

# BUSINESS RESPONSIBILITY REPORT

## MESSAGE FROM THE DIRECTOR'S DESK

The means that lead to profitability are as important as profitability itself – if not more. Today's businesses have a larger responsibility towards a wide range of stakeholders; of which shareholders are a subset. This responsibility goes beyond the top-line and bottom-line, and extends across the triple bottom-lines of people, planet and profit.

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AT SUN PHARMA, WE BELIEVE IN GENERATING AND DISTRIBUTING MORE VALUE FOR SHAREHOLDERS, WHILE IMPROVING THE QUALITY OF LIFE FOR THE WORKFORCE AND THE SOCIETY, AND CONSERVING THE ENVIRONMENT FOR OUR FUTURE GENERATIONS

This responsible approach is a characteristic of Sun Pharma since its inception, but four years ago we integrated all these components into one interconnected model based on the National Voluntary Guidelines (NVG). It helped in focussing our efforts towards all our stakeholders, be it patients, healthcare professionals, communities, planet, regulatory bodies, employees, or shareholders.

We extend the philosophy of enhancing the quality of life by focussing on three areas: Community Wellness, Environment Wellness and Employee Wellness.

## COMMUNITY WELLNESS

Being one of the leaders in the generics segment of the global pharmaceutical industry, it is imperative for us to produce quality medicines that are more affordable and accessible to a larger population. Additionally, by continuing to enhance our Corporate Social Responsibility (CSR) efforts and simultaneously partnering with government and non-government organisations, we are making good health accessible to the local communities and society at large.

Other than medicines, we also undertake initiatives in education, water & sanitation, livelihoods and healthcare infrastructure. Need assessment is carried out, and based on that, various local level community programmes are undertaken. One of our major CSR programmes is the 'livelihood training model' where we empower people with

employment-oriented skills. In FY17, we offered livelihood training to more than 150 people.

## ENVIRONMENT WELLNESS

As we enhance the quality of life of our communities, we are simultaneously reducing our dependence on fast-depleting natural resources by implementing Clean Development Mechanism (CDM) projects at our operations.

We have a robust Environment, Health and Safety (EHS) policy which enhances the internal environment of the workplace and safeguards the external environment of the world. We also leverage technology to enhance our energy efficiency initiatives. In FY17, 3.1 million kWh of green energy was generated from our wind farm in Chennai. 'Zero Liquid Discharge' is the norm in many of our plants, while the remaining plants are leading towards it.

## EMPLOYEE WELLNESS

Spread in 150 countries across 6 continents, our diverse team of over 30,000 employees embodies our values and helps us stay true to our responsibilities. We continue to invest in their professional growth and to inculcate the value of responsible growth in them. So, they understand that their progress is linked with the Company's advancement, community's upliftment and environment's protection. In FY17, almost 46% of our workforce was imparted safety and skill upgradation training.

This Business Responsibility Report (BRR) sums up our commitment to community, environment and all our stakeholders. I welcome your feedback on this report as your insights will help us enhance our triple bottom-line performance.

Regards,

**Sudhir V. Valia**  
Whole-time Director

## OVERVIEW

The world has always been divided between the Haves and the Have Nots, but never has this divide been so vast. The need of the hour is holistic, inclusive growth that leaves nobody behind. And the gigantic nature of the problem requires joint efforts by the government as well as the corporate world.

Being one of the leaders in the industry, with over 30,000 employees, 42 manufacturing sites and a portfolio of 2,000+ marketed products, we at Sun Pharma, strongly believe that

business and responsibility go hand in hand. One without the other is incomplete. The real growth is at the intersection of the triple bottom-lines of people, planet and profit.

This Business Responsibility Report is our demonstration of the triple bottom-line approach to business. In accordance with SEBI's proposed index and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', the report enunciates our plans and actions to build our business responsibly.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L24230GJ1993PLC019050
2	Name of the Company	SUN PHARMACEUTICAL INDUSTRIES LIMITED
3	Registered Address	SPARC, TANDALJA, VADODARA - 390 020, GUJARAT
4	Website	<a href="http://www.sunpharma.com/">http://www.sunpharma.com/</a>
5	E-mail id	secretarial@sunpharma.com
6	Financial Year reported	01-April-2016 to 31-March-2017
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	"Pharmaceuticals" is the primary reportable segment
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Imatinib   Cip-Isotretinoin   Kerastick
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	US, Japan, Romania, Canada, Russia
	(b) Number of National Locations	Facilities - Halol, Panoli, Karkhadi, Ankleshwar and Dahej (all in Gujarat), Baddi and Paonta Sahib (both in Himachal Pradesh), Mohali and Toansa (both in Punjab), Malanpur and Dewas (both in Madhya Pradesh), Ahmednagar (Maharashtra), Maduranthakam (Tamil Nadu), Dadra, Silvassa, Jammu, Sikkim, Goa, Guwahati.  R&D Centres: Vadodara (Gujarat), Mumbai (Maharashtra), and Gurgaon (Haryana).  Registered and Corporate offices: Vadodara (Gujarat) and Mumbai (Maharashtra) respectively.  Pan-India Distribution Network
10	Markets served by the Company – Local/State/National/International	Over 150 markets served across 6 continents - Asia, North America, South America, Europe, Africa and Australia

