



Stakeholder Engagement and Materiality Assessment

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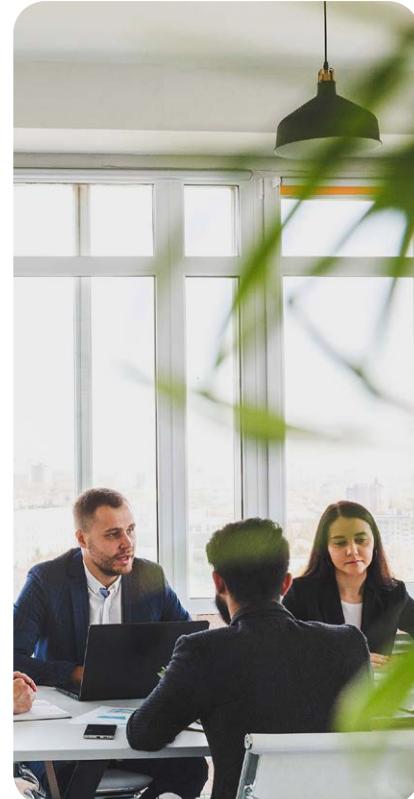


Stakeholder Engagement and Materiality Assessment

Engaging Stakeholders, Aligning Priorities

We engage with our stakeholders to foster continuous and transparent communication. Our dedicated functional representatives interact with their respective stakeholders to build strong, meaningful relationships and seek feedback. By involving stakeholders directly in the ESG materiality assessment, we ensure their insights are acknowledged and embedded within our ESG strategies.

To reach a broader audience, we utilise digital platforms and social media, enabling us to capture a wide spectrum of diverse viewpoints. Our approach to stakeholder engagement is systematic and thorough, focusing on accurate identification and mapping to understand the varied expectations of our Company. Key stakeholder groups include shareholders, local communities, customers, regulators, suppliers, third-party manufacturers, NGOs, patients, employees, and senior leadership.



Stakeholder Engagement Methodology

Refining Stakeholder Priorities and Topics of Interest	Conversational Engagement and Managing Stakeholder Expectations	Leveraging Stakeholder Insights and Sharing Progress
<ul style="list-style-type: none">Identifying Key Internal StakeholdersIdentifying External StakeholdersCollating Topics of Interest from Previous Engagement Cycles	<ul style="list-style-type: none">Structured and Need-based Conversations.Capturing Stakeholder Feedback and ExpectationsReviewing the Business Strategy and Managing Stakeholder Expectations	<ul style="list-style-type: none">Incorporate Stakeholder Feedback in Business Strategy ReviewsCreate Programmes to Address Stakeholder ExpectationsRegularly Update Stakeholders on Progress and Developments

Stakeholder Engagement and Materiality Assessment

Gaining Insights: Our Stakeholder Engagement Approach³⁰

Investors/Shareholders	Modes of Engagement	Engagement Approach
	<p>Modes of Engagement</p> <ul style="list-style-type: none"> • Financial Performance Reporting and Earnings Calls • Engaging in Investor Conferences • Event-driven Press Releases • Investor Presentations 	<p>Engagement Approach</p> <ul style="list-style-type: none"> • Our governance procedures are based on fundamental business principles. We ensure transparency through regular disclosures, including the Annual Report, Sustainability Report, and Investor Presentations. • Our Product quality and safety are maintained through close collaboration between dedicated teams such as the Quality Management team and the Pharmacovigilance unit. • We focus on operational excellence by implementing initiatives that improve production, workforce efficiency, and supply chain management.
	<p>Key Thematic Areas</p> <ul style="list-style-type: none"> • Corporate Governance • ESG Disclosures • Regulatory Compliance • Product Responsibility • Cost Competitiveness 	
	<p>Modes of Engagement</p> <ul style="list-style-type: none"> • In-person meetings • Emails <p>Key Thematic Areas</p> <ul style="list-style-type: none"> • Regulatory compliance • Community engagement • Rural market penetration • De-risking supply chain 	<p>Engagement Approach</p> <ul style="list-style-type: none"> • We ensure adherence to regulatory requirements, establish robust SOPs, and implement remedial actions to prevent non-compliance. • We implement community development initiatives tailored to address the specific needs of each community. • We have developed a comprehensive strategy to foster a responsible supply chain and evaluate alternative suppliers when feasible.

