Dedicated To Life

July 10, 2026

**BSE Limited** — **Code: *532321***
P J Towers, Dalal Street,
Mumbai-400 001

**National Stock Exchange of India Limited** — **Code: *Zyduslife***
Exchange Plaza, C/1, Block G,
Bandra-Kurla Complex,
Bandra (East),
Mumbai-400 051

Re: **Business Responsibility and Sustainability Report for the Financial Year ended on March 31, 2026**

Dear Sir / Madam,

Pursuant to regulation 34(2)(f) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Business Responsibility and Sustainability Report of the Company for the Financial Year ended on March 31, 2026.

Please receive the same in order.

Thanking you,

Yours faithfully,
For, **Zydus Lifesciences Limited**

DHAVAL NARENDRA SONI
Digitally signed by DHAVAL NARENDRA SONI
Date: 2026.07.10 16:59:58 +05'30'

**Dhaval N. Soni**
**Company Secretary & Compliance Officer**
**Membership No. FCS7063**

**Encl.:** As above

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURE

### I. Details of the Listed Entity

| | | |
|---|---|---|
| 1 | Corporate Identity Number (CIN) of the Listed Entity | L24230GJ1995PLC025878 |
| 2 | Name of the Listed Entity | Zydus Lifesciences Limited |
| 3 | Year of incorporation | 1995 |
| 4 | Registered office address | "Zydus Corporate Park", Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj (Gandhinagar), Sarkhej-Gandhinagar Highway, Ahmedabad-382481 |
| 5 | Corporate address | "Zydus Corporate Park", Scheme No. 63, Survey No. 536, Near Vaishnodevi Circle, Khoraj (Gandhinagar), Sarkhej-Gandhinagar Highway, Ahmedabad-382481 |
| 6 | E-mail | dhavalsoni@zyduslife.com |
| 7 | Telephone | +917948040000, +917971800000 |
| 8 | Website | www.zyduslife.com |
| 9 | Financial year for which reporting is being done | 2025-26 |
| 10 | Name of the Stock Exchange(s) where shares are listed | BSE and NSE |
| 11 | Paid-up Capital | ₹ 1,006.23 Million |
| 12 | Name of the Person | Mr. Vishal J. Gor |
| | Telephone | +917948040235 |
| | Email address | vishalgor@zyduslife.com |
| 13 | Type of Reporting | Consolidated Basis, unless stated otherwise in the report |
| 14 | Name of assurance provider | M/s SGS India Private Limited |
| 15 | Type of assurance obtained | Reasonable assurance |

### II. Products / services

### 16. Details of business activities

| S. No. | Description of Main Activity | Description of Business Activity | % Turnover of the Entity |
|---|---|---|---|
| 1 | Pharmaceuticals | Research and development, manufacturing, marketing, and distribution of pharmaceutical products, including active pharmaceutical ingredients (APIs) and finished dosage formulations | 82.56 |
| 2 | Consumer Wellness | Research and development, manufacturing, marketing and distribution of consumer health and wellness products | 14.56 |
| 3 | Medical Devices | Research and development, precision manufacturing, clinical collaboration, and global distribution of advanced medical technologies, including cardiovascular intervention devices, diagnostic solutions, and patient-centric healthcare innovations | 2.88 |

## 17. Products / Services sold by the entity:

| Sl. No. | Product/Service | NIC Code | % of Total Turnover contributed |
|---|---|---|---|
| (i) | Formulation (including Biologics) | Group 210<br>Class 2100 | 80.11% |
| (ii) | APIs | Group 210<br>Class 2100 | 2.11% |
| (iii) | Sweetener | 10729 | 14.56% |
| (iv) | Nutritional drink | 10509 | |
| (v) | Glucose powder | 10623 | |
| (vi) | Table spread | 10504 | |
| (vii) | Skincare products | 20237 | |
| (viii) | Medtech products | 3250 | 2.88% |
| (ix) | Total Revenues | | 100% |

## III. Operations

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

| Location | Number of Plants | No. of Offices | Total |
|---|---|---|---|
| National | 38 | *26 | 64 |
| International | 06 | 48 | 54 |

*Includes R&D Centre

## 19. Market served by the entity

| | | Locations | Numbers |
|---|---|---|---|
| a) | No. of Locations | National (No. of States) | Pan India |
| | | International (No. of Countries) | 81 countries |
| b) | What is the contribution of exports as a percentage of the total turnover of the entity? | 33.80%* | |
| c) | A brief on types of customers | The company markets its products to patients and/or end users through a distributor network and supplies them to institutional clients such as private and government hospitals. The company exports its products to international customers via subsidiaries and distributor partners. In addition, the company provides Active Pharmaceutical Ingredients (APIs) to other pharmaceutical firms for use in their formulations (B2B) and undertakes contract manufacturing services for various pharmaceutical companies. | |

*Exports from India

## IV. Employees

### 20. 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) |
| | **Employees (including differently abled)** | | | | | |
| | **Employees** | | | | | |
| 1 | Permanent Employees (A) | 24487 | 21949 | 90% | 2538 | 10% |
| 2 | Other than Permanent Employees (B) | 131 | 104 | 79% | 27 | 21% |
| **3** | **Total Employees (A+B)** | **24618** | **22053** | **90%** | **2565** | **10%** |
| | **Worker (including differently abled)** | | | | | |
| | **Workers** | | | | | |
| 4 | Permanent Workers (E) | 5493 | 5259 | 96% | 234 | 4% |
| 5 | Other than Permanent Workers (F) | 6716 | 5672 | 84% | 1044 | 17% |
| **6** | **Total Workers (E+F)** | **12209** | **10931** | **90%** | **1278** | **10%** |

### (b) Details as at the end of Financial Year – Differently-abled employees and workers

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| | **Employees** | | | | | |
| 1 | Permanent Employees (A) | 0 | 0 | 0 | 0 | 0 |
| 2 | Other than Permanent Employees (B) | 0 | 0 | 0 | 0 | 0 |
| **3** | **Total Employees (A+B)** | **0** | **0** | **0** | **0** | **0** |
| | **Workers** | | | | | |
| 4 | Permanent Workers (E) | 61 | 60 | 98% | 1 | 2% |
| 5 | Other than Permanent Workers (F) | 10 | 10 | 100% | 0 | 0% |
| **6** | **Total Workers (E+F)** | **71** | **70** | **99%** | **1** | **1%** |

### 21. Participation/Inclusion/Representation of women:

| Sl. No. | Category | Total (A) | No. and % of females | |
|---|---|---|---|---|
| | | | No. (B) | % (B/A) |
| 1 | Board of Directors | 9 | 2 | 22% |
| 2 | Key Management Personnel | 4 | 0 | 0% |

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

| Category | FY 2025-2026 (Turnover rate in current FY) | | | FY 2024-2025 (Turnover rate in previous FY) | | | FY 2023-2024 (Turnover rate in the year prior to previous FY) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 18.51% | 16.86% | 18.39% | 19.59% | 19.93% | 19.62% | 20.10% | 21.70% | 20.30% |
| Permanent Workers | 20.57% | 10.68% | 20.15% | 25.22% | 7.51% | 24.26% | 18.80% | 14.20% | 18.60% |

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

23. (a) **Names of holding / subsidiary / associate companies / joint ventures:** The details of holding / subsidiary / associate / joint venture companies are given in Form No. AOC-1, on Page No. 488 of annual report.

**Does the entity indicated in above form, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)** Yes, all the entities, wherever applicable, participate in the relevant Business Responsibility initiatives of the company, except the associate companies and joint venture companies.

## VI. CSR Details

24. **Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

| | |
|---|---|
| Turnover (in ₹) | 110,764,000,000 |
| Net worth (in ₹) | 236,717,000,000 |

*For standalone operation of Zydus Lifesciences Limited

**Note:** Provisions of CSR are applicable to Zydus Lifesciences Limited, Zydus Healthcare Limited, Zydus Wellness Limited, Zydus Animal Health and Investments Limited, German Remedies Pharmaceuticals Private Limited, Zydus Hospira Oncology Private Limited and Zydus Takeda Healthcare Private Limited

## VII. Transparency and Disclosures Compliances

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

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) | If yes, then provide web-link for grievance redress policy | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|---|---|
| | | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes | a. https://www.zyduslife.com/adverse_event_reporting/<br>b. https://www.zyduslife.com/public/pdf/companypolicy/Whistle-Blower-Policy.pdf<br>c. https://www.zyduslife.com/public/pdf/companypolicy/Code-of-Business-Conduct-and-Ethics.pdf<br>d. https://www.zyduslife.com/public/pdf/companypolicy/Human-Rights-Policy.pdf<br>e. The internal policies are available at the intranet portal of the organization for its employees. | 0 | 0 | | 0 | 0 | |
| Investors (other than shareholders) | Yes | | 0 | 0 | | 0 | 0 | |
| Shareholders | Yes | | 19 | 0 | | 23 | 0 | |
| Employees and workers | Yes | | 29 | 0 | | 39 | 0 | |
| Value Chain Partners | Yes | | 0 | 0 | | 0 | 0 | |
| Customers | Yes | | 1480 | 0 | | 1567 | 0 | |
| Other (please specify) | | | 1323 | 0 | | 927 | 0 | Complaints related to Packaging, Quality etc. |

