EHS interactions like seminars, group meetings, focused training etc. are organised for awareness amongst all levels of employees. At the group level, the Corporate EHS team has created EHS Software viz. "Zysafe" for EHS governance and to monitor all EHS related Activities.

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

Yes. The company has a legal obligation to provide a safe and healthy work environment to the employees. Part of this responsibility involves establishing procedures for reporting hazards and removing workers from hazardous situations. The company carries out following activities to create process for workers to report work related hazards and remove themselves from the risk:

- i. Identify and assess all potential hazard at workplace to develop hazard reporting procedures.
- ii. Training given to employees to identify hazards and how to remove themselves from hazardous situations.
- iii. Encourage employees to report the hazard and potential hazards wherever possible and ensure workers are not punished or retaliated against reporting hazards.
- iv. Investigation of hazards and implement appropriate measure to avoid re-occurrence of the hazards.
- v. We have a well-designed EHS Software named Zysafe which is used for reporting of Unsafe act, Unsafe conditions. We regularly monitor and review the hazards reporting and removal process to ensure that it is effective and to make any necessary improvements.

The Company celebrates EHS campaigns like National Safety Month, Fire Safety Month, World Environment Day and also celebrates theme based EHS campaigns like Electrical Safety, Slip & Trip, Machine Safety etc.

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

Yes. 100% of our Permanent workers and employees have access to non-occupational medical and health care services through Health Insurance. We recognize that access to healthcare services is a fundamental human right

and we are committed to providing our employees and workers with access to quality healthcare services through below mentioned measures:

- i. Providing permanent employees / workers and their loved ones with comprehensive health insurance which includes coverage for non-occupational medical and healthcare services.
- ii. On-site medical clinics that are staffed by qualified medical professionals to provide medical care and treatment to the employees/ workers.
- iii. Telemedicine services that allow employees and workers to consult with medical professional remotely, providing them with access to medical care and treatment from the comfort of their homes or workplaces.
- iv. Conducting programs for the employees and workers to help them maintain their physical and mental health. These programs include fitness classes, stress management programs and nutrition counselling.

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

Safety Incident/Number	Category	FY 2023-2024	FY 2022-2023
Lost Time Injury Frequency Rate (LTIFR) (per one millions-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

The Company follows all applicable rules and regulations directed by Authorities for Employees' Health and Safety and it is covered at the group level.

We strive to promote safe practices across our operational units and encourage employees to abide by set practices. We are committed for implementing and monitoring relevant requirements set forth by ISO 14001:2015 and ISO 45001:2018 standards at our majority of plants.

The health and safety governing mechanism involves an EHS Committee composed of all department HODs, chaired and reviewed by the Head, Manufacturing. The governing mechanism is strengthened by the Board authorized Corporate EHS policy. To permanently establish a culture of safety, we have instituted an Employee Health and Safety Index across all our locations.

A dedicated Safety personnel has been identified at each of our plants, who is responsible for implementing and monitoring the performance of safety management system.

In FY 2023-2024 we have invested 2,183 man-hours in training our employees on topics related to safety practices at the workplace. In FY 2023-2024, zero fatalities occurred and zero lost days were recorded across all the plants.

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

	FY 2023-2024			FY 2022-2023		
	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	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

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%
Working Conditions	100%

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

Our Sikkim and Ahmedabad plants are undergoing third-party assessments, while Aligarh plant is being assessed internally by an independent audit team, focusing on health and safety. Additionally, we had no reportable incidents during the year.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of the death of:

(A) Employees (Y/N): Y

(B) Workers (Y/N): Y

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 has a robust control system and conforms to all laid down laws of the land.

It has an efficient tax system to track and control and reconcile that Goods and Services Tax ("GST"), Tax Deducted at Source ("TDS") and Tax Collected at Source ("TCS") have been duly recorded, levied by the suppliers and deposited with the relevant statutory authorities. During the financial year 2023-2024, ₹ 1,645.80 millions towards GST and ₹ 238.32 millions towards TDS and TCS were deposited with relevant statutory authorities. Further, the system also assists us to check if the TDS have been duly deducted by the Customers and paid to the relevant statutory authorities, wherever applicable.

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 2023-2024	FY 2022-2023	FY 2023-2024	FY 2022-2023
Employees				
Workers			Nil	

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):

Yes. In case of retirement of employee on a case to case basis, the Company provides extended service to the employees as a retainer / consultant and also in case of termination of employee the Company provides career counselling.

5. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety conditions	
Working conditions	25.0%*

*We have sent an ESG checklist as a preliminary assessment to our top 14 critical vendors. Going forward, we will implement a plan to assess all the vendors.

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 partners:

No risks were identified.

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:

The Company actively engages with key stakeholders through open and constructive communication, fostering business development. Stakeholder identification and prioritization occurred during the FY 2021-2022 materiality assessment, aligning with global standards like GRI Sustainability Reporting Guidelines and the National Guideline for Responsible

Business Conduct (NGBRC). Our priority stakeholders include Customers, Employees, Suppliers & Vendors, Investors and Shareholders, Channel Partners, Communities, Government and Regulators, and Industry Associations.

