

# **ESG Supplementary Disclosure 2024-25**

**Cipla Limited**



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## **Governance and Economic Dimension**

### **1.1 Transparency**

#### **Sustainability Reporting Boundaries (DJSI 1.1.1)**

Our disclosures in this ESG Supplementary Report pertain to our non-financial performance of our global operations from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025. Our non-financial reporting includes only our subsidiaries and not our associates. Information on our joint ventures has been disclosed as relevant. Our non-financial reporting pertains to our performance on environmental and social indicators.

#### **Sustainability Reporting Assurance (DJSI 1.1.2)**

Our non-financial performance has been externally assured by DNV Business Assurance India in line with ISAE 3000 (revised). The Assurance Statement is available on page 418 of our Integrated Annual Report FY 2024-25. The same can be accessed here: <https://www.cipla.com/sites/default/files/Cipla-AR-2024-25.pdf>.

### **1.2 Corporate Governance**

#### **Board Independence (DJSI 1.2.1)**

Each independent director, at the time of appointment and thereafter at the beginning of each financial year, submits a declaration confirming their independence under Section 149(6) of the Companies Act, 2013 ('the Act') read with the rules made thereunder and Schedule IV and Regulation 16(1)(b) of the SEBI Listing Obligation and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). The declarations of independence received from the independent directors are noted and taken on record by the Board after undertaking due assessment of the veracity of the same.

In the opinion of the Board, the independent directors fulfil the criteria of independence as stated under Section 149(6) of the Act and the rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management. Each of the independent directors have registered their names on the online databank maintained by the Indian Institute of Corporate Affairs.

In line with the SEBI Listing Regulations, at least fifty percent of the directors are to be independent. Currently, fifty-five percent of our directors are independent.

## Board Type (DJSI 1.2.2)

Our strong governance processes and operational performance is driven by our diverse one-tier Board of Directors. The table below provides details on the composition of our Board.

Type of Members	Number of members
Executive directors	1 (9%)
Independent directors	6 (55%)
Other non-executive directors	4 (36%)
<b>Total board size</b>	<b>11 (100%)</b>

For more details about our Board of directors, please visit: <https://www.cipla.com/about-us/board-directors>

## Non-Executive Chairperson/ Lead Director (DJSI 1.2.3)

Separate post of Chairman and CEO: Dr. Y.K. Hamied is the Non-Executive Chairman of the Company, Mr. Umang Vohra is the MD & GCEO of the Company. The Board has appointed Mr. P R Ramesh as Lead Independent Director of the Company.

## Board Gender Diversity (DJSI 1.2.5)

Out of 11 Board of Directors, two are female, i.e., 18%.

## Board Accountability (DJSI 1.2.6)

In FY 2024-25, we held a total of seven board meetings. The average board meeting attendance during the reporting year was 96.32%. In line with our Nomination, Remuneration and Board Diversity Policy, all Board Members are elected by the Nomination and Remuneration Committee. All Independent Directors are appointed in line with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the Companies Act, 2013 any change in the Articles of Association and Memorandum of Association of the Company requires prior approval of the shareholders. Additionally, in line with the Companies Act 2013, the Company has an appropriate Directors and Officers Liability Insurance Policy and pays a premium for the same, limiting the personal liability of directors to the extent permissible by law. Furthermore, our Nomination and Remuneration Committee

engages with Management to build succession plans for the leadership team, including our CEO, and develop contingency plans for succession in case of any exigencies.

We have nine (81%) non-executive/ independent directors with four or less mandates in other listed entities. These include Dr. Y.K. Hamied, Mr. Abhijit Joshi, Mr. Adil Zainulbhai, Dr. Balaram Bhargava, Dr. Mandar Vaidya, Ms. Maya Hari, Mr. Robert Stewart, Mr. Kamil Hamied and Ms. Sharmila Paranjpe. In line with SEBI requirements, all non-executive/independent directors are restricted to holding up to seven mandates in other listed entities.

In accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out an annual evaluation of its own performance, performance of the Board Committees as well as the individual directors. The performance evaluation for FY 2024-25 was undertaken internally. To ensure confidentiality an independent agency was appointed to conduct the evaluation through an online tool. The Nomination and Remuneration Committee (NRC) approved the evaluation criteria in the form of a questionnaire.

As a process, the Company engages an independent external agency in a block of four years to conduct a detailed performance evaluation. The last such exercise was undertaken in FY 2020-21.

### Board Average Tenure (DJSI 1.2.7)

Our Board Average Tenure is 6.83 years.

### Board Industry Experience (DJSI 1.2.8)

Currently, six of our Independent/ Non-executive Directors have relevant industry experience. They are Dr. Y.K. Hamied, Mr. Kamil Hamied, Mr. Adil Zainulbhai, Dr. Balaram Bhargava, Dr. Mandar Vaidya, and Mr. Robert Stewart.

### Management Ownership (DJSI 1.2.11)

Position	Name	Multiple of base salary
Chief Executive Office	Mr. Umang Vohra	4.791

Government Ownership (DJSI 1.2.13)

No governmental institution owns more than 5% of the total voting rights of the company.

Family Ownership (DJSI 1.2.14)

Founding individuals or family members individually own 29.20% of the voting rights of the company.

CEO-to-Employee Pay Ratio (DJSI 1.2.15)

The table below provides specific details on the ratio between the total annual compensation of the Chief Executive Officer and the median employee remuneration for FY 2024-25:

CEO total annual compensation	INR 1,75,363,376
Ratio	313:1

ESG Governance Oversight (DJSI 1.2.16)

The Board of Directors provides overall oversight of our sustainability efforts, supported by the Investment and Risk Management Committee ('IRMC'), which reviews key ESG initiatives as well as identification of critical risks and devising mitigation plans for the same. ESG goals are embedded into the performance indicators of our Managing Director and Global Chief Executive Officer. These goals, approved by the Board and the Nomination and Remuneration Committee ('NRC'), are tracked periodically.

At the executive level, the Sustainability Council, chaired by the Global Chief Manufacturing Officer ('GCMO'), plays a central role in managing and overseeing sustainability performance. The Sustainability Council includes members of the Management Council and the heads of departments from various functions, who meet on a quarterly basis and provide regular updates to the IRMC. The Council operates under a formal Charter that defines its purpose, scope, governance and member responsibilities. The Charter is available on the Company website: [https://www.cipla.com/sites/default/files/sustainability\\_council\\_charter.pdf](https://www.cipla.com/sites/default/files/sustainability_council_charter.pdf).

There is a dedicated Central Sustainability Team, led by the Vice President of EHS & ESG, who reports directly to the GCMO and provides regular updates to the management and is responsible for end-to-end implementation of our sustainability initiatives.

## 1.3 Materiality

### Materiality Analysis (DJSI 1.3.1)

In order to align with stakeholder expectations and proactively recognise and manage emerging risks and opportunities, particularly from an Environmental, Social, and Governance (ESG) perspective, we undertake a comprehensive materiality assessment every three years. We also review our identified material issues every year to ensure alignment with industry trends and stakeholder expectations.