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	Rs. 2,399 million
2	Total Turnover	Rs. 83,211 million (standalone)
3	Total profit after taxes	Rs. (349) million (standalone)
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Due to losses recorded in the last 3 years, the company is not required to allocate any amount towards CSR. However, it has voluntarily spent Rs. 24.09 million on CSR activities for the year.
5	List of activities in which the above expenditure has been incurred	Refer Principle 8 'Equitable Development'

## SECTION C: OTHERS DETAILS

1	Does the Company have any Subsidiary Company/Companies?	Yes.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	There is no direct participation
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company has not instituted the processes to monitor/verify whether any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company

## SECTION D: BR INFORMATION

### 1 a. Details of the Director/Director responsible for implementation of the BR (Business Responsibility) policy/policies:

1	# DIN Number	5561
2	# Name	Mr. Sudhir V. Valia
3	# Designation	Whole-time Director

### b. Details of the BR head:

1	# DIN Number (if applicable)	Mr. Sudhir V. Valia, Whole-time Director of Sun Pharma, oversees the BR implementation. The Company does not have a BR head as of now
2	# Name	
3	# Designation	
4	# Telephone number	
5	# e-mail id	

## 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the Management of the Company and is approved by the Board								
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	All the policies are compliant with respective principles of NVG guidelines								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	All the policies have been approved by the Board and have been signed by the Managing Director								
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The Board has appointed Mr. Sudhir Valia, Whole-time Director - Sun Pharma, to oversee policy implementation								
6	Indicate the link for the policy to be viewed online?	Copies will be made available on receipt of written request from shareholders								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been formally communicated to internal stakeholders. The external stakeholders will be communicated in due course								
8	Does the company have in-house structure to implement the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	It will be done in due course								

## 3. Governance related to BR

1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Annual
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The BR report for FY17 can be accessed through the link: <a href="http://www.sunpharma.com/pdflist/alldocuments">http://www.sunpharma.com/pdflist/alldocuments</a> . It is published annually

## PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Good governance is the foundation of all growing and thriving organisations. At Sun Pharma, our governance standards are guided by our values and our policies. Robust processes are in place to ensure transparency and accountability. All employees, across hierarchies, are woven in a culture of ethics and integrity. This has resulted in an organisation which is not only responsible to the shareholders, but also to its other stakeholders like community and environment.

The key principles of our corporate governance philosophy are:

- High levels of transparency
- Accountability
- Consistent value systems
- Delegation of responsibility across all facets of operations

The key enablers to ensure the consistent implementation of these principles are:

### Leadership

Our directors bring forth a global perspective on industry best practices and extensive experience, coupled with the spirit of entrepreneurship. They steer our growth journey and ensure that we remain on course towards a sustainable growth consistent with our values of integrity and accountability.

### Board Committees

Core areas of governance are overseen by dedicated board committees to streamline the governance process.

### Code of Conduct & Policy

At Sun Pharma, we nurture an environment of personal and professional growth for our employees, but their adherence to our Code of Conduct remains non-negotiable. Our Code provides a detailed illustration of how our employees must act and how situations arising from conflict of interest must be dealt with. Along with the Code, various policies on significant subjects are designed to cover all areas of operations.

In order to remain abreast with the best standards of governance, we continuously update our policies with the evolving environment. We also actively solicit feedback from all our stakeholders on our business conduct, and keep our code and policies updated. In this reporting year, we received 6 stakeholder concerns, all of which have been resolved.

## PRINCIPLE 2: PRODUCT LIFE CYCLE SUSTAINABILITY

The nature of our business makes the health of our patients our top priority. Equally important though is the well-being of our community and the environment. So, we not only work to make our products affordable and accessible, but also take care to support the local economy and the global environment.

