



Sun Pharmaceutical Industries Limited

Clarification Note to Business Responsibility and Sustainability Report 2021 -22

In the XBRL file there are certain fields which are Not Applicable and certain fields where it does not allow to enter text or provide remarks, hence for such points we have mentioned 0 in the XBRL and we are providing our responses as per our Business Responsibility and Sustainability Report forming a part of our Annual Report 2021-22, in the following clarification notes:

1. Point III(17)(A) of SECTION A: GENERAL DISCLOSURES -

Markets served by the entity –

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

2. Point 2 (b) of Essential Indicators in PRINCIPLE 2

If yes, what percentage of inputs were sourced sustainably?

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

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

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

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

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

With the Company's 100% of the production being involved in manufacturing of pharmaceutical products, there is no utilisation of re-used or recycled input material. Given the critical nature and volatility associated with production of pharmaceutical products from the aspect of consumer health, safety, compliance with relevant regulations and clinical trials, there is no scope of reusing or recycling any input material.

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

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



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4. Point 11 of Essential Indicator in PRINCIPLE 3

Details of Safety related incidents :

Workers in the Company are part of the full-time employees. Monitoring of the injury and incidents related to EHS is done for employees and workers collectively. The following table provides information on the safety incidents for permanent employees and workers and temporary employees and workers.

Safety Incident/Number	Category	Current FY	Previous FY
		2021-22	2020-21
Lost Time Injury Frequency Rate (LTIFR)*	Permanent Employees and workers	0.081	0.016
	Temporary employees (includes contractors, apprentices)	0.140	0.040
Total recordable work-related injuries	Permanent Employees and workers	12	2
	Temporary employees (includes contractors, apprentices)	13	3
Number of fatalities	Permanent Employees and workers	1	0
	Temporary employees (includes contractors, apprentices)	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Permanent Employees and workers	0	**
	Temporary employees (includes contractors, apprentices)	0	**

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

**High Consequence work related injury is being monitored FY2021-22 onwards

5) Point 1, 4, & 5 of Leadership Indicators in PRINCIPLE 3

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

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



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

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

5) Details on assessment of value chain partners:

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

6) Point 4 of Leadership Indicators in PRINCIPLE 5

Details on assessment of value chain partners:

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

7) Point 5 of Essential Indicator in PRINCIPLE 6

Details of air emissions (other than GHG emissions) by the entity:

Note: The Company monitors air emissions for the given parameters- NO_x, SO_x and Particulate Matter.

8) Point 6 of Essential Indicator in PRINCIPLE 6

Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2021-22	FY 2020-21
Total Scope 1 and Scope 2 emissions	Metric tonnes of CO ₂ eq./ Rs. Million	2.16	2.69



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9) Point 8 of Essential Indicator in PRINCIPLE 6

Provide details related to waste management by the entity:

Total Waste generated (in metric tonnes)	FY 2021-22	FY 2020-21
Construction and demolition waste (D)	Not measured separately	

10) Point 4 of Leadership Indicator in of PRINCIPLE 6

Scope 3 emissions and its intensity:

Parameter	Unit	FY 2021-22	FY 2020-21
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)		Given that these were leadership indicators we have not reported Scope 3 emissions data in BRSR	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

DIRECTOR'S MESSAGE

With the vision of 'Reaching people and touching lives globally as a leading provider of valued medicines', we at Sun Pharmaceutical Industries Limited ("SPIL") continue to build our legacy of integrating Environment, Social and Governance (ESG) parameters within our value creation model. While we continue our relentless focus and commitment towards ESG initiatives, we published our progress through our maiden Sustainability Report in the previous year. We further enhance our transparency in ESG disclosures, by voluntarily adopting the Business Responsibility and Sustainability Report this year.

Governance

To embed ESG parameters within our business growth model, we have integrated the principles of sustainability within our corporate governance framework. Building on our legacy of caring for people, communities and the planet, we have adopted a diversified approach towards workforce welfare and community upliftment with a strong interlinkage to our commitment towards enhancing our environment performance.

Employee workforce and community upliftment

At Sun Pharma, our strong global workforce of 38,000+ employees including 22,000+ SPIL employees (including contractual) are integral to realising our vision. Our employees exhibited strong resoluteness during COVID-19 pandemic by overcoming the difficulties with an unwavering strength. As part of our systemic efforts in creating a conducive working environment for employees across the functions, we have implemented relevant e-training modules, enabling the advancement of skill sets. Through the implementation of our inclusive policies, we aim to foster a culture of employee wellbeing and resource development within a well diversified workforce.

As a responsible Company striving towards the growth and upliftment of community, we implement Corporate Social Responsibility (CSR) initiatives to augment our contribution

towards social development. In FY 2021-22, we contributed towards initiatives pertaining to alleviation of the COVID-19 impact on local communities by enhancing accessibility of medicines through mobile healthcare units. Further, we enhanced our positive impact on the community through rural infrastructure development projects, among others.

Environment

As a proud signatory of the India CEO forum on Climate Change, we have pledged to build a resilient business that factors around the important issue of environment protection. It reflects our resolute commitment towards climate change action plans in line with the recommendations of the Nationally Determined Contributions (NDC) and the Paris agreement.

In cognizance with the growing momentum on climate change and sustainability, we have set targets for reducing carbon emissions by 35% by 2030 (for scope 1 and scope 2 emissions), reducing water consumption by 10% by 2025 and disposing 30 % of hazardous waste through co processing by 2025. As part of our target setting approach, we have developed a comprehensive road map inclusive of the energy, water and waste management plan, their corresponding implementation strategy and a combined strategy to integrate them within our existing growth model.

Through our transition from Business Responsibility Report (BRR) to Business Responsibility and Sustainability Report (BRSR) this year, we envision to augment our transparency on the ESG performance amongst our stakeholders in accordance with the principles of SEBI's National Guidelines on Responsible Business Conduct (NGRBC). We endeavor to improve our sustainability performance by welcoming your valuable insights and feedback.

Regards,

Kalyanasundaram Subramanian
Whole-time Director

Section A: General Disclosures

DETAILS OF THE LISTED ENTITY:

Corporate Identity Number (CIN) of the Listed Entity	L24230GJ1993PLC019050
Name of the Listed Entity	Sun Pharmaceutical Industries Limited
Year of incorporation	1993
Registered office address	SPARC, Tandajja, Vadodara - 390 012, Gujarat
Corporate address	Sun House, CTS No. 201 B/1, Western Express Highway Goregaon (E), Mumbai 400063, Maharashtra, India
Email	secretarial@sunpharma.com
Telephone	(+91 22) 4324 4324
Website	www.sunpharma.com
Financial year for Reporting	01-April-2021 to 31-March-2022
Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Anoop Deshpande (Company Secretary), Email - Anoop.Deshpande@sunpharma.com, Tel. No. +91-22-4324 4324
Reporting boundary	Standalone Basis
Name of the Stock Exchange(s) where shares are listed	BSE Limited, National Stock Exchange of India Limited
Paid-up Capital (₹)	2,399,334,970

PRODUCTS/SERVICES:

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

Sr. no.	Description of the main activity	Description of business activity	% Of turnover of the entity
1.	Pharmaceutical	Manufacturing and marketing of pharmaceutical products	100%

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

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

OPERATIONS:

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

Location	Number of plants	Number of offices	Total
National	18 ¹	2	20
International	0	14	14

¹ The plants include the Company's manufacturing locations and R&D centres.

Markets served by the entity

a. Number of Locations

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

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

Over the years, the Company has been focusing on increasing its market reach. Presently the Company is serving the market requirements in over 100 countries spanning across the six continents, viz Asia, North America, Europe, Africa, South America and Australia. Further, the Company has been undertaking several initiatives to fulfill market needs across the globe and continue to grow exports. At present 68 % of total turnover is contributed by the exports of products.

c. A brief on types of customers

Pharmaceutical distributors and wholesalers are direct customers as part of the distribution chain and patients are the end-customers.

EMPLOYEES:

Details as at the end of Financial Year

a. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employee						
1	Permanent (D)	13,395	12,338	92.11	1,057	7.89
2	Other than Permanent (E)	2,588	2,381	92	207	8
3	Total employees (D + E)	15,983	14,719	92.1	1,264	7.91
Worker						
4	Permanent (F)	5,135	4,980	96.98	155	3.02
5	Other than Permanent (G)	992	962	96.98	30	3.02
6	Total workers (F + G)	6,127	5,942	96.98	185	3.02

b. Differently abled employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees						
1	Permanent (D)	3	2	66.67	1	33.33
2	Other than Permanent (E)	-	-	-	-	-
3	Total employees (D + E)	3	2	100	1	0
Differently Abled Workers						
4	Permanent (F)	6	6	66.67	0	33.33
5	Other than Permanent (G)	-	-	-	-	-
6	Total workers (F + G)	6	6	100	0	0

Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.5
Key Management Personnel	2	0	0

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

	Turnover Rate								
	FY 2021-22			FY 2020-21			FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.0%	15.7%	10.4%	7.6%	12.0%	7.9%	9.4%	18.8%	10.0%
Permanent Workers	33.0%	28.4%	32.8%	18.6%	11.8%	18.4%	31.9%	14.4%	31.4%

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

Names of holding/subsidiary/associate companies/joint ventures as on March 31, 2022.