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

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 1. | Climate Change (GHG Emissions) | Risk | • Climate change, especially the extreme weather events and rising global temperatures caused by Green House Gas (GHG) emissions and failure to adapt and mitigate such changes are among the major risks being faced world over and they also pose a major risk on the sustainability of businesses across the globe.<br>• Climate adaptation and resilience are important in building a future-ready and sustainable organization. They can also help reduce operational costs and drive greater efficiencies for the business. | • Generation of solar power at manufacturing locations.<br>• Improving energy efficiency / operational efficiency of energy consuming equipment to reduce energy consumption.<br>• Increase in utilization of bio fuel / hybrid fuel to minimize the dependency on conventional fuel i.e. coal/ diesel etc.<br>• Increase in procurement of solar- wind hybrid power. | Negative |
| 2. | Waste Management | Risk | • Inefficient management of waste is a risk to a business because of the hazard it could pose to the relevant stakeholders.<br>• Generation of increasing waste also impacts the environment and its management becomes a challenge. | • Disposal of waste in a responsible manner.<br>• Complying with applicable regulations for waste generation and disposal.<br>• More emphasis on reduction of waste generation.<br>• Increase in waste disposal through eco-friendly pre-processing and co-processing methods. | Negative |
| 3. | Water Management | Risk | • Water is a shared resource, making it important for businesses to use it responsibly. Ensuring responsible consumption is key to socially sustainable business practices.<br>• Applicable regulations for reuse and recycle of treated water are stringent | • Adopting Zero Liquid Discharge (ZLD) approach to recycle, reuse water resources and reduce fresh intake of water.<br>• Use of water efficient technologies.<br>• Implementing efforts to achieve water neutrality.<br>• Sensitizing internal and external stakeholders to reduce water consumption. | Negative |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 4. | Corporate Governance and Ethics | Risk | • Zydus is a global life sciences company which engages with many stakeholders.<br>• The Company strongly believes that breach of ethics or integrity can deteriorate the Company's goodwill, which will result in loss of reputation. | • Adopting a zero-tolerance policy for breach of ethics and integrity.<br>• Adopting Code of Business Ethics and Conduct which is applicable to the Directors and employees of the Company.<br>• The Code encourages honesty, trust, accountability and transparency.<br>• Orientation on Code of Business Conduct and Ethics to all new joiners for adherence it in spirit and deed. | Negative |
| 5. | Human Capital and Welfare | Opportunity | • Employee retention is critical to any organization because skill-based and knowledgeable human capital is an asset and is required to achieve the long-term sustainability and growth of the organization. | | Positive |
| 6. | Community Engagement | Opportunity | • Community engagement helps organization in making meaningful interventions to bring significant benefits to large sections of the society, which aids sustainable growth of the business. | | Positive |
| 7. | Anti-Bribery and Corruption | Risk | • Operations in multiple locations across the globe with diversified manpower may pose challenges with respect to resorting to corrupt practices leading to financial loss. | • Adopting a comprehensive Code of Business Ethics and Conduct policy which is applicable to the directors and employees of the Company.<br>• Organization-wide awareness on anti-bribery and anti-corruption policy and consequences of its violation. | Negative |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 8. | R&D and Innovation | Risk | • Access control, archival and retrieval of R&D data is absolutely critical since any leakage of such data can lead to substantial loss of future opportunities.<br>• Tenure of scientific pool / knowledge transfer is critical especially when working on complex dosage forms / technologies. | • Digital storage of project specific information with clearly defined access control.<br>• Management of issuance of lab notebook and their physical archival is managed and supervised by a dedicated documentation cell.<br>• Implementation of Good Laboratory Practices (GLP) documentation wherever required.<br>• Continued association of the leadership team -. Majority of the senior leadership team at technology centers are associated with Zydus for more than a decade. | Negative |
| 9. | Responsible Marketing, Selling Practices and Product Labelling | Risk | • Regulatory authorities have a Zero tolerance policy against unethical marketing / promotion activities and there are stringent regulations to be abided by in this regard.<br>• Any non-compliance of such regulations can pose penal actions by such authorities and also loss of goodwill for the organization. | • Adopting policy for ethical marketing, advertising and sales practices.<br>• Providing accurate and balanced information about the company's products and services to its customers<br>• Provision to ensure ethical interactions with customers and healthcare professionals | Negative |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 10. | Sustainable Supply Chain | Risk | • Supply chain partners, spread across various geographies of the globe, are responsible to ensure on-time delivery of desired quality of input materials, products, services and capital goods that are critical to the operations and are important for business continuity.<br>• Any threat to sustainability of operations of supply chain partners could potentially disrupt the company's operations. | • Thorough evaluation process before onboarding any critical vendor.<br>• Mandatory acceptance of Supplier code of conduct by the vendor.<br>• Annual desk assessment of vendor based on ESG parameters.<br>• Creating multiple supplier base for critical products and services to maintain business continuity.<br>• Implementing a robust system to check all statutory compliances by the vendor.<br>• Ongoing efforts to create awareness among vendors regarding ESG parameters. | Negative |
| 11. | Product Quality and Safety | Risk | • Failure to maintain the quality standards and comply with regulations leads to regulatory actions which in turn, adversely impacts the business.<br>• It results into suspension of supply of products and cessation of new product approvals from the concerned sites. | • Establishing a robust quality management system which ensures the quality, safety and sustainable supply of products.<br>• Implementation of Quality Risk Assessment Program to ensure regulatory and data integrity compliance.<br>• Implementation of industry learning (regulatory learning) to avoid the recurrence of quality issues.<br>• Review of processes / product performance, key quality indicators, risk assessment outcomes and audit findings on a regular basis in order to proactively address quality issues.<br>• Automation in quality operations to ensure sustainable compliance and all-time audit readiness. | Negative |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 12. | Employee health and safety | Risk as well as Opportunity | • Physical and mental health problems of the employees can have major socio-economic impact on the organization.<br>• Also, employees are the core assets of the Company. Their safety and well-being enhance their productivity which aids in improvement of financial health of the Company. | • Zydus wellbeing covers a gamut of initiatives from annual health checkups to subsidized treatment for employees and their families at Zydus Hospitals.<br>• 24X7 medical assistance with ambulance services and emergency first aid is available at all manufacturing sites.<br>• Offering medical insurance policy for on roll employees and workers.<br>• Extending the medical insurance policy to parents of the employees.<br>• Added sum assured through top-up can also be availed by employees.<br>• Zydus Cares a special initiative for pregnant women helps them right through their pregnancy with a buddy being assigned to them for all assistance.<br>• Zydus Clubs provides opportunities to employees to come together and delve in their passion and hobbies like poetry, singing, photography, sports and fitness, dancing etc. This helps them strike the right work life balance.<br>• Zydus "Khel Ka Mahasangram" held through the year and helps employees participate in various sports including "Cyclothons".<br>• All protocols relating to human rights, safety, health and hygiene are strictly adhered. | |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

| Disclosure Questions | | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Policy and Management Processes** | | | | | | | | | | | |
| 1 | a. | Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | b. | Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | c. | Web Link of the Policies, if available | www.zyduslife.com<br>Please refer link for policies :<br>https://www.zyduslife.com/companypolicy | | | | | | | | |
| 2 | Whether the entity has translated the policy into procedures. (Yes / No) | | Yes | | | | | | | | |
| 3 | Do the enlisted policies extend to your value chain partners? (Yes/No) | | Supplier Code of Conduct extends to all value chain partners. | | | | | | | | |
| 4 | Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | | a) ISO 14001, ISO 50001 and ISO 45001 for majority of the manufacturing locations (P3, P4: Health and Safety for all stakeholders working in factory, P6, P9: Energy , Environment and Product Labelling)<br>b) ISO 27001:2013 for one of the major API Units (P9: IT Security)<br>c) ISO 13485 (Medical Devices – Quality Management Systems)<br>d) Europe GMP Certificate (P2: Good Manufacturing Practice)<br>e) EU GDP Certificate (P2: Good Distribution Practices)<br>f) GMP certificate from State FDA<br>g) FSSC certification to major manufacturing facilities of consumer wellness business<br>h) Participant to the S&P Global Corporate Sustainability Assessment ("CSA") from last 03 years<br>i) P1-P9: UN SDGs, GRI<br>j) P6: CDP and TCFD<br>k) P1,P2,P3,P7,P8,P9: SASB | | | | | | | | |

*UN SDGs: United Nations Sustainable Development Goals

*GRI: Global Reporting Initiative; *CDP: Carbon Disclosure Project

*TCFD: Task Force on Climate-related Financial Disclosures; *SASB: Sustainability Accounting Standards Board

| Disclosure Questions | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|---|
| 5 | Specific commitments, goals and targets set by the entity with defined timelines, if any. | Following are the sustainability commitments of the company for standalone operations:<br>(a) Gender diversity of 12% by FY 2028<br>(b) Carbon neutrality in operations (scope 1 and 2 emissions) by FY 2035<br>(c) Net Water Neutrality by FY 2028<br>(d) Waste disposal via coprocessing up 40% for the India operations by 2026<br>(e) 45% reduction in GHG Intensity reduction by FY 2030 with baseline of FY 21-22 aligned with Intended National Determined Contributions (INDC) by Govt. of India | | | | | | | | |

| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| 6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | Performance against goals in FY 2025 for standalone operations are as follows:<br>(a) Gender Diversity of 9% in FY2026<br>(b) 36% renewable energy in total energy mix<br>(c) Reuse of 68% of treated water within the operational boundary<br>(d) 28% waste disposal via co processing | | | | | | | | |
| **Governance, Leadership and Oversight** | | | | | | | | | |
| 7 Statement by director responsible for the business responsibility report | Please refer Chairman message from the company's Integrated Annual Report FY2026 highlighting ESG Challenges, Targets and Achievements | | | | | | | | |
| 8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Chairman | | | | | | | | |
| 9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | Yes, CSR and ESG Committee | | | | | | | | |

## 10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action | The policies of the Company are reviewed periodically / on a need basis by department heads / directors /Board Committees / Board members, wherever applicable. | | | | | | | | | | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | | | | | | | | | | | | | | | | | | |

| 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 | No | No | No | No | Yes** | No | Yes* | No |

* Name of agency: SoulAce Consulting Private Limited

The agency conducted impact assessment of Zydus' various CSR Programmes.

**EHS and Energy policy is audited by external agency during ISO14001 and ISO 50001 annual surveillance and certification audit.

