

# Environmental, Social & Governance Report

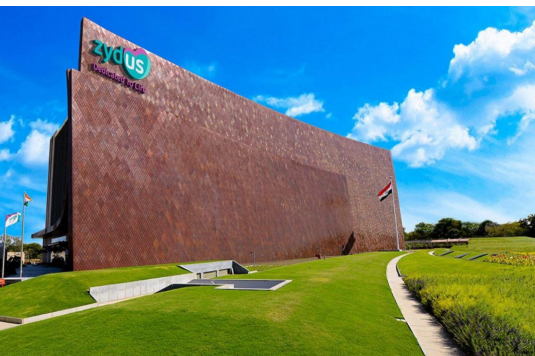


Financial Year  
**2023-24**

**Zydu**  
**Wellness**



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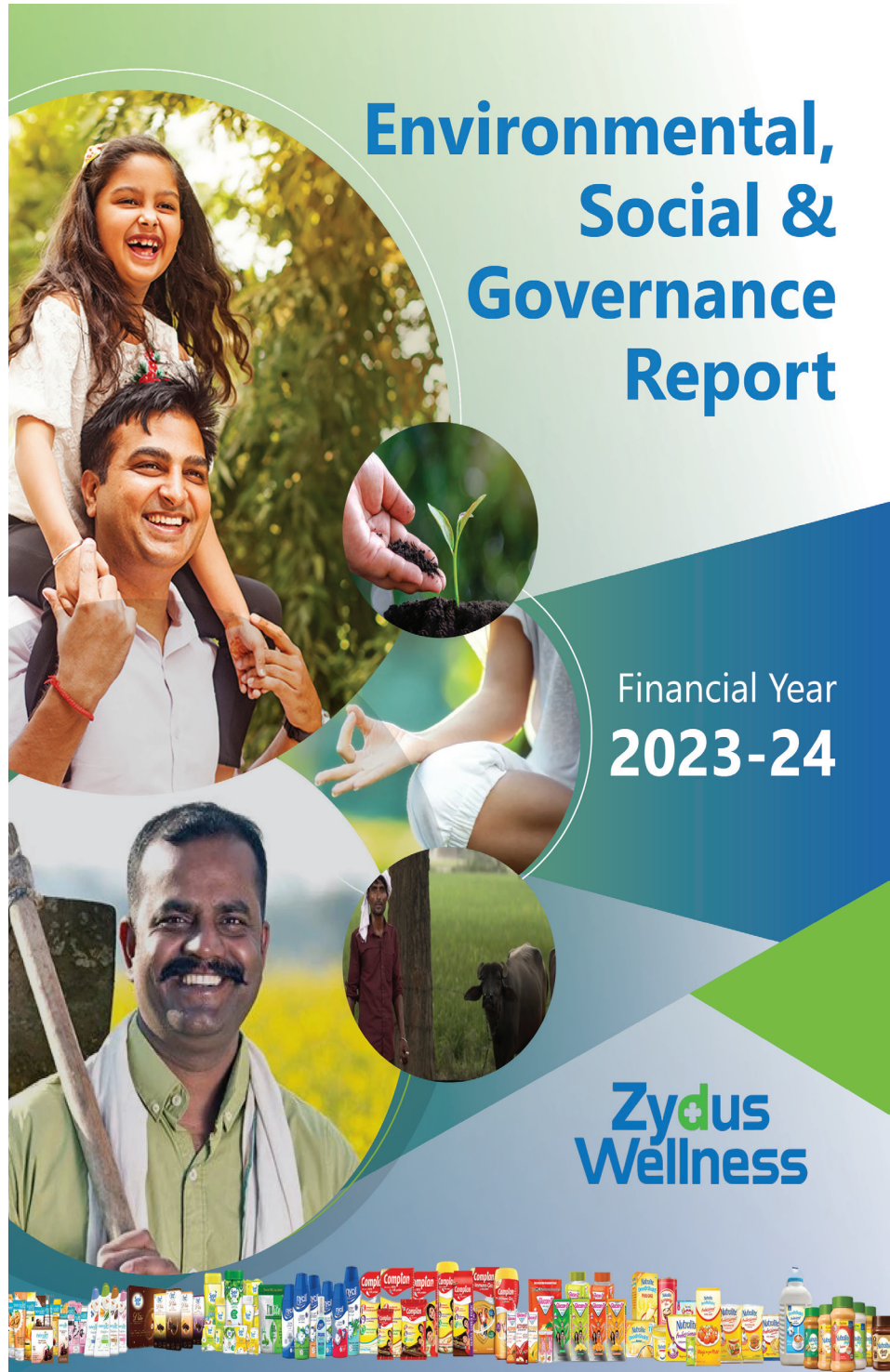
AWARDS AND  
RECOGNITIONS

# About the Report

We, at Zydus Wellness Limited (“Zydus Wellness / the Company”), continue to uphold our philosophy of building products that help add “wellness” in people’s lives. While the journey continues, we took a conscious call to communicate to all our stakeholders about our sustainability journey.

The report summarizes the Environmental, Social and Governance (ESG) considerations along the way we do business. We would like to emphasize that the sections below aim to set a tone for our sustainability journey.

The ESG Report focuses on the period between April 1, 2023, to March 31, 2024 (FY 2023-24). The disclosure under this report for FY 2023-24 includes the Standalone Parent Company i.e., Zydus Wellness Limited, its wholly owned Indian subsidiary companies, four manufacturing facilities across three locations at Aligarh, Ahmedabad, Sikkim (2 units) and national and international offices.



## Environmental, Social & Governance Report

Financial Year  
**2023-24**

**Zydus  
Wellness**

# About Zydus Wellness

## Company Overview

Established in 1994, Zydus Wellness is a leading consumer wellness company with an Indian heritage and a global footprint. We believe that a healthy lifestyle is not just about being active but also about feeling good from within. So, we approach health and wellness in a holistic manner. We nourish, nurture and energize millions of lives by offering a variety of innovative, industry-leading products. The Company's product portfolio includes popular brands with functional benefits like Glucon-D, Complian, Sugar Free, Nycil, Everyuth and Nutralite. Launched new products extensions i.e. Sugar Free D'lite Granola bars, Granola, instant coffee and hot chocolate premix, chocolate minis, butter cookies and Complian Young champs in specific international markets.

## Vision



“ *To bring Wellness to your life* ”

Our vision is to bring wellness to your life. We create new products that will Nourish, Nurture, and Energize your life.



Nourish



Nurture



Energize

We shall lead the way through Innovation

# Zydus Wellness



## Our Vision, DNA and Core Behaviours

# Zydu<sup>s</sup> Wellness

### Our VISION

We bring wellness to your life. We will create new experiences by our products that will nourish, nurture and energise your life. We shall lead the way through innovation.

### Our DNA

To build new emergent categories with differentiated product propositions. Philosophy of building products that are good for you.



## Delivering Health and Sustained Wellness through Differentiated Brands

We present the highlights of the brands associated with us:

### Sugar Free



- Positioned as India's largest selling low calorie sweetener .
- Specific brand extensions include:
  - Sugar Free Gold+: The new gold standard of Sweetness, a Sugar alternative made from Sucralose and enriched with Chromium to keep your blood sugar levels in control. Ideally added to tea, coffee, milk, cornflakes, fresh lime juice and other fruit juice. Balance sweetness with calorie intake. Ideal for the health-conscious, overweight and diabetics.
  - Sugar Free Natura: Made from Sugar and taste like sugar – with low calories. The product contains Sucralose, the latest international zero-calorie sweetener. It helps replace sugar in deserts and confectionaries.
  - Sugar Free Green: 100% Natural offering of Sugar Free made from Stevia. New formulation developed using fresh, better-tasting stevia in FY 2020-21.
- Positioned as "First Step towards fitness".
- Achieved Silver award for Moment Marketing.

### Sugar Free D'Lite Dark Chocolates and Oat Cookies



Sugar Free D'Lite dark chocolates are made from natural sweeteners and contain a minimum of 50% cocoa. The dark chocolate portfolio comprises four flavors: Dark Rich Cocoa, Dark Hazelnut flavor & Roasted Almonds, Dark Crispy Quinoa & Roasted Almonds and Dark Zesty Orange.

Sugar Free D'Lite oat cookies are a healthier alternative to the traditional biscuits and are exported in three different flavors: Yummy Berry Oat cookies, Choco Chips Oat Cookies and Nutty Almonds Oat cookies.

Sugar Free D'Lite won Product of the Year Gulf 2024 Award in the Sugar Free Snacks category based on independent survey conducted by Nielsen with consumers across GCC markets

## Glucon-D



- Glucose based energy booster with a legacy of over 40 years.
- Labeled as 'The Most Trusted Brand' in the Health and Personal Care category.
- Positioned as an effective energy booster.
- Glucon-D brand continues to maintain its number one position with a market share of 60.1% as per MAT March 2023 report of Nielsen.
- Its variants comprise Regular, Tangy Orange, Mango blast and Nimbu Pani.
- Glucon-D ImmunoVolt was launched in 2020 as tasty bites to boost immunity for kids which is available in three variants viz Orange, Strawberry, and Kaccha Mango.
- Glucon-D continues to focus on innovations with initiatives like Glucon-D sachets, Glucon-D mango blast and Glucon-D immunovolt kaccha mango variant.
- The product won Gold for Best Use of Gamification, Mobile Advertising Excellence in Rich Media Campaign, and Bronze for Small Budget Digital Marketing Campaign.

## Nutralite



- Nutralite offers healthier alternatives to tasty food supplements
- Leader in substitute products for butter and low-calorie spreads in the country
- Nutralite Table Spread is a rich source of Omega-3, and is fortified with Vitamins A, D2, and E
- Entered Dairy segment with the launch of Nutralite Doodhshakti range of Ghee and Butter Spread made with fresh creamy milk
- Nutralite Doodhshakti Probiotic Butter Spread contains probiotics which support immunity
- Nutralite Doodhshakti Pure Ghee contains vitamin A and milk fat, making it a rich source of energy for children
- Nutralite range also includes healthier Choco Spreads and Vitamin-fortified Mayonnaise variants
- The product won Gold for Best Mobile App in Social Media, Best Use of Martech for Social/Influencer Marketing and for Best Media Innovation and more.

## Everyuth



- The Everyuth Naturals range of products are fortified with natural ingredients that are known for their efficacy and skin nurturing properties. The product portfolio includes Face Scrubs, Peel Off Masks, Face Packs, Face Washes, Body Lotions and Aloe Vera Gel.
- Everyuth Scrub continues to maintain its leadership position with a market share of 45.6% in the Facial Scrub Category.
- Everyuth Peel-off has maintained its number one position with a market share of 78.9% in the Peel-off Category for the year.
- The brand is at the 5th position with a market share of 6.5% at overall Facial Cleansing Segment level.

## Nycil



- The product has been in existence since the last 50+ years and has been one of the most trusted prickly heat powder brands.
- Nycil, a household brand that has high equity and trust, has maintained its number one position with a market share of 35% in the Prickly Heat and Cooling Powder Category.
- Its unique Ayurvedic formula fortified with antibacterial neem provides protection from sweat, body odor, rashes, itching and heat.
- The product was awarded Bronze in Best Campaign in Personal Care Category at the Outdoor advertising Awards, 2022.

## Complan



- Trusted heritage brand of 75+ years with 90% brand recognition.
- Clinically proven to provide 2X faster growth and support cognitive abilities (memory and concentration).
- Strong Health and Nutrition credentials with highest protein against all competing brands.
- The brand's market share stood at 4.3% in the Health Food - Drink (HFD) category as per MAT (Moving Annual Total) March 2024 Nielsen report.
- Made from 100% High-quality milk protein content to meet the growth requirements of the consumer.

For more details refer Company's website: [www.zyduswellness.com](http://www.zyduswellness.com)



# Message from Leadership



## Tarun Arora

CEO & Whole Time Director  
Zydus Wellness Limited

### Dear Stakeholders,

In today's dynamic world, we face new challenges, opportunities, and lessons every day. These experiences have further strengthened our commitment to our Environmental, Social, and Governance (ESG) goals, driving us to create a more sustainable and responsible future.

Zydus Wellness is dedicated to being part of the solution by responsibly managing its operations, enhancing the resilience of its communities, & aligning its strategies to support the transition to a Sustainable future. With a focus on innovation & sustainability, we aim to ensure our products & practices contribute positively to the climate. We are honored to present our esteemed stakeholders with Zydus Wellness ESG report for the 2023-24 financial year.

### Environmental Responsibility:

The resolution with which we started our journey to build a synergy between our growing business and a healthy planet, we are proud to share our major milestones in financial year 2023-24. Our commitment on reducing the carbon footprint, adopting energy-efficient practices, and embracing green technologies has been the core of our growth strategy. We believe our investments should not only upsurge our business but also aid the global fight against climate change.

#### Key Achievements:

- Following our commitment towards increasing the contribution of green and renewable energy sources by 15% by FY 2028-29, we've committed to a 25-year deal to generate 2MW of solar power at our Aligarh plant, a significant step towards reducing our carbon footprint and promoting clean energy. Further, we are in the process of signing similar agreements

- across other locations.
- In FY 2023-24 we have assessed and responded to biodiversity related risks and opportunities for sustainable operations across all manufacturing units- Aligarh, Ahmedabad and Sikkim. The study has assisted to identify gaps in our surrounding nature, their influence and reliance on nature.
- In FY 2023 2024, we surpassed our EPR target by recycling and safely disposing 7392.2 tons of post-consumer plastic packaging waste, with an additional collection of 86.2 tons.

### Our Major ESG Goals:

- Scaling solar energy adoption, including ongoing projects at Aligarh & other sites, to achieve 50% renewable energy use by 2030.
- Retrofitting facilities with energy-efficient technologies to reduce GHG emissions in Direct Operations by 50% by 2030 & achieve carbon neutrality by 2040.
- Reducing freshwater consumption by 25% by 2030.
- Ensuring 100% of Critical Active Suppliers & Co-Packers adhere to ZWL Sustainability Standards.

### Social Impact:

As part of our commitment to sustainable growth and community development, our Doodh-Shakti initiative is enabling us strengthening our engagement with local dairy farmers who contribute to our milk procurement network. Through this program, we extend our support in areas such as animal husbandry, nutrition, milk production, and best handling practices, helping farmers enhance their milk yield and, ultimately, their livelihoods.

At the heart of our organization is a safe, inclusive, and empowering workplace that enables our people to reach their full potential. We are dedicated to fostering personal and professional growth, ensuring employee well-being through robust policies and a positive work environment.

By nurturing a diverse and skilled workforce, we continue to build a stronger, more resilient organization.

### Governance for Sustenance:

Corporate Governance is foundation for our commitment to ensure transparency, accountability, and ethical decision-making at every turn. The CSR & ESG committee meets on annually basis chaired by our Chairman - Dr. Sharvil Patel and provides update to the Board of Directors (BoD). The committee focuses on the ESG strategy set by BoD and tracks their implementation. As we move forward, we continue to improve our governance practice with the changing scenarios. Our ESG goals are a key part of the key non-financial performance indicators for our leadership team.

### Moving Forward:

With our ESG policy at the core of our key decision-making, we are committed to building sustainable business practices and bringing Wellness to Life through Nourish, Nurture, & Energize. Guided by a long-term vision of creating a resilient, responsible, and sustainable future, we invite you to explore this report, which highlights our initiatives, milestones, and key focus areas. Your insights and feedback are invaluable in our journey of continuous improvement, and we look forward to your support in making a lasting positive impact.

Thank You!

**Tarun Arora**  
CEO & Whole Time Director  
Zydus Wellness Limited

# Message from Head-ESG



## Ravindra Kumar Singh

Head-ESG

Zydus Wellness Limited

### Dear Stakeholders,

With only 12 percent of the Fortune 500 Companies listed in Year 1955 existing today, it's clear that the future belongs to those companies that integrate sustainability at the core of their business, managing long-term risks and creating competitive advantage.

At Zydus Wellness Sustainability is not just a commitment; it is a way of doing business responsibly. As we navigate the evolving landscape of the FMCG sector, we recognize that sustainable future lies in fostering a balance between People, Planet, and Prosperity. Our Sustainability Vision aligns with the UNSDGs ensuring that our business contributes meaningfully to global efforts addressing climate change, responsible consumption, and inclusive growth.

A comprehensive framework is defined encompassing four critical elements: People and Communities, Governance, Environmental

Stewardship, and Sustainable Growth to drive "Sustainable Development".

We are committed to fostering a workplace that upholds safety, fairness, and inclusivity. By embedding health and wellness initiatives, fostering equitable workplaces, improving diversity across our operations and strengthening local outreach programs, we aim to create lasting social impact.

The core values of Integrity and Transparency forms the foundation of our business. Our governance framework ensures accountability at every level, reinforcing compliance, risk management, and sustainability-driven decision-making.

We are committed to reduce our ecological footprint by optimizing energy and water use, adopting sustainable packaging, and minimizing waste. Our Climate-Strategy is anchoring the efforts towards reductions in greenhouse gas emissions, while we actively work on biodiversity

conservation through ecosystem preservation, enhancing green cover, and promoting regenerative agriculture. We believe that responsible business practices drive long-term value creation. By integrating ESG principles into our core strategy, we ensure resilience, operational efficiency, and shared prosperity while supporting economic development.

Our Sustainability journey extends beyond our operations to cover our supply chain partners, where we collaborate to uphold strict standards in responsible sourcing, energy conservation, fair labour practices, and water management.

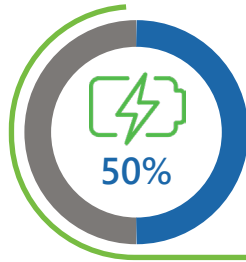
As we move forward, transparency and accountability will remain central to our sustainability journey. We look forward to continued engagement with our stakeholders as we work towards a more responsible and resilient future.

We take pride in sharing this ESG report, reflecting our progress, challenges, and aspirations. As we move forward, we remain steadfast in our commitment to make sustainability a core driver of our growth story.

Thank You!

**Ravindra Kumar Singh**  
Head ESG  
Zydus Wellness Limited

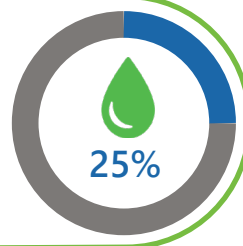
## Our 2030 Sustainability Goals



### Energy

- Energy Saving of 50% by 2030 through Process Optimization & Efficiency improvement. Renewable Energy contribution to be 50% of total requirement.

### Water



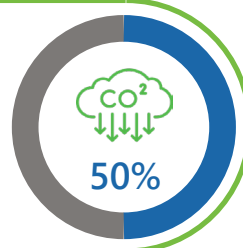
- Reduction of fresh water consumption by 25% by 2030 through Process Optimization, Efficiency Enhancement and Investments in Water treatment technologies.



### Waste

- Zero Liquid discharge and Zero Waste to landfill by 2030 by implementing robust recycling and Structured approach towards waste reduction.

### GHG Emission



- Reduction of GHG Emission of Direct Operations by 50% by 2030.
- Achieve Carbon Neutrality by 2040 for all Operations.



### Sustainable Supply Chain

- Ensuring 100% of Critical Active Suppliers & Co-Packers adhere to ZWL Sustainability Standards.

### Safety, Diversity & Inclusion



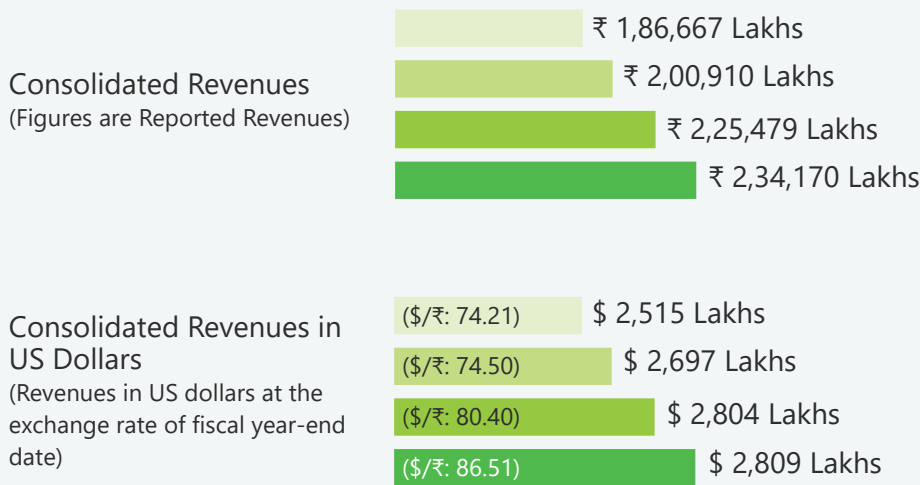
- Zero LTI and adherence to defined Safety Standards
- Zero discrimination based on Gender, Caste, Colour & Creed.

\*Baseline Year : CY 2022

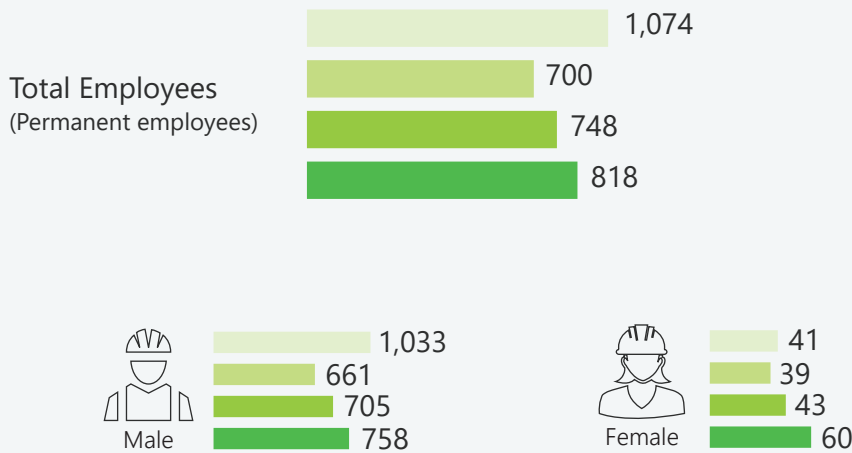
# Company Information

## Revenue and Employees

### Revenue



### Employees



■ FY 2020-21  
 ■ FY 2021-22  
 ■ FY 2022-23  
 ■ FY 2023-24

# Economics & Governance

## Message from our Chief Financial Officer:



### Umesh Parikh

Chief Financial Officer  
Zydus Wellness Limited

At Zydus Wellness, we believe that strong governance, responsible financial management, and sustainability are the pillars of long-term value creation. Our commitment to transparency, accountability, and ethical business practices ensures that we remain resilient, future-ready, and aligned with stakeholder expectations in an evolving global landscape.

To strengthen our sustainability commitment, we have further enhanced our governance framework by expanding the scope of the CSR & ESG Committee. This committee plays a pivotal role in ensuring that environmental, social, and governance principles are embedded into our business strategy, guiding key decisions in a structured and measurable way. By aligning our ESG goals with our financial strategy, we aim to create sustainable economic growth while

fostering stakeholder confidence and trust.

Risk management remains at the core of our governance approach. With an enterprise-wide risk assessment framework, we proactively identify, evaluate, and mitigate potential challenges, ensuring business continuity, regulatory compliance, and operational stability. Additionally, as digital transformation accelerates, we continue to strengthen our IT governance and cybersecurity frameworks to safeguard business operations and stakeholder data.

Beyond financial stewardship, our commitment to sustainability-driven growth is reflected in strategic investments in renewable energy, resource efficiency, and responsible sourcing with the organisations embarking upon bio-diversity goals. Our initiatives in reducing carbon footprint,

enhancing energy efficiency, and responsible waste management are designed to align with global climate goals while ensuring long-term business resilience.

As we move forward, our focus remains on integrating ESG principles into every aspect of our business, driving financial prudence, ethical decision-making, and sustainable innovation. We are dedicated to building a future where profitability and purpose coexist, creating lasting value for our stakeholders, employees, and communities.

We invite you to explore this ESG report, which outlines our commitments, initiatives, and progress toward a stronger, more responsible future.

Thank you

**Umesh Parikh**  
Chief Financial Officer  
Zydus Wellness Limited



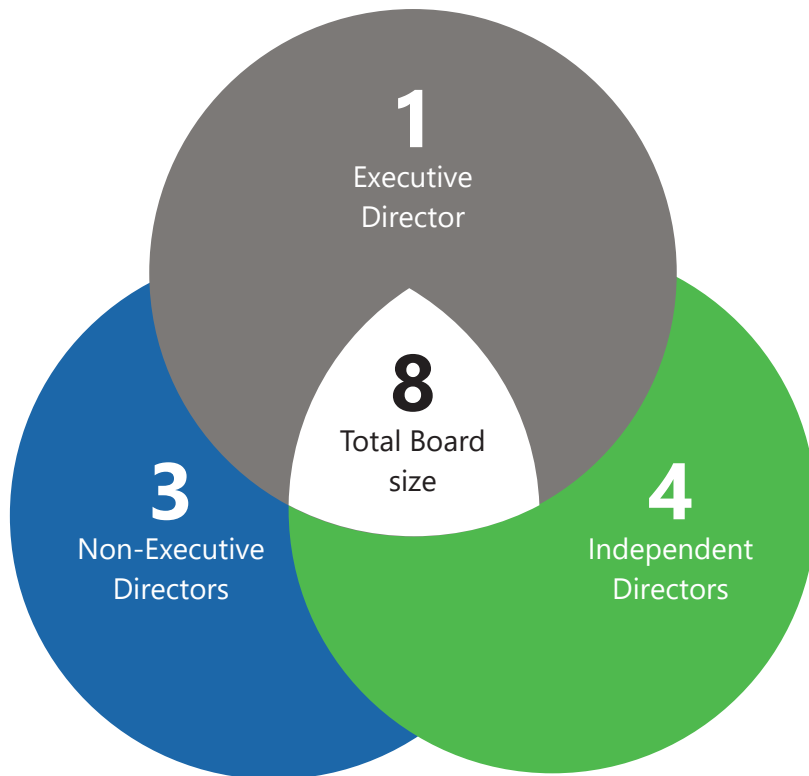
## Sustainability Taxonomies

In India there is no sustainability taxonomies defined. However, for financial year 2023-24 we had followed the Indian Accounting Standards (IND AS) as notified by the Government of India. The Securities and Exchange Board of India has prescribed a framework for companies to disclose their sustainability performance i.e., Environment, Safety, Revenue, etc. in Business Responsibility and Sustainability Report ("BRSR") effective from financial year 2023-24.

Zydus Wellness has also published its sustainability disclosures as a part of the Annual Report for the financial year 2023-24 which is available on the following link: <https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf> refer page number 80 to 118 – BRSR.

The Company has also obtained Independent Reasonable Assurance on BRSR Core parameters. The Reasonable Assurance Statement is available on the following link <https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf> Refer page number 119 to 120.

## Board of Directors: One-Tier System



# Corporate Governance

Particular	Indicators/Measures
CEO and Chairperson	Role of CEO and Chairperson is split, and Chairperson is a Non-Executive and Non-Independent Director .
Board Independence Statement	Definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/ disclosures received from the Directors and on evaluation of the relationships disclosed the Board of Directors takes on record, after undertaking due assessment of the veracity of the same.
Board Independence Target Share	Minimum 50% Independent Directors on the Board
Board Gender Diversity	Woman director: Ms. Dharmishtaben N. Raval  Board Diversity Policy: <a href="http://www.zyduswellness.com/investor/board-diversity-policy-feb-23.pdf">www.zyduswellness.com/investor/board-diversity-policy-feb-23.pdf</a>
Average Board Meeting Attendance in FY 2023-24	90.9%
Minimum of attendance for all members required, at least (in %)	All directors endeavor to attend at least 75% of Board meetings in a financial year.
Average tenure of Board members  Board Mandates: Number of other mandates of the Board of directors/ supervisory board members. This only applies to non-executive and independent directors, not executive directors, or employee representatives.	8 Years  Number of non-executive/ independent directors with 4 or less other mandates: 7  <ul style="list-style-type: none"> <li>• Mr. Srivishnu R. Nandyala</li> <li>• Ms. Dharmishtaben N. Raval</li> <li>• Mr. Kulin S. Lalbhai</li> <li>• Mr. Akhil A. Monappa</li> <li>• Dr. Sharvil P. Patel</li> <li>• Mr. Ganesh N. Nayak</li> <li>• Mr. Ashish Bhargava</li> </ul> Number of other mandates for non-executive/ independent directors restricted to 9  * Mr. Akhil A. Monappa was appointed w.e.f. May 17, 2023, as an Additional Director (Independent).