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 & Marginalized 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
Consumers	The Company has not identified their stakeholders as vulnerable or marginalized	Digital Platforms, Advertisements, Newspaper, Surveys, Consumer feedback division to address queries and grievances through email and call, Website.	Continuous	Product quality and safety, information on products, consumer satisfaction and feedback, complaints and queries.
Employees		Employees connect initiatives, One-on-one performance reviews, induction, Various learning and development initiatives, Quarterly townhalls addressed by the CEO & WTD, Newsletters, Employee feedback programme, recognition and rewards, employee referral program and internal job posting.	Continuous	Employees interests in delivering short-term and long-term business objectives, health and wellness, growth opportunities, learning and development.
Suppliers and Vendors		Meetings, Assessment, Facility visits, Audit, Notification in case of change in applicable law / regulations.	Continuous	We uphold stringent standards in our supplier relationships to guarantee top-notch quality, food safety, and timely availability essential for smooth business operations. Regular communication with our diverse suppliers ensures these standards are consistently met. Moreover, we have implemented a systematic supplier audit process, conducted at regular intervals to ensure adherence to quality and regulatory requirements. In addition to these measures, our extensive network includes 30,000 milk farmers who supply milk to 35 collection centers in and around the Aligarh area daily, further emphasizing our commitment to reliability and excellence.
Investors and Shareholders		Quarterly investor conference calls, Press Release, Investor presentations, Annual General Meeting and publishing Annual Report, Addressing investor grievances through Stakeholders' Relationship Committee, Attending investor conferences, roadshows and one-on-one investor meetings, Announcement on Stock exchanges and uploading information on the website of the Company.	Monthly/ Quarterly/ Annually	The Company interacts with the Investors and Shareholders to share the financial performance, achievements, challenges, product innovations / launches and future roadmap. We have dedicated email id for Institutional Investors and Shareholders for resolving their queries and grievances.

Stakeholder Group	Whether identified as Vulnerable & Marginalized 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
Channel Partners	The Company has not identified their stakeholders as vulnerable or marginalized	Meetings, Facility visits, Audits, Digital communication, monthly reviews and Notification in case of change in applicable law / regulations.	Continuous	The Channel partners (Distributors, CFAs and Transporters) are important for the Company as they play crucial role in their individual capacities for distribution of our products to different geographies. Meetings and discussions with them are done on a continues basis for seamless and smooth conduct of our business activities.
Communities	Yes	Visits to community site and Digital Channels.	Continuous	The Group engages with the community by understanding and serving the needs of the patients, and we bring world-class medical education to the rural interiors of Gujarat through our own medical college and hospital at Dahod. Also, we provide free treatment for patients, including OPD, indoors, all investigations, surgeries, anesthesia, oral medicines, injectable and food.
Government and Regulators	No	Meetings, Conferences and official Communications.	Need Basis	Obtaining permissions, licenses, clarifications, waivers, approvals, compliances etc.
Industry Associations	No	Industry Conferences and Representations on policy matters.	Need Basis	The Company interacts with Government / Regulatory Authorities on any public policy framework through apex industry institutions like The Confederation of Indian Industry, Federation of Indian Chambers of Commerce & Industry etc. The Company puts forth its views on new standards or regulatory developments pertaining to the FMCG industry, broadly in the areas concerning access to nutrition, health and well-being, best practices, corporate governance, etc.

Leadership Indicators

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

The Company conducted a comprehensive materiality assessment exercise in financial year 2021-2022 and this will be undertaken every 2 years. This exercise involves gathering feedback and input stakeholders to determine what aspects are significant to the business. The Company fosters open and constructive dialogue on economic, environmental, and social matters with diverse stakeholders through tailored consultation methods. Internal and external stakeholders are engaged via specific channels, with external consultations often involving benchmarking to showcase best practices and improve our ESG initiatives. Feedback from these consultations is regularly shared with the Board during quarterly meetings.

To facilitate the engagement, we have established several committees dedicated to key areas of concern. The CSR and ESG Committee assesses our performance in environmental, social and governance matters, overseeing the implementation of relevant policies and strategies to drive sustainable practices, formulating and recommending to the Board CSR policy, monitoring CSR budget allocation, activities and expenditure to ensure alignment with our commitment to social responsibility.

Stakeholders' Relationship Committee is entrusted with evaluating statutory compliances and services related to non-receipt of Annual Report and dividend, transfer / transmission etc. and review the performance of Registrar and Transfer Agent, thereby enhancing trust and transparency in our interactions.

In line with our dedication to shareholder engagement, we offer the Institutional Investors and Analysts the opportunity to interact with the Chairman and CEO quarterly through post earnings call and to interact with all Board members annually during the Annual General Meeting. This forum allows us to stay attuned to the evolving needs and concerns of our stakeholders, reinforcing our pledge to remain accountable and responsive to their interests.

Our engagement with vendors includes the use of an ESG checklist to evaluate their performance and compare against ESG related certifications and labels.

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

Yes. In FY 2021-2022, we conducted a comprehensive materiality assessment involving key stakeholders to identify the company's most significant issues. Through this exercise, we gained valuable insights into stakeholder priorities and areas of concern. For further details on our materiality assessment, you can refer to the ESG report available on the Company's website at <https://www.zyduswellness.com/investor/ESG-Report-FY-22-23.pdf>.