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Suppliers/Vendors	Modes of Engagement	Engagement Approach
	<ul style="list-style-type: none"> • Vendor meets • Virtual modes such as email or telephone • Assessments 	<ul style="list-style-type: none"> • We monitor and ensure timely payments, leverage digital solutions, and utilise efficient management systems. • We foster vendor collaboration tailored to specific needs to achieve effective partnerships and mutually beneficial outcomes.
Key Thematic Areas		
	<ul style="list-style-type: none"> • Timely payments • Collaboration 	

NGOs (Non-Governmental Organisations)	Modes of Engagement	Engagement Approach
	<ul style="list-style-type: none"> • In-person meetings • Virtual modes such as email or telephone 	<ul style="list-style-type: none"> • We actively promote and support employee volunteerism through diverse programmes and initiatives. • Our CSR management system is continuously refined to better address the changing needs of the communities we serve. • All CSR projects are aligned with the United Nations Sustainable Development Goals (SDGs), ensuring meaningful contributions to these global priorities.
Key Thematic Areas		
	<ul style="list-style-type: none"> • Employee volunteering • Agile decision-making 	

Community	Modes of Engagement	Engagement Approach
	<ul style="list-style-type: none"> • In-person meetings • Engagement through our NGO partners 	<ul style="list-style-type: none"> • Our community development activities are carried out based on comprehensive needs assessments. • We have established formal and informal communication channels to address community grievances promptly and ensure effective resolution.
Key Thematic Areas		
	<ul style="list-style-type: none"> • Community development programmes (Focusing on healthcare, education, water & sanitation, rural development, and environmental conservation) 	

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Customers/Patients	Modes of Engagement	Engagement Approach
	<ul style="list-style-type: none">• In-person meetings• Emails• Customer feedback	<ul style="list-style-type: none">• We ensure the safety and efficacy of our products through a robust Quality Management System (QMS).• We maintain a strong pharmacovigilance mechanism to promptly record and address product complaints.• Our pricing strategy is designed to deliver the best value to our customers by balancing affordability, competitive market analysis, and customer needs.
Key Thematic Areas		

Employees	Modes of Engagement	Engagement Approach
	<ul style="list-style-type: none">Employee-focused web portalsEmailsEmployee engagement surveysTown halls	<ul style="list-style-type: none">We implement personalised learning and development programs tailored to individual employee needs and skill sets.
	<h3>Key Thematic Areas</h3> <ul style="list-style-type: none">Training, professional growth and developmentWell-being initiativesEmployee recognitionFair remunerationGood work-life balance	<ul style="list-style-type: none">Our curated welfare and recognition programmes that celebrate the contributions and achievements of our workforce.We maintain an annual appraisal process and promote an open feedback culture to support constructive dialogue and employee growth.Our active employee engagement through various initiatives fosters involvement, collaboration, and ownership within the organisation.

Senior leadership	Modes of Engagement	Engagement Approach
	<ul style="list-style-type: none">• In-person meetings• Virtual modes such as email or telephone	<ul style="list-style-type: none">• We conduct regular reviews of our business strategy, taking into account market dynamics and incorporating insights from stakeholders.
 Key Thematic Areas		<ul style="list-style-type: none">• Sustainable and resilient business operations• R&D and innovation <ul style="list-style-type: none">• We leverage emerging technologies to drive innovation and continuously strengthen our research and development (R&D) capabilities.

Stakeholder Engagement and Materiality Assessment

Materiality Mapping: Identifying Key Sustainability Priorities

We periodically review our approach to identifying the material topics for our business. Guided by the principles of double materiality, this exercise was designed to capture the evolving priorities of our stakeholders while aligning them with our strategic objectives. During the reassessment, we evaluate material topics by considering their impact

not only on business performance but also on broader societal and environmental outcomes.

This dual-focus approach empowers us to proactively address key ESG challenges, thereby driving sustainable value creation for all our stakeholders. Senior Management has been engaged through targeted reviews and discussions centred on the revised

materiality assessment and its key issues. To remain responsive to changing external factors, such as shifts in the competitive landscape, macroeconomic dynamics, evolving consumer preferences, and regulatory and investor expectations, we have established a process that ensures periodic review and prioritisation of material topics.³¹

Explore	Identify and Engage	Review and Evaluate
<p>During the materiality assessment, targeted research was conducted to identify the most relevant material issues for our business. This process was guided by recognised standards and frameworks, including the Sustainability Accounting Standards Board (SASB), MSCI, Global Reporting Initiative (GRI), and S&P Global, while also considering emerging risks and key trends within the pharmaceutical sector.</p>	<p>In previous years, we used online surveys to gather insights from external stakeholders. We conducted an internal review to capture senior management perspectives. These combined efforts helped us identify the critical material topics for the Company.</p>	<p>We analysed responses from senior management alongside stakeholder feedback to develop the materiality matrix. This process ensured that the key material topics are aligned with stakeholder expectations and our strategic business objectives.</p>

Our Materiality Topics for FY25

We have identified and prioritised the key material topics most relevant to our business, presenting them visually through a materiality matrix. The material topics in this matrix are an outcome of our stakeholder engagement and materiality assessment process