Sr. No.	Name of the holding/subsidiary/associate companies/ joint ventures	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.	Green Eco Development Centre Limited	Subsidiary	100.00%	No
2.	Sun Pharmaceutical (Bangladesh) Limited	Subsidiary	72.50%	No
3.	Sun Pharma De Mexico S.A. DE C.V.	Subsidiary	75.00%	No
4.	Sun Pharma Japan Ltd.	Subsidiary	100.00%	No
5.	OOO "Sun Pharmaceutical Industries" Limited	Subsidiary	100.00%	No
6.	Sun Pharma De Venezuela, C.A.	Subsidiary	100.00%	No
7.	Sun Pharma Laboratories Limited	Subsidiary	100.00%	Yes
8.	Faststone Mercantile Company Private Limited	Subsidiary	100.00%	No
9.	Neetnav Real Estate Private Limited	Subsidiary	100.00%	No
10.	Realstone Multitrade Private Limited	Subsidiary	100.00%	No
11.	Skisen Labs Private Limited	Subsidiary	100.00%	No
12.	Sun Pharma Holdings	Subsidiary	100.00%	No
13.	Softdeal Pharmaceutical Private Limited (Formerly known as Softdeal Trading Company Private Limited)	Subsidiary	100.00%	No
14.	Sun Pharma (Netherlands) B.V.	Subsidiary	100.00%	No
15.	Foundation for Disease Elimination and Control of India	Subsidiary	100.00%	No
16.	Zenotech Laboratories Limited	Subsidiary	68.84%	No
17.	Sun Farmaceutica do Brasil Ltda.	Subsidiary	100.00%	No
18.	Sun Pharma France (Formerly Known as Ranbaxy Pharmacie Generiques)	Subsidiary	100.00%	No
19.	Sun Pharmaceutical Industries, Inc.	Subsidiary	100.00%	Yes
20.	Ranbaxy (Malaysia) SDN. BHD.	Subsidiary	95.67%	Yes
21.	Ranbaxy Nigeria Limited	Subsidiary	86.16%	No
22.	Chattem Chemicals Inc.	Subsidiary	100.00%	Yes
23.	The Taro Development Corporation	Subsidiary	100.00%	No
24.	Alkaloida Chemical Company Zrt.	Subsidiary	99.99%	No
25.	Sun Pharmaceutical Industries (Australia) Pty Limited	Subsidiary	100.00%	Yes
26.	Aditya Acquisition Company Ltd.	Subsidiary	100.00%	No
27.	Sun Pharmaceutical Industries (Europe) B.V.	Subsidiary	100.00%	No
28.	Sun Pharmaceuticals Germany GmbH	Subsidiary	100.00%	No
29.	Sun Pharmaceuticals SA (Pty) Ltd	Subsidiary	100.00%	No
30.	Sun Pharma Philippines, Inc.	Subsidiary	100.00%	No
31.	Caraco Pharmaceuticals Private Limited	Subsidiary	100.00%	No
32.	Sun Pharmaceutical Peru S.A.C.	Subsidiary	100.00%	No
33.	Sun Laboratories FZE	Subsidiary	100.00%	No
34.	Taro Pharmaceutical Industries Ltd. (Taro)	Subsidiary	78.48%	Yes
35.	Taro Pharmaceuticals Inc.	Subsidiary	78.48%	Yes
36.	Taro Pharmaceuticals U.S.A., Inc.	Subsidiary	78.48%	No
37.	Taro Pharmaceuticals North America, Inc.	Subsidiary	78.48%	No
38.	Taro Pharmaceuticals Europe B.V.	Subsidiary	78.48%	No
39.	Taro International Ltd.	Subsidiary	78.48%	No
40.	3 Skyline LLC	Subsidiary	78.48%	No
41.	One Commerce Drive LLC	Subsidiary	78.48%	No
42.	Taro Pharmaceutical Laboratories Inc.	Subsidiary	78.48%	No
43.	Dusa Pharmaceuticals, Inc.	Subsidiary	100.00%	No
44.	2 Independence Way LLC	Subsidiary	100.00%	No
45.	Universal Enterprises Private Limited	Subsidiary	100.00%	No
46.	Sun Pharma Switzerland Ltd.	Subsidiary	100.00%	No
47.	Sun Pharma East Africa Limited	Subsidiary	100.00%	No
48.	PI Real Estate Ventures, LLC	Subsidiary	100.00%	No
49.	Sun Pharma ANZ Pty Ltd	Subsidiary	100.00%	No

Sr. No.	Name of the holding/subsidiary/associate companies/ joint ventures	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)*
50.	Ranbaxy Farmaceutica Ltda.	Subsidiary	100.00%	No
51.	Sun Pharma Canada Inc.	Subsidiary	100.00%	No
52.	Sun Pharma Egypt LLC	Subsidiary	100.00%	No
53.	Rexcel Egypt LLC	Subsidiary	100.00%	No
54.	Basics GmbH	Subsidiary	100.00%	No
55.	Sun Pharma Italia srl (Formerly known as Ranbaxy Italia S.P.A.)	Subsidiary	100.00%	No
56.	Sun Pharmaceutical Industries S.A.C.	Subsidiary	100.00%	No
57.	Ranbaxy (Poland) SP. Z O.O.	Subsidiary	100.00%	No
58.	Terapia SA	Subsidiary	96.81%	Yes
59.	AO Ranbaxy	Subsidiary	100.00%	No
60.	Ranbaxy South Africa (Pty) Ltd	Subsidiary	100.00%	Yes
61.	Ranbaxy Pharmaceuticals (Pty) Ltd	Subsidiary	100.00%	No
62.	Sonke Pharmaceuticals Proprietary Limited	Subsidiary	70.00%	No
63.	Sun Pharma Laboratorios, S.L.U. (Formerly known as Laboratorios Ranbaxy, S.L.U.)	Subsidiary	100.00%	No
64.	Sun Pharma UK Limited (Formerly known as Ranbaxy (U.K.) Limited)	Subsidiary	100.00%	No
65.	Sun Pharma Holdings UK Limited (Formerly known as Ranbaxy Holdings (U.K.) Limited)	Subsidiary	100.00%	No
66.	Ranbaxy Inc.	Subsidiary	100.00%	No
67.	Ranbaxy (Thailand) Co., Ltd.	Subsidiary	100.00%	No
68.	Ohm Laboratories, Inc.	Subsidiary	100.00%	Yes
69.	Ranbaxy Signature LLC	Subsidiary	67.50%	No
70.	Sun Pharmaceuticals Morocco LLC	Subsidiary	100.00%	No
71.	"Ranbaxy Pharmaceuticals Ukraine" LLC	Subsidiary	100.00%	No
72.	Sun Pharmaceutical Medicare Limited	Subsidiary	100.00%	Yes
73.	JSC Biosintez	Subsidiary	100.00%	No
74.	Sun Pharmaceuticals Holdings USA, Inc.	Subsidiary	100.00%	No
75.	Zenotech Inc	Subsidiary	68.84%	No
76.	Zenotech Farmaceutica Do Brasil Ltda	Subsidiary	45.69%	No
77.	Sun Pharma Distributors Limited	Subsidiary	100.00%	No
78.	Realstone Infra Limited	Subsidiary	100.00%	No
79.	Sun Pharmaceuticals (EZ) Limited	Subsidiary	99.99%	No
80.	Sun Pharma (Shanghai) Limited	Subsidiary	100.00%	No
81.	Sun Pharma Japan Technical Operations Limited	Subsidiary	100.00%	No
82.	Alchemee, LLC	Subsidiary	78.48%	No
83.	The Proactiv Company Holdings, Inc. (Formerly known as Galderma Holdings, Inc.)	Subsidiary	78.48%	No
84.	Proactiv YK	Subsidiary	78.48%	No
85.	The Proactiv Company KK	Subsidiary	78.48%	No
86.	The Proactiv Company Corporation	Subsidiary	78.48%	No
87.	Artes Biotechnology GmbH	Joint Venture	45.00%	No
88.	Medinstill LLC	Associates	19.99%	No
89.	Generic Solar Power LLP	Associates	28.76%	No
90.	Trumpcard Advisors and Finvest LLP	Associates	40.61%	No
91.	Tarsier Pharma Ltd (Formerly known as Tarsius Pharma Ltd.)	Associates	20.96%	No
92.	WRS Bioproducts Pty Ltd.	Associates	12.50%	No
93.	Composite Power Generation LLP	Associates	36.90%	No
94.	Vintage Power Generation LLP	Associates	39.41%	No
95.	Vento Power Generation LLP	Associates	40.55%	No
96.	HRE LLC	Associates	19.22%	No
97.	HRE II LLC	Associates	19.99%	No
98.	HRE III LLC	Associates	19.99%	No
99.	Dr. Py Institute LLC	Associates	19.22%	No

Sr. No.	Name of the holding/subsidiary/associate companies/ joint ventures	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)*
100.	Medinstill Development LLC	Associates	19.22%	No
101.	ALPS LLC	Associates	19.22%	No
102.	Intact Pharmaceuticals LLC	Associates	19.22%	No
103.	Intact Media LLC (Formerly known as Intact Skin Care LLC)	Associates	19.22%	No
104.	Intact Solutions LLC	Associates	19.22%	No
105.	Intact Closed Transfer Connectors LLC	Associates	19.22%	No
106.	Intact PUR-Needle LLC	Associates	19.22%	No

* Note - While the list provides confirmation for those entities where sustainability reporting initiatives including BRSR have been initiated actively, most company level policies and practice essential for SPIL are also extended to subsidiaries and associates to the extent applicable.

CORPORATE SOCIAL RESPONSIBILITY (CSR) DETAILS

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
(ii) Turnover (in ₹ Million)	155,185
(iii) Net worth as per Companies Act (in ₹ Million)	201,828

TRANSPARENCY AND DISCLOSURES COMPLIANCES

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	Financial Year 2021-22			Financial Year 2020-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, the Company reaches out to 20-25 villages located in the peripheral area of its operating locations through mobile health care units. Each of the mobile health care unit carries a register accessible to all the community members to address the grievances and queries through written complaints. The grievances received through the register are addressed by the concerned authority members.	0	0		0	0	
Shareholders	Yes, the Company has a grievance redressal mechanism for shareholders. The Company has appointed Link Intime India Private Limited as the Share Transfer Registrars/Agents. The Link Intime India Private Limited takes care of shareholders' enquiries/queries, requests and complaints. The Share Transfer Registrars/ Agents respond to enquiries/queries, requests and complaints within the framework specified/ defined by SEBI. There is a dedicated email id to receive the grievances from shareholders- secretarial@sunpharma.com .	3	0		2	0	
Investors ² (Other than shareholders)	-	-	-		-	-	
Employees and workers	Yes, the employees and workers have access to the Company's Global Whistleblower mechanism. The Company provides different channels of communication for grievances through Whistleblower mechanism- email id, online portal and written complaints	3	0		1	0	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	Financial Year 2021-22			Financial Year 2020-21		
		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
Customers ³	Yes, the customers address their grievances through various channels of communication such as e-mail, couriers, quality complaints form on website - product quality form: https://sunpharma.com/product-quality-complaint-form/ .	10	0		16	0	
Value chain partners	Yes, the grievance redressal mechanism for value chain partners is through email id, shared service helpdesk and Global Whistleblower mechanism.	0	0		1	0	

² The Company has a common redressal mechanism for shareholders and investors, which has been captured in the row "Shareholders".

