

## Annexure - 2

# Business Responsibility and Sustainability Reporting

## SECTION A:



## GENERAL DISCLOSURES

## SECTION B:



## MANAGEMENT AND PROCESS DISCLOSURES

## SECTION C:



## PRINCIPLE-WISE PERFORMANCE DISCLOSURE



## Contents

**PRINCIPLE 1:**

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

**PRINCIPLE 2:**

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

**PRINCIPLE 3:**

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

**PRINCIPLE 4:**

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

**PRINCIPLE 5:**

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

**PRINCIPLE 6:**

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

**PRINCIPLE 7:**

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

**PRINCIPLE 8:**

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

**PRINCIPLE 9:**

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

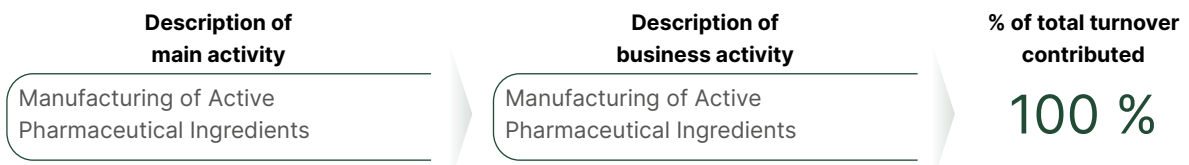
## SECTION A: GENERAL DISCLOSURES

### I. Details of the Entity

1.	<b>Corporate Identity Number (CIN) of the Company</b>	L85195TG1984PLC004393
2.	<b>Name of the Company</b>	Neuland Laboratories Limited
3.	<b>Year of Incorporation</b>	07/01/1984
4.	<b>Registered office address</b>	11 <sup>th</sup> Floor (5 <sup>th</sup> Level), Phoenix IVY Building, Plot No. 573A-III, Road No. 82, Jubilee Hills, Hyderabad, 500033, Telangana
5.	<b>Corporate office address</b>	11 <sup>th</sup> Floor (5 <sup>th</sup> Level), Phoenix IVY Building, Plot No. 573A-III, Road No. 82, Jubilee Hills, Hyderabad, 500033, Telangana
6.	<b>E-mail id</b>	<a href="mailto:ir@neulandlabs.com">ir@neulandlabs.com</a>
7.	<b>Telephone</b>	+91 40 67611600 / 700
8.	<b>Website</b>	<a href="http://www.neulandlabs.com">www.neulandlabs.com</a>
9.	<b>Financial year for which reporting is being done</b>	April 1, 2023, to March 31, 2024
10.	<b>Name of the Stock Exchange(s) where shares are listed</b>	a. BSE Limited b. National Stock Exchange of India Limited
11.	<b>Paid-up capital</b>	₹ 12,82,98,890/-
12.	<b>Name and contact details of the person who may be contacted in case of any queries on the BRSR report</b>	Ms. Sarada Bhamidipati Company Secretary & Compliance Officer Tel: +91 40-6761 1600 Email: <a href="mailto:saradab@neulandlabs.com">saradab@neulandlabs.com</a>
13.	<b>Reporting boundary</b>	Standalone basis
14.	<b>Name of assurance provider</b>	Not Applicable, as BRSR Core Assurance is not mandatory for the Company. However, TUV India Private Limited, a third party has conducted an assurance on certain sustainability parameters reported in the integrated report of the Company.
15.	<b>Type of assurance obtained</b>	

### II. Products/services

#### 16. Details of business activities



#### 17. Products/services sold by the entity



### III. Operations

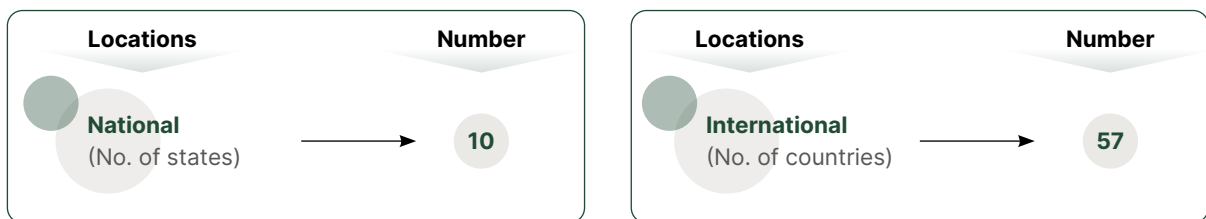
#### 18. Number of locations where plants and/or operations/offices of the entity are situated.

Location	Number of plants*	Number of offices	Total
National	4*	1	5
International	0	2	2

\*The R&D Unit of the company is included under Number of plants.

#### 19. Markets served by the entity

- a. Number of locations – This refers to locations where goods were transported to during the financial year, however the consumption of final product & even customer footprint is larger.



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

The company has a global presence with exports accounting for approximately 78% of its revenue.

- c. A brief on types of customers

**GDS Customers** – The GDS business serves a diverse range of customers spanning the globe, including large multinational generics companies, generic divisions of major pharmaceutical firms, regional and national-level players, R&D companies specializing in dossier development with niche focuses, and distributors.

**CMS Customers** – The CMS business primarily caters to innovators seeking an API partner for API development and manufacturing throughout the clinical lifecycle, regulatory filing, and commercial supply stages. These customers encompass small biotech firms, medium-sized innovators, as well as major pharmaceutical companies.

### IV. Employees

#### 20. Details as of March 31, 2024

- a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1,543	1,365	88%	178	12%
2.	Other than permanent (E)	150	150	100%	0	0%
<b>3.</b>	<b>Total employees (D + E)</b>	<b>1,693</b>	<b>1,515</b>	<b>89%</b>	<b>178</b>	<b>11%</b>
<b>WORKERS</b>						
1.	Permanent (F)	100	100	100%	0	0%
2.	Other than permanent (G)	1,062	975	92%	87	8%
<b>3.</b>	<b>Total workers (F + G)</b>	<b>1,162</b>	<b>1,075</b>	<b>93%</b>	<b>87</b>	<b>7%</b>

## b. Differently abled employees

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100%	0	0%
2.	Other than permanent (E)	0	0	0%	0	0%
<b>3.</b>	<b>Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
1.	Permanent (F)	0	0	0%	0	0%
2.	Other than permanent (G)	0	0	0%	0	0%
<b>3.</b>	<b>Total differently abled workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

**21. Participation/inclusion/representation of women**

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	11*	3*	27%
Key Management Personnel (other than BoD)	2	1	50%

\* As on May 10, 2024 (date of the report), two of the directors including one woman director, have retired upon completion of their appointment term.

**22. Turnover rate for permanent employees**

	FY24 (%)			FY23 (%)			FY22 (%)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.4	18.5	18.4	23.6	27.8	24	24.5	25	24.5
Permanent Workers	0	0	0	0	0	0	0	0	0

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

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Subsidiary	Neuland Laboratories Inc., USA	100%	Yes
2	Subsidiary	Neuland Laboratories K.K., Japan	100%	Yes

**VI. CSR Details****24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

(ii) Turnover : ₹ **15,58,58,05,000.00**

(iii) Net worth : ₹ **12,75,66,67,609.00**

(iv) Total amount spent on CSR for FY24 : ₹ **3,08,96,288.42**

## 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 (NGRBC)

The Company's key stakeholders include investors, customers, employees, value chain partners/ suppliers and community besides governments/regulatory authorities.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No)	FY24			FY23		
	(If yes, then provide web-link for grievance redress policy)	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. We actively participate in the periodical meetings with the villagers and local communities in the presence of Village Sarpanch and other Government agencies to address community related grievances of all locations	0	0	-	0	0	-
Investors (other than shareholders)	Yes. <a href="https://www.neulandlabs.com/en/investors/investor-services/investor-contacts">https://www.neulandlabs.com/en/investors/investor-services/investor-contacts</a>	0	0	-	0	0	-
Shareholders	Yes. <a href="https://www.neulandlabs.com/en/investors/investor-services/investor-contacts">https://www.neulandlabs.com/en/investors/investor-services/investor-contacts</a>	2	0	-	1	0	-
Employees and workers	Yes. Grievance Redressal policy is available for both employees and workers in our intranet portal. Notice board displays are available for workers	214	0	-	102	5	-
Customers	Yes, the customers raise their grievances through various channels of communication such as e-mail, phone calls, in-person meetings, periodic customer surveys etc	0	0	-	4	0	-
Value Chain Partners	Yes, the grievance redressal mechanism for value chain partners is through a dedicated email ID for suppliers available at <a href="https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/sustainability/sustainable-supply-chain/supplier-code-of-conduct.pdf">https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/sustainability/sustainable-supply-chain/supplier-code-of-conduct.pdf</a>	0	0	-	0	0	-

**26. OVERVIEW OF THE ENTITY’S MATERIAL RESPONSIBLE BUSINESS CONDUCT ISSUES**

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

Material topic identification was conducted through a survey with key stakeholders identified. Board members, Investors/Analysts, Employees, Customers, Bankers, and Suppliers have participated in the survey. The material topics are suitably incorporated in the Environment, Social and Governance (ESG) Strategy of the Company.

