



**Novartis India Limited**  
Registered Office:  
Inspire BKC  
7<sup>th</sup> Floor,  
Bandra Kurla Complex  
Bandra (East)  
Mumbai – 400 051  
Maharashtra, India  
Tel +91 22 50243000  
Fax +91 22 50243010  
Email: [india.investors@novartis.com](mailto:india.investors@novartis.com)  
CIN No. L24200MH1947PLC006104  
Website: [www.novartis.com](http://www.novartis.com)

July 05, 2024

To,  
The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Scrip Code: 500672

Dear Sir/ Madam,

**Sub.: Business Responsibility and Sustainability Report for the financial year 2023-24:**

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Business Responsibility and Sustainability Report (“BRSR”) of the Company for the financial year ended 31st March, 2024 describing the initiatives taken by the Company from an environmental, social and governance perspective.

The BRSR forming part of Annual Report of the Company for F.Y 2023-24 can be accessed on the website of Company at the given link: -

<https://www.novartis.com/in-en/investors/novartis-india-financials#tabannual-reports-6996>

This is for your information and records.

Thanking you

Yours Sincerely,

For **Novartis India Limited**

Maru  
Chandni

Digitally signed by Maru Chandni  
DN: dc=com, dc=novartis,  
ou=people, ou=LE,  
serialNumber=3190945,  
cn=Maru Chandni  
Date: 2024.07.05 18:00:12 +05'30'

**Chandni Maru**  
**Company Secretary and Compliance Officer**

Encl: as above

# Business Responsibility and Sustainability Reporting

## About this Report

Novartis India Limited (“Novartis India/Company”) is deeply dedicated to advancing and enriching lives of people. Guided by the highest standards of integrity and quality, we continue to foster a culture that relentlessly pursues novel strategies to expand access to our medicines, thus serving patients more effectively.

This Business Responsibility and Sustainability Report (BRSR) seeks to disclose our performance against the nine principles of the ‘National Guidelines on Responsible Business Conduct’ (NGBRCs). The BRSR will help the investors and other stakeholders understand the sustainable businesses practice adopted by Novartis that prioritize the environment, people and society. Each principle of the BRSR is further divided into Essential Indicators and Leadership Indicators. Essential Indicators must be reported on a mandatory basis, while the reporting of Leadership Indicators is voluntary. Considering this as our second year, we have opted to disclose all Essential Indicators and few leadership Indicators.

As Novartis India is a trading entity, many indicators do not apply to us. Therefore, we have appropriately labeled them as “not applicable.”

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L24200MH1947PLC006104
2. Name of the Listed Entity	Novartis India Limited
3. Year of Incorporation	1947
4. Registered office address and Corporate Office Address	Inspire BKC 7 <sup>th</sup> Floor, Bandra Kurla Complex, Bandra East, Bandra (East), Mumbai, Bandra, Maharashtra, India, 400051.
5. Email	india.investors@novartis.com
6. Telephone	+91 22 50243000
7. Website	<a href="https://www.novartis.com/in-en/">https://www.novartis.com/in-en/</a>
8. Financial year for which reporting is being done	1 <sup>st</sup> April 2023 – 31 <sup>st</sup> March 2024
9. Name of the Stock Exchange(s) where shares are listed	BSE Limited
10. Paid-up Capital	INR 123,453,985
11. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Ms. Chandni Maru Company Secretary and Compliance Officer Email ID: india.investors@novartis.com Contact No: +91 22 50243000
12. Reporting Boundary	Standalone
13. Name of assurance provider	This year we have not obtained assurance.
14. Type of assurance obtained	

## II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Pharmaceuticals	Trading	100%

16. 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.	Wholesale of pharmaceutical and medical goods	46497	100%

## III. Operations

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

Location	Number of plants	Number of offices	Total
National	—	3*	3*
International	—	—	—

\*The Company is operating through 22 states in India. However, it is operating from three offices only.

18. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	22*
International (No. of Countries)	—

\*The number is based on GST registrations.

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

c. A brief on types of customers

Our customer base includes distributors, private hospitals and Government Institutions to whom we sell our products.

## IV. Employees

19. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total A	Male		Female	
			No. B	B/A %	No. C	C/A %
<b>Employees</b>						
1.	Permanent	62	52	84%	10	16%
2.	Other than Permanent	7	0	0	7	100%
3.	<b>Total employees</b>	69	52	75%	17	25%
<b>Workers</b>						
4.	Permanent	—	—	—	—	—
5.	Other than Permanent	11	9	82%	2	18%
6.	<b>Total workers</b>	11	9	82%	2	18%

b. Differently abled Employees and workers:

S. No.	Particulars	Total A	Male		Female	
			No. B	B/A %	No. C	C/A %
<b>Differently abled Employees</b>						
1.	Permanent	—	—	—	—	—
2.	Other than Permanent	—	—	—	—	—
3.	<b>Total differently abled employees</b>	—	—	—	—	—
<b>Differently Abled Workers</b>						
4.	Permanent	—	—	—	—	—
5.	Other than permanent	—	—	—	—	—
6.	<b>Total differently abled workers</b>	—	—	—	—	—

20. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
		No.	%
Board of Directors	7*	3	42.85
Key Management Personnel	3*	1	33.33

\*Mr Sanjay Prabhakar Murdeshwar, resigned from the position of Managing Director w.e.f closure of business hours of 2<sup>nd</sup> April, 2024; Mr. Nikhil Malpani, resigned from the position of Company Secretary w.e.f closure of business hours of 30<sup>th</sup> April, 2024.