³ The complaints are pertaining to product quality only.

OVERVIEW OF THE ENTITY'S MATERIAL RESPONSIBLE BUSINESS CONDUCT ISSUES

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

Sr. No.	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Implications of the risk or opportunity (indicate positive or negative implications)
1	ESG compliance	Risk	Risk: ESG compliance risk is linked to non-adherence with standards and guidelines of all local and global regulatory agencies, focusing on pharmacovigilance, proprietary, confidentiality and other core governance standards (For instance, CGMP, CGLP, among others).	1. Focusing on stable and larger markets. 2. Strengthening regulatory capacity in key markets by actively engaging with regulatory agencies and hence mitigating risks from external sources.	Positive: Compliance with relevant regulatory requirements pertaining to the ESG domain, reflects the Company's commitment towards responsible business practices. Negative: Non-compliance with ESG and regulatory requirements, may affect the Company's image and impact its business continuity in the long term.
2	Regulatory compliance				
3	Risk management	Risk and Opportunity	Risk: Lack of robust controls across the risk management system may lead to adverse impacts across business operations. Opportunity: Risk Management facilitates addressing risks linked to business interruption from changes in local and global geo-political, socioeconomic, regulatory or other events. Thus, the integration of risk management bolsters the Company's business continuity plan.	1. Ensuring business continuity by maintaining inventory of products and raw materials, having adequate local manufacturing capacity, conducting disaster recovery and business continuity testing for critical applications and alternative vendor development.	Positive: Linking the Company's key material topics with the identified risks and their corresponding mitigation actions, strengthens the Company's growth plan and ensures business continuity in the long run.
4	Emergency preparedness and response	Opportunity	Opportunity: Integration of emergency preparedness and response within the Company's business continuity plan is critically important to ensure the implementation of required actions during unprecedented situations.		Positive: Immediate response with a strong action plan at the time of emergency helps alleviate the devastating impact on business activities and secures the Company from a prolonged duration of disruption.

Sr. No.	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Implications of the risk or opportunity (indicate positive or negative implications)
5	ESG Governance	Opportunity	Opportunity: Implementation of a governance structure primarily focusing on the ESG parameters of the Company, will augment the overall ESG performance, and reflect the Company's commitment to integrate responsible business practices within its growth model.		Positive: Leadership oversight on the ESG strategy, action plan and performance facilitate the amplification of the Company's positive impact on environment and community. It also enables the company to further embed robust monitoring mechanisms across ESG initiatives and business practices.
6	Managing waste	Risk and Opportunity	Risk: Waste, water and energy management have been identified as key material issues under the Climate change and environmental risk. The Climate Change and environmental risks is addressed to emphasize on the Company's climate consciousness and its contribution towards mitigation action plans against climate change. Opportunity: Comprehensive resource management plans in alignment with the Company's environment conservation strategy will highlight the Company's commitment towards improving environment preservation and its contribution towards climate change mitigation action plans.	<ol style="list-style-type: none"> 1. Ensuring compliance through strong governance and review mechanisms, strengthening capabilities of EHS and legal compliance teams, conducting risk assessments and periodic reviews, implementing compliance management software for tracking and monitoring adherence to all applicable regulatory requirements 2. Undertaking proactive initiatives towards mitigating the physical and transitional risks linked to climate change, for instance decarbonising operations, GHG emission reduction measures, and physical climate risk assessment for climate-proofing assets. 3. The Company applies the precautionary principle (as described in Rio Declaration 1992) through the ERM framework to mitigate environmental risks. 	<p>Positive: The Company's focus on strengthening climate and ESG specific initiatives bolsters long-term value-creation and enables the company to effectively respond to rising stakeholder demands.</p> <p>Negative: Lack of robust initiatives and action plans to contribute to ESG awareness and climate change could adversely impact business operations and lead to workforce disruption.</p>
7	Water stewardship				
8	Energy efficiency and carbon emissions				
9	Climate Change				
10	Attracting and retaining talent	Risk and Opportunity	Risk: Talent management parameters such as acquisition, retention and development are intrinsically linked to workforce welfare. Inability to meet with the workforce expectations may impact the Company's retention rate and affect the Company's the business continuity due to the criticality of workforce as a part of the business growth plan. Opportunity: Company's efforts towards workforce welfare and development directly conveys its resolute commitment towards the upliftment of the most integral asset.	<ol style="list-style-type: none"> 1. Attracting and retaining talent through multiple talent development programs encompassing global talent management, stretch programs and schemes along with compensation and other benefits to employees. 2. Formal succession planning programme for all leadership positions. 	<p>Positive: A strong workforce with high retention rate highlights the Company's efforts towards creating a conducive work environment in addition to creating a positive approach towards workforce development</p> <p>Negative: Workforce being an integral component of the Company's value creation strategy play a critical role in the business growth plan. Inability to meet the workforce expectations may result in adverse impacts on the workforce productivity and the company's growth plan in a long run.</p>
11	Workforce welfare				

Sr. No.	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Implications of the risk or opportunity (indicate positive or negative implications)
12	Occupational Health and safety	Risk and Opportunity	<p>Risk: Occupational health and safety is critical aspect of the Company's commitment towards workforce welfare which further highlights the performance in terms of provision of safe and secure working environment. Identification of a high number of health and safety incidents reflect the efficiency of the existing EHS management approach.</p> <p>Opportunity: Strong EHS management system integrated with a comprehensive hazard identification, mitigation plans, root cause analysis of the reported incidents and corresponding corrective action plan will highlight the Company's approach and resoluteness towards workforce health and safety.</p>	<ol style="list-style-type: none"> 1. Implementing a robust EHS management system with periodic internal and external audits of the safety practices. 2. Adoption of comprehensive corrective action plans post the identification and assessment of safety incidents to prevent any such future instances. 	<p>Positive: Robust Occupational, Health and Safety management approach enables the Company to prevent the occurrence of incidents.</p> <p>Negative: Frequent safety incidents and injuries may adversely impact the Company's performance from the aspect of safety as well as workforce wellbeing.</p>
13	Human Rights	Risk and Opportunity	<p>Risk: Absence of a comprehensive Human Rights governance structure from the aspects of parameters such as working conditions, child/ forced labour, fair remuneration, gender diversity, prevention of sexual harassment, freedom of association, collective bargaining will impact the Company's performance in social domain from the perspective of employee workforce as well as community.</p> <p>Opportunity: Presence of Human Rights Policy and a strong redressal mechanism outlines the Company's commitment towards Human Rights protection.</p>	<ol style="list-style-type: none"> 1. Integrating a strong governance structure for Human Rights from the aspect of Human Rights Policy, grievance redressal mechanism and due diligence across the business operations extending to supply chain partners and vendors. 	<p>Positive: Comprehensive alignment of Human Rights principles in accordance with the guiding principles of national and international Human Rights standards amplifies the Company's performance in social aspect as well as reflect its commitment towards human rights integration within the Company's business model.</p> <p>Negative: Absence of a Human Rights governance structure could result in employee dissatisfaction, impacting the workforce productivity that could impact the Company's long-term business growth plan. Lack of a strong redressal mechanism may result in non-compliance issues from relevant regulatory perspective.</p>