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

The Company recognizes the importance of engaging with and addressing the concerns of vulnerable and marginalized stakeholder groups. We believe that by working closely with these groups, we can better understand their unique needs and perspectives and take meaningful action to support their social and economic inclusions.

We conduct event-based engagement that are either statutory in nature or serves as part of our internal programme. The Group continues to create healthier, happier communities globally. Zydus Shrishti, the Group's CSR programme focuses in the areas of health, education and research. Making a difference to serve the needs of the patients and bring world-class medical education to the rural interiors of Gujarat, Zydus Foundation has set up the Zydus Medical College and Hospital at Dahod.

Also, we have implemented community development programs that are specifically designed to support local dairy farmers. By these programs we encourage dairy farmers to participate in dairy development camps conducted with support of subject matter experts. In FY 2023-2024 we have conducted awareness programs for farmers in partnership with "Lutin Pharma" at Aligarh. In these camps, farmers were informed about good animal husbandry practices, animal nutrition, clean milk production techniques, good handling practices, preparation of silage and feeding practice. The sessions were conducted in 25 neighboring villages of the Aligarh plant and 1,600 farmers were enrolled under this activity and distributed 12,000 large deworming, 6,000 small deworming and 1,500 mineral mixture packets. Also, farmer's helpline is started to resolve issues related to animals' health and feeding. In FY 2023-2024 ₹ 1.01 millions (Rupees One millions Ten Thousand only) was spent on cattle development camps.

Principle 5: Businesses should respect and promote human rights.

Essential Indicators

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

Category	FY 2023-2024			FY 2022-2023		
	Total (A)	No. of employees/workers covered (B)	% (B/ A)	Total (C)	No. of employees/workers covered (D)	% (D/ C)
Employees						
Permanent	774	774	100%	748	748	100%
Other than permanent	44	44	100%	36	36	100%
Total employees	818	818	100%	784	784	100%
Workers						
Permanent	234	234	100%	227	227	100%
Other than permanent	2,317	2,317	100%	2,286	2,286	100%
Total workers	2,551	2,551	100%	2,513	2,513	100%

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

Category	FY 2023-2024					FY 2022-2023				
	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	774	0	0.0%	774	100%	748	0	0.0%	748	100%
Male	725	0	0.0%	725	100%	705	0	0.0%	705	100%
Female	49	0	0.0%	49	100%	43	0	0.0%	43	100%
Other than permanent	44	0	0.0%	44	100%	36	0	0.0%	36	100%
Male	33	0	0.0%	33	100%	26	0	0.0%	26	100%
Female	11	0	0.0%	11	100%	10	0	0.0%	10	100%
Workers										
Permanent	234	0	0.0%	234	100%	227	0	0.0%	227	100%
Male	233	0	0.0%	233	100%	226	0	0.0%	226	100%
Female	1	0	0.0%	1	100%	1	0	0.0%	1	100%
Other than permanent	2,317	531	22.9%	1,786	77.1%	2,286	492	21.5%	1,794	78.5%
Male	2,153	367	17.0%	1,786	83.0%	2,111	317	15.0%	1,794	85.0%
Female	164	164	100%	0	0.0%	175	175	100%	0	0.0%

3. Details of remuneration/salary/ wages, in the following format:

- a. Median remuneration/wages: (₹ in Millions)

	Male		Female	
	Number	Median remuneration/salary/ wages of the respective category	Number	Median remuneration/salary/ wages of the respective category
Board of Directors (BoD)*	8	1.05	1	1.40
Key Managerial Personnel*	3	16.30	0	-
Employees other than BoD and KMP	725	1.34	-	1.76
Workers	233	0.74	1	0.25

* Includes Mr. Tarun Arora, CEO & WTD.

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

	FY 2023-2024	FY 2022-2023
Gross wages paid to females as % of total wages	5.4%	6.4%

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

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

At Zydus, we prioritize human rights across our operations, striving for a safe and inclusive work environment while preventing issues like child labor, forced labor, and discrimination. Our Human Rights Policy extends to all employees, including part-time and contractual workers, and we require the same commitment from our value chain partners. We conduct regular risk assessments to identify and address potential human rights risks, incorporating stringent due diligence processes. To ensure accountability, we have established grievance redressal policies such as the Human Rights Policy, Whistle Blower Policy, Prevention of Sexual Harassment of Women at Workplace Policy and Code of Conduct for Vendors. The human rights concerns/grievances can be reported to the Immediate Supervisor, Head of Department or Human Resources department. We believe that businesses play a vital role in upholding human rights, and we are committed to promptly addressing any concerns raised by stakeholders. The Human Rights Policy is available on the website of the Company at <https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf>.

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

	FY 2023-2024			FY 2022-2023		
	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						
Discrimination at workplace						
Child labour						
Forced Labour/Involuntary Labour		Nil			Nil	
Wages						
Other human rights related issues						

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

	FY 2023-2024	FY 2022-2023
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)		
Complaints on POSH as a % of female employees/ workers	Nil	Nil
Complaints on POSH upheld		

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

The Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. It encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. Committees have been constituted across locations to enquire into complaints of sexual harassment and to recommend appropriate action, wherever required. The Company is committed to ensure that no employee who brings forward a Sexual Harassment concern is subject to any form of reprisal. Any reprisal will be subject to disciplinary action. The Company ensures that the victim or witnesses are not victimized or discriminated against while dealing with complaints of Sexual Harassment. However, anyone who abuses the procedure are subject to applicable disciplinary action by the Company. Also, awareness sessions are organized for all employees at regular intervals.

