



Turning Every Opportunity into Reality for Sustainable Future

Sustainability Report
2021-22



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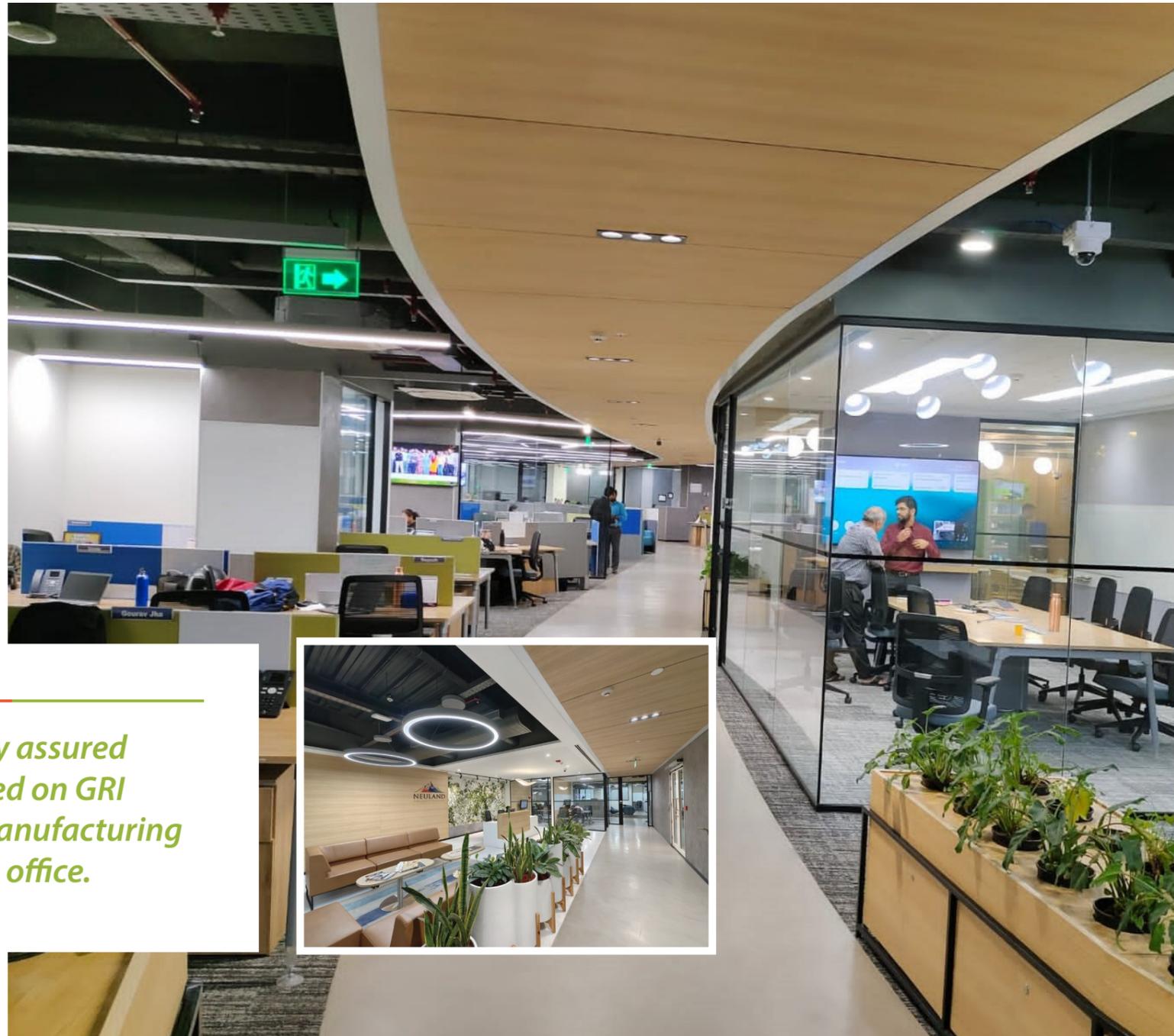
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About this Report

This Sustainability Report 2021-22 marks the third year of our charting sustainability progress and performance, communicating transparently, on our actions towards sustainability. We published our first sustainability report at Neuland Laboratories Limited (NLL) in FY19-20, since then we continue to publish our comprehensive sustainability report annually. At NLL we are constantly working on improving the performance in economic, social, governance, and environment.

This report has been prepared for the financial year FY 21-22 (i.e. 1st of April 2021 to 31st of March 2022). We follow reporting cycle from 1st of April to 31st of March, for every sustainability report. For most of the material topics, we disclose at least three years of data. NLL will continue to report sustainability progress annually through sustainability reports.

This is our third externally assured sustainability report based on GRI guidelines covering all manufacturing units, R&D and corporate office.



Reporting Framework and Guidelines

The report has been prepared in accordance with GRI standards – Core option. This report is also aligned NLL's UNGC commitment. Our approach to reporting follows the GRI principles of Stakeholder Inclusiveness, Sustainability Context, Materiality, and Completeness. These principles have guided us on stakeholder engagement, materiality assessment and development of the report content.

Boundary and Scope

The sustainability performance disclosures in this report cover NLL three manufacturing facilities in India and the corporate office in Hyderabad, India. This report has the information regarding the evolution of our manufacturing, R&D units, economics and management processes which are responsible for the progress of the company. The scope of this report is defined by the material topics identified through stakeholder engagement. The materiality assessment presents the priority topics for NLL. This has helped NLL to acknowledge the challenges faced, the drift of sustainability expectations and take an appropriate and systematic approach to mitigate them.

Corrections and Re-statements

The boundary of the report has not changed between last year and this year. There are no material re-statements and corrections in this report as compared to last year's report. However, due to the materiality assessment, we have added some new material topics and disclosures in this year's report.

Assurance

We have established processes and procedures to capture data on sustainability. The data has undergone rigorous internal reviews before being presented in the report and to the verifiers. The report has been externally verified by TUV India Pvt. Limited who does not have any financial interest in the operations of the company other than the assurance of this report. The assurance statement issued has been included in the report. Any financial information presented in this report is externally audited by TUV India Pvt. Limited, the financial auditors of the company.

Your Feedback

We value suggestions and feedback from our stakeholders. Request you to share it by writing to us at: sustainability@neulandlabs.com.

Forward-looking Statements

Certain statements in the Report are forward-looking. These include statements other than historical facts, including those on financial position, business strategy, management plans and objectives for future operations. Such statements include words such as 'believes', 'expects', 'may', 'will', 'plans', 'outlook' etc. regarding future operational/ financial performance. These are based on reasonable assumptions/ data/ that may be incorrect/ imprecise and, not intended to be a guarantee of future. Actual results could differ materially due to various factors. We neither assume any obligation nor intend to update/ revise any forward-looking statements, as a result of new information/ future events or otherwise.

Chairman Message

Last two years, global events like the pandemic and geopolitical developments, have posed testing times for business resilience. I can with conviction say that we demonstrated resilience and performed reasonably considering the circumstances. It was also a time of great learning, changing customer expectations and operating under unprecedented conditions. We never compromised on our values and stayed focused on the safety and well-being of our workforce.



In addition to committee and policies, I am committed to strengthening our culture of ethical behaviour across the organization. To mainstream ESG it has been included in our Enterprise risk management framework.

Dr. Davuluri Rama Mohan Rao
Executive Chairman

Going forward, Neuland is focused to fortify a stronger future through six strategic priorities of adding scientific and technical capabilities in alignment with customer needs, building agile manufacturing capabilities, building client-facing project management capabilities, modernizing our technology architecture, focusing on talent and succession planning and building a quality generic drug substance portfolio.

Sustainability is well embedded into our DNA and integral to our business strategy. We intend to progressively take steps to keep our sustainability journey going in the right direction. Stakeholders' expectations of us make a significant impact on our sustainability journey.

To understand their perceptions of Neulands sustainability performance and expectations of sustainability, we reached out and collected feedback from over a hundred stakeholders spread across different groups. Their feedback gave us the confidence of being on track, having chosen the right material topics in sustainability with some new topics to focus on like material efficiency. We intend to keep an ongoing structured dialogue on sustainability with our stakeholders.

The customer is the most important stakeholder of our business. Their feedback guides us on how to evolve our processes and delivery mechanisms to fulfil their requirements. From the experiences of this year, we realize the need to focus on developing our team's functional and leadership skills to connect better with our clients. Also, our focus on being technology-driven will give us more flexibility, transparency, and focused collaboration while building projects and client management. Customers would also like us to continue working toward climate change and ensure compliance and ethical practices.

Community and employee well-being is even more essential post the pandemic. We opted to invest in infrastructure to improve the safety of the workforce. We aim for zero harm to workers and employees. We increased our community investment by 50 times over a period of three years, extending our service for COVID-related relief work as well.

Last year, digitization has been an important theme for Neuland and will continue to be in covering delivery, finance and customer service. It has also helped us provide equal opportunity to all our suppliers, and create a diverse pool of suppliers for critical materials. It increases the transparency in our procurement practices.

Our steps on minimizing the environmental footprint and maximizing material efficiency continued to provide desired results during the year. For instance, we reduced the use of chemicals like Heptane and Ethyl Acetate by 50% in the manufacturing of Ezitamide. Our efforts to save fresh water, a limited shared resource continued in the form of increasing waste recycling by expanding the use of reverse osmosis technology at our plants.

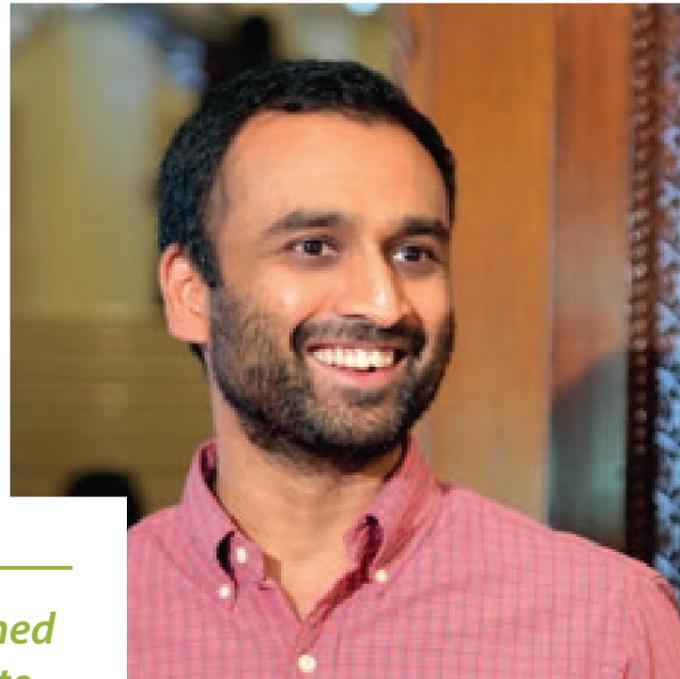
Setting the right sustainability governance practices and assessing ESG risk are important facets of our governance. In addition to committees and policies, I am committed to strengthening our culture of ethical behaviour across the organization. To mainstream ESG it has been included in our Enterprise risk management framework.

Other landmark achievements this year, in line with our commitment to sustainability, have been Neuland becoming a signatory of the United Nations Global Compact (UNGC) and achieving a Bronze rating in ECOVADIS sustainable supplier assessment. As we advance, we will develop an ESG framework that will support UNGC principles and set long-term goals in alignment with long-term business priorities.

I sincerely hope our stakeholders will find our disclosure valuable and fulfil their expectations.

CEO Message

Neuland is committed to being a successful, sustainable, and honest company. Though this was not a satisfactory year in terms of our financial performance, it was a year where the strategic priorities of the company got aligned at the senior leadership level for the next three-five years. Sustainability emerged as a guiding principle for our strategic priorities.



“On the one hand, we learned to operate efficiently despite the pandemic, and on the other hand, we strengthened our sustainability systems and processes. The progress made in the year is expected to set us on a path of accelerated action on sustainability in the years to come.”

Sucheth Davuluri
Vice Chairman & CEO

Going forward, we would strengthen our focus on sustainability strategy across the product portfolio, with emphasis on key strategic products. This implies that we would go deeper into the efficient usage of chemicals and solvents in every product development and production process. New technological interventions and human capital skill up-gradation would play a vital role. To achieve these, we are exploring opportunities for collaboration with partners from academia, and industry to complement and support on the required expertise.

Our people are and will continue to be the most important and valuable asset despite collaboration, digitization and technological up-gradation and interventions.

Our focus has been to foster an environment of inclusiveness, build joint responsibilities, and skill development. We diligently throughout the year, worked to ensure the health and safety of everyone at our premises. We facilitated vaccination and other COVID support to employees and workers and continuously monitored health and wellbeing. Our intense safety practices and training resulted in a significant drop in first aid injury cases and helped us maintain another fatality and loss time injury-free year.

Ethical practices form the backbone of Neuland’s value system. Last year, we conducted a third-party lead Ethics Audit, to assess our performance on ethical practices. We diligently work toward incorporating the audit findings into our operations through activities like updating policies on human rights and ethics. We also maintained compliance with applicable laws and continue to track our progress through a well-established process.

To strengthen the Board’s oversight on risk management, a Board level risk management committee was formed during the year. Some of the ESG risks have been included in our risk framework. Going further we plan to conduct a more detailed assessment of ESG risks. Meanwhile, a water risk assessment was completed during the year to provide insights on the direction of water risk, stress and the major interventions to be considered. Next, we plan to create a framework for ESG and firm-up our targets on the same. In the future, our sustainability goals will be extended across the value chain. We have distributed our ESG growth journey into phases.