## Board Independence Criteria

### Name of the Directors:

- A. Ms. Dharmishtaben N. Raval
- B. Mr. Srivishnu R. Nandyala
- C. Mr. Kulin S. Lalbhai
- D. Mr. Akhil A. Monappa\*
- E. Mr. Savyasachi S. Sengupta\*\*

Topic	Board Independence Criteria	Refer details provided above for Name of Directors:				
		A	B	C	D	E
Past employment with the Company	The Director is not employed by the Company in an executive capacity within the last five year.	✓	✓	✓	✓	✓
Family Member	The Director is not a "Family Member of an individual who is, or during the past three years was employed by the Company or by any parent or subsidiary of the Company as an executive officer.	✓	✓	✓	✓	✓
Consultant or Advisor	The Director is not an adviser or consultant to the Company or a member of the Company's senior management.	✓	✓	✓	✓	✓
Customer or Supplier	The Director is not affiliated with a significant customer or supplier of the Company.	✓	✓	✓	✓	✓
Personal Service Contract	The Director does not have personal services contract(s) with the Company or a member of the Company's senior management.	✓	✓	✓	✓	✓
Not-for-Profit Entity	The director is not affiliated with a not-for-profit entity that receives significant contributions from the Company.	✓	✓	✓	✓	✓
Auditor – Partner or an Employee	The Director is not a partner or employee of the Company's statutory auditor during the past three years	✓	✓	✓	✓	✓
Business Relationship – Payment from Company	The Director does not accept or have a Family Member who accepts any payments from the Company or any parent or subsidiary of the Company	✓	✓	✓	✓	✓
Any other conflict of interest	The Director does not have any other conflict of interest that the Board itself determines to mean they cannot be considered independent.	✓	✓	✓	✓	✓

\* Mr. Akhil A. Monappa was appointed w.e.f. May 17, 2023, as an Additional Director (Independent).

\*\* Mr. Savyasachi S. Sengupta (term completed as an Independent Director w.e.f. close of business hours of November 1, 2023).

## Board Effectiveness

Particular	Indicators / Measures
Board Performance Review: Performance assessment of Board of directors/ supervisory board members.	During the year, the Nomination and Remuneration Committee ("NRC") / Board have carried out evaluation of its own performance and the performance of the committees of the Board, Independent Directors, Directors, and the Chairman of the Board. The Board has evaluated the composition of Board, its committees, experience and expertise, performance of specific duties and obligations, governance matters, etc. with an aim to improve their effectiveness.
Board Election Process	<p>Board Members are re-elected on an annual basis by rotation, except Independent Directors and Nominee Director.</p> <p>Board Election Process: The Company being a listed on the stock exchanges, is bound to follow the regulations stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As per Section 149(11) of the Companies Act, 2013, "No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director: Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly." Therefore, all the Independent Directors are appointed for a fixed term as per the prevailing regulations.</p> <p>Board members are elected individually (as opposed to elect by slate).</p>

## Board Skills Matrix

Skills	Dr. Sharvil P. Patel	Mr. Tarun Arora	Mr. Ganesh N. Nayak	Ms. Dharmishtaben N. Raval	Mr. Srivishnu R. Nandyala	Mr. Savyasachi Sengupta*	Mr. Kulin S. Lalbhai	Mr. Ashish P. Bhargava	Mr. Akhil A. Monappa**
Industry Experience	✓	✓	✓	X	✓	✓	✓	✓	X
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Information Technology / Cybersecurity	✓	✓	X	X	✓	X	✓	✓	✓
ESG & Sustainability	✓	✓	X	✓	X	X	✓	✓	✓
Corporate Governance & Law	✓	✓	✓	✓	✓	✓	✓	✓	✓
Marketing & Communications	✓	✓	✓	X	✓	✓	✓	✓	X
Finance	✓	✓	✓	✓	✓	✓	✓	✓	✓
Business Management Strategy & Leadership	✓	✓	✓	X	✓	✓	✓	✓	✓
Human Resource	✓	✓	✓	X	✓	✓	✓	✓	X
Manufacturing	✓	✓	✓	X	X	✓	✓	✓	X

\* Mr. Savyasachi S. Sengupta (term completed as an Independent Director w.e.f. close of business hours of November 1, 2023).

\*\* Mr. Akhil A. Monappa was appointed w.e.f. May 17, 2023, as an Additional Director (Independent).

## CEO Compensation – Success Metrics

CEO compensation is a multifaceted framework that encompasses various financial metrics, ensuring a comprehensive evaluation of executive performance. It considers the Revenue (top-line growth) and bottom-line performance in form of Earnings before depreciation, Interest and tax (EBITDA) and Profit after Tax (PAT), providing a direct measure of the effectiveness of capital utilization and the generation of shareholder value. Additionally, variable pay is one of the major components of total pay. The above metrics reflect the Company's overall financial health, its ability to drive revenue growth, and the efficiency of its operations. Beyond these, individual Key Performance Indicators (KPIs) of quantitative and qualitative aspects of the business, tailoring compensation to specific objectives and responsibilities. This holistic approach aligns CEO compensation with both the broader financial success of the organization and the individual contributions and achievements of the CEO, creating a balanced and performance-driven incentive structure.

## Board Age Diversity

Particular	Indicators/Measures
Average Age	52 years
Age Diversity: 30-39 years	12.5%
Age Diversity: 40-49 years	25.0%
Age Diversity: 50-59 years	37.5%
Age Diversity: 60-69 years	25.0%

## Management Ownership

Position	Name(s)	Multiple of base salary
Chief Executive Officer	Mr. Tarun Arora	0.09
Average across other executive committee members owning shares	Mr. Umesh Parikh, Mr. Manish Joshi, Mr. Manoj Kothari and Mr. Himanshu Pandey	0.05

**Note:** Due to stringent Insider Trading Regulations, the Company has taken conscious decision to not have management ownership requirements. As ESOP's are not issued, management ownership is lower than it would be in a Company with an ESOP's issued.

## CEO-to-Employee Pay Ratio

Particular	
CEO Compensation	₹ 119.2 Lakhs*
Median annual employee compensation (Except CEO )	₹ 5.30 Lakhs
Ratio of CEO to the median remuneration of the employee	22.48

\* In addition, CEO was also paid remuneration of ₹ 586.7 Lakhs from Zydus Wellness Products Limited, a wholly owned subsidiary Company.

## Government Ownership

No governmental institutions own more than 5% of the total voting rights of the Company. Refer shareholding pattern of the Company as on March 31, 2024 in the Annual Report on page no. 153 at <https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf>

## Family Ownership

Founding individuals / family members owns more than 5% of total voting rights of the Company as on March 31, 2024, as under:

Shareholder	No. of shares held	% Of shareholding
Zydus Lifesciences Limited	3,66,47,509	57.59%
Zydus Family Trust	7,645,159	12.01%
Pripan Investment Private Limited	640	0.00%
Mr. Pankajbhai Ramanbhai Patel	1,599	0.00 %
Pankajbhai Ramanbhai Patel (Hindi Undivided Family)	1,066	0.00%
Mrs. Pritiben Pankajbhai Patel	533	0.00%
Dr. Sharvil Pankajbhai Patel	533	0.00%
Mrs. Shivani Pankajbhai Patel	533	0.00%
Pankaj Ramanbhai Patel (Taraben Patel Family will Trust)	533	0.00%

**Note:** Zydus Family trust is holding 74.96% equity shares of Zydus Lifesciences Limited and Zydus Lifesciences Limited is holding 57.59% equity shares of the Company. Trustees of Zydus Family trust are Mr. Pankajbhai Ramanbhai Patel, Mrs. Pritiben Pankajbhai Patel and Dr. Sharvil Pankajbhai Patel. Therefore, Zydus Family Trust through their holding in Zydus Lifesciences Limited indirectly holds 43.17% equity shares of the Company.

Adding the above, members of Zydus family through individual holding, HUF holding and Trust (directly and indirectly) holding owns ~ 52% of voting rights of the Company.

For more details refer page no. 73 of the Annual Report at <https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf>

## Materiality Analysis

Last materiality analysis conducted / reviewed in	FY 2023-24
Frequency of conducting materiality assessment	Annually
Involvement of external stakeholders in identifying material issues	✓
Materiality assessment integrated in company's ERM process	✓
Material Issues are prioritized in a materiality matrix	✓
Assessment conducted is based on the principle of double materiality or considers internal impact on the business as well as external impact on society and the environment	✓
Materiality assessment process verified by a third-party assurance provider	✓
Materiality assessment results signed off by BoD and Senior Management	BoD

## Materiality Matrix

Zydus Wellness integrates responsible and sustainable business practices across its operations, aligning its commitments with long-term business goals and 2030 aspirations. By publicly sharing these commitments, the company ensures transparency and accountability while contributing to the United Nations Sustainable Development Goals (SDGs). The materiality assessment also aligns with the requirement of ESG reporting standards.

We studied the Fast-Moving Consumer Goods (FMCG) sector specific material topics. In discussion with the management, we selected 40 material topics. Post identification of the potential topics, a questionnaire was developed for administering to the key stakeholder groups across the organization. A total of 500+ responses were received, of which 17 were from the Senior Management.

To identify and prioritize material ESG issues, Zydus Wellness has a structured stakeholder engagement process, ensuring a comprehensive understanding of key sustainability concerns. This process includes:

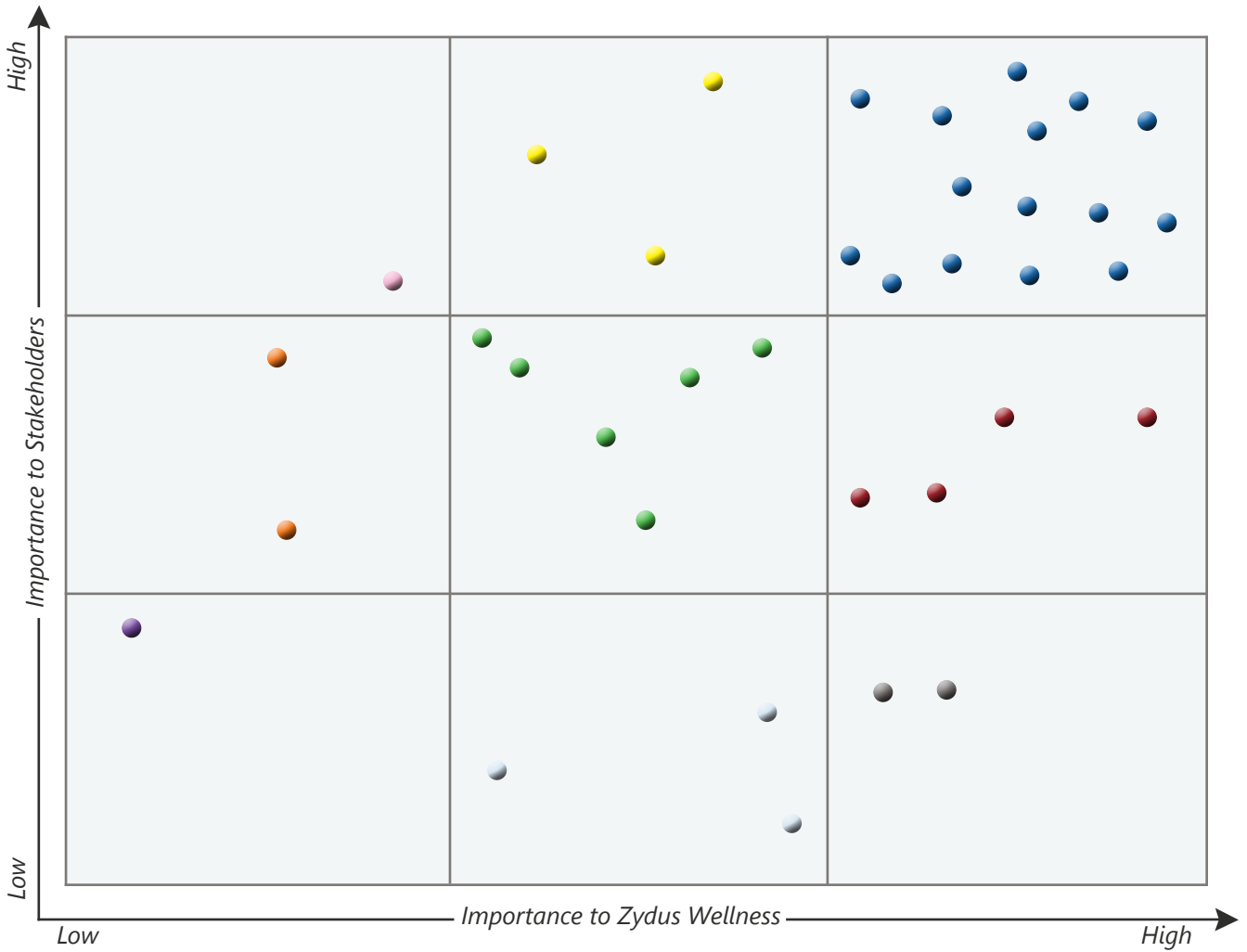
- Workshops & Brainstorming Sessions with internal teams to assess priorities and emerging ESG trends.
- Surveys & Questionnaires

for external stakeholders to gather structured feedback on key sustainability issues.

- Interviews with regulators, suppliers, and investors to gain deeper insights into industry expectations.
- Focus Groups with consumers and community representatives to understand social and environmental perceptions.

Stakeholder engagement covers a broad spectrum of internal and external stakeholders, including leadership teams, operations, supply chain, R&D, HR, marketing, customers, suppliers, investors, regulatory bodies, industry associations, and local communities. By integrating these diverse perspectives, Zydus Wellness ensures that its materiality assessment is comprehensive, data-driven, and aligned with its sustainability commitments, positioning the company as a leader in responsible FMCG practices.





- GHG Emission (Scope I)
- Water Conservation (Plant & suppliers)
- Sustainable Sourcing of R/M & P/M
- Energy Efficiency Plant, Co Packers & Suppliers
- Product Safety & Efficacy Testing
- Plastic & Waste Mgmt.(Including Supply Chain)
- Responsible Marketing & Product labelling
- Product Traceability in Supply Chain
- Fair labour Practices (Including Co Packers & Suppliers)
- Customer Grievance Management
- Carbon Footprint Mapping at Suppliers & Co-Packers
- Occupational Health & Safety
- Consumer Health & Wellness benefits
- Zero Waste to Landfill & ZLD
- Responsible Marketing & Product Labeling
- Circular Economy Solutions for Packaging & End of usage
- Biodiversity Assessment & Mitigation
- Packaging Innovations-Compostable / for Recyclability
- Community Water Harvesting
- Collaboration with Academic Research Bodies
- Patents for Sustainability
- Responsible Procurement Policies
- GHG Emission Reduction (Scope II)
- Food Loss & Waste
- Renewable Energy Adoptions
- Process Automation for Sustainability
- Green Technology
- Carbon Neutral Formulations
- Emission Reduction (Scope III)
- Local Sourcing Initiatives
- Biodegradable Material Development
- Community Awareness Programs
- Consumer Education & Awareness for Sustainable Usages
- Ethical Innovation Process
- Community Development Programs for Critical Suppliers
- Employee Engagement in Sustainability Initiatives
- Green Building Certification

Shareholder	Research & Development	Suppliers & Co-Packers	Direct Operations	Customers & End of Life
High Impact Materiality Aspects	<ul style="list-style-type: none"> <li>Sustainable Ingredient Sourcing</li> <li>Product Safety &amp; Efficacy Testing</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable Sourcing of R/M &amp; P/M</li> <li>Product Traceability In Supply Chain</li> <li>Water Mgmt. at Suppliers &amp; Co-Packers</li> <li>Energy Conservation (Suppliers &amp; Co-Packers)</li> <li>Fair Labour Practices (Suppliers &amp; Co-Packers)</li> <li>Carbon Footprint (Suppliers &amp; Co-Packers)</li> </ul>	<ul style="list-style-type: none"> <li>End-to End Energy Efficiency</li> <li>Water Conservation</li> <li>Zero Waste to Landfill &amp; ZLD</li> <li>GHG Emission Reduction (Scope I)</li> <li>Occupational Health &amp; Safety</li> <li>Fair Labour Practices (including CW)</li> </ul>	<ul style="list-style-type: none"> <li>Customer Grievance Management</li> <li>Consumer Health &amp; Wellness benefits</li> <li>Responsible Marketing &amp; Product Labelling</li> <li>Plastic &amp; Waste Management (EPR)</li> </ul>
Medium Impact Materiality Aspects	<ul style="list-style-type: none"> <li>Packaging Innovations- (Compostable/ For Recyclability)</li> <li>Carbon Neutral Formulations</li> <li>Green Chemistry Innovations</li> <li>Biodegradable Material Development</li> </ul>	<ul style="list-style-type: none"> <li>Responsible Procurement Policies</li> <li>Supplier Engagement &amp; Development</li> <li>Renewable Energy Adoptions</li> <li>Local Sourcing Initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Process Automation for Sustainability</li> <li>Green Technologies</li> <li>GHG Emission Reduction (Scope II)</li> <li>Biodiversity Risk Assessment &amp; Mitigation</li> <li>Community Water Harvesting</li> <li>Food Loss &amp; Waste</li> </ul>	<ul style="list-style-type: none"> <li>Consumer Education and Awareness for Sustainable Product Usages</li> <li>Circular Economy Solutions for Packaging &amp; End of usage</li> <li>Community Awareness Programs</li> </ul>
Low Impact Materiality Aspects	<ul style="list-style-type: none"> <li>Ethical Innovation Process</li> <li>Patents for Sustainability</li> <li>Collaboration with Academic Research Bodies</li> </ul>	<ul style="list-style-type: none"> <li>Community Development Programs for Critical Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Green Building Certification</li> <li>Emission Reduction (Scope III)</li> <li>Employee Engagement in Sustainability Initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Partnership for post consumption recycling</li> </ul>

## Material Issues for Enterprise Value Creation

Particulars	Material Issue 1	Material issue 2	Material Issue 3
Material Risk or Opportunity - material risk or opportunity impacting our business	Plastic & Waste Management	Energy & Emissions	Water
Business Case - rationale for why this issue is material to our business	<p>In the food and wellness industry, Packaging serves as cornerstone for safeguarding product integrity and maintaining quality standards. As a responsible organization, we understand the importance of packaging and are deeply aware of the environmental challenges posed by plastic packaging, including pollution and ecosystem harm. With growing consumer concerns about plastic waste and its environmental impact, we are committed to addressing this issue as part of our broader sustainability and social responsibility agenda.</p> <p>By prioritizing sustainable packaging and effective waste management, Zydus Wellness not only mitigates reputational risks and complies with regulatory requirements but also aligns with the expectations of environmentally conscious consumers. Furthermore, this commitment opens up avenues for innovation in packaging materials and recycling solutions, driving long-term cost savings and operational efficiencies while contributing to a healthier planet. These efforts reflect our belief that Sustainability is not just an obligation but an opportunity to create shared value for our stakeholders. By fostering collaborations and investing in research, Zydus Wellness is working on developing eco-friendly packaging solutions that balance environmental stewardship with product excellence.</p>	<p>For Zydus Wellness, effective energy and emissions management is a key material issue, driving operational efficiency and securing long term growth thereby directly impacting business performance and long-term sustainability. Adopting energy-efficient technologies and transitioning to renewable energy sources not only reduce operational costs but also enhance productivity and competitiveness in an increasingly eco-conscious market.</p> <p>In today's context, as FMCG companies in India face growing scrutiny from regulators and consumers alike, addressing emissions and optimizing energy use are essential for staying ahead of regulatory requirements and preserving brand reputation. Furthermore, aligning with India's national sustainability goals reinforces Zydus Wellness's position as a responsible corporate citizen, driving market growth while contributing to a low-carbon future.</p>	<p>Water scarcity is a critical challenge that can directly impact Zydus Wellness's operations, especially as all our plants are located in designated water-stress areas. Reduced water availability may lower consumer demand for water-intensive products and compromise the effectiveness of our offerings, ultimately affecting sales. Additionally, our dairy operations, which depend on adequate water availability for livestock, could face challenges, as water shortages may affect animal well-being, milk production, and the overall efficiency of our supply chain.</p> <p>Unpredictable seasonal patterns and water-related uncertainties further exacerbate these risks, posing significant challenges to production schedules and business continuity. Recognizing water as a material issue highlights Zydus Wellness's commitment to sustainable water management practices. By addressing these challenges proactively, we aim to safeguard our operations, ensure resilience, and contribute to responsible water stewardship in line with national and global sustainability goals</p>

Business Impact:	Cost	Risk & Opportunity both.	Risk
<p>Business strategies - our primary business strategies, initiatives or products that address this issue:</p>	<p>For the risks associated with plastic and waste management, it is essential to adopt proactive measures. This includes collaborating with government approved waste collection agencies and recyclers, adhering to Extended Producer Responsibility (EPR) commitments, and setting ambitious targets for waste reduction and recycling. Additionally, investing in innovative packaging materials, promoting recyclable and reusable packaging, and exploring the use of recycled materials can help mitigate environmental risks and enhance sustainability efforts. We collaborate with government approved waste collection agencies and recyclers to exceed our EPR commitments. In FY 2023-2024, we surpassed our EPR target by recycling and safely disposing 7392.2 tons of post-consumer plastic packaging waste, with an additional collection of 86.2 tons. We have initiated projects aimed at saving 280 tons of packaging material annually, contributing to our goal of reducing 1,000 tons over the next three years, starting from FY 2023-2024. Projects are underway to achieve this goal in various product lines such as Nycil bottles, Sugarfree powder concentrate bottles and caps, Complian Cartons, and Corrugated boxes. We are committed to transitioning from multi-material packaging (category 3) to multi-layer plastic material (category 2) and ultimately to fully recyclable materials by FY 2027-2028.</p>	<p>At Zydus Wellness, "Energy and Emissions" are the material issues classified as both a Risk and Opportunity as they pose potential challenges, such as regulatory compliance and rising energy costs, while also offering avenues to innovate, reduce operational expenses, and enhance market positioning through sustainable practices. Proactively managing these areas helps mitigate risks and unlocks long-term value creation for the business. In addressing the risks associated with energy emissions, it's imperative to adopt a proactive approach to adapt and mitigate potential challenges. One strategy is to set clear targets for emission reduction, renewable energy adoption, and energy intensity reduction. For instance, the Company has established ambitious goals for the year 2030 compared to the base line year CY 2022:</p> <ul style="list-style-type: none"> <li>• Reduction of GHG Emission of Direct Operations by 50% by 2030.</li> <li>• Energy Saving of 50% by 2030 through Process Optimization &amp; Efficiency improvement.</li> <li>• Increasing the contribution of Renewable Energy to 50% of total requirement, by 2030.</li> </ul>	<p>Water management is a key pillar of Zydus Wellness's sustainability strategy, integral to ensuring operational resilience and long-term business continuity. Recognizing the critical importance of water in our manufacturing processes, we have adopted a strategic approach to mitigate water risks, optimize consumption, and enhance efficiency across all sites. Our commitment includes reducing water intensity by 25% by 2030 (compared to the baseline year CY 2022) through process optimization, efficiency improvements, and investments in advanced water treatment technologies.</p> <p>Key Initiatives:</p> <ol style="list-style-type: none"> <li>1. Comprehensive Water Risk Assessment: Using the WRI tool, we identified high water risk at key sites, such as Ahmedabad and Aligarh, leading to strategic interventions like sourcing water from surface water bodies (e.g., Narmada River for Ahmedabad) and detailed impact assessments in Aligarh to ensure responsible groundwater use.</li> <li>2. Zero Liquid Discharge (ZLD): The Ahmedabad site had achieved 100% ZLD in February 2023, and the Sikkim site has now completed its transition to a ZLD facility, eliminating dependency on groundwater.</li> </ol>

	<p>Our efforts also include replacing aluminum-based plastic laminates with all-plastic laminates for Glucon D sachets. Moreover, we are exploring the use of Post-Consumer Recycled (PCR) material in product categories permitted by the Plastic Waste Management Act. Everyuth body lotion is currently being tested in PCR-based containers for potential integration of PCR material.</p>	<p>To achieve these targets, the Company has implemented several initiatives. Zydus Wellness has been focusing on enhancing energy efficiency through adoption of advanced technologies, optimizing energy usage across operations. Additionally, the Company has prioritized transitioning to greener fuels wherever feasible, further reducing its carbon footprint. We will see significant increase in the utilization of solar power from FY 2024-2025, leveraging renewable energy sources to reduce emissions in other plants also. By implementing these measures, the Company aims to not only mitigate the risks associated with energy emissions but also contribute to environmental sustainability and long-term business resilience.</p>	<ol style="list-style-type: none"> <li>3. 3. Rainwater Harvesting and Conservation: Aligarh has implemented rainwater harvesting by maintaining a pond outside the premises, benefiting the local community. Additionally, innovative reuse projects utilize milk and steam condensate for tanker washing, floor cleaning, and water treatment.</li> <li>4. Forestation and Landscaping: Miyawaki forestation has been initiated at Aligarh in line with government guidelines, complemented by tree plantation drives at other sites. Treated water from ETP and STP is used for landscaping needs and Toilet Flushing.</li> <li>5. Through these focused approach and various initiatives, Zydus Wellness. not only addresses water risks but also demonstrates a commitment to environmental stewardship and community well-being, ensuring the sustainable use of this vital resource.</li> </ol>
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## Material Issues for Enterprise Value Creation

Employee Compensation	Material Issue 1	Material Issue 2	Material Issue 3
Material Issue	Plastic & Waste Management	Energy & Emissions	Water
Target/Metric	<p>Zydus Wellness (ZW) aims to transition to fully recyclable multi-layer plastic by 2027; a move from multi material packaging material (category 3) to multi-layer plastic material (category 2) to fully recyclable material by 2027.</p> <ul style="list-style-type: none"> <li>-ZW aims at saving 280 tons of packaging material annually, contributing to its goal of reducing 1,000 tons over the next three years, starting from FY 2023-2024</li> <li>- All sites to achieve Zero Waste to Landfill status by 2030 through the implementation of robust recycling practices and a structured approach to waste reduction.</li> <li>- Zydus Wellness aims to continue collecting and process plastic that it sells. Projects for the same have been undertaken in Nycil bottles, Sugarfree powder concentrate bottle and cap, Complian Carton and Corrugated box.</li> </ul>	<p>The Company has established ambitious goals for the year 2030 compared to the base line year CY 2022:</p> <ul style="list-style-type: none"> <li>- Reduction of GHG Emission in Direct Operations by 50% by 2030.</li> <li>- Energy Saving of 50% by 2030 through Process Optimization &amp; Efficiency improvement.</li> <li>- Increasing the contribution of Renewable Energy to 50% of total requirement, by 2030.</li> </ul>	<p>25% reduction in water intensity by CY 2030 vs base CY 2022.</p> <ul style="list-style-type: none"> <li>- All sites to be Zero Liquid Discharge</li> </ul>
Target Year	2027	2030	2030

<p>Progress</p>	<p>Plastic waste generated has reduced from 660.37 metric tonnes in FY 2022-23 to 419 metric tonnes in FY 2023-24. Waste generated is recycled from 938.7 metric tonnes in FY 2022-23 to 1240 metric tonnes in FY 2023-24.</p> <p>In FY 2023-24, we surpassed our EPR target by recycling and safely disposing 7392.2 tons of post-consumer plastic packaging waste, with an additional collection of 86.2 tons.</p> <p>Reasonable assurance has been carried out by external agency.</p>	<p>Our energy intensity basis turnover (Energy consumed/ turnover in Lakhs) reduced from 2.04 in FY 2022-23 to 0.89 in 2023-24.</p> <p>Our Scope 1 and 2 emissions intensity based on turnover (Scope 1+2 emissions/ turnover in lakhs) for 2023-24 stands at 0.17. The slight increase compared to the previous year is primarily attributed to the prolonged rainy season and unprecedented floods in regions critical for 'Husk' procurement, the primary fuel for our largest unit - Aligarh. These disruptions compelled us to rely on fossil fuels to ensure uninterrupted dairy operations.</p> <p>Reasonable assurance has been carried out by external agency.</p>	<p>Our water intensity basis turnover (water consumed/ turnover in Lakhs) reduced from 1.75 in FY 2022-23 to 1.6 in 2023-24.</p> <p>Reasonable assurance has been carried out by external agency.</p>
<p>Executive Compensation</p>	<p>Reduction of Plastics Waste (Jar, Laminates, Polybags and Caps) forms a part of the Performance Mgmt. System (PMS) as a key KPI of the Site leadership and Production Heads of all factories. The weightages assigned varies from 05% in Site Leadership's KPIs to 10% in Production Head's KPI.</p>	<p>Energy Index &amp; Steam Index forms a part of the Performance Mgmt. System (PMS) as a key KPI of the Senior Management and cascaded down to Site leadership and subsequently to Engineering Heads of all the factories. The weightages assigned varies from 05% in Senior Management's KPIs to 20% in Engineering Head's KPIs.</p>	<p>Water Index forms a part of the Performance Mgmt. System (PMS) as a key KPI of the Senior Management and cascaded down to Site leadership and subsequently to Engineering Heads of all the factories. The weightages assigned varies from 05% in Senior Management's KPIs to 10% in Engineering Head's KPIs.</p>