Sr. No.	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Implications of the risk or opportunity (indicate positive or negative implications)												
14	Data integrity and security	Risk and Opportunity	<p>Risk: Risk linked to technology directly impact the security and integrity of the system across the business operation. The criticality involved with the technology and cyber security needs to be assessed periodically to prevent breaches of data privacy from the aspects of confidential information of the Company as well as its stakeholders.</p> <p>Opportunity: A strong governance on the data integrity, technology, digitalization and innovation parameters of the Company enables the creation of a secure and impenetrable network while supporting pace and scale of business transactions across geographies.</p>	<ol style="list-style-type: none"> 1. Strengthened perimeter security, IT and monitoring systems, anti-virus and patch management while conducting trainings on cyber security to reduce risks arising from cyber security and data breaches. 	<p>Positive: Strong alignment of secure data integrity principles with the help of innovative technology and digitalisation initiatives within the Company's business operations will ensure compliance of data security, privacy and prevent any loss of data.</p> <p>Negative: Lack of a strong data integrity and security mechanism may lead to increase in number of data breaches and loss of valuable data.</p>												
15	Technology and digitalisation					16	Investments in innovative specialty products and technologies	Opportunity	<p>Opportunity: Investment in innovation and technology facilitates the development of a robust product portfolio in addition to strengthening the product accessibility in line with the Company's vision.</p>		<p>Positive: Investment in innovation and technology will lead to development of stronger product portfolio in addition to fulfillment of patient needs through strengthened product accessibility. Further it will reflect the Company's commitment towards product innovation through its investment in innovation and technology.</p>	17	Development of complex molecules	Risk and opportunity	<p>Risk: Addressing risks pertaining to product portfolio, product accessibility, pricing and margins is significantly important for the pharmaceutical sector. Lack of accessibility to medicines due to pricing and availability pose an adverse effect on the Company's vision as well the business growth strategy.</p> <p>Opportunity: Strong product portfolio built on the foundation of Company's robust R&D principles, leads to accessibility of medicines and healthcare to wider consumer base. Development of complex molecules further advances the Company's contribution towards product accessibility.</p>	<ol style="list-style-type: none"> 1. Establishing a strong and diversified product portfolio by enhancing cross-functional synergies, organisational capabilities, project management and governance focused on product identification, development, planning and launch. 2. Strengthening in-licensing and out-licensing of products. 3. Focus on developing and commercialising specialty products and complex generics among others. 4. Vendor development, strengthening supply chain, working capital and inventory management. 5. Undertaking operational excellence programs focused on yield and throughput improvement. 	<p>Positive: A comprehensive product portfolio in terms of accessibility and product pricing through the Company's product innovation and research center amplifies the brand value.</p> <p>Negative: Lack of product accessibility due to pricing issues may lead to an adverse impact on the Company's brand value and business growth in the long run.</p>
16	Investments in innovative specialty products and technologies	Opportunity	<p>Opportunity: Investment in innovation and technology facilitates the development of a robust product portfolio in addition to strengthening the product accessibility in line with the Company's vision.</p>		<p>Positive: Investment in innovation and technology will lead to development of stronger product portfolio in addition to fulfillment of patient needs through strengthened product accessibility. Further it will reflect the Company's commitment towards product innovation through its investment in innovation and technology.</p>												
17	Development of complex molecules	Risk and opportunity	<p>Risk: Addressing risks pertaining to product portfolio, product accessibility, pricing and margins is significantly important for the pharmaceutical sector. Lack of accessibility to medicines due to pricing and availability pose an adverse effect on the Company's vision as well the business growth strategy.</p> <p>Opportunity: Strong product portfolio built on the foundation of Company's robust R&D principles, leads to accessibility of medicines and healthcare to wider consumer base. Development of complex molecules further advances the Company's contribution towards product accessibility.</p>	<ol style="list-style-type: none"> 1. Establishing a strong and diversified product portfolio by enhancing cross-functional synergies, organisational capabilities, project management and governance focused on product identification, development, planning and launch. 2. Strengthening in-licensing and out-licensing of products. 3. Focus on developing and commercialising specialty products and complex generics among others. 4. Vendor development, strengthening supply chain, working capital and inventory management. 5. Undertaking operational excellence programs focused on yield and throughput improvement. 	<p>Positive: A comprehensive product portfolio in terms of accessibility and product pricing through the Company's product innovation and research center amplifies the brand value.</p> <p>Negative: Lack of product accessibility due to pricing issues may lead to an adverse impact on the Company's brand value and business growth in the long run.</p>												
18	Product accessibility																
19	Responsible product pricing																

Sr. No.	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Implications of the risk or opportunity (indicate positive or negative implications)
20	Product responsibility (including quality and safety across lifecycle)	Risk	Risk: Due to high vulnerability of product quality and safety issues for the pharmaceutical sector, addressing risks relevant to product responsibility is critically important. The risk analysis and consecutive mitigation action plans are linked with standards and guidelines of all local and global regulatory agencies, focusing on pharmacovigilance, proprietary, confidentiality and other core governance standards.	<ol style="list-style-type: none"> 1. Employ robust and centralised pharmacovigilance processes encompassing detailed SOPs that ensure efficient surveillance and reporting of adverse events 2. Make consistent investments in technological interventions, strengthening governance mechanisms, and employee capacity-building in the area of pharmacovigilance management 3. Established global quality standards and procedures throughout the organisation 4. Rolling out periodic training programs for employees on global GMP training 5. Strengthening and harmonising quality related IT applications and systems 6. Undertaking periodic quality review of third-party locations 7. Strengthening quality of manufacturing records, test procedures at lab and continuous uptake of best practices 8. Conducting brand protection activities and strengthen framework for trademark and IP protection activities with the support of a dedicated IP team focusing on patents 	<p>Positive: Compliance of products on the aspects of quality and safety from all relevant regulatory requirements, highlights the Company's commitment as well as integrity towards patient safety.</p> <p>Negative: Identification of major issues from the aspects of product safety and quality may lead to penalties and warnings from relevant regulatory authorities. Further it may have adverse impact on the brand image and value.</p>
21	Responsible supply chain management	Risk	Risk: Strong dependency on the supply chain for the entire product life cycle poses a requirement of a strong contingency plan to deal with unprecedented situations which may lead to disruption in the supply chain. Further, the Company extends its responsible business principles across the value chain, expecting its suppliers to adhere with the required principles. Non-adherence of the principles from the supplier end may affect the Company's partnership with them, further impacting the business continuity plan.	<ol style="list-style-type: none"> 1. Establish a robust assessment mechanism to assess the implication of unprecedented disruption on the supply chain and develop a comprehensive contingency plan to avoid major impact on the business 2. Undertake a supplier assessment in alignment with the standard practices and requirements as per the guidance outlined by sector-specific responsible supply chain initiatives. 	<p>Positive: Responsible supply chain practices enables the Company to have a strong mechanism to deal with supply chain disruptions due to unprecedented situations, moreover the compliance with the Company's responsible business practices and principles, amplify the Company's social and environment performance across the supply chain.</p> <p>Negative: Non-compliance of the vital requirements from responsible business perspective such as human rights may affect the Company's business partnerships in a long run. Further, it may lead to adverse impact on the brand image from the perspective of association with a non-compliant supplier in the long run.</p>

Sr. No.	Material issues identified	Indicate whether risk or opportunity	Rationale for identifying risk/ opportunity	In case of risk, approach to adapt or mitigate	Implications of the risk or opportunity (indicate positive or negative implications)
22	Community development - CSR	Opportunity	Opportunity: Streamlining CSR initiatives with the needs of community members by virtue of impact assessments and stakeholder engagement sessions, enables the Company to highlight its positive impact on the community.		Positive: Contributions made by the Company towards upliftment of the community through various initiatives and partnerships focusing on the health, education, rural infrastructure development, sanitation, environment conservation among others, elevates the Company's brand value among the local community members as well as contributes towards positive social performance.
23	Health education and prevention	Opportunity	Opportunity: Contributing towards CSR initiatives focusing on the health and education area facilitates the Company to align its initiatives with the United Nations Sustainable Development Goals		Positive: Accessibility to health and education facilities through the Company's CSR initiatives, contributes to the upliftment of the Community members.

Section B: Management and Process Disclosures

THE NATIONAL GUIDELINES FOR RESPONSIBLE BUSINESS CONDUCT (NGRBC) AS PRESCRIBED BY THE MINISTRY OF CORPORATE AFFAIRS ADVOCATES NINE PRINCIPLES REFERRED AS P1-P9 AS GIVEN BELOW:

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

Disclosure	P	P	P	P	P	P	P	P	P
Questions	1	2	3	4	5	6	7	8	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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, the Company has developed comprehensive policies covering these principles, some of the Policies have been approved by the Board as per relevant statutory requirements.								
c. Web Link of the Policies, if available	https://sunpharma.com/policies/								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Disclosure	P	P	P	P	P	P	P	P	P
Questions	1	2	3	4	5	6	7	8	9
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	National Guidelines on Responsible Business Conduct (NGRBC)	Environment Management System- ISO 14001: 2015, Extended Producer Responsibility (EPR) regulations, NGRBC	Health and Safety- ISO 45001: 2018, International Labour Organisation (ILO), NGRBC	NGRBC	United Nations Guiding Principles on Business and Human Rights (UNGP), Sedex Members Ethical Trade Audit, NGRBC	Environment Management System-ISO 14001:2015, NGRBC, Energy management system- ISO 50001:2018	NGRBC	NGRBC	Product quality- ISO 9001: 2015, NGRBC
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-	-	-	-	-	a) To reduce water consumption by 10% by 2025, considering baseline of 2020 b) To reduce carbon emissions by 35% by 2030 considering baseline of 2020. (Scope 1&2) c) To dispose 30% of hazardous waste through co-processing by 2025	-	-	-
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	-	-	-	-	-	The Company has set environment targets in FY2021-22, hence the performance against set target will not be applicable for this reporting period	-	-	-

Governance, Leadership, and Oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements -	Director's Message at the beginning of this Business Responsibility and Sustainability Report.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Kalyanasundaram Subramanian, Designation: Whole-time Director DIN number: 00179072
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, Kalyanasundaram Subramanian, Whole-time Director, oversees the Business Responsibility and Sustainability initiatives of the Company.

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	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Periodically/need based basis									
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Ongoing basis									

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No, the Company internally reviews the working of the above-mentioned policies.								

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

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

Section C: Principle wise Performance Disclosure

ETHICS AND INTEGRITY

Principle 1

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

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year 2021-22:

Segment	Total number of training and awareness programs held	Topics/ principles covered under the training and its impacts	Percentage of persons in respective category covered by the awareness programs
Board of Directors	5	Principle 1, 2, 3, 4, 5, 6, 7, 8, 9	100%
Key Managerial Personnel	5	Principle 1, 2, 3, 4, 5, 6, 7, 8, 9	100%
Employees other than Board of Directors and KMPs	215	Principle 1, 2, 3, 4, 5, 6, 7, 8, 9	100%
Workers			

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 2021-22:

In FY 2021-22, there were no cases reported.

Monetary

	NGRBC Principle	Name of the Regulatory/Enforcement agencies/Judicial institution	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-

Non-Monetary

	NGRBC Principle	Name of the Regulatory/Enforcement agencies/Judicial institution	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

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

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

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

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

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

In FY 2021-22, there were no cases of disciplinary action taken against any Directors/KMPs/employees/workers by any law enforcement agency for the charges of bribery/corruption.

	FY 2021-22	FY 2020-21
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

There were no complaints regarding conflict of interest reported in FY 2021-22 and FY 2020-21.

	FY 2021-22		FY 2020-21	
	Number	Remark	Number	Remark
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 institution on cases of corruption and conflicts of interest.

Not applicable.

Leadership Indicators

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

Yes, the Company's Global Code of Conduct expects all its Personnel (Members of the Board) to refrain from engaging in any activity or having a personal interest that presents a conflict of interest. Further, the Company outlines that Personnel of the Company shall not exploit any information discovered through their position in the Company, for their own personal gain.