Currently, we have initiated sustainable supply chain development. Educating our procurement team through a certified sustainable supply chain course was the first step in preparation for supply chain sustainability. Parallely, we

have also engaged with suppliers. So far, 80% of the critical suppliers have signed the supplier code of conduct and we aim for 100% compliance in due course.

We are committed to acting towards mitigating climate change in our operations. Therefore, we expanded the universe of GHG inventorization under direct emissions and also included some of the scope 3 categories in our GHG footprint. Our plan for mitigating GHG emissions is being discussed internally. While on the waste management front, we have a clear aim of zero waste to landfill. We have already reduced waste reaching landfills from our facilities to 8%.

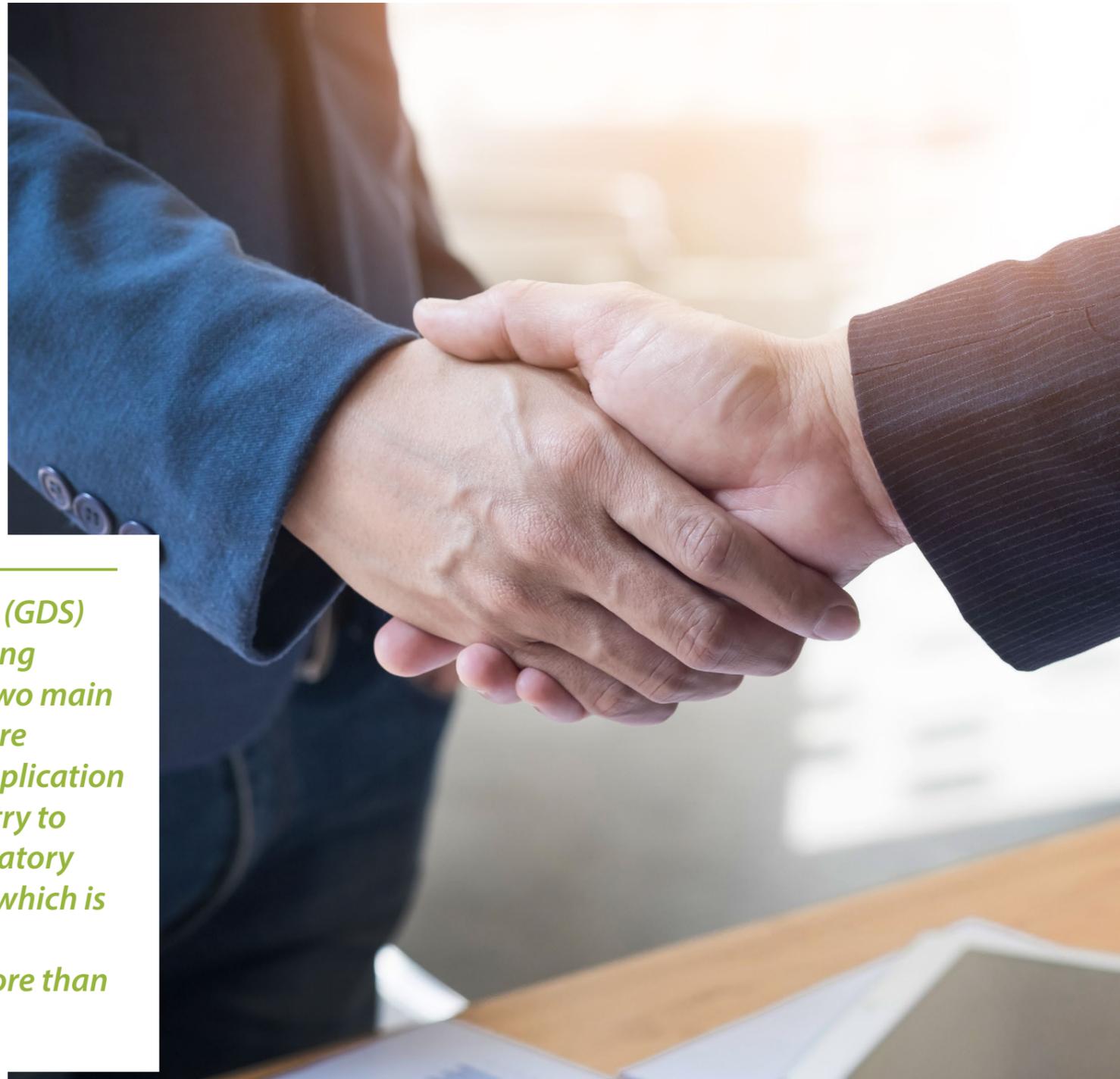
Another noteworthy step has been the operationalization of our sustainability core committee and the working group. Several decisions like committing to UNGC were taken by the committee. We realize the need to bridge the knowledge gap on sustainability in the company, to make it inclusive and practicable for each one in their sphere of work.

As I conclude, I would like to share one of our biggest sustainability achievements of the year; we have been awarded the Eco-Vadis bronze rating, which recognizes companies who are leading the change by engaging and integrating sustainability into their business.

Our Business

With nearly four decades of experience in the pharmaceutical world, Neuland Laboratories Limited has emerged as a leading market player with a presence in around 80 countries. Neuland is one of the leaders in manufacturing APIs, complex intermediates and custom manufacturing solutions services. It is a well-known one-stop solution for all the chemistry needs of the pharmaceutical industry. Generic Drug Substances (GDS) and Custom Manufacturing Solutions (CMS) are the two main business verticals. Our peptide synthesis services include the production of peptides from milligrams to multi-kilogram scale by standard sequential chemical peptide synthesis and segment condensation strategies. (For more information on our business please refer to our annual report on <https://annualreport.neulandlabs.com/>)

Generic Drug Substances (GDS) and Custom Manufacturing Solutions (CMS) are the two main business verticals. Our core competency lies in the application of strong process chemistry to manufacturing in a regulatory compliant environment, which is supported by a strong, well-qualified team of more than 1400 employees.



38+
Years of experience

INR 953.2 Crores
Revenue

INR 144.3 Crores
EBITDA

INR 63.5 Crores
Profit after Tax

100+
APIs across
therapeutic
categories

80+
Countries where
products are sold

907 KL
API manufacturing capacity

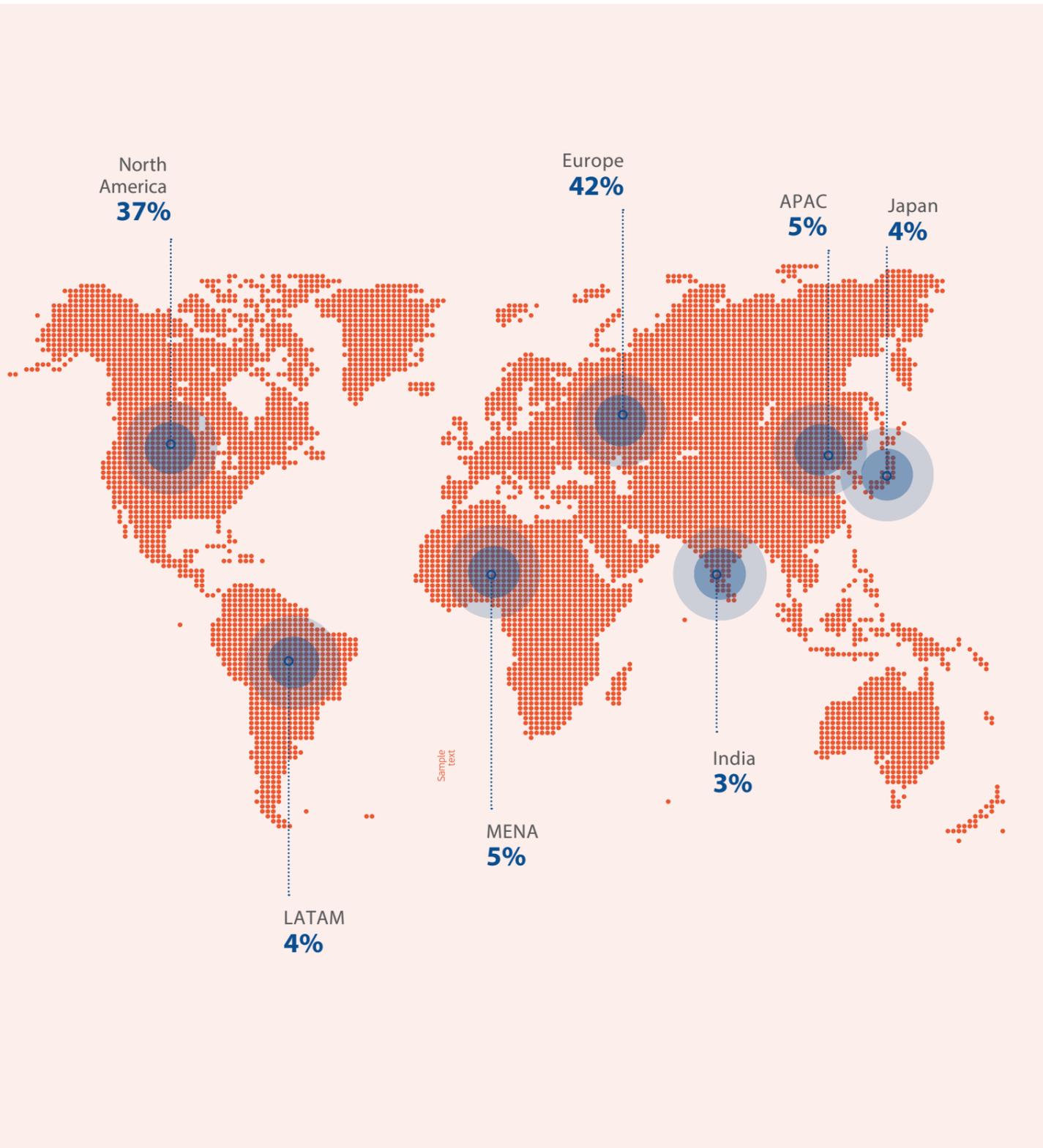
916+
Drug Master Files
(DMFs) worldwide

>75%
Revenue from
exports

62+
Active US DMFs

1500+
Employees

Our Presence



Regulatory Filings Across Geographies



Our Manufacturing Locations

Scaled up Manufacturing Facilities over the years

UNIT-1

233 KL

Bonthapally, Hyderabad



Year of Establishment
1984

Hydrogenation Reaction Volume
7.4KL

Cryogenic Reaction Volume
25KL

Block
1, 2, 3, 4, H, KL & S

Solvent Recovery System
100KLD

Regulatory
USFDA, EDQM, CFDA, PMDA, et. al

Adding capacities for new CMS projects and growth of key GDS molecules

UNIT-2

363 KL

Pashamylaram, Hyderabad



Year of Establishment
1994

Hydrogenation Reaction Volume
6KL

Cryogenic Reaction Volume
15KL

Block
34 Block-1, 2, 3, FC, NMSM,
Mini plant 6

Solvent Recovery System
20KLD

Regulatory
USFDA, EDQM, PMDA,
ANVISA et. al

UNIT-3

305 KL

Gaddapotharam, Hyderabad



Year of Establishment
2017

Hydrogenation Reaction Volume
Facility creation under process

Cryogenic Reaction Volume
15KL

Block
Block - 1, 2, 4, 5

Solvent Recovery System
50KLD

Regulatory
Desktop Inspection by
USFDA in 2020;
ANVISA (Brazil) 2022

Research & Development Centre the Heart of Our Business

Backed up by sound R&D capabilities



R&D Facility, Hyderabad

Infrastructure

- 15 Development Labs with space for expansion
- 60 Fume hoods
- Analytical Labs
- Dedicated kilo Lab for Scale up
- Dedicated Labs for Peptides
- Separate facility for D2 analogues

Significant R&D Achievements

- Several NCE APIs added in NDA or commercial stage drugs
- Support for multiple APIs each year in Phase 2 and Phase 3 clinical candidates
- Generic API business:
 - 900+ DMFs filed
 - 300+ API processes developed
 - 204+ patents filed. Received USPTO patent for improved process synthesis of Paliperidone Palmitate