Also, Company has in place, a Whistle Blower policy which provides necessary safeguards to all Whistle Blowers for making disclosures in Good Faith and any other employee assisting the investigation.

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

Yes. Agreements provide for compliance with accepted standards on issues related to EHS, Human Rights and labour practices. Additionally, the Company has adopted "Code of Conduct for Vendors". This requires suppliers to comply with labour laws, environmental regulations, and uphold human rights and principles of ethics and integrity in their operations. All Suppliers are expected to meet the requirements of this Code. Additionally, the Vendor Code of Conduct is a mandatory requirement for all our suppliers and forms an integral part of their contract and a link of the code is also mentioned in purchase order.

10. Assessments of the year:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	No plants and offices were assessed for human rights issues.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 10 above: Not applicable.**Leadership Indicators**

- Details of a business process being modified/ introduced as a result of addressing human rights grievances/ complaints:**
Not applicable.
- Details of the scope and coverage of any Human rights due diligence conducted:** No Human rights due diligence was conducted.
- 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
- Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	25.0%*
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

*We have sent an ESG checklist as a preliminary assessment to our top 14 critical vendors. Going forward, we will implement a plan and designate an executive to assess all the vendors.

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above:

No risks identified.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter (In Gigajoules)	FY 2023-2024	FY 2022-2023
From renewable sources		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)*	3,62,550	4,34,382
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	3,62,550	4,34,382
From non-renewable sources		
Total electricity consumption (D)	44,235	45,095
Total fuel consumption (E)**	3,24,132	69,505
Energy consumption through other sources [F]	Nil	Nil
Total energy consumed from non-renewable resources (D+E+F)	3,68,367	1,14,600
Total energy consumed (A+B+C+D+E+F)	7,30,917	5,48,982
Energy intensity per rupee of turnover (Total energy consumption / Revenue from operations in millions)	31.4	24.3
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations in millions adjusted for PPP)	703.3	539.8
Energy intensity in terms of physical output (GJ / MT)	9.60	8.64

*Energy consumption from Biofuel.

**As there was scanty availability of biofuel, the Company had to resort to use of coal to the extent biofuel was not available.

Notes:

- Purchasing Power Parity (PPP) - Revenue from operations is adjusted as per International Monetary Fund Implied PPP conversion rate.
- Gigajoules conversion factors are based on the conversion from kWh to Gigajoules, which is 0.0036.
- Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

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

Parameter	FY 2023-2024	FY 2022-2023
Water withdrawal by source (in kilolitres/ in m3)		
(i) Surface water	67,118	70,004
(ii) Ground water	3,49,223	3,24,986
(iii) Third party water (Municipal water supplies)	0	0
(iv) Sea water / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,16,341	3,94,990
Total volume of water consumption (in kilolitres)*	4,14,661	3,58,818
Water intensity per rupee of turnover (Water consumed / turnover in millions)	17.8	15.9
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations in millions adjusted for PPP)	399.0	352.8
Water intensity in terms of physical output (kilolitres / MT)	5.6	5.7

Methodology for tracking: We have dedicated magnetic flow water meters at plants on each borewell for tracking of freshwater consumption and these details are being then transferred to excel sheet for easy tracking.

*In addition to our plant water consumption, we have incorporated water consumption from all locations (offices) based on assumptions drawn from the Government of India, Central Ground Water Authority's National Building Code 2016 for drinking and domestic needs.

Notes:

- Purchasing Power Parity (PPP) - Revenue from operations is adjusted as per International Monetary Fund Implied PPP conversion rate.

- b. Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

4. Provide the following details related to water discharged.

Parameter	FY 2023-2024	FY 2022-2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Ground water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Sea water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment - Tertiary treatment	50,287	43,620
Total water discharged (in kilolitres)	50,287	43,620

Methodology for tracking: We have flow meters for recording the details at Effluent Treatment Plant (ETP) for tracking of Inlet & Outlet water. All water from plants is treated at both the ETP before being reused for gardening, road cleaning, flushing, etc., on-site or released off-site.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

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

The Company has taken proactive measures to implement Zero Liquid Discharge (“ZLD”) across its operations. 75.0% of plants have implemented ZLD. The plants in Ahmedabad and Sikkim are already equipped with RO & UF treatment, falling under this category. Efforts are underway to extend this coverage to Aligarh Plant. Tertiary effluent treatment plants (“ETP”) are operational, capable of processing 60KLD, 50KLD, and 1200KLD of wastewater for Sikkim, Ahmedabad, and Aligarh plants respectively. Alongside primary and secondary treatment, tertiary ETP ensures further purification of wastewater generated within the Company’s premises. Most of the treated water is utilized for horticulture within the facility, effectively reducing overall water consumption. All treated water is internally utilized for road cleaning, toilet flushing, and green belt development.