21. Turnover rate for permanent employees and workers:

	FY 2023-24			FY 2022-23			FY2021-22		
	Male	Female	Total	Male	Female	Total*	Male	Female	Total
<b>Permanent Employees</b>	11%	10%	11%	21%	9%	19%	151%	100%	147%
<b>Permanent Workers</b>	—	—	—	—	—	—	—	—	—

\* Novartis India entered into an exclusive sales and distribution agreement with Dr. Reddy's Laboratories for a few of its Established Medicines which includes the Voveran® range, the Calcium range and Methergine in FY 2021-22. This strategic business decision led to the separation of approximately 400 employees of Novartis India due to role redundancies. Therefore, the attrition rate for 2021-22 is high.

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

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

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Novartis AG	Holding	70.68	No*

\* Novartis AG, being a foreign entity is governed by laws of host country. However, Novartis AG has aligned its practices to global sustainability standards.

**VI. CSR Details**

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

(ii) Turnover (in ₹) – 3,787.40 million (As on 31<sup>st</sup> March, 2023)

(iii) Net worth (in ₹) – 7,756.60 million (As on 31<sup>st</sup> March, 2023)

## VII. Transparency and Disclosures Compliances

24. 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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Refer Note 1	—	—	—	—	—	—
Investors (other than shareholder)	Refer Note 1	—	—	—	—	—	—
Shareholders	Refer Note 1	15	—		17	1	Closed in April 2023
Employees and workers	Refer Note 1	4	3	Pending complaints will be closed in due course	—	—	
Customers	Refer Note 1	25	8	One closed in the month of April and others will be closed in due course	38	4	One was closed in April 2023. Other pending complaints are under investigation and will be closed within due date.
Value Chain Partners	Refer Note 1	—	—	—	—	—	—
Other (please specify)	Refer Note 1	—	—	—	—	—	—

### Note

1. Novartis India has Vigil Mechanism & Whistle Blower Policy which allows any of the stakeholders to raise concerns. The same is available at [https://www.novartis.com/sites/novartis\\_in/files/Vigil%20Mechanism%20%26%20Whistle%20Blower%20Policy\\_.pdf](https://www.novartis.com/sites/novartis_in/files/Vigil%20Mechanism%20%26%20Whistle%20Blower%20Policy_.pdf)

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

At Novartis India, we are committed in meeting the expectations of all those who are influenced by our operations or impact them directly. To achieve this, we diligently identify key areas where we can generate substantial value for both our stakeholders and society at large. These key areas are stated below:

S. No.	Material issue identified	Sub Topic	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Business Ethics	Professional practices	Risk	Any deviation from the standards of ethical business conduct would adversely impact the trust with patients and society. Non-compliance with professional practice can lead to penalty, fines and impact the business continuity	We are committed to the same high standards of ethical business conduct wherever we do business. Interacting in an ethical manner and operating with integrity has a profound impact on finding new ways to expand patient access to our treatments and building trust with society.	Negative
2.	Business Ethics	Data Privacy	Risk	Non-compliance to GDPR Laws leading to fines and penalties, operational inefficiencies and loss of reputation	Novartis India will adhere to its Data Privacy principles and ensure its external service providers also commit to these principles.	Negative
3.	Business Ethics	Information and Cyber Security	Risk	Misuse of Patient's and Partner's confidential information which can lead to productivity and reputational damage	<ul style="list-style-type: none"> <li>To protect our data and technology and ensure that information is kept safe from theft, loss, misuse or disclosure.</li> <li>We will take accountability for the information and technology we handle.</li> </ul>	Negative
4.	Business Ethics	Anti Bribery/ Fair Competition	Risk	It erodes trust with stakeholders and reduces access to public services including health and education.	To ensure that our business judgement is not influenced by personal interests, we will not tolerate any form of Bribery and Corruption. Also we will not engage in agreements or conduct that unlawfully prevent or restrict competition. We are proud to compete on the merits of our products alone.	Negative

S. No.	Material issue identified	Sub Topic	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Access and Affordability	Access to medicine	Opportunity	To bring more of our medicines to more people, no matter where they are.	NA	Positive
6.	Product quality and Patient safety	Patient Safety Drug Safety	Risk	Product Quality and Safety issues might impact our ability to fulfill the demand of our patients and impair the value for our stakeholders.	<ul style="list-style-type: none"> <li>• Patient health and safety is fundamental to our business. Our activities are focused on three key areas: product quality, pharmacovigilance and combating falsified medicines.</li> <li>• Our objective is to follow strict safety monitoring and evaluation processes at every stage of the product lifecycle as well as the supply chain. The safety of medicines and treatment of waterpatients is of critical importance. Medicines and treatments can have potentially undesirable effects. Reporting those adverse events is critical in order to take appropriate actions to safeguard patient safety.</li> </ul>	Negative
7.	Regulatory Compliance	Regulatory Environment	Risk	Non-compliance could lead to monetary penalties or impact on Novartis India's reputation or both	Complying with customs regulations, export controls, and DCGI/State regulatory policies allows us to deliver our medicines in a timely manner to patients who need them, whilst building trust with society.	Negative