### Affordable Access

Today we have the means to cure many a disease, but not the ability to ensure that every human being has access to it. Making these medicines accessible and affordable to them is the key for us as a leader in the generics segment of the global pharmaceutical industry. Our product agenda continues to be 'more the affordability of our products, more is our reachability to the patients'.

Moreover, we also reach out to those in acute necessity by distributing some of our critical life-saving products at no charge. Below are some of our products that have broken the affordability and accessibility barrier:

- **Rilutor (Riluzole):** Used for treating Amyotrophic Lateral Sclerosis (a life-threatening disease), this product is distributed free of cost to all patients.
- **Decitabine:** An enabler to oncology therapy, it is available at a significant discount compared to innovator's price.
- **Istavel:** A diabetes care drug, it is available at a significant discount, compared to global price.

### Empowering Communities

While we continue working to make our products reach far and wide, we also work more to uplift our nearby communities. By sourcing local labour and material, we empower the community surrounding our plants. This not only gives them a bigger platform to work in, but also helps us reduce the carbon footprint.

We also invest in upskilling local talent and upgrading local suppliers. Quality of our products is not compromised as we raise the local capabilities to our benchmark standards. Credits are also advanced where necessary to enhance the capacity of the suppliers. Many of our facilities have identified and encouraged various such local vendors.

### Enriching Environment

Environment is vital to our sustainability as we are dependent on nature for our survival and well-being. So, while we work for a better quality of life for the patients, we also put our efforts to increase the efficiency of our operations. For more details regarding this, please refer Principle 6 of this report.

Calculating our environmental performance per product, poses unique challenges, owing to a diverse product portfolio and complex production processes. We, therefore, monitor and manage our total annual water and energy performance vis-à-vis our total annual production.

**Production:**

API: 5,934 ton

Formulations: 20,384 million

**Water usage:** 2,880,482 KL**Energy Usage:**

Electricity (kWh)	407,448,100
Gas (in '000 nm <sup>3</sup> )	126,889
Furnace Oil (MT)	14,736
HSD (L)	1,077,700
Briquette (MT)	44,010

**PRINCIPLE 3: EMPLOYEE WELL-BEING**

Successful organisations have one thing in common - people empowered by an encouraging culture. At Sun Pharma, by ensuring safe working conditions, introducing friendly policies, and furthering growth opportunities and advanced learning options, we dovetail the personal goals of the employees with our business goals. We have in place, a comprehensive HR policy covering every aspect of an employee's life cycle in the organisation - from enrolment and emolument to retraining and retention.

The key tenets of Sun Pharma's talent management approach are:

**Employee Engagement**

A better engaged employee is a more productive employee. We have designed various platforms to encourage two-way communication with our employees. These are utilised to inform the employees about the goals and direction of the company and more importantly, to receive feedback from and allay apprehensions of the employees.

**Continuous Learning**

We invest substantially towards providing development opportunities to our employees, which are in line with their function and aptitude. This may include putting them through the in-house competency development mechanism as well as external training in elite institutions of repute, for the employees who have an aptitude to grow by learning.

**Equality of Opportunity**

At Sun Pharma, merit is the only prerequisite to growth. We celebrate diversity and discourage bias, discrimination and harassment. We nurture diversity by encouraging a fine amalgam of talent from different age groups, genders, castes, domains, religions, cultural backgrounds etc.

As of 31st March 2017, we had a total workforce, including all our subsidiaries, of over 30,000 permanent employees on our payroll of which, women employees accounted for 1,588 and 15 were employees with disabilities.

**Freedom of Association**

We continue to encourage Freedom of Association that seeks to constructively improve the employee's working experience and develops a conducive environment for achieving the employees' and our organisational goal. At present, there is a management-recognised employee association, which covers approximately 5% of our employee membership.

**Health and Safety**

Our robust Environment, Health and Safety (EHS) policy ensures that the employees have a safe environment and proper guidelines to follow. Strict compliance to ISO/OHSAS 18001 standards and adherence to the laws of the land are non-negotiable at Sun Pharma.

'Workplace Wellness' mantra is the key for improving the safety of our employees, where we continue to devote our resources in imparting safety training. It is designed in such a way that each employee is aware of all the safety rules to follow in operations, including when an emergency arises. The reporting year saw the safety and skill up-gradation training of approximately 46% of our employees, including 57% of women employees.