S. No.	Material issue identified	Indicate whether risk or opportunity	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	Risk Management and Business Continuity	Risk	Our environment both geopolitically and in terms of regulations is complicated. Unwanted events like natural disasters, workplace accidents, wars, sanctions, continuous cyberattacks, and other similar events can have a substantial negative impact on our operations and commitment to meet patient demands in the absence of strong business continuity plans and safeguards.	The Company has an Enterprise Risk management program which helps in identifying and addressing risks impacting business operations. This includes external and internal risks , as well as specific emerging risk events and business continuity events. More recently the company has embarked on a formal BCMS journey aligned to the ISO 22301 framework with the objective of getting accredited by June 2025.	Negative
2	Climate change	Risk	Climate change actions may not be adequate, and ESG priorities may not be collectively met by all participating organizations and nations, thereby, leading to unforeseen risk events. Rise in sea levels in the medium term (5-7 years) may increase the severity of extreme weather events such as cyclones and floods in our logistics and supply chains. In the next 3-5 years, our ESG priorities may require planned investments.	The Company has adopted the TCFD framework for Climate Change and associated sustainability risks. Presently potential physical and transition risks are identified and responses are planned. Going forward it is proposed to capture relevant data to quantify impact on climate change on the company. Company is invested in several initiatives linked to minimizing Environmental emissions.	Negative
3	Community Wellbeing	Opportunity	Investing in community wellbeing initiatives can enhance the quality of life for local communities, foster goodwill, and build stronger relationships with stakeholders. By engaging in community development programs, supports local education and health initiatives, and collaborates with community leaders to address their needs.	The Company’s ESG priorities actively considers community well being and the Company’s Social initiatives are focused on the well being of the proximate communities to where the Company operates.	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity	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	Digitalization	Risk and Opportunity	Digitalization increases communication efficiency while also increasing openness. Enhanced digitization brings with it risks from inadequate training as well as new cybersecurity vulnerabilities.	Neuland follows a strong governance framework based upon NIST and ISMS 27001 to assess and monitor cyber security risks and controls. The company's mitigation among others includes adequate user awareness, responsive and timely incident management, Data leakage prevention and a risk governance structure linked to the overall ERM structure.	Positive
5	Effluent and waste	Risk	The Company has a commitment to ensure there is no negative impact on the environment. Minimizing negative environmental impacts and ensuring the highest standards of EMS.	Neuland has been successfully running a Zero effluent discharge system for over 3 years now. Disposal of waste is reduced by implementing recycling and safe disposal of waste.	Negative
6	Emissions	Risk	Minimizing negative environmental impacts and ensuring the highest standards of Environmental Management Systems.	Incremental GHG reduction goals through tactical strategies are currently focused on.	Negative
7	Ethics and Compliance	Risk & Opportunity	Maintaining high ethical standards and compliance with laws and regulations is critical to avoid legal penalties, financial losses, and damage to our reputation.	The Company has implemented comprehensive compliance programs, regular employee training on ethical conduct, and a zero-tolerance policy towards corruption and misconduct. A whistleblower program encourages reporting of unethical behavior.	Negative
8	Human capital development	Risk and Opportunity	Skill upgradation of the employees has a direct positive impact on the growth of the business. On the other hand, the risks associated with employee non-engagement, inability to attract or retain talent and succession planning gaps can negatively impact the organization	Several initiatives are underway to make the company an employer of choice including well-designed HR policies healthy work environment, job rotation and other initiatives for retaining talent.	Positive
9	Innovation and R&D	Opportunity	Innovation is key to synthesizing novel products and helping our customers innovate. Our R&D activities are aligned to ensure our customers are able to fasten innovation while ensuring access while ensuring that impact on the environment is minimized.	NA	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity	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	Occupational Health and Safety	Risk	Occupational health and safety is core to the Company's commitment towards employee and workforce safety and wellbeing.	<ol style="list-style-type: none"> <li>Adherence to ISO45001 standards</li> <li>Goal setting is done to achieve Zero injury</li> <li>Increase training in health and safety measures</li> </ol>	Negative
11	Sustainable Supply Chain	Risk	Supply chain risks occur when the process of purchasing or sourcing products, services or resources becomes unreliable.	Our procurement policy has several levels of checks which assure the quality of the product, vendor and the risks associated. We constantly strive to procure sustainably.	Negative
12	Water	Risk	Water, particularly high-quality water, is critical to our operations; hence, we recognized the need to comprehend the predicted changes in water stress and water-related risks.	The Company created a water management strategy that focuses on lowering water intensity and increasing the percentage of recycled water in our operations.	Negative

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

### POLICY AND MANAGEMENT PROCESS

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	The statutory policies are approved by the Board or Board Committees, as applicable. Other applicable policies are either approved by the Board or by the appropriate authority.								
c. Web Link of the Policies, if available.	<b>P1:</b> <ul style="list-style-type: none"> <li>Code of Ethical Conduct: <a href="https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/career/our-people/code-of-ethical-conduct.pdf">https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/career/our-people/code-of-ethical-conduct.pdf</a></li> <li>Code of Conduct for the Board Members and Senior Management Personnel: <a href="https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/code-of-conduct-for-the-board-and-senior-management.pdf">https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/code-of-conduct-for-the-board-and-senior-management.pdf</a></li> <li>Neuland Code for Fair Disclosures: <a href="https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/neuland-code-of-fair-disclosures.pdf">https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/neuland-code-of-fair-disclosures.pdf</a></li> <li>Nomination and Remuneration Policy: <a href="https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/nomination-and-remuneration-policy.pdf">https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/nomination-and-remuneration-policy.pdf</a></li> <li>Whistle Blower Policy: <a href="https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/whistle-blower-policy.pdf">https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/whistle-blower-policy.pdf</a></li> </ul>								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>GOVERNANCE, LEADERSHIP AND OVERSIGHT</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>As we focus on business growth, we remain steadfast in our commitment to environmental impact, societal well-being, and transparent operations.</p> <p>This Business Responsibility and Sustainability Report (BRSR) provides comprehensive insights into the company's standalone operations. We strive to enhance transparency in our disclosures.</p> <p>Our ongoing ESG journey is integral to our identity as a responsible corporate citizen, driving us to embed sustainability agenda with our company's business objectives while recognizing ESG as a pivotal driver for long-term value creation across all stakeholders</p> <p>In doing so we recognize we will need to address a few challenges both internal and external. As a highly regulated industry our ability to me swift significant changes are limited. In addition to significant capital investments for ESG initiatives, governmental policies and incentives can play a catalyst role in certain transition such as in the case of renewable sources.</p> <p>From a societal perspective, we actively engage in healthcare, women empowerment, rural development, education and skill enhancement through our social impact projects. Our commitment extends to upholding high standards of corporate governance, transparency, accountability, and ethical conduct across our operations</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Davuluri Sucheth Rao (DIN: 00108880), Vice Chairman and CEO, under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility policies.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	<p>Yes, the Risk and Sustainability (R&amp;S) Committee, a sub-committee of the Board, serves as a focal point for providing guidance on sustainability and ESG. The Committee meets at regular intervals to deliberate, and contribute to the Company's ESG priorities, and strategy. Additionally, they review progress against the company's goals and targets and provide suggestions for improvement.</p> <p>The BRSR is presented to the R&amp;S Committee and the Board for approval.</p>								