S. No.	Material issue identified	Sub Topic	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	People and Culture	Promotion of Diversity, Equity and Inclusion	Opportunity	Being inclusive of all individuals helps us generate new ideas, drive innovation, understand our stakeholders and be closer to patients.	NA	Positive
9.	People and Culture	Employee Health & Safety and Employee Well Being	Risk	Adverse Impact on Employee Health & Safety and employee wellbeing could lead to regulatory and reputational and could negatively impact the long term sustainability	<ul style="list-style-type: none"> <li>To protect and promote the health and safety of our associates, visitors, patients and the communities in which we operate.</li> <li>We ensure a rigorous process to identify and mitigate health and safety risks, and promote leading health and safety best practices.</li> <li>To create a safe place to work, where all our associates have an equal opportunity to succeed.</li> <li>We will not tolerate discrimination, harassment, retaliation, bullying or incivility.</li> <li>We value the contributions of all of associates, and encourage them to express themselves and their opinions freely in a professional way.</li> </ul>	Negative
10.	Sustainable Environment	Energy Efficiency and Climate Change	Risk	Excessive use of energy can negatively impact the environment and also increase the cost of overheads for the Company.	To minimize the environmental impact of our activities and products over their lifecycle.	Negative



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No) <sup>1</sup>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available <sup>2</sup>	Please refer footnote 2 below.								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	All the Company's policies are aligned with Novartis AG's global best practices and in compliance with Indian laws and regulations.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Novartis India follows guidance received from Novartis AG on ESG principles.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance against goals is provided in this report under respective principles.								
<b>Governance, leadership and oversight</b>										
7.	<p><b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements</b></p> <p>Novartis India is committed to improve and extend people's lives. We are enabling a culture to find efficient ways of increasing access to our medicines, to help patients. We operate with the highest values, integrity and quality standards. Novartis India Limited is aligned to our parent company, Novartis AG's Global Sustainability commitments for 2025.</p> <p>From ESG perspective, some of our initiatives at our offices include installation of Energy Efficient Lighting System consisting of LED Lighting reducing the energy consumption up to 90%, occupancy and motion-based sensor LEDs at all workstations and meeting rooms, for reduction of energy consumption when not in use and designing the office space such that it maximizes the use of natural light.</p> <p>Similarly, a comprehensive Standard Operating Procedure (SOP) has been developed outlining procedures for the retrieval and safe disposal of expired/defected products. As per government protocol and at government approved waste disposal management facilities products are disposed/ incinerated.</p> <p>All our people and culture centric initiatives are also in line with our global policies, tailored as per local laws that take precedence.</p> <p>We are also extending this to our external service providers and spearheading the implementation of ESG practices for third-party partners. All new contracts and amendments will mandatorily include the Environment Sustainability criteria as an annexure.</p>									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN: 09775615 Name: Shilpa Shashank Joshi Designation: Whole-Time Director and CFO								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Name: Shilpa Shashank Joshi Designation: Whole-Time Director and CFO								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	We regularly assess our performance against policies, conducting periodic reviews and make need based changes to ensure alignment with our objectives and values.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the regulations, as applicable.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No. However, there is an internal monitoring mechanism in place								

**Notes:**

- Standards and Policies adopted by the Company's global parent have been put in place in India noted by the Board, Committees and Head of Departments. The statutory polices have been approved by the Board, Committee or Head of Department as per statutory requirements.
- All the policies and Procedures are derived from Code of Conduct which is a sacrosanct document for conducting business of the Company. The same is available at [https://www.novartis.com/sites/novartis\\_com/files/code-of-ethics-english.pdf](https://www.novartis.com/sites/novartis_com/files/code-of-ethics-english.pdf).
- The other policies of the Company are provided below:

Name of Policy/ Code	Linkage to principle	Weblink
<b>Code of Ethics</b>	P1, P2, P3, P4, P5, P6, P7, P8, P9	<a href="https://www.novartis.com/sites/novartis_com/files/code-of-ethics-english.pdf">https://www.novartis.com/sites/novartis_com/files/code-of-ethics-english.pdf</a>
<b>Anti-bribery-Policy</b>	P1	<a href="https://www.novartis.com/sites/novartis_com/files/anti-bribery-policy-en.pdf">https://www.novartis.com/sites/novartis_com/files/anti-bribery-policy-en.pdf</a>
<b>Professional Practices Policy</b>	P1	<a href="https://www.novartis.com/sites/novartis_com/files/p3-professional-practices-policy.pdf">https://www.novartis.com/sites/novartis_com/files/p3-professional-practices-policy.pdf</a>
<b>Conflicts of Interest Guideline</b>	P1	<a href="https://www.novartis.com/sites/novartis_com/files/conflict-of-interest-guideline.pdf">https://www.novartis.com/sites/novartis_com/files/conflict-of-interest-guideline.pdf</a>