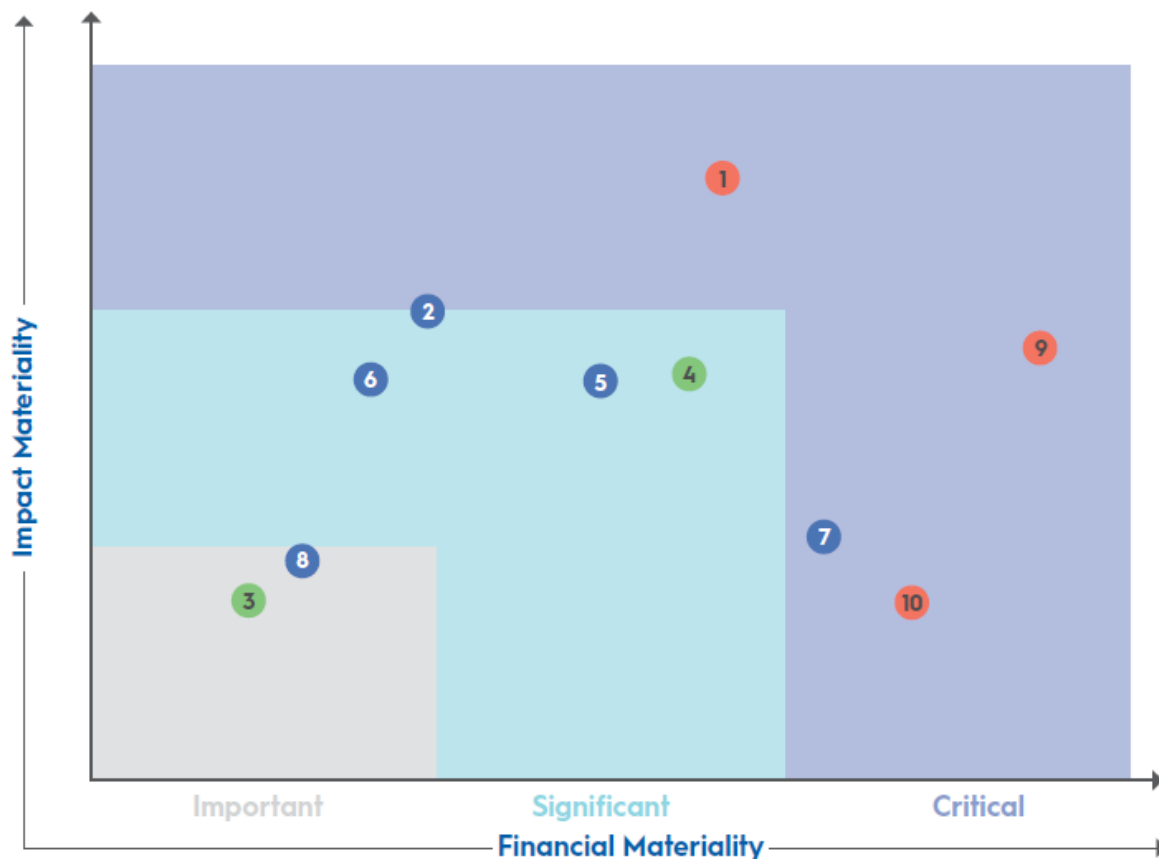
During FY 2024-25, we conducted our maiden Double Materiality Assessment ('DMA'). This process involves assessing the impacts of our business activities on the external environment and society and how sustainability related risks and opportunities could impact our financial performance, taking into account the views and concerns of key stakeholders including suppliers, customers, investors, and employees. This assessment helps us focus our efforts and investments on the areas where we can make the most positive impact, stay compliant with regulations, and actively support meaningful change. Our detailed Materiality Assessment report can be accessed at: [https://www.cipla.com/sites/default/files/2025-07/Cipla-DMA-18-07-2025\\_Final.pdf](https://www.cipla.com/sites/default/files/2025-07/Cipla-DMA-18-07-2025_Final.pdf)

We also engaged with our Enterprise Risk Management Team to ensure alignment of the potential financial risks identified with the internal risk register and overall risk ratings as identified by the Company.

Following a robust process, we identified the top 10 material issues for our business. These were reviewed and validated by our Senior Management and Management Council Members prior to finalisation.

Our Double Materiality Assessment approach and process has also undergone third party assurance. The Assurance Statement is available on page 418 of our Integrated Report Fy 2024-25: <https://www.cipla.com/sites/default/files/Cipla-AR-2024-25.pdf>

Our top material issues are depicted in a matrix below:



- 1 Access and Affordability of Medicines
- 2 Technology and Digitalisation
- 3 Resource Management (Waste, Water and Land)
- 4 Climate Action (Energy and Emissions)
- 5 Sustainable Supply Chain
- 6 Innovation and Research and Development
- 7 Corporate Governance and Business Ethics
- 8 Product Quality and Safety
- 9 Occupational Health and Safety
- 10 Human Resource Development

● Environment     
 ● Social     
 ● Governance

Note: The numbering of above corresponds to the serial order of material issues as presented in materiality matrix and does not indicate their financial or impact materiality ranking.

### Material Issues for Enterprise Value Creation (DJSI 1.3.2)

Particular	Material Issue 1	Material Issue 2	Material Issue 3
<b>Material Issue</b>	Product Quality and Patient Safety	Climate Action	Sustainable Supply Chain

<b>Business Case</b>	As a healthcare company, our primary commitment is to our patients. We endeavour to provide them with high quality medicines that positively impact their health and wellbeing. Any non-compliance with regulations and standards would not only adversely affect our patients but also expose us to legal repercussions and loss of brand value.	As a pharmaceutical company, we are cognizant of the potential adverse impact of our operations on global warming and climate change. We strive to maintain responsible and ecofriendly operations.	We rely on a global supply chain and are committed to securing a sustainable supply chain. We recognise the importance of addressing issues such as working conditions, wages and the impact of climate change on our supply chain and addressing any risks that we may be exposed to because of supply chain disruptions. Responsible and effective supply chain management is central to our ability to deliver on our commitment to patients.
<b>Business Impact</b>	Revenue	Risk	Risk
<b>Business Strategies</b>	We maintain robust, digitized Quality Management Systems covering both in-house and third-party manufactured products, aligned with evolving regulatory requirements. Our quality improvement	We have set focused targets to enhance our efforts for environmental conversation and protection. By December 2025, we aim to achieve 80% reduction in our Scope 1 (energy-based) and scope 2 emissions for our	We drive a Continuous Improvement Programme aimed at developing cost-effective procurement alternatives and reducing supply disruption risks. Through continuous monitoring, we

	<p>efforts include targeted training, robotic process automation, predictive analytics, and smart interlocks to monitor critical activities. We work to minimise microbiological excursions through enhanced sterile practices, address non-conformities via Corrective and Preventive Actions (CAPA), and automate processes to reduce manual errors. Regular internal audits and rigorous assessments of vendors and contract manufacturers ensure compliance with cGMP and QMS standards.</p>	<p>India manufacturing operations. We also focus on increasing our usage of renewable energy and continue to invest in energy efficient technologies.</p>	<p>proactively implement mitigation measures such as alternate sourcing, advance purchases, and maintaining adequate inventory of key strategic molecules. Our digitised business planning enables scenario-based simulations and enhanced end-to-end supply chain visibility. Additionally, we optimise logistics and rationalise costs through rate contracts with sea liners and advance dispatch scheduling, while leveraging AI, ML, and generative AI to further improve operational efficiency and transparency.</p>
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Materiality Metrics for Enterprise Value Creation (DJSI 1.3.3)