## 12. If all Principles are not covered by a policy, reasons to be stated

| Questions | P 1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| The entity does not consider the principles material to its business (Yes/No) | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| It is planned to be done in the next financial year (Yes/No) | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| Any other reason (please specify) | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |

N.A.: Not Applicable

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

### Essential Indicators

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

| Segment | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact | %age of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| Board of Directors | 02 | a) Board Familiarization Programme (in the form of different business presentations during the Board meeting)<br>b) Training module on all principles of BRSR and overview of Sustainable Development Goals (SDG) | 100% |
| Key Management Personnel | 01 | All principles of BRSR | 100% |
| Employees other than BODs and KMPs | 254 | All principles of BRSR and overview of Sustainable Development Goals (SDG), Human Rights, Safety, Health and Hygiene, Environment | 100% |
| Workers | 454 | Human Rights, Safety, Health and Hygiene Environment, Skill Development | 100% |

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

| Type | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the case | Has an appeal been preferred? (Yes/No) |
|---|---|---|---|---|---|
| **a. Monetary** | | | | | |
| Penalty/ Fine | Principle 1 | National Stock Exchange of India Limited and BSE Limited | ₹ 10,000/- each by both the stock exchanges | Please refer the following link: https://beta.bseindia.com/xml-data/corpfiling/AttachHis/beedd68e-f5ac-4a94-b895-117a22cbc541.pdf | No |
| Settlement | Nil | | | | |
| Compounding fee | Nil | | | | |
| **b. Non-Monetary** | | | | | |
| | Nil | | | | |

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

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|---|---|
| NA* | |

*Not Applicable

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

Yes, the company has implemented an anti-bribery and anti-corruption policy aligned with Zydus' Code of Business Conduct and Ethics (COBE) and other applicable regulations. This policy underscores a zero-tolerance stance toward bribery and corruption, ensuring the highest standards of integrity and transparency across all operations and business practices. The policy forms a core element of the Business Conduct Policy and applies to the Board of Directors, all employees, whether full-time or part-time, as well as subsidiaries and affiliates. Furthermore, all business partners are expected to uphold the same ethical principles when conducting business with or on behalf of the company. Please refer to https://www.zyduslife.com/public/pdf/Business-Conduct-Policy-2022.pdf

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

| Category | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|
| Employees other than BoD and KMPs | Nil | |
| Workers | | |

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

| Topic | FY 2025-26 (Current Financial Year) | | FY 2024-25 (Previous Financial Year) | |
|---|---|---|---|---|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil | | | |
| Number of complaints received in relation to issues of Conflict of Interest of KMPs | | | | |

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

None

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

| | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Number of days of accounts payables | 66.84 | 66.45 |

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

| Parameter | Metrics | | FY 2025-2026 | FY 2024-2025 |
|---|---|---|---|---|
| Concentration of Purchases* | a. | Purchases from trading houses as % of total purchases | 22.55% | 22.32% |
| | b. | Number of trading houses where purchases are made from | 3000+ | 3300+ |
| | c. | Purchases from top ten trading houses as % of total purchases from trading houses | 19.58% | 36.81% |
| Concentration of Sales | a. | Sales to dealers / distributors as % of total sales | 80.60% | 90.30% |
| | b. | Number of dealers / distributors to whom sales are made | 20000+ | 15000+ |
| | c. | Sales to top ten dealers / distributors as % of total sales to dealers / distributors | 37.60% | 40.91% |

| Parameter | Metrics | | FY 2025-2026 | FY 2024-2025 |
|---|---|---|---|---|
| Share of RPTs in | a. | Purchases (Purchases with related parties / Total Purchases) | 1.11% | 1.25% |
| | b. | Sales (Sales to related parties / Total Sales) | 0.09% | 0.05% |
| | c. | Loans & advances (Loans & advances given to related parties / Total loans & advances) | 0.00% | 0.00% |
| | d. | Investments (Investments in related parties / Total Investments made) | 0.00% | 0.00% |

## Leadership Indicators

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

| Total number of training and awareness programmes held | Topics/principles covered under the training and its impact | %age of persons in value chain covered by the awareness programmes |
|---|---|---|
| 24 | The company organises and conducts training and awareness programs for its supply chain partners, addressing key areas such as anti-bribery, prevention of unfair trade practices, anti-discrimination, fair treatment, anti-competition, data privacy and protection, employee health and safety, resource conservation, climate protection, and the management of waste and emissions. | 56 |

*The value chain partners comprise of vendors/suppliers providing raw materials, APIs, intermediates, excipients, packaging materials and indirect materials to the company.

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

Yes, as part of its governance framework, the company follows best practices for managing conflicts of interest among its directors. The disclosures made by the directors are reviewed by the Board, along with any potential conflicts. The Board collectively assumes responsibility for all business decisions in which a director may have an interest, while directors with conflicts are excluded from participating in related decision-making. In addition, directors and senior management provide annual affirmations regarding conflicts of interest. The Code of Business Conduct and Ethics, applicable to both directors and senior management, is available on the company's website.

## 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.**

| Type | FY 2025-26 | FY2024-25 | Details of improvement in social and environmental aspects |
|---|---|---|---|
| Research & Development (R&D) | 100% | 100% | Investments in specific technologies to improve the environmental and social impacts of products and processes |
| Capital Expenditure (CAPEX) | 6% | 5% | |

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

Yes, the company evaluates suppliers against sustainability metrics and criteria before onboarding. Vendors (supplying APIs, intermediates, excipients, packaging materials, raw materials, and indirect materials) are assessed on ESG parameters, which include aspects such as business ethics, environmental practices, and respect for human rights.

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

56%* of inputs were sourced sustainably from vendors and suppliers who have established ESG practices.

*The value chain partners comprise of vendors/suppliers providing raw materials, APIs, intermediates, excipients, packaging materials and indirect materials to the company.

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

| Product | Process to safely reclaim the product |
|---|---|
| Packaging | • As per the requirements of The Plastic Waste Management Rules 2016, the company is registered as a Brand Owner in the Extended Producer Responsibility (EPR) portal by the regulatory authorities.<br>• Equivalent quantity of plastic material that has gone in to the domestic market (within India) is collected through authorized waste management agency for recycling and energy recovery under EPR. |
| E-waste | E – Waste is sent to authorized vendors/recyclers. |
| Hazardous Waste | Hazardous waste is sent to authorized pre – processor, co–processor, recycler, secured landfill and incinerator site for safe disposal. |
| Other Waste | • Non-hazardous waste is sent to registered vendors for disposal.<br>• Bio-medical waste is sent to common bio-medical waste incineration facility authorized by the regulators for safe disposal. |

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

- Yes, Extended Producer Responsibility (EPR) is applicable to the Company's activities.
- The plastic waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to the Central Pollution Control Board.

## Leadership Indicators

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

Please refer Life cycle Assessment disclosure in the Integrated Annual Report on Page No: 119

| NIC Code | Name of Product / Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link. |
|---|---|---|---|---|---|
| --- | Mesalamine API & DR Tablets | --- | Cradle to Gate | Yes | Yes (Page : 90 ; https://www.zyduslife.com/public/pdf/ESG-Report-FY24-25.pdf) |

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

| S. No. | Name of the product | Description of the risk | Action Taken |
|---|---|---|---|
| Not Applicable | | | |

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

The company, operating in the pharmaceuticals and healthcare sector, prioritises product safety and quality given their direct impact on consumer health. Consequently, the company avoids reusing any materials or chemicals in its manufacturing processes. In line with Extended Producer Responsibility (EPR) regulations, the company also undertakes plastic take-back and recycling initiatives.

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

(a) Reclaimed end of life products are collected at central authorized collection site and sent to co–processing for energy recovery.

(b) Plastic packaging material is covered under EPR of Plastic Waste Management Rules

| | FY2025-26 | | | FY2024-25 | | |
|---|---|---|---|---|---|---|
| | Reused | Recycled | Safely Disposed | Reused | Recycled | Safely Disposed |
| Plastics (including packaging) – EPR collections (MT) | --- | *1303 | 644 | --- | 9316 | 99 |
| E-waste (MT) | --- | --- | --- | --- | --- | --- |
| Hazardous waste (MT) | --- | --- | 404 (Co-processing) | --- | --- | 335 (Co-processing) |
| Other waste (MT) | --- | --- | --- | --- | --- | --- |

*The data pertains only to the pharmaceutical business. The EPR filing for the wellness business is currently in process and will be reported in the ESG Report for FY2026.

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

Considering the nature of its operations in pharmaceuticals and consumer wellness, the company does not reclaim products for reuse or recycling. Instead, it ensures their safe disposal at the end of their lifecycle. Plastic packaging materials are managed under the Extended Producer Responsibility (EPR) provisions of the Plastic Waste Management Rules.

## 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 | Total (A) | % of employees covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care Facilities | |
| | | No. (B) | %(B/A) | No. (C) | %(C/A) | No.(D) | %(D/A) | No. (E) | %(E/A) | No. (F) | %(F/A) |
| **Permanent Employees** | | | | | | | | | | | |
| Male | 21949 | 21949 | 100% | 21949 | 100% | 0 | 0 | 21949 | 100% | 0 | 0 |
| Female | 2538 | 2538 | 100% | 2538 | 100% | 2538 | 100% | 0 | 0 | 2538 | 100% |
| **Total** | **24487** | **24487** | **100%** | **24487** | **100%** | **2538** | **10%** | **21949** | **90%** | **2538** | **10%** |
| **Other than Permanent Employees** | | | | | | | | | | | |
| Male | 104 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Female | 27 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| **Total** | **131** | **0** | **0%** | **0** | **0%** | **0** | **0%** | **0** | **0%** | **0** | **0%** |

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

| Category | Total (A) | % Of Workers Covered By | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care Facilities | |
| | | No. (B) | %(B/A) | No. (C) | %(C/A) | No.(D) | %(D/A) | No. (E) | %(E/A) | No. (F) | %(F/A) |
| **Permanent Employees** | | | | | | | | | | | |
| Male | 5259 | 5259 | 100% | 5259 | 100% | 0 | 0 | 5259 | 100% | 0 | 0 |
| Female | 234 | 234 | 100% | 234 | 100% | 234 | 100% | 0 | | 234 | 100% |
| **Total** | **5493** | **5493** | **100%** | **5493** | **100%** | **234** | **4%** | **5259** | **96%** | **234** | **4%** |
| **Other than Permanent Workers** | | | | | | | | | | | |
| Male | 5672 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Female | 1044 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| **Total** | **6716** | **0** | **0%** | **0** | **0%** | **0** | **0%** | **0** | **0%** | **0** | **0%** |

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

| | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| *Cost incurred on wellbeing measures as a % of total revenue of the company | 0.42% | 0.38% |

* Permanent Employees - India Operations

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

| Sl. No. | Benefits | FY 2025-26 (Current FY) | | | FY 2024-25 (Previous FY) | | |
|---|---|---|---|---|---|---|---|
| | | No. of employees covered as a % of total employees | No. of workers covered as a % of total worker | 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 worker | Deducted and deposited with the authority (Y/N/N.A.) |
| 1 | Provident Fund | 100% | 100% | Y | 100% | 100% | Y |
| 2 | Gratuity | 100% | 100% | Y | 100% | 100% | Y |
| 3 | ESI | 2.90% | 45.00% | Y | 3.30% | 53% | Y |
| **Others- please specify** | | | | | | | |
| 4 | NPS | 5.30% | NA | Y | 3.00% | NA | Y |
| 5 | Superannuation | 0.15% | NA | Y | 0.16% | NA | Y |
| 6 | Social Security | 100% | 100% | Y | 100% | 100% | Y |

The company also provides additional social security benefits i.e. National Pension Scheme, Superannuation to the consumer wellness and applicable foreign business locations.

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

Yes, the company's offices and premises are equipped with ramps to ensure accessibility for employees and workers with disabilities. Facilities are located either on the ground floor or include elevators and amenities designed to support individuals with special needs. In addition, the company provides various accommodations to foster a comfortable and inclusive working environment for persons with disabilities.