Name of Policy/ Code	Linkage to principle	Weblink
<b>Fair Disclosure Code</b>	P1	<a href="https://www.novartis.com/in-en/sites/novartis_in/files/2022-02/code-of-practices-and-procedures-for-fair-disclosure-of-unpublished-price-sensitive-information.pdf">https://www.novartis.com/in-en/sites/novartis_in/files/2022-02/code-of-practices-and-procedures-for-fair-disclosure-of-unpublished-price-sensitive-information.pdf</a>
<b>Health, Safety &amp; Environment Policy</b>	P2, P3, P6	<a href="https://www.novartis.com/sites/novartis_com/files/health-safety-environment-policy.pdf">https://www.novartis.com/sites/novartis_com/files/health-safety-environment-policy.pdf</a>
<b>Global Parental Leave Guideline</b>	P3	<a href="https://www.novartis.com/sites/novartis_com/files/global-parental-leave-guideline-public.pdf">https://www.novartis.com/sites/novartis_com/files/global-parental-leave-guideline-public.pdf</a>
<b>Human Rights Commitment Statement</b>	P3, P5, P7, P8, P9	<a href="https://www.novartis.com/sites/novartis_com/files/novartis-human-rights-commitment-statement.pdf">https://www.novartis.com/sites/novartis_com/files/novartis-human-rights-commitment-statement.pdf</a>
<b>Third Party Code</b>	P5	<a href="https://www.novartis.com/sites/novartis_com/files/novartis-third-party-code-v-3.pdf">https://www.novartis.com/sites/novartis_com/files/novartis-third-party-code-v-3.pdf</a>
<b>CSR Policy</b>	P8	<a href="https://www.novartis.com/in-en/sites/novartis_in/files/2022-02/CSR%20Policy_NIL_March%202021.pdf">https://www.novartis.com/in-en/sites/novartis_in/files/2022-02/CSR%20Policy_NIL_March%202021.pdf</a>
<b>Novartis Privacy Hub</b>	P9	<a href="https://www.novartis.com/privacy">https://www.novartis.com/privacy</a>

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)					NA				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)					NA				
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					NA				
It is planned to be done in the next financial year (Yes/No)					NA				
Any other reason (please specify)					NA				

## 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	% age of persons in respective category covered by the awareness programmes
Board of Directors	6		100%
Key Managerial Personnel	6	Code of Ethics, POSH, Adverse Events, Compliance, TPRM for value chain partner, Sustainability and safety trainings <sup>1</sup>	100%
Employees other than BoD and KMPs	5		100%
Workers	1	Safety trainings <sup>1</sup>	100%

#### Notes:

1. *With a strong foundation in compliance ingrained in our DNA, our training programs prioritize addressing the various compliance requirements outlined in the Company's policies and codes. Additionally, our Board of Directors receives comprehensive updates on economic forecasts, industry dynamics, and emerging business trends to stay informed and responsive.*
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): **Nil**
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: **NA**.
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 Novartis has in place a robust Anti-Bribery Policy that addresses various contexts where bribery issues may arise. These include critical aspects of business ethics and corruption, such as conflicts of interest and passive bribery (e.g., receiving a bribe), as well as insider trading, are regulated separately.  
  
Aligned with global best practices within the Novartis Group, the policy prohibits associates from engaging in bribery or corruption, and from utilizing intermediaries, such as agents, consultants, advisers, distributors, or any other business partners, to facilitate such acts.  
  
For transparency and accessibility, the Policy is readily available on the company's website and can be accessed at [https://www.novartis.com/sites/novartis\\_com/files/anti-bribery-policy-en.pdf](https://www.novartis.com/sites/novartis_com/files/anti-bribery-policy-en.pdf)  
  
The aspects of anti-corruption are covered in the Code of Conduct which is also available at [https://www.novartis.com/sites/novartis\\_com/files/code-of-ethics-english.pdf](https://www.novartis.com/sites/novartis_com/files/code-of-ethics-english.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: **Nil**

6. Details of complaints with regard to conflict of interest: Nil. All the transactions with Related Parties are governed by Policy for Dealing with Related Party Transactions. All the transactions with related parties are approved by the Audit Committee as a part of omnibus approval mechanism and Board, if required under the applicable law and Material Related Party transactions, if any, are approved by the shareholders of the Company.

	FY 2023-24			
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.– **NA**
8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	92.50	84.17

9. Open-ness of business

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

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses.	Nil	Nil

Parameter	Metrics	FY 2023–24 (Current Financial Year)	FY 2022–23 (Previous Financial Year)
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	96.10%	97.93%
	b. Number of dealers/ distributors to whom sales are made	2134	2461
	c. Sales from top 10 dealers/distributors as % of total sales to dealers/distributors	63.90%	64.26%
Share of RPTs in	a. Purchases (Purchases with related parties/ total Purchases)	40.50%	37.40%
	b. Sales (Sales with related parties/ total Sales)	Nil	Nil
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties/ Total Investments made)	Nil	Nil

### Leadership Indicators

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

Yes, Novartis has in place a comprehensive 'Code of Conduct for Board of Directors and Senior Management' ('Code') and a Related Party Transaction Policy ('RPT'), which has been formulated to address potential conflicts of interest. All transactions involving related parties are governed by Policy for Dealing with Related Party Transactions.

These transactions are subject to thorough scrutiny and approval by the Audit Committee. Additionally, in compliance with applicable laws, any Material Related Party transactions undergoes additional approval by the shareholders of the Company. This stringent framework underscores our commitment to accountability and transparency in every aspect of our operations.

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

### Essential Indicators

- 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.

	Current Financial Year	Previous Financial Year	Details of Improvements in environmental and social impacts
R&D	Nil	Nil	Nil
Capex	Nil	Nil	Nil

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

Novartis India is spearheading the implementation of ESG practices for third-party partners. To promote sustainable and environmentally compliant partnerships, Novartis India has developed an Environmental Sustainability Criteria, which aligns with Novartis' Global Sustainability commitments for 2025. Environmental and Sustainability clauses are also included in the purchase order terms and conditions for non-contractual purchases, which further reinforce the Company's commitment to ESG. We are in process of setting up standard operating procedure to track the percentage of inputs that were sourced sustainably.