Particular	Material Issue 1	Material Issue 2	Material Issue 3
<b>Material Issue</b>	Product Quality and Patient Safety	Climate Action	Sustainable Supply Chain
<b>Target</b>	<ul style="list-style-type: none"> <li>All-time audit readiness</li> </ul>	<ul style="list-style-type: none"> <li>80% reduction in Scope 1</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with Code of</li> </ul>

	<ul style="list-style-type: none"> <li>Close investigations and regulatory audit observations swiftly within defined timelines</li> </ul>	(energy based) and Scope 2 emissions  This target has been adopted for our Indian manufacturing locations.	Conduct: 1,800 suppliers <ul style="list-style-type: none"> <li>Desk based assessments of 175 vendors</li> <li>On-site physical assessment of 75 vendors</li> </ul>
<b>Target Year</b>	2025	2025	2026
<b>Progress</b>	<ul style="list-style-type: none"> <li>113 external, 73 customer and 69 internal audits conducted</li> <li>40 regulatory inspections conducted</li> <li>Zero critical observations from external audits</li> </ul>	India manufacturing operations: <ul style="list-style-type: none"> <li>48.18% renewable energy consumed</li> <li>Energy savings of approximately 3,724 MWh</li> <li>64% renewable electricity procured</li> </ul>	<ul style="list-style-type: none"> <li>1,761 confirmed compliance with the Supplier Code of Conduct</li> <li>186 vendors assessed through desk-based assessments</li> <li>50 vendors underwent physical on-site assessments</li> </ul>
<b>Executive Compensation</b>	Our Managing Director and Global Chief Executive Officer is evaluated against the Key Performance Indicators pertaining to long-term, short-term, as well as financial and non-financial parameters. Non-financial parameters covered innovation and new business building, new market development and future growth engines, organisation and leadership development, compliance and ESG, etc.		

Material Issues for External Stakeholders (DJSI 1.3.4)

Particular	Material Issue 1	Material Issue 2
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<b>Material Issue</b>	Climate Action	Availability and Affordability of medicines
<b>Cause of the Impact</b>	Operations and Supply Chain	Operations and Products/Services
<b>External Stakeholders Impacted</b>	Environment, Society and External Employees	Society, Consumers and External Employees
<b>Type of Impact</b>	Positive and Negative	Positive and Negative
<b>Topic Relevance</b>	<p>Failure to address the use of fossil fuels in our operations can have adverse impacts on the environment, leading to decreased social security and increased inequalities. Such impacts have the potential to disrupt our operations and supply chain.</p> <p>With greater scrutiny on environmental impact management, inability to effectively manage our emissions can result in loss of stakeholder trust and business reputation.</p> <p>We have set a target to achieve 80% reduction in Scope 1 (energy-based) and Scope 2 emissions by December 2025 for our India manufacturing operations. We aim to achieve this target through the increased use of renewable energy, use of alternative sources of fuel such as biomass and focused energy efficiency</p>	<p>Access to affordable medicines is essential to advancing global health and well-being. However, in many low- and middle-income regions, high medicine costs remain a significant barrier, limiting access to vital treatments. Guided by our ethos of <i>Caring for Life</i>, we are committed to ensuring that everyone who needs medicines can obtain them.</p>

	initiatives and technological investments.	
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**Materiality Metrics for External Stakeholders (DJSI 1.3.5)**

Particular	Material Issue 1	Material Issue 2
<b>Material Issue</b>	Climate Action	Availability and Affordability of medicines
<b>Output Metric</b>	Avoided CO <sub>2</sub> Emissions	Number of patients with access to low-cost medicines
<b>Impact Valuation</b>	Protection of air quality through reduced usage of fossil fuels	Improvement in health status and wellbeing
<b>Impact Metric</b>	Social Cost of Carbon	% of reduction in chronic illnesses

**1.4 Risk and Crisis Management**

**Risk Governance (DJSI 1.4.1)**

We have established a robust governance framework supported by dedicated operational risk management functions to ensure timely risk identification and mitigation. At the Board level, the Investment and Risk Management Committee holds explicit responsibility for overseeing and guiding our risk management system.

The Management and Business Council supports effective management and monitoring of major strategic, and business risks and also supports the IRMC in setting control measures and monitoring compliance. Business/ functions heads who form the second line of operational risk management have the primary responsibility to identify, assess and manage risks pertaining to each business/ function. They undertake periodic meetings to monitor the trends and factors of their responsibility area that impact on our risk profile, communicate internally on findings and coordinate the updates to be made to our risk register. Regular review of risk registers is also undertaken to assess the need to include any new risks. Across our businesses and functions, Risk Champions support business and function heads in operational risk management, together with our Enterprise Risk Management Team. They serve as the first line of operational responsibility, proactively identifying risks, implementing mitigation measures, and assessing residual risk.

Our strategic and operational risk management structure is reviewed by an independent audit function. Our ERM function and framework undergoes an annual Entity Level Controls Audit as part of the Internal Financial Controls (IFC) framework. This annual audit is undertaken to ensure that our risk management framework is appropriately designed to include an established process to identify and consider the implications of relevant risks.

## Risk Management Processes (DJSI 1.4.2)

### Risk Review

We have defined a robust risk identification methodology to assess risks across businesses and functions. The methodology considers the impact and likelihood of risks as well as the velocity at which the risks are likely to materialise, considering our existing controls and the conditions prevailing in the external environment. For gauging the impact level of risks, a risk prioritisation framework consisting of financial, reputational, regulatory and health & safety aspects has been defined with materiality thresholds.

We periodically assess and revise the level of risk which is acceptable in pursuit of our strategic objectives. Risk appetite levels guide decision-making across business, compliance, sustainability, and stakeholder engagement. We maintain a low-risk appetite for regulatory compliance, cybersecurity, and environmental/social impact due to potential reputational and legal consequences. Supply chain and manufacturing risks are accepted at a low to moderate level, with strong controls in place. Additionally, we acknowledge geopolitical risks—such as political instability and trade restrictions—with a low to moderate appetite, mitigated through market diversification, strategic partnerships, and proactive scenario planning. This balanced approach ensures resilience, compliance, and long-term value creation.

In addition to current risks, the Enterprise Risk Management team engages with Businesses and Functions to monitor external and internal environments, identify emerging risks on the basis of their potential to materially affect our businesses and processes over a mid to long term horizon, and define mitigation measures for these emerging risks.

Our double materiality assessment process also enabled us to capture stakeholder views on their perception of the pertinent topics for our business. This approach also allows our management to consider external views while reviewing the risk register. It enables us to prepare risk responses to the material topics that can impact our ability to preserve, create or erode the value-creation potential of our business. While reviewing the results of our double materiality assessment, we ensured alignment with our ERM and addressed and incorporated any deviations as required.