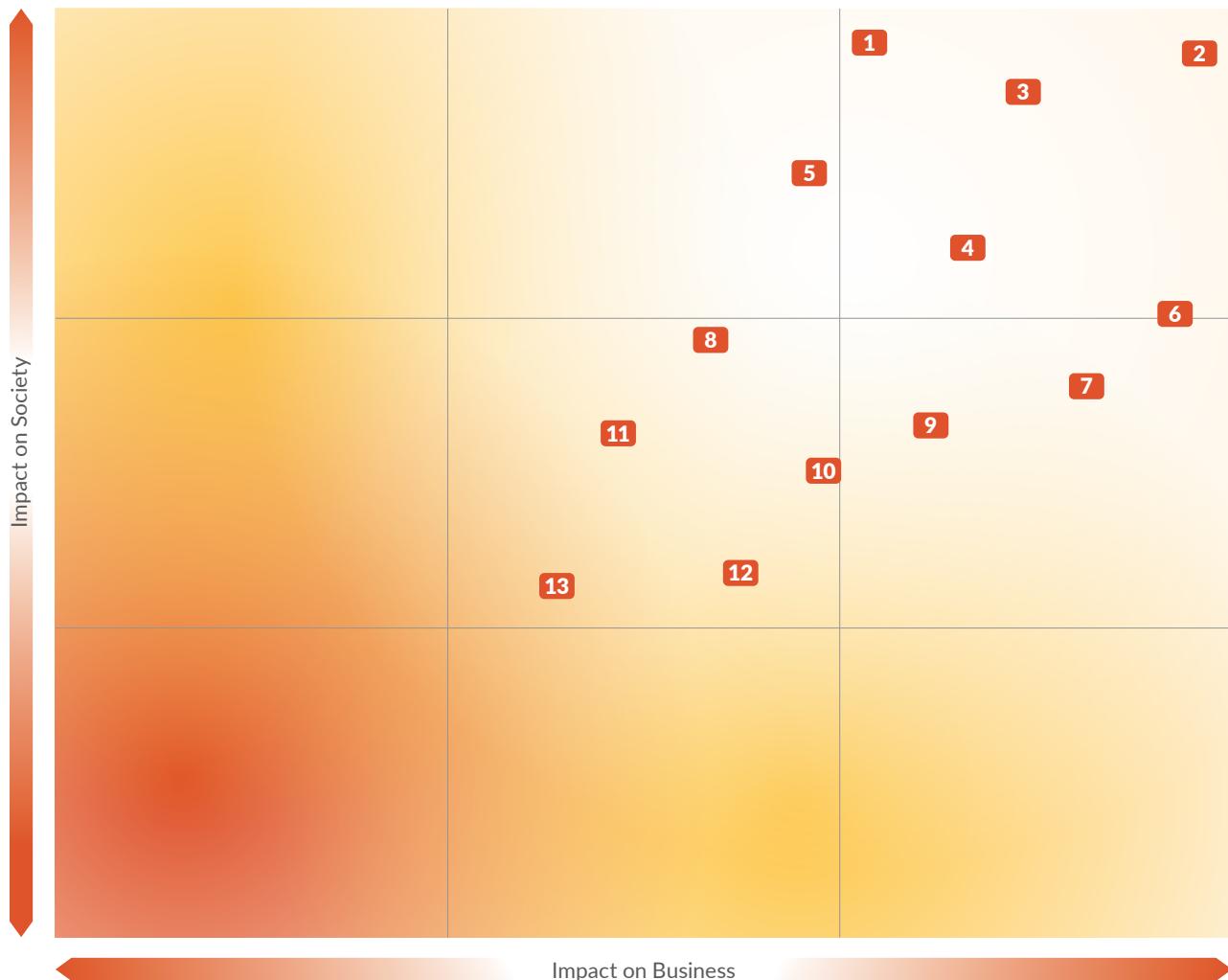
conducted in FY23. These topics are the result of a process that combines stakeholder engagement with a thorough materiality assessment, all guided by the principles of double materiality. In evaluating each topic, we considered its perceived impact on Sun Pharma's

business and its capacity to create, preserve, or diminish value for shareholders and other stakeholders. Furthermore, we assessed the broader effects of these topics on society and the environment as influenced by Sun Pharma's business activities.

³¹GRI3-1, 3-2, 3-3

Stakeholder Engagement and Materiality Assessment

Materiality Matrix FY25



1 Innovation Management	6 Cyber Security and Data Privacy	11 Sustainable Supply Chain and Responsible Procurement
2 Climate Change	7 Product Quality, Safety and Recall Management	12 Social Impact through Community Engagement
3 Environmental Impact Management	8 Human Capital Development	13 Ethical Clinical Trials and Animal Testing
4 Corporate Governance and Business Ethics	9 Occupational Health and Safety	
5 Access to and Affordability of Medicines	10 Diversity, Equity and Inclusivity	

We prioritise monitoring our performance on key material topics.

Our detailed Materiality Assessment and Management Approach is available in our FY25 Annual Report on page 96 at:

 <https://sunpharma.com/wp-content/uploads/2025/07/SPIL-Annual-Report-2024-25.pdf>