Enhancing the Research Capabilities to Support Our Business Goals

New capabilities built

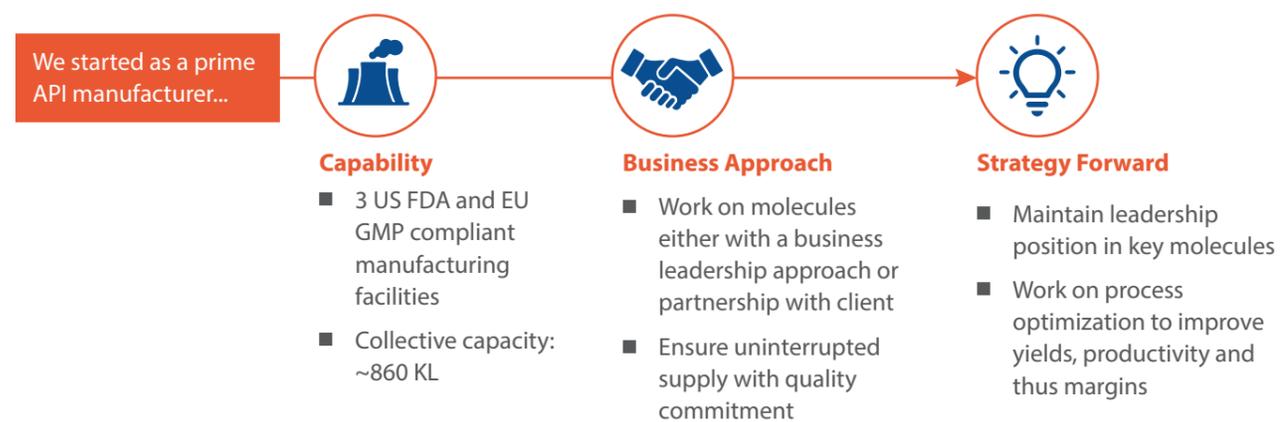


The Direction of Our Business



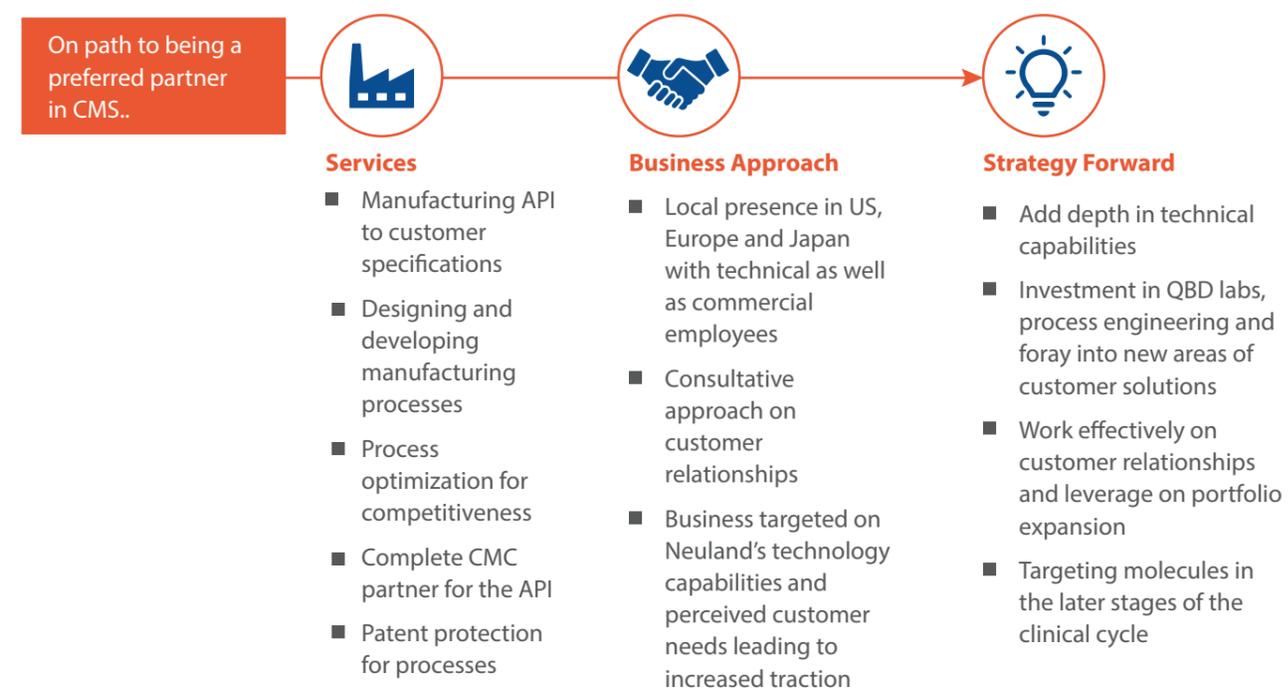
Robust manufacturing base placed on the foundation of quality and pureplay API commitment

Generic Drug Substance (GDS)



Create a sustainable CMS business that is driven by technology and strong customer relationships

Custom Manufacturing Solutions (CMS)



Governance and Risk Management

Neuland has a robust governance mechanism driven by its aspiration to create an organization that creates value for all its stakeholders.

Create an organization that results in value for all stakeholders



Scale

Invest into capacity to augment sales and accelerate business growth



Business

Extend capabilities to organically build a sustainable GDS and CMS business



Relationships

Leverage on Long-standing relationships with leading generic and innovator companies



Chemistry

Deploy advanced chemistry skills to add differentiated products to its portfolio



Financials

Re-aligning revenue portfolio for a profitable growth



Quality

Develop techniques like QBD to stay ahead of the curve & set precedents for "no quality compromise"

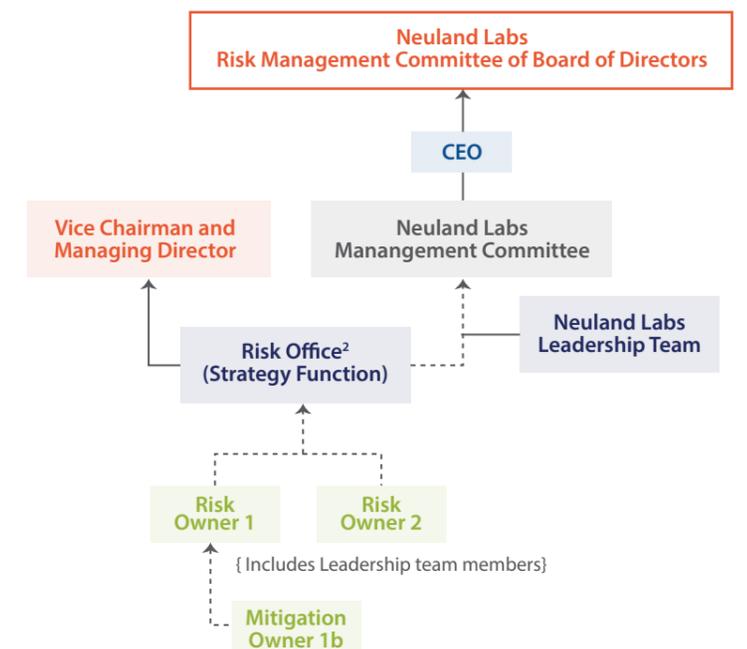


A risk management committee, a risk officer, and risk implementation owners from diverse functions assist the board-level committee.

We have an experienced board with diverse competencies, with nine members, two of them are female. The audit committee, stakeholder engagement committee, CSR committee, nomination and remuneration committee, and risk committee are among the committees that assist the Board in functioning effectively.

Neuland constituted the risk committee during FY21-22. Our Risk Committee is a board-level committee comprised of the CEO, MD, and Independent Director as Board members overseeing risks and managing them. A risk management committee, a risk officer, and risk implementation owners from diverse functions assist the board-level committee. Our risk management committee meets quarterly, and our risk committee meets biannually to review the risks. RCAI principles are applied to define the risk owner's obligation.

Risk Governance Framework



Risk Management Policy

This year, the risk policy was reviewed and revised to include all relevant and most recent SEBI and COSO Enterprise Risk Management guidelines (ERM). In light of these guidelines, we adjusted the risk descriptions. ESG (environmental, social, and governance) hazards have been added to our ERM risk universe. Regulatory Compliance, safety, the environment, social, and reputational concerns have been added to the list of threats. The paradigm for risk prioritisation evolved from a qualitative to a definite quantitative severity-based methodology. Our risk assessment and mitigation procedures are constantly evaluated and updated. As a further step, we're creating a mechanism to map the velocity with which risk may move across risk levels and our capacity to handle it to mitigate or eliminate any impact.



Our risk assessment and mitigation procedures are constantly evaluated and updated. As a result, during the year ESG risks have been added to our ERM risk universe.

ESG Risks Added to the Existing Framework

Risk Name	Risk Universe
Regulatory Compliance*	Non-adherence to regulations, including FDA guidelines.
Environmental and Social	Irregularities like production or discharge of air, water or solid waste or other pollutants above norms leading to environmental excursions or non-compliances or damage to surrounding communities.
Economic Value Creation	Accident severity rate, injury, loss of life
Customer centricity	Customer Confidence

Sustainability Committee and Governance

In FY 20-21, we established a two-tier sustainable governance system, which we continue to use for making strategic choices and executing them. The Vice-Chairman and CEO of NLL chairs our sustainability steering group, the highest governing body on sustainability. The committee's secretary is AVP EHS, and it has ten members from different functions. This committee aims to give strategic direction and guidance on sustainability efforts. It also functions as the body in charge of approving significant sustainability communications, such as the sustainability report, and granting corporate approval on sustainability topics. The sustainability core committee has 13 members and is headed by the Vice president (CMS and R&D). In collaboration with site teams, the sustainability core committee ensures the implementation of sustainability initiatives across departments and operations. This committee is also in charge of identifying opportunities for sustainability improvements, tracking performance, and developing sustainability communications.

The sustainability steering committee met once during the year. It made significant decisions, including joining the United Nations Global Compact (UNGC), developing and implementing a climate change and energy policy, assessing the risk associated with carbon and water footprints, incorporating an EHS policy into subcontractor agreements, and conducting recurring risk assessments for corruption and bribery. Members of this group examined and contributed to sustainability disclosures for this report, ECOVADIS, and UNGC. The working group meets periodically throughout the year to go through implementation-related concerns on achieving objectives, particularly in the areas of water, waste, safety, etc. We have created a sustainability Environment, Health and Safety Policy manual for the committee members that serves as a handy reference for the sustainability strategy, framework, and principles. Periodically as needed, the manual will be updated.

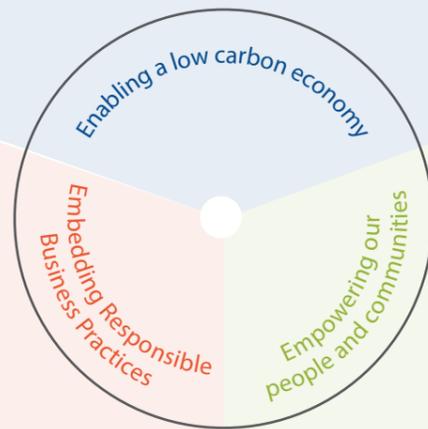
Sustainability Framework



Climate Change
Reducing greenhouse gas (GHG) emissions intensity and moving towards a balanced portfolio of low carbon energy management.

Resource Management
Growing and innovating business solutions through R&D and minimize the use of resources

Local Environmental Protection
Minimizing negative environmental impacts and ensuring the highest standards of EMS



Corporate Governance
Maintain and effective governance and decision making structure

Ethical Business and Compliance
Fostering an ethical culture and conducting business with integrity and ensure all legal and regulatory compliance

Risk Management
Ensure effective identification of material risks, adequate & effective risk management and internal control

Health & Safety
Making health & safety an integral part of everyday business and culture

People
Creating value and performance culture. Providing work life balance and engaging employment experience where they can grow and excel

Community
Contributing to the sustainable development of communities through engagement & partnerships and investing in initiatives that make a lasting positive impact



Policies Supporting the Framework

Supplier Code of Conduct

Prohibition of Child Labour

Policy on Grievance Redressal

Policy on Sexual Harassment

Diversity and Inclusion

Learning and Development Policy

Data Leakage Prevention Policy

Information Security Management Systems

Climate Change and Energy policy

Code of Ethical Conduct

Prevention of Workplace Discrimination, Protection of Human Rights and Equal Employment Opportunities

Skill Upgradation Sponsorship Policy

Referral Reward Policy

Change Management Policy

Patch Management Policy

Social Media Usage Policy

Wireless Security Policy

<https://www.neulandlabs.com/investors/board-of-directors/policies/>

Approach to Sustainability

Stakeholder Engagement

Stakeholders are people, groups or organisations interested in the company either directly or indirectly and can influence or get impacted by its operations, goals, and policies. The primary stakeholders in NLL include investors, board members, workers, clients, suppliers, the community and regulators. We believe businesses that spend time cultivating relationships of trust and a cooperative working environment with stakeholders succeed more.

Effective stakeholder communication is, therefore, a key component of our approach. On the foundation of trust and respect, we have developed solid relationships with our stakeholders throughout the years. We communicate with them frequently through a variety of channels to learn about their needs and goals so that we can concentrate on meeting them. Among other engagements, we also undertook multi-stakeholder engagement for the first time this year to systematically identify and capture the importance, relevance, and expectations of various external stakeholders from NLL on sustainability performance.

On the foundation of trust and respect, we have developed solid relationships with our stakeholders throughout the years. We communicate with them frequently through a variety of channels to learn about their needs and goals so that we can concentrate on meeting them.