Based on the management's review and deliberations during IRMC meetings, we have identified some of our key risks, its impact and mitigation measures. These are covered in detail

in our Integrated Report FY 2024-25 on page 55:  
<https://www.cipla.com/sites/default/files/Cipla-AR-2024-25.pdf>

### **Risk Exposure**

The Cipla Enterprise Risk Management (ERM) programme covers its key risks across all its business areas. The Investment and Risk Management Committee of the Board reviews and discusses the risk updates on a quarterly basis.

### **Risk Management Process Audit**

The Enterprise Risk Management (ERM) function undergoes an annual Entity Level Controls Audit as part of the Internal Financial Controls (IFC) framework. This audit, conducted by an independent external firm under the internal audit programme, includes a comprehensive review of the risk management framework to ensure its effectiveness, compliance and alignment with organisational objectives.

### **Risk Culture**

We maintain a strong focus on embedding core risk management principles—such as proactive risk identification, timely discussions, and effective mitigation—into our internal processes. Key de-risking measures and mitigation plans identified by businesses and functions are incorporated into associate scorecards as performance targets, with progress and effectiveness tracked through business reviews and annual appraisals. Annual scorecards for Business and Support team leaders include strategically and operationally critical goals, the achievement of which requires adherence to our risk management framework and is recognised accordingly.

Lessons from internal and external risk incidents are shared with relevant stakeholders and integrated into our policies, procedures, and processes. We also provide timely and relevant risk-related training for our employees to ensure a resilient and risk-aware organization. Some of these trainings include Internal Controls, Information Security risks, Logistics and Plant Risk Management and Business Continuity Planning. Furthermore, our Board of Directors also undergo regular training on varied subjects, including risk management, ESG, corporate governance practices, various other industry, business and regulatory updates.

Risk management is also embedded in product development, approval, and manufacturing, taking into account factors such as portfolio, market, and health hazard risks.

## Emerging Risks (DJSI 1.4.3)

In addition to assessing current and potential risks, we evaluate emerging risks at least once every three years to enable timely remediation and prevent adverse consequences. Consistent with our risk management framework, emerging risks are identified and prioritised based on their likelihood of occurrence and potential business impact. This assessment draws on internal and external data, industry trends, market analysis, regulatory developments, and expert insights, ensuring a holistic and systematic approach to anticipating risks that could evolve into significant threats and implementing mitigation strategies proactively.

### 1. Trade Protectionism

Risk Description and Impact	Mitigation	Risk Category
<p>In some of our major markets we are witnessing regulatory measures aimed at increasing local manufacturing as well as reducing drug prices through the implementation of trade tariffs and imposition of regulatory ceiling on drug prices. While these policies aim to improve affordability and access for local populations, they significantly limit pricing flexibility and can compress margins, particularly in markets where cost competitiveness is a key differentiator. Such measures have potential to impact profitability and growth significantly in these regions.</p>	<ul style="list-style-type: none"> <li>• Establishing local partnerships for manufacturing in key markets to meet local sourcing requirements</li> <li>• Investing in API backward integration and supply chain efficiency to sustain margins under price pressure</li> <li>• Rationalising the portfolio of these markets by discontinuing low margin, unsustainable products impacted by price ceiling and focusing on complex generic products and niche therapies.</li> </ul>	<p>Economic</p>

### 2. Impact of anti-obesity medications

Risk Description and Impact	Mitigation	Risk Category
<p>The increasing adoption of GLP-1 presents significant growth opportunities but simultaneously also has potential to restrict growth in certain traditional therapies, particularly in the cardiovascular and metabolic areas. GLP-1 drugs not only provide effective glycemic control but also demonstrate significant cardiovascular and renal protective effectiveness. As a result, this may reduce demand for medications such as statins, ACE inhibitors, beta blockers and antiplatelet agents. Additionally, the weight loss benefits of GLP-1 would reduce the burden of obesity related complications and thus, has potential to impact corresponding segments in the pharmaceutical sector.</p>	<ul style="list-style-type: none"> <li>• Portfolio diversification by shifting focus in therapies where GLP-1 has shown limitations like Chronic Kidney Disease, Diabetic Retinopathy, etc.</li> <li>• Realigning pipeline by shifting focus from therapies vulnerable after adoption of GLP-1</li> <li>• Continued focus on HCPs engagement in relation to existing therapies that remain complementary to GLP-1</li> </ul>	<p>Economic</p>

**1.5 Business Ethics**

**Anti-Corruption and Anti-Bribery Policy (1.5.3)**

We have a zero-tolerance approach to bribery and corruption in any form as detailed in our [Anti-Bribery and Anti-Corruption Policy](#) (ABAC), approved by our Board of Directors. We prohibit all forms of bribery and corruption whether involving, but not limited to, Government Official or a private sector person or company and whether directly or indirectly.

As per our policy, gifts are not to be accepted or offered to or from the government or representatives or politicians or political parties without seeking an opinion from the Chief Compliance Officer. We did not make any political contributions in FY 2024-25.

We may make charitable donations that are legal and ethical under local laws and practices. In FY 2024-25, we spent INR 84.67 Crores on Corporate Social Responsibility activities, and INR 8.54 Crores on other social impact initiatives. Associates may, in their personal capacity, make donations that are legal and ethical under local laws and practices.

All our employees are provided with annual training on our Code of Conduct including our ABAC policies and procedures.

Our detailed [Code of Conduct](#) provides critical information on the systems and procedures in place to support effective implementation and compliance. All our employees are responsible for compliance with our Code and have individual responsibilities for ethical business conduct.

All concerns/incidents can be reported to our Chief Internal Auditor through post or email. We also provided for a dedicated ethics email ID where our employees can raise any concerns in a secure manner. As detailed in our Code of Conduct, we have a zero-tolerance approach to non-compliance. Any violation of our Code will be duly investigated, and necessary disciplinary and remedial action will be taken.

**Whistleblowing Mechanism (DJSI 1.5.4)**

All breaches of our Code of Conduct and other policies can be reported under the ambit of our detailed [Whistle Blower Policy](#). All matters relating to this is governed and overseen by our Ethics Committee. Concerns can also be reported through a dedicated email ID. We also provide for a third-party operating whistleblower channel in certain operations. All complaints received are kept confidential and reports are thereafter submitted to the Ethics Committee. The Ethics Committee is chaired by an Independent Director, ensuring impartiality.

To ensure awareness on channels to raise concern, training is provided to all employees under the learning module of 'My Global Code of Conduct'. Our employees are encouraged to report any concerns without fear of retaliation, and they may choose to disclose their identify while making a complaint. All complaints are thoroughly investigated as per the guidelines laid down in our [Whistle Blower Policy](#). The Ethics Committee is also responsible for ensuring that strict confidentiality is maintained throughout all proceedings.