## Material Issues for External Stakeholders

Particulars	Impact 1	Impact 2
Material Issue for External Stakeholders	Customer Grievance Management	Water
Cause of the Impact	Business value chain: Operations Products/Services Supply chain  Business activity coverage: 100% of business activity	Business value chain: Operations Supply chain  Business activity coverage: >50% of business activity
External stakeholder(s)/impact area(s) evaluated	Society Consumers/end-users External employees	Environment Society External employees
Topic relevance on external stakeholders	<p>In the highly competitive FMCG sector, effectively managing customer grievances is vital to maintaining trust and brand loyalty among consumers. Prompt resolution of complaints not only ensures a positive customer experience but also helps identify recurring issues and areas for improvement in products and services. With the rise of digital platforms, customer feedback is more visible and influential than ever, making robust grievance management essential to safeguarding brand reputation. Additionally, regulatory frameworks in India emphasize consumer rights, requiring FMCG companies to demonstrate accountability and transparency in addressing grievances. A well-structured grievance management system enables companies to mitigate risks, enhance consumer confidence, and strengthen their market position.</p> <p>Type of impact: Positive</p>	<p>Water scarcity is a critical issue for India, which is home to 18% of the global population but has access to only 4% of the world's water resources. According to the 2030 Water Resources Group, by 2030, the country is projected to have access to only half of the water needed for agricultural, household, and industrial purposes. This growing scarcity poses significant risks to industries, particularly in water-stressed regions.</p> <p>For Zydus Wellness, Water is a key input for manufacturing and dairy operations, with livestock being reliant on adequate water availability. The water shortages for Farmers and their Cattles could directly impact milk production and overall supply chain efficiency. Additionally, many of our plants are in designated water-stressed areas, amplifying the importance of responsible water management.</p> <p>By addressing water as a material issue, Zydus Wellness acknowledges the expectations of external stakeholders who are deeply concerned about the sustainable use of this critical resource. Our focus on water risk assessments, conservation initiatives, and innovative reuse strategies not only mitigates operational risks but also aligns with the broader goal of ensuring long-term water security for communities and industries alike.</p> <p>Type of impact: Positive</p>



## Material Metrics for External Stakeholders

Employee Compensation	Impact 1	Impact 2
Material Issue for External Stakeholders	Customer Grievance Management	Water
Output Metric	Customer Complaints: i. CCPMP (Consumer Complaints Per Million Packs) ii. CSI (Customer Satisfaction Index): Leading Indicator	Water Index: i. Domestic water consumption (KL / Person), ii. Process water usage (KL / MT of Production)
Impact Valuation	Impact valuation conducted: Health Cost Caused/Avoided  Description of the impact assessed:  Effective Consumer Grievance Management minimizes health-related costs by swiftly addressing product quality issues, ensuring consumer safety, and building trust, thereby reducing the risk of litigation and healthcare claims.	Impact valuation conducted: Environmental value lost/gained  Description of the impact assessed:  Reducing water consumption minimizes environmental impact, lowers operational costs, and strengthens relationships with the local communities.
Impact Metric	Quantitative impact metric linked to material issue:  Reduction in Customer Complaints	Quantitative impact metric linked to material issue:  Reduction in Water Intensity/Index

## Risk Governance

Particulars	Name and Position	Reporting Line
<b>Operational Risk Ownership (first line)</b> Front-line employees or dedicated operational roles (e.g., risk managers, business unit heads) own and manage risks.	Mr. Nandish P. Joshi, Company Secretary and Compliance Officer	CFO
<b>Risk Management and Compliance Oversight (second line)</b> A dedicated role(s) or committee(s) exist(s) at the senior management or executive level, which is responsible for setting control standards and oversees compliance with them (does not include the CEO).	Mr. Umesh V. Parikh, CFO and Head IT	Risk management Committee
<b>Independent Audit Unit (third line)</b> An internal audit function that provides independent assurance on the effectiveness of risk management and compliance processes.	Ernst and Young LLP, Internal Audit	Audit Committee
Number of Non-executive members of Board of Directors/supervisory board with expertise in Enterprise Risk Management.	<ul style="list-style-type: none"> <li>• Dr. Sharvil P. Patel,</li> <li>• Mr. Ganesh N. Nayak</li> <li>• Ms. Dharmishtaben N. Raval</li> <li>• Mr. Srivishnu R. Nandyala</li> <li>• Mr. Kulin S. Lalbhai</li> <li>• Mr. Akhil A. Monappa*</li> <li>• Mr. Savyasachi S. Sengupta**</li> </ul>	
Training & Awareness	The Board of Directors are educated on risk management practices and the risks faced by the industry in general and the Company during the familiarization program on an annual basis. Further, detailed discussions and sessions are taken up during the Risk Management Committee meeting with a quarterly update to the Board.	

\* Mr. Savyasachi S. Sengupta (term completed as an Independent Director w.e.f. close of business hours of November 1, 2023).

\*\* Mr. Akhil A. Monappa was appointed w.e.f. May 17, 2023, as an Additional Director (Independent).

## Emerging Risk

Particular	Emerging Risk 1	Emerging Risk 2
Name of the risk	Data Privacy & Cybersecurity	Plastic & Product packaging
Category	Technological	Environmental
Description	While the adoption of digitized systems was accelerated since the start of this decade, the pandemic, and the related changes in methods of remote work have further sped the adoption of digital systems across organizations. Remote access to company networks also leads to risks and vulnerabilities for breaches and cyber threats. The increased traction in & use of AI also leads to risks which are ever-evolving	Plastic and product packaging are increasingly emerging as significant risks for Fast-Moving Consumer Goods (FMCG) companies. The widespread use of plastic packaging has raised environmental concerns due to its non-biodegradable nature and the resulting pollution of ecosystems. As consumers & regulators become more environmentally conscious, there is growing pressure on FMCG companies to reduce their plastic & waste footprint.
Impact	If not managed and monitored on an ongoing basis, these threats can lead to loss of personally identifiable information, confidential data, intellectual property, other sensitive data, and so on. These can attract significant fines and settlements and also affect the reputation of the company. We are aware that any attack on the system of the company or datasets could lead to loss of critical business information, financial loss, reputational loss, infringement of human rights (in case of personal data) and would draw regulatory sanctions	Excessive plastic use harms ecosystems and wildlife, polluting landfills and oceans while damaging brand perception. Evolving regulations demand compliance, penalizing those neglecting responsible packaging practices. Shifting consumer preferences favor eco-friendly, minimal packaging, threatening market share for non-adapters. Neglecting sustainability risks reputation loss, while sourcing sustainable materials disrupts supply chains, increasing costs. Companies embracing sustainability gain a competitive edge, catering to eco-conscious consumers and outperforming slower competitors. This landscape demands adaptation to avoid environmental harm, legal issues, consumer backlash, and competitive setbacks.

Mitigation Actions	The Company aligns with Zydus Group's cybersecurity protocols, having recently updated its policy and implementing Information Security Management Systems (ISMS) across the Group. Amidst evolving business landscapes, continuous monitoring and elimination of cybersecurity threats remain a priority. Steps taken encompass robust access control, firewalls, anti-virus measures, and threat warning systems. Policies safeguard business and personal information, dictating employee IT usage, supported by regular training. Additionally, backup, disaster recovery, business continuity plans, web gateways, and collaborative efforts towards ISO 27001 certification with the Zydus IT team fortify data privacy and cybersecurity measures.	The Company exceeds Extended Producer Responsibility (EPR) obligations, recycling 2088.168 MT of post-consumer plastic in FY 2022-23 through partnerships with government-approved waste agencies. Targeting a 1,000-ton packaging reduction over three years from FY 2023-24, initiatives focus on Nycil bottles, Sugarfree powder, Complian cartons, and corrugated boxes. Transitioning to fully recyclable materials by 2027, efforts include replacing multi-material packaging with multi-layer plastic, progressing toward complete recyclability. Exploration of Post-Consumer Recycled (PCR) materials aligns with PWM Act allowances, with trials in Everyuth body lotion packaging, enhancing sustainability across product lines.
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## Code of Conduct: Systems / Procedures

Aspect:	Please provide supporting evidence for the aspect and indicate page numbers:
Responsibilities, accountabilities, and reporting lines are systemically defined in all divisions and group companies	<a href="http://www.zyduswellness.com/investor/code-of-business-conduct-and-ethics-policy.pdf">www.zyduswellness.com/investor/code-of-business-conduct-and-ethics-policy.pdf</a>  <a href="https://www.zyduswellness.com/investor/Zydus%20Business%20Conduct%20Policy.pdf">https://www.zyduswellness.com/investor/Zydus%20Business%20Conduct%20Policy.pdf</a>  Page 1
Dedicated help desks, focal points, ombudsman, hotlines	<a href="https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf">https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf</a>
Compliance linked to employee remuneration	It is essential that employees adhere to the company's code of conduct and ethical standards. Failure to comply with the code of conduct and ethical standards may result in consequences as determined by the company, which may include Forfeiture of variable payouts, disciplinary action, termination of employment (in serious situations) or any such action, which the management deem necessary.
Employee performance appraisal systems integrate compliance/ codes of conduct	Refer Social section of this report at the below link <a href="https://www.zyduswellness.com/investor/1.%20PEAK.pdf">https://www.zyduswellness.com/investor/1.%20PEAK.pdf</a>
Disciplinary actions in case of breach, i.e. warning, dismissal, zero tolerance policy	<a href="https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf">https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf</a>

## Grievance Redressal Mechanism

Stakeholder Group	Grievance Redressal Mechanism in place (Yes/ No)  (If yes, then web-link for grievance redress policy)	FY 2023-24	
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year
Investors (Other than shareholders)	Yes. Investors can connect with us on 079-48040000 / 079-71800000 or send us an email at <a href="mailto:investorcommunication@zyduswellness.com">investorcommunication@zyduswellness.com</a>	Nil	Nil
Shareholders	Yes. For lodgment of any documents or any grievances / complaints, members may contact the Company or Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company at 079-48040000 / 079-71800000 or 079-2646 5179 / 86 / 87 or email at <a href="mailto:investor.grievance@zyduswellness.com">investor.grievance@zyduswellness.com</a> or <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>	16	Nil
Employees and Workers	The company ensures that all the new joiners undergo an induction training for the business code of conduct and to align with the company's ethical standards  Further the Company has established Vigil Mechanism and framed Whistle Blower Policy for Directors and employees, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. Whistle Blower Policy is disclosed on the website at <a href="https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf">https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf</a>	Nil	Nil
Communities	Yes, <a href="https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf">https://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf</a> <a href="https://www.zyduswellness.com/investor/public-policy.pdf">www.zyduswellness.com/investor/public-policy.pdf</a>	Nil	Nil

Customers	The Company has a dedicated customer relationship cell to address customer related grievances. Customers can connect with us at 079-48040000 for feedback & queries or send us a mail at <a href="mailto:customercare@zyduswellness.com">customercare@zyduswellness.com</a> .	1,378	Nil
	* There is Nil consumer complaints on Data Privacy, Advertising, Cyber-security, Delivery of essential services, Restrictive trade practices, Unfair trade practices.		
Value Chain Partners	Yes <a href="http://www.zyduswellness.com/investor/code-of-conduct-for-vendors-feb-2023.pdf">www.zyduswellness.com/investor/code-of-conduct-for-vendors-feb-2023.pdf</a>		

## Reporting on Breaches

Reporting areas	Number of breaches in FY 2023-24
Corruption or Bribery	Nil
Discrimination or Harassment	Nil
Customer Privacy Data	Nil
Cybersecurity Breaches	Nil
Total number of clients, customers and employees affected by the breaches	Nil
Conflicts of Interest	Nil
Money Laundering or Insider trading	Nil

Anti-Bribery and Anti-Corruption Policy	<a href="http://www.zyduswellness.com/investor/Anti-Bribery%20and%20Anti-Corruption%20Policy.pdf">www.zyduswellness.com/investor/Anti-Bribery%20and%20Anti-Corruption%20Policy.pdf</a>
Non-Discrimination and Anti-Harassment policy	<a href="https://www.zyduswellness.com/investor/POSH-Policy-Latest-Rev.pdf">https://www.zyduswellness.com/investor/POSH-Policy-Latest-Rev.pdf</a>

## Contributions and Expenditure

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Lobbying, interest representation or similar	Nil	Nil	Nil	Nil
Local, regional or national political campaigns/ candidates/ organizations	Nil	Nil	Nil	Nil
Trade associations or tax-exempt groups	Nil	Nil	Nil	Nil
Other spending relate to ballot measure or referendums	Nil	Nil	Nil	Nil

## Supplier ESG Program

Environmental and social criteria are integral to the procurement of materials, ensuring alignment with the Supplier Code of Conduct and ESG requirements. These criteria encompass fundamental aspects such as human rights and labor compliance, material quality specifications, and necessary certifications for supplier selection and contract awarding. Key materials like Tetra pack laminates, CBB boxes, mono-cartons, and glass require particular focus on these standards.

Suppliers unable to meet the minimum ESG requirements within a set timeframe are excluded from contracting. Conversely, suppliers demonstrating superior ESG performance are given preference through a weighted emphasis on ESG criteria in the selection and contracting process. Certifications such as the FSSAI license (mandatory for food suppliers), ISO 14001, and Forest Stewardship Council certification and more are key benchmarks.

The Executive Management diligently monitors and reviews the ESG agenda for sourcing on an ongoing basis to ensure compliance and improvement. Additionally, continuous training is provided to buyers and other internal stakeholders to strengthen their understanding of roles and responsibilities in the supplier ESG program, thereby fostering a responsible and sustainable procurement process.

## Supplier Risk Assessment Criteria

We have an ESG Risk Assessment Framework for Supplier Qualification Audit, incorporating an ESG Checklist as an add-on to the standard Quality, Cost, and Delivery (QCD) evaluation. This framework enables a comprehensive assessment of suppliers—covering raw materials, packaging, services, and transportation—based on Environmental, Social, and Governance (ESG) criteria, ensuring alignment with sustainability and ethical sourcing standards. We assess our Raw Material suppliers and third-party company manufacturing facilities are also assessed on 94 checkpoints and Packaging Material suppliers on 183 checkpoints (on QCD parameters). Additionally, with the introduction of ESG risk assessment framework 30 checkpoints have been incorporated. This is followed by the gap assessment and action taken documentation. These criteria have been developed in consultation with the internal audit team and they do take note of assessments and actions taken reports during audits. Some of our supplier ESG Risk Assessment Framework criterias are as below:

- Environmental Management System
- Carbon Emissions Management
- Energy Management
- Water Usage
- Water Discharge
- Waste Management
- Sustainable Sourcing
- Labor Standards
- Training
- Health & Safety
- Ethical Business Practices
- Traceability
- Data Privacy

## Incorporating Risk Criteria in the Product Development or Approval Process:

All our manufacturing and packaging sites has implemented a comprehensive risk assessment procedure covering a range of products.

The responsibility for overseeing this procedure lies with the Food Safety Team, with ultimate accountability resting with the Plant Manager.

The risk assessment process involves steps to identify, categorize, and mitigate hazards, supported by a risk/hazard analysis matrix that classifies risks based on likelihood and consequence. The hazard list for the site encompasses physical, chemical, microbiological, and allergen hazards, which are systematically evaluated to ensure the safety and quality of the products produced.

This procedure is a critical component of ensuring compliance with established quality standards and maintaining the safety of consumers.

## Empowering Local Suppliers:

ZyduS Wellness has always been a supporter of "Made in India" initiatives. Towards this, we prefer domestic markets to fulfill our requirement for the raw materials of our products. In FY 2023-24 we procured more than 90% of our requirement from the domestic market. Our direct sourcing within the district where our plants are located stands at ~60%. This also helps in reduction of our environmental footprint significantly. Currently 12.5% of our raw material and packing materials are sourced from MSMEs and we intend to further increase this share.

## Supplier Engagement:

Our key practices and improvements on supplier engagements include:

- **Annual engagement with suppliers:**
  - » Email communications
  - » Telephonic discussions
  - » Virtual compliance assessments (focused on GST and TDS payments)
  - » Training programs to improve capability
- **Milk supplier support:**
  - » Regular visits to Milk shed facilities
  - » Technical assistance on cost control, delivery procedures and quality management
- **Continuous improvement initiatives:**
  - » Regular training for CFA as per the training calendar
  - » Supplier capacity building programs on ESG related topics such as waste, water and energy management and health & safety.
  - » Supplier quality meetings at the start of each season
  - » Introduction of digital invoicing



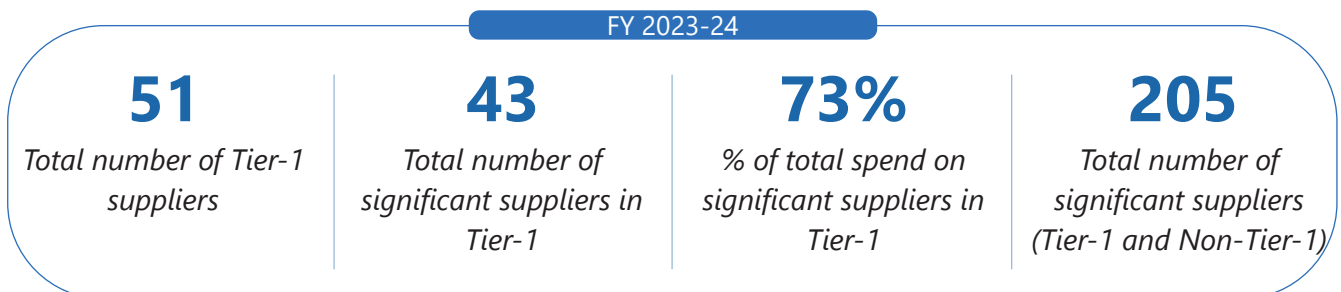
## Supplier Screening

Particulars	Indicators / Measures
Systematic supplier screening process	<p>We methodically evaluate our significant suppliers based on four critical dimensions:</p> <ul style="list-style-type: none"> <li>▪ <b>Environment:</b> We assess their impact on natural resources, energy consumption, waste generation, and carbon emissions. This includes an examination of their environmental policies, sustainability initiatives, and compliance with regulations.</li> <li>▪ <b>Social:</b> We scrutinize labour practices, human rights, diversity, and community engagement. This involves a deep dive into labour standards, employee welfare, and their commitment to social responsibility within the communities they operate.</li> <li>▪ <b>Governance:</b> Our evaluation addresses the integrity, transparency, and accountability of their management. We examine corporate governance structures, board composition, ethical standards, and any history of legal or regulatory violations.</li> <li>▪ <b>Business Relevance:</b> We gauge their technological competence, product quality, and the extent to which their offerings meet our specific needs.</li> </ul>
Aspects for Supplier screening	<ul style="list-style-type: none"> <li>▪ <b>Environmental Impact:</b> Assessing resource utilization, waste management, and adherence to environmental regulations.</li> <li>▪ <b>Social Responsibility:</b> Evaluating Labour standards, diversity, human rights, and community involvement.</li> <li>▪ <b>Governance Integrity:</b> Scrutinizing management's ethics, transparency, and accountability.</li> <li>▪ <b>Business Suitability:</b> Measuring technological capability, product quality, and alignment with our requirements.</li> </ul>
Risks considered in the screening process	<p>Our methodology extends beyond ESG risk assessments to incorporate risks specific to:</p> <ul style="list-style-type: none"> <li>▪ <b>Country-Specific Risk:</b> Evaluating geopolitical stability, legal and regulatory environments, economic indicators, and social stability at the supplier's location, particularly emphasized for imported items.</li> <li>▪ <b>Sector-Specific Risk:</b> Understanding industry-specific challenges and opportunities and assessing the supplier's preparedness to address them.</li> <li>▪ <b>Commodity-Specific Risk:</b> Focusing on the raw materials and resources supplied, considering environmental, social, and ethical aspects tied to these commodities, such as deforestation.</li> </ul>

## Supplier Assessment

Particulars	Indicators / Measures
Supplier assessments (desk or on-site) are carried out using standards and methodologies of a recognized industry or multi-stakeholder initiative.	<p>In FY 2023-24, our ESG team conducted internal audits for 106 suppliers, evaluating them across critical ESG parameters. These assessments covered key themes such as water and waste management, labor standards, health and safety, fair wages, business ethics, data privacy, and carbon emission management, alongside quality and hygiene management, preventive maintenance, transportation efficiency, warehouse operations, and contamination control. The audits also assessed suppliers' risk identification capabilities, compliance with environmental management systems, production facility standards, and training adequacy.</p> <p>To strengthen ESG compliance, our suppliers receive tailored training on our ESG program, ensuring a clear understanding of requirements and processes. They are guided to adopt best practices, improving their sustainability performance. We proactively track corrective actions, working closely with suppliers to implement necessary improvements promptly and effectively, reaffirming our commitment to high standards of quality, safety, efficiency, and ESG excellence within our supply chain.</p>

## KPI for Supplier Screening



## KPI for Supplier Assessment & Development

% Of total significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	5.7%	
Number of suppliers with substantial actual/potential negative impacts that were terminated	2	
<b>Supplier Assessment</b>	<b>FY 2023-24</b>	<b>Target for FY 2023-24</b>
Total number of suppliers assessed via desk assessments/on-site assessments	106	Number of suppliers: 100
% of significant suppliers assessed	51.7%	
Number of suppliers assessed with substantial actual/potential negative impacts	6	

<b>Corrective action plan support</b>	<b>FY 2023-24</b>	<b>Target for FY 2023-24</b>
Total number of suppliers supported in corrective action plan implementation	6	100% of significant suppliers assessed with substantial actual/potential negative impacts.
% Of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100	

<b>Capacity Building Program</b>	<b>FY 2023-24</b>	<b>Target for FY 2023-24</b>
Total number of suppliers in capacity building programs	74	Number of suppliers: 40
% Of significant suppliers in capacity building programs	36%	

## Effective Tax Rate:

Link of detailed document: [: https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf](https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf)

Particulars	FY 2022-23	FY 2023-24	Page number reference of detailed document
Consolidated Earnings before Tax	₹ 29,086 Lakhs	₹ 26,035 Lakhs	Pg no. 183
Reported Tax expenses	₹ (1,951) Lakhs	(680) Lakhs	Pg no. 218
Cumulative acceptable adjustments on account of: <ul style="list-style-type: none"> <li>▪ Effect of Non-taxable income</li> <li>▪ Utilization of previously unrecognized tax losses</li> <li>▪ Effect of differences in tax rate in standalone and consolidated financial statements</li> <li>▪ Effect of other non-deductible expenses</li> <li>▪ Others</li> </ul>	₹ (12,115) Lakhs	₹ (7,230) Lakhs	Pg no. 149 & 218
Effective Tax Rate (in %)	34.94 %	34.94 %	Pg no. 218
Cash Taxes Paid (net of refunds)	130 Lakhs	270 Lakhs	Pg no. 184
Cash Tax Rate to consolidated earnings before tax (in %)	0.44%	0.44%	
Reason	Tax Impact FY 2022	Tax Impact FY 2023	Explanation
Group-wide net operating losses (in FY2022 or FY2023)	Nil	Nil	<a href="https://zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf">https://zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf</a> Pg 202 of annual report 23-24
Non-recurring (one time) operating losses in own operations	Nil	Nil	
Net operating losses from prior periods and/or acquired companies	Nil	Nil	
Timing - net deferred tax assets/liabilities and major issues outside of the two-year period reported (including accounting adjustments for prior reporting periods due to major tax policy changes)	₹14,927 Lakhs	₹15,614 Lakhs	

## Tax Reporting:

### Total Tax contribution

*The entity in scope includes:*

#### Parent Company:

Zydus Wellness Limited [India]

#### Subsidiary Companies:

Zydus Wellness Products Limited [India]

Liva Nutritions Limited [India]

Liva Investment Limited [India]

Zydus Wellness International DMCC [Dubai]

Zydus Wellness (BD) Pvt Limited. [Bangladesh]

### Basis of preparation

The amounts reported below are the amounts paid (by way of cash/tax credits) by the Entities. The tax contribution in Bangladesh jurisdiction has been updated in Bangladeshi taka (BDT).

### Our tax contribution consists of:-

Taxes borne: Respective country's own contribution to taxes that impact their results e.g. Corporate taxes computed as a basis of respective entity's taxable income

Taxes collected: Administered by the respective entities on behalf of government and collected from others e.g. TDS/TCS deducted/collected and paid to government treasury and GST paid.

Sr. No.	Country	Total Taxes borne (A)	Total Taxes Collected (B)	Total Taxes Contributed (A+B)
1.	India	-	₹ 21,473 Lakhs	₹ 21,473 Lakhs
2.	Bangladesh	BDT 7 Lakhs	BDT 15 Lakhs	BDT 22 Lakhs

## For Financial Information:-

(₹ in lakhs)

Sr. No.	Country of Incorporation	Name of the Entity	Turnover & other Income from operations *	Profit /loss Before Taxation*	Provision for Taxation *	Profit/ (loss) after Taxation *
1.	India	Zydus Wellness Limited	2,34,170	4,480	1,110	3,370
2.	India	Zydus Wellness Product limited	22,892	(1,650)	759	(891 )
3.	India	Liva Nutritions Limited	-	(0)	(0)	(0)
4.	India	Liva Investment limited	0	0	-	0
5.	Dubai	Zydus Wellness International DMCC	578	(69)	-	(69)
6.	Bangladesh	Zydus Wellness (BD) pvt limited**	90	(7)	(1)	(8)

\* Converted using average exchange rates prevailing during the year.

\*\* The subsidiary is yet to commence commercial operations.

For further details refer annual at below link:

<https://zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf>

## IT Security/ Cyber Security Governance:

Board Responsibility	Please indicate the Board member's membership in the committee which oversees cyber security strategy
Dr. Sharvil P. Patel, Chairman	Risk Management Committee

## Executive Management Responsibility :

- Mr. Umesh Mittal - Chief Technology Officer (CTO)
- Relevant experience of 20+ years
- Reports to



## Product Recalls:

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Number of product lines for which products were recalled	Nil	Nil	Nil	Nil
Expenses incurred due to recalls issued in the corresponding fiscal year Currency	Nil	Nil	Nil	Nil

# Environment

## Message from Head of Manufacturing:



### Mr. Himanshu Pandey

Vice President, Manufacturing  
Zydus Wellness Limited

In today's fast-evolving business landscape, Sustainability is no longer an option—it's a necessity. The challenge lies in integrating ESG principles into every aspect of operations while ensuring efficiency, maintaining production volumes, and meeting growing consumer demands. At Zydus Wellness, we are committed to achieving this balance by integrating sustainability at the core of our manufacturing strategy.

#### Our Approach to Sustainable Manufacturing:

**Conserving Natural Resources:** In our manufacturing operations, we focus on efficient resource utilization through various initiatives to reduce water and energy consumption, minimize waste, and promote reuse and recycling. By putting robust monitoring systems and optimizing production processes, we have significantly enhanced our operational efficiency. Our water conservation initiatives and waste management programs reflect our unwavering commitment to protect the environment for future generations.

**Empowering People:** We empower our people through skill development programs, leadership training, and providing career growth opportunities to utilize their full potential. The Upskilling programs prepare our team for evolving industry needs, while our multi-skill initiatives help in building flexibility. Additionally, we foster a safe, inclusive, and healthy work environment where every individual feels valued and motivated to contribute to our shared vision.

#### Sustainable Manufacturing Technologies:

Innovation drives our Sustainability efforts. By adopting Automation, Digitization, and Green technologies, we improve efficiency and reduce environmental impact. These sustainable manufacturing practices support our commitment to achieving global sustainability benchmarks while enhancing Operational-Excellence. We have been continuously optimizing our energy, water, and material efficiency to minimize environmental impact. Our factories are adopting renewable energy solutions, advanced wastewater treatment,

zero-waste-to-landfill initiatives, and sustainable packaging innovations to reduce our ecological footprint.

***Increasing Renewable Energy Usage:*** Our commitment to sustainability is reflected through our dedicated efforts to transition to renewable energy sources. We have taken significant steps to reduce our dependency on non-renewable energy across our factories. Our Aligarh unit has signed a 25-year deal to generate 2MW of solar power and our Ahmedabad unit is in process of signing 1MW solar power generation contract. This focused approach is not only helping us in reducing our carbon footprint but also reinforces our dedication to create a more sustainable future.

### **Our Holistic Approach to Sustainable Manufacturing**

The true test of ESG integration lies in ensuring that sustainability does not come at the cost of productivity. At Zydus Wellness, we balance Environmental stewardship, Social responsibility, and Operational Excellence, by leveraging Automation, Lean manufacturing, Circular Economy principles, and Green Logistics. These focused initiatives are resulting in driving efficiency while reducing emissions and waste, at the same time.

Manufacturing will continue its focus on innovation, collaboration, and investment in green practices. By collaborating with Industry leaders, Government bodies, Industry Associations and NGOs, we are scaling our impact to create a future-ready, resilient, and responsible manufacturing ecosystem.