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

Yes, the company is committed to being an equal opportunity employer, ensuring fair treatment of all job applicants and rejecting any form of discrimination. It complies with applicable employment laws and does not permit unfair treatment based on race, color, gender, age, nationality, religion, sexual orientation, gender identity or expression, marital status, or disability. To reinforce its dedication to expanding employment opportunities for persons with disabilities, the company has identified and assigned specific roles and tasks tailored to certain categories of differently-abled employees. Please refer to the following link: https://www.zyduslife.com/career.html

**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 | 93% | 93% | 71% | 71% |
| **Total** | **99%** | **99%** | **100%** | **99%** |

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

| Category | Yes/No | Details of the mechanism in brief |
|---|---|---|
| Permanent Workers | Yes | **Following mechanisms are in place to receive and address grievances of employees and workers:**<br>A) The company has an internal employee support and helpdesk system called Zydus Connect 2.0 with following features:<br>I. Through this helpdesk, employee can raise their queries which are responded to within the defined timeline.<br>II. Employee can reach out to Group HR Head (CHRO) through this system and raise concerns and queries directly to him and concerned head of the business vertical.<br>III. It has mechanism for collecting feedback from employees on various matters.<br>B) The company has a whistleblower policy, approved by the Board of Directors, that enables employees to raise concerns about unethical behaviour, suspected fraud, or violations of the company's code of conduct or ethics policy directly with management. The policy provides safeguards to protect employees from any form of retaliation for using this mechanism and, in exceptional cases, grants direct access to the Chairman of the Audit Committee. For more details on the mechanism, kindly refer following link : https://www.zyduslife.com/public/pdf/companypolicy/Whistle-Blower-Policy.pdf |
| Other than Permanent Workers | Yes | |
| Permanent Employees | Yes | |
| Other than Permanent Employees | Yes | |

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

| Category | FY 2025-26 (Current FY) | | | FY 2024-25 (Previous FY) | | |
|---|---|---|---|---|---|---|
| | 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** | **24487** | **0** | **0%** | 23283 | 0 | 0% |
| - Male | 21949 | 0 | 0% | 21316 | 0 | 0% |
| - Female | 2538 | 0 | 0% | 1967 | 0 | 0% |
| **Total Permanent Workers** | **5493** | **289** | **5%** | 4634 | 1073 | 23% |
| - Male | 5259 | 289 | 5% | 4381 | 1073 | 24% |
| - Female | 234 | 0 | 0% | 253 | 0 | 0% |

8. Details of training given to employees and workers:

| Category | FY 2025-2026 Current Financial Year | | | | | FY 2024-2025 Previous Financial Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| Male | 21949 | 16062 | 73% | 21632 | 99% | 21316 | 8467 | 40% | 8861 | 42% |
| Female | 2538 | 2347 | 92% | 2320 | 91% | 1967 | 1700 | 86% | 1320 | 67% |
| **Total** | **24487** | **18409** | **75%** | **23952** | **98%** | **22283** | **10176** | **46%** | **10181** | **44%** |
| **Workers** | | | | | | | | | | |
| Male | 5259 | 5066 | 96% | 5066 | 96% | 4381 | 1849 | 42% | 1772 | 40% |
| Female | 234 | 234 | 100% | 234 | 100% | 253 | 132 | 52% | 89 | 35% |
| **Total** | **5493** | **5300** | **96%** | **5300** | **96%** | **4634** | **1981** | **43%** | **1861** | **40%** |

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

| Category | FY 2025-26 (Current FY) | | | FY 2024-25 (Previous FY) | | |
|---|---|---|---|---|---|---|
| | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who had a career review (B) | %(B/A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who had a career review (D) | %(D/C) |
| Permanent Employees | | | | | | |
| Male | 21949 | 21949 | 100% | 21316 | 21316 | 100% |
| Female | 2538 | 2538 | 100% | 1967 | 1967 | 100% |
| **Total** | **24487** | **24487** | **100%** | **23283** | **23283** | **100%** |
| **Permanent Workers** | | | | | | |
| Male | 5259 | 5259 | 100% | 4381 | 4381 | 100% |
| Female | 234 | 234 | 100% | 253 | 253 | 100% |
| **Total** | **5493** | **5493** | **100%** | **4634** | **4634** | **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, occupational health and safety management system has been implemented by the company. |
| a.1 | What is the coverage of such system? | The coverage of such systems is 100% across the company |
| b. | What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? | Processes like PSSR (Pre-Start-up Safety Review), HAZOP (Hazard operating procedures) HIRA (Hazard Identification Risk Assessment), Risk Assessment, Third Party Safety Audit, Safe Work Permit System, Behavior based Safety system are in place to identify the work-related hazards and risks related to routine and non-routine activities. |
| c. | Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No) | Yes, the workers are part of safety committee meeting as per statute, where workers report the work-related hazards and mitigation measures are discussed and implemented. |
| d. | Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No) | Yes, the company has necessary arrangements to meet non-occupational medical requirements for employees and workers (e.g. onsite doctor / Occupational Health Centre (OHC) clinic to attend to all medical queries). Also, a medical insurance policy is provided to all permanent employees and workers. |

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

| Safety Incident/Number | Category | FY 2025-26 (Current FY) | FY 2024-25 (Previous FY) |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0.08 | 0.07 |
| | Workers | 0 | 0.35 |
| Total recordable work-related injuries | Employees | 6 | 4 |
| | Workers | 0 | 4 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |

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

- The company has adopted a structured and comprehensive approach to ensure a safe, healthy, and compliant workplace across all operations. An Occupational Health & Safety Management System aligned with ISO 45001:2018 has been implemented across sites, reinforced through regular safety training, awareness programmes, and documented Safe Operating Procedures (SOPs) for key activities. Strict provision and enforcement of appropriate Personal Protective Equipment (PPE) is maintained, alongside systematic hazard identification and risk management using tools such as Hazard Identification and Risk Analysis (HIRA) and Job Safety Analysis (JSA).
- Safety ownership is actively promoted through established structured mechanisms employee participation at all levels, visible leadership involvement, and continuous improvement reviews. The company undertakes ongoing EHS promotional initiatives to strengthen safety culture, behavior based safety initiatives supported by robust fire prevention and emergency preparedness systems. Occupational health facilities, including a well-equipped Occupational Health Centre, are available, complemented by welfare measures such as clean and hygienic canteen facilities to support employee well-being.
- The organization ensures workplace safety and health through a comprehensive approach. The EHS Policy is prominently displayed at key locations and reinforced through training for all stakeholders. Strict ISO 45001 compliance is maintained, supported by robust safety infrastructure including fire hydrants, extinguishers, alarms, and suppression systems.

- Engineering controls such as sensor-based machine interlocks and guards for moving parts are implemented following hazard identification and risk assessments. Regular workplace monitoring is carried out to verify adherence to statutory safety requirements. Additionally, employees and workers undergo pre-employment and periodic medical examinations in line with statutory norms, ensuring their health and fitness for duty.

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

| Topic | FY 2025-26 (Current FY) | | | FY 2024-25 (Previous FY) | | |
|---|---|---|---|---|---|---|
| | 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 | 0 | --- |
| Health & Safety | 0 | 0 | 0 | 0 | 0 | --- |

**14. Assessments for the year:**

| Topic | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Health and safety practices | 100%* |
| Working Conditions | 100%* |

* India operations

**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.**

The company has implemented corrective actions to address significant risks/concerns arising from assessments of health and safety practices and working conditions like:

(a) Installation of safety interlocks to the machines, motion sensors, and interlocks for moving equipment like blenders, compressor machines, and packing machines.

(b) Training on safe working practices provided to all shop floor employees.

(c) Training on the principles of behavior-based safety was provided to all shop floor employees.

### Leadership Indicators

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

c. Employees (Yes/No): Yes

d. Workers (Yes/No): Yes

**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 vendors to acknowledge the Supplier Code of Conduct, affirming their commitment to comply with all applicable laws and regulations.

**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 are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

| Category | 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 | |
|---|---|---|---|---|
| | Current FY 26 | Previous FY 25 | Current FY 26 | Previous FY 25 |
| Employees | 0 | 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).**

Yes, the company offers counselling to employees nearing retirement to support their financial planning and has a retention policy in place for selected roles and positions.

5. **Details on assessment of value chain partners:**

| Topic | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Health and safety practices | 56%* |
| Working Conditions | 56%* |

*The value chain partners comprise of vendors/suppliers providing raw materials API excipients, packaging materials, Indirect materials and Intermediate solvent to the company.

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

No significant risks/concerns were observed from assessments of health and safety practices at the workplaces of value chain partners.

## PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders Essential Indicators

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

The company identifies its stakeholders through a structured approach that includes engagement across different management levels, benchmarking against competitors, and consultations with external stakeholders. This process formed a key part of the materiality assessment, conducted in alignment with global reporting standards such as the Global Reporting Initiative (GRI) and the National Guidelines for Responsible Business Conduct (NGRBC).