**Reporting on Breaches (DJSI 1.5.5)**

Reporting areas	Number of breaches
Corruption and Bribery	0

Discrimination or Harassment	19
Customer Privacy Data	0
Conflicts of Interest	0
Money laundering or Insider Trading	0
<b>Total</b>	<b>19</b>

There have been no convictions and/or fines related to corruption or bribery in FY 2024-25.

**1.6 Policy Influence**

Contributions and Other Spending (DJSI 1.6.1)

Currency (INR)	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	24,20,00,000	39,20,00,000	0
Trade associations or tax-exempt groups (e.g. think tanks)	74,67,040	1,12,35,033.25	1,11,86,400	1,09,35,760
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0

<b>Total</b>	<b>74,67,040</b>	<b>25,32,35,033.25</b>	<b>40,31,86,400</b>	<b>1,09,35,760</b>
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## Largest Contributions and Expenditures (DJSI 1.6.1)

### Issues and Topics

<b>Issue or Topic</b>	<b>Corporate Position</b>	<b>Description of Position</b>	<b>Total Spend in FY 2024-25 in INR</b>
<b>Access and Affordability</b>	Support	<p>Cipla's policy advocacy follows a strictly transparent and patient centric approach. Cipla is open about its knowledge-based engagements and policy related dialogues with key stakeholders such as the Central and State Governments and relevant Industry Associations. Cipla's advocacy efforts are focused on prioritising patient well-being and fostering advancements in science, innovation and digitisation in the interest of ensuring quality healthcare for all.</p> <p>We believe that proactively and responsibly engaging with public policy stakeholders such as government bodies and officials, regulators, industry associations and NGOs, is a fundamental aspect of good public advocacy. At every step, we take into consideration the needs and perspectives of all relevant stakeholders. We provide policy insights to decision-makers drawing</p>	0

		from our own practices, experiences and industry peers. This commitment extends to advocating for regulatory frameworks that prioritise patient safety, highest quality standards and access to innovative treatments, all while upholding the highest ethical standards in all our stakeholder engagements.	
<b>Climate Change and ESG</b>	Support	Biodiversity and ecosystem services are critical factors in our sustainable operations and form an integral part of our business decisions. During FY 2022-23, we became a signatory of the India Business & Biodiversity Initiative (IBBI). We are committed to contribute to these global goals, alongside other sectors and business leaders. While continuing to achieve our own environmental, social and governance ('ESG') goals, Cipla will have the opportunity to drive ESG discourse within the sector and at a regional level. At the same time, the initiative will allow participating organisations to cross-learn from one another.	0

**Other Large Expenditures**

<b>Name of Organisation, Candidate or Topic</b>	<b>Type of Organization and Description of Engagement</b>	<b>Total Spend in FY 2024-25 in INR</b>
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Indian Pharmaceutical Association (IPA)	<b>Trade Association:</b> Cipla engages with the industry associations and leverages the advocacy platform for outreach to the government on various regulatory and policy matters impacting the industry and to ensure compliance with local regulations, while maintaining the highest governance practices. We share our learnings and insights directly with the government as well as industry associations on issues relating to quality, accessibility, affordability, R&D, technology, etc. in healthcare and to also build a constructive dialogue on policy interventions to develop a conducive healthcare ecosystem.	1,06,20,000
International Generic and Biosimilar Medicines Association (IGBA)		4,14,628
Indian Drug Manufactures Association ('IDMA')		1,55,760

**1.7 Supply Chain Management**

**Supplier Code of Conduct (DJSI 1.7.1)**

Cipla’s [Supply Chain Management Sustainability Policy](#) and the [Supplier Code of Conduct](#) are comprehensive and widely applicable to all our suppliers, ensuring adherence to the various measures, codes and principles of responsible conduct. The Code also defines sustainability parameters covering social and environmental practices that all vendors are required to follow and work towards. These include responsibilities such as minimising environmental impact, effective waste management, upholding collective bargaining rights, prohibiting child and forced labour, ensuring health and safety, maintaining fair working conditions, and operating with transparency.

**Supplier ESG Program, Supplier Screening and Supplier Assessment and Development (DJSI 1.7.2, 1.7.3, 1.7.4)**

We have defined clear governance structures to ensure effective implementation of our Supplier ESG Program. Our Board of Directors provides overarching oversight on all our ESG

initiatives, including our Supplier ESG Program. This oversight is reinforced by our board level Investment Risk and Management Committee (IRMC), which periodically reviews key ESG programs, critical risk identification and formulation of risk mitigation strategies. ESG objectives are embedded into the performance scorecards of the Managing Director and Global Chief Executive Officer, with targets formally approved by the Board and the Nomination and Remuneration Committee (NRC). Progress against these goals is tracked at regular intervals to ensure accountability and alignment with long-term sustainability commitments.

Operational leadership is driven by the Sustainability Council, chaired by the Global Chief Manufacturing Officer (GCMO). The Council comprises senior leaders from the Management Council and heads of key functions, including supply chain, and convenes quarterly to monitor sustainability performance. It provides structured updates to the IRMC, ensuring a continuous feedback loop between operational execution and Board-level oversight.

Our Supplier Code of Conduct, Supply Chain Sustainable Management Policy and [Responsible Sourcing Policy](#) form an integral part of our responsible supply chain management framework. They serve as a guide for evaluating purchasing practices, strengthening ESG (Environmental, Social, and Governance) performance, and driving sustainable growth across the value chain. All suppliers are required to acknowledge adherence to the Code during onboarding and re-confirm their compliance periodically—at least once every three years or as otherwise determined by company management.

Suppliers must conform to industry standards, obtain all necessary permits, and operate within the limits and requirements of those permits. We also encourage alignment with frameworks such as the United Nations Global Compact (UNGC) and the International Labour Organisation (ILO), and the acquisition of relevant certifications from the International Organisation for Standardisation (ISO), including ISO 14001, ISO 45001, and ISO 27001.

In FY 2024-25, 1,761 vendors (205 critical suppliers) confirmed alignment to SCoC in comparison to audits of 1,776 vendors (223 critical suppliers) in FY 2023-24. We have set a target of 1,800 vendors confirming compliance in FY 2025-26.

In line with our Responsible Sourcing Policy, we undertake internal and external audits of our suppliers in line with Pharmaceutical Supply Chain Initiative (PSCI) protocol, and BRSR Value Chain requirements. Suppliers assessed with a sustainability score below the required threshold are categorized as 'Critical Suppliers' and provided with remedial and corrective action plan (CAPA) support. They will be reassessed to monitor their progress on the CAPA, with a completion timeline set between 24-36 months.

We also provide training to all our employees and internal stakeholders who play a role in our Supplier ESG Program. These trainings cover a range of sustainability issues including, but not

limited to, climate change, use of renewable energy, occupational health and safety, and Human Rights.

## **Supplier Screening**

We categorise and prioritise suppliers to proactively identify performance-related risks and integrate risk management measures across the value chain, thereby strengthening resilience against future disruptions. Critical suppliers are those essential to our operations and provide a competitive advantage, typically through high-value contracts or significant expenditures. Disruption in their supply could entail considerable time and cost for recovery, making them vital to business continuity.