SUSTAINABLE BUSINESS

Principle 2

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

Essential Indicators

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

	FY 2021-22	FY 2020-21	Details of improvements in environmental and social impacts	% of Turnover
R&D	2.43%	0.26%	Improvement in environmental performance for parameters such as effluent discharged, air pollutants released among others	
Capex	1.62%	2.55%	Energy and water conservation initiatives	

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

Yes, the Company endeavors to implement responsible procurement practices across its supply chain. As a measure of enhancing its impact on the environment and society, the Company encourages local sourcing enabling the reduction in costs, currency risks and environmental footprint of the transportation services.

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

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

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

	Disposing at the end of life
(a) Plastics (including packaging)	The Company has an established system for collecting back the plastic waste or multilayered packaging generated due to its products as per the Extended Producer Responsibility (EPR) regulations. The recycling and disposal of the reclaimed plastics (including packaging) is carried out as per the Central Government rules and the provisions of the Plastic Waste Management Rules.
(b) Other waste (Expired products)	The Company has a comprehensive standard operating procedure, for handling and safe disposal of saleable and non-saleable stock returned by the stockiest.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No).

- If yes whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?
- If not provide steps taken to address the same.

Yes, the Company is registered as Brand Owner as per the Extended Producer Responsibility (EPR) mandates. The Company collects the end use plastic/post-consumer plastic waste from municipal garbage through waste management agency. Further the Company has submitted a collection plan outlining its mechanism for collecting back the plastic waste and multilayered packaging generated due to the products as per the provisions of Plastic Waste Management Rules. The Company submits a quarterly progress report for disposal of the plastic waste/multilayer packaging as per the mandates of Extended Producer Responsibility (EPR) regulations.

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

With the Company's 100% of the production being involved in manufacturing of pharmaceutical products, there is no utilisation of re-used or recycled input material. Given the critical nature and volatility associated with production of pharmaceutical products from the aspect of consumer health, safety, compliance with relevant regulations and clinical trials, there is no scope of reusing or recycling any input material.

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

The Company reclaims expired medicine stock from the stockiest as per the Company's standard operating procedure guidelines. The reclaimed expired medicine stock is then disposed in a safe manner, as per the regulatory guidelines.

Indicate Product Category:	Expired products
Reclaimed products and their packaging materials as % of total products sold in respective category	1.94%

EMPLOYEE WELLBEING

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		Special COVID -19 support		Vaccination support to employees and families	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	Number (G)	% (G/A)	Number (H)	% (H/A)
Permanent employees															
Male	12,338	12,338	100	12,338	100	0	0	12,338	100	12,338	100	12,338	100	12,338	100
Female	1,057	1,057	100	1,057	100	1,057	100	0	0	1,057	100	1,057	100	1,057	100
Total	13,395	13,395	100	13,395	100	1,057	7.89	12,338	92.11	13,395	100	13,395	100	13,395	100
Other than Permanent employees															
Male	2,381	2,381	100	2,381	100	0	0	2,381	100	2,381	100	2,381	100	2,381	100
Female	207	207	100	207	100	207	100	0	0	207	100	207	100	207	100
Total	2,588	2,588	100	2,588	100	207	8	2,381	92	2,588	100	2,588	100	2,588	100

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

Category	% Of workers covered by														
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities		Special COVID -19 support		Vaccination support to employees and families	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	Number (G)	% (G/A)	Number (H)	% (H/A)
Permanent workers															
Male	4,980	4,980	100	4,980	100	0	0	4,980	100	4,980	100	4,980	100	4,980	100
Female	155	155	100	155	100	155	100	0	0	155	100	155	100	155	100
Total	5,135	5,135	100	5,135	100	155	3.02	4,980	96.98	5,135	100	5,135	100	5,135	100
Other than Permanent workers															
Male	962	962	100	962	100	0	0	962	100	962	100	962	100	962	100
Female	30	30	100	30	100	30	100	0	0	30	100	30	100	30	100
Total	992	992	100	992	100	30	3.02	962	96.98	992	100	992	100	992	100

2. Details of retirement benefits, for FY 2021-22 and FY 2020-21

Benefits	FY 2021-22			FY 2020-21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	4.64	37.31	Y	4.56	44.78	Y

Accessibility Of Workplaces

3. Are the premises/offices of the entity accessible to differently abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act 2016? (Yes/No)

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

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? (Yes/No)

Yes, the Company's Global Code of Conduct outlines its commitment to non-discrimination, by providing equal opportunity to all its employees irrespective of race, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation or disability.

If so, provide a web link to the policy.

Global Code of Conduct: <https://sunpharma.com/policies/>.

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate (%)	Retention rate (%)	Return to work rate (%)	Retention rate (%)
Male	100	100	100	100
Female	100	100	100	100
Total	100	100	100	100

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.

Permanent employees and workers	As part of the Global Whistleblower Policy, the Company provides a grievance redressal mechanism and encourages its employees and workers to bring to attention any instances of unethical behavior, incidents, frauds or violation. Further, the Company has 'Ask HR' platform for its permanent employees to address any grievances and queries.
Other than Permanent employees and workers	Yes, the non-permanent employees and workers communicate their grievances through their respective supervisors. The grievances are further communicated to the Company for necessary action and resolution of the grievances. Additionally, they can also report on any instances of unethical behavior, incident or violations through the Company's Whistleblower mechanism.

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

Category	FY 2021-22			FY 2020-21		
	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	13,395	0	0.00	13,460	0	0.00
Male	12,338	0	0.00	12,443	0	0.00
Female	1,057	0	0.00	1,017	0	0.00
Total Permanent Workers	5,135	798	15.54	4,694	798	17.00
Male	4,980	702	14.10	4,567	702	15.37
Female	155	96	61.94	127	96	75.59

8. Details of training given to employees and workers:

Category	FY 2021-22					FY 2020-21				
	Total (A)	On Health Safety		On Skill Upgradation		Total (D)	On Health Safety		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	12,338	12,338	100	12,338	100	12,443	12,443	100	12,443	100
Female	1,057	1,057	100	1,057	100	1,017	1,017	100	1,017	100
Total	13,395	13,395	100	13,395	100	13,460	13,460	100	13,460	100
Workers										
Male	4,980	4,980	100	4,980	100	4,567	4,567	100	4,567	100
Female	155	155	100	155	100	127	127	100	127	100
Total	5,135	5,135	100	5,135	100	4,694	4,694	100	4,694	100

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

Benefits	FY 2021-22			FY 2020-21		
	Total (A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/C)
Employee						
Male	12,338	12,338	100	12,443	12,443	100
Female	1,057	1,057	100	1,017	1,017	100
Total	13,395	13,395	100	13,460	13,460	100
Workers						
Male	4,980	4,980	100	4,567	4,567	100
Female	155	155	100	127	127	100
Total	5,135	5,135	100	4,694	4,694	100

10. Health and Safety Management System:

(a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No).	Yes, all manufacturing locations under the entity have an Occupational Health and Safety management system in place, in accordance with the guidelines provided by ISO 45001, OHSAS 18001 standards and the legal requirements such as Factories Act, Indian Boilers Act, Environment Protection Act, The Epidemic Disease Act among others.
If yes, the coverage of such system?	The Occupational Health and Safety management system covers all the units and employees within the manufacturing operation. Hence, the coverage is 100%.
(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 undertakes periodic internal and external audits to ensure the compliance of Occupational Health and Safety management system within the manufacturing operation. The EHS trainings, audits and inspections are carried out as per the guidelines of ISO 45001 standard. The Company's Process Safety Management system facilitates the implementation of best safety practices. Further, it enables the identification of work-related hazards through design checklists, Hazard and Operability Analysis (HAZOP), Hazard Identification and Risk Assessment (HIRA) and other consequence modelling studies.
(c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Yes, The Company has well-established Standard Operating Procedures (SOP) for employees and workers to identify and report on work-related hazards and the subsequent steps to mitigate them. In addition, the Company trains all its employees and workers with occupational health and safety modules. The training modules cover aspects of the methodology to identify work-related hazards, analyse the risks associated with it and take subsequent steps to mitigate them. During the safety and emergency evacuation drills, employees are trained in dealing with emergency equipment such as fire hydrant, firefighting system, leak and spill control procedures, safety alarms among others. In addition, the proficiency of employees is periodically tested in dealing with the emergency situations. The practical trainings and online safety modules equip the employees with right procedure of reporting work-related hazards and the steps to remove themselves from such situations.
(d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)	Yes, the Company provides non-occupational medical and healthcare services to its employees and workers. Further, the Company ensures the provision of medical insurance to all its employees and workers. With the endeavor to promote physical and mental wellbeing for all the employees and workers, the Company designs comprehensive health programs which promote healthy lifestyle practices. Some of the examples of health programs and services offered to the employees are: <ul style="list-style-type: none"> • Family welfare camp • Nutrition awareness camp • Eye, dental and cardiac checkup camp • Stress management session • Lifestyle counselling session

11. Details of safety related incidents:

Workers in the Company are part of the full-time employees. Monitoring of the injury and incidents related to EHS is done for employees and workers collectively. The following table provides information on the safety incidents for permanent employees and workers and temporary employees and workers.