This ESG report reflects our journey, challenges, and the strides we are making towards a sustainable manufacturing future- the one where growth and responsibility go hand in hand.

Thank You!

**Mr. Himanshu Pandey**  
Vice President, Manufacturing  
Zydus Wellness Limited



# Sustainability Reporting Assurance

## Assurance statement on third-party verification of sustainability information

### Introduction

Intertek India Private Limited ("Intertek") was engaged by Zydus Wellness Limited ("ZWL") to provide an independent reasonable assurance on its consolidated BRSR (Business Responsibility & Sustainability Report) core disclosures for FY2023-24 as part of their Annual Report ("the Report"). The scope of the Report comprises the reporting periods of FY2023-24. The Report is prepared by ZWL based on SEBI's (Securities and Exchange Board of India) BRSR guidelines. The assurance was performed in accordance with the requirements of International Federation of Accountants (IFAC) International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

### Objective

The objectives of this reasonable assurance exercise were, by review of objective evidence, to confirm whether any evidence existed that the sustainability related disclosures in alignment with BRSR requirements, as

declared in the Report, were not accurate, complete, consistent, transparent and free of material error or omission in accordance with the criteria outlined below.

### Intended Users

This Assurance Statement is intended to be a part of the Annual Report of Zydus Wellness Limited.

### Responsibilities

The management of ZWL is solely responsible for the development of the Report and its presentation. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Intertek's responsibility, as agreed with the management of ZWL, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other

person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

### Assurance Scope

The assurance has been provided for selected sustainability performance disclosures as per BRSR core disclosures with reference to SEBI's "BRSR Core - Framework for assurance and ESG disclosures for value chain" vide circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, presented by ZWL in its Report. The assurance boundary included data and information of 04 Plants, R&D Centre, other offices, and corporate office.

Our scope of assurance included verification of internal control systems, data and information on core disclosures reported as summarized in the table below:

### BRSR-Core Disclosures

- Total scope 1 and scope 2 emissions.
- GHG emissions intensity (scope 1 and 2).

- Water consumption, water consumption Intensity and water discharge by destination and levels of treatment.
- Total energy consumed, percentage of energy consumed from renewable sources and energy intensity.
- Waste Generation (category wise), Disposal, Recovered, Disposed and Intensity.
- Cost incurred on well-being measures of employees and workers as a percentage of total revenue of the company.
- Safety related incidents for employees and workers (LTIFR + Fatality + Permanent Disabilities) including contractual workforce.
- Gross wages paid to females as percentage of total wages paid.
- Complaints on POSH
- Input material sourced (from MSMEs/ small producers and from within India)
- Enabling inclusive development (Job creation in smaller towns and wages paid)
- Instances involving loss / breach of data of customers and Number of days of accounts payable.
- Concentration of purchases & sales done with dealers and related parties. Also loans and advances & investments with related parties

## Assurance Criteria

Intertek conducted the assurance work in accordance with requirements of 'Reasonable Assurance' procedures as per the following standard:

- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.
- International Standard on Assurance Engagements (ISAE) 3410 for 'Assurance Engagements on Greenhouse Gas Statement

A reasonable assurance engagement involved assessing the risks of material misstatement of the agreed indicators/parameters whether due to fraud or error, responding to the assessed risks as necessary in the circumstances. A materiality threshold level of 5% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

## Limitations

We have relied on the information, documents, records, data, and explanations provided to us by ZWL for the purpose of our review.

The assurance scope excludes:

- Any disclosures beyond those specified in the

Scope section above.

- Data and information falling outside the defined reporting period.
- Data pertaining to the Company's financial performance, strategy, and associated linkages articulated in the Report.
- Assertions made by the Company encompassing expressions of opinion, belief, aspiration, expectation, forward-looking statements, and claims related to Intellectual Property Rights and other competitive issues.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within software/IT systems.

## Methodology

Intertek performed assurance work using risk-based approach to obtain the information, explanations and evidence that was considered necessary to provide a reasonable level of assurance. The assurance was conducted by desk reviews, visit to ZWL's manufacturing site in Ahmedabad and stakeholder interviews with regards to

the reporting and supporting records for the fiscal year 2023-24. Our assurance task was planned and carried out during June-July 2024. The assessment included the following:

- Review of the Report that was prepared in accordance with the SEBI's BRSR guidelines.
- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available at a selected ZWL's operational site and digitally.
- Conducted physical interviews with key personnel responsible for data management at a selected ZWL's site in Ahmedabad.
- Assessment of appropriateness of various assumptions, estimations and thresholds used by ZWL for data analysis.
- Review of BRSR core disclosures for the duration from April 1, 2023, to March 31, 2024 for ZWL was carried out onsite at a selected business location.
- Appropriate documentary evidence was obtained to support our conclusions on the information and data reviewed and details would be provided in a separate management report.

## Conclusions

Intertek reviewed BRSR core disclosures provided by ZWL in its consolidated Business Responsibility and Sustainability Report (BRSR). Based on the procedures performed as above, evidences obtained and the information and explanations given to us along with the representation provided by the management and subject to inherent limitations outlined elsewhere in this report, in our opinion, ZWL's data and information on BRSR core disclosures for the period of April 1, 2023 to March 31, 2024 included in the Report, is, in all material respects, in accordance with the SEBI's BRSR guidelines.

## Intertek's Competence and Independence

Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion. Intertek maintains complete impartiality towards any people interviewed.

## For Intertek India Pvt. Ltd.

Sumit Chowdhury, Verifier  
Sr. Manager-Sustainability  
July 8, 2024

Elizabeth Mielbrecht, Reviewer  
Project Director

Reference:

<https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf>

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## Environment Management System (EMS):

EMS verification	Document / certification link
Environment Policy	<a href="https://www.zyduswellness.com/investor/Environment-Policy.pdf">https://www.zyduswellness.com/investor/Environment-Policy.pdf</a>
ISO 14001 Standard	<p>The Company's manufacturing plants at Ahmedabad, Aligarh and Sikkim (3 plants) covering 100% of our manufacturing plants are accredited for ISO 14001:2015, and FSSC 22000 as applicable, validating process, quality consistency and food safety. GMP certification at Sikkim Plant (since the product portfolio includes cosmetic products)</p> <p>For more details refer compliance section:  <a href="https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf">https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf</a></p> <p><a href="https://www.zyduswellness.com/investor/2.%20ISO%2014001-2015%20Certificate%20-%20Ahmedabad%20plant.pdf">https://www.zyduswellness.com/investor/2.%20ISO%2014001-2015%20Certificate%20-%20Ahmedabad%20plant.pdf</a></p> <p><a href="https://www.zyduswellness.com/investor/ISO-140012015-Certificate-Aligarh-plant.pdf">https://www.zyduswellness.com/investor/ISO-140012015-Certificate-Aligarh-plant.pdf</a></p> <p><a href="http://www.zyduswellness.com/investor/3.%20ISO%2014001-2015%20Certificate%20-%20Sikkim%20plant.pdf">www.zyduswellness.com/investor/3.%20ISO%2014001-2015%20Certificate%20-%20Sikkim%20plant.pdf</a></p> <p><a href="https://www.zyduswellness.com/investor/6.%20FSSC%2022000%20Certificate%20-%20Ahmedabad%20plant.pdf">https://www.zyduswellness.com/investor/6.%20FSSC%2022000%20Certificate%20-%20Ahmedabad%20plant.pdf</a></p> <p><a href="https://www.zyduswellness.com/investor/7.%20FSSC%2022000%20Certificate%20-%20Aligarh%20plant.pdf">https://www.zyduswellness.com/investor/7.%20FSSC%2022000%20Certificate%20-%20Aligarh%20plant.pdf</a></p> <p><a href="https://www.zyduswellness.com/investor/8.%20FSSC%2022000%20Certificate%20-%20Sikkim%20plant.pdf">https://www.zyduswellness.com/investor/8.%20FSSC%2022000%20Certificate%20-%20Sikkim%20plant.pdf</a></p>
Third party certification / audit / verification by specialized companies	We have third-party air and water quality check with test reports at all three sites.
Internal certification / audit / verification	Internal Audit for environmental systems is conducted at all our three locations.

## Energy Management Programs:

The company has implemented comprehensive energy management programs across multiple locations to enhance energy efficiency, reduce energy consumption, and align with sustainability goals. The key components of the program are as follows:

### 1. Energy Audits

Energy audits are conducted at select locations, such as Ahmedabad, to identify opportunities for improving energy performance. These audits help pinpoint energy-saving measures and optimize resource utilization.

### 2. Quantified Targets for Energy Savings

The company has established specific energy-saving targets, including a 3% reduction in electricity and a 4.5% reduction in steam energy consumption at the Aligarh site. Similarly, Ahmedabad and Sikkim track energy consumption area-wise, aligning with production data to monitor savings and implement improvement plans.

### 3. Actions to Reduce Energy Use

Each site has implemented targeted actions to minimize energy usage:

**Aligarh:** Initiatives include reducing leakage, optimizing VAM machine loading for refrigeration, repairing damaged insulation, replacing faulty traps, and installing VFDs.

**Ahmedabad:** Key actions include optimization of product temperature in fat spread lines, resulting in energy savings of 45,900 kWh annually, and transitioning compressors to VFDs, saving 44,000 kWh annually. Replacing air compressors also reduced loading time, saving an additional 66,000 kWh annually.

**Sikkim:** Efforts include installing sensors on BOPP taping machines, interlocking cooling tower fans with temperature controls, and replacing traditional chillers with smaller, more efficient alternatives. These actions collectively save over 190,000 kWh annually, resulting in significant cost savings.

### 4. Progress Evaluation

Energy-saving initiatives are regularly evaluated, resulting in measurable reductions, such as a 4% decrease in electrical energy consumption and an 11% reduction in steam consumption at Aligarh. Ahmedabad and Sikkim use production-based metrics like kWh/ton to monitor and improve energy efficiency.

### 5. Clean or Green Energy Use

The Aligarh site utilizes husk as a renewable energy source, contributing to cleaner energy practices.

### 6. Investments in Innovation and R&D

Significant investments have been made to enhance energy efficiency, including a solar energy project (₹72 lakhs), installation of dumped condensing units for condensate recovery (₹36 lakhs), and insulation upgrades (₹5 lakhs).

### 7. Energy Efficiency Training

All locations integrate energy efficiency awareness into daily management systems, ensuring employees are trained on energy-saving practices. Daily monitoring and tracking mechanisms reinforce these initiatives.

These energy management programs demonstrate the company's commitment to sustainability and continuous improvement in energy performance.

To minimize our direct impact, we have undertaken a number of measures across our manufacturing facilities to reduce energy consumption, which in turn helps offset our carbon footprint. Some energy saving measures adopted at our worksites during the reporting period are given in the table below.

Initiative undertaken	Outcome of the initiative
Installed VFD (variable frequency drive) on one of the 75 KW feed water transfer pumps in Boiler at Aligarh plant	Annual savings of 50,000 kWh
Installed VFD on eight 3.70 KW main motors of Glucon-D manufacturing line at Aligarh plant	Annual savings of 1.54 Lakhs kWh
Rationalization of Air Handling Unit (AHU) by installing split duct able air conditioner & baby chiller to run sachet & axiomatic production hall during extended shifts and winter season, at Sikkim plant	Annual savings of 1.26 Lakhs kWh
Replacement of air compressor of lower capacity to higher capacity at Ahmedabad plant	35.0% reduction of manufacturing batch loading time and contributed in annual savings of 66,000 kWh
Initiated ammonia compressor operation through VFD resulted at Ahmedabad plant	Annual savings of 44,000 kWh
Converted scattered manufacturing activities of Fat Spread product to centralized manufacturing and ensured Fat Spread product line temperature consistency at Ahmedabad plant	Annual savings of ` 2 million (Rupees Two million only) & 1.55 lakhs kWh

## Energy Consumption

Total energy consumption	Unit	FY 2020-21	FY 2021-22*	FY 2022-23*	FY 2023-24*	Target Statement FY2023
Total non-renewable energy consumption	MWh	28,957.02	84,929.41	37,603.69	1,00,111.08	5% reduction from FY 2022-23
Total renewable energy consumption	MWh	1,06,906.33	95,135.09	1,16,544.56	1,04,631.41	5% increase from FY 2022-23

\* Intertek India Pvt. Ltd. has conducted Reasonable Assurance for the reported financial years FY 2023-24 and limited assurance in FY 2022-23.

## Environment Violations

Parameter	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Number of violations of legal obligations/ regulations.	Nil	Nil	Nil	Nil
Number of fines/ penalties related to the above. (In ₹)	Nil	Nil	Nil	Nil
Environmental liability accrued at year end. (In ₹)	Nil	Nil	Nil	Nil

*There have been no violations, significant fines, or penalties (> USD \$10,000) related to environmental or ecological matters in the past four financial years.*

## Scope 1: GHG Emissions:

Parameter	Unit	FY 2020-21	FY 2021-22	FY 2022-23 *	FY 2023-24 **	Target FY 2023-24
Total Direct GHG emissions (Scope 1)	MT CO2e	3,606	11,427	6,650	31,304	Target Reduction 5% (as compared to FY 2022-23).

\* Intertek India Pvt. Ltd., has conducted Reasonable Assurance for the reported financial years FY 2023-24 and limited assurance in FY 2022-23.

\*\* The reporting boundary for this cycle has been revised, resulting in a significant increase in the Scope 1 figures compared to the previous year

For more details, refer page number 80, 111, 119 of link [Zydus Wellness Annual Report 23-24](#)

## Scope 2: GHG Emissions:

Parameter	Unit	FY 2020-21	FY 2021-22	FY 2022-23 *	FY 2023-24 **	Target FY 2023-24
Total indirect GHG emissions (Scope 2)	MT CO2e	9,874	10,124	8,969	8,798	Target Reduction 5% (as compared to FY 2022-23).
Location-based						
Market-based	MT CO2e	9,874	10,124	8,969	8,798	

\* Intertek India Pvt. Ltd. has conducted Reasonable Assurance for the reported financial years FY 2023-24 and limited assurance in FY 2022-23.

**Note:** We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). Energy conversion and emission factors are used as per the UN's Intergovernmental Panel on Climate Change (IPCC) & Government of India's Central Electricity Authority (CEA).

In the absence of contractual instruments, specific electricity supplier's emission rate & residual mix, we have reported market-based emissions equal to our location-based emissions.

For more details, refer page number 80, 111, 119 of link

[Zydus Wellness Annual Report 23-24](#)

## Scope 3: GHG Emissions:

Scope 3 Category	Unit	FY 2023-24	Emission Calculation Methodology
2. Capital Goods	MT CO2e	864.6	Average spend-based method: USEPA EEIO database (USD pegged to 2022 PPP)
5. Waste Generated in Operations	MT CO2e	13.5	Waste Type-Specific Method: DEFRA 2024 Emission Factors Dataset
7. Employee Commuting	MT CO2e	782	Distance-Based Method: DEFRA 2024 Emission Factors Dataset
8. Upstream Leased Assets	MT CO2e	1,441	Asset-Specific Method: CO2 Baseline Database for the Indian Power Sector (CEA) V19.0 December 2023
9. Downstream Transportation & Distribution	MT CO2e	23,420.6	Spend-based method: USEPA EEIO database (USD pegged to 2022 PP)
Total indirect GHG emissions (Scope 3)	MT CO2e	26,521.5	



## Air Emissions (other than GHG emissions):

Parameter	Unit	FY 2022-23 *	FY 2023-24 *
NOx	(mg/nm3)	45.86	72.34
Sox	(mg/nm3)	50.09	112.25
Particulate Matter (PM)	(mg/nm3)	101.85	107.49
Persistent Organic Pollutants (HAP)	N.A.	N.A.	N.A.
Hazardous air pollutants (HAP)	N.A.	N.A.	N.A.
Ozone Depleting Substances (HCFC – 22 or R-22)	Tonnes	0.21	0.2

\* Intertek India Pvt. Ltd. has conducted Reasonable Assurance for the reported financial years FY 2023-24 and limited assurance in FY 2022-23.

## Packaging Commitment:

Sr. No.	Brand/ Product	Packaging material/ Substrate	Amendment in specs	Market	Tentative Month of Implementation	Total savings of material consumption in tons /Annum (AOP 2023)
1	Sugar FREE Powder concentrate 100g	Poly propylene	Bottle weight reduction (22.5g to 20.5g)	India / Export	February, 2022	19.52
2	SF 500T Container	Poly propylene	2 pc to single pc container	India	March, 2022	31.83
3	Sugar lite 500g Pouch	Multi-Layer Plastic (MLP)	Thickness reduction	India	July, 2022	13.94
4	Nycil	Poly propylene	Bottle weight reduction (from 23.5g to 19g)	India	Jan 2024	117 tons
5	Glucon-D jars	Poly propylene	20% reduction	India	-	Did not implement it due to stability results not matching action standards. Technical explorations to continue.
6	Sugarfree powder Concentrate 100g	Poly propylene	Bottle weight reduction from 20g to 15g	India	March 2025	Estimated savings of 42 tons of PP

ZW aims at saving 280 tons of packaging material annually, contributing to its goal of reducing 1,000 tons over the next three years, starting from FY 2023-2024.

Projects are undertaken in Nycil bottles, Sugarfree powder concentrate bottle and cap, Complan Carton & Corrugated box.

1. Use of fully recyclable packaging material: Move from multi material packaging material (category 3) to multi-layer plastic material (category 2) to fully recyclable material by 2027. We are working towards moving on aluminium based plastic laminates to all plastic laminates for Glucon-D sachet.
2. Use of recycled material: Use of PCR material as prescribed in the PWM Act in product categories where it is allowed to be used. Everyuth body lotion is being tested in PCR based containers for use of PCR material.

## Packaging Materials:

Packaging Materials	Total weight (MT)	Recycled and/or certified material	Target FY 2022-23 (% of total weight)
Wood/Paper fiber packaging	6747	3704	More than 50%
Metal (e.g., aluminum or steel)	301	-	-
Glass packaging	34	-*	-

In India, use of recycled glass material in packaging is not allowed for food products. Also, while wood/paper fibre packaging is mostly made out of recycled material as per industry standards, we are in the process of getting accurate numbers/ percentage of the composition of such materials as well as metal packaging.

\* As an industry practice upto 20% recycled glass fillets are mixed in glass while manufacturing glass packaging materials.

## Plastic Packaging:

Parameter	FY 2020-21	FY 2021-22	FY 2022-23	Target for FY 2022-23
Total weight of all plastic packaging (MT)	5,934	5,949	6,117	3,650
% Of recyclable plastic packaging (as a % of the total weight of all plastic packaging)	60%	59%	57%	53%
% Of compostable plastic packaging (as a % of the total weight of all plastic packaging)	0	0	0	0
% Of recycled content within your plastic packaging (as a % of the total weight of all plastic packaging)	-	-	-	-

**Note:** The absence of any % of recycled content in plastic packaging (as a % of the total weight of all plastic packaging) is justified due to the food industry's stringent requirements for high-quality recycled materials. While government clearance now permits the use of recycled material in food products, the challenge remains in ensuring consistent availability and maintaining the necessary quality standards. Therefore, it is prudent to refrain from using recycled content until a dependable supply of high-quality recycled materials is established.

## Waste Management Programs:

The company has implemented robust waste management programs across its operations to minimize waste generation, optimize recycling, and reduce landfill contributions. The key elements of these programs are as follows:

### 1. Waste Audits

Regular waste audits are conducted at all locations (Aligarh, Ahmedabad, and Sikkim) to monitor waste generation and identify recycling opportunities. These audits ensure compliance with norms and optimize waste management processes.

### 2. Action Plans to Reduce Waste Generation

Each site has established specific action plans to reduce waste:

**Aligarh:** Installation of an STP to reduce biomass generation and improve ETP process parameters; periodic monitoring of leakages; authorized recycling of waste; and reuse of ETP-treated water at utilities, saving 600 KL/day.

**Ahmedabad:** Similar measures include installing an STP, monitoring leakages, authorized recycling, and reusing 14 KL/day of ETP/STP-treated water at utilities.

**Sikkim:** Actions include installing a sludge dryer to reduce moisture in sludge, monitoring leakages, authorized recycling, and reusing 16 KL/day of ETP/STP-treated water in cooling towers.

### 3. Quantified Targets for Waste Minimization

All locations track waste generation data area-wise, integrated into daily work management systems to identify savings opportunities and develop improvement plans.

### 4. Investments in Innovation and R&D

Significant investments are planned to enhance waste reduction capabilities. A screw press and dryer will be implemented at Aligarh and Ahmedabad to reduce moisture levels in waste by up to 70%. At Sikkim, a dryer will be installed to reduce moisture levels by up to 60%.

### 5. Waste Reduction Training

Employees and stakeholders across all locations are educated about the importance of waste reduction and their role in achieving set goals, fostering a culture of sustainability.

### 6. Recycling Programs and Landfill Diversion

Recycling programs are integrated into operations, with waste being sent for co-processing and recycling to reduce landfill contributions. This is supported by certifications from independent accredited bodies, as the co-processors are approved by State Pollution Control Boards (SPCB).

These measures demonstrate the company's commitment to sustainable waste management and continuous improvement in minimizing environmental impact.

## Waste Disposal:

Particulars	Unit	FY 2020-21	FY 2021-22 *	FY 2022-23 *	FY 2023-24 *	What was your target for FY 2023-24
Total waste recycled/ reused	MT	940	1,132	836.73	1081.4	Target Reduction 2% against FY 2023-24
Total waste disposed	MT	51	84	96.72	171.16	Target Reduction 2% against FY 23-24
Waste landfilled	MT	-	-	-	-	
Waste incinerated with energy recovery	MT	-	-	-	-	
Waste incinerated without energy recovery	MT	-	-	-	-	-
Waste otherwise disposed, please specify : Co-processing	MT	47.3	81.5	96.72	81.79	-
Waste with unknown disposal method	MT	3.7	2.5	-	89.37	-

\* Intertek India Pvt. Ltd., has conducted Reasonable Assurance for the reported financial years FY 2023-24 and limited assurance in FY 2022-23.

We have an increase in waste disposed as we are disposing our food waste by selling it to co-processors ensuring responsible re-use of waste by other entities while also generating economic returns for the Company.

## Water Efficiency Management Programs:

The company has implemented comprehensive water efficiency management programs across all its operations to optimize water usage, enhance wastewater quality, and promote recycling. The following key elements are part of this program:

### 1. Actions to Reduce Water Consumption

- ▶ **Aligarh:** Initiatives include a 5% reduction in raw water usage by increasing condensate recovery for boiler feedwater, reusing spray dryer condensate water for floor and equipment cleaning, and using ETP-treated water for gardening, toilet flushing, and wetting boiler ash (saving 4-5 KL of groundwater per day).
- ▶ **Ahmedabad:** Measures include fixing leaks, installing aerators in taps, reusing treated water for flushing and washing, and installing water meters with monitoring systems to track usage. Approximately 14 KL/day of ETP/STP RO water is reused in utilities.
- ▶ **Sikkim:** Actions include fixing leaks, installing push-type taps in all washrooms and canteens, and utilizing 18 KL/day of ETP/STP RO water for various utilities.

### 2. Actions to Improve Wastewater Quality

- ▶ **Aligarh:** Overhauling and replacing carbon and sand filters to enhance wastewater treatment.
- ▶ **Ahmedabad:** ETP and STP plants are used to treat wastewater onsite, with monitoring systems to assess effluent quality and a ZLD (Zero Liquid Discharge) system to reuse water within the plant.
- ▶ **Sikkim:** Similar to Ahmedabad, the facility operates ETP and STP plants, installs online monitoring systems for wastewater discharge, and uses a 3-stage RO plant for ZLD to recycle water for utilities.

### 3. Targets for Reducing Water Usage

- ▶ **Aligarh:** A water audit conducted in 2023 led to actionable recommendations to reduce water consumption.
- ▶ **Ahmedabad and Sikkim:** Water usage is tracked daily in KL/MT of production, with targets set for continuous improvement.

### 4. Application of Water Recycling

- ▶ **Aligarh:** Steam condensate water is recycled.
- ▶ **Ahmedabad and Sikkim:** Treated water is recycled for gardening, toilet flushing, washing in plants, cooling towers, hot water generators, and charging hydrant systems.

### 5. Awareness Training for Employees

- ▶ **Aligarh:** Employees are trained on the importance of water conservation.
- ▶ **Ahmedabad and Sikkim:** Activities include celebrating World Water Day (22 March), providing awareness training on water conservation, discussing water usage in daily meetings, and encouraging employees to report water leakages.

These efforts underline the company's commitment to sustainable water management, ensuring efficient usage, improved wastewater treatment, and recycling to minimize its water footprint.

## Total Water Consumption:

Parameter	Unit	FY 2020-21	FY 2021-22 *	FY 2022-23 *	FY 2023-24 *	Target for the FY 2023-24
A. Water withdrawal (excluding saltwater)	Million m <sup>3</sup>	0.486	0.476	0.394	0.416	
B. Water discharge (excluding saltwater)	Million m <sup>3</sup>	0.064	0.060	0.036	0.05	
Total net fresh water consumption (A-B)	Million m <sup>3</sup>	0.422	0.416	0.358	0.366	Target reduction is 5% against FY 2022-23

**Note:** We have set target of 15% reduction in water intensity by FY 2028-29 vs base FY 2021-22.

\* Intertek India Pvt. Ltd. has conducted Reasonable Assurance for the reported financial years FY 2023-24 and limited assurance in FY 2022-23.

## Water Consumption in Water-Stressed Areas:

Water consumption in areas with water stress (e.g. <1700 m <sup>3</sup> / (person*year)	Unit	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	What was your target for the FY 2023
Total net freshwater consumption in water- stressed areas (Total water withdrawals – Total water discharges)	Million m <sup>3</sup>	0.422	0.416	0.358	0.366	Target reduction is 5% against FY 21-22

\* Intertek India Pvt. Ltd. has conducted Reasonable Assurance for the reported financial years FY 2023-24 and limited assurance in FY 2022-23.

## Business Impacts of Water-Related Incidents

Incidents	Currency	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total actual and opportunity costs (e.g. forgone income) from water-related incidents	INR	Nil	Nil	Nil	Nil

## Climate Governance:

Governance Structure	Roles & Responsibilities
Board of Directors	The CSR & ESG Committee, composed entirely of the Board of Directors, is responsible for shaping the strategic vision for ESG (Environmental, Social, and Governance) programs and commitments, which include climate-related issues.
CSR & ESG Committee	<p>Key responsibilities of the CSR &amp; ESG Committee include:</p> <ul style="list-style-type: none"> <li>Overseeing the formulation and implementation of the company's climate strategy.</li> <li>Monitoring and approving public climate-related disclosures in alignment with regulatory requirements and global ESG standards.</li> <li>Assessing climate-related risks and opportunities as part of its broader ESG agenda.</li> <li>Reporting quarterly to the Board of Directors on climate-related topics, including environmental, safety, and financial risks.</li> </ul> <p>The Board of Directors meets quarterly to ensure climate-related issues are reviewed at regular intervals, ensuring accountability and integration into the company's overarching business strategy.</p>
CEO	The CEO is directly responsible for the implementation of the company's Business Responsibility & Sustainability policies, including overseeing climate-related initiatives and ensuring alignment with board-approved strategies.
Steering Committee	<p>Composed of Heads of Departments (HoDs) across key functions, the ESG Steering Committee aligns the company's ESG strategy with its vision and mission as directed by the CSR &amp; ESG Committee.</p> <p>It is responsible for conducting stakeholder engagement, setting ESG KPIs and performance targets, and tracking progress on climate-related goals. The committee reviews internal and external ESG communications and presents recommendations to the board-level CSR &amp; ESG Committee for approval.</p>
ESG Leads	Appointed for each ESG pillar (Environment, Social, and Governance), the ESG Leads monitor climate-related activities, oversee external ratings and certifications, and ensure smooth coordination across internal teams.
ESG Working Council	Led by functional SPOCs (Single Point of Contact), the council executes on-the-ground climate-related programs and initiatives, provides updates to the ESG Steering Committee, and prepares ESG policies and SOPs for review. This governance structure ensures a seamless flow of accountability from on-ground implementation teams to management and ultimately to the board.