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

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes / No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Patients | No | • Website<br>• Clinical studies<br>• Pharmacovigilance | Need Basis | The company interacts with patients to understand their expectations and experience with the products. Also, the company engages with patients to conduct tests for clinical studies of pharmaceutical products. |
| Channel Partners | No | • Meetings<br>• Field visits<br>• Digital Communication | Need Basis | Channel partners play a vital role in business continuity by ensuring product accessibility across different geographies. The company interacts with them to formulate and strategize distribution of products and monitor the operations on a regular basis. |

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes / No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Suppliers | No | • Meetings<br>• Supplier audit<br>• Facility visits | Need Basis | The company regularly communicates with the suppliers to ensure quality, safety and timely availability of input materials and other critical services to ensure continuity of business operations. The company conducts regular audit of the suppliers of critical materials and services to ensure that suppliers abide by the supplier code of conduct. |
| Healthcare Professionals | No | • Meetings<br>• Field visits | Need Basis | Healthcare professionals serve as key opinion leaders and provide important feedback to enable the company in understanding the market outlook, patients' feedback, their requirements and expectations from the. This also includes any adverse or negative feedback which can be detrimental to the patient health. |
| Government and Regulators | No | • Meetings<br>• Conferences<br>• Facility visits by Government / Regulatory officials<br>• Official Communications<br>• Statutory Publications | Need Basis | The company is a responsible law-abiding organization and ensures 100% compliance to all applicable regulations. With increased focus on issues pertaining to Environment, Social and Governance, the company regularly communicates with government representatives and regulatory bodies to have latest understanding of regulations which can impact the operations and stakeholders of the company. |
| Industry Associations | No | • Industry Conferences<br>• Representations on policy matters | Need Basis | The company interacts with Government / Regulatory Authorities on any public policy framework through apex industry institutions like Indian Pharmaceutical Alliance, Federation of Indian Chambers of Commerce & Industry (FICCI), The Indian Drug Manufacturers Association, Pharmexcil and Gujarat Chamber of Commerce & Industry (GCCI) etc. The company puts forth its views on new standards or regulatory developments pertaining to the pharmaceutical and healthcare manufacturing industry, broadly in the areas concerning access to medicines and other products, best practices, corporate governance, CSR etc. |

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes / No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Shareholders and Investors | No | • Meetings<br>• Investor Conferences<br>• AGM<br>• Website | Quarterly/ need basis | The company interacts with its shareholders and investors to share regular update on its strategies, financial and operational performance, significant events and achievements, key risks and challenges and future roadmap for growth.<br>With increased focus on ESG parameters, the company intends to include more parameters pertaining to ESG indicators during its interaction with investors. |
| Employees | No | Employee Engagement Survey, Emails, Calls, Grievance mechanism One-to-one connect | Need Basis | The company interacts with its employees to share performance and career development reviews and takes inputs and feedback from employees to create a healthy working environment. The company has an intranet portal for employees wherein all data pertaining to employment can be accessed and employees can also raise their queries and concerns for further action. |
| Communities | Yes | Visit to community sites, digital channels | Regularly | The company engages with the community by understanding and serving needs of the communities. Through its Section 8 wholly owned subsidiary company in the name of Zydus Foundation, the company has brought world-class medical education to the rural interiors of Gujarat by constructing and setting-up best in class medical college and hospital at Dahod (Aspirational District as per NITI Ayog).<br>The company provides to all patients free of cost, consultation and treatment, including OPD, indoors, all investigations, surgeries, anesthesia, oral medicines, injectables and food. Along with this, the company engages with the community to sensitize them on various health issues by conducting various awareness camps. |
| Consumers | No | Digital Platforms, Advertisements, Newspaper, Consumer feedback division to address queries and grievances, Website. | Continuous | Product quality and safety, information on products, consumer satisfaction and feedback, complaints and queries. |

## Leadership Indicators

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

   The company maintains multiple channels for dialogue and feedback with internal stakeholders before implementing major decisions that could affect them. It also actively engages with relevant stakeholders to evaluate the economic, environmental, and social impacts of its operations, while collecting their input and suggestions. This feedback is duly considered and acted upon as part of the company's decision-making process.

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

   Yes, the company has conducted an exercise to create a materiality matrix to identify material issues with respect to environment, social and governance aspects, which involved engagement with stakeholders. As a result of this exercise, the following topics can be seen in the Page No: 22.

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

   As part of its CSR initiatives, the company actively engages with marginalized and vulnerable communities, working to foster healthier and happier societies worldwide. Its CSR program, Zydus Srishti, focuses on key areas such as access to healthcare, quality education, skill development, and research and innovation to promote a sustainable environment.

   For further details please refer to Page No. 140 of the Integrated Annual Report FY2025-26.

## PRINCIPLE 5: Businesses should respect and promote human rights Essential Indicators

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

| Category | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of employees / workers covered (B) | % (B/A) | Total (C) | No. of employees / workers covered (D)** | % (D/C)** |
| **Employees** | | | | | | |
| Permanent | 24487 | 24487 | 100% | 23283 | 5011 | 22% |
| Other than permanent | 131 | 131 | 100% | 47 | 43 | 91% |
| **Total Employees** | **24618** | **24618** | **100%** | **23330** | **5054** | **22%** |
| **Workers** | | | | | | |
| Permanent | 5493 | 5493 | 100% | 4634 | 1450 | 31% |
| Other than permanent | 6716 | 6716 | 100% | 5533 | 5003 | 90% |
| **Total Workers** | **12209** | **12209** | **100%** | **10167** | **6453** | **63%** |

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

| Category | FY 2025-2026 Current Financial Year | | | | | FY 2024-2025 Previous Financial Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| Permanent | 24487 | 0 | 0% | 24487 | 100% | 23283 | 0 | 0% | 23283 | 100% |
| Male | 21949 | 0 | 0% | 21949 | 100% | 21316 | 0 | 0% | 21316 | 100% |
| Female | 2538 | 0 | 0% | 2538 | 100% | 1967 | 0 | 0% | 1967 | 100% |
| Other than Permanent | 131 | 0 | 0% | 131 | 0% | 47 | 0 | 0% | 47 | 100% |
| Male | 104 | 0 | 0% | 104 | 0% | 35 | 0 | 0% | 35 | 100% |
| Female | 27 | 0 | 0% | 27 | 0% | 12 | 0 | 0% | 12 | 100% |
| | | | | | | | | | | |
| Permanent | 5493 | 0 | 0% | 5493 | 100% | 4634 | 0 | 0% | 4634 | 100% |
| Male | 5259 | 0 | 0% | 5259 | 100% | 4381 | 0 | 0% | 4381 | 100% |
| Female | 234 | 0 | 0% | 234 | 100% | 253 | 0 | 0% | 253 | 100% |
| Other than Permanent | 6716 | 0 | 0% | 6716 | 100% | 5533 | 0 | 0% | 5533 | 100% |
| Male | 5672 | 0 | 0% | 5672 | 100% | 4734 | 0 | 0% | 4734 | 100% |
| Female | 1044 | 0 | 0% | 1044 | 100% | 799 | 0 | 0% | 799 | 100% |

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

| | Male | | Female | |
|---|---|---|---|---|
| | Number* | Median remuneration/ salary/ wages of respective category (₹) | Number | Median remuneration / salary / wages of respective category (₹) |
| Board of Directors (BoD) | 7 | 33,000,000 | 2 | 33,000,000 |
| Key Managerial Personnel | 3 | 35,000,000 | 0 | 0 |
| Employees other than BoD and KMP (Permanent Employees) | 21,248 | 744,195 | 1,643 | 700,008 |
| Other than Permanent Employees | | | | |
| Workers | 5,003 | 320,604 | 233 | 275,004 |

*India operations only

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

| | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| *Gross wages paid to females as % of total wages | 6.64% | 5.45% |

* India Operations

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

Yes

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

The company believes that sustainable business growth is possible only in a society where human rights are protected and respected. In line with this principle, it ensures that human rights are upheld across all operations, while offering employees opportunities for development and constructive feedback to help them reach their full potential. The company is committed to fair compensation, favourable working conditions, and maintaining high ethical standards in its interactions with employees, while ensuring compliance with all applicable legal and regulatory requirements. To prevent human rights violations and address grievances effectively, multiple mechanisms have been established. Employees can raise concerns directly with the Group HR Head through Zydus Connect 2.0. In addition, the company has a comprehensive Human Rights Policy and a Whistleblower Policy, both accessible on its website. Contact details for the POSH (Prevention of Sexual Harassment) contact point are also prominently displayed across all workplaces. The details of human rights and whistleblower policy can be found from following link: https://www.zyduslife.com/companypolicy

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

| Category | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | 4 | 0 | | 4 | 0 | |
| Discrimination at workplace | 0 | 0 | | 0 | 0 | |
| Child Labour | 0 | 0 | | 0 | 0 | |
| Forced Labour/Involuntary Labour | 0 | 0 | | 0 | 0 | |
| Wages | 0 | 0 | | 0 | 0 | |
| Other human rights related issues | 0 | 0 | | 0 | 0 | |

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

| Safety Incident/Number | FY 2025-26 (Current FY) | FY 2024-25 (Previous FY) |
|---|---|---|
| Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 04 | 08 |
| Complaints on POSH as a % of female employees/ workers | 0.10 | 0.26 |
| Complaints on POSH upheld | 04 | 08 |

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

The company is dedicated to maintaining a workplace free from harassment, including sexual harassment, and enforces a zero-tolerance policy toward such unacceptable conduct. It actively encourages employees to report concerns and addresses complaints related to harassment or inappropriate behaviour promptly. Committees have been established at various locations to investigate sexual harassment complaints and recommend suitable actions when necessary. The company ensures that employees who raise concerns are protected from retaliation, with any reprisal subject to disciplinary measures. Victims and witnesses are safeguarded against discrimination or victimization during the complaint process. Mandatory POSH training is conducted for all employees, with clearly defined consequences under a structured governance framework. Additionally, every employee receives a copy of the POSH policy, which must be acknowledged and signed.

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

Yes

**10. Assessments for the year: –**

| | | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|---|
| Child labor | 100% | I. The company has a strong and structured vigil mechanism in line with various governing policies and procedures.<br>II. The company, being a responsible law-abiding organization, ensures 100% compliance to all applicable laws and regulations.<br>III. The company conducts internal audit/visit to various sites to ensure 100% adherence to laws pertaining to child labor, forced / involuntary labor, sexual harassment, discrimination at workplace and minimum wages.<br>IV. Also, the company ensures zero tolerance to violation of any of the aforesaid issues. |
| Forced/involuntary labor | 100% | |
| Sexual harassment | 100% | |
| Discrimination at workplace | 100% | |
| Wages | 100% | |
| Others – please specify | | |

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

No significant concerns were identified.

## Leadership Indicators

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

All the human rights complaints are taken seriously and handled confidentially. During FY 2025-26 no complaint regarding human rights was reported.

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

The company is striving to identify potential human rights risks across all its operations and value chains, with a focus on stakeholders such as employees, women, children, workers, third-party staff, and local communities. Its efforts include establishing a company-wide due diligence framework to assess risks related to labor standards, health and safety, environmental practices, and corporate ethics. As part of its internal checks and balances, the company has initiated periodic and systematic reviews of human rights risks to prevent critical issues from escalating into significant threats. These reviews are conducted by cross-functional teams and cover areas such as forced labor, child labor, human trafficking, discrimination, freedom of association, safe working conditions, and fair wages. Supply chain partners are also required to submit signed documents to Zydus as evidence of compliance with these Human Rights Due Diligence parameters. The company remains committed to safeguarding the rights and well-being of all stakeholders throughout its operations and value chains.

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

Yes

**4. Details on assessment of value chain partners:**

| | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Child labour | 56%* |
| Forced/involuntary labour | |
| Sexual harassment | |
| Discrimination at workplace | |
| Wages | |
| Others – please specify | |

* The value chain partners comprise of vendors/suppliers providing raw materials APIs, intermediates, excipients, packaging materials and indirect materials to the company.