**10. Details of Review of NGRBCs by the Company**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee & Frequency								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The policies of the Company are reviewed periodically / on a need basis by department heads / director / board committees / board members, wherever applicable.								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in compliance with the extant regulations, as applicable.								
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>Our company's policies undergo assessment by its internal auditors, within the scope defined for the audit. Additionally, the effectiveness of each policy is overseen by department heads, directors, board committees, and board members as appropriate to their respective roles and responsibilities.</p> <p>We have obtained independent third-party assurance for our sustainability performance. For the reporting year, the authenticity of the data and systems disclosed in our sustainability disclosures has been assured by an independent third-party assurance provider. This assurance was provided according to the International Standard for Assurance Engagements (ISAE) 3000 at the 'Limited Assurance' level.</p> <p>Additionally, relevant third-party assessments and certifications are periodically conducted across our business units.</p>								

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

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

## SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE



PRINCIPLE

1

**BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE**

### Essential Indicators:

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of directors	9	We regularly conduct familiarization programs for our Board of Directors and Key Managerial Personnel. These programs cover topics such as ESG parameters and targets, corporate governance practices, risk management, employee well-being, innovation, and R&D, as well as various other regulatory updates.	90.32%
Key Managerial Personnel	7		100.00
Employees other than BOD and KMPs	98	Our employees and workers participate in various training and awareness sessions. These include induction training at the time of joining, as well as ongoing training in leadership, policy, safety, environment, social and governance issues, occupational health, mental health, soft skills, risk management, prevention of sexual harassment, and function-specific technical and compliance training throughout their employment.	98.36%
Workers	NA *	The workers undergo various on the job awareness sessions on skill development, quality, health, and safety, POSH, etc.	NA

\*We conduct regular training programs on Quality, Health & Safety, PoSH. However, we have not documented the attendance. We are in the process of establishing processes to capture the same.

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):**

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			NIL		
Compounding Fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			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.**

Not Applicable as there were no monetary and non-monetary cases recorded during the reporting period.

**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, we at Neuland Laboratories Limited have a comprehensive Anti-Bribery, Anti-Corruption, and Anti-Money Laundering Policy. We are committed to conducting our business ethically and aim to prevent bribery, corruption, and money laundering globally. Our policy applies to all internal and external stakeholders, including employees, directors, agents, consultants, suppliers, and business partners. We prohibit bribery, corruption, improper payments, and money laundering, including specific prohibitions against bribes, facilitation payments, and kickbacks. Gifts, hospitality, and entertainment are allowed only if reasonable, transparent, and compliant with our policies. Company funds cannot be used for political contributions, and charitable contributions must comply with our Corporate Social Responsibility Policy and not be inducements. Our interactions with government officials adhere to high standards of integrity and applicable laws. Third-party dealings require due diligence and integrity, ensuring compliance with anti-bribery and anti-corruption provisions. We maintain accurate records to meet regulatory requirements and prevent financial misconduct. Conflicts of interest must be reported to the Compliance Officer. We conduct regular risk assessments and training sessions to ensure all stakeholders are familiar with our policy and applicable laws. We encourage stakeholders to report suspected violations through designated channels, with protections against retaliation for good faith reports. Violations of our policy may result in disciplinary action, including termination of employment, and potentially notifying appropriate authorities. We do not tolerate retaliation of any kind.

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

	FY24	FY23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY24		FY23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of directors	0	-	0	-
Number of complaints received in relation to issues of conflict of interest of KMPs	0	-	0	-

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

No fines or penalties reported.

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

	FY 2024	FY 2023
Number of days of accounts payables*	46	54

\*For all internal and external communications, Company uses sales as the denominator for computing days of accounts payable. Based on Cost of goods/services procured, the number would have accordingly been 70 and 75 for FY24 and FY23 respectively.

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

Parameter	Metrics	FY 2024	FY 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	1%
	d. Investments (Investments in related parties / Total Investments made)	-	-

### Leadership Indicators:

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

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1 Training programme covering 86 value chain partners	ESG, Carbon foot printing	38%

**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, we have implemented a 'Code of Conduct for Board Members and Senior Management' and a 'Related Party Transaction Policy,' both of which apply to our board members. Any transactions involving board members or entities in which they have an interest must be disclosed and approved by the Audit Committee and the Board of Directors. In such cases, the interested directors abstain from discussions. Additionally, the Board Members and the Senior Management personnel confirms their compliance with the Code of Conduct for Board of Directors & Senior Management Personnel on an annual basis.

The weblink of the abovementioned policies are mentioned below:

- Code of Conduct for Board Members and Senior Management: <https://www.neulandlabs.com/sites/neulandlabs/files/neuland-labs/Investors/corporate-governance/policies-and-documents/code-of-conduct-for-the-board-and-senior-management.pdf>
- Related Party Transaction Policy: <https://www.neulandlabs.com/en/investors/corporate-governance/policies-and-documents>



**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.**

Particulars	FY 2024	FY 2023	Details of improvements in environmental and social impacts
R&D	2%	1%	Improvement of waste management practices, scrubbers for controlling air pollution and expansion of Zero liquid discharge at the Units
Capex	17%	33%	Sewage Treatment Plant and hazardous lab facility for R&D

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) - Yes
- b. If yes, what percentage of inputs were sourced sustainably?
- 27% (by value of the order) of the suppliers are screened through ESG factors

We consider supplier commitment to our Supplier Code of Conduct as the first step towards sustainability. As part of the regulated market, our code emphasizes compliance with all applicable regulations. It prohibits child labor, mandates upholding basic human rights, and requires ethical business practices, such as respecting data privacy, intellectual property rights, fair competition, and ensuring safe operating conditions for all workers. Our goal is for all suppliers to commit to this code of conduct. Additionally, we encourage our suppliers to obtain valid ISO 9001, ISO 14001, and ISO 45001 certifications.

**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.**

We have established the standard operating procedure for Hazardous, Non-Hazardous waste and general waste Management is in place.

**Hazardous Waste Management:**

Our company generates various types of hazardous waste, including evaporation salt, process salt, spent carbon, ETP sludge, insulation waste, spent mixed solvents, used oil, and PPE. Non-hazardous waste includes plastic, paper, glass, and empty drums, which are responsibly managed through recycling or co-processing with approved recyclers.

Hazardous waste management strictly follows the Hazardous Waste Management Rules of 2016. We ensure proper collection and containment using MS drums or double-layer polythene bags, clearly labelled for identification. Only trained personnel handle hazardous waste to maintain safety and control.

We employ co-processing in cement kilns as an environmentally sustainable option for disposing of various wastes, including hazardous ones. This method not only destroys the waste at high temperatures (up to 1450°C) but also incorporates the inorganic content into the clinker, leaving no residues. Co-processing also neutralizes acidic gases within the kiln's alkaline environment and reduces the need for non-renewable resources like coal and limestone.

Our waste management system aims to achieve zero waste in landfills by maximizing reuse and recycling. In FY23, we successfully eliminated landfill waste, redirecting 100% of it towards co-processing and recycling initiatives. The co-processed waste is effectively utilized as fuel in cement kilns.

#### **E-Waste Management:**

Managing e-waste responsibly is crucial due to its hazardous nature and potential environmental and health risks. Our measures include:

**E-Waste Collection Programs:** Implementing collection programs within our facilities to ensure proper disposal of obsolete or broken electronic equipment.

**E-Waste Recycling:** Partnering with certified e-waste recycling facilities to dismantle devices, separate components, and safely dispose of hazardous substances.

**Reuse and Refurbishment:** Refurbishing and reusing functional electronic equipment within the organization.

**Proper Disposal of Hazardous Materials:** Safely disposing of hazardous materials like lead, mercury, cadmium, and brominated flame retardants in compliance with regulations.

**Compliance with E-Waste Regulations:** Adhering to local and international e-waste regulations, including collection, recycling, disposal, and reporting requirements.

**Vendor Selection and Due Diligence:** Carefully selecting and vetting e-waste recycling vendors to ensure they meet environmental and safety standards.

**Employee Training and Awareness:** Educating employees on proper e-waste disposal and its environmental and health impacts.

**E-Waste Reporting and Tracking:** Maintaining records of e-waste generated, collected, and disposed of for compliance and reporting purposes.

#### **Plastic and Other Waste Management:**

We have established recycling programs to capture and recycle materials such as plastic, paper, glass, and metals. Additionally, we invest in resource recovery technologies to extract value from waste streams through processes such as composting, anaerobic digestion, and material recovery.

By implementing these measures, we ensure responsible e-waste management, minimize environmental and health risks, and contribute to the circular economy by promoting the reuse and recycling of electronic materials.