- 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.

Being a pharmaceutical company, Novartis India has implemented stringent protocols for the retrieval and safe disposal of expired or defective products, primarily through incineration. Any products identified as expired or defective undergo thorough analysis to ensure proper handling. A comprehensive Standard Operating Procedure (SOP) has been devised, delineating the specific responsibilities of each individual within the supply chain and outlining the precise steps for the safe disposal of these products. This SOP is subject to periodic review to uphold its effectiveness.

The SOP encompasses training programs tailored for personnel involved in handling expired or defective products, equipping them with the requisite skills to execute their duties safely and efficiently. Novartis India's unwavering commitment to safe and responsible product disposal underscores its dedication to upholding elevated standards of Environmental, Social, and Governance (ESG) practices across its operations.

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

Yes, the waste collection plan is in line with Extended Producer Responsibility plan submitted to Pollution Control Boards.

## 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?

No, as the Novartis India is trading entity, it has not carried out Life Cycle Assessment of the products sold by it.

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.

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).

Not Applicable.

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

Not applicable as Novartis India is only a trading entity.

## 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 <sup>1</sup>	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	52	52	100	52	100	NA	NA	52	100	NA	NA
Female	10	10	100	10	100	10	100	NA	NA	NA	NA
<b>Total</b>	<b>62</b>	<b>62</b>	<b>100</b>	<b>62</b>	<b>100</b>	<b>10</b>	<b>100</b>	<b>52</b>	<b>100</b>	<b>NA</b>	<b>NA</b>
<b>Other than Permanent employees<sup>2</sup></b>											
Male	0	—	—	—	—	—	—	—	—	—	—
Female	7	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>7</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

#### Notes:

1. Company provides its employees (both male and female) an allowance upto the age of two years of the child to compensate the daycare facility or creche charges. This provides flexibility to the associates to balance their work alongwith the caregiving responsibilities and facilitates their ability to meet both personal and professional obligations. By prioritizing the needs of its employees in this way, the Company demonstrates its commitment to fostering a supportive and inclusive work environment that enables individuals to thrive both in and out of the workplace.
2. The category 'Other than permanent employees' are not being governed by Company's policies.



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)
<b>Permanent workers</b>											
Male	—	—	—	—	—	—	—	—	—	—	—
Female	—	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	—	—	—	—	—	—	—	—	—	—	—
<b>Other than Permanent workers<sup>1</sup></b>											
Male	9	9	100%	9	100%	NA	NA	9	100%	NA	NA
Female	2	2	100%	2	100%	2	100%	NA	NA	NA	NA
<b>Total</b>	11	11	100%	11	100%	2	100%	9	100%	NA	NA

Notes:

- The category 'Other than permanent workers' are governed by the third party vendors who are providing services. The Company validates the compliances provided to them. The workers are covered under the Employee State Insurance Act.

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.07%	0.03%

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

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	NA	100	100	NA
ESI	—	100	Y	—	100	Y

- 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.

The premises/ offices of the Company including the registered and corporate offices are easily accessible to differently abled employees and workers.

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

Yes, Novartis India has Equal Opportunity Policy as per Rights of Persons with Disability Act, 2016. The Policy outlines the Company's commitment to practice of non-discriminatory employment.

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	NA	0%	NA	NA
Female	NA	0%	NA	NA
<b>Total</b>	NA	0%	NA	NA

*Notes*

1. There were no employees who were due to return during the year 2023–24.

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

	Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	Yes	The Speak Up Office, established in accordance with the Whistleblower Policy, serves as a dedicated channel for employees, workers, and external individuals to voice their grievances or report instances of misconduct  This channel is available 24/7 and can be accessed from anywhere. The same can be accessed at <a href="https://www.novartis.com/esg/ethics-risk-and-compliance/ethical-behavior/speakup">https://www.novartis.com/esg/ethics-risk-and-compliance/ethical-behavior/speakup</a>
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

8. Details of training given to employees and workers:

Category	FY 2023–24					FY 2022–23				
	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)
<b>Permanent Employees</b>										
Male	52	52	100	52	100	56	56	100	56	100
Female	10	10	100	10	100	11	11	100	11	100
<b>Total</b>	62	62	100	62	100	67	67	100	67	100
<b>Permanent Workers – NA</b>										
Male	—	—	—	—	—	—	—	—	—	—
Female	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	—	—	—	—	—	—	—	—	—	—

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

Category	FY 2023–24 Current Financial Year			FY 2022–23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Permanent Employees</b>						
Male	52	52	100	56	56	100
Female	10	10	100	11	11	100
<b>Total</b>	62	62	100	67	67	100
<b>Permanent Workers – NA</b>						
Male	—	—	—	—	—	—
Female	—	—	—	—	—	—
<b>Total</b>	—	—	—	—	—	—

10. Health and safety management system:

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

Yes, we have implemented a robust health and safety management system that facilitates the reporting, tracking, and appropriate actions taken in response to any health and safety incidents across Novartis India. This system is designed to cover all employees of Novartis India, ensuring comprehensive safety measures throughout the organization.