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

   No such corrective actions have been identified pursuant to assessment of value chain partners.

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

| Parameter (In Gigajoules) | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| From renewable sources | | |
| Total electricity consumption (A) | 2,89,100 | 3,06,939 |
| Total fuel consumption (B) | 10,90,648 | 11,02,803 |
| Energy consumption through other sources (C) | --- | --- |
| **Total energy consumption (A+B+C)** | **13,79,748** | **14,09,742** |
| From non-renewable sources | | |
| Total electricity consumption (D) | 10,70,724 | 9,62,568 |
| Total fuel consumption (E) | 8,58,532 | 7,97,843 |
| Energy consumption through other sources (F) | | |
| **Total energy consumed from non-renewable resources (D+E+F)** | **19,29,256** | **17,60,411** |
| **Total energy consumed (A+B+C+D+E+F)** | **33,09,004** | **31,70,153** |
| **Energy intensity per rupee of turnover** (Total energy consumption/revenue in million rupees) | 12.19 | 13.64 |
| **Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total energy consumed / Revenue from operations in million adjusted for PPP) | 247.92 | 281.80 |
| **Energy intensity in terms of physical output** (GJ/MT) | 38.79 | 31.97 |
| Energy intensity (optional) – the relevant metric may be selected by the entity | N.A. | N.A. |

Calculation tool used: US Energy Information Administration (EPA).

- PPP FY25-26: 20.34₹/INT.US$ ; https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND
- PPP FY24-25: PPP@20.66₹/INT.US$ ; https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : Yes If yes, name of the external agency.: M/s SGS India Private Limited

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

   Not Applicable

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

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 8,08,203 | 5,28,792 |
| (ii) Groundwater | 8,29,140 | 10,92,466 |
| (iii) Third party water | 8,25,847 | 7,76,624 |
| (iv) Seawater / desalinated water | - | - |

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|
| (v) Tanker Water | 94,531 | 89,725 |
| **Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)** | **25,57,721** | **24,87,607** |
| **Total volume of water consumption (in kilolitres)** | **25,57,721** | **24,87,607** |
| **Water intensity per rupee of turnover** (Water consumed / turnover) (kl per revenue in million rupees) | 9.42 | 10.70 |
| **Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total water consumption / Revenue from operations in million adjusted for PPP) | 191.63 | 221.13 |
| Water intensity in terms of physical output (KL/ MT) | 29.98 | 25.09 |
| Water intensity (optional) – the relevant metric may be selected by the entity | N.A | N.A. |

- PPP FY25-26: 20.34₹/INT.US$ ; https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND
- PPP FY24-25: PPP@20.66₹/INT.US$ ; https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : Yes, If yes, name of the external agency.: M/s SGS India Private Limited

4. Provide the following details related to water discharged:

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| (i) To Surface water | --- | --- |
| - No treatment | --- | --- |
| - With treatment – please specify level of Treatment | --- | --- |
| (ii) To Groundwater | --- | --- |
| - No treatment | --- | --- |
| - With treatment – please specify level of Treatment | --- | --- |
| (iii) To Seawater | --- | --- |
| - No treatment | --- | --- |
| - With treatment – please specify level of Treatment | --- | --- |
| (iv) Sent to third-parties | --- | --- |
| - No treatment | --- | --- |
| - With treatment – please specify level of Treatment | Primary Treatment: 2,62,836<br>Tertiary Treatment: 2,14,811 | Primary Treatment: 2,64,555<br>Tertiary Treatment: 2,07,088 |
| (v) Others | Reuse in utility and gardening | Reuse in utility and gardening |
| - No treatment | --- | --- |
| - With treatment – please specify level of Treatment | Tertiary Treatment: 9,53,161 | Tertiary Treatment: 9,54,348 |
| **Total water discharged (in kilolitres)** | **14,30,808** | **14,25,991** |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : Yes, If yes, name of the external agency.: M/s SGS India Private Limited

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

The company has proactively implemented Zero Liquid Discharge (ZLD) across its operations. Its manufacturing facilities are equipped with reverse osmosis (RO) and ultra-filtration (UF) systems to achieve this standard. Alongside primary and secondary treatment, a tertiary effluent treatment plant (ETP) ensures further purification of wastewater generated within the company's premises. The treated water is then repurposed for non-process applications such as horticulture, road cleaning, toilet flushing, and green belt development, thereby contributing to reduced overall water consumption.

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

| Parameter | Please specify unit | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|---|
| Nox | MT | 29.52 | 29.36 |
| Sox | MT | 47.89 | 46.43 |
| Particulate matter (PM) | MT | 44.63 | 44.19 |
| Persistent organic pollutants (POP) | NA | | --- |
| Volatile organic compounds (VOC) | NA | | --- |
| Hazardous air pollutants (HAP) HCL (Ammonia) | --- | | --- |
| Others – please specify | --- | | --- |

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

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

| Parameter | Unit | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|---|
| Total Scope 1 emissions (Break-up of the GHG into $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, $NF_3$, if available) | $tCO_2e$ | 67,528 | 56,459 |
| Total Scope 2 emissions (Break-up of the GHG into $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, $NF_3$, if available) | $tCO_2e$ | 2,22,209 | 2,05,172 |
| **Total Scope 1 and Scope 2 Emissions** | $tCO_2e$ | **2,89,737** | **2,61,631** |
| **Total Scope 1 and Scope 2 emissions** ($tCO_2e$/ revenue in million rupees) | $tCO_2e$/million ₹ revenue | 1.07 | 1.13 |
| **Total Scope 1 and Scope 2 emission intensity per crore of turnover adjusted for Purchasing Power Parity (PPP)** (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | | 21.71 | 23.26 |
| **Total Scope 1 and Scope 2 emission intensity in terms of physical output ($tCO_2e$/ MT)** | | 3.40 | 2.64 |
| **Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity** | $tCO_2e$/₹ | N.A. | N.A. |

Calculation tools used are United State Environmental Protection Agency (EPA) and Central Electrical Authority (CEA), Govt. of India.

- PPP FY25-26: 20.34₹/INT.US$ ; https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND.
- PPP FY24-25: PPP@20.66₹/INT.US$ ; https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N): Yes, If yes, name of the external agency.: M/s SGS India Private Limited

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

| Sl. No. | Encon Measure | Electrical Energy Savings (MWh) | Fuel Savings (MT) | GHG Reduction ($tCO_2e$) |
|---|---|---|---|---|
| 1. | Reduction in GHG emissions by purchase of renewable energy | 75984 | | 53,949 |
| 2. | Reduction in GHG emissions by generation of onsite solar energy | 3669 | | 2605 |
| 3. | Reduction in energy consumption by process improvement/ modification | 1738 | 20 | 1288 |
| 4. | Reduction in energy consumption by new technology adoption | 1051 | 1741 | 4120 |
| | **Total** | **82,442** | **1761** | **61,962** |

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

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste **(A)** | 2813.23 | 3,133.17 |
| E-waste **(B)** | 77.09 | 49.08 |
| Bio-medical waste **(C)** | 488.68 | 455.29 |
| Construction and demolition waste **(D)** | 35.00 | 45.00 |
| Battery waste **(E)** | 60.77 | 23.16 |
| Radioactive waste **(F)** | - | - |
| Other Hazardous waste. Please specify, if any. **(G)** | 18,727.88 | 18,714.09 |
| Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 12,328.52 | 9,685.44 |
| **Total (A + B + C + D + E + F + G + H)** | **34,531.18** | **32,105.23** |
| **Waste intensity per rupee of turnover** (Total waste generated / Revenue in million rupees) | 0.13 | 0.14 |
| **Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total waste generated / Revenue from operations adjusted for PPP) | 2.59 | 2.85 |
| Waste intensity in terms of physical output (Waste in MT/ production on MT) | 0.40 | 0.32 |
| **Waste intensity (optional) –the relevant metric may be selected by the entity** | | |
| **For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)** | | |
| **Category of Waste** | | |
| (i) Recycled | 24,001.48 | 21,106.96 |
| (ii) Re-used | | --- |
| (iii) Other recovery operations | | --- |
| **Total** | **24,001.48** | **21,106.96** |
| **For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)** | | |
| Other Hazardous Waste | | |
| (i) Incineration | 665.35 | 1,075.36 |
| (ii) Landfilling | 3588.92 | 3,860.14 |
| (iii) Other disposal operations | | |
| Co Processing | 1,710.07 | 3,927.49 |
| Pre Processing | 3,616.27 | 2,064.41 |
| **Total** | **9,580.60** | **10,927.40** |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, M/s SGS India Private Limited

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

The company has implemented various waste management practices in compliance with applicable rules and regulations, including:

a) Plastic waste is retrieved from the market under EPR liability by an authorized vendor for recycling and energy recovery.

b) Hazardous waste is sent for safe disposal to an authorized vendor for landfill, incineration and co-processing at a cement kiln.

c) E-Waste and Battery waste are directed to an approved recycler for safe disposal.

d) Bio - Medical waste is sent for incineration to authorized vendor for safe disposal.

e) Non–Hazardous waste is sent to approved vendor for safe disposal.

**The company has adopted following steps to reduce the use of toxic and hazardous chemicals in products and manage the subsequent waste:**

a) Establishing a culture of sustainability across the labs and sensitizing the mindsets to ensure that new medicines are designed and developed in the environmentally sustainable way possible.

b) Operating R&D functions on the following sustainability parameters for existing and new products:

- Optimize water consumption
- Reduce wastewater generation
- Reduce hazardous waste
- Continuously working towards 4Rs (Reduce, Reuse, Recycle, and Recover)

c) Reducing reliance on solvents during product development itself so that lesser quantities of solvents are required to be used at the time of scale up.

d) Ongoing efforts to improve yield and ultimately reduce waste from processes.

Standard operating procedures (SOPs) are followed for the segregation and safe disposal of waste through authorized Treatment, Storage, and Disposal Facilities (TSDFs). In addition, waste is sent for co-processing to cement industries, as an Alternative Fuel Resource (AFR), thereby contributing to the conservation of natural resources.

To further enhance its environmental stewardship, the company has adopted innovative solutions for product packaging, such as:

- **Shift to recycled paper board:** Transitioning from polycoated, laminated, and virgin paper boards to plain recycled paper boards.
- **Plastic-free cartons for tablets:** Introducing new printing technology that enables 100% recyclable, plastic-free cartons.
- **Reduced pack size for injectables:** Minimizing material use by reducing the outer pack size of injectable products.
- **Triple-laminated pouches for transdermals:** Replacing *PVC-PVDC blister packs with lighter, more sustainable triple-laminated pouches.
- **Redesigned vaccine cartons:** Incorporating a single packaging insert and a paperboard partition in vial cartons for vaccines.