Stakeholders	Engagement	Frequency of engagement	Topics of Relevance & Expectations
Employees and workers	<ul style="list-style-type: none"> Multi-level and multi-topic engagement based on the employee group Performance feedback Employee surveys Training sessions Several informal modes like toolbox talk specifically used for workers 	Yearly as and when required, yearly for sustainability feedback on material topics	Water, Employment practices, Opportunities for training, education and skill development, Health & Safety practices at the workplace, Human rights practices, Environmental Compliance
Board	<ul style="list-style-type: none"> Board meetings Specific committee meetings Sustainability committee meeting 	At least once a quarter Twice a year	Community development, Sustainable Procurement practices, Consistent Economic Value creation, Ethical business practices to uphold basic human rights like no child labour, marketing & labelling Employee well-being, and Safe operations, customer health & safety
Suppliers	<ul style="list-style-type: none"> Supplier audits Supplier meets Topic-based select supplier engagement 	Yearly based on the requirement, a minimum of once a year, Yearly for sustainability feedback on material topics	Material Sourced and used, Emissions, Energy and climate change, Freedom of association and collective bargain, Economic performance, Market presence
Customers	<ul style="list-style-type: none"> Customer meets and visit by the customer to Neuland Customer audits Customer surveys Structured engagement with select customers 	Yearly based on the requirement, minimum once a year, Yearly for sustainability feedback on material topics	Compliance, Ethics & Human Rights practices, Employee practices, Environmental stewardship, and Climate Change
Regulators	<ul style="list-style-type: none"> Fillings and submissions to various agencies Engagement during visits to our facilities Structured meetings on defined topics, as needed 	Twice a year based on the requirement, a minimum once a year	Timely compliance with the laws and regulations applicable to the company
Local communities	<ul style="list-style-type: none"> Neuland Foundation communications Visits to select locations by the Neuland team 	Based on the requirement, a minimum once a year	Water, Education and overall developmental needs, good environmental practices to avoid negative environmental impacts
Investors/ Financial Partners	<ul style="list-style-type: none"> Investor relations team regularly engages with them Quarterly Investor communications Investor meets and presentations Annual report and sustainability report 	Quarterly, based on the requirement, Yearly for sustainability feedback on material topics	Environmental management of Energy, Emissions and climate change, Consistent Economic performance, Market presence, Labour practices that allow Freedom of association and collective bargain, Good supplier practices like environmental & social assessment, Marketing and labelling

Materiality Assessment

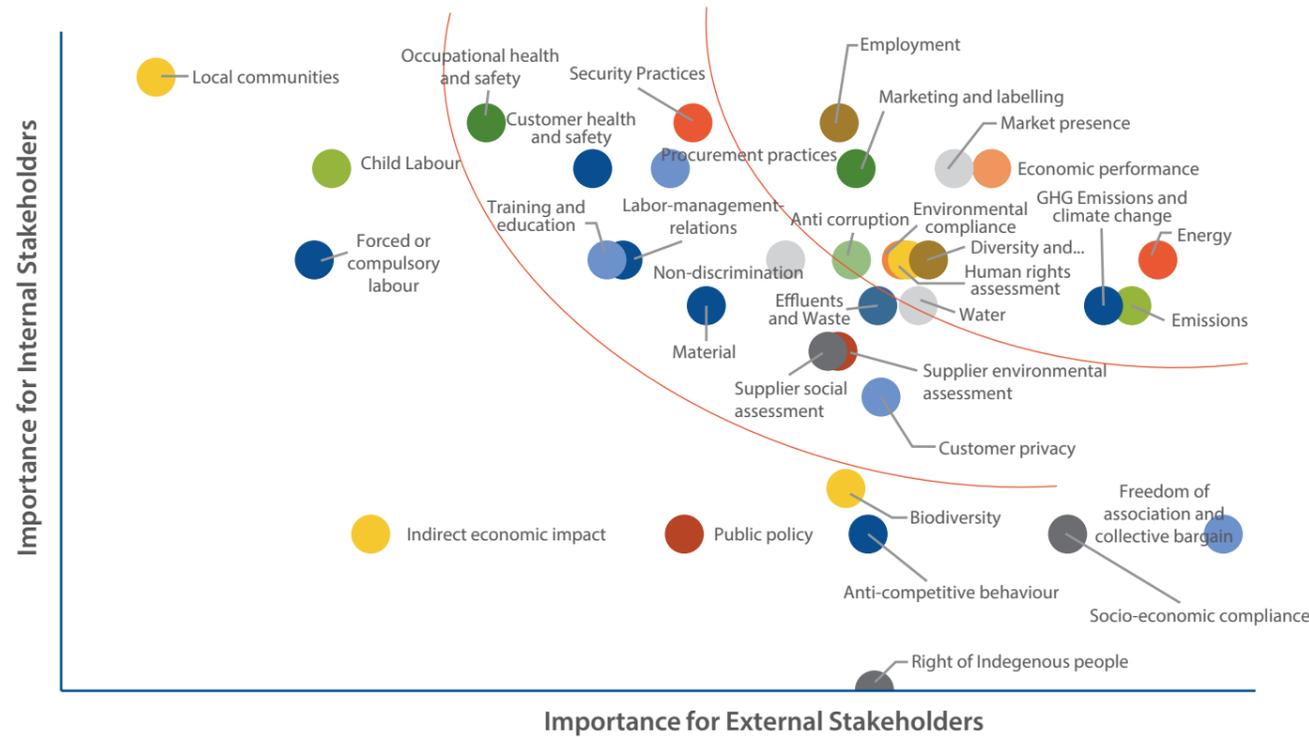
The sustainability performance requirements of stakeholders are dynamic and rapidly changing. We collaborated with internal stakeholders to establish material topics for Neuland at the outset of our sustainability journey with the FY19-20 report. We broadened the scope of our materiality evaluation this year to include the other material stakeholders indicated in the previous section. We thoroughly and methodically created a questionnaire to get input from stakeholders. We received responses from more than 125 stakeholders. To determine the importance of the topics for internal and external stakeholders, the stakeholder responses on each topic were gathered on three dimensions: relevance, impact, and performance. Based on the examination of stakeholder answers, 12 topics each were recognised as being of very high and high importance.



We thoroughly and methodically created a questionnaire to get input from stakeholders. We received responses from more than 125 stakeholders.

Our Six Sustainability Themes

Largely the material topics remain the same. While some new topics have appeared to be material in this assessment are climate change, Labour-management relationships, security practices, non-discrimination, marketing & labelling.



Environmental Stewardship	Employee Nurturing	Upholding Human Rights & Ethics	Sustainable supply chain	Economic Value Creation	Customer centricity
Climate Change	Employment	Security Practices	Procurement practices	Market Presence	Customer Health & Safety
Energy	Diversity & equal rights	Compliance	Supplier environmental performance	Economic Performance	Customer privacy
Emission	Training & education	Anti-corruption	Supplier social performance		Marketing & Labelling
Water	Labour relation management	Assessing human rights			
Effluent & Waste	Occupational Health & Safety	Non-discrimination			
Material					

Upholding Human Rights & Ethics

Our continuous dedication to ethical business practices and the high integrity standards of our workers and business partners have built our reputation. We take pride in being seen as an ethical and value-driven company. We adhere to 'The Neuland Way,' a strong set of ethical values that promotes integrity and motivation among the workforce and is an intrinsic element of our Neuland culture. It supports our commitment to non-discrimination, anti-corruption, human rights and compliance.

An internal cultural survey highlighted that Neuland is a strong, ethical, quality conscious and value-based company committed to making a difference in people's lives.



We have developed policies and a code of conduct to ensure that all employees throughout operations have a clear and consistent understanding of the norms of ethical conduct and responsible business practise that are expected of them during interactions with stakeholders. We recognize the importance of all employees being familiar with and understanding the policies. Therefore, we implemented a portal titled "success factors" for the online Learning Management System (LMS) during the year to provide employees with self-paced training on ethics. We update the learning system with relevant policies as they are updated.

Familiarizing Security Staff with 'The Neuland Way'

Physical security staff at all our operational locations is sourced through an external security agency. They are essential in maintaining and implementing Neuland's values at manufacturing units and offices. Regular informal sessions bring the security staff at par with the expectations.



Employee and Board Code of Conduct



Anti-corruption Policy



Human Rights Policy

Compliance

At Neuland, we uphold a culture of compliance led by a deep understanding of regulatory requirements and a strong focus on international quality standards. As we operate in highly regulated markets, we always have our eyes set on new laws and regulatory changes that may be on the anvil. A comprehensive quality management framework and practices ensure strict compliance with all pharmacopeia and customer-specific requirements. At Neuland, compliance with all EHS laws is a business imperative.

The Company seeks continuous performance improvement to follow the best practices in the global pharma industry. To stay ahead of upcoming regulatory changes, we continuously track the expectations of various regulatory bodies worldwide through different channels, like digital tools. We have institutionalized the regulatory compliance process by placing adequate systems of checking the documentation at all levels to ensure no slips. Regulatory and legal compliance audits are conducted for various functions for which the Board provides oversight and undertakes a quarterly review. The responsibility of ensuring zero non-compliance lies with each department. To further strengthen the process and oversight, we have adopted the digital system called Legatrics. To strengthen employee skills, the Company has introduced several online learning initiatives on areas specific to compliance training.

We have introduced a legal repository tool to ensure compliance with all our contractual commitments too.



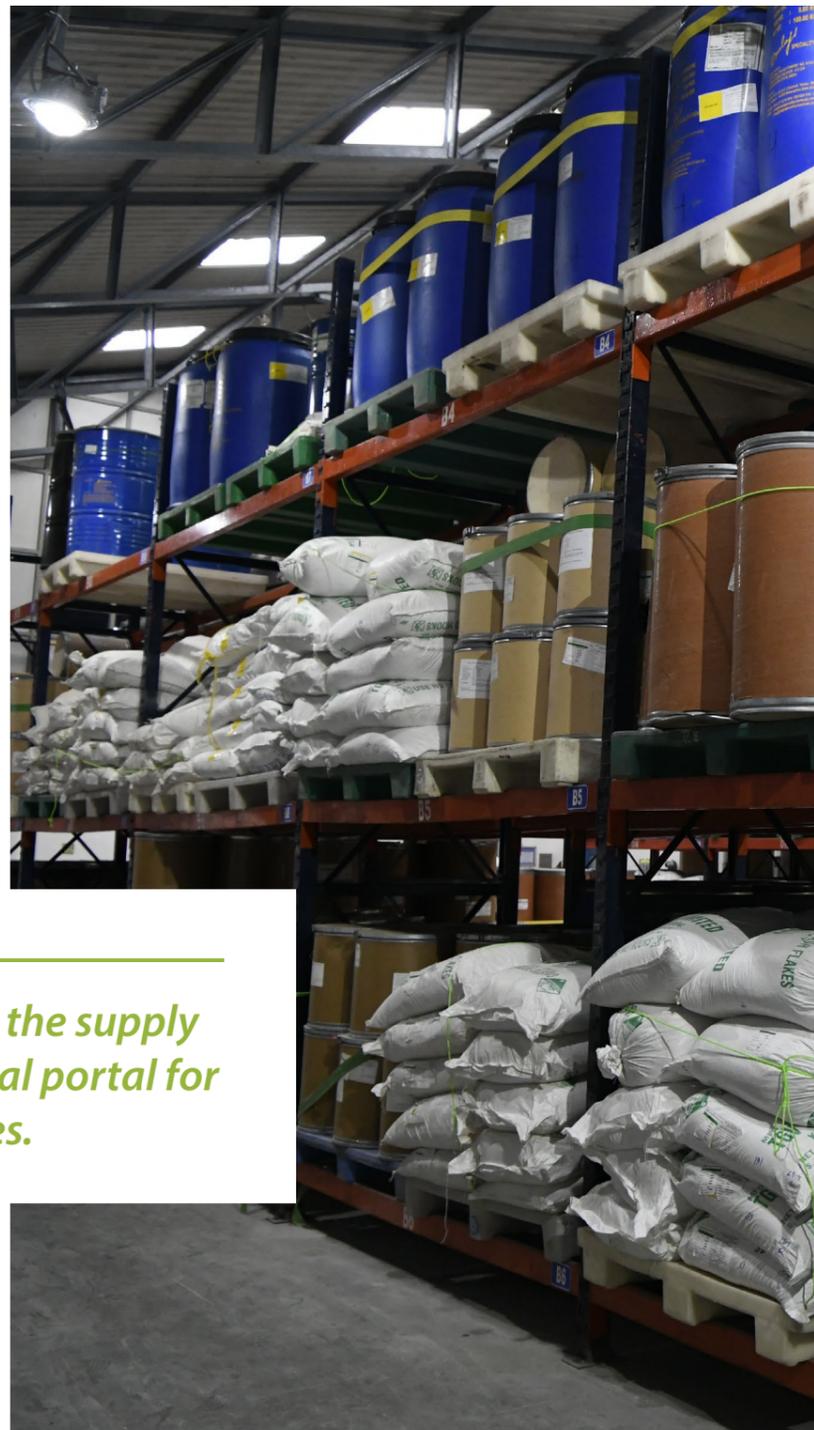
We did not experience any environmental non-compliance during the year leading to substantial fine or penalties.

Ethically Responding to Legal and Compliance Challenges

The income tax agency brought international tax litigation concerning withholding tax during FY 21. Based on our approach to taxation and legal risk management is to adopt ethical practices by complying with the law and resolving such situations in a manner that is amicable and minimizes risks. We approached the subject through the income tax department's 'Vivad Se Vishwas' initiative, and the litigation was settled for INR 9.5 crore. This enabled us to remain committed to paying the required taxes, reducing the need for litigation and reputation management.

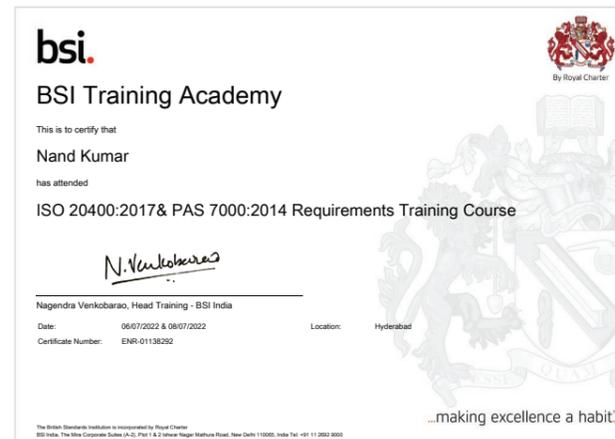
Sustainable Supply Chain

Our business continuity planning, timely, cost-effective manufacturing, and supporting satisfaction of customers all depend on a reliable and resilient supply chain. Pandemics and geopolitical situations over the past few years have tested our supply chain. Incidentally, we started a supply chain de-risking plan with an emphasis on decreasing geographical dependencies and shortening the supply chain before the pandemic and other global concerns appeared. The focus of bolstering and sustaining supply chains continues to be on the areas identified in our de-risking strategy. Key starting materials (KSM), intermediates, and speciality materials are essential to our business. Suppliers in this category are identified as our critical suppliers and the focus of our sustainable supply chain efforts has started with this part of our supply chain.