Safety Incident/Number	Category	FY 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR)*	Permanent Employees and workers	0.081	0.016
	Temporary employees (includes contractors, apprentices)	0.140	0.040
Total recordable work-related injuries	Permanent Employees and workers	12	2
	Temporary employees (includes contractors, apprentices)	13	3
Number of fatalities	Permanent Employees and workers	1	0
	Temporary employees (includes contractors, apprentices)	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Permanent Employees and workers	0	**
	Temporary employees (includes contractors, apprentices)	0	**

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

**High Consequence work related injury is being monitored FY2021-22 onwards.

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

The Company embeds the guidelines and principles of ISO 45001:2018, OSHA standards, Factory act and other state level regulatory requirements within its Environment Health and Safety (EHS) management system. The EHS policy advocates the provision of safe working environment to all the employees, contractors, sub-contractors, visitors and the neighbouring communities. The Company undertakes periodic internal and external audits to assess the safety practices and procedures in alignment with the EHS management system and the ISO 45001:2018 guidelines. As part of the auditing procedure, the Company recognises the critical areas requiring immediate corrective action. The safety incidents and hazards are analysed to determine the root cause, subsequently corrective action plans are laid out to prevent the occurrence of similar incidents in the future. Further, as part of the EHS management system, the Company provides safety trainings through modules and safety drill practices to all its employees and workers. The safety training programs enable the development of strong foundation among the workforce, in terms of their ability to identify, mitigate and prevent risks pertaining to Occupational Health and Safety. The Company endeavors to prevent negative health impact on the employees through various health awareness sessions, provision of medical facilities and medical insurance benefits. Additionally, the Company provides voluntary health promotion services such as lifestyle counselling, stress management sessions, nutritional awareness campaigns among others for inculcating healthy lifestyle practices.

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

In the FY 2021-22 and FY 2020-21, there were no complaints filed by the employees and workers on the Company's working conditions, health and safety parameters.

	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

% Of your plants and offices that were assessed. (by entity or statutory authorities or third parties)	
Health and safety practices	100% of the locations are audited internally by the entity. The audits are conducted by internal experts to ensure the compliance of safety regulations and identification of major improvement areas. 61.11% (Out of 18 manufacturing locations and R&D centres under the entity, 11 are assessed on health and safety practices by third party auditor, as per requirements of the ISO 45001:2018 standards).
Working Conditions	100% (All the sites are assessed on their working conditions by the external and internal audits).

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

In FY 2021-22, there was a fire incident in a solvent recovery tank at the Company's Ahmednagar manufacturing location. Post analysis of root cause of the incident, corrective and preventive actions were taken to avoid the occurrence of such incidents in the future. Static charge dissipation arrangement was provided outside the solvent storage tank in addition to the earthing arrangement of tanks in the tank farm area. To prevent unauthorised entry into the storage tank area, restriction list was displayed, and CCTV was installed for strengthening the surveillance. In addition to the above corrective actions, mechanical integrity of the storage areas was checked and inspected by third party experts.

Leadership Indicators

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

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

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

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

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 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Employees	1	0	0	0
Workers	0	0	0	0

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

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

5. Details on assessment of value chain partners:

	% Of value chain partners that were assessed: (By value of business done with such partners)
Health and safety practices	100%
Working Conditions	100%

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

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.

Not Applicable.

STAKEHOLDER INCLUSIVENESS

Principle 4

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

Essential Indicators

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

As a responsible Company focused on driving growth through the strong foundation of stakeholder relationships, Sun Pharmaceutical Industries Limited engages with its prioritised group of stakeholders, identifies the key material issues and manages their expectations. The stakeholder groups are identified as part of the stakeholder engagement mechanism, built on the principles of inclusivity, accountability, and responsibility. As part of the stakeholder engagement and materiality assessment exercise conducted in FY 2020-21, the Company identified key stakeholder groups based on those groups who are impacted as well those who have a major influence on the business decisions. The key internal and external stakeholder groups identified by the Company as part of the engagement mechanism are - Investors/shareholder, regulators, suppliers/vendors/third-party manufacturers, Non-Governmental Organisations (NGO), Community, Customer B2B, Employee, Senior leadership.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group. (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investor/ Shareholder	No	<ul style="list-style-type: none"> Annual/ quarterly reports and earning calls Attending investor conferences Issuing specific event-based press releases Investor presentations 	Quarterly/ need-based	<p>Investors/ Shareholders form an integral part of the stakeholder group, influencing the decisions of the Company.</p> <p>The key areas of interest for the investors/ shareholders are:</p> <ul style="list-style-type: none"> Corporate governance ESG disclosures Regulatory compliance Responsible supply chain management Product responsibility Cost competitiveness Overall Company performance
Regulator	No	<ul style="list-style-type: none"> In-person meetings E-mail 	Need-based	<p>Transparent communication with the regulators is critical from the compliance perspective.</p> <p>The key areas of interests for the regulators are:</p> <ul style="list-style-type: none"> Regulatory compliance Community engagement Rural market penetration De-risk supply chain
Supplier/ vendor/ third party manufacturer	No	<ul style="list-style-type: none"> Vendor meets Virtual modes such as e-mail, telephonically 	Ongoing	<p>Responsible supply chain practices are critically important for ensuring the business continuity in a sustainable manner. Engagement with suppliers, vendors enable the Company to identify the key material issues impacting the supply chain. The key areas of interest for the suppliers are:</p> <ul style="list-style-type: none"> Timely payments Collaboration
NGO	No	<ul style="list-style-type: none"> In-person meetings Virtual modes such as e-mail, telephonically 	Ongoing	<p>As a responsible Company, engaging with NGOs facilitate the streamlining of the CSR activities undertaken in partnership. The key areas of interest for NGO are:</p> <ul style="list-style-type: none"> Employee volunteering Agile management process
Community	Yes	<ul style="list-style-type: none"> In-person meetings Engagement through NGO partners 	Ongoing	<p>Community development programs initiated by the Company's CSR activities enables driving a positive impact on the community members. The key areas of interest for community are:</p> <ul style="list-style-type: none"> Community development programs with a focus on health, education, sanitation and infrastructure development

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group. (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customer B2B	No	<ul style="list-style-type: none"> In-person meetings E-mail Customer feedback sessions 	Ongoing	<p>Customers form a vital part of the Company's stakeholder engagement group to ensure quality services. The key areas of interest for Customer B2B are:</p> <ul style="list-style-type: none"> Product quality, access and pricing
Employee	No	<ul style="list-style-type: none"> Employee focused web-portal E-mail Employee engagement surveys Town-halls 	Ongoing	<p>Employee wellbeing and satisfaction is an integral part of the Company's growth model. Employee engagement through various means of communication provides an insight into the key action areas for employee wellbeing and growth. The key areas of interest for employees are:</p> <ul style="list-style-type: none"> Training, professional growth and development Well-being initiatives Employee recognition Fair remuneration Work-life balance
Senior Leadership	No	<ul style="list-style-type: none"> In person meetings Virtual modes such as e-mail, telephonically 	Ongoing	<p>Senior leadership are the key drivers of the Company's sustainable value creation strategy. Senior leadership engagement facilitates the interlinkage of business and sustainable value creation.</p> <ul style="list-style-type: none"> The key areas of interest for senior leadership are: Sustainable and resilient business operations R&D and innovation Overall Company performance

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.

At Sun Pharmaceutical Industries Limited, stakeholder engagement mechanism is a key driving force towards strengthening and diversifying the stakeholder relationship, which further facilitates the identification of key material issues impacting the Company's growth. The stakeholder engagement and materiality assessment exercise conducted in FY2020-21 led to the prioritisation of material issues, mapping of the risks relevant to each material topic and development of consequent risk mitigation steps. The primary outcome of the stakeholder engagement exercise resulted in identification and prioritisation of material issues relevant to environment, social, governance and economic aspects. The identified material issues were presented to the highest governing member and the Board for their feedback and guidance on strategising the sustainable growth model of the Company. As part of the Company's efforts to continually engage with internal and external stakeholder groups for identification of key material issues impacting them, the stakeholder engagement exercise undergoes periodic review.

2a. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No).	Yes, the identification, prioritisation of material issues relevant to the environment, social, economic and governance topics is done in consultation with the stakeholders. The identified issues are then subsequently mapped with relevant risks. As part of the risk management plan, the Company subsequently strategises and develops mitigation action plans for the identified risk. The material issues form the guiding framework for the non-financial disclosures of the Company through its Sustainability Report. As per the relevant national and international guidelines and standards, the Company discloses its management approach, targets/goals and its non-financial performance in the reporting year for each of the identified material topic. Additionally, the identification of material issues enables the company to focus on its key improvement areas and subsequently develop future action plans such as policy development, initiatives implementation among others.
2b. 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.	

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

The community members are identified as vulnerable/marginalised stakeholder group for the Company. As part of the Corporate Social Responsibility (CSR) initiatives, the Company undertakes need assessment to identify and prioritise the focus areas for community development. The Company has undertaken various CSR initiatives on seven focus areas- healthcare, education, rural development, environment conservation, sanitation, drinking water project, disaster relief program. For further details refer the Annual Report and the Company's Annual CSR report.

HUMAN RIGHTS

Principle 5

Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2021- 22			FY 2020- 21		
	Total (A)	No. employees' workers covered (B)	% (B/A)	Total (C)	No. employees' workers covered (D)	% (D/C)
Employees						
Permanent	13,395	13,395	100	13,460	13,460	100
Other than permanent	2,588	2,588	100	2,600	2,600	100
Total Employees	15,983	15,983	100	16,060	16,060	100
Workers						
Permanent	5,135	5,135	100	4,694	4,694	100
Other than permanent	992	992	100	907	907	100
Total Workers	6,127	5,135	100	4,694	4,694	100

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

Category	FY 2021-22					FY 2020-21				
	Total (A)	Equal to Minimum Wages		More than Minimum wages		Total (D)	Equal to Minimum Wages		More than Minimum wages	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent	13,395	0	0	13,395	100	13,460	0	0	13,460	100
Male	12,338	0	0	12,338	100	12,443	0	0	12,443	100
Female	1,057	0	0	1,057	100	1,017	0	0	1,017	100
Other than permanent	2,588	0	0	2,588	100	2,600	0	0	2,600	100
Male	2,381	0	0	2,381	100	2,392	0	0	2,392	100
Female	207	0	0	207	100	208	0	0	208	100
Workers										
Permanent	5,135	0	0	5,135	100	4,694	0	0	4,694	100
Male	4,980	0	0	4,980	100	4,567	0	0	4,567	100
Female	155	0	0	155	100	127	0	0	127	100
Other than permanent	992	0	0	992	100	907	0	0	907	100
Male	962	0	0	962	100	880	0	0	880	100
Female	30	0	0	30	100	27	0	0	27	100

3. Details of remuneration/salary/wages:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)*	7	70,00,000	1	48,00,000
Key Managerial Personnel (KMP)	2	2,98,63,164	-	-
Employees other than BoD and KMP	12,338	7,52,874	1,057	7,00,008
Workers	4,980	3,32,508	155	5,55,924

*The median remuneration of male Board of Directors includes remuneration to whole-time Directors, sitting fees and commission for Independent Directors. The median remuneration of female Board of Directors includes sitting fee and commission for Independent Director. The Board of Directors at its meeting held on May 30, 2022, have approved Commission of ₹ 4,000,000 (Rupees Forty Lakhs) to be paid to each Independent Director of the Company, for the FY 2021-22, subject to the approval of the members at the ensuing 30th Annual General Meeting and the payment shall be made after obtaining approval of the members.