#### **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.**

Not applicable, however, Neuland has registered for Extended Producer Responsibility (EPR) as an importer and has secured approval from the Pollution Control Board (PCB). The annual returns for FY24 have been submitted.

### **Leadership Indicators :**

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

No Life Cycle Assessment (LCA) was conducted on any products. We plan to conduct LCAs for our specific products in the upcoming years.

#### **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.**

There are no significant environmental or social concerns identified in our operations. We have procedures and systems in place to effectively mitigate risks, including robust waste management practices and adherence to circular economy principles.

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

Input material	Recycled or re-used input material to total material	
	FY24	FY23
Solvents	11.32%	13.10%

Note: Previous year's numbers (FY23) have been rectified.

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

Not applicable as the nature of our product being consumed at the end of the life of the product.

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

Not applicable as the nature of our product being consumed at the end of the life of the product.



PRINCIPLE

3

**BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES , INCLUDING THOSE IN THEIR VALUE CHAINS**

Essential Indicators

1. A. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	1,365	1,365	100%	1,365	100%	0	0%	1,365	100%	0	0%
Female	178	178	100%	178	100%	178	100%	0	0%	0	0%
<b>Total</b>	<b>1,543</b>	<b>1,543</b>	<b>100%</b>	<b>1,543</b>	<b>100%</b>	<b>178</b>	<b>12%</b>	<b>1,365</b>	<b>88%</b>	<b>0</b>	<b>0%</b>
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	150	150	100%	150	100%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>150</b>	<b>150</b>	<b>100%</b>	<b>150</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

B. Details of measures for the well-being of workers

Category	% of Workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT WORKERS</b>											
Male	100	100	100%	100	100%	0	0%	100	100%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100%</b>	<b>100</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>100</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>OTHER THAN PERMANENT WORKERS</b>											
Male	975	975	100%	975	100%	0	0%	0	0%	0	0%
Female	87	87	100%	87	100%	0	0%	0	0%	0	0%
<b>Total</b>	<b>1,062</b>	<b>1,062</b>	<b>100%</b>	<b>1,062</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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

	FY 2024	FY 2023
Cost incurred on well-being measures as a % of total revenue of the company	1%	1%

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	No. of employees covered as a % of total employees	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
Employee State Insurance (ESI)	0%	0%	NA	0%	0%	NA
Others	0%	100%	Y	NA	NA	NA

Note: Previous year's numbers (FY23) have been rectified.

3. **Accessibility of workplaces: Are the premises/offices accessible to differently abled employees 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.**

For differently abled employees, the infrastructure facilities across the offices and manufacturing and R&D facilities adhere to accessibility standards as required. The Equal Opportunity Policy safeguards the rights of the differently abled employees.

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 policy is accessible on the Company's intranet. We are committed to being an equal opportunities employer, fostering an inclusive environment where everyone can thrive. We do not discriminate in any aspect of employment based on factors such as race, religion, disability, gender, or age. Our code of ethical conduct reinforces our commitment to hiring and promoting individuals based on their qualifications and abilities, without regard to protected categories. For more information on our company culture, visit <https://www.neulandlabs.com/en/careers/people>.

5. **Return to work and retention rates of permanent employees that took parental leave.**

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	85%
Female	100%	25%
<b>Total</b>	<b>100%</b>	<b>83%</b>

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	✓
Other than Permanent Employees	✓
Permanent Workers	✓
Other than Permanent Workers	✓

We have established grievance redressal procedures for all our employees and workers, ensuring that any complaints received through various channels are addressed according to our grievance redressal policy available on our company's intranet. We maintain a strong compliance culture, ensuring grievances are handled in line with our principles and policies through internal reporting.

At Neuland, we prioritize employee well-being through our dedicated Grievance Redressal policy. Our Central and Location Grievance Committees promptly address employee concerns, fostering a transparent and supportive environment. Employees can easily access our policy and committee details on our intranet portal and are encouraged to report any grievances or human rights violations to our Grievance Cell ([grievances@neulandlabs.com](mailto:grievances@neulandlabs.com)).

Our whistle-blower policy/vigil mechanism extends to our stakeholders including all investors, Employees, Directors, contractors, customers, consultants, suppliers and vendors of the Company and its subsidiaries and all other persons associated with the Company. Concerns raised are reported to the Audit Committee and, where applicable, to the Board through the Compliance Officer. Employees can also bring issues to HR or their reporting manager, and any complaints regarding sexual harassment are addressed under the PoSH Act 2013 and our internal policy in compliance with it.

## 7. Membership of employees in association(s) or unions

Category	FY 2024			FY 2023		
	No. of employees covered as a % of total employees (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)
<b>Total Permanent Employees</b>	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
<b>Total Permanent Workers</b>	100	100	100%	106	106	100%
Male	100	100	100%	106	106	100%
Female	0	0	0%	0	0	0%

## 8. Details of training given to employees

Category	FY24					Total (A)	On health and safety measures/wellness		On skill upgradation	
	Total (A)	On health and safety/wellness measures		On skill upgradation			No. (B)	% (B/A)	No. (C)	% (C/A)
		No. (B)	% (B/A)	No. (C)	% (C/A)					
<b>EMPLOYEES</b>										
Male	1,365	1,365	100%	1,365	100%	1,299	1299	100%	692	53%
Female	178	178	100%	178	100%	149	149	100%	85	57%
<b>Total</b>	<b>1,543</b>	<b>1,543</b>	<b>100%</b>	<b>1,543</b>	<b>100%</b>	<b>1,448</b>	<b>1,448</b>	<b>100%</b>	<b>777</b>	<b>54%</b>
<b>WORKERS</b>										
Male	100	100	100%	100	100%	106	106	100%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100%</b>	<b>100</b>	<b>100%</b>	<b>106</b>	<b>106</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

## 9. Details of performance and career development reviews of employees

Category	FY24			FY23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>EMPLOYEES</b>						
Male	1,342	917	68%	1,299	1,176	91%
Female	163	103	62%	149	123	83%
<b>Total</b>	<b>1,505</b>	<b>1,020</b>	<b>68%</b>	<b>1,448</b>	<b>1,299</b>	<b>90%</b>
<b>WORKERS</b>						
Male	100	0	0%	106	0	0%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>100</b>	<b>0</b>	<b>0%</b>	<b>106</b>	<b>0</b>	<b>0%</b>

\* Cut off date for the performance appraisal is May 31, 2024.

Performance goals are established for all employees at the start of the financial year. Our employees participate in mid-year and annual performance reviews as part of our performance management process. The performance appraisals are conducted for permanent employees who joined on or before December 31, 2023, and are on the organization's payroll in the

current appraisal cycle. However, performance appraisals are not applicable to our permanent workmen, as they are governed by wage agreements.

**10. Health and safety management system**

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

Yes, Neuland is certified for ISO 45001 :2018 Occupational Health and Safety Management System for all manufacturing sites and R&D.

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

Yes, we have established processes that include workplace risk assessment, HAZOP, Hazard Identification & Risk Assessment (HIRA), permit-to-work systems, safety inspections, and a Safety Audit Management system. Safety audits are conducted regularly at our facilities to ensure compliance and address any concerns promptly. We maintain a rigorous internal audit and reporting system to resolve compliance issues as soon as possible. Inter-facility safety audits are conducted every six months, while external audits occur annually.

Our objective is to continually improve processes to enhance health and safety outcomes.









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



Yes. We have an internal reporting mechanism in place to report hazards both online and offline, which is monitored 24x7 and addressed immediately. Our incident management system ensures that any incident is reported to relevant statutory authorities and internal teams. Following this, incident investigation is conducted by cross-functional teams to identify the root cause. Corrective and preventive actions (CAPA) are then recommended and tracked in monthly review meetings for implementation. If the same issue is identified at other sites, a global CAPA is generated for implementation across all sites.

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

Yes, we have an Occupational Health Centre at all our locations, with an inhouse doctor . First aid facility is available at corporate office. All the employees undergo pre-employment and periodic health assessments to ensure good health.

**11. Details of safety related incidents**

Safety Incident/Number		FY24	FY23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	 	0 0	0 0
Total recordable work-related injuries	 	0 0	0 0
No. of fatalities (safety incident)	 	0 0	0 0
High consequence work-related injury or ill-health (excluding fatalities)	 	0 0	0 0

 Employees       Workers

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

Neuland is committed to maintaining the highest standards of occupational health, safety, and environmental practices. Our proactive approach to risk assessment, safety audits, and incident management ensures continuous improvement of our processes and the well-being of our employees. We remain dedicated to fostering a culture of safety and prioritizing the health and safety of all stakeholders.