Reporting of accidents, injuries and near misses are encouraged to frame SOPs for the future, so that safer work practices can be adopted and unsafe practices identified and discarded.

The key ingredients of our occupational health and safety approach are:

- Safe Working Systems
- Use of Personal Protective Equipment (PPE)
- Safety Inspections & Audits
- Emergency Preparedness
- Safety Risk Management

**Recognition & Recreation**

The best performance comes when an employee is happy and satisfied for which, recreation and recognition are great enablers. A merit based module for rewarding talent has been designed and various means for recreation are planned. Some of these include:

- Special celebration to accord due recognition to the retiring employee
- Long-service award to recognise the loyalty and commitment of employees
- Family picnics to foster camaraderie

## PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

A relationship based on mutual trust and understanding is what we aim to share with our stakeholders. A robust engagement mechanism helps us achieve this. The three pillars of our engagement mechanism with our stakeholders are 'inclusivity', 'accountability' and 'responsibility'.

### Inclusivity

For us, every stakeholder - whether minor or major, internal or external, deserves to be engaged in a free and fair manner. Here are some of the key stakeholders identified by us:

- Employees
- Neighbouring Communities
- Patients
- Healthcare Professionals
- Investors & Shareholders
- Vendors, Suppliers & Distributors
- Government & Regulators

### Accountability

We are answerable to our stakeholders and this accountability helps us maintain our integrity. Timely information is provided and a considered response is sought, leading to a meaningful communication and fruitful collaboration. Some of the major platforms we use to communicate include:

- Corporate Website
- Annual Reports
- Quarterly Reports
- Investor Presentations
- Official Press Releases
- Vendor Meets
- Customer Feedback Sessions
- Dedicated Portals for Employees, Vendors and Field staff
- Participation in independent exhibitions (like CPHI)
- Social Media

### Responsibility

Stakeholders influence our decisions and are also impacted by them. Various stakeholders have varying degrees of effect and we are committed to responsibly balance the interests of all stakeholders. Some may need more resource allocation, while the others may need more engagement. The initiative we design for them, take into consideration these differences and provide for more where required. For details, please refer Principle 8.

## PRINCIPLE 5: HUMAN RIGHTS

Human rights form the backbone of a fair society. We adhere to the principle of human rights in letter and in spirit; regardless of the country, community, caste, creed, centre, cause or any other difference. Our comprehensive Human Rights Policy covering various principles ranging from freedom of association to freedom from harassment, applied across our locations is testament of our responsibility.

We are committed to and are compliant with all statutory laws and regulations, and have put in place grievance redressal mechanisms for violations, if any. In the reporting year, there were no human rights violation complaints, relating either to child, forced and involuntary labour or sexual harassment / discriminatory employment, against the Company.

## PRINCIPLE 6: ENVIRONMENT

Conspicuous and inconsiderate consumption of natural resources, both directly and indirectly, is taking its toll on the environment. Not only is it depleting what nature has to offer, it is also polluting what remains in nature viz., air, water, land and biodiversity.

At Sun Pharma, we have taken cognisance of this fact and are acting in a manner so as to change this narrative. By investing in energy efficiency or reducing our consumption, we are not only making environmental sense, but also economic sense. We have embraced an all-encompassing Environment, Health & Safety (EHS) policy which etches out our concerns as well as the roadmap to resolve them.

Summarised below are our green must dos:

- Ensure statutory compliance
- Optimise natural resources
- Effect continuous improvement in environment management
- Innovate greener technologies and processes
- Spread green awareness across internal and external stakeholders

### Waste Management

At Sun Pharma, we have well-documented SOPs for effective waste management which are executed and monitored on a continuous basis.

- Waste production is minimized at source itself
- Waste materials including solvents, wastewater, glass, plastic liners, fibre drums, metal drum sheets, HDPE sheets and waste oil are recycled. Initiatives consist of setting-up of effluent treatment plants, recycling through registered recyclers and engaging scrap

vendors for materials like paper, plastic and HDPE. Fifteen of our units are Zero Liquid Discharge (ZLD) facilities, while 7 are in the process of obtaining the status

- Well-equipped solvent recovery systems enable us to recycle recovered solvents
- We ensure safe and responsible waste disposal as per government norms and at government approved sites

### Energy Conservation

Reduction in energy consumption directly and positively impacts environment protection. At Sun Pharma, we are considering and adopting all available options to conserve as much energy as possible and reduce the environmental burden. These options broadly can be classified into two categories –using energy efficiently in manufacturing processes and tapping technology to generate green energy.