## TCFD Disclosure

Sr.no	Question	Answer
<b>1. Governance</b>		
	Describe the board's oversight of climate related risks and opportunities.	The Board of Directors, through the CSR & ESG Committee, oversees climate-related risks and opportunities as part of its broader ESG responsibilities. The committee is directly responsible for approving the climate strategy, monitoring risks and opportunities, and aligning with TCFD recommendations. Details of the committee's oversight are included in ZWL's Climate Transition Strategy.
	Describe management's role in assessing and managing climate-related risks and opportunities.	Climate-related risks and opportunities are managed at the operational level by the ESG Steering Committee, which comprises key departmental heads. This committee ensures alignment of climate initiatives with strategic objectives, tracks performance against climate-related targets, and submits progress reports to the board committee for review. Details of the committee's oversight are included in ZWL's Climate Transition Strategy.
<b>2. Strategy</b>		
	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>Zydus Wellness Ltd. has identified key climate-related risks and opportunities as follows:</p> <p><b>Short-Term Risks:</b> Physical risks like extreme weather events, including floods, cyclones, and rising temperatures, which can disrupt operations and supply chains. Transition risks like regulatory compliance costs, particularly in water-scarce locations identified using WRI tools.</p> <p><b>Medium-Term Risks:</b> Erratic precipitation and droughts impacting raw material availability (e.g., milk, sugar, oils) and production. Higher costs due to the adoption of low-carbon technologies and resource-efficient practices.</p> <p><b>Long-Term Risks:</b> Changing customer preferences and global climate policies necessitating low-GHG products, sustainable sourcing, and a circular economy approach.</p> <p><b>Opportunities:</b> Renewable energy adoption and operational efficiency improvements. Circular packaging systems and sustainable farming practices that improve brand positioning and ensure long-term supply chain stability. As included in ZWL's Climate Transition Strategy.</p>

<p>Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>	<p>Zyduz Wellness Ltd. integrates climate-related risks and opportunities into its strategy and financial planning to ensure resilience and competitiveness:</p> <p><b>Business Impact:</b> Diversifying manufacturing locations to prevent operational disruptions caused by extreme weather events. Enhancing supply chain resilience through long-term partnerships with critical suppliers and robust inventory management.</p> <p><b>Strategic Impact:</b> Proactively adopting renewable energy (targeting 50% by 2030) and energy-efficient technologies. Implementing sustainable sourcing practices for key raw materials like milk and sugar to ensure availability.</p> <p><b>Financial Impact:</b> Allocating a dedicated ESG budget to fund climate-related initiatives like compliance upgrades, renewable energy projects, and resource efficiency technologies. Achieving cost savings through energy and water efficiency improvements across all operations.</p>
<p>Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Zyduz Wellness Ltd. ensures the resilience of its strategy through scenario analysis, including a 2°C or lower scenario:</p> <p><b>2°C Scenario:</b> Aligning with global targets by implementing renewable energy, reducing Scope 1 and 2 emissions, and adopting low-carbon logistics. Complying with stricter regulations and achieving cost savings through energy efficiency initiatives.</p> <p><b>High-Impact Climate Scenarios:</b> Enhancing resilience during floods and landslides with GIS mapping, alternate transportation routes, and diversified sourcing. Mitigating risks of cyclones and water scarcity by investing in cyclone-resistant infrastructure, rainwater harvesting systems, and water-efficient manufacturing practices.</p> <p><b>General Mitigation Strategies:</b> Strengthening business continuity plans through distributed manufacturing and predictive analytics for supply chain management. Scaling up sustainability investments in renewable energy and biodiversity conservation initiatives.</p> <p>Maintaining inventory buffers and third-party manufacturing locations to ensure operational continuity during disruptions.</p> <p>These strategies are included in ZWL's Climate Transition Strategy. for a robust adaptation and mitigation approach.</p>



## 3. Risk Management

	<p>Describe the organization's processes for identifying and assessing climate-related risks.</p>	<p>Zyduz Wellness Ltd. employs a structured approach to identify and assess climate-related risks through the following processes:</p> <p><b>Physical Risk Management:</b> Utilizes climate risk modelling tools to identify high-risk and vulnerable areas across its operations, supply chains, and infrastructure. Plan to conduct detailed risk assessments, evaluating physical risks such as floods, droughts, cyclones, and heatwaves, with a focus on identifying their potential impact on operations, supply chains, and raw material availability. Implements site-specific climate risk assessments, particularly for plants in high-risk zones like Sikkim (prone to landslides and earthquakes) and Aligarh (susceptible to water scarcity).</p> <p><b>Stakeholder Collaboration:</b> Engages with local communities and suppliers to identify shared risks, especially regarding water availability and extreme weather events. Conducts regular discussions with the ESG Steering Committee and Working Council to monitor evolving climate risks.</p> <p><b>Annual Audits:</b> Performs annual climate risk audits at all manufacturing sites to evaluate current vulnerabilities and identify potential improvements. More details included in ZWL's Climate Transition Strategy.</p>
	<p>Describe the organization's processes for managing climate-related risks.</p>	<p>Zyduz Wellness Ltd. manages climate-related risks through a combination of proactive strategies and mitigation measures to ensure resilience across its operations and supply chains. These efforts focus on water stewardship, renewable energy adoption, infrastructure investments, and sustainable supply chain practices.</p> <p><b>Water Stewardship:</b> Implements rainwater harvesting at Aligarh, Ahmedabad, and Sikkim to reduce dependency on freshwater resources. Reuses treated ETP/STP water for landscaping, gardening, and non-potable uses across all sites. Promotes water conservation practices, including reusing steam condensate water at Aligarh.</p> <p><b>Renewable Energy Transition:</b> Investments in 2MW solar power at the Aligarh plant showcase ZWL's commitment to renewable energy adoption. The initiative fulfils over 54.32% of the plant's power needs, contributing to the company's long-term goal of achieving 50% renewable energy usage by 2030.</p> <p>Actively exploring renewable energy procurement opportunities at the Ahmedabad plant to further reduce its carbon footprint and energy intensity.</p>

		<p><b>Sustainable Supply Chain Resilience:</b> Maintains diversified sourcing networks for critical raw materials like sugar, milk, cocoa, and palm oil to ensure availability during extreme weather events. Establishes strategic inventory buffers for high-risk seasons to minimize supply chain disruptions. Builds alternate supplier networks for forest-risk commodities like cocoa powder and palm oil to mitigate risks associated with deforestation and environmental challenges.</p> <p><b>Milk Procurement and Community Development:</b> Collects 4 lakh Liters of milk daily through 36 strategically located milk collection centers in and around Aligarh, directly engaging with 25,000 farmers. Organizes 25 Dairy Development Camps annually to educate farmers on sustainable dairy practices, disease prevention, and animal care, while providing resources like free medicines, mineral mixtures, and deworming treatments. Operates a farmer helpline to address queries related to dairy farming and builds capacity in sustainable dairy practices.</p> <p><b>Infrastructure Investments:</b> Constructs cyclone-resistant facilities and flood protection systems at plants to minimize disruptions caused by extreme weather events. Retrofits earthquake-prone sites, such as the Sikkim plant, with seismic-resistant infrastructure to ensure operational continuity.</p> <p><b>Business Continuity Planning:</b> Develops and regularly updates business continuity plans using predictive analytics to address disruptions from climate-related risks. Includes alternate transportation routes and GIS mapping for enhanced logistics planning.</p> <p><b>Long-Term Sustainability Investments:</b> Scaling up investments in biodiversity conservation initiatives and renewable energy projects.</p> <p>Focuses on reducing environmental risks while driving operational efficiency and community development.</p> <p>More details included in ZWL's Climate Transition Strategy.</p>
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<p>Climate-related risks are seamlessly integrated into Zydus Wellness Ltd.'s enterprise risk management framework to ensure a holistic approach:</p> <p><b>Governance Structure:</b> The ESG Steering Committee, comprising senior management, collaborates with the CSR &amp; ESG Committee at the board level to ensure climate risks are prioritized within the overall risk management strategy.</p>

		<p>Updates on climate risks are shared quarterly with the Risk Management Committee, ensuring alignment with the company's financial and operational risk assessments.</p> <p><b>Integrated Assessments:</b> Climate-related risks are assessed alongside operational, financial, and regulatory risks to provide a comprehensive view of vulnerabilities. The use of IoT-enabled systems for real-time monitoring of energy, water, and emissions integrates climate risk metrics into the broader risk management process.</p> <p><b>Proactive Monitoring:</b> Predictive analytics and GIS mapping are used to monitor high-risk zones and anticipate potential disruptions. Regular scenario analyses, including 2°C scenarios, are conducted to evaluate the resilience of the organization's strategy and identify adaptive measures.</p> <p><b>Performance Metrics and KPIs:</b> Climate-related KPIs, such as water and energy efficiency targets, are tracked under the ESG framework to ensure progress aligns with the company's risk mitigation goals.</p>
<p>4. Metrics &amp; Targets</p>		
	<p>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>ZWL assesses climate-related risks and opportunities through specific KPIs and metrics that align with its energy, water, emissions, and waste management goals. The organization tracks energy consumption (Kwh/MT), water consumption (KL/day), Scope 1, 2, and 3 GHG emissions, and waste reduction targets to ensure alignment with its sustainability strategy. These metrics are regularly monitored and reviewed to measure performance and identify areas for improvement, ensuring continuous alignment with its strategic goals, as included in ZWL's Climate Policy. More details included in ZWL's Climate Transition Policy.</p>
	<p>Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>ZWL publicly discloses Scope 1 and Scope 2 emissions across its operational sites. Additionally, the company is working to expand its disclosure of Scope 3 emissions associated with its supply chain and product lifecycle. Identified risks include regulatory changes, reputational risks, and operational risks tied to climate change. These disclosures provide transparency and help in managing climate-related risks effectively, as included in ZWL's Climate Policy. More details included in ZWL's Climate Transition Policy.</p>

<p>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>ZWL has set both short-term and long-term targets to manage climate-related risks and seize opportunities. Examples include:</p> <p><b>Energy Efficiency:</b> A short-term target of 3-5% energy reduction across sites and a long-term goal of achieving 50% energy savings by 2030 with 50% renewable energy adoption.</p> <p><b>Water Stewardship:</b> Short-term targets include a 5-10% reduction in water usage, and a long-term goal to reduce freshwater consumption by 25% by 2030.</p> <p><b>Emissions:</b> Long-term goals include reducing direct emissions by 50% by 2030 and achieving carbon neutrality by 2040.</p> <p><b>Sustainable Supply Chain:</b> A commitment to ensuring 100% of critical suppliers adhere to ZWL's sustainability standards.</p> <p>These targets are tracked, and performance is evaluated annually to ensure alignment with climate strategies, as included in ZWL's Climate Policy. More details included in ZWL's Climate Transition Policy.</p>
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## Climate Change Risk Management

Zydus Wellness Ltd. integrates climate-related risks & opportunities into its centralized enterprise risk management framework as outlined in the ZWL Risk Management Policy & Procedures. This comprehensive approach encompasses strategic, operational, financial, & compliance domains to ensure resilience & sustainability across all operations. The framework leverages robust monitoring systems, predictive analytics, & stakeholder engagement strategies to proactively address climate-related risks & seize opportunities. Detailed risk identification, mitigation, & monitoring processes are systematically guided by the Risk Management Policy, ensuring informed decision-making at every level of the organization.

The process incorporates detailed assessments, stakeholder collaboration, & regular audits to identify & manage potential impacts on operations, supply chains, & infrastructure.

### Our Risk Categories and Types Include:

#### Physical Risks:

- **Acute:** Short-term risks from extreme weather (floods, cyclones, landslides) impacting operations and supply chains. Mitigated through multi-site manufacturing, emergency response systems, and logistics adaptation.
- **Chronic:** Long-term risks like rising temperatures, water stress, and sea level rise. Managed via water recycling, renewable energy, and diversified sourcing.

#### Transition Risks:

- **Current Regulation:** Compliance with environmental laws (e.g., ZLD, audits) through regulatory alignment and third-party verification.

- Emerging Regulation: Future policy changes (e.g., carbon standards) addressed via proactive adaptation and renewable energy projects.
- Technology Risk: Integration of emerging technologies (e.g., renewable energy, carbon capture) to maintain sustainability.
- Legal Risk: Non-compliance and litigation risks mitigated via robust compliance, third-party audits, and regulatory alignment.
- Market Risk: Shifts in consumer preferences and price volatility tackled through sourcing diversification and sustainable product alignment.
- Reputational Risk: Stakeholder perception risks managed via transparent reporting and adherence to global standards.

#### Value Chain Coverage:

- Own operations
- Upstream (supplier activities)
- Downstream (clients and product impact)

#### Time Horizons:

- Short-term (2-4 years): Cost savings from renewable energy, packaging reduction, and increased sustainable product demand.
- Medium-term (5-7 years): Revenue growth, compliance cost avoidance, and logistics cost efficiency.
- Long-term (8-10 years): Operational resilience via supply chain diversification and disaster-proof infrastructure.

#### Opportunities & Actions Identified:

- Energy Efficiency: Process optimization, HVAC improvements, and solar projects.
- Renewable Energy Transition: Scaling up to 50% renewables by 2030.
- Sustainable Supply Chain: Diversified sourcing for high-risk materials.
- Water Stewardship: Rainwater harvesting and optimized water use.
- Product Innovation: Eco-friendly designs and sustainable formulations.
- Market Differentiation: Aligning with sustainability trends to attract conscious consumers and investors.
- Infrastructure Resilience: Disaster-resistant manufacturing facilities.
- Biodiversity Conservation: Local partnerships for conservation efforts.

This assessment ensures climate resilience across operations, regulatory compliance, and market leadership.

## Climate-Related Management Incentives:

To ensure accountability & align organizational goals with climate-related targets, Zydus Wellness Ltd. integrates climate performance metrics into its incentive structure. Employees across various levels of the organization, from business unit managers to operations staff, are incentivized through individual Key Performance Indicators (KPIs) tied to climate-related goals. These incentives are designed to drive energy efficiency, renewable energy adoption, & operational improvements, fostering a culture of sustainability & continuous improvement.

Beneficiaries of Incentives	Type of Incentive	Description of Incentivized Climate KPIs
Business Unit Managers	Monetary	Energy Reduction Initiatives: Assigned individual KPIs focused on energy reduction. These KPIs influence their variable pay (bonus), with weightages defined by management to reflect performance.
Plant Heads & Named Executives	Monetary	Renewable Energy Adoption: Plant heads have KPIs aimed at increasing renewable energy usage. Their variable pay (bonus) is tied to achieving these targets, with specific weightages set by management.
Production & Operations Employees	Monetary	Operational Efficiency Improvements: KPIs assigned to improve production efficiency & reduce resource use. Achievement of these KPIs is linked to variable pay (bonus), encouraging sustainable operations.

## Financial Risks of Climate Change

S. No.	Question	Answer
<b>We have identified climate change-related risks with potential impact. Here is the financial impact for the most significant risk from each category</b>		
1	Brief description of the most significant risk and methods used to manage this risk:	Extreme heat and water stress impact milk procurement in Aligarh, resulting in production slowdowns. Seasonal changes also affect the availability of cocoa, sugar and palm oil, disrupting supply chains. ZWL mitigates these risks by diversifying sourcing regions, optimizing procurement strategies, and maintaining buffer stocks.
2	Estimated financial implications of the risk before acting:	Approximately ₹18-20 Crores annually, based on raw material cost inflation and production delays. This estimate accounts for cocoa price increases (15%), palm oil variability (12%), and milk shortages impacting Aligarh operations.
3	Average estimated time frame (in number of years) for financial implications of this risk:	5-7 years, based on projected climate patterns and their impact on agricultural supply chains.
4	Estimated costs of these actions:	₹3-5 Crores annually, allocated toward supplier diversification, alternative sourcing strategies, and buffer stock management.

### Risks driven by change in physical climate parameters or other climate-change related developments

1	Brief description of the most significant risk and methods used to manage this risk:	Landslides, earthquakes, and extreme weather events disrupt supply chains and operations, particularly at Sikkim. For example, the October 2023 disaster resulted in 10% lost production and additional losses due to raw material transportation challenges. These risks are compounded by chronic factors like water stress and extreme heat impacting procurement for key raw materials such as cocoa, sugar, and palm oil. ZWL employs proactive measures, including alternate supplier networks, enhanced storage capacities, and climate-resilient infrastructure to minimize such disruptions.
2	Estimated financial implication of the risk before acting:	₹28 Crores
3	Average estimated time frame (in number of years) for financial implications of the risk:	7 years
4	Estimated costs of these actions:	₹4-6 Crores annually, Allocated for: -Strengthening supply chain resilience. -Infrastructure updates in high-risk zones (e.g., Sikkim). -Emergency response and recovery plans.
5	We have conducted an analysis of our climate change risk, but our company is not exposed to climate change risks that have the potential to generate a substantive change in business operations, revenue, or expenditure.	Not Applicable

## Financial Opportunities Arising from Climate Change

Description	In response to climate change impacts, ZWL has identified significant opportunities stemming from the growing demand for seasonal products like Glucon-D and Nycil, driven by extreme heat and temperature fluctuations. Last year, Glucon-D experienced a 1.7X surge in demand, while Nycil's demand grew by 2X during periods of extreme summer temperatures, showcasing strong growth potential for these brands.
Annual financial positive implications of this opportunity	₹55 Crores
Time frame (in number of years) for positive financial implications of this opportunity	10 years
Annual costs associated with developing this opportunity	₹5 Crores annually:  Marketing and Advertising: Around ₹3 Crores allocated towards seasonal campaigns to boost brand visibility and consumer engagement. Supply Chain Flexibility: ₹2 Crore invested in inventory adjustments and distribution strategies to ensure product availability during peak demand periods.

## Climate-Related Scenario Analysis

The company has conducted climate-related scenario analysis by using qualitative climate-related scenario analysis.

ZWL has qualitatively considered pathways aligned with less than 2°C but does not explicitly follow formal scenarios like IEA SDS or RCP 2.6. The analysis evaluates the risks and opportunities under stringent climate policies, including shifts to renewable energy and sustainable procurement strategies.

ZWL's qualitative assessment considers physical risks such as extreme weather events (floods, earthquakes, and heatwaves) affecting operations and supply chains. This aligns with long-term projections under RCP 6.0 and RCP 8.5, focusing on disruptions in raw material sourcing and operational resilience.



## Physical Climate Risk Adaptation

S. No.	Question	Answer
1	<p>Yes, we have a context-specific plan to adapt to physical climate risks in existing and/or new operations. Please provide supporting evidence and indicate if this is available in the public domain.</p> <p>We publicly report on our context-specific plan to adapt to physical risks</p>	<p>Yes. ZWL has implemented context-specific climate adaptation strategies across operations. These include:</p> <ul style="list-style-type: none"> <li>• <b>Flood Risk Adaptation:</b> Infrastructure upgrades in flood-prone regions, such as Sikkim, with elevated storage, drainage systems, and diversified supply chains.</li> <li>• <b>Heat and Water Stress Adaptation:</b> Measures for sustainable water resource management, including rainwater harvesting, waste-water recycling (ETPs), and climate-controlled dairy facilities to address heat stress on milk supply.</li> <li>• <b>Land and Transportation Risks:</b> Emergency response systems and GIS mapping for landslides and supply chain disruptions.</li> </ul> <p>Supporting evidence is currently documented within internal company reports and referenced as part of the Climate Transition Policy.</p>
2	<p>The risk assessment and plan to adapt to physical climate risks cover the following share of our existing operations (Percentage of total revenues):</p>	<p>75–80% of revenue is linked to operations covered by these measures.</p>
3	<p>The plan includes a target to implement relevant adaptation measures within the following timeline for existing operations:</p> <ul style="list-style-type: none"> <li>-Less than 5 years</li> <li>-5 to 10 years</li> <li>-More than 10 years</li> </ul>	<p>5 to 10 years for full deployment across affected sites.</p>
4	<p>The risk assessment and plan to adapt to physical climate risks cover the following share of our new operations (Percentage of new operations):</p>	<p>100%</p>
5	<p>Yes, we have an overall plan to adapt to potential physical climate risks. Please provide supporting evidence and indicate if this is available in the public domain.</p> <p>We publicly report on overall plan to adapt to physical risks</p>	<p>Climate Transition Policy encompasses a company-wide framework for physical risk adaptation. This includes:</p> <ul style="list-style-type: none"> <li>- Diversification of manufacturing and sourcing locations to reduce reliance on single geographies.</li> <li>- Implementation of ESG-aligned practices, such as renewable energy transitions and sustainable raw material sourcing.</li> </ul>

6	The plan includes a target to implement relevant adaptation measures within the following timeline: -Less than 5 years -5 to 10 years -More than 10 years	5 to 10 years
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## Emissions Reduction Targets:

Scope covered by the target	Target Timeframe	Baseline year emissions covered	% Reduction target from base year
Scope 1+2 (In MTCO2e)	Base year: FY 2021-22 Target year: FY 2028-29	Base year emissions: 21,551 % of total base year emissions: 100%	15%

## Low Carbon Products:

Type & Description of product(s)	Level of aggregation	Estimated total avoided emissions per year	Comment
Please specify a relevant example:(Max 1000 chars)	Group of products	61 MTCO2e	Zydus Wellness Ltd. offers products with reduced carbon footprints, including: <ul style="list-style-type: none"> <li>• I'M Lite – 50% less sugar equivalent, reducing manufacturing emissions.</li> <li>• Mayonnaise Lite – Oil content reduced from 45% to 25%, lowering embedded emissions.</li> <li>• Retail Mayonnaise – New variant with oil content reduced from 50% to 35%, further cutting the carbon footprint.</li> <li>• Nycil Jar – Packaging weight reduced from 23.5 gm to 19 gm per bottle, cutting plastic use by approximately 20% by volume.</li> <li>• Glucon D Jar – Achieved a 20% plastic weight reduction per jar, minimizing emissions.</li> </ul>

## Food Loss & Waste Commitment:

The company is deeply committed to minimizing food loss and waste across all aspects of our operations. We recognize the critical role that waste reduction plays in building a sustainable future and pledge to take actionable steps to address this challenge.

### Measuring Food Loss and Waste

- ▶ We are committed to implementing a system for daily measurement of food wastages across all facilities. This includes targeted line-wise yield monitoring and tracking to identify and act on improvement opportunities.

### Reducing Food Loss and Waste

- ▶ Our Daily Work Management practices will continue to serve as a cornerstone for reducing food loss and waste, ensuring continuous identification and implementation of reduction measures at every operational stage.

### Setting and Achieving Group-Wide Targets

- ▶ We are establishing measurable group-wide targets to reduce food loss and waste. These targets are applicable across all facilities, departments, and units, with full implementation done in 2024. This effort will be closely tied to our Key Performance Indicators (KPIs).

### Categorizing and Addressing Food Waste by Lifecycle Stage

- ▶ We will categorize food loss and waste into relevant categories, such as mayonnaise and non-edible oil waste.
- ▶ Efforts will focus on key lifecycle stages, including:
  - Production Stage: Reducing waste during food processing, manufacturing, and packaging.
  - Operational Stages: Monitoring and addressing waste from dispensing, production lines, filling, and packing lines.

### Alternative Uses for Food Loss and Waste

- ▶ We pledge to explore and implement programs for repurposing food loss and waste to alternative uses, reducing environmental impact while maximizing resource utilization.

### Collaborating Across the Value Chain

- ▶ We will strengthen collaboration with upstream and downstream partners through initiatives such as:
  - Implementing FIFO (First-In, First-Out) systems to reduce spoilage and enhancing packaging to minimize damage during transportation.
  - Sharing inventory data to improve demand planning and prevent excess inventory.
  - Introducing innovative solutions like a 900-liter bin in process areas to store semi-finished goods (SFG), eliminating food loss caused by damaged poly bags.

Through these commitments, we aim to create a sustainable, waste-resilient future, ensuring the efficient use of resources and contributing to global sustainability objectives.

## Food Loss & Waste impact

Food loss & waste	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Target for FY 2023
a) Total weight of all food loss & waste	242.60	232.54	276.41	462.5	460
b) Total weight of food loss & waste volumes used for alternative purposes	242.60	232.54	276.41	462.5	460
c) Total discarded (a- b)	0	0	0	0	-
d) Food loss & waste intensity (Food loss & waste/ production of food products)	0.008	0.007	0.005	0.007	0.005
e) Coverage	100%	100%	100%	100%	-

**Note:** Aligarh plant - All food waste has been sent to piggery/cattle feed farm; Ahmedabad plant - All food waste is being sent to soap industry for co-processing; Sikkim plant – All food waste has been sent for co-processing.

The Covid-19 pandemic significantly reduced the intensity of food loss and waste management in FY 2019-20. The disruptions in the food supply chain, changes in consumer behavior, and operational challenges brought about by the pandemic collectively contributed to this decrease.

## Sustainable Agriculture Programs:

At Zydus Wellness, our supply chain network ensures robust milk procurement, collecting 4 lacs litres of milk daily through 36 strategically located milk collection centres in and around Aligarh and neighbouring districts.

We are proud to collaborate directly with 25,000 farmers, fostering long-term relationships based on trust and mutual growth.

Our commitment to quality and safety is upheld through rigorous testing and complete traceability throughout the supply chain.

Our transparent and fair payment system ensures timely and equitable compensation for farmers. Our Milk Procurement Policy focuses on building a fair, inclusive, and sustainable dairy value chain, fostering long-term farmer benefits and responsible sourcing while driving community development.

As part of our community engagement initiatives, we organize 25 Dairy Development Camps annually aimed at enhancing the livelihoods of small and marginal farmers.

The main aim of conducting these camps is to create awareness amongst milk farmers on prevention of diseases in animals, as we truly believe in the adage "Prevention is better than Cure". Through these camps, the milk farmers are provided information on:

- Creating and maintaining a stress-free environment for the animals to thrive
- Role and importance of clean and sufficient water at the right time in the animal's diet
- Infertility treatment for the animals
- Importance of quarterly de-worming of the animals
- Importance of annual vaccination of the animals

The other activities are carried out as below:

- Distribution of free samples of mineral mixture to promote nutrition in milch animals
- Free medicines for deworming of animals to make them healthier, improve their re-productive cycle and increase their productivity
- Farmer help line to attend queries related to dairy farming
- Capacity building in sustainable dairy farming and best practices.

As part of our commitment to sustainable growth and community development, we launched the Doodh-Shakti initiative to strengthen our engagement with local dairy farmers who contribute to our milk procurement network. Through this program, we extend our support in areas such as animal husbandry, nutrition, milk production, and best handling practices, helping farmers enhance their milk yield and, ultimately, their livelihoods.

Doodh Shakti Programs:

<https://www.zyduswellness.com/nutralite.php> ; <https://www.youtube.com/watch?v=Q4sZ9gWm9Uk>



## Biodiversity Risk Assessment

Zyduz Wellness has undertaken comprehensive biodiversity risk assessments across all its manufacturing facilities, including Ahmedabad, Aligarh, and Sikkim. This initiative reflects the company's commitment to environmental stewardship and sustainable operations. By assessing biodiversity dependencies and impacts at each site, Zyduz Wellness aims to mitigate risks, enhance ecosystem services, and align its practices with global and national biodiversity frameworks. These assessments are integral to fostering long-term ecological balance while supporting the company's broader sustainability goals.

Particulars	Description
<b>Q1: Process Description</b>	
Process Steps	The biodiversity risk assessment process steps include: <ol style="list-style-type: none"> <li>1. Baseline Study: Identification and classification of floral and faunal species within core and buffer areas, emphasizing endangered and threatened species</li> <li>2. Impact Assessment: Evaluating the effects on biodiversity from habitat loss, pollution, invasive species, and resource depletion</li> <li>3. Dependency Analysis: Using the Ecosystem Services Review tool to identify critical dependencies on ecosystem services</li> <li>4. Mitigation Strategies: Applying the mitigation hierarchy (Avoidance, Minimization, Restoration, and Biodiversity Offsets) to address identified impacts</li> <li>5. Action Planning: Developing strategies like invasive species management, greenbelt enhancement, and pollinator habitats</li> <li>6. Monitoring and Reporting: Continuous biodiversity monitoring and reporting aligned with global frameworks</li> </ol>
Location-Specific Approach	Stratified sampling of habitats in the core and buffer areas around the manufacturing facility, with habitat-specific assessments
References to Frameworks	TNFD (Taskforce on Nature-Based Financial Disclosures), Ecosystem Services Review Tool by WRI and WBCSD, Shannon-Wiener, and Simpson's Diversity Indices
Integration into Risk Management	Biodiversity management aligns with company-wide ESG frameworks, including Business Responsibility and Sustainability Reporting (BRSR)
Dependency-Related Risks	Freshwater, air quality, and climate regulation are critical dependencies, with high reliance on ecosystem services like pollination
Impact-Related Risks	Risks include the presence of invasive species, habitat disturbance due to noise, and potential water depletion issues
<b>Q2: Scope of Biodiversity Risk Assessment</b>	
Own Operations	Direct impacts assessed for the core facility include invasive species and water use
Adjacent Areas	Buffer zones studied include industrial, agricultural, and scrubland ecosystems, with significant anthropogenic influence
Upstream Activities	Focus on managing external sources of invasive species and water regulation
Downstream Activities	Limited coverage of downstream biodiversity risks, though some references to local ecosystem services are present
<b>Q3: Risks Identified</b>	
Biodiversity-Related Risks Identified	Biodiversity loss is recognized as a significant risk, with mitigation strategies outlined by the company. Key risks identified include noise impacts, water depletion, and invasive species dispersal.