We are going digital with the supply chain by adopting a digital portal for our procurement practices.

bsi.



Self Preparation for Effective Engagement with Suppliers on Sustainability

All supply chain team members are trained in Sustainable Procurement Practices. They are required to understand the importance and key requirements of the Sustainable Supply Chain so that they can better articulate and define sustainable supply chain requirements in due diligence, and regular supplier monitoring activities. We have taken a target to ensure that 100% of the team members are provided training on sustainable supply chain covering a minimum of 60 manhours per year.

Geographical Dependency De-Risking

One of the geographical de-risking and supply chain shortening strategies used at NLL is the development of a domestic supply chain. As a result, during the past three years, our expenditure on domestic suppliers has climbed by over 10%.

Financial Year	2017-18	2018-19	2019-20	2020-21	2021-22
Local/domestic Supplier (Indian)	213	211	236	236	249
International Suppliers	70	70	80	63	73
Monetary Spent (Local Suppliers) INR Million	1554	2084	2478	3310	3084
Monetary Spent (International Suppliers) INR Million	825	1377	1256	1180	1094

Diverse and Inclusive Supply Chain

We are developing a diversified vendor base to de-risk the challenges of working with a single vendor. It also provides us with the opportunity to engage with small and medium enterprises, assisting in the growth of the local economy and supply chain. Today, 30% of our procurement spending is on diversified vendors. 60% of our procurement has shifted to an e-procurement portal providing every vendor with an equal opportunity to access the opportunity of associating with NLL in a transparent manner.

Supplier Code of Conduct

We consider supplier commitment to our supplier code of conduct as the first step to sustainability. Being in the regulated market our code of conduct emphasises the supplier maintaining compliance with all applicable regulations. No child labour, upholding of basic human rights, ethical business practices like respecting data privacy, Intellectual property rights and safe operating conditions for all its workers are the expectations laid out in our code of conduct. We target to have all our suppliers commit to the supplier code of conduct. As a step in this direction, we now undertake supplier sustainability assessment as a part of the new supplier due diligence process for critical suppliers. Currently, more than 80% of the suppliers have accepted our code of conduct.



Our supplier sustainable supplier assessment covers 80% of critical suppliers and 40% of total procurement. By 2025, we plan to cover 100% of our suppliers in the sustainable supplier assessment plan.

Supplier Code of Conduct



Human Rights



Ethical Business Practices



Regulatory Compliance



Safe Operation Conditions

Sustainable Supplier Assessment Matrix

We have strengthened our supplier assessment matrix to include items which de-risk our supply chain from delivery, quality and performance of environmental and social dimensions. Our supplier sustainable supplier assessment covers 80% of critical suppliers and 40% of total procurement. By 2025, we plan to cover 100% of our suppliers in the sustainable supplier assessment plan. As we started our sustainable supply chain program during the pandemic, we started with a desk-based assessment.

Pillar	Description	Metric	Target for FY23	20-21	21-22
Resilience	De-risked Business	% Business De-risked with 2 or more sources	> 65%	35%	61.40%
Reliability	Quality Performance	% Rejections	< 1 %	0.54%	0.96%
	Delivery Performance	Raw Material OTIF	> 99%	99.1%	99.2%
Inclusivity	Supplier Diversification	% spend on MSME	> 25%	36.70%	33.70%
	Digitization (Equal Opportunity mechanism)	% e-Procurement / Total Procurement	> 85%	-	62%
Environmental & Social	Shortening Supply Chain	% Spend in India	> 70%	73.70%	73.80%
	Certified Vendors	ISO 9001/14001/18001 certified vendors out of critical vendors selected for the assessment	>90%	72%	89%

Economic Value Creation

The value we produce for our workers and communities, according to NLL philosophy, is just as significant as financial profit. It has been demonstrated in FY21–22. Although we narrowly fell short of our financial goals, we have excelled in a number of other equally crucial areas, which gives us confidence in our business model and capacity to achieve sustained development. During the year to achieve continuous development, we have continued to consistently invest in our capabilities throughout the year,

opening the door for exciting growth potential for not just us but also for all of our stakeholders.

We are listed on the Indian Stock Exchange, and we adhere to its rules and regulations on financial reporting and corporate governance set out by these exchanges and other regulatory bodies of the country. The company is committed to following the best accounting practices and presenting the true and fair value of its assets to stakeholders.

We are also listed on the Indian Stock Exchange, and we adhere to its rules and regulations on financial reporting and corporate governance set out by these exchanges and other regulatory bodies of the country.



Particulars	2017-18 (INR Million)	2018-19 (INR Million)	2019-20 (INR Million)	2020-21 (INR Million)	2021-22 (INR Million)
Gross Sales/Revenue	5,291.6	6,668.3	7,627.1	9369.1	9510.77
Revenue from financial investments and other sources	45.3	34.9	38.9	160.95	20.76
Direct Economic Value Generated (A)	5,337.0	6,703.2	7,666.0	7,666.0	9531.53
Operating costs	3,437.2	4,690.2	5,090.7	5983.77	6025.39
Employee wages and benefits	957.3	1,044.7	1,184.8	1440.22	1757.58
Payment to providers of fund	189.2	156.6	215.7	178.98	134.95
Other Expenses	613.8	610.1	632.0	652.07	784.54
Payment to Government	19.1	40.0	377.0	463.3	182.06
CSR spend	2.3	0.2	6.9	8.8	11.68
Direct Economic Value Distributed (B)	5,218.9	6,541.8	7,507.2	8727.14	8727.14
Economic Value Retained (A-B)	118.08	161.43	158.80	802.94	802.94

Contribution to Defined Benefit Schemes	2017-18 (INR Million)	2018-19 (INR Million)	2019-20 (INR Million)	2020-21 (INR Million)	2021-22 (INR Million)
Contribution to Provident Fund	35.54	34.58	46.83	53.76	69.00
Contribution to Gratuity Fund	18.19	17.39	18.67	18.87	17.05
Medical Insurance	10.60	14.10	16.7	16.73	21.21
Vehicle, Canteen, etc.	38.66	46.77	49.00	57.03	64.24
Total	46.14	112.84	131.2	146.39	171.5

For more details you may please refer to Neulands annual report for the year FY21-22 on the following link: <https://annualreport.neulandlabs.com/>

Digitization of Tax Practices and financial control processes to minimize risks

We have implemented a tool for Goods, and Services Tax (GST) reconciliation and in the process to integrate the host-to-host payment cycle and automation of internal financial controls. This would help us to reduce significant effort by removing manual processes towards GST credit reconciliation and support timely follow-up, payment instructions, and eliminate all the manual process approval and payment instructions. HTH payment cycle will be integrated with our ERP system and digital banking process. This will reduce the time, effort and chances of error. Automation of significant internal financial controls will also reduce the manual risk of not following set procedures and risk metrics, thereby making the controls stricter.

Customer Centricity

The customer is always at the centre of business growth and strategy, and last year we emphasised the significance of customer focus throughout the organisation. We will need to better understand our customers' expectations and closely align our strategic business focus of improving project and client management skills as we evolve. Client feedback is one method NLL uses to understand and satisfy customer expectations. This year, NLL broadened its scope to include consumer input on particular ESG requirements. We also continue to promote a collaborative culture rather than a consensus culture, with the ultimate goal of doing what is best for our clients.

Companies that manufacture generic medications are our clients. We don't provide the product for sale to consumers in a retail store. Customers use our products as raw materials for their manufacturing. We are a full-service provider of solutions for the development and production of NCEs, and we offer high-quality products with complicated technological requirements. We conduct innovation and research, which generates confidential information. We respect our customers' and partners' Intellectual Property Rights (IPR). Therefore, due to the nature of our business, we place a high priority on the privacy of client data as well as the health and safety of our customers. Our focus on safeguarding consumer safety also extends to and includes marketing and labelling procedures. Our overall data privacy and security practices help us achieve client data privacy objectives as well.

There were no product related health and safety concerns reported by the client during the year.



We become a more sustainable organisation as we connect our skills more closely to the needs of our customers and become more adaptable. We have defined key performance indicators to monitor and assess our success against our strategic goals. We have also allocated each strategic objective to a senior leader in order to promote alignment and focus on our goals, foster an execution attitude, and drive the accomplishment of goals.

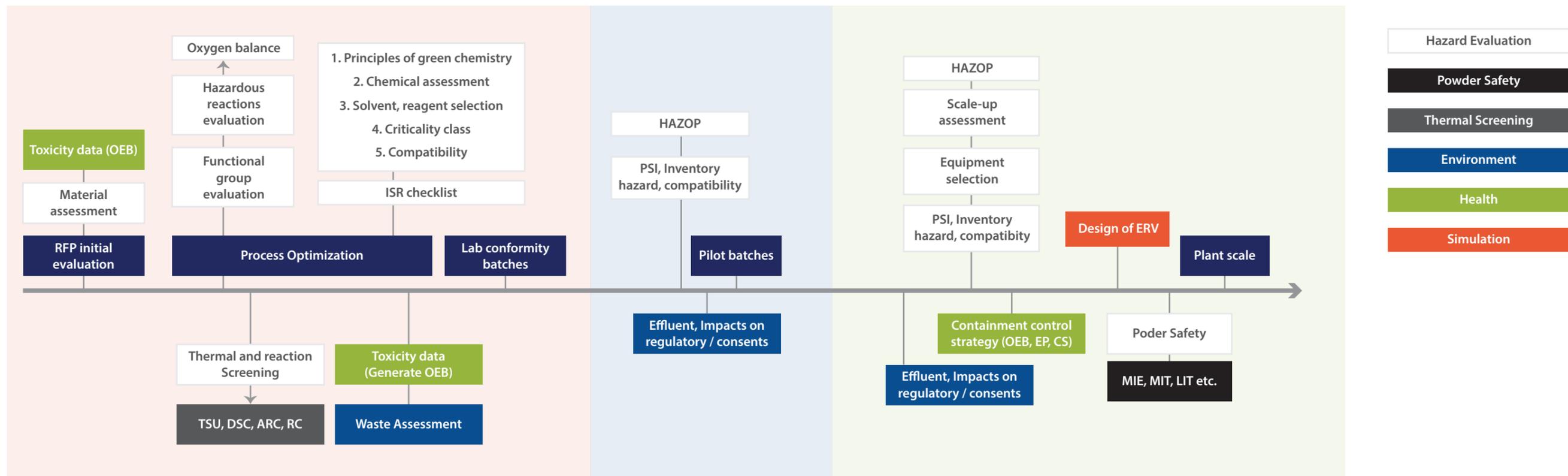
Customer Health and Safety

We provide a safety data sheet together with the product in accordance with the worldwide standardised 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. In the backdrop, during the entire product research and development stage as well, product safety is assessed.

Through the customer feedback and grievance method, we track the customers' safety issues (if any). Regarding the effects of our products on our customers' health and safety, we have not received from any complaints from consumers.



Our Product Safety Assessment Process that leads to customer safety as well



Labelling of Products

Labelling of our products is carried out in compliance with ICH guidelines and any country-specific guidelines that might be applicable in Europe or USA. This ensures that the customers receive the right and adequate information about the product. Product handling instructions are also provided in the label and supporting instructions sheets as applicable to ensure safe handling of the product by various industrial users. Our internal SOP's on the topic supports employees from these departments to adhere to the labelling expectations.

Data Privacy and Security

We are on a digital transformation journey, whereby we will be digitizing processes across the organisation and build company-wide dashboards providing shared, real-time, granular data and analytics across functions. With increasing digitalisation of business and work processes the need to enhance the robustness and make our data privacy and security systems agile has increased. We also bear responsibility under business contracts and agreements to protect customer data, and information with intellectual property rights.



There were zero complaints received concerning breaches of customer privacy during the reporting period. There were also no incidents of identified leaks, thefts or losses of customer data, nor any security breaches.

We have a well established Cybersecurity and Data Privacy Framework and Policy aligned with the most relevant and best standards.

In past three years what we achieved and continue to practice



We are progressing towards these goals

Plan to equip the Data Leak Prevention System with filters to thwart leakage through emails.

Strengthen grievance mechanism

User awareness on Cyber Security

Deploy a Security Incident and Event Monitoring Solution, which provides the health,

No supply of products to geographies with possible conflict with IPR - Continue to follow the same

Implement an Advanced End Point Security solution (XDR)

Performance threat perception of all IT infrastructure on a single dashboard with possible solutions.

Privilege Access Management implementation

Zero trust, Zero day approach

Institutionalize risk management and audit procedures - Continue to progress on the implementation of the same

APP Info security, Cloud security

CASB implementation

Environmental Stewardship

We have an unwavering determination toward environmental leadership. We are well aware that a good environment and raw material that we draw from the environment are 'shared resources'. Therefore, minimizing the impacts of our operations on these resources and preserving them is integral to our business conduct. To put it in practice, every "Neulander" must ensure continual implementation and improvement in this sphere.

As an organization, we ensure that adequate support is extended to implementation teams and everyone at Neuland in performing their duty towards the environment; through a financial budget for the environment, setting of goals and target implementation of policies and ISO systems. We aim to achieve zero waste to landfill and become water-positive and carbon neutral in the long term, i.e. 2030. The FY2019-20 serves as the base year for all targets.