### Greener Operations

We have undertaken a host of initiatives to reduce the consumption of energy in our processes. This was achieved through optimising the systems at various points, some of which are:

- Installation of boiler economisers and air pre-heaters
- Using condensate recovery pumps
- Hot water generation from jacket heat exchanger
- Generating steam from waste heat of the captive power plant
- Use of fuel-efficient packaged boilers that use heat from waste gases of engine exhaust
- Changing from chilled water to cooling water
- Two OLTC transformers installed to reduce power changeovers and DG utilisation
- Steam generation from exhaust gas and hot water generation from jacket heat
- Optimisation of cooling tower
- Old DG cooling tower replaced with low energy usage cooling tower
- Installation of Variable Frequency Drives (VFDs) to save energy at all AHUs
- Replacement of cooling tower fan blade to save power
- Use of energy efficient screw chillers and rotary air compressor with VFD
- Replacement of CFL and metal halide lamps with LED Lights

### Green Investments

We are committed to generate more green energy and our investments, especially in the wind energy, are testament of our conviction. One of our facilities is dedicated towards harnessing the power of wind to generate energy. In FY17, we generated around 3.1 million kWh of clean energy.

### Carbon Emission

Clean Development Mechanism (CDM) projects are implemented at our facilities by switching from 'conventional' furnace oil / light diesel oil boilers to 'eco-efficient' biomass briquette-based boilers. It not only restricts the emissions of our operations, but also achieves two more objectives:

- Social well-being: Generating additional earning opportunities for the local people
- Environmental well-being: Replacing fossil fuels by a carbon-neutral fuel

As of now, we have 9 functional facilities equipped with the biomass fuelled boilers, with a total steam generation capacity of 94.5 tph, increasing from the last year's 6 facilities and 54 tph capacity respectively.

As of 31st March 2017, there were no pending notices from pollution control boards.

### PRINCIPLE 7: POLICY ADVOCACY

In a world where change is the only constant and changes in policies can affect businesses, it is imperative that we have a continuing dialogue with all the stakeholders who can have an impact on policy making.

As we are focussed on making affordable medicines accessible, we share our invaluable experience and leverage our leadership position to provide incisive insights and detailed inputs to key decision makers in planning better policies for the patients. Along with that, we also learn from the best practices of others in the industry. While we collaborate with various trade and industry associations, we are also members of:

- Indian Drug Manufacturing Association (IDMA)
- Indian Pharmaceutical Alliance (IPA)
- Bombay Chamber of Commerce and Industry
- Confederation of Indian Industry (CII)
- Pharmaceuticals Export Promotion Council of India (Pharmexcil)
- The Associated Chambers of Commerce of India (ASSOCHAM)
- The Federation of Indian Chambers of Commerce and Industry (FICCI)

### PRINCIPLE 8: EQUITABLE DEVELOPMENT

Sustainable growth is achieved by a combination of economic and equitable development, where the inclusive economic progress supports the creation of healthy and vibrant communities, which in turn feed the economy.

At Sun Pharma, our community development programmes are intended to contribute towards a better quality of life for the people and uplift the marginalised sections of the society. We are guided by our comprehensive Corporate Social Responsibility (CSR) Policy which has also been posted on our website.

Health, education, water, infrastructure, livelihood and disaster relief are some of our important CSR focus areas; zeroed-in based on community needs assessment studies. The programmes range from large-scale, long-term projects to one-off need-specific initiatives. Some of the key initiatives during the financial year includes:

### Distributing Medicines

We facilitate supply of medicines, either free of cost or at subsidised rates, to socio-economically challenged sections of the society. In view of their remote location, we continue to distribute medicines to monasteries in Sikkim, as well.

In the reporting period, we continued to dispense free Riluzole which is used in the treatment of Amyotrophic Lateral Sclerosis (a life-threatening disease) to all patients.

### Beyond Medicines

Over and above providing medicines, we implement CSR programmes to benefit the community on a sustained basis and in priority areas. Our endeavours broadly focus on:

Healthcare | Quality Education | Infrastructure & Rural Development | Access to Safe Water & Sanitation | Disaster Relief

### Healthcare Projects

#### Cancer Hospital

In FY16, to provide comprehensive cancer treatment to patients of a wider cross-section, we supported the establishing of the National Cancer Institute at Nagpur, Maharashtra in conjunction with Dr. Abaji Thatte Seva Aur Anusandhan Sansthan.