## Biodiversity Exposure & Assessment

Particulars	Number of sites	Area (Hectares)
<p>a) Overall</p> <p>What is the total number and the total area of your own operational sites?</p>	3 (Ahmedabad, Aligarh, Sikkim)	Ahmedabad & Aligarh: 200 hectares Sikkim: 500 hectares
<p>b) Assessment</p> <p>Have you conducted biodiversity impact assessments for your own operational sites?</p>	3 (Ahmedabad, Aligarh, Sikkim)	700
<p>c) Exposure</p> <p>Of the sites assessed, how many sites have a significant biodiversity impact, or are in proximity to critical biodiversity, and what is the total area of these sites?</p>	None of the sites are in close proximity to any critical habitat. The site located in Ahmedabad and Aligarh are surrounded by extensively modified habitats. The Sikkim site is surrounded by forest area, however it is not located near any critical habitat, viz., protected areas, reserve forest, Key Biodiversity areas, National Park, Sanctuary or any other Biosphere reserve.	Nil
<p>d) Management plans</p> <p>Of those sites that have a significant biodiversity impact, or are in proximity to critical biodiversity, how many sites have a biodiversity management plan, and what is the total area of these sites?</p>	No significant impacts on the biodiversity were observed at any of the plant areas. However, a biodiversity management plan has been developed for minor impacts observed at the site. Additionally, strategies have been adopted to increase awareness and enhance the biodiversity in the plant.	Nil

## Biodiversity Mitigating Actions

Question	Response
Yes, the company has mitigating actions to reduce biodiversity impact and dependency	
Avoid	Emissions from operations and reduce vehicular movement to prevent collision with wildlife and fugitive emissions
Reduce	Plantation of invasive species
Regenerate	Current population of invasive species
Restore	Green belt to be restored through removal of invasive species and plantation of native species
Transform	Disposal of debris/solid waste within plant premises

# Social

## Message from Our Head of Human Resources



### Mr. Shantanu Das

Sr. Vice President, Human Resources  
Zydus Wellness Limited

Zydus Wellness is committed to integrating ESG principles into its core operations and decision-making. People are at the heart of Zydus Wellness and our inclusive policies and initiatives aim to foster diversity, equity and inclusion across all levels of the organization. We are committed to increasing women's representation in the workforce, ensuring a more balanced and equitable workplace. Employee well-being is a top priority, with robust health benefits, wellness programs and career development opportunities designed to support personal and professional growth. Through community outreach and social impact programs, we continue to uplift the communities we serve.

Our vision for sustainability is also rooted in creating a positive impact on the planet, empowering our people and upholding the highest standards of governance. Sustainability is a cornerstone of our operations and we actively reduce our environmental footprint through various initiatives. By implementing sustainable

practices, we aim to contribute to a greener future.

We are equally dedicated to upholding the highest standards of transparency, accountability and ethics in every facet of our business. Our robust governance framework includes comprehensive policies on compliance, ethical decision-making and fair practices. Feedback mechanisms, performance recognition and a structured code of conduct ensure that we foster a culture of trust and integrity. At Zydus Wellness, ESG is not just a commitment—it is integral to how we operate, grow and thrive. Together, we are shaping a sustainable and equitable future for all stakeholders.

Yours truly!

**Mr. Shantanu Das**

Sr. Vice President, Human Resources  
Zydus Wellness Limited



## Diversity and Inclusion

At Zydus Wellness, we remain steadfast in our commitment to fostering a culture of diversity and inclusion, recognizing that a diverse workforce is essential for navigating today's complex business challenges. To advance our Diversity and Inclusion ambitions, we have implemented several initiatives and programs within the organization.

As of the fiscal year 2023-24, women hold 12.5% of Board and Leadership positions within the organization. In our Sikkim units, approximately 30% of the workforce aged 25-30 comprises women, while in Ahmedabad, this figure stands at around 20%. Notably, women from Science, Technology, Engineering, and Mathematics (STEM) disciplines form a significant part of our workforce.



Our hiring practices prioritize knowledge and other essential qualities, ensuring a merit-based approach. We also actively promote diversity at the board level, guided by our Board Diversity Policy, which mandates that at least one member of the Board is a Woman Director.

These efforts underscore our dedication to creating an inclusive environment where diverse talents can thrive and contribute to our collective success.

The company has adopted Diversity and Inclusion Policy which is available on the website of the Company at [www.zyduswellness.com/investor/Diversity%20and%20Inclusion%20Policy.pdf](http://www.zyduswellness.com/investor/Diversity%20and%20Inclusion%20Policy.pdf).

### Women driven plant at Sikkim

Sikkim has experienced a remarkable transition from an agro-based economy to an industrial one in recent years. This transformation has naturally facilitated greater participation of women in the formal workforce. Both our plants (Unit I and Unit II) have been part of this evolution. Currently, approximately 30% of the workforce in the 25-30 age group at these plants are women, contributing across all plant functions, including core operations.

To support this shift and further encourage the integration of women into the workforce, we have undertaken several initiatives, including:

- Transport facilities to ensure safe and convenient commutes.
- Flexible shift hours designed to accommodate the specific needs of women employees.
- CCTV surveillance across the premises to enhance safety and security.
- Awareness sessions on provisions under the Prevention of Sexual Harassment (PoSH) at Workplace Act and related company policies.

Refer link for testimonials: <https://www.zyduswellness.com/diversity-inclusion.php>

We present testimonials from some of the women employees as under:

## Ruchira RN Ghormare

(Lead- Performance, System & Analytics, HR)

Stepping into Zydus Wellness as Lead – Performance & Analytics was a moment filled with excitement and determination. From day one, the fast-paced environment and ambitious colleagues energized me, while the dynamic nature of the organization promised both challenges and opportunities for growth.

My journey began with mid-year performance evaluations—an experience that pushed me to collaborate, learn, and adapt swiftly. Navigating stakeholder expectations and transforming them into actionable insights became my key focus, strengthening my resilience and problem-solving approach.

A defining milestone came when my role expanded, bringing new projects and greater responsibilities. Leading the HRMS upgrade was a breakthrough—challenging yet immensely rewarding. It allowed me to drive meaningful impact, optimize processes, and deliver solutions that mattered.

Beyond projects, it's the people who have made this journey truly special. Working with diverse teams has enriched my perspective, fostering innovation, collaboration, and lasting connections. Every challenge has been an opportunity, and every milestone, a stepping stone to growth.

Today, as I reflect on this journey, I stand stronger, sharper, and more inspired than ever—ready to take on new challenges and contribute to even greater success!

We acknowledge the fact that diversity goes much beyond just the male-female ratio at work and are working on a strategic roadmap towards its encouragement. We are committed to being an employer who treats every aspirant and employee equally and provide equal opportunity to be associated with the Zydus Wellness' journey. Also, we aim to create an environment where employees can show empathy for their colleagues and treat each other with respect and civility and recruit based on their skills and industry experience etc. and irrespective of other factors viz. race, gender, caste, etc.



## Workforce Breakdown: Gender

Diversity indicator	Percentage share
Share of women in total workforce	5%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	6%
Share of women in junior management positions, i.e., first level of management (as % of total junior management positions)	3%
Share of women in top management positions, i.e., maximum two levels away from the CEO or comparable positions (as % of total top management positions)	5.6%
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	2%
Share of women in STEM-related positions (as % of total STEM positions)	4%

## Workforce Breakdown: Nationality

Breakdown	Share in total workforce as % of total workforce including: MS-Management Staff NMS-Non-Management Staff	Share in all management positions (junior, middle, senior) (as % of total management workforce)
India	99.0%	98.7%
Dubai	0.5%	0.6%
Bangladesh	0.5%	0.6%

\* This is global workforce data, coverage of the data reported on 100% of FTEs.

## Gender Pay Indicators

Pay parity refers to the principle of ensuring equal compensation for individuals performing similar roles or jobs, regardless of factors such as gender, race, or other forms of demographic differentiation. It aims to eliminate wage disparities and create an equitable work environment where employees are paid fairly based on their qualifications, responsibilities, and performance, rather than their personal characteristics or backgrounds. Pay parity promotes diversity, inclusion and fairness in the workplace. The Company supports equal gender pay and ensures that employees are paid equally based on their experience, qualification etc.

(₹ in Lakhs - per annum)

Employee Level	Average Women Salary	Average men salary
Executive level (base salary only)	-	132.8
Executive level (base salary + other cash incentives)	-	164.9
Management level (base salary only)	20.56	17.65
Management level (base salary + other cash incentives)	22.99	20.28
Non-management level (base salary only)	2.5	2.44

**Note:** We ensure equitable compensation by considering factors such as location, skills, and other aspects of diversity in a fair and unbiased manner.

## Freedom of Association

Indicator	%
% of employees represented by an independent trade union or covered by collective bargaining agreements:	87.2% (of Blue Collared Workforce)

## Living Wage Commitment & Methodology

At Zydus Wellness, we are steadfast in our commitment to ensuring fair compensation for our associates, as articulated in the Company's Human Rights Policy. **We have an ongoing commitment in ensuring our associates compensation is line with on ground living requirements.** Company's people practices are aligned to ensure that this gets implemented on regular basis.

Living wage methodology involves calculating the decent standard of living for an employee & its family, this includes cost of food, housing, education, healthcare, clothing and other essential needs. To ensure we give our employees fair compensation in line with the living wage, we have system of DA (Dearness Allowance) in line with the Consumer Price Index (CPI) as defined by Govt., HRA for Housing and Uniform Allowances for Clothing. The CPI number published is considered for Dearness Allowance. The approach of the calculation is finalised after taking due concurrence from stakeholders & is the part of Long-Term Settlement document. Company provides Overtime in the applicable cases.

For Contractual Workmen: Every State Govt revises the VDA (Variable Dearness Allowance) component of salary twice a year (April & October) for the Contractual Workmen. Zydus Wellness follow the same, as revised by Govt. with the effective date mentioned in the notifications.

## Coverage of Living Wage Assessment

S.No.	Groups	What percentage of your operations does the living wage assessment cover?
1	Own operations/ Employees	>75%
2	Suppliers	> 75% Company as a Principal Employer signs an agreement with Suppliers that they will have to abide by the responsibility to manage their resources as per law of land. A detailed Supplier Code of Conduct is signed to ensure the enforcement.
3	Contractors	> 75% Company as a Principal Employer signs an agreement with Contractors that they will have to abide by the responsibility to manage their workforce as per law of land and Zydus Wellness policies.
4	Franchisees	> 75% Company gets into a duly signed agreement with the franchisees are that they will have to abide by the responsibility to manage their workforce as per law of land and Zydus Wellness policies.

## Human Rights Due Diligence

Indicator	Details
Human rights due diligence process	<p>At Zydus, we continuously strive to establish safe work environments, prevent child labour, forced labour and discrimination, and ensure eligibility of freedom of association and collective bargaining agreements. Our ultimate objective is to cultivate a socially inclusive world where each entity, from small farmers who aid in sourcing our ingredients to our distributors and all other associates, are valued. Hence, underpinning our business and societal operations, respect for human rights remains paramount. In a world rattled by geopolitical instability, a cost-of-living crisis, global supply challenges, and pressing concerns over climate change and social inequity, the urgency to collaborate and collectively strive for universal human rights respect is more significant than ever.</p> <p>We comprehend the immense need to maintain ethical and human rights standards across our entire value chain, and in doing so, we respect the human rights of all involved parties. Our Human Rights Policy and due diligence best practices are applicable to all Zydus Wellness employees, trainees, part-time and contractual workforce across all our business units, wholly owned entities, and majority-owned entities. We also require our value chain partners to adhere to these same principles. As part of our commitment to human rights protection, we have instigated a stringent due diligence process and a constant monitoring system incorporated into our operations through a periodic risk assessment process covering our own operations, our value chain as well as at the time of any new business relations. This includes a robust grievance redressal channel, the Human Rights Policy, Whistle-blower policy, the Prevention of Sexual Harassment (POSH) policy and our Supplier Code of Conduct. We strongly encourage stakeholders to voice any human rights related concerns or complaints, which we commit to promptly and appropriately addressing. We firmly believe that businesses can only flourish in societies where human rights are protected and respected, and we understand that businesses bear the responsibility to respect human rights and have the power to cultivate positive human rights influences.</p>
Review of risk mapping	We do a systematic periodic review of risk mapping of potential issues
Coverage of risk identification	<p>Our process covers the following:</p> <ul style="list-style-type: none"> <li>• Risk identification in our own operations</li> <li>• Risk identification in our value chain or other activities related to our business</li> <li>• Risk identification in new business relations (mergers, acquisitions, joint ventures, etc.)</li> </ul>
Actual or potential human rights issues covered/ identified:	<ul style="list-style-type: none"> <li>• Forced labor</li> <li>• Human trafficking</li> <li>• Child labor</li> <li>• Freedom of association</li> <li>• Right to collective bargaining</li> <li>• Equal remuneration</li> <li>• Discrimination</li> </ul>

Groups at risk of human rights issues covered/ identified:	<ul style="list-style-type: none"> <li>• Own employees</li> <li>• Women</li> <li>• Children</li> <li>• Indigenous people</li> <li>• Migrant workers</li> <li>• Third-party employees</li> <li>• Local communities</li> </ul>
Reference policies	<a href="http://www.zyduwellness.com/investor/Human%20Rights%20Policy.pdf">www.zyduwellness.com/investor/Human%20Rights%20Policy.pdf</a> <a href="https://www.zyduwellness.com/investor/Risk%20Management%20Policy.pdf">https://www.zyduwellness.com/investor/Risk%20Management%20Policy.pdf</a> <a href="http://www.zyduwellness.com/investor/code-of-conduct-for-vendors-feb-2023.pdf">www.zyduwellness.com/investor/code-of-conduct-for-vendors-feb-2023.pdf</a> <a href="https://www.zyduwellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf">https://www.zyduwellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf</a> <a href="https://www.zyduwellness.com/investor/POSH-Policy-Latest-Rev.pdf">https://www.zyduwellness.com/investor/POSH-Policy-Latest-Rev.pdf</a>

## Human Rights Mitigation & Remediation

S.No.	Question	Response
1	Processes implemented to mitigate human rights risks	<p>The Company is committed to providing fair opportunity at all levels, safe &amp; healthy workplaces and protecting human health and environment.</p> <p>The company strives to provide a non-discrimination and harassment-free workplaces for all its employees and contractual staffs. The Factory Act 1948, provides the overarching framework for the company policy on Human Rights for the employees working in the Company's factory.</p>
	The number of sites with mitigation plans	<p>All Sites.</p> <p>This Human Right Mitigation Plans are available at all sites. This is part of Human Rights Policies and applicable to all employees and workers (permanent and other than permanent), including trainees of ZWL and its subsidiaries. The policy is also extended to our business partners and suppliers.</p>
	The type of remediation actions taken	<p>Based on the fundamentals of 'Zero Tolerance Policy' for any Human rights violations, Zydus Wellness has defined a comprehensive Human Rights Policy. Some of the systems and processes defined to address Human Rights concerns/Violations is as follows:</p> <ol style="list-style-type: none"> <li><b>1. Whistleblower Policy:</b> Zydus Wellness has a robust mechanism for addressing concerns related to human rights violations through its comprehensive Whistleblower Policy. Employees and stakeholders are encouraged to report unethical practices or rights violations confidentially, ensuring their protection against retaliation. This policy reinforces the company's commitment to transparency and ethical conduct.</li> <li><b>2. POSH Compliance:</b> Zydus Wellness is committed to creating a safe and inclusive work environment. Through compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the company has implemented a robust POSH Policy.</li> </ol>

		<p>Internal Complaints Committees (ICC) have been established across all workplaces to address and resolve grievances promptly, ensuring dignity and respect for all employees.</p> <p><b>3. Product Quality and Safety:</b> As a responsible FMCG organization, Zydus Wellness prioritizes the rights, dignity, and safety of its consumers. A dedicated corporate-level Consumer Grievance Management team ensures that any feedback, concerns, or complaints related to product quality and safety are addressed swiftly. Contact details, including email and toll-free numbers, are made accessible on every product pack for seamless communication with customers.</p> <p><b>4. Environment, Health, and Safety (EHS):</b> Zydus Wellness emphasizes the safety, health, and well-being of its employees through a stringent EHS Policy. The company provides a safe workplace, complies with all legal requirements, and remediates risks proactively. Employees are encouraged to report unsafe conditions to management, fostering a culture of safety. Regular training programs and awareness initiatives ensure compliance with workplace safety standards and minimize risks to health and the environment.</p> <p><b>5. Stakeholder Engagement:</b> Zydus Wellness actively engages with individuals, communities, and their representatives to address their concerns and expectations. Through transparent and participatory dialogues, the company ensures stakeholders are heard and included in the decision-making process, reinforcing trust and accountability.</p> <p><b>6. Grievance and Redressal Mechanism:</b> Employees are encouraged to voice their concerns regarding policies or workplace issues through multiple channels, including their immediate supervisor, Head of Department, or the Human Resource Department. The company is committed to maintaining high standards of health protection, safety, environmental stewardship, and product quality, ensuring that any grievances are resolved effectively and respectfully.</p> <p>These systems demonstrate Zydus Wellness's unwavering commitment to upholding human rights across all aspects of its operations.</p>
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## Employee Development Programs

Training and development programs for employees are important for enhancing their skills, knowledge, and capabilities, which ultimately benefits both the employees and the organization. The Company conducts various leadership and management development programmes for employees of different levels as per following table:

Indicator	Program 1	Program 2
Name and description	LMI - Effective Personal Productivity	Leading at the 'Speed of Trust'
Description of program objective/ business benefits	Increased productivity, enhanced performance, and improved employee engagement are outcomes of this program	Accelerates decision-making and enhances collaboration by fostering a high-trust culture. It boosts employee engagement, drives innovation, and strengthens customer relationships, leading to improved efficiency and resilience
Quantitative impact of business benefits (monetary or non-monetary)	20% time saved. The team is able to use this saved time in high pay-off activities.	Trust Index has increased by 16% in last 2 years by GPTW Survey.
% of FTEs participating in the program	1.30%	2.04%

## A Systematic Performance Measurement System

We understand that to utilize an employee to its best and at the same time, provide the employee with adequate growth opportunities, it is crucial to first assess the employee's capabilities. A part of this is directly related to the displayed performance.

The performance management system at Zydus Wellness has been developed around the philosophy of "Building a culture of performance that fosters meritocracy, collaboration & excellence in execution, giving the organization a competitive edge". This is translated to practice by both a process and a platform we termed as "PEAK - Performance Evaluation and Key Results". PEAK derives its assessment and goal setting agenda from the overarching organization strategy and focus areas for the year under consideration. At an employee level, individual KRAs exist, which finally lead to results-oriented increments, promotions and variable pay.

PEAK is complemented by the Zydus NEEV competency framework. The framework allocates 6 competencies across all levels of employees for assessment.





The systems described above help the Human Resource team to build employee specific Learning and Development (L&D) curriculum. This is in addition to the sessions that are mandated for all employees of Zydus Wellness. As the on-ground sales force consists of a significant part of our workforce and indeed a very crucial one, we have developed structured, video-based programs for the sales force. These programs are mandatory and lays importance on soft skills. We conduct unit specific technical trainings for our manufacturing staff, in alignment with their roles and responsibilities.

### Training and Development Inputs:

<b>43,752</b>	<b>12,121</b>	<b>31,631</b>	<b>46 hrs</b>	<b>₹ 6,734</b>
Total Training hours in 2024	Non-Sales Learning hours	Sales Learning hours	Average hours per FTE of training and development	Average amount spent per FTE on training and development

### Training and Development Inputs:

- Food Safety Awareness
- GD-Ceka Assembling
- Cleaning
- Ceka Machine Operations & Trouble shooting
- Introduction & Utilization of 07 QC-Tools
- Effective Personal Productivity
- Goals Achievement through time management
- Improving productivity through communication & controlling priorities
- Training on Electrical & Fire Safety
- Training Welding, Grinding, Cutting and Bending Work.
- Safety induction
- Training 5S Training
- Incident Management
- FOSTAC
- Zydus Neev Competencies

## Attracting and Retaining the Right Talent:

At Zydus Wellness, we believe that the strength of our organization lies in the talent we attract and nurture. Our approach to recruitment is not just about filling positions but about identifying individuals who align with our values, culture, and business needs. Our structured four-step recruitment process ensures we attract top talent, assess them rigorously, integrate them seamlessly, and invest in their continuous development.

This year, our hiring efforts resulted in the successful onboarding of 269 permanent employees across various functions.

Additionally, we continue to build our future talent pipeline through COMPASS, our structured hiring program for summer interns and management trainees. Under COMPASS, we provided internship opportunities to 5 students from top tier colleges, allowing them to gain hands-on experience and exposure to real business challenges. We also hired 4 management trainees, three in sales and one in HR, who underwent a structured one-year journey. Through multiple stints in different business functions, they are gaining a holistic understanding of our operations and preparing for key leadership roles in the future.

A key initiative in strengthening our frontline sales team is Project Gurukul, a structured program designed to create a pipeline of skilled sales professionals. Under this initiative, sales trainees spend the first two months shadowing experienced sales officers in roles such as Pilot Sales Man (PSM), Distributor Sales Representative (DSR), or Territory Sales In-Charge (TSI), gaining valuable insights through observation. Post this initial phase, they transition into independent roles, handling day-to-day sales tasks and applying their learnings in real-world scenarios. After six months of rigorous training and performance evaluation, successful trainees are promoted to the TSI role, where they take on the responsibility of managing a sales territory. This year, we onboarded 16 Gurukul trainees, who are now transitioning into the TSI role, strengthening our sales force and ensuring we have a steady supply of skilled professionals to drive our growth.

Attracting and retaining the right talent remains a strategic priority for us. To enhance our employer brand, we actively engage with campuses through LeaderScape, where our leaders share insights and interact with students. We also monitor and act on feedback shared on platforms like Ambition Box and Glassdoor, ensuring we continuously improve employee experience. Additionally, we keep our employees informed and engaged through ZW Chronicles, our internal communication platform. By implementing structured hiring processes, investing in development programs, and providing clear career progression paths, we continue to build a workforce that is engaged, motivated, and equipped to contribute to our organization's long-term success.

### The Human Resource Policy includes provisions for:

Paternity Leave, Health and Wellness, Exit mechanism, Referral procedure, Whistle Blower mechanism, Holiday and Leave, Housing assistance, Relocation assistance, New Joinee Support, Prevention of Sexual Harassment of Women at Workplace, Travel norms, Variable pay, Rewards and Recognition

Key benefits extended to our employees are:

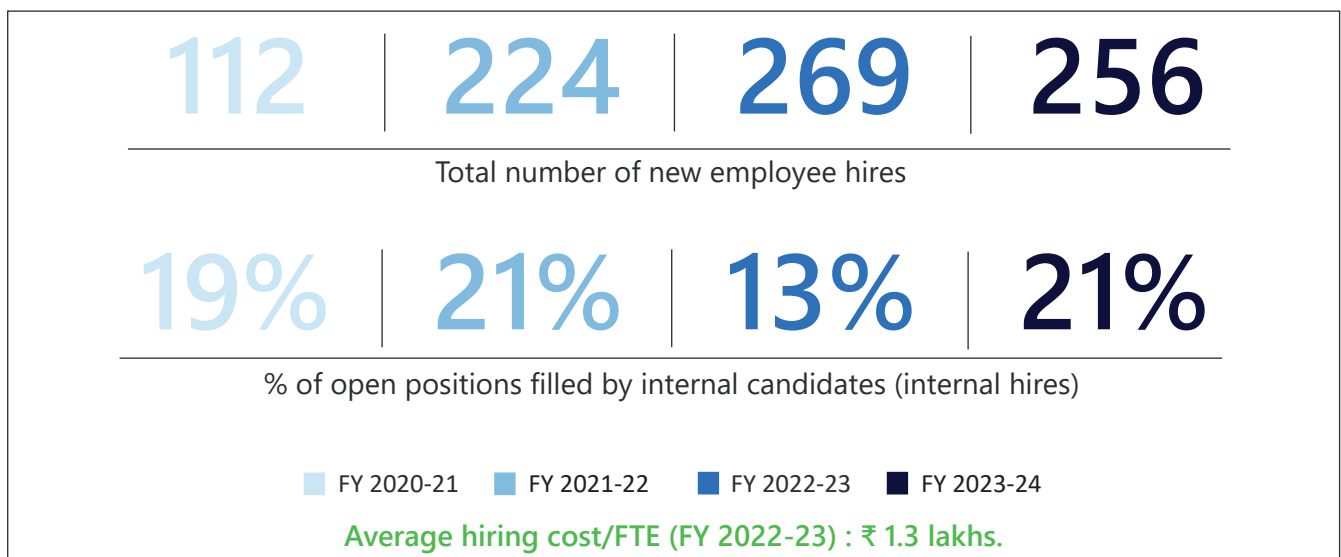
- Support for children's education
- Interest free advance to cover security deposit of employees opting for rental accommodation, in Mumbai and Delhi
- Retirement benefits and tenure extension in selected cases
- Health and accidental insurance
- Maternity and Paternity benefits
- Parental insurance
- Breast-feeding/lactation facilities or benefits
- Flexible working options
- Functional day care facilities at corporate office at Ahmedabad
- Free eye check-up camp
- Free Body check-up camp

## Human Capital Return on Investment:

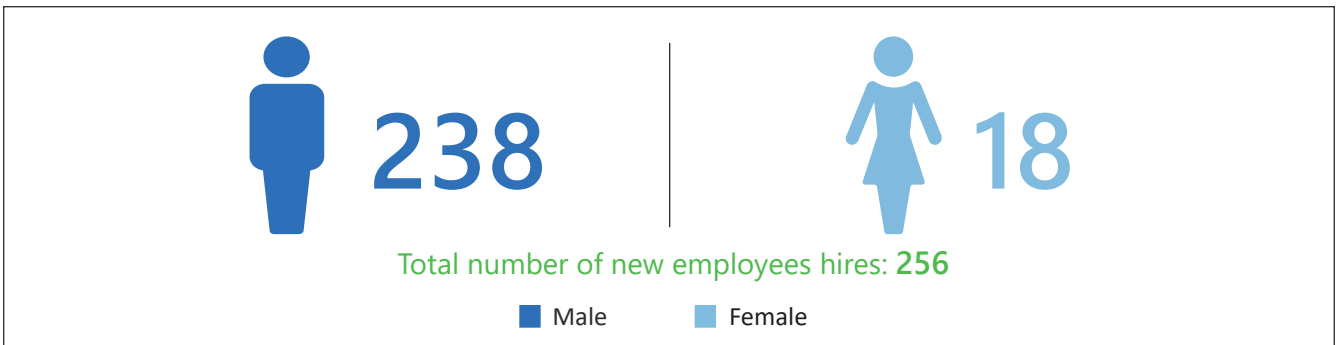
Indicator	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
a) Total Revenue Currency: ₹ Crore	1,866.67	2,009.10	2,254.79	2,315.20
b) Total Operating Expenses Currency: ₹ Crore	1,522.31	1,664.35	1,917.64	2,019.70
c) Total permanent employee-related expenses (salaries + benefits) Currency: ₹ Crore	163.83	163.56	167.30	193.40
Resulting HC ROI (a- (b-c)) / c	3.10	3.11	3.02	2.53
Total permanent Employees	695	700	784	980

## Hiring:

The Company believes that "Right person in the Right Role" are core to business operations' success and growth of business. The process of selecting and onboarding new employees is not just about filling a vacant position; it's about shaping the future of the Company. Correct employee hiring plays a pivotal role in achieving organizational goals and maintaining a healthy work environment.



### Breakdown by gender (FY 2023-24)



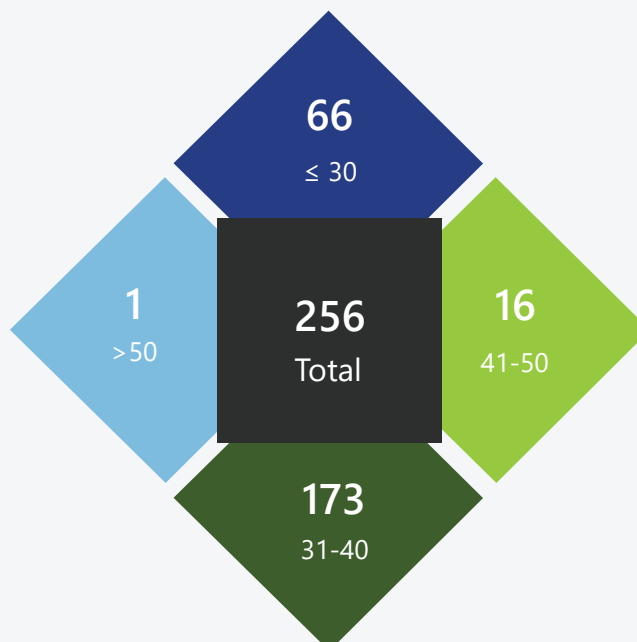
### Breakdown by Management level

FY 2023-24

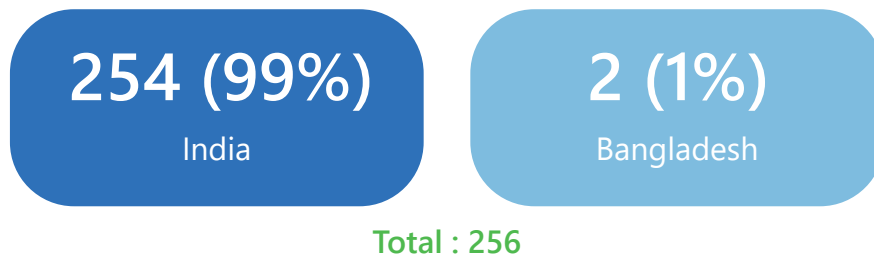


### Breakdown by Age

FY 2023-24



## Breakdown by Nationality



## Succession Planning

At Zydus Wellness, succession planning is a proactive and structured process designed to build a strong leadership pipeline and ensure business continuity. It begins with managers evaluating team members' performance and potential through a 9-box talent grid, enabling precise talent mapping and identification of critical roles. These inputs are then presented to the skip level manager for further discussion. In the final calibration round, a Talent Council consisting of the Skip level manager and the CEO approves the 9-box grid.