Due to the pandemic, we could not undertake several environmental protection infrastructures and improvement activities in the previous years. This year, we fast-tracked the implementation of these activities facilitated by nearly five times higher environmental protection against FY20-21.

Financial Year	2017-18	2018-19	2019-20	2020-21	2021-22
Environment (INR Million)	190.15	114.05	57.6	81.65	365.42

The guidelines on Occupational Health & Safety have been upgraded to ISO 45001 standards from OHSAS 18001, in addition to ISO 14001 (Environment Management Systems). All our production units are certified by ISO 45001.



Climate Change and Energy

We began tracking our GHG emissions in the year FY19-20. Emissions in our operations due to combustion of fuel, and procurement of power were included in our disclosures for the year. During the year, we expanded our scope of GHG emission estimation to include emissions due to the use of LPG and refrigerants at production units, and by calculating emissions under scope 3 due to transportation and distribution of raw material and finished goods, waste, and employee commute and business travel. We have applied The GHG Protocol for the development of GHG emission inventory.

During the year we developed our low carbon pathway plan and identified the areas for working towards our targets. Emission factors for setting up the inventory have been sourced from IPCC, DEFRA, country specific emission factors for India provided by entities like CEA.

Energy Consumption and Emissions

Activity	2017-18	2018-19	2019-20	2020-21	2021-22
Power consumption (TJ)	113.88	93.52	86.04	113.74	133.486
Fuel consumption					
Diesel (TJ)	6.26	8.16	6.43	6.30	11.01
Coal (TJ)	277	230	223	270.58	419.87
Total energy consumption (TJ)	397.54	331.21	315.86	390.62	564.366
Energy intensity (TJ/Revenue in INR Million)	0.052	0.050	0.060	0.042	0.059
Scope 1 GHG emission (tCO2)	26242	21714	21134	36580	36557
Scope 2 GHG emission (tCO2)	25939.85	21156	19598	24959	29524
Scope 3 GHG emission (tCO2)				5881	5322
Total GHG emission (tCO2)	52182	43015	40732	67420	71404
GHG emission intensity (tCO2/Revenue in INR Million)	6.84	6.45	7.70	7.42	7.49

Water Management

Water security will determine business continuity in the future. Knowing that water is a finite, shared, and often stressed resource due to competing demands, we must plan if we wish to establish a water-secure future. With this philosophy, we approach every interaction with water.

Water, particularly high-quality water, is critical to our operations; hence, we recognised the need to comprehend the predicted changes in water stress and water-related risks. During the year, we conducted an exercise to understand better the water stress at our operational sites, as well as the potential change in water stress by 2030 and 2040 compared to the baseline year of 2020. We discovered that our businesses are in extremely high water stress areas; however, they are expected to experience a negligible fall in the groundwater table. According to the assessment, the supply and demand for water will likely grow in the same proportion. As a result, we do not anticipate significant changes in the water stress scenario for us in the long run. In addition, we did a preliminary water risk evaluation using the WWF Water Risk Filter. According to the risk levels, NLL may encounter physical water risk by 2030 due to water scarcity and

enabling ecosystem services. Based on this understanding, we created a water management strategy that focuses on lowering water intensity and increasing the percentage of recycled water in our operations. While we execute frequent internal water audits and efficiency improvement efforts, we also regularly assess the need for external water audits.

Effluent Management

At our site, we have a cutting-edge zero liquid discharge wastewater treatment plant for the treatment of effluent generated by our activities. All three facilities do not release any wastewater outside of their premise. We have a pre-treatment unit at our R&D centre for processing wastewater before it is transported to the common effluent treatment facility (CETP). All our sites have adopted the 'Zero Wastewater Discharge' concept. During the rainy season, surface water runoff is collected and transferred to the CETP in accordance with the pollution control board's statutory requirements. Effluent quality is evaluated daily, and third-party monitoring occurs monthly.

Activity	2017-18	2018-19	2019-20	2020-21	2021-22
Water Consumption (KL)	85474	81984	93093	107392	96670
Recycled (KL)	41481	37462	40918	45021	47636
Total Effluent (KL)	46911	43341	45506	45246	51252
Stormwater (KL)	30360	26380	36200	52700	35460

Total effluent is equal to process effluent plus non-process wastewater i.e. sewerage water

Improving the Efficiency of Effluent and Water Recirculation

Capex expenditures are budgeted in annual EHS budgets for smooth implementation of initiatives. Fresh water-saving and effective effluent usage areas are identified through regular internal audits. During the year, we installed a two-stage high-pressure Reverse osmosis system to recycle 92% to 94% of treated wastewater. The recovered water is used in cooling towers and boilers. Simultaneously, high-pressure pumps have been installed for steam condensate, resulting in an increase in water recycling.

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Through our other activities, we have reduced the use of Heptane and Ethyl Acetate by 50% in the manufacturing of Ezitamide. Reducing the product washing from two to single wash has reduced carbon usage by 15%.



Efficiency in Material Use

Solvents are one of the important raw materials for us. Over years, Neuland has implemented solvent recovery measures reducing fresh solvent usage by more than 80%. We also conduct a leak detection and repair (LDAR) programme annually at all production units. Through this program we are able to reduce wastage of solvent and emission of VOCs. Through our other activities, we have reduced the use of Heptane and Ethyl Acetate by 50% in the manufacturing of Ezitamide. Reducing the product washing from two to single wash has reduced carbon usage by 15%.

Material Efficiency

The importance of optimal utilization of raw materials can never be undermined in the success of the business. As raw material prices increase due to externalities beyond the control of Neuland it creates pressure on the core performance parameters of the business. Being in the pharmaceutical industry, material usage also impacts the kind and quantity of waste generated, impacting our ability to meet regulations. Therefore, efficient utilization of material is always central to us and formulates our approaches toward material management.

Reducing the Environmental Impact of Materials

While there is a limitation to reducing raw material use, we can adopt practices that minimize the environmental impact of raw material use. With this thought, we have adopted 10 of the 12 principles of Green Chemistry to minimise our environmental impact. Our growing focus on green chemistry is reflected in our process improvement and development (PID) program. As part of PID, a dedicated team is re-looking our existing processes, raw materials and chemical products for driving sustainable and safer operations.

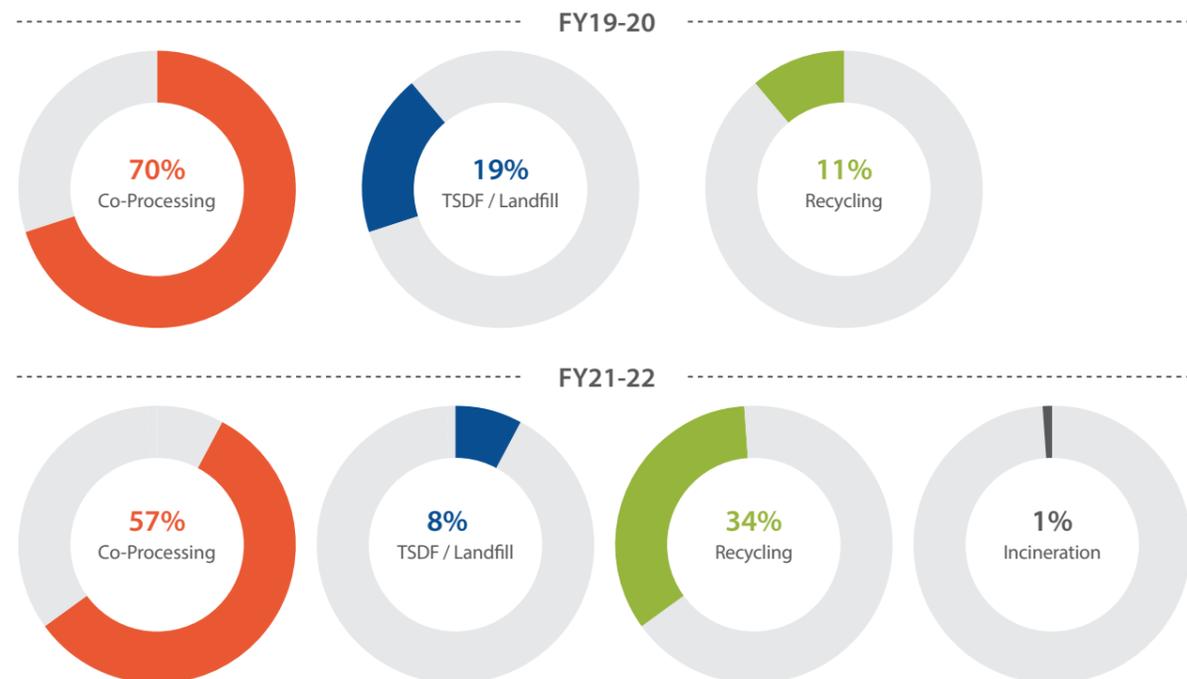
Waste Management

Our waste management system is based on the 'wealth from waste' principle, which aims to achieve zero waste in landfills and achieve maximum reuse and recycling of waste. Our goal of eliminating waste reaching landfills is moving at incredible speeds. The percentage of waste reaching landfills has reduced from 19% to 8%. 91% of waste is sent for co-processing and recycling. All co-processing waste is sent to the cement industry for use as fuel in the kiln. Evaporation Salt, Process Salt, Spent Carbon, ETP Sludge, Insulation Waste, Spent Mixed Solvents, Used Oil, and PPE is the most common hazardous waste generated in our process. Plastic, paper, glass, and empty drums are some of the non-hazardous waste generated. Non-hazardous waste is either recycled or co-processed. We have approved recyclers to dispose of plastic, paper, glass, waste oil, and E-waste. Biomedical waste is sent for incineration. 12.14 MT of E-waste was disposed of through recyclers during the year.



Our goal of eliminating waste reaching landfills is moving at incredible speeds. The percentage of waste reaching landfills has reduced from 19% to 8%. 91% of waste is sent for co-processing and recycling.

Disposal Method



	Units	2019-20	2020-21	2021-2022
Total Hazardous Waste - Disposal Wise				
TSD / Landfill	MT	471.2	662.9	340.6
Co-Processing	MT	1727.9	1037.8	2334
Recycling	MT	280.1	519.5	1400
Incineration	MT	0	0	23.26
Total Hazardous Waste Quantity	MT	2479.2	2220.2	4097.7
Waste Disposal Method -Percentage				
TSD / Landfill	%	19.01	29.86	8.31
Co-Processing	%	69.70	46.74	56.96
Recycling	%	11.30	23.40	34.16
Incineration	%	0	0.00	0.57
Non Hazardous Waste				
HAZ.WASTE	MT	2479.2	2220.2	4100.6
Biomedical WASTE	MT	1.63	2.57	2.9
TOTAL WASTE (HW, BMW)	MT	4107.1	2222.745	4103.5

Employee Nurturing

Employment

We believe in empowering people and making a difference to their lives. Being accountable and working together to solve problems is an essential part of everyone's role at Neuland. Our clear, open and transparent culture at Neuland ensures all colleagues communicate and collaborate in the best possible way to achieve maximum results.

We have 1516 permanent employees on rolls and 1177 contract workmen. We hire contractual

workers primarily for non-core areas such as material handling, housekeeping, maintenance, security, and administrative support. The contract workmen are paid better than the minimum wages prescribed by law. We not only allow contract labourers at NLL to form unions but also encourage them to utilize it for monitoring and negotiation purposes. NLL employees also exercise their freedom to form unions and associations and engage in dialogue with management if needed.



Our total permanent employee strength is 1516 and contract workers strength is 1177. We primarily hire contractual workers for non-core areas of work. They generally, carry out activities in the areas of material handling, housekeeping, maintenance, security, and support staff.



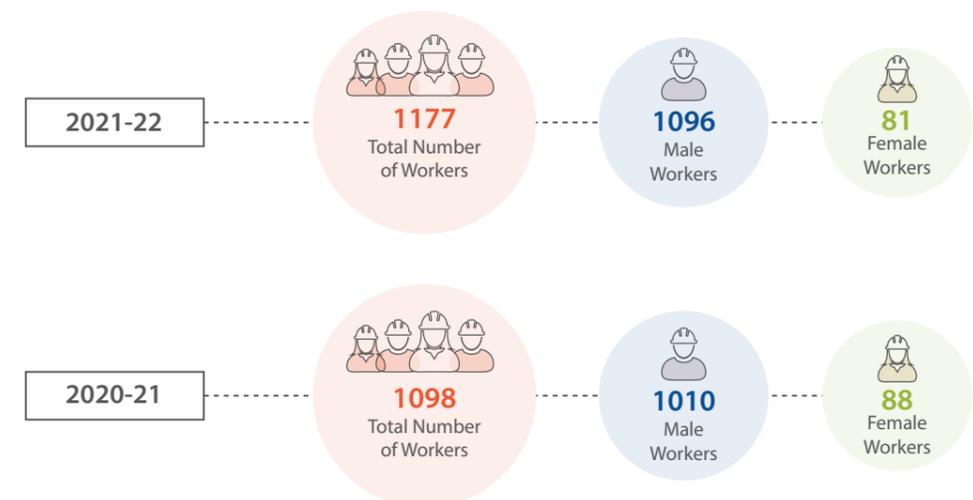
Age and Gender wise employee distribution

Year	Total Full-Time Employee		Age Group (<30 years)		Age Group (30 to 50 years)		Age Group (>50 years)		
	Total	Male	Female	Male	Female	Male	Female	Male	Female
2021-22	1516	1389	127	506	66	757	57	126	4
2020-21	1427	1308	119	504	61	696	56	108	2
2019-20	1274	1158	116	383	55	662	59	113	2
2018-19	1129	1036	93	276	35	660	56	100	2
2017-18	1133	1035	98	317	50	633	46	85	2

Age and Genderwise Distribution Across Levels

Employee Category	Total Full Time Employee		Age Group (<30 years)		Age Group (30 to 50 years)		Age Group (>50 years)	
	Male	Female	Male	Female	Male	Female	Male	Female
Whole time Director	3	0	0	0	2	0	1	0
Senior Management	17	0	0	0	7	0	10	0
General Management	64	4	1	0	51	2	12	2
Middle Management	179	16	5	0	154	14	20	2
Junior Management	973	92	471	51	475	41	27	0
Trainee	29	15	29	15	0	0	0	0
Staff Support	9	0	0	0	7	0	2	0
Workmen	115	0	0	0	61	0	54	0

(Shop floor, Supervisors, etc.)