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

Parameter	Unit	FY 2023-2024	FY 2022-2023
NOx	(mg/nm3)	72.34	45.86
SOx	(mg/nm3)	112.25	50.09
Particulate matter (PM)	(mg/nm3)	107.49	101.85
Persistent organic pollutants (POP)	N.A.	NA	N.A.
Volatile organic compounds (VOC)		NA	
Hazardous air pollutants (HAP)	N.A.	NA	N.A.
Others – Ozone Depleting Substances (HCFC - 22 or R-22)	Tonnes	0.2	0.21

Methodology for tracking: We conduct third-party testing from the govt. approved environmental laboratories for air emission equipment’s as per the defined frequencies in respective locations PCB consent order and data showing is taken from one of the third-party report. These tests are conducted against the prescribed limits of Central Pollution Control Board.

Notes:

- a. As there was scanty availability of biofuel, the Company had to resort to use of coal to the extent biofuel was not available.
- b. Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

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

Parameter	Unit	FY 2023-2024	FY 2022-2023
Total Scope 1 emissions*	tCO ₂	31,304	6,650
Total Scope 2 emissions	tCO ₂	8,798	8,969
Total Scope 1 and Scope 2 emissions per million of turnover	tCO₂/ Rupee of Turnover	1.7	0.7
Total Scope 1 and Scope 2 emission intensity per million of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		38.6	15.3
Total Scope 1 and Scope 2 emission intensity in terms of physical output (tCO₂ / MT)		0.5	0.2

*Scope 1 encompasses emissions from coal, diesel, and refrigerants, including fugitive emissions.

Parameter	Unit	FY 2023-2024	FY 2022-2023
Biogenic Emissions	tCO ₂	41,294	49,476

*Biomass emits biogenic emissions through natural processes.

Notes:

- Purchasing Power Parity (PPP) - Revenue from operations is adjusted as per International Monetary Fund Implied PPP conversion rate.
- Emission factors are based on the IPCC 2006 National Greenhouse Gas guidelines.
- Scope 2 emissions for purchased grid electricity are calculated using the Central Electricity Authority (CEA) CO₂e baseline database for 2023, with a grid emission factor of 0.716 tCO₂e/MWh.
- For Dubai office, we have used a grid emission factor for electricity as 0.4041 tCO₂e/MWh as per Dubai Electricity and Water Authority Climate Change report.
- For Bangladesh office, we have used grid emission factor for electricity as 0.67 tCO₂e/MWh as per the circular issued by Department of Environment, Bangladesh.
- Biogenic CO₂ emission factor from biomass are considered as 112000 kg CO₂/TJ.
- Global Warming Potential (GWP) values used in emission calculations are sourced from the IPCC Fifth Assessment Report.
- Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

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

Yes, the Company has taken up various energy saving initiatives to reduce greenhouse gas emissions such as:

- Installed VFD (variable frequency drive) on one of the 75 KW feed water transfer pumps in Boiler, which resulted into annual savings of 50,000 kWh at Aligarh plant.
- Installed VFD on eight 3.70 KW main motors of Glucon-D manufacturing line, which resulted into annual savings of 1.54 Lakhs kWh at Aligarh plant.
- Rationalization of Air Handling Unit (AHU) by installing split ductable air conditioner & baby chiller to run sachet & axomatic production hall during extended shifts and winter season, which resulted in annual savings of 1.26 Lakhs kWh at Sikkim plant.
- Replacement of air compressor of lower capacity to higher capacity, which resulted in 35.0% reduction of manufacturing batch loading time and contributed in annual savings of 66,000 kWh at Ahmedabad plant.
- Initiated ammonia compressor operation through VFD resulted in annual savings of 44,000 kWh at Ahmedabad plant.
- Converted scattered manufacturing activities of Fat Spread product to centralized manufacturing and ensured Fat Spread product line temperature consistency, which resulted into annual saving of ₹ 2 millions (Rupees Two millions only) & 1.55 lakhs kWh at Ahmedabad plant.

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

Parameter	FY 2023-2024	FY 2022-2023
Total waste generated (in metric tonnes)		
Plastic waste (A)	419	660
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. [used oil, ETP sludge, spent oil and process residue (G)]	86	99
Other Non-hazardous waste generated (H)		
Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	784	278.7
a) Paper	488	173.3
b) Metal	40	33.1
c) Glass	7	19.7
d) Wood	78	52.3
e) General Scrap	171	0.3
Total (A+B+C+D+E+F+G+H)	1289	1037.7
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations in millions)	0.05	0.04
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations in millions adjusted for PPP)	1.24	1.02
Waste intensity in terms of physical output (MT of waste / MT of production)	0.02	0.02
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste (In MT)		
(i) Recycled	1240	938.7
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	1240	938.7
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations (co-processing)	49	99
Total	1289	1037.7

Notes:

- Purchasing Power Parity (PPP) - Revenue from operations is adjusted as per International Monetary Fund Implied PPP conversion rate.
- Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

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

There are adequate mechanisms in place to manage waste generated in different forms during our operation and manufacturing processes. All plants have a well-designed Effluent Treatment Plant (ETP). Wastewater from the production process is treated via a Common ETP and discharged in accordance with the standards set by the Pollution Control Boards. Online Continuous Effluent Monitoring System (OCEMS) is being installed in Aligarh & Sikkim plants and OCEMS system is online connected to Central Pollution Control Board (CPCB) server and details are being monitored by CPCB. We have also involved Government approved Environment Monitoring laboratories for validation of our treated water parameters against the prescribed limits by respective State Pollution Control Board. After treatment, about 80.0% to 85.0% of recycled water is used for green belt development, cleaning, housekeeping, gardening and flushing in toilets. As a result of our efforts, we have saved 2.0% ground water consumption / ton at Aligarh plant and 4.3% surface water consumption at Ahmedabad and Sikkim plants.