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

| S. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|---|---|---|---|
| 1. | Zero | Zero | Entity operations /offices are not located around ecologically sensitive areas. |

*PVC: Polyvinyl Chloride PVDC: Polyvinylidene Chloride

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

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---|---|---|---|---|---|
| During the current FY 2025-26, the company has not initiated any projects for which such environmental impact assessment is required to be undertaken as per the applicable laws. | | | | | |

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

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|---|---|---|---|---|
| 1 | The company is compliant with all applicable legal regulations. | Not Applicable. | Not Applicable. | |

### Leadership Indicators

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

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

(i) Name of the area

a. Vadodara(Padra), Aligarh, Sikkim, Ahmedabad *

b. Ahmedabad – Corporate Office *

(ii) Nature of operations – API Operations at Padra, Consumer wellness manufacturing operations at Aligarh, Sikkim and Ahmedabad and Administrative office at Ahmedabad

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

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 59,137 | 58,430 |
| (ii) Groundwater | 6,18,309 | 6,11,717 |
| (iii) Third party water | 4,513 | --- |
| (iv) Seawater / desalinated water | --- | --- |

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|
| (v) Others | --- | --- |
| **Total volume of water withdrawal (in kilolitres)** | **6,81,959** | **6,70,147** |
| **Total volume of water consumption (in kilolitres)** | **6,81,959** | **6,70,147** |
| **Water intensity per rupee of turnover (Water consumed (KL)/ revenue in million rupees** | **2.51** | **2.88** |
| **Water intensity in terms of physical output (KL/MT)** | **7.99** | **7.37** |

* As per Central Ground Water Authority (CGWA), Govt. of India

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| **(i) Into Surface water** | --- | --- |
| - No treatment | --- | --- |
| - With treatment – please specify level of treatment | --- | --- |
| **(ii) Into Groundwater** | --- | --- |
| - No treatment | --- | --- |
| - With treatment – please specify level of treatment | --- | --- |
| **(iii) Into Seawater** | --- | --- |
| - No treatment | --- | --- |
| - With treatment – please specify level of treatment | | Tertiary Treatment |
| **(iv) Sent to third parties** | | --- |
| - No treatment | | --- |
| - With treatment – please specify level of treatment | Tertiary Treatment 86,250 | Tertiary Treatment 81,518 |
| **(v) Others** | Reuse in utility and gardening | Reuse in utility and gardening |
| - No treatment | | |
| - With treatment – please specify level of treatment | Tertiary Treatment: 48,032 | Tertiary Treatment: 42,892 |
| **Total water discharged (in kilolitres)** | **1,34,282** | **1,24,410** |

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

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

| Parameter | Unit | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|---|
| Total Scope 3 emissions (Break-up of the GHG into $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, $NF_3$, if available) | Metric tonnes of $CO_2$ equivalent ($tCO_2e$) | 13,10,180 | 13,00,997 |
| Total Scope 3 emissions per rupee of turnover | ($tCO_2e$ per million ₹ revenue) | 4.83 | 5.60 |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity | N.A. | | N.A. |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes. Limited Assurance by M/s SGS India Private Limited.

**3. 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.**

Not Applicable

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

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---|---|---|---|
| 1 | Increase of renewable energy in the energy mix instead of grid grey energy | a) Generation of solar energy by installation of a solar plant.<br>b) Utilization of hybrid power (Wind & Solar) through open access by power purchase agreement.<br>c) Replacement of coal with biomass briquet as primary fuel to generate steam in boiler. | a) Reduction in carbon footprint<br>b) Energy security for future stringent rules on grey power |
| 2 | Process optimisation | Optimising the energy consumption by revising the load pattern in process and utilities of major energy consuming equipments. | Reduction in energy consumption and abatement of carbon foot print |
| 3 | Resource efficiency | ETP sludge is routed from landfill to cement industry for co-processing. | Eco-friendly disposal of waste. |
| 4 | Improvement in energy efficiency | Replacement of steam based hot water generation with energy-efficient Heat pump system | Energy saving: 3,75,000 kWh<br>GHG reduction: 266 $tCO_2e$ |
| | | Increase of co processing and pre processing to recover the energy content from off-specification and expired products to cement industry instead of incineration. | Disposal of waste in an eco-friendly manner. Creating energy value from waste |
| 5 | Extended Producer Responsibility for plastic packaging liability | Plastic packaging is recycled and sent for energy recovery. | Sustainable disposal of the plastic packaging material. |

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

The company has established a comprehensive business continuity and disaster recovery plan across all its locations to safeguard resources in the event of emergencies or unforeseen circumstances. This plan enables the company to sustain operations and adapt to challenges arising from natural calamities, manmade disasters, or unprecedented events that could disrupt business activities. It is regularly reviewed and updated to incorporate learnings from past disruptions, including cyclones, floods, landslides, and pandemics. The company's risk management framework focuses on minimizing the impact of such events through periodic assessments of their likelihood and potential consequences, coupled with the development of appropriate mitigation strategies. Additionally, the company has secured a business interruption insurance policy to compensate for potential profit losses resulting from disruptions caused by natural disasters.

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

   Zero adverse impact during reporting year FY 2025-26.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact:**

   56%

8. **How many Green Credits have been generated or procured:**

   a. By the listed entity : Nil

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners : Nil

## 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 associated with fourteen trade and industry chambers/associations

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

| S. no | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|---|---|---|
| 1 | Indian Pharmaceutical Alliance | National |
| 2 | Federation of Indian Chambers of Commerce and Industry ("FICCI"), | National |
| 3 | The Indian Drug Manufacturers Association | National |
| 4 | Indian Pharmacopeia Commission | National |
| 5 | Indian Pharmaceutical Association | National |
| 6 | The Confederation of Indian Industry | National |
| 7 | All India Food Processors' Association | National |
| 8 | Protein Foods and Nutrition Development Association of India. | National |
| 9 | International Market Assessment India Private (IMA) | National |
| 10 | Indian Beauty & Hygiene Association | National |
| 11 | The Advertising Standards Council of India | National |
| 12 | Pharmexcil, Hyderabad | State |
| 13 | Gujarat Chamber of Commerce & Industry ("GCCI"). | State |
| 14 | Ahmedabad Management Association | State |
| 15 | Indian Pharmaceutical Research & Innovation by UP govt. | State |

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

   Not Applicable as there were no issues or any adverse order related to anti-competitive conduct by the company during the FY 2025-26.

### Leadership Indicators

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

| S. no | Public policy advocated | Method resort for such advocacy | Whether the information is available in public domain? (Yes/No) | Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify | Web Link, if available |
|---|---|---|---|---|---|
| The company engages with a wide range of stakeholders, including industry chambers, associations, governments, and regulators, to provide inputs that support the formulation and implementation of public policies. This engagement is conducted with a strong emphasis on commitment, integrity, and transparency, ensuring that the interests of all stakeholders are prioritised. The company participates in meetings, conferences, official communications, and other forms of engagement as required. | | | | | |

## 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.**

During FY 2025-26, SIA was conducted by an independent agency, M/s SoulAce Consulting Pvt Ltd and the details of the assessment can be found from the following link : https://www.zyduslife.com/public/pdf/csr/Annexure-C-IA-1.pdf https://zyduslife.com/public/pdf/csr/Annexure-C-IA-2.pdf

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

| S. no | Name of project for which R&R is ongoing | State | District | No of Project Affected Families | % of PAF covered by RAR | Amount Paid to PAFs in the FY (in ₹) |
|---|---|---|---|---|---|---|
| Not Applicable | | | | | | |

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

The company conducts regular visits to local communities to engage with them and address their concerns. It also leverages digital platforms to resolve grievances raised by community members through social media. A dedicated team manages online reputation management (ORMs) efforts, supported by the social listening tool Locobuzz, which is monitored four times daily to respond to incoming queries. When required, queries are redirected to the relevant department. On working days, the first response turnaround time (TAT) is within 5 hours, while on weekends it extends up to 12 hours.

Additionally, the company's consumer wellness division interacts directly with farmers at their locations to record grievances and provide solutions aimed at improving livestock health and hygiene. A farmer's helpline has also been established to address issues related to animal health and feeding.

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

| | FY 2025-2026 Current Financial Year | FY 2024-2025 Previous Financial Year |
|---|---|---|
| *Directly sourced from MSMEs/ Small producers | 15% | 14% |
| *Directly from within India | 61% | 78% |

*The suppliers comprise of vendors/suppliers providing API excipients, raw materials, packaging materials, Indirect materials and

Intermediate solvent to the company.

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

| Location | FY 2025-2026 | FY 2024-2025 |
|---|---|---|
| Rural | 0.00% | 0.00% |
| Semi-urban | 6.45% | 6.98% |
| Urban | 6.65% | 6.99% |
| Metropolitan | 86.90% | 86.03% |

## Leadership Indicators

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

| Details of negative social impact identified | Corrective action taken |
|---|---|
| NO | |

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

| S. no | State | Aspirational District | Amount spent (₹) |
|---|---|---|---|
| 1 | Gujarat | Dahod | ---- |

The Company has contributed over INR 200 million (over a period of last 4-5 years) towards CSR initiatives in the aspirational district of Dahod, Gujarat, to support the operational requirements of the Zydus Medical College and Hospital (ZMCH). ZMCH is now operating on a self-sustaining model, and therefore, ZCCH is not required to seek CSR support from others and hence, the Company has not made any contribution during the reporting year, FY 2025–26.

During the reporting year 2025-26, the Company contributed amount for the establishment of Zydus Lifesciences University ("University") in Gujarat — a world-class, research-intensive institution designed to position the State as a global hub for biomedical innovation, translational research, and advanced talent development. Through Zydus Foundation, the Company seeks to support the Government of Gujarat to build a model institution aligned with the Hon'ble Prime Minister's vision of Atmanirbhar Bharat, Viksit Bharat 2047, and Gujarat's leadership in pharmaceuticals and biotechnology.

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

   No

   **(a) From which marginalized /vulnerable groups do you procure?**

   N.A.

   **(b) What percentage of total procurement (by value) does it constitute?**

   N.A.

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**

   No intellectual property was owned or acquired based on traditional knowledge during FY 2025-26.

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.**

   No adverse order in intellectual property related disputes was received wherein usage of traditional knowledge is involved. Hence, not applicable.