Employee Management

All Neuland employees are sensitized of the need to imbibe the organization's values which are Customer Centricity, Reliability, Accountability, Ownership, Openness & Transparency. The first stage at Neuland is to comprehend the five behavioural components that comprise NLL's culture. Being accountable for one's objectives and actions is a crucial component of this. The following step is performance management and assessment. The performance management system applies to all Neuland workers. We have policies and a system in place to help with employee performance management. SMART is a goal-setting framework based on the idea of generating specified, measurable, attainable, relevant, and time-bound objectives. To fulfil our objectives, we are constantly aligning our objectives with company strategies and efforts.

Performance Management Framework

-  **Smart Goal Planning**
-  **Continuous Feedback (CPM) - Self & Manager**
-  **Matrix Manager Feedback**
-  **Annual Performance Assessment - Self & Manager**
-  **Calibration Review & Normalized Ratings**
-  **Performance Improvement Plans**



Our senior management is hired from India with most of them belonging to the states in India where we operate.

The diversity & Inclusion policy strives to create a diverse and inclusive environment which embraces differences and fosters inclusion. It enables us to create unmatched value for our customers, colleagues, business partners and shareholders.

Our employee retention strategy and goal setting are based on both long and short-term perspectives. To attain the objectives, we believe our policies must be aligned with a performance-based framework and a talent-based framework. At NLL, attrition reduction is seen as one of the indicators of the effectiveness of our people engagement approach.

Year	2020-21	2021-22
Total Employees	1427	1516
New Hires	610	499
Attrition	443	402
Male	404	358
Female	39	44
Age Group <30	267	229
Age Group 30-50	157	157
Age Group >50	19	16

Encouraging Gender Diversity

We value and respect individuals' differences, diverse backgrounds, different perspectives and experiences and realize that these are fundamental to an inclusive business. Our efforts to support and implement gender equality through policies, and implementation of practices to support an inclusive culture have helped us improve the gender ratio and maintain it at around 8% among our employees. Gradually, we want to increase women's integration both horizontally and vertically. We made some progress in the vertical integration of women by increasing the number of women employees at the general and middle management levels.

We recognise that motherhood is a momentous occasion in a woman's life, and we want to provide the greatest possible assistance for career continuity throughout this time. We extended maternity leave to 180 days. Those who require further assistance are given the option of taking prolonged maternity leave or working from home in order to make the transition back to work as seamless as possible. This year, 11 female employees took around 1200 hours of maternity leave. Aside from that, we organise 'baby showers' for women on maternity leave, as well as a welcome event once they return to work, to put them at ease, produce a sense of inclusiveness, and encourage work culture. We also provide seven-day paternity leave, which was availed by 64 employees during this year. Female employees are provided with option to take one additional medical leaves each month.

The number of employees taking Paternity leave



The number of employees taking Maternity leave



Training & Education

We are into a high-skill business with a need for constant updating of knowledge and skills of employees to meet the new molecules development and changing customer requirements. Therefore, significant investments continue to be made in training our cross-functional teams and strengthening our processes. This year's specific focus was on training programs to build on the skills and expertise of our project managers.

With the commencement of the epidemic, the digital transformation journey of L&D began. It started with using different communication platforms, such as MS Teams or Zoom, to impart training. We gradually shifted from these modes to online digital LMS-based training tools for training on policies, code of conduct etc. The LMS-based training provides flexibility to access and the opportunity to complete in a self-paced manner. During the transition period, we faced challenges getting statistics on employee training hours resolved after the migration to LMS. Specific forms of training are better offered in a classroom setting and continue to be delivered in person. A training need assessment based on needs indicated via customer and employee feedback is utilised to design our training programmes for the year. In FY21-22, 16 hours of training per employee were provided.



110+ manufacturing employees enrolled on the Life Sciences Sector Skill Development Council (LSSSDC) platform for 360-degree GMP course

Eight policy-based mandatory training for everyone through LMS



At NLL, we have a sizable worker strength. Its year-on-year increase often equals or exceeds our employee strength growth. As a result, they are a vital part of our growth trajectory and good practice implementation. To ensure that they are well connected with the Neuland work culture, the do's and don'ts of safe operations, and the effective delivery of their job, we always go above and beyond to equip them with the knowledge, skill, and tools required for efficient work delivery. In general, the LMS system does not cover worker training programmes. They are provided by onsite personnel on the work floor or classroom instruction. In FY21-22, each worker got an average of 24 hours of training.

Employee and Worker Training

	20-21	21-22
Total number of employees	1427	1516
Total training hours	6769	24439
Training hour per employee	4.74	16.1
Total number of workers	1040	1177
Total training hours	34756	27874
Training hours per worker	33.41	23.7

Inclusiveness in training is as important to us as providing quality and need-based training.

Occupational Health & Safety

NLL prioritises health and safety. Significant efforts are being made to improve operational safety. Our approach to safety is founded on two pillars:

- **A culture in which every employee and worker is concerned about their safety and accepts responsibility for acting responsibly**
- **Ensure that suitable safety measures, protective goods, and safety-supporting systems are always available to everyone**

To resolve compliance concerns as soon as possible, we use a rigorous internal audit and reporting system. Inter-facility safety audits are performed every six months, while external audits are performed once a year. Our goal is to make processes safer in order to decrease health and safety problems. As one of the strategies to do this, we continue to automate important activities on the factory floor.

We provide awareness and training courses at various levels on a regular basis in order to maintain emphasis on proper safety procedures and prepare our employees to maintain protocol in unfavourable situations. We have included many safety awards at various levels to incentivize appropriate behaviour. Similarly, persons who do fail to observe safety measures are handed safety challans.

We have been able to improve our safety performance. There have been no fatalities this year and the number of injuries have also reduced significantly.



Our Motto- Making good health everybody's business.

Occupational Health

Occupational Health is taken seriously at NLL. It comprises of nine key blocks of preventive medical check-ups, monitoring of medical monitoring programs, wellness, awareness and screening programs, vaccination drives, onsite clinics to support, health surveillance, and product safety in the development and use phase. Respiration of fumes and noise are the two main causes of health issues at NLL.

While at Neuland, we take utmost care of our employee's health. We provide Annual complete health check-ups, and six monthly medical check-ups, observe employees for specific occupational health risks basis the area of work and maintain proper health records called MHR (My health records). We identify high-risk profile employees and locate them in appropriate work areas to avoid any untoward situations. During COVID we ensured 100% vaccination for all employees and supported contract workers' vaccination as well. We provide support to our employees in receiving medical treatment at subsidised rates at partner hospitals.

Safety Performance

Year	Number of hours worked	Number of fatalities+	Rate of fatalities	Number of High consequence work related injuries (excluding fatalities)	Rate of High consequence work related injuries (excluding fatalities)	Number of Recordable work related injuries	Rate of Recordable work related injuries
21-22	6884902	0	0	0	0	71	10.32
20-21	5615554	0	0	0	0	130	23
19-20	5914486	1	0.433	0	0	178	30.10
18-19	5074925	0	0	0	0	164	32.32
17-18	4683101	0	0	0	0	158	33.74

+ As a result of work related injuries
Above data includes both employees and contract workers

Building Blocks of Occupational Health



Heat Stress

Heat stress in the summer can cause rashes, cramps, tiredness, stroke, and dehydration. While working near machines, at height, or with chemicals, any of these circumstances can lead to more disastrous results. To avert any of these scenarios, we hold ongoing heat-related sickness awareness workshops for workers and employees. We also create arrangements to help employees and workers keep hydrated and prepared in high-temperature situations. Concerned teams also do continuous monitoring and vigilance.

Addressing Community Challenges



Our Systems to Support Continuous and Systematic CSR Implementation:



NLL is more than simply a business; it also helps communities as part of its social commitment to the people. We assist various groups of communities by identifying focal areas and directing needs in the proper way. The focal areas were always education and livelihood, infrastructural support, and gender support. Healthcare assistance has grown in popularity in recent years. Wherever possible, we use technology to help our activities.

Our approach to community development has been to provide support in the focus areas year after year while maintaining consistency. We also match our objectives with the SDGs and believe in the development of underserved areas and rural sectors, which will result in a more inclusive and developed nation. Therefore, our areas of community development initiatives also continue to remain significantly focused in the rural areas of Bonthapally, Pashamylaram and Gaddapotharam.



Community expenditure grew more nearly 50 times in 3 years

Impact created in FY 21-22

- 
184 Apprentices
 Skill building and Education under National Apprenticeship Scheme (NAPS)
- 
440 Students
 School education programs
- 
5500 Villagers i.e about 5000 families
 Water Support
- 
1000 people nearly 200 families
 Infrastructure
- 
2800 people
 Good Health



Education

We continue to work on infrastructural support and Vidhya Volunteers education projects at many schools. In the growing age of technology, our approach is to help Gaddapotharam school to upkeep with the same by providing digital assistance, which has proved to be a major contribution for NLL. To expand our reach we have not just assisted with new infrastructure development but also worked on maintenance and repair of the existing buildings. We launched the same project at Gaddapotharam School, giving 30 pupils the opportunity to learn basic digital literacy.



Supporting Good Health

NLL identifies challenges in rural India and focuses its action plan on the well-being and health of the people who live there. The previous year's emphasis of giving immunity assistance was continued in FY 21-22. Immunity boosters (Vitamin-C & Multivitamin pills) and temperature scanners have been distributed to the Gummididala, Jinnaram, and Bollaram police stations. A supply of sanitizers, preventative medications, masks, and meals was supplied in FY2021 for COVID assistance, promoting health care. NLL provided 50% of the cost of vaccine for 1200 contract employees to avoid Covid infection in FY21-22.



Infrastructure Development

NLL works in a variety of areas to enhance the quality of infrastructure, water, sanitation, and education in rural communities. Our goal is to carry out more and more activities for underserved populations.

Supporting Water Availability

Water is a shared resource that is essential for human survival. Water inequity affects communities all across the world. As a result, in 2019, we began the path of providing water storage tanks to local communities. First, in 2019, an 80KL tank was built in Domadugu to serve water to 500 people in the community. It was followed by a similar project, the construction of a 100 KL water tank in Bonthapally Village to serve 300 people. The goal of this tank was to raise water delivery frequency from alternate days to twice daily. Another 100 KL water tank is being considered for Bonthapally community.



We have not just expanded our support to infrastructure development but also contributed in maintenance and repair.

Supporting basic infrastructure needs

Children's park upliftment at Gaddapotharam village

Underground drainage to support sanitation and good health for 200 families

Constructing concrete roads in Kazipally and Gaddapotharam village to ease commutation

Constructing washroom at Primary health centre and primary school at Domadugu village to support health and sanitation

Assurance Statement



Our Responsibility

TUVI's responsibility in relation to this engagement was to perform a limited level of assurance and to express a conclusion based on the work performed. This engagement did not include an assessment of the adequacy or the effectiveness of NLL's strategy or Management of sustainability-related issues or the sufficiency of the Report against principles of GRI Standards and ISAE 3000 (Revised), other than those mentioned in the scope of assurance. TUVI's responsibility regarding this verification is in accordance with the agreed scope of work which includes non-financial quantitative information disclosed by NLL. This assurance engagement is based on the assumption that the data and information provided to us by NLL are complete and true.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing on verification efforts with respect to disclosures. TUVI has verified the disclosures and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- TUVI examined and reviewed the documents, data, and other information made available by NLL for non-financial disclosures;
- TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of NLL

Opportunities for Improvement

The following are the opportunities for improvement reported to NLL. However, they are generally consistent with the Management's objectives and programs

- NLL may opt for social compliance audit at its manufacturing units
- Mechanism to deal with complaints on bribery / corruption for vendors/suppliers can be develop
- Vigilance mechanism can be developed to report employees concern to the management
- NLL needs to report the Emission Category 4: Indirect GHG emissions from products used by an organization as per ISO 14064-1
 - Emissions from purchased goods
 - Emissions from capital goods (fixed assets or plant, property & equipment)
 - All upstream emissions from the production of capital goods purchased or acquired by the reporting organization

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on Sustainability performance disclosed in the Report along with the referenced information provides a fair representation of the material topics, related strategies, and meets the general content and quality requirements of the GRI Standards Core option.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the GRI Standards reporting requirements for in accordance with the "Core" option.

Topic Specific Standard: 200 series (Economic topics), 300 series (Environmental topics), and 400 series (Social topics); These Topic-specific Standards were used to report information on the organization's impacts related to environmental and social topics. *TUVI is of the opinion that the reported material topics and Topic-specific Standards that NLL used to prepare its Report are appropriately identified and addressed.*

Limited Assurance Conclusion: Based on the procedures we have performed; nothing has come to our attention that causes us to believe that the information subject to the limited assurance engagement was not prepared in all material respects. TUVI found the sustainability information to be reliable in all material respects, with regards to the reporting criteria ("Core") of the GRI Standards.

