

Business Responsibility Report

Message from the Director's Desk

As humans evolve, the life expectancy is increasing. Pharmaceutical companies are playing a significant role in finding cure for more and more diseases. But still, the number of deaths due to unavailability of medicines continues to be high.

At Sun Pharma, we develop high-quality medicines trusted by healthcare professionals and patients, making us the world's 5th largest speciality generic pharmaceutical company. But what gives us better satisfaction is that we make them affordable and accessible, in over 100 countries across 6 continents.

Our vision of 'Reaching People. Touching Lives' globally as a leading provider of valued medicines is what injects us to strive responsibly and reach higher towards a holistic growth, where all stakeholders benefit, be it patients, healthcare professionals, communities, planet, regulatory bodies, employees or shareholders.

This responsible approach has been the hallmark of our Company since inception, but five years ago we integrated all these components into one interconnected model based on the National Voluntary Guidelines (NVG). It helped us in focussing our efforts towards all our stakeholders. As we move ahead on our sustainability journey, this year saw the development of some promising trends in all the three areas of Employee Wellness, Community Wellness and Environment Wellness.

Employee Wellness

Employees are the most important asset of an organisation. For us, they are like our first customers. Our open, enabling and trust-based culture offers an exciting environment to work and grow for the 32000+ employees from over 50 different nationalities. This diversity is one of our biggest strengths as it brings on the table, a varied thought process and skill set.

Our all-encompassing Human Resources (HR) Policy covers every aspect of employee management from recruitment to retention. We are committed to hire exceptionally talented people and nurture them professionally through high growth opportunities and challenging roles with clear responsibilities. They are supported with opportunities to enhance their skills through development programmes. In FY18, approximately 67% of our employees, including 58% of women employees were provided with safety and skill up-gradation training.

Community Wellness

Being one of the leading companies in the global generic pharmaceutical industry, it is our responsibility to make medicines which are affordable and accessible. With active fieldwork, dedicated research and efficient operations, we try to combat illness and disease, and help as many people as we can to ensure their right to good health.

Other than alleviating the health issues of patients, we take initiatives for the welfare of the community. Through our comprehensive Corporate Social Responsibility (CSR) Policy, we design programmes for community development focussing on healthcare, education, infrastructure & rural development, safe drinking water & sanitation, environment conservation and disaster relief. We also supported Government initiatives, like helping build 201 individual household toilets during FY18 with an investment of Rs. 3.21 million to achieve Government's objective of zero open defecation.

Environment Wellness

At Sun Pharma, we are fully committed to achieve excellence in Environment, Health & Safety (EHS) and conduct our activities in the most responsible manner. The importance of EHS is continually stressed and extensively promoted as a part of our corporate culture. A robust EHS policy enunciates our commitment to create a safe and healthy workplace, and a clean environment for employees and the community.

The policy ensures that we manufacture our products safely and in an environmentally responsible manner. For that we follow the highest international standards in facility design, equipment selection, maintenance and operations. Waste management, conservation measures, increasing efficiency, green energy and implementing Clean Development Mechanism (CDM) projects at our facilities are some of the measures we employ to reduce our burden on the environment. In FY18, we generated around 2.7 million kWh of clean energy.

This Business Responsibility Report (BRR) is a testament of our responsibility towards all stakeholders. We welcome your valuable insights and feedback to enrich our understanding and enhance our sustainability performance.

Regards,

Sudhir V. Valia
Whole-time Director

Overview

We are living in times where volatility is the new normal. From disruption in societies to political uncertainties, extreme weather to cities going through unprecedented water crisis, the future seems chaotic, and hence, sustainability seems the only way out.

Understanding that growth can sustain only if it is inclusive, is a reality that we are staring at more starkly than ever. Everyone including individuals, governments and corporates have to become more responsible towards the community and the environment, while pursuing growth.

Being a global pharma leader with 32,000+ employees worldwide, 42 manufacturing sites, 100+ markets served and a portfolio of 2,000+ marketed products, we at Sun Pharma strongly believe that business and responsibility go together. Holistic and long-term growth can only be achieved when we take care of all the three bottom lines - economic, environmental and social.

This Business Responsibility Report is testimony of our caring for the triple bottom line with respect to our business. In line 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 summarises our efforts to conduct business with responsibility.