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

Yes, the Head of Human Resource department of the Company is responsible for addressing human rights impact or issues. As part of the Human Rights Policy, the Company expects all its relevant stakeholders to respect and comply with the policy principles, and applicable laws, regulations in all territories of its operation.

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

The Company 'Ask HR' platform, email and other informal channels of communication form part of the internal mechanism for grievance redressal of human rights issues. The Company's Human Rights Policy outlines the grievance redressal mechanism through the open channels of communication and the Ombudsman channel as per the Global Whistleblower Policy. The Ombudsman ensures the confidentiality of the complaints and grievances received through Email: ombudsmanSPIL@sunpharma.com.

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

	FY 2021-22			FY 2020-21		
	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	2	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

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

As per the Global Whistleblower Policy, the Company ensures protection of the complainant. The investigation of the complaints is done strictly in a confidential manner ensuring the protection of the complainant against any retaliation.

The Company provides necessary safeguards to all Whistle Blowers for making Protected Disclosures in good faith, in all the areas mentioned in the Global Code of Conduct such as business with integrity, responsible corporate citizenship, illegal and unfair labor practices, trade practices and other laws.

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

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

Yes, Human Rights requirements form an integral part of the Company's business agreements. The Global Code of Conduct outlines details of the Company's commitment towards Human Rights, it is applicable to all the employees, business partners across the value chain. The Global Code of Conduct declaration is required to be signed off by all employees. Further, the human rights requirements form part of the contract for suppliers and contractors.

8. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

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

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

Not applicable.

Leadership Indicators

- 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.**
The Company in the reporting period did not undertake any Human Rights due diligence. The Company's revised Human Rights Policy expects all the employees and members of the value chain to abide by its principles. As part of the policy statement, the Company outlines that it will undertake human rights due diligence to identify adverse human rights impact of the business on all relevant stakeholders and correspondingly address, prevent and mitigate through corrective actions.
- Is the premise/office of the entity accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act 2016?**
Yes, as per the requirements of the Rights of Persons with Disabilities, the Company manufacturing premises and offices have ramps, elevators and infrastructure for differently abled individuals.
- Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**
Not applicable.

ENVIRONMENT

Principle 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

- Details of total energy consumption (in Giga-Joule (GJ) or multiples) and energy intensity:**

Parameter	FY 2021-22	FY 2020-21
Total electricity consumption (A)	1,464,919 GJ	1,458,072 GJ
Total fuel consumption (B)	1,040,498 GJ	1,075,482 GJ
Energy consumption through other sources – Steam (C)	771,969 GJ	745,010 GJ
Total energy consumption (A+B+C)	3,277,386 GJ	3,278,564 GJ
Energy intensity per rupee of turnover (Total energy consumption/turnover in Million rupees)	21	26

- Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No). If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved provide the remedial action taken if any.**
No, the Company is not identified as designated consumer under the Performance Achieve and Trade (PAT) Scheme of the Government of India.

- Provide details of the following disclosures related to water:**

Parameter	FY 2021-22	FY 2020-21
Water Withdrawn by the source (KL)		
(i) Surface Water	583,455	642,291
(ii) Ground Water	809,849	853,997
(iii) 3 rd Party Water	906,185	965,729
Total Volume of Water Withdrawn (i + ii + iii)	2,299,489	2,462,017
Total Volume of Water Consumed (KL)	2,209,014	2,375,559
Water intensity per rupee of turnover (Water consumed/turnover in Million rupees)	14	19

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.

An independent assurance has been carried out by an external agency, DNV GL Business Assurance India Private Limited towards environment and social parameters as per GRI standards based on scope defined for Sustainability Report. Key information which are common in the defined scope of Sustainability Report and BRSR have been reviewed by the assurance provider.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? (Yes/No) If yes, Provide details of its coverage and implementation.

Yes.

14 out of 18 manufacturing and R&D locations in the Sun Pharmaceutical Industries Limited boundary are Zero Liquid Discharge (ZLD). The Company implements water conservation through reduce, reuse, recharge and recycle approach within its manufacturing locations. As part of recycle initiative, the Company provides tertiary treatment to its effluent, the treated effluent water is then effectively recycled and reused as make-up water in cooling towers and in-house gardening. This enables the Company to implement ZLD at its manufacturing locations.

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

Parameter	Please specify unit of measurement (UoM)	FY 2021-22	FY 2020-21
NOx	MT	165	158
SOx	MT	147	132
Particulate Matter (PM)	MT	209	210

The Company monitors air emissions for the given parameters- NOx, SOx and Particulate Matter.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2021-22	FY 2020-21
Total Scope 1 emissions	Metric tonnes of CO ₂ eq.	47,743	52,862
Total Scope 2 emissions	Metric tonnes of CO ₂ eq.	287,102	284,807
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ eq./₹ Million	2.16	2.69

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.

An independent assurance has been carried out by an external agency, DNV GL Business Assurance India Private Limited towards environment and social parameters as per GRI standards based on scope defined for Sustainability Report. Key information which are common in the defined scope of Sustainability Report and BRSR have been reviewed by the assurance provider.

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

As part of its initiatives to reduce the GHG emissions, the Company has implemented more than 110 energy conservation ideas in various sites to reduce energy consumption and minimise the carbon footprint.

Major energy conservation projects are listed below: -

1. Installation of Electric Heat pumps to reduce steam and water consumption.
2. Automatic solid fuel boiler installed to reduce carbon footprint.
3. Intelligent flow controller installed in compressed air system to reduce power consumption.
4. Specific power consumption of chilling system improved by various initiatives like automatic tube cleaning, energy efficient chiller replacement
5. Energy reduction at vacuum system with the introduction of dry vacuum system in place of Steam ejector.

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

Total Waste generated (in metric tonnes)			
Parameter		FY 2021-22	FY 2020-21
Plastic waste (A)		831	408
E-waste (B)		3	2
Bio-medical waste (C)		43	30
Battery waste (D)		59	16
Radioactive waste (E)		0	0
Other Hazardous waste (spent solvent, spent oil, spent catalysts, distillation residues, chemical sludge, process residue, discarded/ off-specification products) (F)		23,049	23,923
Other Non-hazardous waste generated (Glass scrap, metal scrap, wooden scrap, storage drums, corrugated box, paper waste, boiler ash) (G)		14,896	9,656
Total (A + B + C + D + E + F + G)		38,883	34,035

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	FY 2021-22	FY 2020-21
Hazardous waste		
(i) Recycled	13,447	11,705
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	13,447	11,705
Non-hazardous waste		
(i) Recycled	16,736	11,301
(ii) Re-used	0	0
(iii) Other recovery operations	868	651
Total	17,604	11,952
E-waste		
(i) Recycled	3	1
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	3	1

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Parameter	FY 2021-22	FY 2020-21
Hazardous waste		
(i) Incineration	705	593
(ii) Landfilling	6,587	6,835
(iii) Co-processing	2,088	2,590
(iv) Other disposal operations	0	0
Total	9,380	10,018
Non-hazardous waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

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

The Company integrates a waste management plan with a comprehensive approach towards waste minimisation, segregation and safe disposal. As part of the resource optimisation and waste minimisation process, the Company has implemented various initiatives to minimise the rejections in manufacturing. The Company adheres to the mandates of Extended Producer Responsibility (EPR), by way of collection of end-use plastic and enhance its plastic waste management. Further, as part of hazardous waste disposal mechanism, the Company has implemented initiatives of diverting larger quantity of hazardous waste towards co-processing and recycling over other disposal mechanisms that is incineration and landfilling. Further, as part of its approach towards minimisation of waste generation, the Company has implemented digitalisation to replace the waste-generating procedures such as paper-based medication guides with e-guides.

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

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

Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Maduranthakam	Manufacturing	Yes

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

No environmental impact assessments were undertaken in FY 2021-22.

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

All the manufacturing operations and R&D centres under the entity are in compliance with the applicable environmental laws/regulations and guidelines as per the national and state level mandates.

Leadership Indicators

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

Parameter	FY 2021-22	FY 2020-21
From Renewable Sources		
Total electricity consumption (A) [Wind, Solar and Power Purchase Agreements (PPAs)]	156,605 GJ	160,215 GJ
Total fuel consumption (B) (Biomass)	357,123 GJ	323,045 GJ
Energy consumption through other sources (C) (Steam)	771,969 GJ	745,010 GJ
Total energy consumed from renewable sources (A+B+C)	1,285,697 GJ	1,228,271 GJ
From Non-Renewable Sources		
Total electricity consumption (D) (Grid electricity)	1,308,314 GJ	1,297,856 GJ
Total fuel consumption (E) (Diesel, Petrol, High Speed Diesel, Compressed Natural Gas, Liquefied Petroleum Gas, Coal, Furnace Oil)	683,375 GJ	752,437 GJ
Energy consumption through other sources (F)	0 GJ	0 GJ
Total energy consumed from non-renewable sources (D+E+F)	1,991,689 GJ	2,050,293 GJ

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.

An independent assurance has been carried out by an external agency, DNV GL Business Assurance India Private Limited towards environment and social parameters as per GRI standards based on scope defined for Sustainability Report. Key information which are common in the defined scope of Sustainability Report and BRSR have been reviewed by the assurance provider.