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

At Novartis India, we are committed to providing a safe and healthy workplace environment. As a part of the safety management system and practices, we continuously monitor potential hazards and risks. Additionally, the health and safety management systems allows the employees to raise their issues regarding work related hazards or risks, which enables us to proactively takes step to mitigate it.

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

Yes, Novartis India is dedicated to ensuring the health and safety of its employees and workers. Regular training sessions are conducted to create awareness amongst employees and workers on recognizing and reporting work-related hazards, as well as on the importance of removing themselves from such risks. They are encouraged to report any work-related hazards through various communication channels, including directly to HR, their reporting manager, or through online reporting systems.

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

Yes, all the employees are provided with comprehensive health insurance/medical insurance, which provides them access to medical and healthcare services for both non-occupational and occupational health issues.

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	—	7.28
	Workers	—	—
Total recordable work-related injuries	Employees	—	1
	Workers	—	—
No. of fatalities	Employees	—	—
	Workers	—	—
High consequence work-related injury or ill-health (excluding fatalities)	Employees	—	—
	Workers	—	—

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

Novartis India is committed to fostering a safe and healthy work environment for its employees and workers. By conducting management walkthroughs and utilizing daily reporting mechanism, the management implements corrective and preventive action plans derived from insights gained from past incidents. This proactive approach aims to prevent recurring injuries by sharing valuable lessons learned with employees and workers. Furthermore, Novartis India consistently conducts training sessions based on the requirements and also run safety programs to uphold workplace safety and health standards.

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

	FY 2023-24			FY 2022-23		
	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	—	—
Health & Safety	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.

There were no significant risks or concerns identified basis the assessment carried out by us. As stated before, a Corrective and Preventive Action plan is rolled out for all safety incidents, including thorough investigations and reports to determine the root cause of each incident. These findings are then incorporated into training modules to prevent similar incidents from occurring in the future.

## 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.

While selecting the stakeholder group we have selected a group of individuals, firms, entities who are most crucial to our business operations and revolve around our business ecosystem. These comprise of both internal and external stakeholders. These stakeholder groups are identified after thorough analysis and deliberation by leaders across Novartis India.

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

Stakeholder Groups	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
Patients and caregivers	Yes	Website, patient assistance program, pharmacovigilance helpline.	Periodic and Event based	To provide awareness about the products and understand their needs.
Healthcare professionals	No	Website, Seminars, Sales Representatives	Periodic and Event based	To take feedback on the products and understand patient needs.
Employees	No	Employee Engagement Survey, Townhalls, Awards and Recognition Appraisal.	Daily, Event based	To understand the needs, communicate performance of Company, and recognize them for their performance.
Suppliers/ Service providers	No	Audits, Supplier Meetings.	Periodic and Event based	To provide periodic trainings about the products and safety, conduct audits to ensure they are meeting standards set out by Novartis India and to understand their concerns
Government, Regulatory Authorities and Policy makers	No	One to one or group meetings.	Periodic and Event based	To submit application for drug approvals/ holding marketing authorizations, represent the Company on various matters
Shareholders and Investors	No	Quarterly Results through stock exchanges, General Meetings, emails, newspaper advertisements, notices, Annual Report, Website.	Annual, Quarterly and Event based	Intimation of the business performance of the Company and understand their expectations from the Company.
Local Community	Yes	Non Governmental Organizations/ implementation partner.	Periodic and Event based	To understand the needs community around business eco system and support the marginalized and vulnerable groups as per Company's CSR Policy

## 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.

Novartis India believes in order to improve its performance and strategy, it must communicate with its key stakeholders consistently. Stakeholder consultations are normally carried out by the executives and functional heads of Company who seek feedback frequently through various platforms. These engagements provide invaluable feedback that plays a crucial role in the Company's commitment to sustainability. The feedback obtained from these interactions is then brought to the attention of the Board to ensure that the concerns and ideas of its stakeholders are given due consideration. Novartis India has a well-defined process in place for addressing suggestions, complaints, and grievances, which are carefully evaluated based on their significance. Depending on the nature and scope of the issues, they are referred to the appropriate committee of the Board.

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

Yes, as provided in answer to question number 1 of leadership indicators in Principle, 4, the management regularly interacts with our stakeholders to identify the environmental and social topics. As part of materiality assessment, the management of the Company basis the feedback of the internal stakeholders, industry benchmark and global standards identified key material environmental, social and governance topics. Novartis India constantly endeavours to make changes in its policies, strategies, business practices, operations basis the feedback and suggestions of the stakeholders. These practices are covered in disclosures under the heads of different principles.

## 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 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	62	62	100	67	67	100
Other than permanent	7	7	100	7	7	100
<b>Total Employees</b>	69	69	100	74	74	100
<b>Workers</b>						
Permanent	—	—	—	—	—	—
Other than permanent	11	—	—	13	—	—
<b>Total Workers</b>	11	—	—	13	—	—

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

Category	FY 2023-24					FY 2022-23				
	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)
<b>Employees</b>										
<b>Permanent</b>										
Male	52	—	—	52	100	56	—	—	56	100
Female	10	—	—	10	100	11	—	—	11	100
<b>Other than Permanent</b>										
Male	0	—	—	0	100	3	—	—	3	100
Female	7	—	—	7	100	4	—	—	4	100
<b>Workers</b>										
<b>Permanent</b>										
Male	—	—	—	—	—	—	—	—	—	—
Female	—	—	—	—	—	—	—	—	—	—
<b>Other than Permanent</b>										
Male	9	9	100	—	—	10	—	—	10	100
Female	2	2	100	—	—	3	—	—	3	100

