

**Zydus
Wellness**

Internal Policy

Effective Date: November 6, 2023

Title: ESG Policy

**Issued By: Vice President - Manufacturing,
Sr. Vice President - HR and Chief Financial Officer**



Zydus Wellness Limited

ESG Policy



Internal Policy

Effective Date: November 6, 2023

Title: ESG Policy

**Issued By: Vice President - Manufacturing,
Sr. Vice President - HR and Chief Financial Officer**

Our Commitment:

Our commitment extends beyond profitable growth; we are dedicated to making a meaningful impact on society and fostering a truly Green and Sustainable Enterprise. This vision guides our Environment, Social & Governance (ESG) policy.

Zydus Wellness Limited (Zydus) has formed a Board-level “CSR and ESG Committee” to enhance our oversight and bolster our concentration on Environmental, Social, and Governance matters.

Objective:

Zydus Wellness aims to create an ESG policy that embodies a commitment to Environmental, Social, and Governance factors. Our objective is to integrate sustainability into every aspect of our business operations. By doing so, we aspire to enhance our positive impact on the environment, society, and governance practices, aligning with our core values and mission.

Scope & Coverage:

This policy serves as a guideline to ensure that its operations, employees, and all key stakeholders are aligned with its ESG focus areas (planned or implemented). Zydus Wellness is committed to annually assessing and upgrading its ESG policy to reflect changes in its profile, growth, strategy, external best practices, business drivers, and appropriate regional/global legislation.

Focus Areas:

1. Environmental Commitments

As a component of our strategy to address climate change, we are dedicated to a gradual decrease in our energy and water consumption. We have implemented the following actions:



Internal Policy

Effective Date: November 6, 2023

Title: ESG Policy

Issued By: Vice President - Manufacturing,
Sr. Vice President - HR and Chief Financial Officer

- Encourage the adoption of renewable energy sources.
- Safeguard and rejuvenate the natural environment.
- Foster sustainable water management practices.
- Minimize our packaging's environmental footprint.
- Ensure full adherence to all relevant legal requirements.

2. Social Commitments


At Zydus, we are committed to provide a secure and equitable working environment for all employees. Our primary areas of focus include:

- Upholding human rights and ensuring the practice of equitable labour standards.
- Advocating for diversity inclusion, and maintaining a fair opportunity workplace.
- Ensuring the health and safety of all our employees.
- Elevating living standards and the quality of life within local communities.
- Promoting the creation of safe and health-conscious products while upholding the highest product quality.
- Ensuring a positive nutritional impact through our products.
- Strict adherence to all relevant laws and regulations.

3. Our Governance Structure :

At Zydus, our approach to governance on sustainability matters is structured in multiple layers, ensuring comprehensive oversight and commitment:

- **Board of Directors:** The Board holds the pivotal role of devising the Company's ESG and sustainability strategy.
- **CSR & ESG Committee:** This board-level ESG committee has an expanded mandate that now includes ESG-related terms of reference. Its responsibilities encompass shaping

	Internal Policy	Effective Date: November 6, 2023
Title: ESG Policy		Issued By: Vice President - Manufacturing, Sr. Vice President - HR and Chief Financial Officer

the strategic vision and direction of ESG programs and commitments, overseeing communication strategies on ESG matters with diverse stakeholders, endorsing public disclosures and submissions in accordance with regulatory mandates and global ESG standards, making decisions on ESG investments and resource allocation, and providing regular reports the Board on both current and emerging ESG-related topics.

- **CEO:** The CEO carries the responsibility for implementing and supervising Business Responsibility & Sustainability policies.
- **Steering Committee:** Comprising key functional Head of Departments, this management-level committee is tasked with aligning the company's ESG strategy with its broader vision and mission as directed by the Board ESG Committee. It conducts stakeholder engagement and materiality analysis, establishes ESG Key Performance Indicators (KPIs) and performance targets, tracks progress toward defined objectives, oversees internal and external ESG communication strategies, reviews and presents public ESG disclosures, evaluates ESG policies and Standard Operating Procedures (SOPs), and provides recommendations regarding ESG-related investments and resource allocation.
- **ESG Leads:** For each pillar - Environmental, Social, and Governance - dedicated leads have been appointed. These ESG leads serve as co-ordinators between different layers of governance. Additionally, they are tasked with monitoring external ESG ratings and certifications and liaising with relevant agencies as needed.

4. Governance Commitments

Zydus is unwavering in its dedication to upholding the utmost ethical standards, integrity, corporate governance, and regulatory adherence. Our key priorities include:



Internal Policy

Effective Date: November 6, 2023





Title: ESG Policy

Issued By: Vice President - Manufacturing,
Sr. Vice President - HR and Chief Financial Officer

- Conducting business with unwavering ethics and transparency.
- Engaging transparently with a wide array of stakeholders and partners, actively integrating feedback into our ESG initiatives.
- Maintaining a robust corporate governance framework.
- Ensuring full compliance with all pertinent laws and regulations.

5. Review and Revision:

This policy will undergo revisions, if necessary, as part of our annual review and benchmarking process. Any essential changes will be made to ensure alignment with shifts in our organization's goals, operations, or external environmental factors.

<p>Issued by:</p>  <p>Mr. Himanshu Pandey Vice President - Manufacturing</p>	<p>Issued by:</p>  <p>Mr. Shantanu Das Sr. Vice President - HR</p>
<p>Issued by:</p>  <p>Mr. Umesh Parikh Chief Financial Officer</p>	<p>Approved by:</p>  <p>Mr. Tarun Arora Whole Time Director & Chief Executive Officer</p>