Additionally, as part of our supplier ESG engagement programme, we have established a robust framework to evaluate prospective vendors on governance, social, and environmental practices. This framework enables us to assess their ESG maturity and develop targeted engagement and capacity-building initiatives to align them with our Code of Conduct principles. Additionally, we are updating our Purchase Order terms to include supplier commitments to responsible environmental, social, and governance practices.

Through this process, we assess risks related to the sourcing of pharmaceutical intermediates, which are often influenced by environmental constraints (heavy pollution) that limit domestic production. Additionally, country-level factors such as alignment with national industrial policies, political and regulatory stability, and pricing dynamics are carefully considered to ensure strategic sourcing decisions that support operational continuity and compliance.

We have more than 8,250 tier 1 upstream and downstream suppliers (more than 8,300 for FY 2023-24) of which 566 (571 for FY 2023-24) are critical suppliers, accounting for 77% of the total spend on tier 1 suppliers.

## **Supplier Assessment**

To ensure compliance and continuous improvement across the supply chain, we conduct desk-based assessments where suppliers complete a questionnaire on ESG criteria. We also recognise the globally accepted EcoVadis report to assess supplier ESG performance and maturity. In FY 2024-25, we assessed 186 vendors through a desk-based assessment, with 12 critical suppliers providing satisfactory EcoVadis scores in place of questionnaire responses. Suppliers are assessed on key criteria, including legal and ethical standards, product quality and safety, human rights, labour practices, workplace conditions, human rights, environmental sustainability and transparency.

Additionally, we undertook PSCI audits of 43 vendors, of which 28 included critical suppliers accounting for approximately INR 281 Crores of our total procurement spend. Furthermore, we also undertake third-party led on-site physical assessments for our 50 key vendors on ESG

criteria. These vendors were selected based on their importance to our operations, total expenditure, and coverage across categories such as API, Capex, Excipients, Intermediate, Respiratory Products, and Packaging materials.

Out of the vendors assessed, three were identified as high-risk and guided through well-planned CAPA plans. To drive accountability and sustained improvement, we conduct annual evaluations of CAPA implementation for all high-risk suppliers. This structured follow-up process enables us to monitor progress, reinforce compliance expectations, and support suppliers in aligning with our ESG standards across the supply chain. All CAPAs have been implemented with a completion timeline set between 24-36 months.

### **Quality Assessments of Suppliers**

We uphold stringent quality standards through a multifaceted approach that includes rigorous site audits to ensure compliance with Cipla's requirements, systematic monitoring and tracking of corrective action plans, proactive vendor engagement initiatives, supply chain digitisation, and continuous improvement programmes conducted in collaboration with vendors.

For API, excipients and packaging, site audits are conducted every three years to ensure adherence to Good Manufacturing Practices (GMP) guidelines. For domestic markets, Contract Manufacturing Units (CMO) sites undergoes thorough audits to ensure compliance with Indian Regulatory requirements, market regulations, cGMP requirements and Cipla's in-house SOP requirements.

In vitro diagnostics (IVD) and medical device manufacturing sites are assessed for compliance with Indian MDR 2017 and ISO 13485:2016 standards. In FY 2024-25, 39 periodic audits and 56 due diligence audits were performed for loan-license and principal to principal contract manufacturing vendors. A total of 1,408 observations were noted from these audits. Post audits, we ensure timely resolution of audit observations and closely monitor and track through Corrective Action Preventive Actions (CAPA).

### **Supplier Development**

Our Company conducts ESG workshops for its value chain partners and internal team to build awareness, clarify ESG roles and promote sustainability initiatives. These sessions have led to improved supplier ESG maturity and strengthened internal alignment with ESG goals. In FY 2024-25, we engaged with 88 key suppliers, accounting for 6.22% of our procurement spend through such ESG Workshops. We also collaborated with 25 key suppliers, representing around 8.5% of the procurement spend, to raise awareness about carbon emissions.

Our future aspirations for supply chain sustainability are prioritising ESG practices to reduce Scope 3 emissions by segmenting suppliers based on ESG maturity, criticality and risk, enabling targeted engagement for impactful sustainability performance.

## KPIs for Supplier Screening (DJSI 1.7.5)

Supplier Screening	FY 2024-25
Total number of Tier-1 suppliers	8,250
Total number of significant suppliers in Tier-1	566
% of total spend on significant suppliers in Tier-1	77%
Total number of significant suppliers in non-Tier-1	0

We categorise and prioritise suppliers to proactively identify performance-related risks and integrate risk management measures across the value chain, thereby strengthening resilience against future disruptions. Critical suppliers are those essential to our operations and provide a competitive advantage, typically through high-value contracts or significant expenditures. Disruption in their supply could entail considerable time and cost for recovery, making them vital to business continuity.

## KPIs for Supplier Assessment and Development (DJSI 1.7.6)

### Progress of Supplier Assessment programmes

Supplier Assessment	FY 2024-25
Total number of suppliers assessed via desk assessments/on-site assessments	Total 236 audits were conducted against a target of 215 in FY 2024-25
% of significant suppliers assessed	42%
Number of suppliers assessed with substantial actual/potential negative impacts	3
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	100%

Number of suppliers with substantial actual/potential negative impacts that were terminated	0
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### Coverage and Progress of Suppliers with Corrective Action Plans

Corrective action plan support	FY 2024-25
Total number of suppliers supported in corrective action plan implementation	3 against a target of 3 identified high risk suppliers
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100%

### Coverage and Progress of Suppliers in Capacity Building Programs

Capacity Building Programs	FY 2024-25
Total number of suppliers supported in capacity building programs	88* against a target of 60 for FY 2024-25
% of unique significant suppliers in capacity building programs	16%

\*52 out of 88 suppliers supported in capacity building programs are significant suppliers

## 1.9 Information Security/ Cybersecurity and System Availability

### Information Security Governance (DJSI 1.9.1)

At the Board level, currently Mr. Robert Stewart, a member of our Investment and Risk Management Committee, oversees all matters related to information security and cybersecurity. We have also appointed a Chief Information Officer.

### Information Security Policy (DJSI 1.9.2)

We enforce strict policies and guidelines through our Information Security Management System (ISMS), addressing key areas like cybersecurity, data privacy, acceptable usage, and incident management. With 25 comprehensive ISMS policies and guidelines in place, we provide clear instructions to users on handling cybersecurity incidents and outline

consequences for policy breaches. Our Acceptable Usage Policy sets forth guidelines for user behavior and specifies disciplinary actions for violations. Robust incident management procedures, detailed in our Incident Management policy, ensure swift and effective responses to incidents. These policies are regularly updated and accessible to employees globally via our intranet network.

In line with our [Data Privacy Management Policy](#), we embed information security and data privacy considerations in all our processes by design. We are committed to continuous improvement of all our systems and processes. We also strictly enforce robust control measures and frameworks to ensure data protection and privacy. Adequate security measures have been implemented to protect against loss of data, breaches, damage and destruction. We also ensure that all personal data that is no longer required is securely deleted to prevent any unauthorized access.