We implement a thorough risk assessment process to ensure workplace safety, including regular workplace risk assessments, HAZOP studies, and Hazard Identification & Risk Assessments (HIRA). These processes help us identify and address potential hazards and risks associated with our operations proactively.

Our stringent permit-to-work system ensures that all critical tasks undergo proper authorization and risk assessment before commencement, further enhancing safety measures within our facilities.

Aligned with ISO standards ISO 45001:2018 & ISO 14001:2015, our Environment, Health, and Safety (EHS) Management System undergoes regular internal, inter-facility, and external audits. These audits aim to verify compliance with safety standards and drive continual improvement in our safety practices. As a result of these efforts, we have maintained a strong safety record with

no significant workplace incidents or accidents during the reporting period.

At Neuland, we prioritize the health and well-being of our employees through comprehensive initiatives. Regular health check-ups, wellness programs, and measures to improve the working environment are integral to our employee health strategy. We actively foster a positive safety culture through platforms such as Safety Committee Meetings and safety awareness sessions, encouraging employee participation and feedback.

Pre-employment and periodic medical check-ups, coupled with health awareness sessions and vaccination drives, contribute significantly to maintaining a healthy workforce. Additionally, personalized employee care, including individual health records and counselling, ensures that employees at high risk of adverse medical situations receive appropriate support and attention.

**13. Number of complaints on the following made by employees**

Category	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	6,647	317	-	7,623	258	-
Health and safety	689	0	-	737	0	-

We have Safety committee meetings once in quarter as per the EHS Standard Operating Process.

Note: Previous year's numbers (FY23) have been rectified.

**14. Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

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

Currently, we have a well-established procedure where an Environmental, Health, and Safety (EHS) assessment is conducted before undertaking any project. This assessment aims to explore the overall feasibility of the project, ensuring that it minimally impacts the safety and health of employees and the environment. We conduct risk assessments annually based on our internal Standard Operating Procedures (SOPs) and audit criteria, with all Corrective and Preventive Actions (CAPA) reviewed and completed within specified timelines by both site and higher management.

At Neuland, safety incidents are treated with utmost seriousness, and prompt corrective actions are taken to address any issues that arise. Collaborative efforts between government bodies, regulatory agencies, and organizations are made to ensure workplace safety.

Strict enforcement of safety regulations and guidelines is one of the primary measures taken to address safety incidents, with regular inspections and audits conducted to ensure compliance. Training programs are also implemented to educate employees on safety practices, raising awareness about potential workplace hazards and providing them with necessary skills to prevent accidents and injuries.

Incident reporting systems are in place to encourage employees to report safety concerns promptly, facilitating prompt investigation and resolution of issues before they escalate. In cases where significant risks are identified, proactive measures such as thorough risk assessments, additional safety protocols, provision of personal protective equipment (PPE), or facility/equipment modifications are implemented to mitigate these risks.

Overall, Neuland places a high priority on ensuring the health and safety of its workforce and community members. Through proactive measures and prompt corrective actions, we aim to create a safe and secure environment for all individuals.

## Leadership Indicators

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

Yes, for both our employees and workers.

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

We maintain robust mechanisms to ensure that all applicable statutory dues related to transactions with its value chain partners are accurately deducted and deposited in accordance with regulations. These processes undergo regular audit scrutiny. We diligently collect relevant certificates and proofs from its contractors regarding the payment of statutory dues such as PF, ESIC, etc., for contractual employees and workers. Furthermore, we emphasize ethical behaviour and integrity from its value chain partners in all business dealings, emphasizing adherence to fair business practices.

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

	Total no. of affected employees/Workers		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY24	FY23	FY24	FY23
Employees	-	-	-	-
Workers	-	-	-	-

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


Yes, subject to requirement, the company rehires retired employees as consultants. In the case of permanent employees who have exited the company with good performance, the Company is open to rehire such candidates, subject to availability of position and skill match.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	20%
Working conditions	

- 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.**

There were no significant risks/concerns identified during the supplier assessments.



**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.**

Our key stakeholders at NLL include investors, board members, workers, clients, suppliers, the community, and regulators among others. We believe that businesses that invest in building trust and fostering a cooperative working environment with stakeholders are more likely to succeed. Therefore, effective stakeholder communication is a cornerstone of our strategy. Over the years, we have built strong relationships with our stakeholders based on trust and respect. We engage with them regularly through various channels to understand their needs and goals, ensuring our efforts are aligned with their expectations.

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

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Board and Committees of the Board	No	<ul style="list-style-type: none"> <li>Presentations, reports, awareness sessions and surveys</li> </ul>	Quarterly and need based	Overall operations, business performance, risks and opportunities strategy, assessment reports, legal updates, industry updates, compliance certificates, audit reports, ESG programs, business continuity and crisis management and material topics survey.
Employees and workers	No	<ul style="list-style-type: none"> <li>Multi-level and multi-topic engagement based on the employee group</li> <li>Performance feedback</li> <li>Surveys</li> <li>Training sessions</li> <li>Several informal modes like toolbox talk specifically used for workers</li> <li>Email and website</li> <li>Digital and physical notice board.</li> </ul>	Daily	<p>Our people, their ideas and their passion are the key forces that drive our company’s trajectory forward.</p> <p>We aim to provide our employees a safe, inclusive and empowering workplace that encourages transparent engagement and the freedom to act, innovate and grow as professionals and individuals. Our ongoing effort is to maintain two-way engagement with colleagues globally including those in corporate offices, R&amp;D labs, manufacturing locations and in the field. Our engagement ranges from providing the latest and updated information on Company and industry developments, avenues for employee voice to capability building, recognition and celebrations.</p>

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	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	<ul style="list-style-type: none"> <li>Supplier audits</li> <li>Supplier meets</li> <li>Topic-based select supplier engagement</li> <li>Grievance redressal</li> </ul>	Frequent and need based	<ul style="list-style-type: none"> <li>To ensure business continuity and opportunities without any quality related challenges</li> <li>To identify and close gaps at supplier facilities related to cGMP practices</li> <li>To seek their confirmation on compliance with our Suppliers Code of Conduct</li> <li>Create awareness on ESG parameters</li> <li>To address any feedback/ queries related to the product</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>Customer meets and visit by the customer to Neuland</li> <li>Customer audits</li> <li>Customer surveys</li> <li>Structured engagement with select customers</li> </ul>	Frequent	<ul style="list-style-type: none"> <li>To achieve higher market share through better coverage and penetration into new markets and maximize the outreach of our products</li> <li>To create awareness about new portfolio and initiatives</li> <li>Credit worthiness and fair business practices</li> <li>To address any query/ feedback by customer</li> </ul>
Government and Regulators	No	<ul style="list-style-type: none"> <li>Fillings and submissions</li> <li>Engagement during visits to our facilities</li> <li>Structured meetings on defined topics, as needed</li> <li>Email and website</li> </ul>	Need-based	Our engagement with official authorities is multi-fold. With regulatory authorities, our engagement is aimed at discharging responsibilities and furthering our core business of product development, launch, manufacturing, etc. in keeping with the latest and highest standards of compliance
Community	Yes	Our engagement with the community includes physical visits as well as digital channels.	Frequent and need based	<p>We engage with the community to understand areas for sustainable development; to develop a sustainable ecosystem for our communities and to understand the social / development challenges / need of the local communities.</p> <p>Our corporate social responsibilities are centered around health and wellbeing, education, women empowerment, gender equality, afforestation and clean water and sanitation, infrastructure development in the villages around our manufacturing plants.</p>
Investors/ Financial Partners	No	investor meetings/ calls, conferences, earnings call, investor events, e-mail, press releases, stock exchange intimations, investor presentations and annual reports. Various updates on the website and other places of engagement.	Frequent and need based	We engage with them so that they can take an informed decision to invest in our Company. The key area of engagement includes an update on the business and financial performance, Company's strategy and growth levers, potential opportunities and risks, our sustainability goals/ actions, and material events which may have a positive or negative impact on the performance of the Company.