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	http://www.sunpharma.com/
5	E-mail id	secretarial@sunpharma.com
6	Financial Year reported	01-April-2017 to 31-March-2018
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)	Cip-Isotretinoin Kerastick Imatinib
9	Total number of locations where business activity is undertaken by the Company	
	1. Number of International Locations (Provide details of major 5)	US, Japan, Romania, Canada, Russia
	2. Number of National Locations	Facilities: Halol, Panoli, Karkhadi, Baska, 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), Madurantakam (Tamil Nadu), Dadra, Silvassa, Sikkim, Goa and Guwahati (Assam) 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 100 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)	90,756 million (standalone)
3	Total profit after taxes (Rs)	(4,946) 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. 26.97 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: OTHER 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 any process 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/Directors 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.
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 FY18 can be accessed through the link: http://www.sunpharma.com/pdflist/alldocuments . It is published annually.

Principle 1: Ethics, Transparency and Accountability

Any reputed company, needs good governance. And for the ones that wish to grow sustainably over a long period of time, it is critical. At Sun Pharma, we believe it is the foundation of our success.

Our governance standards have evolved from our core values - Quality, Reliability, Consistency, Trust and Innovation. Comprehensive policies and processes are in place to ensure transparency and accountability. This has resulted in a culture of ethics and integrity, which is evident across hierarchies in the organisation.

Our corporate governance philosophy is based on the following tenets:

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

Consistent implementation of these principles is ensured through:

Leadership

At Sun Pharma, the leadership involves developing future strategy and implementing plans and policies with accountability and transparency. Our Board of Directors with a wealth of exposure to and knowledge of global best practices, sets the tone to ensure responsible growth.

Board Committees

Dedicated board committees are formed to streamline the governance process. These committees include:

- Audit Committee
- Remuneration Committee
- Shareholders' / Grievance Committee
- Committee of Directors

Code of Conduct & Policy

A Code of Conduct is an important step in establishing an inclusive culture. At Sun Pharma, merit is the only consideration and no bias is entertained. Different policies on pertinent subjects and the Code of Conduct ensure that each employee is given an equal opportunity to grow through fair means.

The policies and the Code keep evolving to keep up with the changing times, but our commitment to uphold our values and governance standards remain intact. Feedback is actively solicited from all stakeholders to push the envelope further on good governance. In the reporting year, we received 3 stakeholder complaints, which were resolved satisfactorily.

Principle 2: Product Life Cycle Sustainability

At Sun Pharma, we are in the business of serving patients. But along with manufacturing products that heal, we have to take care that we have minimum negative impact on either the community or the environment.

So, we responsibly address all the three bottom lines of equitable growth - along with making good health affordable and accessible, we work towards empowering communities and enriching the environment.

Affordable Access

More people are suffering from unavailability of medicines. Research and development has resulted in finding the cure for many diseases, but the cost of medicines have eluded the benefit to pass to majority of people. As one of the leaders in the generics segment of the global pharmaceutical industry, we make good health affordable and accessible to the marginalised communities and society at large.

We manufacture and supply affordable, high quality generic World Health Organisation prequalified (WHO PQ) ARV products and treatments to patients around the world to fight HIV/AIDS. Other than making drugs affordable, in order to improve access, we also provide some life-saving medicines free of cost. Some of our products that have broken the affordability and accessibility barrier include:

- **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, sold at a significantly lower price compared to innovator’s product.
- **Patent protected oral anti-diabetic products:** two major patent protected molecules are sold at an affordable price to enable access

Empowering Communities

While we expand to serve patients in newer geographies globally, we continue to elevate communities around us locally. Whether by employing them or by sourcing material from them, we boost local economy and in turn, reduce our carbon footprint.

Initiatives are taken to upskill the people, so that they can earn more and enrich their life. If they are suppliers, we invest in upgrading them with modern technology and need-based credit. It enables them to raise their standard and quality of our products. For more details regarding our community initiatives, please refer Principle 8 of this report.

Enriching Environment

Care for the Environment is one of our core corporate values and, as a part of this commitment, we enunciated our EHS Policy. which, provides for the creation of a safe and healthy workplace and a clean environment for employees and the community. It aims for the highest international standards in facility design, equipment selection, maintenance and operations. The policy is a commitment that we will manufacture products safely and in an environmentally responsible manner. For more details regarding this, please refer Principle 6 of this report.