All employees are individually expected to uphold all measures for data privacy and protection. All managerial employees are responsible for ensuring that their teams are aware of and implement necessary processes and procedures. As detailed in our Code of Conduct, all our employees are mandated to use our internet and email accounts in an ethical manner, for business purposes only. Compliance on the same is included as a Key Reporting Area for relevant personnel.

Through our Third Party and External Enterprise Security Policy, available on the Company intranet, we ensure third parties maintain compliance with our information security policies and requirements, minimizing the risk of any data breach.

### Information Security Management Programs (DJSI 1.9.3)

We follow industry-leading security practices and internationally recognised standards, including certifications from the National Institute of Standards and Technology (NIST), ISO 27001, the Open Web Application Security Project (OWASP), and Enterprise Digital Risk Management frameworks. To safeguard data security, availability, and integrity, we maintain a comprehensive Business Continuity and Disaster Recovery Plan, which is internally tested each year.

In FY 2024-25, we conducted three internal vulnerability assessments and two external penetration tests, supported by a dedicated vulnerability management platform for timely issue resolution, thereby strengthening our information security and cybersecurity framework. Our IT infrastructure also undergoes an annual internal audit led by our Internal Audit Team. Furthermore, a third-party audit is undertaken by our Statutory Auditor.

We also provide focused training for all employees on information security and compliance with our internal policies and legal requirements. Regular sharing of security awareness emailers and animated learning videos is undertaken to enhance employee awareness.

Any data privacy related query can be addressed to a dedicated email ID – [globalprivacy@cipla.com](mailto:globalprivacy@cipla.com). Any grievances or breaches can be reported to our Grievance Officer at [grievance.officer@cipla.com](mailto:grievance.officer@cipla.com). All reported incidents are investigated as per our internal guidelines and protocols.

Our Security Operations Centre operates an Extended Detection and Response platform, ensuring 24/7 monitoring and incident reporting. While there was one attempted cybersecurity incident during the reporting year, it did not result in any loss of data or adverse impact.

## 1.10 Innovation Management

### Healthcare Clinical Pipeline (DJSI 1.10.2)

The table below provides key details on our projects across each stage of the healthcare innovation process for the reporting year:

Innovation Phase	Number of Projects	Share of R&D Budget Invested (%)	Success Rate (%)
Pre-clinical development	137	62	95.6
Clinical trial/pathway to approval	28	38	78.57

## 1.11 Product Quality and Recall Management

### Product Quality Programs (DJSI 1.11.1)

At Cipla, quality is assured through stringent testing of raw materials, in-process substances, and finished products, all aligned with pharmacopeial and regulatory standards. Measures such as assay, impurity profiling, performance testing, and Nitrosamine checks for formulations and APIs enable early defect detection and help prevent recalls. Launched in January 2023, our Corporate Sterility Assurance Programme has also been specifically tasked with establishing and implementing corporate standards across sterile sites. This team also assesses site procedures for compliance and quality and conducts Sterility Assurance Quality Management Reviews.

While our primary business model relies on Business to Business ('B2B') partnerships, we receive case reports directly from healthcare professionals, patients and caregivers through various channels. All complaints, whether received via phone or email, are acknowledged, investigated and addressed as per the procedures established. Adverse event reporting guidance is

available on our website at <https://www.cipla.com/sites/default/files/Guidance-on-adverse-event-reporting.pdf>. Our pharmacovigilance processes align with local regulatory requirements and adhere to stringent Standard Operating Procedures ('SOPs') governing adverse events, product complaints and medical information activities.

Our Corporate Quality Assurance ('CQA') team logs and investigates product complaints. Preliminary responses are provided within 30 working days for minor complaints and within one working day for major complaints. In FY 2024-25, we received 6,326 product complaints and resolved 5,489, with the remainder in progress within defined timelines.

Our internal audit program, managed by the Corporate Quality Assurance team, conducts audits at manufacturing sites and corporate functions to ensure the effective implementation of quality systems and compliance with procedures. Audits occur at defined intervals based on risk and compliance ratings to identify areas for improvement.

We have also established a comprehensive QMS for drug-device combination products, incorporating SOPs for risk management and design control in compliance with statutory requirements. Additionally, Jay Precision Pharmaceuticals Private Limited, our medical device manufacturing site, has undergone compliance assessments with ISO 13485:2016 by TUV Rheinland, ensuring adherence to quality management standards for medical devices through periodic surveillance audits. Furthermore, we also provide focused training to our internal stakeholders on quality management in line with our internal SOPs.

### Product Recalls (Health Care) (DJSI 1.11.2)

<b>Class I Recalls</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>
Number of Class I recalls (or equivalent)	0	2	2	0

<b>Class II Recalls</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>
Number of Class II recalls (or equivalent)	2	7	5	6

## Compliance to Regulatory Standards (DJSI 1.11.3)

### Regulatory Agency Inspections

<b>Regulatory agency inspections</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>
Number of Regulatory agency inspections	33	30	52	40

### Form 483 Observations

<b>Form 483 Observations (or equivalent)</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>
Number of Form 483 Observations (or equivalent)	0	16	5	23

## FDA Warning letters

FDA Warning Letters	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of FDA Warning Letters (or equivalent)	0	0	1	0

## Environmental Dimension

### 2.1 Environmental Policy and Management Systems

#### Environmental Policy and Commitments (DJSI 2.1.1)

Our commitment to managing our environmental footprint and preventing any adverse impacts remains a critical aspect of our operational strategy, as detailed in our EHS Policy- <https://www.cipla.com/sites/default/files/2023-07/EHS-Policy-2023.pdf>. This policy continues to serve as the foundation for our environmental stewardship, outlining our priorities and guiding our actions. In alignment with ISO system requirements, we maintain clearly defined roles and responsibilities to manage our EHS performance effectively and engage and consult our workforce and other stakeholders on all EHS matters. Our EHS and Sustainability objectives remain integral to the organization's goals, with oversight provided directly by the Managing Director & Global Chief Executive Officer (MD&GCEO) and the Board of Directors. These responsibilities are systematically disseminated to individuals across all functions. EHS & Sustainability efforts are reviewed quarterly at the board level by the Investment and Risk Management Committee.

The Central EHS Team oversees API, Formulation, Occupational Health and Hygiene Function (OHH), and Sustainability, reporting to the Vice President EHS & ESG. This team falls under the guidance of the Global Chief Manufacturing Officer (GCMO).

At the manufacturing sites, the Site Head, supported by Site EHS Managers, monitors EHS performance and leads the effective implementation of systems. The Site Head is tasked with governance and responsible for the effective application of our EHS policies, procedures, and programs.

The Company remains fully compliant with all applicable environmental laws and regulations.

We persist in our efforts to provide targeted training to all employees and workers on environmental management to promote environmentally positive behaviors. Our steadfast dedication to EHS and Sustainability ensures our operations are responsible, compliant, and forward-thinking, preparing us to meet both current and future environmental challenges. In FY 2024–25, we provided 247 environment-related training sessions, delivering a total of 1,967 man-hours of learning to our workforce.