**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 feedback from such consultations is provided to the Board.**

The Company is committed to the principle that robust stakeholder engagement is essential to realize its vision of sustainable and inclusive growth. To this end, a comprehensive framework has been established to navigate the complexities of stakeholder interactions. The Board of Directors exercises oversight through the Corporate Social Responsibility (CSR) and Risk & Sustainability Committees, which, among other responsibilities, assess, oversee, and set the course for the Company's CSR initiatives and sustainability endeavours. Progress reports concerning these areas are regularly presented to these Committees by the Management. Furthermore, the Company has instituted a Steering Committee, composed of senior management, tasked with the supervision of the Company's ESG objectives. This Steering Committee operates with the support of a dedicated Core Committee and an operational Driving Team.

**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, we conducted a materiality assessment involving intensive stakeholder engagement. Both internal and external stakeholders identified key material topics across ESG that could impact the Company's business. Our ESG strategy will be formulated based on the inputs received from key stakeholders on these material topics. Key topics are also listed in Section A - Question 24 of this report.

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

We are dedicated to serving disadvantaged, vulnerable, and marginalized stakeholders in areas near our manufacturing facilities through various CSR initiatives. We implement numerous programs focusing on education, women empowerment, clean water and sanitation, skills development and livelihoods, health and well-being, environmental sustainability, and sustainable communities. These initiatives are carried out both directly and in partnership with other organizations to support marginalized sections of the community. For more details, please refer to Principle 8 of this report.



5

**PRINCIPLE**

**BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**Essential Indicators**

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

Category	FY24			FY 2023		
	Total (A)	No. of employees covered (B)	% (B/A)	Total (C)	No. of employees covered (D)	% (D/C)
<b>EMPLOYEES</b>						
Permanent	1,543	1,543	100%	0	0	0%
Other than permanent	150	150	100%	0	0	0%
<b>Total Employees</b>	<b>1,693</b>	<b>1,693</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>WORKERS</b>						
Permanent	100	100	100%	0	0	0%
Other than permanent	1,062	1,062	100%	0	0	0%
<b>Total Workers</b>	<b>1,162</b>	<b>1,162</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0%</b>

## 2. Details of minimum wages paid to employees

Category	FY24					FY23				
	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. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>										
<b>Permanent</b>	<b>1,543</b>	<b>0</b>	<b>0</b>	<b>1,543</b>	<b>100%</b>	<b>1,448</b>	<b>0</b>	<b>0</b>	<b>1,448</b>	<b>100%</b>
Male	1,365	0	0	1,365	100%	1,299	0	0	1,299	100%
Female	178	0	0	178	100%	149	0	0	149	100%
<b>Other than Permanent</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>150</b>	<b>100%</b>	<b>120</b>	<b>0</b>	<b>0</b>	<b>120</b>	<b>100%</b>
Male	150	0	0	150	100%	120	0	0	120	100%
Female	0	0	0	0	0	0	0	0	0	0
<b>WORKERS</b>										
<b>Permanent</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>100%</b>	<b>106</b>	<b>0</b>	<b>0</b>	<b>106</b>	<b>100%</b>
Male	100	0	0	100	100%	106	0	0	106	100%
Female	0	0	0	0	0	0	0	0	0	0
<b>Other than Permanent</b>	<b>1,062</b>	<b>0</b>	<b>0</b>	<b>1,062</b>	<b>100%</b>	<b>1,182</b>	<b>1,182</b>	<b>100%</b>	<b>0</b>	<b>0</b>
Male	975	0	0	975	100%	1,117	1,117	100%	0	0
Female	87	0	0	87	100%	65	65	100%	0	0

### 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) (including whole-time directors)	8	30,70,000	3	31,60,000
Key Managerial Personnel (other than BoD)	1	1,77,17,136	1	40,74,265
Employees other than BoD and KMP*	1,361	5,79,996	178	4,57,380
Workers	100	9,42,705	0	-

\*Employee count here is excluding 3 whole-time directors and 2 KMP.

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

	FY 2024	FY 2023
Gross wages paid to females as % of total wages	7.56%	7.34%

## 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, we have a Grievance Redressal policy in place, Central Grievance Committee addresses grievances of permanent employees and Location Grievance Committee addresses grievances of permanent workmen. The policy and the committee members list are available to all employees in our intranet portal. Additionally, we encourage employees to raise their concerns and ask for help in case of any violation or perceived violation of human rights. They can report any grievance to – Grievance Cell ([grievances@neulandlabs.com](mailto:grievances@neulandlabs.com)).

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

Any grievance arising out of violation of human rights shall be dealt with as per process defined under Grievance Redressal policy. They can report any grievance to – Grievance Cell ([grievances@neulandlabs.com](mailto:grievances@neulandlabs.com)).

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

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	0	-	0	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**

	FY 2024	FY 2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

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

Our 'Prevention of Workplace Discrimination, Protection of Human Rights & Equal Employment Opportunities' policy ensures that actions taken to remedy any situation will not negatively affect the person who lodged the complaint. The Company is committed to promoting a work environment that fosters professional growth and encourages equal opportunity, as demonstrated by our Zero Tolerance policy towards any form of sexual harassment in the workplace. These policies are available on the Company's intranet. We do not tolerate retaliation of any kind.

**9. Do human rights requirements form part of your business agreements and contracts?**

Yes, the Company has human rights requirements related requirements as part of the business agreements and contracts our value chain partners through supplier code of conduct.

**10. Assessments for the year**

	% of offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify (Health & Safety)	

\* SA-8000 GAP Analysis conducted in FY23

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

There were no significant risks/concerns from the social assessment conducted for all units (Unit-1, Unit-2, Unit-3 & R&D) and the corporate office.

## Leadership Indicators

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

There have been no changes to our processes, as no human rights grievances or complaints were recorded.

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

The scope covered all locations of the organizations and covered the following areas:

Our focus areas include Child Labor, Forced Labor, Health & Safety, Freedom of Association and Right to Collective Bargaining, Non-discrimination, Disciplinary Practices, Working Hours, Remuneration, and Management Systems. We are developing action plans to address any gaps identified in these areas.

### 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?

For the differently abled visitors, the infrastructure facilities across the offices and manufacturing and R&D facilities adhere to accessibility standards as required.

### 4. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	20%
Wages	
Others – please specify	

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

There were no significant risks/concerns identified during the supplier assessments



PRINCIPLE

# 6

**BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

## Essential Indicators

### 1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter*	FY24	FY23
<b>From renewable sources</b>		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>0</b>	<b>0</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D) GJ	1,44,203.10	1,30,245.31
Total fuel consumption (E) GJ	4,97,547.24	4,14,763.94
Energy consumption through other sources (F) GJ	0	0
Total energy consumed from non-renewable sources (D+E+F) GJ	6,41,750.34	5,45,009.25
<b>Total energy consumed (A+B+C+D+E+F) GJ</b>	<b>6,41,750.34</b>	<b>5,45,009.25</b>

Parameter*	FY24	FY23
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	0.000041	0.000046
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*</b> (Total energy consumed / Revenue from operations adjusted for PPP)	0.000922	0.001014
<b>Energy intensity in terms of physical output (GJ/Kg of production)</b>	1.65	1.37

\* PPP – IMF conversion factors for FY2024: 22.4 and FY2023: 22.17

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? if yes, name of the external agency.** - Yes, TUV India Private Limited, a third party conducts an annual assurance on sustainability parameters reported in the integrated report of the Company. The assurance is performed for 2023-2024.

**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.**

Parameter	FY 2024	FY 2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	1,28,000.00	1,13,130.00
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	1,28,000.00	1,13,130.00
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	0.00000821	0.00000950
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*</b> (Total water consumption / Revenue from operations adjusted for PPP)	0.000184	0.000211
<b>Water intensity in terms of physical output (KL/Kg of production)</b>	0.33	0.28

\* PPP – IMF conversion factors for FY2024: 22.4 and FY2023: 22.17

**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, TUV India Private Limited, a third party conducts an annual assurance on sustainability parameters reported in the integrated report of the Company. The assurance is performed for 2023-2024.

**4. Provide the following details related to water discharged:**

Parameter	FY 2024	FY 2023
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) To Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil

Parameter	FY 2024	FY 2023
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Tertiary	Tertiary
<b>Total water discharged (in kilolitres)</b>	<b>84,672.00</b>	<b>74,885.00</b>

**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, TUV India Private Limited, a third party conducts an annual assurance on sustainability parameters reported in the integrated report of the Company. The assurance is performed for 2023-2024.