Calculating our environmental performance per product poses unique challenges, owing to a large and 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: 5,640 ton

Formulations: 19,986 million

Water usage: 2,998,406 KL

Energy Usage:

Electricity (kWh)	435,969,000
Gas (in '000 nm ³)	10,033
Furnace Oil (MT)	11,001
HSD (L)	1,601,000
Briquette (MT)	48,956

Principle 3: Employee Well-being

Employees are the most important ingredient of any company's evolution. We attribute our growth and success to our 32,000+ strong, multi-cultural workforce from over 50 different countries. This culturally diverse workforce is one of our biggest strengths and the rich experience they bring, across varied skill-sets and backgrounds, is invaluable.

We inspire our global workforce by binding them together through our common values, providing them a safe workplace, introducing friendly policies, ensuring growth opportunities and encouraging learning options. This creates an environment where personal goals and business goals merge to realise maximum potential. Our 360-degree HR Policy covers every facet of talent management and keeps evolving with the feedback of employees. Some of the main features of the policy are:

Employee Engagement

When employees feel that their voices are heard, they feel more empowered and motivated to work harder. We have designed special platforms where people can share their feedback transparently and we can alleviate their anxieties. We utilise these channels to inform them of the Company's vision and direction as well.

Continuous Learning

At Sun Pharma, our employees are provided with opportunities to enhance their management, technical and soft skills through continuous training and development programmes. This may include putting them through in-house competency development mechanism or external training programmes.

Through our tie-up with reputed educational institutes, we offer unique management programmes to our people to enhance their management skills without interrupting their careers. These are custom-designed modules focussing on advanced specialisations and quality courseware, while improving the business acumen of our employees.

All these unique academic initiatives are aimed to enable the employees to contribute significantly at work through improved results, while growing personally and professionally.

Equality of Opportunity

Merit is the only criteria for growth at Sun Pharma and discrimination is not acceptable. We have a multi-cultural workforce, which is an advantage with varied skill set and experience. We encourage diversity of every kind and discourage bias of any kind.

As of 31st March 2018, we had a total workforce of 32,000+ people, including permanent, temporary and contractual employees, of which 1,648 were women employees and 13 were employees with disabilities.

Freedom of Association

We believe that Freedom of Association is an important mechanism to enhance employee working experience and develop a conducive environment for achieving employees' and organisational goals.

We continue to support a management-recognised employee association, which covers approximately 5% of our employee membership.

Health and Safety

Providing a healthy and safe workplace is key to better employee retention. At Sun Pharma, we are fully committed to achieving excellence in Environment, Health & Safety (EHS) and conduct our activities in the most responsible manner. The importance of EHS is continually stressed and extensively promoted as a part of our corporate culture.

The implementation of the EHS Policy is ensured by institutionalising a robust EHS Management System, adequately supported by a well-defined organisational structure. Besides laying down guidelines on systems, policies and training, Corporate EHS monitors compliance as well as maintains and disseminates information on laws and regulations. EHS performance is periodically reviewed at facility, divisional and corporate levels to monitor the progress against EHS improvement plans.

Close cooperation between all units and individuals is key to maintaining high standards of environment protection and safety at all the facilities. Safety training also plays a pivotal role in the awareness of all safety rules to follow in operations, including when an emergency arises. The reporting year saw the safety and skill up-gradation training of approximately 67% of our employees, including 58% of women employees.

We have been progressively establishing ISO 14001:2004 compliant Environmental Management System and OHSAS 18001:2007 compliant Occupational Health and Safety Management System at our key manufacturing facilities. 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

A motivated employee is an invaluable asset. Recognition and recreation are two great tools to create an environment where the employees feel inspired to go beyond their call of duty.

A continuous and conscious effort to reward excellence in performance through various programmes has been consistently implemented across the company. Prompt and instant recognition is given to employees for exceptional performance through various recognition schemes. Regional and functional awards facilitate the acknowledgement of employees' involvement and inputs towards the realisation of goals.