2. Provide the following details related to water discharged:

Parameter	FY 2021-22	FY 2020-21
Water discharge by destination and level of treatment (KL)		
(i) To Surface Water		
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(iv) Sent to third parties		
	Municipality drain and Common Effluent Treatment Plant (CETP)	Municipality drain and Common Effluent Treatment Plant (CETP)
- No treatment		
- With treatment (please specify level of treatment)	Primary treatment (post primary treatment, sent to the CETP) - 36,528 kL Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain) - 53,947 kL	Primary treatment (post primary treatment, sent to the CETP) - 30,099 kL Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain) - 56,359 kL
Total Water discharged (KL)	90,475	86,458

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.

An independent assurance has been carried out by an external agency, DNV GL Business Assurance India Private Limited towards environment and social parameters as per GRI standards based on scope defined for Sustainability Report. Key information which are common in the defined scope of Sustainability Report and BRSR have been reviewed by the assurance provider.

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

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

- (i) Name of the area – Mohali, Dewas, Gurugram and Madurakantam
- (ii) Nature of operations – Manufacturing, R&D center
- (iii) Water withdrawal, consumption and discharge:

Parameter	FY 2021 - 22	FY 2020 - 21
Water withdrawal by source (in kiloliters)		
(i) Surface water	339,774	421,359
(ii) Groundwater	86,541	83,748
(iii) Third party water	312,049	376,207
Total volume of water withdrawal (kL) (i +ii+ iii)	738,364	881,314
Total volume of water consumption (kL)	733,940	868,552
Water intensity per rupee of turnover (Water consumed/turnover in Million ₹)	4.73	6.91
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(iv) Sent to third parties	Municipality drain and Common Effluent Treatment Plant (CETP)	
- No treatment	0	0
- With treatment (please specify level of treatment)	Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain)- 4,424 kL	Tertiary treatment (In-house ETP treatment, post which sent to the Municipality sewage drain)- 12,761 kL
Total water discharged (KL)	4,424	12,761

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.

An independent assurance has been carried out by an external agency, DNV GL Business Assurance India Private Limited towards environment and social parameters as per GRI standards based on scope defined for Sustainability Report. Key information which are common in the defined scope of Sustainability Report and BRSR have been reviewed by the assurance provider.

4. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

The manufacturing facility, Maduranthakam is located 3.72 km (West) from the Vedanthangal Bird Sanctuary. The facility has been functional before the declaration of Vedanthangal Bird Sanctuary in 1998. The facility has no significant direct or indirect impact on the environment, further it complies with all the relevant statutory requirements and clearances such as Environment Clearance, Consent to Operate, Consent to Establish. Maduranthakam is a Zero Liquid Discharge (ZLD) site, equipped with effluent treatment facility to further direct the treated wastewater for in-house uses such as gardening.

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

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Heat pump	Heat pump is energy conservation device which is used to transfer heat from source to sink with small energy addition. It is used simultaneously generating hot water and chilled water. The utilisation of condensation and evaporation heat enables in reduction of fuel consumption in addition to saving the water used in cooling towers. Further, due to higher Coefficient of Performance (COP) of the heat pumps, steam consumption is minimised.	1. Reduction in fossil fuel consumption
Intelligent Flow Control System for compressed air System	Intelligent Flow Controllers (IFC) are used in compressed air system for controlling air flow and minimising energy waste. IFC reduces artificial demand by controlling air flow and pressure being delivered to plant. Pressure study was conducted to evaluate supply and demand requirement of plant and IFC was installed to minimise energy losses.	1. Reduction in electricity consumption
SBT (Soil Biotechnology) For sewage treatment	The initiative is implemented with the aim of reducing the energy consumption and overall treatment cost of domestic waste in comparison with conventional treatment. Soil Bio- technology is a terrestrial system for wastewater treatment which is based on the principle of trickling filter. In this system, combination of physical processes like sedimentation, infiltration and biochemical processes are carried out to remove the suspended solids, organic and inorganic contents of the wastewater. The technology works on scientific principles such as Adsorption, Filtration, Biodegradation and Bio Indicator. Filter media which houses filter material, culture & catalyst helps in biodegradation of the adsorbed organic molecules which is essential for adsorptive site rejuvenation. Range of microflora ensures the microbial diversity required for degradation of various contaminants. Hence, the technology facilitates the treatment of sewage in effective manner and meet the desire parameters of treated water, further to which it can be recycled and reused.	1. Low Maintenance 2. High Aesthetics 3. Low Depreciation 4. Low Operating Cost

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

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

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

Not applicable

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

In the reporting period, the Company did not evaluate any of its value chain partners on the basis of environmental impact.

The Company's Supplier Code of Conduct is developed based on the best practices, standards and guidelines for evaluation of suppliers in the pharmaceutical supply chain. The evaluation checklist encompasses various parameters of environment, social and governance perspective to ascertain the compliance of suppliers with the Company's Supplier Code of Conduct. Assessment of value chain partners on the basis of the Company's Supplier Code of Conduct will be done in due course of time.

RESPONSIBLE PUBLIC ADVOCACY

Principle 7

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

Essential Indicators

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

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

1.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.

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

1.c Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

For the reporting year, there were no cases issued against the Company for issues pertaining to anticompetitive conduct.

Leadership Indicators

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

Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/ Quarterly /Others - please specify)	Web link if available
Regulatory Reforms for Pharma sector in India	FICCI publication	Yes	-	https://fikki.in/spdocument/23240/FICCI-Report_Regulatory-Reforms-for-Pharma-Sector.pdf
Regulatory reforms to improve drug development process in India	Indian Pharmaceutical Alliance	No	-	-
Trade Margin Rationalisation	Indian Pharmaceutical Alliance	No	-	-

COMMUNITY UPLIFTMENT

Principle 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

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

In the reporting year, the Company did not undertake any Social Impact Assessment.

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

In the reporting year, the Company did not undertake any ongoing Rehabilitation and Resettlement (R&R) project.

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

The Company engages with its community members through the channel of NGO partners and in-person meetings. These channels of communication facilitate the receipt and redressal of grievances of the community. Further, the Company reaches out to villages located in the peripheral area of its operating locations through mobile health care units. Each of the mobile health care unit carries a register, which is accessible to all the community members to address the grievances and queries through written complaints. The grievances received through the register are addressed by the concerned authority members.

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

	FY 2021-22	FY 2020-21
Directly sourced from MSMEs/small producers	8%	11%
Sourced directly from within the district and neighbouring districts	-	-

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

In FY2021-22, there were no Social Impact Assessments conducted.

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

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

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

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

3.b From which marginalised/vulnerable groups do you procure?

Not applicable.

3.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:

The Company does not derive any benefits from intellectual properties owned or acquired based on traditional knowledge.

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

Not applicable.

6. Details of beneficiaries of CSR Projects:

CSR Projects	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups
Anganbari Development Project	2,182	99.5
Solar Street Light	5,796	99.5
Mobile Healthcare Unit	1,77,937	100
School Infrastructure Development Project	17,203	100
Setting-up of Digital Classroom Project	1,094	100
Solar rooftop system at School	1,016	100
Water conservation project	700	100

In addition to the list of projects mentioned in the above table, other community development projects were undertaken by the Company for FY 2021-22. The CSR projects pertain to support towards medical healthcare centre, infrastructure development for pharma research laboratory, rural infrastructure development project, provision of relief materials during COVID-19 among others. For further details, refer the Company's CSR Annual Report and Sustainability Report.

CONSUMER WELLBEING

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

Essential Indicators

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

The Company has a comprehensive Product Quality Complaint Management system to facilitate timely redressal of the consumer complaints received in terms of product quality. The process is initiated once a product quality complaint is received and logged with the Company's system. Post which, the complainant is acknowledged, and a preliminary assessment is undertaken. A sample follow-up is initiated along with the preliminary assessment. The follow up runs in parallel with initial risk assessment and the investigation procedure. Post the completion of investigation a corrective action plan is initiated. Simultaneously, a complaint summary report is submitted. A final risk assessment is carried out and a response to complainant is sent resulting in the final closure of the complaint.

The Company also has an established a global pharmacovigilance policy, which is supported by a Product Safety Committee. The pharmacovigilance policy showcases the Company's commitment and efforts towards patient safety.

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

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

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

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

	FY 2021 - 22			FY 2020 - 21		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others - Packaging defects, Transportation complaints	1,311	0	The complaints include packaging defects such as missing components, damaged label and damaged outer packaging	1,566	0	The complaints include packaging defects such as missing components, damaged label and damaged outer packaging

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

	Number	Reason for Recall
Voluntary Recall	12	The reasons for recall of products were primarily found to be leakage and out of specification.
Forced Recall	0	Not applicable

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

Yes

Risk Management Policy: <https://sunpharma.com/policies/>.

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.

For FY 2021-22, there were no complaints received for issues pertaining to delivery of essential services, advertising, action taken by regulatory authorities on safety of products/services.

For product quality complaints received, the Company carried out the corrective action plans as per the identified root cause analysis for each complaint.

Leadership Indicators

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

The Company's website provides detailed information on the products sold region-wise. With the market reach in 6 continents, the product list and contact information is outlined on the website for each region. The links to product list for India and US market is:

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

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

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

The Company adheres to relevant regulatory requirements by disclosing information to its stakeholders on the safe and responsible usage of products. The information label attached to each product informs the consumers about pharmacokinetics, instructions for safe use, sourcing of ingredients, composition, mechanism of action, clinical pharmacology, product interactions and side effects, and guidance on appropriate storage conditions, among others.

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

As per the guidelines of National Pharmaceutical Pricing Authority, the Company discloses discontinuation of any scheduled formulation by issuing a public notice for relevant stakeholders in addition to informing the Government at least six months prior to the intended date of discontinuation.

- 4.a Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)

No

- 4.b If yes, provide details in brief.

Not applicable.

- 4.c 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)

No

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact	0
b. Percentage of data breaches involving personally identifiable information of customers	0