Critical roles are determined based on their direct impact on business outcomes, financial implications, niche expertise and the availability of talent in the external market. Additionally, evolving role dimensions such as required expertise, problem-solving complexity and accountability are also assessed to ensure long-term leadership readiness.

Successors are categorized into three readiness levels: Ready Now, Ready in 1-3 Years, Ready in 3+ Years. For each critical role, a structured succession strategy is implemented, which includes:

1. Continuity Planning – Retaining the current talent if optimal
2. Internal Talent Development – Preparing identified successors through customized growth programs, leadership development and cross-functional exposure
3. Proactive External Talent Identification – Ensuring a seamless leadership pipeline where internal readiness is limited

In CY24 we had planned successors to 27% of the eligible population. We plan to broaden the coverage in the coming year. To future-proof transitions, the succession plan integrates contingency measures, such as interim successors and backup successors, mitigating risks from unforeseen vacancies. The plan is continuously monitored and refined to address gaps, enhance successor preparedness and align with business evolution.

This dynamic approach ensures Zydus Wellness remains future-ready, with a robust talent pipeline equipped to drive sustained growth and innovation.

## Creating Leaders at all Levels

While leadership development and training programs go a long way to help employees achieve their career goals, they also help businesses achieve their strategic objectives and acquire a competitive advantage. We design such programs and help create new leaders with the goal of long-term value creation at Zydus Wellness. Enhancing managerial and behavioral capabilities is a common theme for these programs. Our key programs include:

**Acquire, Develop, Anticipate, Prepare & Transform (ADAPT):** A 9-month development intervention for senior leaders (General Manager and above) in partnership with Indian Institute of Management, Ahmedabad. While Organization Development remains the core of the program, the attendees are exposed to topics on: Digital transformation, Data management and analytics, Leadership and people management, Building resilience, Strategic thinking, Operations management and Business financial acumen.

**Learn, Explore, Aspire & Perform (LEAP):** Training program specifically developed for new managers. This is run across the Zydus group and helps the managers in obtaining role clarity, inculcate a sense of ownership and commitment, embed customer centricity in all actions, team management and effective communications among others.

**WINGS:** Specifically designed for senior women leaders across the Zydus Group. The program adopts an experiential approach to resolve immediate and significant interpersonal challenges. Reflective exercises form an integral part of it.

## Type of Performance Appraisal:

Type of Performance Appraisal	Description
Management by objectives	Zydus Wellness uses Balanced Scorecard approach that uses Financial and Non-Financial measures to provide a well-rounded perspective on past performances as well as an indication of future performance. BSC is a comprehensive framework that focuses on linking quantifiable objectives across the four critical aspects- Financial aspects, People (Learning & Development), Process and Customers. It is preferred over MBO in Zydus Wellness as it has got broader scope integrating Organizational goals & strategy.
Multidimensional performance appraisal (e.g. 360-degree feedback)	Zydus Wellness has got various structured processes of 360-degree performance appraisal involving different External Agencies for different levels of management.  1) <b>HOGAN 360:</b> This assessment provides a fair and objective evaluation of the Employees relative strengths and areas of opportunities in relation to the competencies and traits essential for success at Zydus Wellness. The primary objective of this report is development. View the report from the lens of developing employees in critical behaviors that will enable you to be even more successful going forward. Each candidate's report is different. Therefore, there is no right or wrong in the competency scores. It just measures your current standing vis-à-vis the Zydus Wellness Neev competency framework.

	<p><b>2) Jombay Assessment:</b> This assessment provides a fair and objective evaluation of the Employees relative strengths and areas of opportunities in relation to the competencies and traits essential for success at Zydus Wellness. The primary objective of this report is development. View the report from the lens of developing employees in critical behaviors that will enable you to be even more successful going forward. Each candidate's report is different. Therefore, there is no right or wrong in the competency scores. It just measures your current standing vis-à-vis the Zydus Wellness Neev competency framework.</p> <p><b>3) SHL:</b> We build people to build our business - this has been our motto and a way of life at Zydus. We believe that it's our people who have made all the difference in our journey of growth over the years. It is the Zydus spirit of keeping the organization before themselves, working together as a team to make things happen, thinking differently and making innovation a part of Zydus' DNA and creating a culture of trust and oneness that has been our greatest asset. As a future-focused organization, our growth has always been dynamic with a plethora of opportunities. This has been a unique strength of our organization and an essential part of our value proposition - GROW which looks at Global opportunities, Respect, recognition and care and building talent, Opportunities across the value chain and Working with the best. Zydus has collaborated with SHL for the assessment process. These assessments will assess you only from behavioural point of view.</p> <p>Phase I (Online Assessment – 70 mins) - It will be an online assessment comprising of following two questionnaires &amp; one survey. Kindly note that the avg. time mentioned below is the avg. time taken to respond &amp; these are not timed assessments:</p> <ol style="list-style-type: none"> <li>1. Occupational Personality Questionnaire (OPQ)</li> <li>2. Motivation Questionnaire</li> <li>3. Experience Survey</li> </ol> <p>Phase II (One-on-One interaction- 4.5 hours)</p>
Team-based performance appraisal	<p>Zydus Wellness has got a well-defined process of Performance Appraisal encompassing both- Individual as well as Team performance. The Variable pay has got 80% weightage on Team Performance and 20% weightages is assigned to Individual Performance.</p> <p><b>Variable Pay Out Calculation:</b></p> <ol style="list-style-type: none"> <li>1. Top Line performance measured through Top line growth of the company (basis par growth – Weightage 40%)</li> <li>2. Bottom Line performance measured through PBT of company (Weightage 40%)</li> <li>3. Individual performance (I-PEAK) measured through KPIs and par growth for revenue functions (Weightage 20%)</li> </ol>
Agile conversations	<p>Agile Conversations foster collaboration and shared understanding through structured dialogue. It encourages active listening, enquiry, and alignment on goals. ZWL uses SBI (Situation Behaviour &amp; Impact) Model to support Agile Conversations. This model helps in providing structure to positive &amp; negative feedback, thereby assists the team to adapt to change.</p>

Indicator	Frequency
Management by Objectives	Ongoing
Multidimensional performance appraisal	Ongoing
Team-based performance appraisal	Ongoing

## Our key rewards and recognition programs are:

### Shout Out:

Encourages employees to be openly appreciative of their colleagues for support on critical projects or even day-to-day activities.

### Zydus Value Awards:

Designed to recognize and appreciate colleagues who display the core behaviors in day-to-day working. The award categories include - Execution excellence, Innovation, Team player and collaboration, Respect - Trust and Integrity and Adaptability to change.

### Every win counts & Pat on the back:

Nomination based recognition program for individuals.

### Team Awards:

Nomination-based recognition program for project delivery at team level.

### Long Service Award:

This reward is to value the dedication and commitment of our employees, celebrating their milestones through Long Service Awards. These awards recognize employees who complete 5, 10, 20 and 25 years with the organization, acknowledging their loyalty, contributions, and impact.

### CEO Award:

Annual award for employees who have made significant business contributions through consistent performance.

### Annual Conference:

Nomination based recognition program for individuals/ Team.

### Zydus Group Awards:

Nomination based recognition program for individuals/ Team.

### SLIM Awards:

SLIM (Strategic Lean Integrated Manufacturing), our flagship program launched in 2007, focuses on optimizing operational costs. Since its inception, it has successfully institutionalized continuous improvement across Zydus sites by leveraging the principles of Kaizen, Lean, and Six Sigma. In 2024, the Zydus Wellness Ahmedabad Site was honored with the Best SLIM Plant award across the Zydus group.

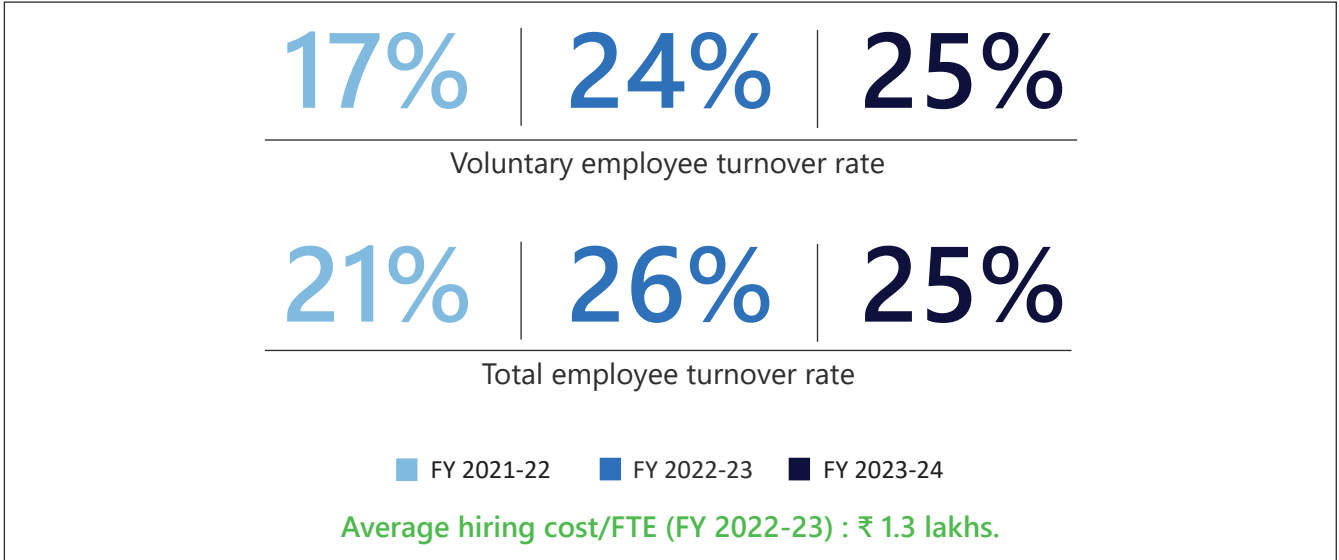


## Employee Support Programs:

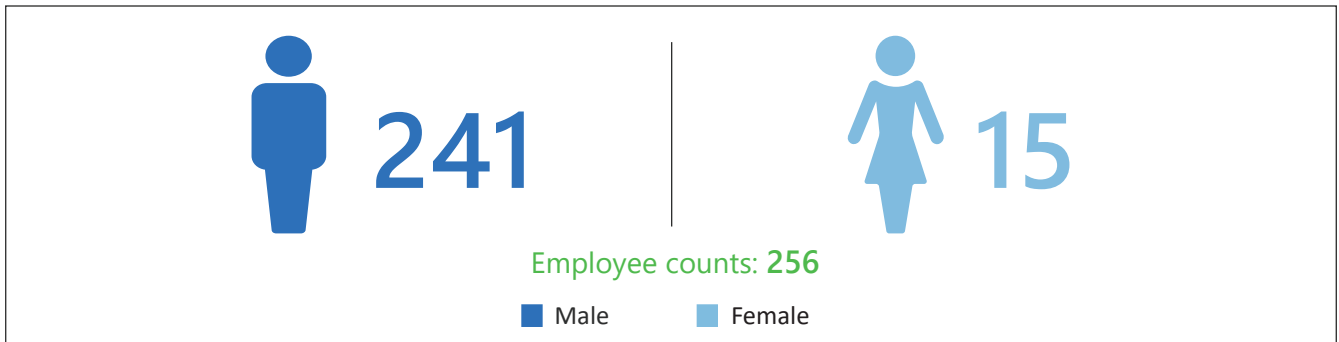
Employee support programs	Details
Workplace stress management	To address workplace stress and promote mental health, we provide access to VISIT, a wellness application. This platform caters to employees' physical and mental well-being, offering resources and tools to manage stress effectively.
Sports & Health initiatives	<p>Sports &amp; Health Management: At Zydus Wellness, we look at employee wellbeing in a holistic fashion and therefore health and wellness is of paramount importance to us. Being fit makes each one of us more energetic, motivated and happy.</p> <ul style="list-style-type: none"> <li>▪ This policy is applicable to all permanent Management staff employees of the company.</li> <li>▪ Employee can avail reimbursement up to (50% of the total fees or 10,000/- (whichever is lower)</li> <li>▪ Reimbursement can be availed once in a Financial Year i.e., April to March.</li> <li>▪ The Company expects employees to be ambassadors of Wellness and avail fitness facilities of these format. (Yoga, gym, gymnastics, fitness classes, cardio Zumba, Meditation, Swimming)</li> </ul>
Flexible working hours	<p>At Zydus Corporate Park, employees can utilize a flexible attendance policy, including:</p> <ul style="list-style-type: none"> <li>▪ Late coming: Up to 9 times a month (3 times without approval and 6 with approval) with a 2-hour delay.</li> <li>▪ Early leaving: Up to 3 times a month with a 1-hour early departure (with approval).</li> <li>▪ Branch Offices: <ul style="list-style-type: none"> <li>▪ Late coming allowed up to 1 hour for 4 times a month.</li> <li>▪ Early leaving allowed up to 2 hours for 2 times a month.</li> </ul> </li> </ul> <p>Work-from-Home Arrangements: We support working-from-home arrangements for employees where feasible.</p> <p>Part-time Working Options: Part-time roles are considered to meet specific employee needs, balancing professional and personal responsibilities.</p>
Childcare facilities or contributions	Creche facility available in corporate office at Ahmedabad office for working mothers.
Breastfeeding and Lactation Facilities	Dedicated lactation rooms and other related benefits are provided to support nursing mothers.
Paid parental leave for the non-primary caregiver or secondary caregiver.	Any employee (male) who has completed 1 year with Zydus is eligible for Paternity leave of 5 days. This can be availed within 3 months from the date of birth of child/adoption. Paternity leave can be availed maximum twice during the tenure of employment.
Paid Family or Care Leave	Employees can avail leave to care for their child, spouse, partner, dependent, parent, sibling, or other designated relations with a physical or mental health condition.

## Employee Turnover Rate:

Employee turnover is a critical metric that can have far-reaching implications for an organization's financial health, productivity, culture, and ability to attract and retain talent. The Company aims to continue to deliver value to its people by attracting, training, and retaining multifaceted employee competencies and expertise to groom future leaders early on.



### Breakdown by gender (FY 2023-24)



### Breakdown by Management level

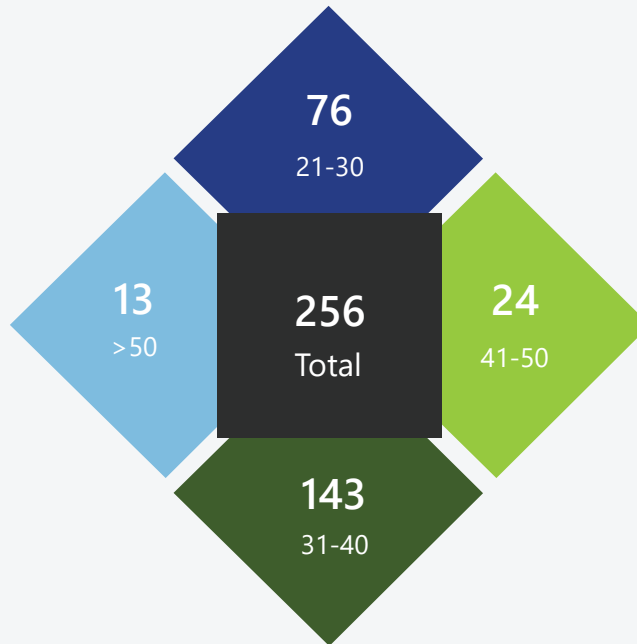
FY 2023-24



Others: 19  
Total : 256

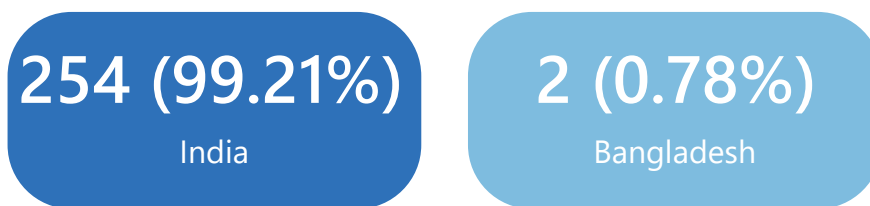
### Breakdown by Age

FY 2023-24



### Breakdown by Nationality

FY 2023-24



Total : 256 (100%)

## Trend of Employee Wellbeing

Zydus Wellness has maintained its Great Place to Work certification for the third consecutive year, underscoring its commitment to fostering a culture of trust, collaboration, and shared values. The TRUST INDEX<sup>©</sup> Score in the GPTW survey improved from 78 in 2023 to 81 in 2024, reflecting a 16% overall growth since the initial certification in 2022.

The essence of a great workplace lies in building trustworthy leadership, mutual respect, fairness, and a shared sense of purpose and pride. Efforts to strengthen these values have enabled employees to allocate approximately 20% more of their daily time toward high-impact actions, promoting greater productivity and alignment with organizational goals.

To enhance understanding of the survey questionnaire and encourage honest feedback, a Pulse Survey is conducted across Zydus Wellness locations that aims to assess various levels.

- Work positivity and productivity
- Manager support and feedback system
- Perceived trust, arising from the level of awareness of business information and trust in leadership decisions
- Collaboration, among functional and cross-functional units
- Work Hygiene, enabled by continuous learning environment, clarity in the role and making a positive difference to the business

All of which consolidates to a "Wellness Index".

## OHS Programs:

Indicator	Details
OHS Policy	<a href="http://www.zyduwellness.com/investor/Occupational%20Health%20and%20Safety%20Policy.pdf">www.zyduwellness.com/investor/Occupational%20Health%20and%20Safety%20Policy.pdf</a>
OHS Management System	All Manufacturing sites- Ahmedabad, Aligarh and Sikkim are ISO 45001: 2018 (OH&S) certified.

Zydu Wellness follows a comprehensive Safety Management System to ensure a safe workplace environment. Some of the key aspects are:

### 1. OHS Risk Assessment:

- Systematic identification of potential hazards in the workplace.
- Assessment of risks to understand what could cause harm.

### 2. Prioritization and Target Integration:

- Quantified targets established to address identified risks.
- Integration of action plans to mitigate risks and enhance safety.

### 3. Emergency Preparedness:

- Integration of actions to prepare for and respond to emergency situations.
- Employee training on emergency evacuation, fire extinguisher operation, and rescue methods.

### 4. Progress Evaluation:

- Management evaluates progress in reducing health and safety risks against predefined targets.
- Internal inspections are conducted to ensure ongoing safety compliance.

### 5. Incident Investigation:

- Procedures in place to investigate work-related injuries, illnesses, diseases, and incidents.
- Adequate measures implemented to prevent recurrence.

### 6. OHS Training:

- Training programs provided to employees and relevant parties to raise safety awareness.
- Topics include machine safety, hazard reporting, defensive driving, and more.

### 7. Procurement and Contracts:

- OHS criteria incorporated into procurement and contractual requirements to ensure safety compliance.

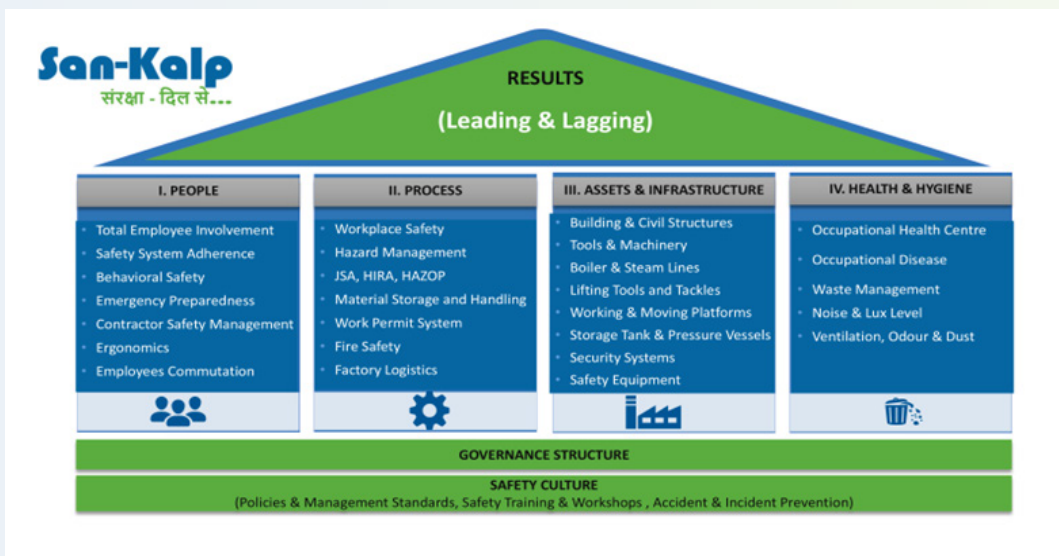
Zydu Wellness's safety initiatives include regular training, awareness programs, mock drills, and a dedicated Occupational Health Centre with visiting doctor facilities, contributing to a culture of safety and striving for the goal of "Zero Harm." The organization places high importance on waste management, proper use of personal protective equipment (PPE), and maintaining a safe working environment.



## Occupational Health and Safety (OHS) Program

**SanKalp – Sanraksha Dil Se** is a comprehensive Occupational Health and Safety (OHS) program designed to embed a culture of Safety across the value chain of ZWL. The San-Kalp framework establishes a structured process to achieve a safe, sustainable, and injury-free workplace.

Built on the strong foundation of Safety Culture supported by robust governance structure; its four core pillars—**People, Process, Assets & Infrastructure, and Health & Hygiene** focuses on adherence to safety systems through ‘Total Employee Involvement’. With “Sanraksha Dil Se” (Safety from the Heart) as its guiding principle, SanKalp aims to create a sustainable, injury-free workplace through collaboration, accountability, and continuous improvement.



Below is the program outline based on the four pillars of the framework:

## 1. PEOPLE: Empowering and Engaging Employees:

The foundation of any effective OHS program is its people. ZWL's San-Kalp emphasizes on :

- **Total Employee Involvement:** Encouraging active participation of employees at all levels in safety initiatives, fostering ownership and accountability.
- **Safety System Adherence:** Strict compliance with safety protocols, policies, and standards through regular monitoring and evaluation.
- **Behavioural Safety:** Implementing behaviour-based safety practices to reduce human error, supported by training and awareness campaigns.
- **Emergency Preparedness:** Developing and practising robust emergency response plans, including mock- drills, first-aid training, and emergency simulations.
- **Contractor Safety Management:** Extending OHS practices to contractors and third-party workers through on-boarding, training, and performance monitoring.
- **Ergonomics:** Designing tasks, tools, and workstations to reduce manual handling, physical strain and improve productivity.
- **Employee Commutation:** Ensuring safe commuting options for employees, with a focus on transportation safety and security.

## 2. PROCESS: Ensuring Operational Safety

Process Safety encompasses all the systems put in place to safeguard hazards and risks associated with day-to-day operations. This pillar includes:

- **Workplace Safety:** Conducting regular inspections and audits to identify potential hazards and eliminate unsafe conditions.
- **Hazard Management:** Applying methodologies such as HIRA (Hazard Identification and Risk Assessment), JSA (Job Safety Analysis), and HAZOP (Hazard and Operability Study) to systematically address risks.
- **Material Storage and Handling:** Establishing safe storage, handling, and disposal practices for hazardous and non-hazardous materials.
- **Work Permit System:** Implementing permit-to-work systems for non-routine tasks, such as Work at Height, Confined space entry, Electrical maintenance, and Hot-work.
- **Fire Safety:** Installing and maintaining firefighting systems, conducting fire risk assessments, and training employees on fire prevention.
- **Factory Logistics:** Streamlining material movement and logistics to ensure safety while minimizing operational risks.

## 3. ASSETS & INFRASTRUCTURE: Safeguarding Physical Resources

Protecting physical assets is critical for upholding compliance while enhancing operational effectiveness at ZWL. This pillar includes:

- **Building & Civil Structures:** Regular inspections and maintenance of buildings to mitigate risks related to structural integrity.
- **Tools & Machinery:** Periodic testing, calibration, and maintenance of machinery to prevent malfunctions.

- **Boiler & Steam Lines:** Adhering to safety standards for high-pressure systems to avoid catastrophic failures.
- **Lifting Tools and Tackles:** Ensuring safe operation and periodic certification of cranes, hoists, and other lifting equipment.
- **Working & Moving Platforms:** Securing elevated platforms, scaffolding, and walkways to prevent falls.
- **Storage Tanks & Pressure Vessels:** Routine inspections and monitoring to prevent leaks, explosions, or equipment failures.
- **Security Systems:** Leveraging surveillance, access controls, and alarms to secure premises.
- **Safety Equipment:** Providing and maintaining Personal Protective Equipment (PPE) and other safety devices for employees.

#### 4. HEALTH & HYGIENE: Promoting Well-being

Employee health and hygiene are integral to ZWL's OHS program. This pillar includes:

- **Occupational Health Centre:** Establishing on-site health centers for regular health check-ups and emergency medical care.
- **Occupational Disease Management:** Monitoring, identifying, and mitigating risks of work-related illnesses through periodic medical screenings and awareness programs.
- **Waste Management:** Implementing sustainable waste disposal systems to minimize environmental impact and workplace hazards.
- **Noise & Lux Levels:** Maintaining noise levels within permissible limits and providing adequate lighting for safe operations.
- **Ventilation, Odour & Dust Control:** Ensuring proper air quality through ventilation systems and regular monitoring of dust and odour levels.

#### Governance and Safety Culture

A strong Governance Structure is in place at ZWL, with clear accountability and reporting mechanisms, to sustain this program and inculcating safety as DNA of the organization. Most importantly, a robust Safety Culture ensures continuous improvement through:

- **Policies & Standards:** Defining safety policies and standards aligned with industry best practices.
- **Training & Workshops:** Conducting regular training sessions for employees and contractor workers.
- **Incident Prevention:** Focusing on leading indicators, Identifying Near Misses and root causes of incidents to implement preventive measures.

The San-Kalp OHS Program integrates these elements into daily operations, fostering a proactive and preventive approach to Safety. By aligning safety practices with organizational goals, the program ensures the well-being of employees and the sustainability of operations.



## Fatalities:

Fatalities	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Employees	Nil	Nil	Nil	Nil
Contractors	Nil	Nil	Nil	Nil

## Lost-Time Injury Frequency Rate (LTIFR):

Indicator	Unit	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Employees	LTIFR (n/million hours worked)	Nil	Nil	Nil	Nil
Data Coverage	Operations	100%	100%	100%	100%

Indicator	Unit	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Contractors	LTIFR (n/million hours worked)	Nil	Nil	Nil	Nil
Data Coverage	Contractors	100%	100%	100%	100%

\* Intertek India Pvt. Ltd. has conducted Reasonable Assurance for the reported financial years FY 2023-24 and limited assurance in FY 2022-23.

## Development of Health & Nutrition Strategy

Zydus Wellness has established an Advisory Panel comprising renowned experts and key opinion leaders from diverse fields, including food science, nutrition, packaging, technology, and medicine. The advisory board operates under fixed-term contracts, with most terms scheduled to expire in May 2025 followed by August 2025, and October 2025. Members of the panel are affiliated with prestigious bodies, institutes, and organizations, bringing extensive knowledge and expertise to the table.

The primary objective of forming this advisory board is to guide Zydus Wellness in advancing research and innovation in health and nutrition. This ensures that we remain at the forefront of addressing the evolving nutritional needs of consumers through meaningful and scientifically backed products.

Zydus Wellness combines the best healthcare, nutrition and cosmeceutical products to provide quality wellness products. Zydus Wellness helps people pursue integrated well-being through its widening range of products. The Company is developing, producing, marketing and distributing differentiated health and wellness products



### Our Philosophy

## 'Wellness for all'

7 leading brands in our portfolio, Complian, Sugar Free, Glucon-D, Everyuth, Nycil and Nutralite.