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

To conserve natural resources and protect the surrounding environment, we at Neuland have implemented a Zero Liquid Discharge (ZLD) strategy for our wastewater management. This initiative has been successful in preventing any negative impact on nearby water bodies, demonstrating our commitment to environmental stewardship and compliance with regulatory requirements.

**6. Please provide details of air emissions (other than GHG emissions) by the entity.**

Parameter	Please specify unit	FY 2024	FY 2023
NOx	tons	28.23	21.89
SOx	tons	74.15	64.46
Particulate matter (PM)	tons	37.18	27.87
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
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.** - Yes, TUV India Private Limited, a third party conducts an annual assurance on sustainability parameters reported in the integrated report of the Company. The assurance is performed for 2023-2024.

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

Parameter	Unit	FY 24	FY 23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	22,943.25	27,442.35
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	27,323.16	27,245.08
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent per Rupee	0.0000035	0.0000047
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> equivalent per Rupee	0.000078	0.000104
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO <sub>2</sub> equivalent per Kg of production	0.14	0.14

\* PPP – IMF conversion factors for FY2024: 22.4 and FY2023: 22.17

**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, TUV India Private Limited, a third party conducts an annual assurance on sustainability parameters reported in the integrated report of the Company. The assurance is performed for 2023-2024.

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

**Scope 1 Emissions Reduction:**

- Reduced coal consumption.
- Replacement of R-22 with R-404a, leading to less consumption.

**Scope 2 Emissions Reduction:**

- Reduced consumption of purchased electricity.

**Initiatives for 2023-24:**

**Energy Efficiency Improvements:** Implementing energy efficiency measures in buildings, industries, and transportation to reduce energy consumption and lower GHG emissions. This includes enhancing insulation, upgrading appliances and equipment, and optimizing industrial processes.

**Decarbonization of Industry:** Adopting cleaner production processes, low-carbon technologies, and increasing the use of recycled materials in manufacturing to reduce emissions from industrial activities.

**Afforestation and Reforestation:** Planting trees and restoring degraded ecosystems to sequester carbon dioxide from the atmosphere, effectively reducing GHG concentrations.

**Policy Measures:** Implementing an energy policy and conducting energy audits at our sites to identify areas for reducing energy usage and improving efficiency.

**Public Awareness and Education:** Raising public awareness about the impacts of climate change and the importance of reducing GHG emissions to encourage individual and collective action, driving further progress toward emission reduction goals.

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

Parameter (in metric tonnes)	FY24	FY23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	2.63	17.92
E-waste recycled (B)	2.32	3.10
Bio-medical waste (C)	4.33	3.95
Construction and demolition waste (D)	2,680.74	1,612.95
Battery waste (E)	0.19	2.50
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	7021.29	5,653.14
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	83.58	61.42
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>9795.08</b>	<b>7354.97</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.00000063	0.00000062
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)*	0.000014	0.000014
<b>Waste intensity in terms of physical output (Tonnes/Kg of production)</b>	0.03	0.02
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled#	2,685.87	1,636.47
(ii) Re-used	7,068.02	5,714.55
(iii) Other recovery operations	-	-
<b>Total</b>		

\* PPP – IMF conversion factors for FY2024: 22.4 and FY2023: 22.17

Parameter (in metric tonnes)	FY24	FY23
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	4.33	3.95
<b>Total</b>	-	-

# Plastic Waste, E-waste, Battery waste and Construction & demolition waste are considered under Recycled waste.

\* PPP – IMF conversion factors for FY2024: 22.4 and FY2023: 22.17

(Source - <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) If yes, name of the external agency.** - Yes, TUV India Private Limited, a third party conducts an annual assurance on sustainability parameters reported in the integrated report of the Company. The assurance is performed for 2023-2024.

Note: Previous year's numbers (FY23) have been rectified.

**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.**

Our company has implemented a comprehensive standard operating procedure for the management of hazardous, non-hazardous, and general waste. Hazardous waste, including various materials such as evaporation salt, process salt, spent carbon, and others, is managed in strict compliance with the Hazardous Waste Management Rules of 2016. We employ proper collection and containment methods, utilizing MS drums or double-layer polythene bags labeled for identification, and only trained personnel handle hazardous waste to ensure safety and control. Co-processing in cement kilns is utilized as an environmentally sustainable option for disposing of hazardous waste, effectively reducing landfill usage and maximizing reuse and recycling efforts. In FY23, we successfully diverted all landfill waste towards co-processing and recycling initiatives, contributing to our goal of achieving zero waste in landfills.

Additionally, our company prioritizes responsible e-waste management through various measures, including e-waste collection programs, recycling partnerships, employee training, and compliance with regulations. We also have established recycling programs for plastic, paper, glass, and metals, alongside investing in resource recovery technologies to extract value from waste streams. These initiatives collectively ensure environmentally responsible waste management practices while contributing to the circular economy and minimizing environmental and health risks associated with waste disposal.

All waste management practices are firmly established within our organization, guided by the principle of "wealth from waste," with the overarching aim of achieving zero waste in landfills while maximizing reuse and recycling. Our strategy ensures that all co-processing waste is directed to the cement industry for utilization as fuel in kilns. Hazardous waste generated in our processes, such as Evaporation Salt, Process Salt, Spent Carbon, and others, is meticulously managed, while non-hazardous waste, including plastic, paper, glass, and empty drums, undergoes recycling or co-processing. We collaborate with approved recyclers for the disposal of various waste types, including plastic, paper, glass, waste oil, and E-waste. Biomedical waste is appropriately handled through incineration.

**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.**

None of our operational sites are situated in ecologically sensitive areas.

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

No, during the reporting year there were no projects eligible for undertaking the EIA.

**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.**

Yes. The Company is compliant with all the applicable environmental laws / regulations / guidelines in India.

## Leadership Indicators

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

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

- Name of the area: Bonthapally, Pashamylaram, Gaddapotharam and Jubilee Hills
- Nature of operations: Manufacturing, R&D and Administration
- Water withdrawal, consumption, and discharge in the following format:

Parameter	FY24	FY23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	1,28,000.00	1,13,130.00
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-
<b>Total volume of water consumption (in kilolitres)</b>	<b>1,28,000.00</b>	<b>1,13,130.00</b>
Water intensity per rupee of turnover (Water consumed / turnover) KL/Rs.	0.0000082	0.0000095
Water intensity (optional) – the relevant metric may be selected by the entity KL/INR lakhs	0.82	0.95
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>(ii) To Groundwater</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>(iii) To Seawater</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>(iv) Sent to third parties</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>(v) Others</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Tertiary	Tertiary
<b>Total water discharged (in kilolitres)</b>	<b>84,672.00</b>	<b>74,885.00</b>

**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, TUV India Private Limited, a third party conducts an annual assurance on sustainability parameters reported in the integrated report of the Company. The assurance is performed for 2023-2024.

Note: Previous year's numbers (FY23) have been rectified.

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

Parameter	Unit	FY 2024	FY 2023
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	3,036.82	5,406.00
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent per Rupee	0.00000019	0.00000045
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO <sub>2</sub> equivalent per lakhs Rupees	0.02	0.05

**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, TUV India Private Limited, a third party conducts an annual assurance on sustainability parameters reported in the integrated report of the Company. The assurance is performed for 2023-2024.

**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, as we do not operate in ecologically sensitive areas.

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

Our environmental initiatives are at the core of our operations, driven by a commitment to sustainability and responsible resource management. We prioritize waste management practices guided by the principle of "wealth from waste," aiming for zero waste in landfills while maximizing reuse and recycling efforts. Hazardous waste, including various materials like Evaporation Salt, Process Salt, and Spent Carbon, is carefully managed, while non-hazardous waste undergoes recycling or co-processing. We collaborate with approved recyclers for responsible disposal, ensuring compliance with regulations and environmental standards.

Furthermore, we implement a Zero Liquid Discharge (ZLD) mechanism across all our facilities, ensuring that wastewater generated undergoes treatment and is reused in utility harvesting processes. This approach not only minimizes our environmental footprint but also promotes efficient resource utilization.

In addition to waste management, our environmental initiatives encompass energy efficiency improvements, decarbonization of industry, afforestation and reforestation efforts, and public awareness and education campaigns. Through these measures, we strive to reduce greenhouse gas emissions, conserve natural resources, and mitigate environmental impacts.