Some of the other mechanisms 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

Sun Pharma Excellence Awards

In our constant endeavour to promote young pharma talent, we recognise top academic performers through the Sun Pharma Excellence Award Programme. This honour is given to final year students of the MBA in Pharmaceutical Management programmes in various institutes. We are also committed to hire exceptionally talented people from the campus and nurture them professionally.

Principle 4: Stakeholder Engagement

Companies engage with stakeholders to find out what issues matter most to them in order to improve decision-making and accountability. At Sun Pharma, we think that consistent interaction with our stakeholders not only helps in finding solutions to important matters, it also builds trust and understanding.

We have a comprehensive stakeholder mechanism in place to have a regular and transparent dialogue with all our stakeholders. This mechanism has three pillars - inclusivity, accountability and responsibility.

Inclusivity

We prefer to include all stakeholders who are impacted by and who can influence, our decisions and its implementation. Whether minor or major, internal or external, we have identified them and engage with them in a fair and transparent manner.

The key stakeholders identified by us are:

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

Accountability

Since our decisions and actions affect our stakeholders, we are answerable to them. In fact, this helps in maintaining integrity and transparency. A continuous and consistent, two-way communication includes sharing information and feedback, and leads to clear understanding and trust. Some of the main vehicles we use to communicate include:

- Corporate Website
- Annual Report
- Quarterly Reports
- Investor Presentations
- Official Press Releases
- Vendor Meets
- Customer Feedback Sessions
- Dedicated Portals for Employees, Vendors and Field Staff
- Participation in Independent Exhibitions
- Social Media

Responsibility

Some stakeholders effect our choices, while others are affected by them. Some may need more investment, while the others may need more time from us. Each stakeholder is different, and so is their need. Equitable growth is when every stakeholder grows with us. So as a responsible organisation, we have to balance our initiatives in such a way that we can collaborate with all stakeholders. For more details on these initiatives, please refer Principle 8.

Principle 5: Human Rights

Human rights are fundamental rights, and should be respected irrespective of nation, location, language, religion, ethnic origin or any other status. Sun Pharma is a firm believer of the principle of human rights and adheres to it in letter and spirit. We have a robust human rights policy which encompasses myriad principles like freedom of association and freedom from harassment, etc.

Being present in various geographies, we ensure that all local regulations are being adhered. We have also set up grievance redressal mechanisms so that any violation of human rights can be promptly and fairly dealt with. In the reporting year, there were no human rights violation complaints, relating either to child, forced and involuntary labour against the Company. However, we did receive one complaint related to sexual harassment during the year which has been resolved.

Principle 6: Environment

Environment destruction is a global issue facing all of us. Focussing on growth which is equated to convenience, comfort and consumption, has led to a stage where the natural resources are either depleted or polluted to an extent which is dangerous.

Care for the environment is one of our core corporate values and as a part of this commitment, we have a robust Environment, Health & Safety (EHS) policy which etches out our concerns as well as the roadmap to resolve them. Be it conservation measures, efficiency measures or reducing our dependence on resources which are limited, we are not only reducing the burden on the environment, but also on our operational costs.

Some of our green steps which are a must-do:

- 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

We also engage with the concerned authorities and industry in devising responsible laws, regulations and standards. Some of our key material concerns include:

Waste Management

Investments have been made in process improvements as well as upgradation of effluent treatment plants, using membrane-based technologies, multi-effect thermal evaporators, agitated thin film dryers and hazardous waste incinerators. These measures have helped to reduce the environmental burden. With equipment installed at all our major facilities for recycling of the treated effluent, we have achieved the status of zero liquid discharge at majority of our facilities. Some of the SOPs include:

- Waste production is minimised at the source itself
- Waste materials including solvents, waste water, glass, plastic liners, fibre drums, metal drum sheets, HDPE sheets and waste oil are recycled. Initiatives consist of setting up effluent treatment plants, recycling through registered recyclers and engaging scrap vendors for materials like paper, plastic and HDPE. 17 of our units are Zero Liquid Discharge (ZLD) facilities, while 5 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

Energy conservation is at the top of the sustainable energy hierarchy. It not only reduces the need for energy, lowering resource depletion, and thus benefitting the environment, but also reduces operational costs making economic sense as well.