## "To bring wellness to your life"

Our vision is to bring wellness to your life. We create new products that will **Nourish**, **Nurture**, and **Energize** your life.



Nourish



Nurture



Energize

We shall lead the way through innovation

## HERE ARE OUR BRANDS

1. **Complan:** Complan is a 75+ year-old brand which has been present in Indian households for more than 5 decades. Complan's best formula has '100% first class protein' and '34 vital nutrients', which: Provides '2 times faster growth' & improved weight Supports immunity Helps brain development and it's functioning Maintains fluid balance in the body.
2. **Sugar Free, Sugar Free D'lite dark chocolates and oat cookies:** Sugar Free is a name synonymous to the sugar substitute category. With the growing awareness about diet, exercise and health, urban individuals have woken up to the ill-effects of excessive Sugar consumption, Sugar Free serves as the smartest solution for this not-so- sweet situation.
3. **Glucon-D:** Glucon-D Regular variant is a rich source of Vitamin D and Flavor variants are a rich source of Vitamin C. Hence, Glucon-D not only provides Instant Energy but also helps support Immunity.
4. **Everyuth:** The products are fortified with the power of natural ingredients that are known for their efficacy and skin nurturing properties. It promises nature's safety and goodness along with the benefits of proven scientific research.
5. **Nycil:** A heritage brand with over 50 years of trust, providing prickly heat powders that offer relief from prickly heat and related skin irritations. The #1 brand in prickly heat & cooling powder category.
6. **Nutralite:** Products under this brand have been at the forefront in providing a healthy-yet-tasty experience through its DoodhShakti range - Probiotic butter spread and pure ghee, table spread, mayonnaise and Choco spread range.
7. **I'm Lite:** A brand offering low-calorie food options for those seeking healthier dietary choices.

The Zydus Wellness Institute an educational initiative by Zydus Wellness is dedicated to advancing nutrition science and innovation.

For more details refer: <https://zyduswellnessinstitute.com/>

For details: <https://www.zyduswellness.com/partner-with-us.php>

Particulars	Description
Advisory panel on health & nutrition established	Zydus wellness has formed an advisory panel with the key opinion leaders in the field of food science, nutrition, packaging, technology, medicine etc. The board comprises of key opinion leaders from reputed bodies/ institutes/ organizations. The objective of forming this board is to guide Zydus wellness on research and innovation in the space of health/ nutrition to be able to cater to changing nutritional needs of the consumers through meaningful products.
R&D centers focused on health & nutrition established	Zydus wellness institute is established in the Company. It is a platform that has been established to foster research, innovation in the field of health and nutrition. We have 2 nutritionists employed within Zydus wellness to help in formulating nutritional products. The focus of R&D has specially been on formulating products keeping in mind the nutritional requirements of the population.  For more details refer: <a href="https://zyduswellnessinstitute.com/">https://zyduswellnessinstitute.com/</a>
R&D health & nutrition focus area defined	Core health and nutrition focus areas have been defined. These are sweetener science, protein nutrition, paediatric nutrition, adult nutrition, lipid sciences, gut microbiome, and immunity.
Measurable "healthy nutrition" criteria defined for product innovations	The products are designed keeping in the mind the nutritional needs of the target segment. We adhere to the strict regulatory guidelines. None of the product exceeds nutritional delivery of more than 100% RDA (recommended dietary allowance) to avoid excess intake of micronutrients. For claiming any nutrients on the pack, we deliver at least 15% RDA of specific nutrient. For claiming any health benefits, we deliver up to 30% RDA of nutrients. The products are further proven for safety and efficacy through various preclinical and clinical studies. The clinical trials are conducted as per the Indian and global guidelines and are registered on CTRI (clinical trial registry of India).
Measurable "healthy nutrition" criteria defined to measure nutritional progress of existing product portfolio.	We develop formulations based on the need gap assessment of the intended consumer. A thorough review of literature and national health reports etc. is done to understand the public health issue and a rationale for addition / deletion of nutrients – ingredients is determined. There are no specific measures/ milestones established, yet product innovation and renovation are rationalized based on the consumer need for gap analysis.

## Marketing Self-Regulation on Health & Nutrition:

In alignment with the RDA 2020 guidelines, Zydus Wellness has meticulously reassessed the nutrient composition of its products, making necessary adjustments to ensure formulations meet the revised micronutrient standards. Our unwavering adherence to regulatory protocols, including the Food Safety and Standard Act & Regulations, Legal Metrology Act (Packaged Commodity) Rules, Bureau of Indian Standards, and Agriculture Marketing (AGMARK), underscores our steadfast commitment to maintaining compliance across our entire product portfolio.

To promote responsible nutrition, none of our products exceed 100% RDA per 100g for any claimable nutrient. Additionally, we have standardized Nutritional Facts tables across all brands, ensuring a consistent declaration of nutritional information. A key highlight of our labeling approach is the inclusion of % RDA declarations for six essential nutrients: Energy, Fat, Saturated Fat, Added Sugar, Sodium, and Trans Fat. This move promotes transparency and empowers consumers to make informed dietary choices.

Our ingredient lists are crafted in strict adherence to regulatory norms, reaffirming our focus on quality, safety, and compliance. Furthermore, our products feature comprehensive front and back-of-pack labeling systems, fully compliant with FSSAI labeling and display regulations, ensuring clear and accurate disclosure of nutritional profiles and % RDA values.

With 100% of our product line adhering to company-specific health and nutrition labeling schemes, we are setting a benchmark in transparent and responsible marketing practices. Through these measures, we prioritize the health and well-being of our consumers while fostering trust and confidence in our brand.

The Company has recently adopted Ethical and Responsible Marketing Policy which is available on the website of the Company at

[www.zyduswellness.com/investor/Ethical%20and%20Responsible%20Marketing%20Policy.pdf](http://www.zyduswellness.com/investor/Ethical%20and%20Responsible%20Marketing%20Policy.pdf)

## Programs on Marketing and Self-Regulation:

- Diabetes Activation in 3 cities of Kerala - Cochin, Trivandrum & Kozhikode - Educating diabetic patients on healthy lifestyle and highlighting side effects of high sugar consumption
- School Contact/Education Program was undertaken in schools at Tamil Nadu & Maharashtra to highlight the importance of right nutrition & energy in growing kids, along with quiz competition
- Our company focuses on health and nutrition in our products, ensuring that our advertising remains ethical and focused on their importance. Here are some highlights from our campaigns that demonstrate our commitment to promoting wellness and raising consumer awareness about its value



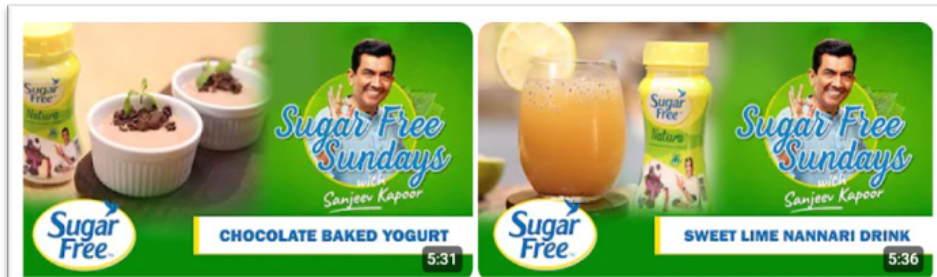
Complan – Protein Superiority Campaign



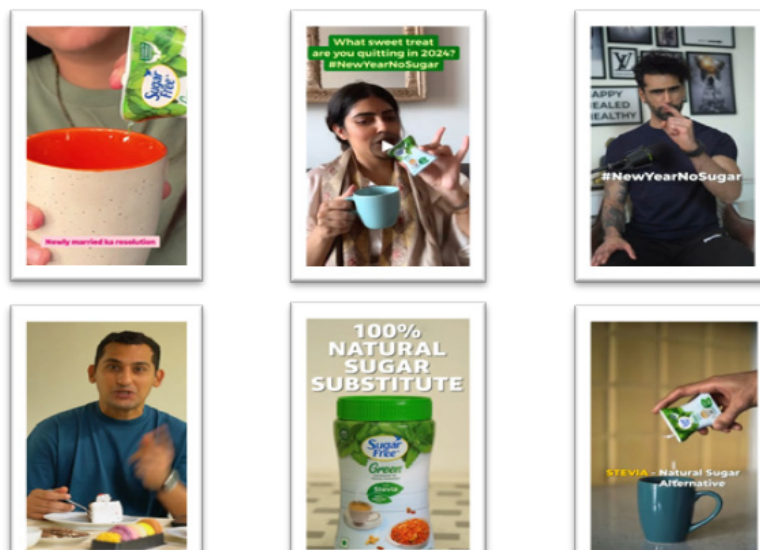
Nutralite – Endorsement by Influencers



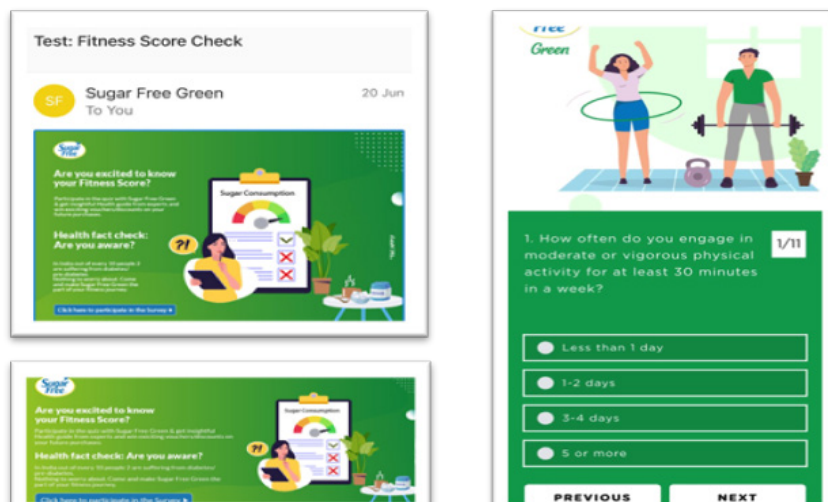
Complan – Protein Power Book Launch



Sugarfree – Healthy Recipes by Sanjeev Kapoor



SugarFree – Promoting No Sugar



SugarFree – Health Survey



Glucon D



From the Pitch to the Planet: A Responsible Partnership



Glucon D Activors Launch

## Online Strategies & Customers Online

Particulars	Apr 20 - Mar 21	Apr 21- Mar 22	Apr 22- Mar 23	Apr 23- Mar 24
Sales (Rs in lacs)	1,93,149	2,05,974	2,33,232	2,42,186
No of Distributors across all channels (no's)	1,697	1,623	1,577	1,580
No of Distributors using our online tool (no's)	1,322	1,232	1,336	1,387
<b>% of Distributors using online tool</b>	<b>77.90%</b>	<b>75.91%</b>	<b>85%</b>	<b>85%</b>
Revenue from distributors using tool	1,54,262	1,57,992	1,79,532	1,87,065
<b>% of revenue from distributors using tool</b>	<b>79.87%</b>	<b>76.70%</b>	<b>77%</b>	<b>77%</b>

## Customer Satisfaction Measurement

To gauge the effectiveness of our distribution network and enhance our service quality, we initiated a Customer Satisfaction Index (CSI) survey amongst our Distributors.

The overall satisfaction score was determined based on following parameters, along with the distributors' likelihood of recommending us.

### Parameters of Evaluation:

- 1. Delivery Operations & Stock Management** – Timeliness, completeness, and efficiency of stock replenishment.
- 2. Order Accuracy & Documentation** – Precision in order fulfilment and accuracy of shipping & billing documentation.
- 3. Invoicing & Payments** – Clarity, transparency, and ease of financial transactions.
- 4. Technology & Systems** – Effectiveness of digital platforms for order management and communication.
- 5. Marketing & Business Support** – Quality of promotional support, visibility initiatives, and business development assistance.
- 6. Relationship Management** – Responsiveness, engagement, and overall service experience with the company.

The analysis from this evaluation will help us drive continuous improvements and strengthen our distributor ecosystem for long-term success.

A total of 520 distributors responded including Domestic and Export Customers, surpassing our 50% coverage target from a base of over 980 Distributors. The survey yielded a consolidated average score of 72 out of 100, highlighting areas of strength while also indicating opportunities for improvement. This structured approach enables us to further refine our processes, strengthen distributor partnerships, and drive overall business growth.



# Our Commitments

## Vendor Code of Conduct Commitment

At Zydus Wellness and its affiliates, we deeply value our extended family of vendors, considering them integral partners in our journey of progress. With over 35 years of establishing ourselves as a reliable business with unwavering ethics, transparency, and integrity, we maintain a strict no-tolerance policy for unethical business practices. This commitment extends to both direct and indirect activities, emphasizing our dedication to fair business practices and maintaining the highest ethical standards.

Our Code sets forth fundamental requirements for vendors, emphasizing commitments to environmental protection, minimum wages, child and forced Labour, anti-bribery, anti-corruption, health, safety, and more within the value chain.

### Key Commitments:

- **Ethical Business Practices:** Zydus has a no-tolerance policy for bribery, favours, gifts, kickbacks, or any form of unethical practices, emphasizing honesty, integrity, and a commitment to ethical conduct.
- **Environmental Pillar:** Vendors are expected to comply with environmental regulations, implement energy, emission, water, and waste management systems, promote sustainable supply chain practices, and resource efficiency, and contribute to biodiversity and animal welfare principles.
- **Social Pillar:** Our commitment to human rights includes ensuring freedom from discrimination and harassment, child labour, and forced labour, while upholding workers' rights to association, collective bargaining, fair wages, and safe working conditions.
- **Governance Pillar:** Vendors must comply with legal and regulatory requirements, adhere to fair trade practices, and refrain from unfair advantage, bribery/corruption, conflict of interest or anti-competitive behaviour. The Code also covers areas such as intellectual property, data privacy, and grievance redressal mechanisms.
- **Compliance Commitment:** Zydus expects vendors to comply with the Code in both letter and spirit, understanding and upholding its values throughout the business association. Adherence to applicable laws and regulations is paramount for a successful and ethical partnership with Zydus.
- **Pollution Prevention and Waste Management:** Vendors shall implement systems to minimize pollution and adopt sustainable practices for waste management. This includes reducing, reusing, and recycling materials to prevent harmful emissions or discharges into the environment, ensuring compliance with applicable regulations and standards.
- **Biodiversity, No Deforestation, and Soil Conservation:** Vendors shall take measures to protect biodiversity and ensure no involvement in deforestation or activities that harm natural habitats. Vendors must promote sustainable land use practices and work towards conservation and restoration of ecosystems impacted by their operations.

Our commitment to fair and ethical business practices reflects not only our values but also our dedication to fostering a trustworthy and transparent business ecosystem within our industry.

## Food Loss & Waste commitment

Zyduz Wellness stands resolute in minimizing food loss and waste across its supply chain and manufacturing processes. Recognizing the criticality of addressing this issue for food security, environmental sustainability, and economic efficiency, we also pledge to establish Company wide target to reduce the total weight of food loss and waste.

### Key Commitments:

- **Measurement & Data Collection:** We have established efficient system to track food loss & waste.
- **Awareness & Education:** We promote programs to educate all supply chain and our operations to reduce the total volume & intensity of food loss and waste levels.
- **Regulations & Standards:** Adherence to government regulations and setting guidelines for responsible date labelling.
- **Infrastructure & Technology:** Developing suitable infrastructure and technology to minimize waste.
- **Supply Chain Efficiency:** Streamlining logistics and embracing best practices.
- **Food Re-collection:** We will establish programs to collaborate with upstream & downstream partners to reduce the amount of food loss & waste in the value chain and initiating surplus food collection for re-distribution or re-processing.
- **Research & Innovation:** Supporting R&D for breakthrough solutions.
- **Collaboration:** Partnering with various entities for effective policy implementation.
- **Monitoring & Evaluation:** Continuously assessing policy effectiveness at all supply chain levels.

## Animal Welfare Commitment

Zyduz Wellness extends its commitment beyond human sustainability to ensure the welfare of animals within our supply chain, particularly in procuring milk. While not directly engaged in animal handling, Farm Animal Welfare is a crucial focus area for us. As a minimum, full compliance with local laws and regulations with respect to animal welfare and safety is expected by all suppliers to Zyduz Wellness. In addition to individual Company commitments, Zyduz Wellness invites our suppliers to work with us to support basic animal welfare standards. This includes our commitment to the Five Freedoms for animals under human control.

### Key Commitments:

- Freedom from hunger or thirst by ready access to fresh water and a diet to maintain full health and vigor.
- Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area.
- Freedom from pain, injury or disease by prevention or rapid diagnosis and treatment.
- Freedom to express normal behaviour by providing sufficient space, proper facilities, and appropriate company of the animal's own kind.
- Freedom from fear and distress by ensuring conditions and treatment that avoid mental suffering.

## Animal Welfare Disclosure

We believe and promote our suppliers request selling animal products to implement:

- The application of antibiotics and our commitment to minimize the routine application of antibiotics for prophylactic purposes in their animal production operations.
- A commitment not to use genetically modified or cloned animals.
- A commitment not to apply growth promoting substances, such as hormones, to animals.
- Any other animal welfare related data or commitments that they may have.

# Annexure

## Annexure 1: ISO 14001 Certifications for factories:

- <https://www.zyduswellness.com/investor/3.%20ISO%2014001-2015%20Certificate%20-%20Sikkim%20plant.pdf>
- <https://www.zyduswellness.com/investor/ISO-140012015-Certificate-Aligarh-plant.pdf>
- <https://www.zyduswellness.com/investor/2.%20ISO%2014001-2015%20Certificate%20-%20Ahmedabad%20plant.pdf>

## Annexure 2: ISO 45001 Certifications for factories:

- <https://www.zyduswellness.com/investor/5.%20ISO%2045000-2018%20Certificate%20-%20Sikkim%20plant.pdf>
- <https://www.zyduswellness.com/investor/ISO-450012018-Certificate-Aligarh-plant.pdf>
- <https://www.zyduswellness.com/investor/4.%20ISO%2045000-2018%20Certificate%20-%20Ahmedabad%20plant.pdf>

## Annexure 3: FSSC 22000/ ISO 22000 Certifications for all our factories:

- <https://www.zyduswellness.com/investor/8.%20FSSC%2022000%20Certificate%20-%20Sikkim%20plant.pdf>
- <https://www.zyduswellness.com/investor/7.%20FSSC%2022000%20Certificate%20-%20Aligarh%20plant.pdf>
- <https://www.zyduswellness.com/investor/6.%20FSSC%2022000%20Certificate%20-%20Ahmedabad%20plant.pdf>

# Our Governing Policies

S. N	Policies	Links
1	ESG Policy	<a href="http://www.zyduswellness.com/investor/ESG%20Policy.pdf">www.zyduswellness.com/investor/ESG%20Policy.pdf</a>
2	Anti-Bribery and Anti-Corruption Policy	<a href="http://www.zyduswellness.com/investor/Anti-Bribery%20and%20Anti-Corruption%20Policy.pdf">www.zyduswellness.com/investor/Anti-Bribery%20and%20Anti-Corruption%20Policy.pdf</a>
3	Human Rights Policy	<a href="http://www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf">www.zyduswellness.com/investor/Human%20Rights%20Policy.pdf</a>
4	Diversity & Inclusion Policy	<a href="http://www.zyduswellness.com/investor/Diversity%20and%20Inclusion%20Policy.pdf">www.zyduswellness.com/investor/Diversity%20and%20Inclusion%20Policy.pdf</a>
5	Biodiversity Policy	<a href="http://www.zyduswellness.com/investor/Biodiversity%20Policy.pdf">www.zyduswellness.com/investor/Biodiversity%20Policy.pdf</a>
6	Ethical and responsible marketing Policy	<a href="http://www.zyduswellness.com/investor/Ethical%20and%20Responsible%20Marketing%20Policy.pdf">www.zyduswellness.com/investor/Ethical%20and%20Responsible%20Marketing%20Policy.pdf</a>
7	Risk Management policy	<a href="http://www.zyduswellness.com/investor/Risk%20Management%20Policy.pdf">www.zyduswellness.com/investor/Risk%20Management%20Policy.pdf</a>
8	Occupational Health and safety policy	<a href="https://www.zyduswellness.com/investor/Occupational-Health-Safety-Policy.pdf">https://www.zyduswellness.com/investor/Occupational-Health-Safety-Policy.pdf</a>
9	Environmental Health & Safety policy	<a href="http://www.zyduswellness.com/investor/Coroprate-EHS-policy.pdf">www.zyduswellness.com/investor/Coroprate-EHS-policy.pdf</a>
10	Non-Discrimination and Anti-Harassment policy	<a href="http://www.zyduswellness.com/investor/zwl-posh-policy-feb-20.pdf">www.zyduswellness.com/investor/zwl-posh-policy-feb-20.pdf</a>
11	Environment Policy	<a href="https://www.zyduswellness.com/investor/Environment-Policy.pdf">https://www.zyduswellness.com/investor/Environment-Policy.pdf</a>
12	No Deforestation Policy	<a href="https://www.zyduswellness.com/investor/No-Deforestation-Policy.pdf">https://www.zyduswellness.com/investor/No-Deforestation-Policy.pdf</a>
13	Sustainability policy	<a href="https://www.zyduswellness.com/investor/Sustainability-Policy.pdf">https://www.zyduswellness.com/investor/Sustainability-Policy.pdf</a>
14	Sustainable sourcing policy	<a href="https://www.zyduswellness.com/investor/Sustainable-Sourcing-Policy.pdf">https://www.zyduswellness.com/investor/Sustainable-Sourcing-Policy.pdf</a>
15	POSH policy	<a href="https://www.zyduswellness.com/investor/POSH-Policy-Latest-Rev.pdf">https://www.zyduswellness.com/investor/POSH-Policy-Latest-Rev.pdf</a>
16	CSR Policy	<a href="http://www.zyduswellness.com/investor/CSR-Policy-ZWL-01.02.2021.pdf">www.zyduswellness.com/investor/CSR-Policy-ZWL-01.02.2021.pdf</a>
17	Policy on Related Party Transactions	<a href="http://www.zyduswellness.com/investor/Policy-on-Related-Party-Transactions-March-2022.pdf">www.zyduswellness.com/investor/Policy-on-Related-Party-Transactions-March-2022.pdf</a>
18	Policy on the Preservation of documents	<a href="http://www.zyduswellness.com/investor/Policy-on-Preservation-of-Documents.pdf">www.zyduswellness.com/investor/Policy-on-Preservation-of-Documents.pdf</a>
19	Dividend Distribution Policy	<a href="http://www.zyduswellness.com/investor/Dividend%20distribution%20policy.pdf">www.zyduswellness.com/investor/Dividend%20distribution%20policy.pdf</a>
20	Whistleblower Policy	<a href="https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf">https://www.zyduswellness.com/investor/Whistle%20Blower%20Policy%2002-08-24.pdf</a>

21	Zydus Business Conduct Policy	<a href="https://www.zyduswellness.com/investor/Zydus%20Business%20Conduct%20Policy.pdf">https://www.zyduswellness.com/investor/Zydus%20Business%20Conduct%20Policy.pdf</a>
22	Code of conduct for Vendors	<a href="https://www.zyduswellness.com/investor/code-of-conduct-for-vendors-feb-2025.pdf">https://www.zyduswellness.com/investor/code-of-conduct-for-vendors-feb-2025.pdf</a>
23	Board Diversity Policy	<a href="http://www.zyduswellness.com/investor/board-diversity-policy-feb-23.pdf">www.zyduswellness.com/investor/board-diversity-policy-feb-23.pdf</a>
24	NRC Policy	<a href="https://www.zyduswellness.com/investor/NRC%20Policy%20Feb'%2025.pdf">https://www.zyduswellness.com/investor/NRC%20Policy%20Feb'%2025.pdf</a>
25	Code of Business conduct and Ethics Policy	<a href="https://www.zyduswellness.com/investor/code-of-business-conduct-and-ethics-policy.pdf">https://www.zyduswellness.com/investor/code-of-business-conduct-and-ethics-policy.pdf</a>
26	Policy on Determination of legitimate purpose for sharing UPSI	<a href="http://www.zyduswellness.com/investor/policy-on-determination-of-legitimate-purpose-for-sharing-upsi.pdf">www.zyduswellness.com/investor/policy-on-determination-of-legitimate-purpose-for-sharing-upsi.pdf</a>
27	Archival Policy	<a href="http://www.zyduswellness.com/investor/archival-policy.pdf">www.zyduswellness.com/investor/archival-policy.pdf</a>
28	Policy for inquiry in case of leakage of UPSI	<a href="http://www.zyduswellness.com/investor/Policy-on-inquiry-on-leakage-of-UPSI.pdf">www.zyduswellness.com/investor/Policy-on-inquiry-on-leakage-of-UPSI.pdf</a>
29	Policy on preservation & utilization of stationery	<a href="http://www.zyduswellness.com/investor/Policy-for-monitoring-stationery-etc-as-per-SEBI-Circular.pdf">www.zyduswellness.com/investor/Policy-for-monitoring-stationery-etc-as-per-SEBI-Circular.pdf</a>
30	Policy to determine material Subsidiary	<a href="https://www.zyduswellness.com/investor/Policy_to_determine_Material_Subsiadiary.pdf">https://www.zyduswellness.com/investor/Policy_to_determine_Material_Subsiadiary.pdf</a>
31	Policy for determination and disclosure of materiality of an event or information	<a href="https://www.zyduswellness.com/investor/policy-on-determination-of-legitimate-purpose-for-sharing-upsi.pdf">https://www.zyduswellness.com/investor/policy-on-determination-of-legitimate-purpose-for-sharing-upsi.pdf</a>
32	Policy on fair disclosure and conduct and code of prevention of insider trading	<a href="https://www.zyduswellness.com/investor/Insider%20Trading%20code%20-%20Clean.pdf">https://www.zyduswellness.com/investor/Insider%20Trading%20code%20-%20Clean.pdf</a>
33	Public policy	<a href="http://www.zyduswellness.com/investor/public-policy.pdf">www.zyduswellness.com/investor/public-policy.pdf</a>
34	Tax Policy	<a href="https://www.zyduslife.com/public/pdf/Tax-Policy.pdf">https://www.zyduslife.com/public/pdf/Tax-Policy.pdf</a>
35	Code of Fair Disclosure and Conduct and Code for Prevention of Insider Trading and for internal procedures and conduct for regulating, monitoring and reporting of trading by the Insiders	<a href="https://www.zyduswellness.com/investor/Insider%20Trading%20code%20-%20Clean.pdf">https://www.zyduswellness.com/investor/Insider%20Trading%20code%20-%20Clean.pdf</a>

## Annual Report of Zydus Wellness FY 2023-24

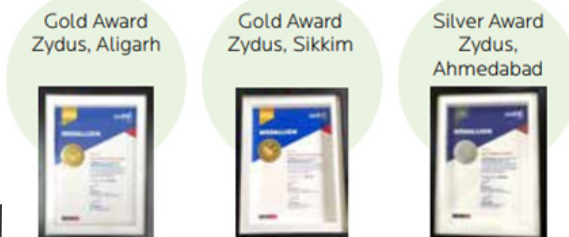
<https://www.zyduswellness.com/investor/Annual-Report-FY-2023-24.pdf>

## ESG Report of Zydus Wellness FY 2022-23

<https://www.zyduswellness.com/investor/ESG-Report-FY-22-23.pdf>

# Awards and Recognitions

## Integrated Manufacturing Excellence Initiative (IMEXI) 2023



## National awards for manufacturing competitiveness (NAMC) 2023



Manufacturing Awards



HR Awards and Recognitions

### MOBEXX AWARDS

GLUCON-D bags Gold for Best Use of Gamification  
 NUTRALITE bags Gold for Best Mobile App in Social Media  
 GLUCON-D bags Gold for Mobile Advertising Excellence in Rich Media Campaign



### #4m Martech India AWARDS

NUTRALITE bags Gold for Best Use of Martech for Social/Influencer Marketing



NUTRALITE bags Silver for Best Use of UGC



NUTRALITE bags Silver for Tech Enabled Campaign  
 GLUCON-D bags Bronze for Small Budget Digital Marketing Campaign



SUGAR FREE bags Silver for Moment Marketing Campaign



NUTRALITE bags Gold for Best Media Innovation



COMPLAN bags Bronze for Best Relaunch Campaign

### DIGIXX AWARDS

NUTRALITE bags Silver for Best Use of Video  
 NUTRALITE bags Silver for Content Marketing



NYCIL bags Bronze in Best Campaign in Personal Care Category



Sugar Free D'Lite won Product of the Year Gulf 2024 Award in the Sugar Free Snacks category based on independent survey conducted by Nielsen with consumers across GCC markets.



Brand Awards



## Zydus Wellness

Zydus Wellness Ltd.

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**CIN:** L15201GJ1994PLCO23490