This assurance statement has been prepared in accordance with the terms of our engagement. In accordance with the ISAE 3000 (Revised) requirements read in conjunction with ISAE 3410, the below principles were adhered ISAE 3000 (Revised)

Independence

TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. It is confirmed that the Assurance Team is selected

Assurance Statement

To the Directors and Management
Neuland Laboratories Limited,
Telangana, India

Neuland Laboratories Limited (hereafter 'NLL') commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of non-financial information disclosed in NLL's Annual Sustainability Report (hereinafter 'the Report') for the period April 1, 2021 to March 31, 2022 period. This engagement comprises a "limited assurance" of NLL's sustainability information for applied reporting period. The Report is based on material disclosure as per GRI Standards and ISAE 3000 (Revised) standard applied for assurance of the Report.

Management's Responsibility

NLL has developed the Report content. Its Management is responsible for identifying material topics and carrying out the collection, analysis, and disclosure of the information presented in web-based and printed Report, including website maintenance and integrity. NLL's Management is also responsible for ensuring the quality and accuracy of the Report in accordance with the applied criteria stated in the GRI standards in such a way that it is free of intended or unintended material misstatements.

Scope and Boundary

The scope of work includes limited assurance of the following non-financial KPI disclosures given in the Report. In particular, the assurance engagement included the following:

- Review of the disclosures submitted by NLL;
- Review of the quality of information;
- Review of evidence (on sample basis) for identified non-financial indicators

TUVI has verified the below material disclosures.

GRI 201: Economic Performance 2016
GRI 203: Procurement Practices 2016
GRI 302: Energy 2016
GRI 303: Water and Effluents 2018
GRI 305: Emissions 2016
GRI 306: Waste 2020
GRI 401: Employment 2016
GRI 402: Labour / Management Relations 2016

GRI 403: Occupational Health and Safety 2018
GRI 404: Training & Education 2016
GRI 405: Diversity and Equal Opportunity 2016
GRI 406: Non Discrimination 2016
GRI 407: Freedom of Association and collective Bargaining 2016
GRI 416: Customer Health and Safety 2016

The reporting boundaries for the above topics include 3 Manufacturing Units, R&D laboratory and Corporate Office (Neuland Laboratories Limited, 11th Floor (5th Level), Phoenix IVY III Building Plot No. 573A, Neuland Labs, Rd Number 82, Jubilee Hills, Hyderabad, Telangana 500033, India). Onsite verification was conducted in July 2022. The assurance activities were done together with a desk review carried out for all NLL sites within the reporting boundary. Applicable boundaries for disclosures are explained in the Report.

Limitations

TUVI did not perform any assurance procedures on the prospective information, such as targets, expectations, and ambitions, disclosed in the Report. Consequently, TUVI draws no conclusion on the prospective information. NLL Report is not the full sustainability report, its only cover the data of key material disclosures. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement.



to avoid situations of self-interest, self-review, advocacy, and familiarity. The Assessment Team was safeguarded from any type of intimidation.

• **Quality control**

The Assurance Team complies with the Code of Ethics for Professional Accountants issued by the IESBA, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In accordance with International Standard on Quality Control, TUVI maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Inclusivity: Stakeholder identification and engagement is carried out by NLL on a periodic basis to bring out key stakeholder concerns as material topics of significant stakeholders. In our view, the Report meets the requirements.

Materiality: The materiality assessment process has been carried out based on the requirements of the GRI Standards, considering topics that are internal and external to the NLL range of businesses. The Report fairly brings out the aspects and topics and their respective boundaries of the diverse operations of NLL. In our view, the Report meets the requirements.

Responsiveness: TUVI believes that the responses to the material aspects are fairly articulated in the Report, i.e., disclosures on NLL policies and management systems, including governance. In our view, the Report meets the requirements.

Impact: NLL communicates its sustainability performance through regular, transparent internal and external reporting throughout the year, aligned with GRI, as part of its policy framework encompassing the Environmental, Social, Ethical and other policies. NLL reports on sustainability performance to the Board of Directors, who oversees and monitors the implementation and performance of objectives, as well as progress against goals and targets for addressing sustainability-related issues. NLL completed the process of establishing contemporary goals and targets against which performance will be monitored and disclosed periodically.

TUVI expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement. The intended users of this assurance statement are the Management of NLL. The Management of the NLL is responsible for the information provided in the Report as well as the process of collecting, analyzing, and reporting the information presented in web-based and printed Report, including website maintenance and its integrity.

Our Assurance Team and Independence

TUVI is an independent, neutral third party providing sustainability services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "No Conflict of Interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with NLL on any engagement that could compromise the independence or impartiality of our findings, conclusions, and recommendations. TUVI was not involved in the preparation of any content or data included in the Report, with the exception of this Assurance Statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited

Manojkumar Borekar
Project Manager and Reviewer
Head – Sustainability Assurance Service



Date: 26-07-2022
Place: Mumbai, India
Project Reference No: 8120651767
www.tuv-nord.com/in

GRI Index

GRI Standard	Disclosure Number	Disclosure	Page No (s).	External Assurance (Yes/No)	Comment
GRI 102: Organizational Profile	102-1	Name of the organization	About this report- 04, 05	Yes	
	102-2	Activities, brands, products, and services	Our business- 10, 11, 16, 17		
	102-3	Location of headquarters	About this report- 05	Yes	Back cover of the report also provides full address of the headquarters
	102-4	Location of operations	Our business- 14, 15	Yes	
	102-5	Ownership and legal form	Our business-10 Economic Value Creation- 36	Yes	
	102-6	Markets served	Our business- 10-13	Yes	
	102-7	Scale of the organization	Our business-11, 14, 15 Economic Value Creation- 36, 37	Yes	
	102-8	Information on employees and other workers	Employee nurturing- 50-57	Yes	
	102-9	Supply chain	Sustainable Supply Chain-32-35	Yes	
	102-10	Significant changes to the organization and its supply chain	Our Business - 10-15 Sustainable supply chain- 22,23,32-35	Yes	

GRI Standard	Disclosure Number	Disclosure	Page No (s).	External Assurance (Yes/No)	Comment
	102-11	Precautionary Principle or approach	Governance and Risk Management, 18-23	Yes	
	102-12	External initiatives	Our business-13	Yes	
	102-13	Membership of associations	Our Business-13	Yes	
GRI 102: Strategy	102-14	Statement from senior decision - maker	Chairman's and CEO's message, 6-9	Yes	
GRI 102: Ethics & Integrity	102-16	Values, principles, standards, and norms of behaviour	Upholding human rights and ethics-28-29	Yes	
GRI 102: Governance	102-18	Governance structure	Governance and Risk Management, 16-21	Yes	
	102-20	Executive -level responsibility for economic, environmental, and social topics	Governance and Risk Management, 18-21	Yes	
	102-22	Composition of the highest governance body and its committees	Governance and Risk Management, 18-21	Yes	
	102-40	List of stakeholder groups	Approach to sustainability- 22, 23	Yes	
	102-41	Collective bargaining agreements	Employee Nurturing -50	Yes	
	102-42	Identifying and selecting stakeholders	Approach to sustainability - 24-27	Yes	
GRI 102: Stakeholder Engagement	102-43	Approach to stakeholder engagement	Approach to sustainability - 24-27	Yes	
	102-44	Key topics and concerns raised	Approach to sustainability - 24-27	Yes	

GRI Standard	Disclosure Number	Disclosure	Page No (s).	External Assurance (Yes/No)	Comment
	102-45	Entities included in the consolidated financial statements	About this report 4-5, Our business – 10-15	Yes	Annual report link provided in our business section
GRI 102: Reporting Practice	102-46	Defining report content and topic Boundaries	About this report -4-5, Approach to Sustainability - 24-27	Yes	
	102-47	List of material topics	Approach to Sustainability - 24-27	Yes	
	102-48	Restatements of information	About this report 4-5	Yes	
	102-49	Changes in reporting	About this report 4-5	Yes	
	102-50	Reporting period	About this report 4-5	Yes	
	102-51	Date of most recent report	About this report 4-5	Yes	
	102-52	Reporting cycle	About this report 4-5	Yes	
	102-53	Contact point for questions regarding the report	About this report 4-5	Yes	
	102-54	Claims of reporting in accordance with the GRI Standards	About this report 4-5	Yes	
	102-55	GRI content index	GRI Index, 65-73	Yes	
	102-56	External assurance	GRI Index, 65-73	Yes	

GRI 103: MANAGEMENT APPROACH 2016

	103-1	Explanation of the material topic	Approach to sustainability 24-27	Yes	Additionally, this information is presented in respective sections on the material topics as well
GRI 103: Management Approach 2016	103-2	The management approach and its components	Approach to sustainability 24-27	Yes	
	103-3	Evaluation of the management approach	Approach to sustainability 24-27	Yes	

GRI Standard	Disclosure Number	Disclosure	Page No (s).	External Assurance (Yes/No)	Comment
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic value creation - 36,37	Yes	
	201-3	Defined benefit plan obligations and other retirement plans	Economic value creation - 36,37	Yes	
	202-2	Proportion of senior management hired from the local community	Employee Nurturing- 52	Yes	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Sustainable Supply chain- 32-35	Yes	
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Upholding human rights and ethics-28,29		Code of conduct and behavioural training cover ethical practices which includes anti-corruption awareness and basic human rights as well
	205-3	Confirmed incidents of corruption and actions taken	There were no active incidents of corruption in the year		
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Environmental Stewardship - 44,45	Yes	
	302-2	Energy consumption outside of the organization	Environmental Stewardship - 44,45	Yes	
	302-3	Energy intensity	Environmental Stewardship - 44,45	Yes	

GRI Standard	Disclosure Number	Disclosure	Page No (s).	External Assurance (Yes/No)	Comment
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Environmental Stewardship- 46	Yes	
	Management Approach	303-2	Management of water discharge -related impacts	Environmental Stewardship- 46	Yes
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	Environmental Stewardship- 46	Yes	
	Topic-Specific Approach	303-4	Water discharge	Environmental Stewardship- 46	Yes
GRI 305: GHG Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Environmental Stewardship 44,45	Yes	
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental Stewardship 44,45	Yes	
	305-3	Other indirect (Scope 3) GHG emissions	Environmental Stewardship 44,45	Yes	
	305-4	GHG emissions intensity	Environmental Stewardship 44,45	Yes	
GRI 306: Waste Management Approach	306-1	Waste generation and significant waste-related impacts	Environmental Stewardship 48,49	Yes	
	GRI 306: Waste Topic-Wise Approach	306-4	Waste diverted from disposal	Environmental Stewardship 48,49	Yes
		306-5	Waste directed to disposal	Environmental Stewardship 48,49	Yes
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Upholding human rights and ethics - 30		
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Sustainable supply chain 32-35		
GRI 401: Employment	401-1	New employee hires and employee turnover	Employee nurturing 50-53	Yes	
	401-3	Parental leave	Employee nurturing 53	Yes	

GRI Standard	Disclosure Number	Disclosure	Page No (s).	External Assurance (Yes/No)	Comment
GRI 402: Labour/Management Relations	402-1	Minimum notice periods regarding operational changes	Depending upon the kind of activity minimum notice period is provided	Yes	
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	Environmental Stewardship 44 Employee nurturing 56,57	Yes	
Management Approach	403-2	Hazard identification, risk assessment, and incident investigation	Employee nurturing 56,57	Yes	
	403-3	Occupational health services	Employee nurturing 54,55	Yes	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Employee nurturing 56,57	Yes	
	403-5	Worker training on occupational health and safety	Employee nurturing 56,57	Yes	
	403-6	Promotion of worker health	Employee nurturing 56,57	Yes	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee nurturing 56,57	Yes	
GRI 403: Occupational Health and Safety	403-8	Workers covered by an occupational health and safety management system	Employee nurturing 56, 57	Yes	
Topic-Wise Approach	403-9	Work-related injuries	Employee nurturing 56,57	Yes	
GRI 404: Training & Education 2016	404-1	Average hours of training per year per employee	Employee nurturing 54,55	Yes	
	404-3	Percentage of employees receiving regular performance and career development reviews	Employee nurturing, 54-55	Yes	

GRI Standard	Disclosure Number	Disclosure	Page No (s).	External Assurance (Yes/No)	Comment
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Employee nurturing- 52,53	Yes	
GRI 406: Non Discrimination	406-1	Incidents of discrimination and corrective actions taken	There were no cases of discrimination	Yes	
GRI 407: Freedom of Association and collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainable Supply chain, 30-33	Yes	
GRI 410: Security Practices	410-1	Security personnel trained in human rights policies or procedures	Upholding human rights and ethics- 28,29		
GRI 412: Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	Sustainable supply chain 28-29 Upholding human rights and ethics 34-35		
	412-2	Employee training on human rights policies or procedures	Upholding human rights and ethics,28,29		
GRI 413: Local community	413-1	Operations with local community engagement, impact assessments, and development programs	Addressing community challenges ,58-61		
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Sustainable Supply chain, 32-35		
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	Customer centricity 38-41	Yes	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Customer centricity 40	Yes	
GRI 417: Marketing and Labelling	417-1	Requirements for product and service information and labeling	Customer centricity 40		Partially reported
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer centricity 40-41		





Neuland Laboratories Ltd.

11th Floor, Phoenix IVY, Road No 1,
Jubilee Hills, Hyderabad - 500 033,
Telangana State, India.