Other waste including e-waste, plastic waste etc. are managed according to the expectation of State Pollution Control Board.

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

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The Company does not operate in ecologically sensitive areas.			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
EIA is not mandatory for the projects which are carried out by the Company.					

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

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is compliant with the applicable environmental law/ regulations/ guidelines applicable in India.				

Leadership Indicators

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

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

(i) Name of the area: Aligarh, Ahmedabad and Sikkim.

(ii) Nature of operations: Manufacturing and R&D.

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

Parameter	FY 2023-2024	FY 2022-2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	67,118	70,004
(ii) Ground water	3,49,223	3,24,986
(iii) Third party water	Nil	Nil
(iv) Sea water / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	4,16,341	3,94,990
Total volume of water consumption (in kilolitres)	4,10,270	3,54,428
Water intensity per rupee of turnover (Water consumed / turnover in millions)	17.52	15.68

Parameter	FY 2023-2024	FY 2022-2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Ground water		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Sea water		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment - Tertiary treatment	50,287	43,620
Total water discharged (in kilolitres)	50,287	43,620

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes. Reasonable Assurance has been carried out by Intertek India Private Limited and the certificate for the same is attached to this report.

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

Parameter	Unit	FY 2023-2024	FY 2022-2023
Total Scope 3 emissions	-	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-

Notes:

- The Company did not track Scope-3 emissions for FY 2023-2024 and FY 2022-2023.
- Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No.

3. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities: The Company does not operate in ecologically sensitive areas.

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

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Installed VFD (variable frequency drive) on one of the 75 KW feed water transfer pumps in Boiler at Aligarh plant		Annual savings of 50,000 kWh
2.	Installed VFD on eight 3.70 KW main motors of Glucon-D manufacturing line at Aligarh plant		Annual savings of 1.54 Lakhs kWh
3.	Rationalization of Air Handling Unit (AHU) by installing split duct able air conditioner & baby chiller to run sachet & axomatic production hall during extended shifts and winter season, at Sikkim plant		Annual savings of 1.26 Lakhs kWh
4.	Replacement of air compressor of lower capacity to higher capacity at Ahmedabad plant	Not available	35.0% reduction of manufacturing batch loading time and contributed in annual savings of 66,000 kWh
5.	Initiated ammonia compressor operation through VFD resulted at Ahmedabad plant		Annual savings of 44,000 kWh
6.	Converted scattered manufacturing activities of Fat Spread product to centralized manufacturing and ensured Fat Spread product line temperature consistency at Ahmedabad plant		Annual savings of ₹ 2 millions (Rupees Two millions only) & 1.55 lakhs kWh.

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

Daily backups of critical servers are performed to address potential disruptions and copy of the backup tapes are available offsite. Efforts are underway to identify reputable vendors for implementing a comprehensive business continuity and disaster management plan. This initiative involves replicating servers, critical users, applications, and data to a remote data center, aimed at bolstering resilience against unforeseen events.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard: No significant adverse impact has arisen from any of the value chain of the entity.

7. Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts: Our top critical vendors were assessed representing 25.0% of the business conducted.

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:** We are associated with 6 (Six) 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.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Confederation of Indian Industry	National
2	Federation of Indian Chambers of Commerce & Industry	National
3	All India Food Processors' Association	National
4	Protein Foods and Nutrition Development Association of India.	National
5	International Market Assessment India Private (IMA)	National
6	Indian Beauty & Hygiene Association	National

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

Name of authority	Brief of the case	Corrective action taken
We have no cases pending before the Competition Commission of India ("CCI") nor have we received any notice regarding anti-competitive conduct from the CCI.		

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
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The Company engages with various stakeholders as mentioned in point 1(b) such as industry chambers, associations, governments, and regulators, to offer insights for the development and execution of public policies. This engagement, guided by principles of commitment, integrity, and transparency, prioritizes the interests of all stakeholders. The methods employed include participation in meetings, conferences, official communications, and engagement as needed.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not applicable, none of the projects are applicable for SIA Assessment in FY 2023-2024.

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable						

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

The Company visits nearby farmers of Aligarh in Uttar Pradesh and seeks to ask their grievances and provide solution to improve the health and hygiene of their cattle. Also, farmer's helpline is started to resolve issues related to animals' health and feeding. The Company also uses digital tools to redress any concerns and grievances posted by members of community on social media.