6. **Details of beneficiaries of CSR Projects.**

| S. No. | CSR Project | No of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized group |
|---|---|---|---|
| Please refer pg:141 -157 of integrated annual report | | *4,65,523 | 100% |

- *Direct beneficiaries (no's) : 4,65,523
- Indirect beneficiaries(no's) : 26,64,424

## PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

## Essential Indicators

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

The company has established robust procedures for receiving, recording, investigating, and responding to product quality complaints related to drug products, drug substances, and saleable intermediates that it manufactures, markets, or distributes.

a) Complaints may be submitted verbally, in writing, or through electronic channels such as post, fax, email, telephone, or in-person, and may include supporting evidence like samples or photographs.

b) Upon receipt, each complaint is logged, acknowledged, and supplemented with any additional information required for investigation.

c) Nature of the complaints are classified as critical, major, or minor, and a preliminary investigation is conducted in accordance with applicable regulations.

d) Investigations are carried out within a defined timeframe to identify root causes, assess impact, evaluate risks to product quality and patient safety, and determine corrective and preventive actions (CAPA).

e) Depending on the findings, immediate actions may be taken, such as product recalls, alert notifications to the regulatory agencies, or suspension of manufacturing of the product etc.

f) A formal response is provided to the complainant, with a waiting period of up to 60 days for feedback before closing the complaint.

g) The company has also implemented a global pharmacovigilance policy, underscoring its commitment to patient safety.

h) For its consumer wellness division, customers can reach out by writing to the company's mailing address, emailing customercare@zyduswellness.com, or calling the customer care number 18001206868. Contact details are also available on the company's website.

This structured approach ensures that product quality concerns are addressed promptly, transparently, and in alignment with regulatory and patient safety standards.

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

| | As a percentage to total turnover |
|---|---|
| Environment and Social parameters relevant to product | 100%: There are social parameters relevant to the responsible, safe and prescribed usage of the products. |
| Safe and responsible usage | 100% |
| Recycling and/or safe disposal | All our products which are expired or damaged and cannot be consumed are taken back from trade and are audited and disposed-off as per the guidelines enumerated in the internal policy and adhering to local laws and rules. |

## 3. Number of consumer complaints

| | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at the end of year | Remarks | Received during the year | Pending resolution at the end of year | Remarks |
| Data privacy | 0 | 0 | --- | 0 | 0 | --- |
| Advertising | 0 | 0 | --- | 0 | 0 | --- |
| Cyber-security | 0 | 0 | --- | 0 | 0 | --- |
| Delivery of essential services | 0 | 0 | --- | 0 | 0 | --- |
| Restrictive Trade Practices | 0 | 0 | --- | 0 | 0 | --- |
| Unfair Trade Practices | 0 | 0 | --- | 0 | 0 | --- |
| Other (Customers) | 1480 | 0 | --- | 1567 | 0 | --- |

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

| | Number | Reason for recall |
|---|---|---|
| Voluntary recalls | 39 | Market complaints – products out of specifications, regulatory recommendations |
| Forced recalls | 0 | |

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

The company has implemented an internal cybersecurity policy designed to:

- Safeguard and maintain confidentiality, integrity, and availability of information
- Manage risks related to security exposure and compromise
- Ensure a secure and stable IT environment
- Detect and respond to incidents involving misuse, loss, or unauthorized disclosure of information assets
- Monitor systems for anomalies that may indicate compromise
- Promote and enhance awareness of information security

From a governance perspective, cyber risks are monitored and mitigated through the Risk Management framework established under the Risk Management Policy, which is accessible on the company's website at https://www.zyduslife.com/public/pdf/companypolicy/Risk-Management-Policy.pdf

## 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

- The products recall made during FY26 has not resulted in any regulatory action against the company.
- The relevant recalls were investigated in detail, identification of root cause and appropriate CAPAs were taken based on findings to prevent the recurrence of such events.
- To ensure cybersecurity, a comprehensive endpoint security solution has been implemented for better protection of data on endpoint devices.
- The comprehensive cybersecurity assessment is in process for understanding the gaps in the current information technology (IT) landscape from the cybersecurity perspective.

7. **Provide the following information relating to data breaches:**
   a. Number of instances of data breaches along with impact - Nil
   b. Percentage of data breaches involving personally identifiable information of customers – Nil
   c. Impact, if any, of the breaches: Nil

### Leadership Indicators

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

   The information on products and services of the company can be found on the following link https://www.zyduslife.com/products; www.zyduswellness.com; www.sugarfree-india.com, www.everyuth.com, www.complanforgrowth.com, www.nutralite.com.; https://www.zydusmedtech.com/

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

   The products include detailed information leaflets or labelling to guide safe usage. For its consumer wellness division, the company also empowers consumers to make informed choices by sharing product information through multiple media channels, conducting social campaigns, and offering free trials of new products across various platforms.

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

   - Given the presence of multiple brands and companies offering similar products in the pharmaceutical sector, the discontinuation of any single product is unlikely to cause disruption or halt essential services for the broader community.
   - Furthermore, in compliance with the requirements of the National Pharmaceutical Pricing Authority, the company issues a public notice to relevant stakeholders and informs the Government at least six months prior to the planned discontinuation of any scheduled formulation.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable)? If yes, provide details in brief.**

   No.

   **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)**

   The marketing team of the company regularly interacts with the consumers, and healthcare professionals and takes their feedback on the products for further improvement, if required.

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# INDEPENDENT ASSURANCE STATEMENT

## Independent Assurance Statement to Zydus Lifesciences Limited on its BRSR Report for FY 2025-26

**The Board of Directors,**

**Zydus Lifesciences Limited,**
Zydus Corporate Park, Scheme No. 63,
Survey No. 536 Khoraj (Gandhinagar),
Nr. Vaishnodevi Circle, S. G. Highway,
Ahmedabad – 382481, India

### Nature of Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by Zydus Lifesciences Limited (the 'Company') to conduct an independent assurance of the Company's Business Responsibility (BRSR) (the 'Core') for the reporting period of April 1, 2025, to March 31, 2026. SGS India has conducted a Reasonable level of Assurance for the BRSR core indicators. This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) & ISAE 3410.

### Reporting Framework

The Report has been prepared following

1. Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities: BRSR Core and Non-Core Framework for Assurance and ESG Disclosures for Value Chain (Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026), dated 30 January 2026 circular.
2. Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard

### Intended Users of this Assurance Statement

This Assurance Statement has been prepared with the purpose of informing both internal and external stakeholders of the Company.

### Responsibilities

The information in the report and its presentation is the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

### Assurance Standard

SGS has conducted a Reasonable level of Assurance for BRSR core parameters under 9 ESG Attributes, this engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (revised) & ISAE 3410.

Our evidence-gathering procedures were designed to obtain a 'Reasonable level of assurance (BRSR Core), in accordance with

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ISAE 3000(revised) standard, but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

**Statement of Independence and Competence**

The SGS Group of companies is the world leader in inspection, testing, and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social, and ethical auditing and training; and environmental, social, and sustainability report assurance. SGS India affirms our independence from Zydus Lifesciences Limited, being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders.

The assurance team was assembled based on their knowledge, experience, and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification, and GHG Validation Lead Auditors, and experience on the SRA Assurance.

**Scope of Assurance**

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Indicators, including all KPI's within the report for the period April 1, 2025, to March 31, 2026. The reporting scope and boundaries, including 44 manufacturing plants, 74 offices (Inc. R&D Centres).

**Assurance Methodology**

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of their comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core, and non-core indicators, and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

**Limitations**

SGS India did not come across any limitation to the agreed scope of the assurance engagement. SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources, and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party financial reports audited by the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusions."
- The assurance engagement considers an uncertainty of ±5% based on the materiality threshold for Assumption/ estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

**Findings and Conclusions**

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**BRSR Core Indicators:**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the data reported (Annexure A) in the BRSR report are not prepared, in all material respects, in accordance with the reporting criteria.

**For and on behalf of SGS India Private Limited**

| | |
|---|---|
| **Kalpesh Thombare**<br>Technical Reviewer and National Manager – ESG & Sustainability Services, SGS India.<br>17th May 2026. | **Tushar Girigosavi**<br>Lead Verifier – ESG & Sustainability Services, SGS India.<br>Team Member: Chirag Bafna<br>17th May 2026. |

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## Annexure A

The BRSR Core indicators that were subject to verification under Reasonable assurance engagement are detailed below:

| S.No. | BRSR Core Attribute | BRSR Core Indicator |
|---|---|---|
| 1 | Greenhouse gas (GHG) footprint | ≈ Total scope 1 emissions<br>≈ Total scope 2 emissions<br>≈ GHG emission intensity (scope 1 +2) |
| 2 | Water footprint | ≈ Total water consumption<br>≈ Water consumption intensity<br>≈ Water discharge by destination and levels of treatment |
| 3 | Energy footprint | ≈ Total energy consumed<br>≈ Energy intensity |
| 4 | Embracing circularity | ≈ Plastic waste<br>≈ E-waste<br>≈ Bio medical waste<br>≈ Battery waste<br>≈ Other hazardous waste<br>≈ Other non-hazardous waste<br>≈ Total waste generated<br>≈ Waste intensity<br>≈ Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations.<br>≈ For each category of waste generated, the total waste disposed of by the nature of the disposal method |
| 5 | Employee well-being and safety | ≈ Spending on measures towards wellbeing of employees and workers –cost incurred as a % of total revenue of the company<br>≈ Details of safety-related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)<br>≈ Number of permanent disabilities<br>≈ Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)<br>≈ Number of fatalities |
| 6 | Enabling gender diversity in business | ≈ Gross wages paid to females as % of wages paid.<br>≈ Total Complaints on Sexual Harassment (POSH) reported<br>≈ Complaints on POSH as a % of female employees/workers<br>≈ Complaints on POSH upheld |
| 7 | Enabling inclusive development | ≈ Input material sourced from MSMES/ small producers and from within India as % of total purchases (by value).<br>≈ Job creation in smaller towns: Wages paid to people employed in smaller towns (permanent or nonpermanent /on contract) as % of total wage cost |
| 8 | Fairness in engaging with customers and suppliers | ≈ Instances involving loss/breach of data of customers as a percentage of total data breaches or cybersecurity events.<br>≈ Number of days of accounts payable |
| 9 | Openness of business | ≈ Concentration of purchases & sales done with trading houses, dealers, and related parties<br>≈ Loans and advances & investments with related parties<br>≈ Purchases from trading houses as % of total purchases<br>≈ Number of trading houses where purchases are made from<br>≈ Purchases from top 10 trading houses as % of total purchases from trading houses |