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

a. Median remuneration / wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	10 lakh	3	10 lakh
Key Managerial Personnel	2	1.14 crore	1	1.24 crore
Employees other than BoD and KMP	50	13.84 lakh	9	13.81 lakh
Permanent Workers	NA	NA	NA	NA

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

	F.Y. 2023-24	F.Y. 2022-23
Gross wages paid to females as % of total wages	15.27%	14.36%

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, access to remedy is a core human rights principle, articulated in Article 8 of the UDHR and Article 2 of the ICCPR. We strive to provide adequate access to a grievance mechanism for all affected rightsholders, consistent with the “Effectiveness Criteria” in the UNGPs, and to remediate harms consistent with the UNGPs. Our SpeakUp channel, is an independent channel to addresses all issues related to Human Rights amongst the others.

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

As sated above, our Speak Up channel, is an independent channel to addresses all issues related to Human Rights amongst the others is available to employees. The SpeakUp Office helps Novartis India act with the highest ethical standards in the following ways:

- Empowering associates to speak up without fear.
- Treating those that trust us with their concerns with respect, fairness, confidentiality and protection against retaliation
- Establishing the facts and trying to understand the truth with a sense of urgency
- Ensuring fair and consistent remedial actions
- Providing feedback to those courageous enough to raise concerns

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

	FY 2023–24 Current financial year			FY 2022–23 Previous financial year		
	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	—	—		—	—	
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 2023–24 Current Financial Year	FY 2022–23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	NA	NA

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

Novartis India has instituted the SpeakUp Office as a grievance mechanism, enabling both employees and external parties to report potential misconduct confidently, without fear of reprisal. Additionally, we provide tailored training to employees in high-risk functions or locations and fosters awareness throughout the organization regarding the importance of respecting human rights. Novartis India actively engages with stakeholders to listen to their concerns, collaborates on collective actions when needed, and provides regular updates on its progress.



9. Do human rights requirements form part of your business agreements and contracts?  
Yes, Novartis India contractually binds third-party to abide by the standards on quality, ethics, and human rights and applicable laws.

10. Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child Labour	Nil
Forced Labour	Nil
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%

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

There were not significant risks/concerns identified during the year.

### Leadership Indicators

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

Not Applicable, as there were no Human Rights related complaints during FY 2023–24.

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

The scope of assessment included well being of employees, discrimination at work place, any kind of harassment and wages which covered 100% of Novartis India operations.

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

Yes.

## 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:

<b>Parameter</b>	<b>FY 2023–2024 (Current Financial Year)</b>	<b>FY 2022–2023 (Previous Financial Year)</b>
<b>From renewable sources</b>		
Total electricity consumption (A)	NIL	NIL
Total fuel consumption (B)	NIL	NIL
Energy consumption through other sources (C)	NIL	NIL
<b>Total energy consumed from renewable sources (A+B+C)</b>	NIL	NIL
<b>From non-renewable sources</b>		

Parameter	FY 2023–2024 (Current Financial Year)	FY 2022–2023 (Previous Financial Year)
Total electricity consumption (D)	1105 GJ	937.77 GJ
Total fuel consumption (E)	NIL	NIL
Energy consumption through other sources (F)	NIL	NIL
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	1105 GJ	937.77 GJ
<b>Total energy consumed (A+B+C+D+E+F)</b>	1105 GJ	937.77 GJ
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	0.00	0.00
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	0.00	0.00
<b>Energy intensity in terms of physical output</b>		
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

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. No

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–

*None of any sites/facilities comes under PAT Scheme of the Government of India.*

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

Parameter	FY 2023–24	FY 2022–23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others Municipal	514.41	1783
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	514.41	1783
<b>Total volume of water consumption (in kilolitres)</b>	514.41	1783
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	0.00	0.00
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	<b>NA</b>	<b>NA</b>

Since the Company does not have its own manufacturing facility and has taken the office space on lease, the data has been extrapolated basis data provided by common building management team and is based on the leased out area as against the occupied area. The Company does not have any data for direct consumption.

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. No

4. Provide the following details related to water discharged:

Since the offices of the Company are in commercial buildings, the water discharged is not tracked by the Company.

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

Since Company is trading entity and does not own any premises, this is NA

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

Parameter	Unit	FY 2023–24	FY 2022–23
Nox		Nil	Nil
Sox		Nil	Nil
Particulate matter (PM)		Nil	Nil
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC)		Nil	Nil
Hazardous air pollutants (HAP)		Nil	Nil
Others – please Specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

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

Parameter	Unit	FY 2023–24	FY 2022–23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	Not tracked	Not tracked
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	253.00	211.00
<b>Total Scope 1 and Scope 2 emissions per rupee of Turnover</b>		0.00	0.00
<b>Total Scope 1 and Scope 2 emission intensity</b> ( <i>optional</i> ) – the relevant metric may be selected by the entity		NA	NA
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>		0.00	0.00
(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)			

Parameter	Unit	FY 2023–24	FY 2022–23
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		NA	NA
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity		NA	NA

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. No

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

Since Novartis India has accounted for electricity consumption, all its initiatives are around energy savings which leads to reduction in Scope 2 emissions. A few of the initiatives are provided below:

- Energy Efficient Lighting System consisting of LED Lighting installed on office floors. This has the potential of reducing the energy consumption of upto 90% as against the traditional lightning.
- Occupancy and motion-based sensor LEDs are installed at all workstation areas and meeting rooms, for reduction of energy consumption when not in use.
- In order to reduce energy consumption through usage of lights, the office space is designed to provide ample of natural light from the façade

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

Parameter	FY 2023–24	FY 2022–23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste <b>(A)</b>	Nil	Nil
E-waste <b>(B)</b>	Nil	1.13
Bio-medical waste <b>(C)</b>	Nil	Nil
Construction and demolition waste <b>(D)</b>	Nil	Nil
Battery waste <b>(E)</b>	Nil	Nil
Radioactive waste <b>(F)</b>	Nil	Nil
Other Hazardous waste. Please specify, if any. <b>(G)</b>	48.92*	157.54*
Other Non-hazardous waste generated (H). Please specify, if any. General Waste	2.28	1.40
Carton box	1.82	1.83
Total (A + B + C + D + E + F + G + H)	53.02	161.90

Parameter	FY 2023–24 (Current Financial Year)	FY 2022–23 (Previous Financial Year)
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.00	0.00
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.00	0.00
<b>Waste intensity in terms of physical output</b>	NA	NA
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	NA	NA

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	48.92*	157.54*
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations Recycled e-waste through third party	Nil	1.13
<b>Total</b>	48.92*	158.67

\*As a part of data strengthening and accuracy exercise, the data for previous year has been added.

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. No

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

Being a trading entity, we do not generate hazardous waste. All the e-wastes and paper wastes are sold to authorised dealers who disposes recycles/disposes them in environmentally sustainable manner. The hazardous waste mainly consists of expired/damaged medicines which are disposed as per the regulatory requirements.

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.
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Our office is not located 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
—	—	—	—	—	—

The Company does not cause adverse impacts on the regional environment and biodiversity, as it is only into trading.

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 environmental laws. Therefore, this question is not relevant.

## 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.<sup>4</sup>
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Organization of Pharmaceutical Producers of India	National
2.	Federation of Indian Chambers of Commerce & Industry	National
3.	Healthcare Federation Of India (NATHEALTH)	National
4.	Swiss Indian Chamber of Commerce	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. **NA**

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

### Essential Indicator

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

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

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)

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

While the whistle blower/ vigil mechanism is available with community for raising their grievances regarding, conduct of business, ethics, human rights etc, Novartis India also engages with NGOs to take feedback and understand their concerns.

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

	FY 2023–24	FY 2022–23
Directly Sourced through MSME/small producers	3.45%	3.82%
Directly from within India	55.81%	30.96%

- 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 Current Financial Year	FY 2022–23 Previous Financial Year
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	Nil	Nil
Metropolitan	100%	100%

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

### Leadership Indicators

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

**Not Applicable**

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

S. No.	State	Aspirational District	Amount Spent (In INR)
1.	Andhra Pradesh	Vizianagaram	3.32 mio

- Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Sustainable Livelihood for people of high risk of unemployment	90	100%
2.	Community Skilling and Livelihood project	102	100%

## 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.

Being in pharmaceutical industry we are committed to adhering to best in class practices and have developed a robust mechanism to receive and respond to consumer complaints and feedbacks. The consumers can complaint about product related issue on the website of the Company at <https://www.novartis.com/report>. All the complaints have defined Turn around Time (“TAT”) and are closed within the TAT.

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

	As percentage to turnover
Environmental and Social parameters relevant to products	Not Applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

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

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending Resolution at the end of year		Received during the year	Pending Resolution at the end of year	
Data Privacy	—	—		—	—	
Advertising	—	—		—	—	
Cyber Security	—	—		—	—	
Delivery of essential services	—	—		—	—	
Restrictive trade practices	—	—		—	—	
Unfair trade practices	—	—		—	—	
Others Product related	25	8	One closed in the month of April and others will be closed in due course	38	4	One is closed in April 2023. Other pending complaints are under investigation and will be closed within due date.



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

	Number	Reason for recall
Voluntary recall	0	N.A.
Forced recall	1	On 25 November 2022, Novartis received an email communication from Dr. Reddy's Laboratories and Geltec Pvt. Ltd. regarding Voveran 50GE tablets Batch Number 105GLBF2. Karnataka Health Authority picked up the sample of Voveran 50 GE Tablet B. No. 105GLBF2 from premises of M/s RSM Pharma Pvt. Ltd. (Distributor of DRL) which was tested by Government analyst. Basis the testing result, Government analyst concluded that the said batch is not meeting the disintegration test specifications i.e. tablets shows signs of cracks in acid media. Drug inspector has given an observation to C & F RA pharma associates regarding declaration of product as Not of Standard Quality and instructed the firm to initiate the unsold stocks from the market.

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, Novartis India has in place framework on cyber security and risks related to data privacy. Novartis India seeks to adhere to all privacy laws and enforce clear Novartis India Data Privacy Principles, which also apply to genetic data. Our data privacy program includes a global organization and infrastructure as well as procedures and training to support local activities and help our efforts to ensure compliance. The framework can be accessed by clicking <https://www.novartis.com/privacy>

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 were no instances.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches– **Nil**
- Percentage of data breaches involving personally identifiable information of customers: **Nil**
- Impact, if any, of the data breaches: **NA**