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

	FY 2023-2024	FY 2022-2023
Directly sourced from MSMEs/ small producers	12.5%	11.3%
Sourced directly from within India	94.0%	92.1%

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

Location	FY 2023-2024	FY 2022-2023
Rural	0.0%	0.0%
Semi-urban	8.6%	8.3%
Urban	43.5%	47.3%
Metropolitan	47.9%	44.4%

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not applicable	

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

S. No.	State	Aspirational District	Amount spent (In ₹)
As the average net profits of the Company calculated as per section 198 of the Companies Act, 2013 was negative, the Company was not required to carry CSR Projects during the FY 2023-2024.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No): No.
 (b) From which marginalized /vulnerable groups do you procure? Not applicable.
 (c) What percentage of total procurement (by value) does it constitute? Not applicable.

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

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not applicable.				

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

Name of the authority	Brief of the case	Corrective action taken
Not applicable.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Not applicable.			

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 customer grievance handling mechanism in place and is in compliance with the applicable rules and regulations stipulated by the regulators. Customers can reach out to the Company to complain / share feedback / for queries. Customers can either:

- a. Write a letter to Company’s registered office address, or
- b. Send an email to customercare@zyduswellness.com, or
- c. Call on customer care phone number: 18001206868.

The contact details are also available on the website of the Company. Customer’s contact details are kept confidential to comply with data privacy rules and regulations. Action on all the complaints are taken within 1 (one) working day of receiving a complaint / feedback / query by the customer care executive. The customer care team also resolves customer’s queries on usage of the Company’s products, product benefits, product availability and others.

There is a dedicated resource for handling customer complaints. Within related functions such as, Quality & Regulatory, Research & Development, Manufacturing, Marketing and Sales, as per the nature of the grievance, there are dedicated single point of contact to address and take necessary action on the complaints. All product related complaints are evaluated by Quality function and corrective actions are taken. The Company takes necessary steps to make customers aware on the usage of its products on the packs as well through digital medium including the brand websites.

The Company’s Customer First approach makes every endeavour to give replacement to all customers who have registered quality related complaints without any questions asked. Wherever possible, the products are directly sent to the customer’s address by courier or through local resources.

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

As a percentage of total turnover	
Environmental and social parameters relevant to the product	100%: There are social parameters relevant to the responsible, safe and prescribed usage of the products.
Safe and responsible usage	100%: All products of the Company have the usage/ directions mentioned on leaflets/ packaging.
Recycling and/or safe disposal	All our products which are expired or damaged and cannot be consumed, are not sold to the vendors for feeding cattle / consumption and are taken back from trade, audited by government approved agencies and disposed off as per the guidelines enumerated in the internal policy and adhering to the local laws and rules. Proof of products destroyed is maintained by the Company. Thereby, we ensure safe disposal of expired or damaged products.

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

	FY 2023-2024		Remarks	FY 2022-2023		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	-	-		-	-	
Cyber-security	0	0		0	0	
Delivery of essential services	-	-		-	-	
Restrictive trade practices	-	-		-	-	
Unfair trade practices	-	-		-	-	
Other (Customer Complaints)	1,378	0		1,196	0	

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

	Number	Reasons for recall
Voluntary recalls	Nil	N.A
Forced recalls		

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

Yes. We have a Cybersecurity Policy in place which is internally available for employees.

Additionally, we have CrowdStrike software which serves as both Endpoint detection and response (EDR) and antivirus, enforcing data privacy by blocking USB ports and controlling data flow through them.

Further, from a governance perspective, cyber risks are monitored and mitigated through the Risk Management framework implemented under Risk Management Policy, which is available on the website of the Company at <https://www.zyduswellness.com/investor/Risk%20Management%20Policy.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: There has been no incidence of product recall and no penal action was taken by regulatory authorities on safety of products.**7. Provide the following information relating to data breaches:**

- Number of instances of data breaches along-with impact:** Nil
- Percentage of data breaches involving personally identifiable information of customers:** Nil
- Impact, if any, of the data breaches:** Not applicable

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

Information on products of the Company are available on the website of the Company at www.zyduswellness.com, brand websites, brand social media handles etc.

Brand and product related information is available on brand website as mentioned below:

www.sugarfree-india.com, www.everyuth.com, www.complanforgrowth.com, www.nutralite.com, etc. Customers can also access these websites from the dedicated pages available on the website of the Company at www.zyduswellness.com under the tab "Brands".

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

On each pack of our products, there are clear indications and instructions depicting the ingredients of the product, guidance as to how to use the product, expiry date, caution for consumption of usage and storage with specific disclaimers to ensure proper usage. We also enable consumers to make better choices by imparting information to consumers through several media channels, social campaigns and provide free trials of new products through different platforms.

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

Not Applicable, as the Company does not provide any essential services.

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

Yes. The Company follows the legal requirements of Food Safety and Standards Authority of India ("FSSAI") recommended labeling guidelines for food products. The Company also has internal guidelines to check for varieties of branding aspects such as logos, claims etc.

Also, we carry out regular consumer surveys to understand consumer opinions and perceptions about our products and brands.



Science Based Assurance in
Quality, Safety & Sustainability.

Independent Reasonable Assurance Statement to Zydu Wellness Limited on their Business Responsibility & Sustainability Report (BRSR) FY2023-24-Core Disclosures.