The construction of this 450-bed hospital is ongoing. Once commissioned, it will benefit 0.6 million patients every year.

#### Mobile Medical Units

Our mobile medical units are a joint initiative between HelpAge India and Sun Pharma Community Healthcare Society. These full-fledged clinic-on-wheels with an on-board doctor, provide consultation, medicines as well as awareness about preventive healthcare.

They serve towns like Halol, Ahmednagar, Mohali, Dewas, Toansa and Paonta Sahib, and treated 119,872 patients during the reporting period.

In addition to the Mobile Medical Units, 200 patients were provided free dialysis, while 1,210 patients benefitted through upgradation of PHC at Toansa and medical camp at Rail Majra.

### Quality Education

We support education in two ways: (i) by upgrading and reinforcing the physical infrastructure that facilitates it, and (ii) by enhancing the quality of education in schools that surround our areas of operations.

During the reporting year, we focussed on schools at locations like Halol, Ankleshwar, Madurantakam, Panoli, Silvassa, and Toansa; and benefitted 2,090 students.

### Infrastructure & Rural Development

Good infrastructure is a gift that keeps on giving. We focus more on rural infrastructure upgradation so as to ensure that they too become part of India's road to prosperity.

This year, we constructed road dividers at Paonta, strengthened the public distribution system at Madurantakam and initiated a traffic signalling project in the rural areas of Madurantakam.

### Access to Safe Water & Sanitation

We promote preventive health care and sanitation by contributing to the Government of India's Swachh Bharat Kosh and by constructing toilets for community use. Additionally, we also conduct intensive Behavioural Change Communication (BCC) and Information, Education and Communication (IEC) Campaigns with the involvement of local stakeholders.

During the reporting year, we increased the toilet coverage in Madurantakam (Tamilnadu), Ahmednagar (Maharashtra) and Halol (Gujarat), benefitting 35 households. Additionally, our safe drinking water projects benefitted 1,021 students at Halol and Ahmednagar, and 500 people at Toansa.

### PRINCIPLE 9: CUSTOMER VALUE

All our policies and processes finally transform into products for the customer, making them our key stakeholders. Our customer-centricity approach hence encompasses a gamut of propositions:

- Delivering affordable medicines and increasing their accessibility
- Practising stringent quality standards to ensure safe, effective and easy to use products
- Soliciting customers' feedback, insights and timely addressing their issues

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## Active Engagement

We engage with our customers who are spread globally, through a two-way interactive process:

### Give:

We disclose detailed information for all our products, which also complies with all applicable labelling codes and specifications. We also deal with customers in a transparent and ethical manner, eliminating any form of miscommunication or misunderstanding. Our employees' engagement with the customer is governed through the Code of Conduct.

### Take:

Our constant engagements provide us with valuable feedback from customers and helps us identify and address issues, if any. In the reporting year, although no formal survey was carried out, our medical representatives continued to seek suggestions in person, from doctors and pharmacists. Our 'Customer Centricity Policy' also directs our employees to be receptive towards customer's needs and concerns.

In the last eight years, no material case regarding dishonest trade practices or irresponsible advertising have been filed against Sun Pharma by any stakeholder.

## Product Safety

Quality is a must-have and a must-drive for any pharmaceutical major. Incorporating pharmaco-vigilance SOPs to methodically examine, detect and gauge any adverse effects which may arise in

or due to our products, is thus crucial for us. This mechanism allows us to eliminate adversities at the lab phase itself. Being a global leader in our segment, we keep raising the bar further in terms of product safety throughout our value-chain, with support from our R&D experts.

To keep an all-encompassing and updated database of unfortunate events, a holistic quality management system is in place. Our website has an 'adverse impact reporting form' which can be accessed by healthcare as well as non-healthcare stakeholders. The reporter's identity is kept confidential and is diligently protected to encourage free and fair feedback. On receiving the feedback, the information is used for systematic benefit-risk ratio assessment of the medicine.

## Specialty Healthcare

A medicine truly becomes a breakthrough, when it addresses an unmet medical need and at the same time it becomes accessible and affordable to all. With improving mortality rates, the need for specialty medicines have increased, but its affordability is a challenge. We are trying to put our efforts in overcoming this challenge.

Another space we are investing in, is to make these affordable medicines accessible to a larger footprint. We continue to expand geographically to cater maximum people in our niche therapy areas of dermatology, psychiatry, diabetes, neurology, cardiology, nephrology, gastroenterology, orthopaedics, oncology and ophthalmology.