At Sun Pharma, we are evaluating and implementing all available avenues 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

A host of initiatives were undertaken 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 condensate recovery system and increasing condensate recovery
- Usage of condensate water in boiler
- CFL replaced with LED as an energy conservation initiative at various sites
- Timer provided on field light and ETP blowers to save energy
- Installation of Variable Frequency Drives (VFDs) to save energy at AHUs
- Hot water generation from jacket heat exchanger
- Installation of RO plant in ETP and treated ETP water for cooling tower water makeup
- Steam condensate recovered and reused in boiler
- Installation of boiler economisers and air pre-heaters
- Replacement of cooling tower fan blade to save power
- Installation of energy efficient equipment like coating dry scrubber
- Using air compressor's exhaust air as inlet air for boiler combustion
- Hot water generation from jacket steam
- Spray drying of liquid waste (RO rejects) using flue gas heat of incinerator
- Energy efficient equipment (axial flow pumps for MEE-120 KL) are being installed at site
- Optimisation of water evaporation hence reduction in water consumption & simultaneously reduction in power consumption

Green Investments

Renewable energy is a great opportunity to reduce our dependence on fossil fuels and we are committed to generate more green energy. Our investments in the wind energy are testimony of our commitment and in FY18, we generated around 2.7 million kWh of clean energy.

Carbon Emission

By converting from 'conventional' furnace oil / light diesel oil boilers to 'eco-efficient' biomass briquette-based boilers, we are implementing Clean Development Mechanism (CDM) projects at our facilities. 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 facilities equipped with the biomass fuelled boilers, with a total steam generation capacity of 80.5 tph.

As of 31st March 2018, there were no pending notices from pollution control boards.

Principle 7: Policy Advocacy

Being the world's 5th largest speciality generic pharmaceutical company, we understand our responsibility of developing high quality affordable medicines trusted by healthcare professionals and patients. Added to it, is the challenge to make the medicines accessible in over 100 countries across 6 continents. All this in a dynamic world, where change is continuous, whether it is technology, Government or policy.

So, it makes perfect sense to keep the channel of communication open with stakeholders who have an impact on policy making, because it directly affects business. With our considerable experience and leadership position, we can share our insights to influence key decisions that affects patients and their well-being, leading to better health policies. Of course, sharing also involves learning from best practices. While we collaborate with various stakeholders, 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

Growth is not sustainable for a long term if it is not inclusive. As a global pharmaceutical leader, we understand our responsibility not only to make good health affordable and accessible, but also to reach out to the marginalised in the community and make them grow. At Sun Pharma, we have always believed in growing at the intersection of economic, environmental and community well-being.

We have a comprehensive CSR policy that determines our efforts towards social development. Sun Pharma's community development initiative focusses on:

- Healthcare
- Education
- Infrastructure and Rural Development
- Safe Drinking Water and Sanitation
- Environment Conservation
- Disaster Relief

Some of the initiatives taken in the focus areas during the year include:

Healthcare Projects

We implemented various healthcare programmes with the objective of offering up-gradation in health infrastructure to benefit the community on a sustained basis and in priority areas.

Distributing Medicines

Being in the healthcare industry, we directly support the socio-economically challenged sections of the society by providing medicines. Some of the beneficiaries include:

- Financially challenged patients continue to gain our assistance in the form of free-of-cost medicines. 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
- We have also been regularly distributing medicines to monasteries in Sikkim

Mobile Medical Units

Sun Pharma Community Healthcare Society partnered with HelpAge India to introduce mobile medical units providing free healthcare services to the community at their doorstep. These mobile units provided various medical services like curative services, reproductive and child health related services, diagnostic facilities, free healthcare services together with free medicine, doctor consultation as well as preventive healthcare services. Since the initiation of the Programme, it has already benefitted more than 1 million people with preventive and curative consultation and treatment.

These mobile medical units are a complete clinic-on-wheels with an experienced doctor on board. The programme saw an investment of Rs. 21.51 million in FY18 and is serving remote and rural areas nearby our manufacturing facilities based at Halol, Ahmednagar, Karkhadi, Panoli, Ankleshwar, Madurantakam, Mohali, Dewas, Toansa, Malanpur and Paonta Sahib, covering a population of 291,274 persons, out of which the total number of beneficiaries were 118,180. In addition to this, 68,788 people also benefitted under various Health Promotion and Preventive awareness services.