To the Management of Zydu Wellness Ltd., Ahmedabad, India

Introduction

Intertek India Private Limited ("Intertek") was engaged by Zydu Wellness Limited ("ZWL") to provide an independent reasonable assurance on its consolidated BRSR (Business Responsibility & Sustainability Report) core disclosures for FY2023-24 as part of their Annual Report ("the Report"). The scope of the Report comprises the reporting periods of FY2023-24. The Report is prepared by ZWL based on SEBI's (Securities and Exchange Board of India) BRSR guidelines. The assurance was performed in accordance with the requirements of International Federation of Accountants (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Objective

The objectives of this reasonable assurance exercise were, by review of objective evidence, to confirm whether any evidence existed that the sustainability related disclosures in alignment with BRSR requirements, as declared in the Report, were not accurate, complete, consistent, transparent and free of material error or omission in accordance with the criteria outlined below.

Intended Users

This Assurance Statement is intended to be a part of the Annual Report of Zydu Wellness Limited.

Responsibilities

The management of ZWL is solely responsible for the development of the Report and its presentation. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Intertek's responsibility, as agreed with the management of ZWL, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The assurance has been provided for selected sustainability performance disclosures as per BRSR core disclosures with reference to SEBI's "BRSR Core - Framework for assurance and ESG disclosures for value chain" vide circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, presented by ZWL in its Report. The assurance boundary included data and information of 04 Plants, R&D Centre, other offices, and corporate office. Our scope of assurance included verification of internal control systems, data and information on core disclosures reported as summarized in the table below:

BRSR-Core Disclosures

- Total scope 1 and scope 2 emissions.
- GHG emissions intensity (scope 1 and 2).
- Water consumption, water consumption Intensity and water discharge by destination and levels of treatment.
- Total energy consumed, percentage of energy consumed from renewable sources and energy intensity.
- Waste Generation (category wise), Disposal, Recovered, Disposed and Intensity.
- Cost incurred on well-being measures of employees and workers as a percentage of total revenue of the company.
- Safety related incidents for employees and workers (LTIFR + Fatality + Permanent Disabilities) including contractual workforce.
- Gross wages paid to females as percentage of total wages paid.
- Complaints on POSH
- Input material sourced (from MSMEs/ small producers and from within India)
- Enabling inclusive development (Job creation in smaller towns and wages paid)
- Instances involving loss / breach of data of customers and Number of days of accounts payable.
- Concentration of purchases & sales done with dealers and related parties. Also loans and advances & investments with related parties.

Assurance Criteria

Intertek conducted the assurance work in accordance with requirements of 'Reasonable Assurance' procedures as per the following standard:



- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.
- International Standard on Assurance Engagements (ISAE) 3410 for 'Assurance Engagements on Greenhouse Gas Statement'

A reasonable assurance engagement involved assessing the risks of material misstatement of the agreed indicators/parameters whether due to fraud or error, responding to the assessed risks as necessary in the circumstances. A materiality threshold level of 5% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Limitations

We have relied on the information, documents, records, data, and explanations provided to us by ZWL for the purpose of our review.

The assurance scope excludes:

- Any disclosures beyond those specified in the Scope section above.
- Data and information falling outside the defined reporting period.
- Data pertaining to the Company's financial performance, strategy, and associated linkages articulated in the Report.
- Assertions made by the Company encompassing expressions of opinion, belief, aspiration, expectation, forward-looking statements, and claims related to Intellectual Property Rights and other competitive issues.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within software/IT systems.

Methodology

Intertek performed assurance work using risk-based approach to obtain the information, explanations and evidence that was considered necessary to provide a reasonable level of assurance. The assurance was conducted by desk reviews, visit to ZWL's manufacturing site in Ahmedabad and stakeholder interviews with regards to the reporting and supporting records for the fiscal year 2023-24. Our assurance task was planned and carried out during June-July, 2024. The assessment included the following:

- Review of the Report that was prepared in accordance with the SEBI's BRSR guidelines.
- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available at a selected ZWL's operational site and digitally.
- Conducted physical interviews with key personnel responsible for data management at a selected ZWL's site in Ahmedabad.
- Assessment of appropriateness of various assumptions, estimations and thresholds used by ZWL for data analysis.
- Review of BRSR core disclosures for the duration from April 1, 2023 to March 31, 2024 for ZWL was carried out onsite at a selected business location.
- Appropriate documentary evidence was obtained to support our conclusions on the information and data reviewed and details would be provided in a separate management report.

Conclusions

Intertek reviewed BRSR core disclosures provided by ZWL in its consolidated Business Responsibility and Sustainability Report (BRSR). Based on the procedures performed as above, evidences obtained and the information and explanations given to us along with the representation provided by the management and subject to inherent limitations outlined elsewhere in this report, in our opinion, ZWL's data and information on BRSR core disclosures for the period of April 1, 2023 to March 31, 2024 included in the Report, is, in all material respects, in accordance with the SEBI's BRSR guidelines.

Intertek's Competence and Independence

Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion. Intertek maintains complete impartiality towards any people interviewed.

For Intertek India Pvt. Ltd.



Sumit Chowdhury, Verifier
Sr. Manager-Sustainability

July 8, 2024



Elizabeth Mielbrecht, Reviewer
Project Director

No member of the verification team (stated above) has a business relationship with Zydus Wellness Ltd. stakeholders beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