Our commitment to environmental stewardship is reflected in our comprehensive approach to environmental management, as outlined in our standard operating procedures and policies. By integrating environmental considerations into our daily operations, we aim to contribute positively to the well-being of our planet and future generations.

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

Currently the company has a Disaster Management plan from an IT perspective. Also, a plan exists for Supply Chain Management & Manufacturing/Operations setup which has enabled the company to quickly respond to the pandemic situation and other emergencies. In terms of continuity from a manufacturing perspective, the Company has qualified key products from multiple lines and have lines that are qualified for multiple products which is a key risk mitigation step. The company is working towards a comprehensive BCP aligned to ISO 22301 scoping in the all departments and locations and covering a range of scenarios, and aims to secure accreditation by June 2025.

**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.**

Increased emissions were identified as a key impact of our procurement activities. To address this, the organization undertook a supply chain de-risking plan focused on decreasing geographical dependencies and shortening the supply chain, particularly in response to the pandemic and other global concerns. As part of this strategy, we developed an alternate Indian supplier for a key starting material for one of our beta-blocker drugs, in addition to our original Chinese vendor. This initiative resulted in a significant cost reduction due to the price decrease and process improvements by the Indian supplier. Additionally, this effort significantly reduced carbon emissions.

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

20% of the significant suppliers were assessed for environmental impacts.



# 7

**PRINCIPLE**

**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.**

Neuland is a member of 6 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.	Federation of Telangana Chambers of Commerce and Industry (FTCCI)	State
2.	Bulk Drug Manufacturers Association (India) (BDMA)	National
3.	Pharmaexcil	State
4.	Confederation of Indian Industry (CII)	State
5.	Society for Cyberabad Security Council (SCSC)	State
6.	Society for Sangareddy Security Council (SSSC)	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.

Nil

### Leadership Indicators

1. Details of public policy positions advocated by the entity

The Company engages in advocating for the advancement of the industry and public welfare. We focus on areas such as sustainable product development, environmental impact management, women's safety and security, and corporate social responsibility (CSR). Our participation extends to collaborating with industry associations and partnering with local government authorities on various initiatives aimed at promoting these causes. In the coming periods, we may be required to engage with government agencies, local municipalities or village panchayats in pursuing our renewable energy transition or biodiversity initiatives, however currently we do not anticipate any significant opportunity unfolding on the topic of policy advocacy for Climate Change matters.



PRINCIPLE

8

**BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

### Essential Indicators

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

Not Applicable, the Company has not undertaken any SIA during the reporting period.

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

Not Applicable, the company has not undertaken any projects which required R&R.

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

We actively collaborate with villagers and local communities, alongside Village Sarpanch and other Government agencies, to address any community-related issues in all locations where we operate.

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

Parameter	FY 2024	FY 2023
Directly sourced from MSMEs/ small producers	38.3%	31.04%
Sourced directly from within the district and neighbouring districts	59.78%	24.80%

**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 2024	FY 2023
Rural	0	0
Semi-Urban*	80%	81%
Urban	0	0
Metropolitan	20%	19%

\* The villages where our facilities are located are classified as semi-urban since they are under the jurisdiction of metropolitan authority.

### Leadership Indicators

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

Not Applicable as we have not conducted any Social Impact Assessment during the reporting period.

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

Neuland has not taken up any CSR activities in the aspirational districts as listed by the government.

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

Not applicable. We're in the process of building a diversified vendor base to mitigate the risks associated with relying on a single vendor. This approach also allows us to engage with small and medium enterprises, contributing to the growth of the local economy and supply chain. Our procurement efforts are focused on a range of vendors, and we've transitioned to an e-procurement portal, ensuring equal access for all vendors to transparently engage with our company. However, we haven't specifically targeted marginalized groups in our supplier selection process.

**b. From which marginalized /vulnerable groups do you procure? What percentage of total procurement (by value) does it constitute?**

Not Applicable







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





Not Applicable

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

Not Applicable

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

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
<p>1. Health &amp; Well being</p>  <ul style="list-style-type: none"> <li>- Infrastructure upgradation, building repair and painting of 2 PHCs</li> <li>- Health Camps in villages around the facilities</li> <li>- Medical Support to orphan infants / children</li> </ul>	<ul style="list-style-type: none"> <li>- ~1,400 people</li> </ul>	<p>The main objective of CSR activities of the company is to focus on serving disadvantaged, vulnerable and marginalized stakeholders from weak socio-economic background in core areas near to its manufacturing facilities through various CSR initiatives.</p>
<p>2. Education</p>  <ul style="list-style-type: none"> <li>- Donation of uniforms to students at Government Schools</li> <li>- Donation of road barricades and awareness on road safety</li> <li>- Quality education</li> </ul>	<ul style="list-style-type: none"> <li>- ~750 rural students</li> <li>- Public safety and sensitizing villagers and local communities on road safety</li> </ul>	
<p>3. Gender Equality</p>  <ul style="list-style-type: none"> <li>- SHE-Shuttle bus services</li> </ul>	<ul style="list-style-type: none"> <li>- The bus, is being used by women workforce travelling to the factories and also by government school children</li> </ul>	
<p>4. Clean water and sanitation</p>  <ul style="list-style-type: none"> <li>- 120KL Water Tank Construction in Village</li> <li>- Installation of 3 RO-Water Plants</li> </ul>	<ul style="list-style-type: none"> <li>- ~900 families</li> </ul>	
<p>5. Education &amp; Gender Equality</p>   <ul style="list-style-type: none"> <li>- Upgradation of Anganwadi school building</li> <li>- Gurukul Hostel – Renovation of 6 classrooms</li> </ul>	<ul style="list-style-type: none"> <li>- ~60 students &amp; ~50 village women</li> <li>- ~240 girl students</li> </ul>	

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
6. Education, Gender Equality & Clean water and sanitation  - Construction of new drainage line and CC roads at Government Gurukul Residential School	- ~640 Girl Students	
7. Education & Decent work & Economic growth  - Providing skill training	- ~46 nos. rural youth	
8. Sustainable communities  - Laying of Cement concrete (CC) roads - CC Cameras for safety & surveillance	- ~1,250 persons & ~100 vehicles use the roads per day - Provided CC Cameras for surveillance covering 6 kms covering crowded areas and key public spots.	
9. Afforestation  - Annual maintenance cost of sapling plantation done during last financial year	~3,000 trees	



PRINCIPLE

9

**BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

### Essential Indicators

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

The consumer complaints are being handled timely as per internal SOP.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100 %.
Safe and responsible usage	The company provides safety data sheets that are shared with the customers for all its products wherever applicable and as required.
Recycling and/or safe disposal	Our products are not sold to retail customers as it is and therefore product information is not provided.

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

	FY 2024			FY 2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others	0	0	-	0	0	-

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

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	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.**

Yes, we have Cyber security framework related policies are available on the Company's intranet. We have obtained ISO 27001:2022 certification for our organization. Also, we the company has a data privacy policy, and the web-link at <https://www.neulandlabs.com/en/privacy-policy>

**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.**

No incidents reported hence no corrective actions

**Leadership Indicators**

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

- <https://www.neulandlabs.com/>
- <https://www.neulandlabs.com/en/generic-apis>
- <https://www.neulandlabs.com/en/cdmo-services>
- <https://www.linkedin.com/company/neuland-laboratories-limited/>
- <https://twitter.com/NeulandLabs>
- <https://www.youtube.com/@neulandlaboratories537>
- <https://www.facebook.com/NeulandLaboratories/>

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

We provide a safety data sheet together with the product in accordance with the worldwide standardized system, even though the consumer has access to the product's general information (GHS). To guarantee safety at every stage of the product lifecycle, we also offer handling and storage guidelines. The safety data sheet gives the consumer a thorough overview of the product, as well as dos and don'ts, and guidelines for material handling. The product safety is assessed during the entire product research and development stage as well. Mechanisms are in place to inform consumers of any risk of disruption/discontinuation of essential services.

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**3. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, all the relevant product information such as name and grade of the product, batch number, manufacturing date, re-test date, quantity, manufacturer's details, storage and handling instructions, precautionary/hazard statements, disposal procedures etc., are provided on the labels

Yes, customer feedback is taken and evaluated annually. In the current year the Company conducted a survey for Generic Drug Substances (GDS) customers and for Customs Manufacturing Solutions (CMS) Customers.

**4. 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 formation of customer – 0%