Health Dispensary

We renovated an abandoned dispensary of Zilla Parishad at Nawanshahr, Punjab, providing all infrastructural needs, required equipment and medicines, in addition to the Government supply. We are maintaining this dispensary as a continuous project which covers the population of nearby villages of Bholewal, Toansa and Railmajra.

The main objective is to deliver primary healthcare services to the underserved rural and urban slum areas staying close to the dispensary to ensure medical health services to all. It also focusses on reducing infant & maternal mortality and improve the health status of adolescent girls. It has benefitted 7,200 persons with an investment of Rs. 70,000 in FY18.

Kidney Dialysis Project

Our kidney dialysis project focusses on providing free kidney dialysis for poor and unprivileged sections of the society. With an investment of Rs. 0.40 million during FY18, the project has benefitted 127 patients.

Educational Programmes

The vision of Sun Pharma's CSR programme is to improve the educational standards through ensuring basic infrastructural facilities in rural areas. Model School Development Project emphasises on improving the quality of government schools by construction of boundary walls, provision of drinking water facility, strengthening eco-clubs, sanitation clubs, etc.

This was implemented at Ahmednagar, Halol, Ankleshwar, Madurantakam, Panoli, Silvassa, Malanpur and Toansa, and has already benefitted 5,770 students with an investment of Rs. 1.60 million during FY18.

Sanitation Programmes

Sun Pharma has been working consistently to ensure involvement and participation of various stakeholders from the community as well as from the concerned Government Departments. In one of the better examples of PPP model by the company, we ensure that the available Government Schemes benefit those who are bereft of sanitation facilities. We also organise awareness programmes to spread the message of cleanliness and hygiene for leading a healthy life. We helped build 201 individual household toilets during FY18 with an investment of Rs. 3.21 million to achieve the Government's objective of zero open defecation.

Safe Drinking Water Project

With an objective of providing safe drinking water to the rural populace, we are maintaining a deep bore well and pipeline at village Toansa. With an investment of Rs. 0.15 million during FY18, it provided potable water to approximately 950 beneficiaries.

Green Belt Development

Tree plantation is one of the most effective remedial measure to control the problem of air pollution and desertification, as well as has many obvious economic benefits. It effectively addresses several important environmental and sustainable development objectives. We undertook roadside plantation at Panoli, with an investment of Rs. 0.03 million during FY18.

Principle 9: Customer Value

All our efforts finally boil down to 'a brand trusted worldwide' by the customers. State-of-the-art plants, cutting-edge technology, robust processes and comprehensive policies resulting in products that alleviate pain of the patients and heal them. 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 and insights, and timely addressing their issues

Chronic Healthcare Products

We produce a comprehensive, diverse and highly complementary portfolio of chronic products targeting a wide spectrum of treatments. But our true success lies in making them affordable, because otherwise it would address an unmet need, but with an unmet cost.

Along with being affordable, we also ensure that we are accessible. Our continuously expanding presence in more than 100 countries, helps us in being responsive to local treatment needs while continually improving our global product offering in our niche therapy areas of dermatology, psychiatry, diabetes, neurology, cardiology, nephrology, gastroenterology, orthopaedics and ophthalmology.

Product Safety

Quality of our products directly affects the well-being of our patients. Any adverse effects which may arise in or due to our products, is critical. Hence, we have incorporated pharmaco-vigilance SOPs to methodically examine, detect and gauge them, which allows us to remove these at the development phase itself.

Our R&D experts play a significant role in setting a higher benchmark where product safety and quality are concerned, raising us to be a global leader in our segment. They are supported by the holistic quality management system in place. It includes the 'adverse impact reporting form' which is available on our website for anyone to fill in case of an unfortunate event. The feedback is used to create an updated database of unfavourable incidents that helps in assessing the systematic benefit-risk ratio of the medicine.

Active Engagement

Our engagement with our customers is an effective two-way process:

1. Provide

Detailed information 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.

2. Receive

Valuable feedback from customers to help 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.

There is no material case filed by any stakeholder against Sun Pharma, regarding dishonest trade practices or irresponsible advertising, during the last nine years.