### Verification of Environmental Programs (DJSI 2.1.2)

Certification	Coverage
EMS is verified through international standards (e.g., ISO 14001, JIS Q 14001, EMAS certification).	83%
Third party certification /audit / verification by specialized companies.	0%
Internal certification /audit / verification by company's own specialists from headquarters.	17%
<b>Total</b>	<b>100%</b>

To ensure compliance with internal expectations and regulatory requirements, monthly site reviews are also implemented. These reviews are further supported with half yearly internal audits and annual external audits. In FY 2024–25, our facilities underwent 76 internal audits and 15 external audits, covering 38 manufacturing units.

## Environmental Violations (DJSI 2.1.3)

We have no open show cause or legal notices, or penalties imposed by regulatory agencies for safety and environmental violations. The Company is compliant with all applicable environmental laws and regulations.

## 2.2 Energy

### Energy Management Programs (DJSI 2.2.1)

At Cipla, we focus on decarbonization by enhancing energy efficiency and increasing the use of renewable energy. We are expanding our renewable energy sources by installing rooftop solar panels, tapping into solar and wind power through open access, and entering long-term contracts for renewable energy certificates. We also use alternative energy, such as biomass, to cut down on fossil fuel reliance. In FY 2024-25, biomass made up 9% of our energy usage.

In the reporting year, our global renewable energy consumption reached 5,08,179 GJ, making up 41% of our total energy usage—up from 29% in FY 2023-24. Further, we used 64% renewable electricity, exceeding our 50% target for India manufacturing operations. By March 31, 2025, we had a total operational capacity of 55 MWp of captive solar power via open access, 2.7 MVA of captive wind power via open access, and 10.4 MWp of solar rooftop installations at various sites in India.

As part of our green energy commitment, we have taken a significant step forward by entering into a long-term agreement to source International Renewable Energy Certificates ("I-RECs"). In a strategic alliance with Juniper Green Cosmic Private Limited, we have secured access to 100 MWp of solar capacity in Bikaner, Rajasthan. This agreement enables us to receive 185,000 I-RECs annually, which translates to an estimated reduction of 1,34,495 tCO<sub>2</sub>e emissions per year.

We further demonstrate our commitment to reducing our climate impact through targeted energy efficiency projects, saving approximately 3,724 MWh of energy during the reporting year. These efforts include Variable Frequency Drives (VFD), optimization of Air Handling Unit (AHU) operations, electronically commutated (EC) blowers, and chiller operation optimization. For further details on our energy conservation initiative, please refer to Annexure III on page 160-162 of our Integrated Annual Report FY 2024-25 available at: [https://www.cipla.com/sites/default/files/Cipla-Integrated-Report-FY-2024-25-%28Double-page%29\\_0.pdf](https://www.cipla.com/sites/default/files/Cipla-Integrated-Report-FY-2024-25-%28Double-page%29_0.pdf)

We have set site level energy savings targets to further enhance conservation. In FY 2024-25, our target across 15-locations was energy savings of 3,619 MWh. Energy audits are also conducted for our Indian manufacturing locations to assess energy use and identify opportunities for improved energy efficiency.

In the year, we made a capital investment of INR 3.11 crores towards energy conservation equipment. Furthermore, in line with ISO 50001:2018 requirements, we provide our workforce with focused training on energy efficiency and management to further inculcate a culture of energy conservation across the organisation.

### Energy Consumption (DJSI 2.2.2)

Energy Consumption in MWh	FY 2021-22	FY 2022-23	FY 2023-24 <sup>1</sup>	FY 2024-25
Total non-renewable energy consumption	4,04,648	3,80,108	3,98,621	3,34,812
Total renewable energy consumption	1,24,512	1,42,405	1,61,937	2,36,165

Our annual non-renewable energy consumption target for FY 2024-25 was 3,98,621 MWh.

## 2.3 Waste and Pollutants

### Waste Management Programs (DJSI 2.3.1)

Our operations produce various types of waste, including hazardous, non-hazardous, e-waste, and biomedical waste. We carefully track all waste which is sent to certified recycling and disposal partners in accordance with government regulations.

In FY 2024-25, we conducted an internal audit at our manufacturing sites to ensure accurate waste classification and identify ways to reduce waste generation. Waste is managed through authorized recyclers, Treatment, Storage and Disposal Facilities (TSDF), and co-processing facilities. Co-processed waste is converted into Alternative Fuels and Raw Materials (AFR) for the cement industry, thus reducing landfill use. We prioritize waste reuse whenever possible, and approximately 90% of waste from our global operations was recycled or reused during the reporting year.

<sup>1</sup> We had increased our reporting boundary to include an additional 15 subsidiaries in FY 2023-24 as compared to FY 2022-23. The additional locations account for an estimated increase of 4.4% of our total energy consumption in FY 2023-24.

To improve waste management, we have invested in volute presses and ETP sludge dryers to enhance waste reuse efforts. Our workforce is also provided with comprehensive training on waste reduction and safe disposal practices.

As of March 31, 2025, all our Indian manufacturing operations have achieved Zero Waste to Landfill (ZWTL) certification, demonstrating our commitment to sustainable and environmentally responsible practices.

### Waste Disposal (DJSI 2.3.2)

Waste in MT	FY 2021-22	FY 2022-23	FY 2023-24 <sup>2</sup>	FY 2024-25
Total waste recycled/reused	24,882	24,668	28,202	28,633
Total waste disposed	2,928	2,354	4,025	3,267
-Waste landfilled	1,246	1,012	1,522	584
-Waste incinerated with energy recovery	0	0	0	0
-Waste incinerated without energy recovery	1,682	1,342	2,503	2,683
-Waste otherwise disposed	0	0	0	0
-Waste with unknown disposal method	0	0	0	0

<sup>2</sup> We had increased our reporting boundary in FY 2023-24 to include an additional 15 subsidiaries as compared to FY 2022-23. These subsidiaries account for an estimated 1.17% of our total waste generated. This year we have also included waste generated data from our warehouses in India. This accounts for an estimated increase of 6.6% of our total waste generated. Further, we have included ash from briquette usage from our Kurkumbh units in YY 2023-24, accounting for approximately 6.23% increase of our total waste generated compared to last year. In FY 2023-24, total waste directed to landfill from our global operations amounted to 1,522 MT. Of this, 501 MT was construction and demolition waste, which has led to an increase in waste disposed to landfill as compared to FY 2022-23.

Our annual target for total waste disposed for FY 2024-25 was 4,025 MT.

### Hazardous waste (DJSI 2.3.3)

Hazardous Waste in MT	FY 2021-22	FY 2022-23	FY 2023-24 <sup>3</sup>	FY 2024-25
Total hazardous waste recycled/reused	13,792	15,660	17,074	15,826
Total hazardous waste disposed	2,928	2,314	3,316	3,088
-Hazardous waste landfilled	1,246	972	834	501
-Hazardous waste incinerated with energy recovery	0	0	0	0
-Hazardous waste incinerated without energy recovery	1,682	1,342	2,482	2,587
-Hazardous waste otherwise disposed	0	0	0	0
-Hazardous waste with unknown disposal method	0	0	0	0

<sup>3</sup> We had increased our reporting boundary in FY 2023-24 to include an additional 15 subsidiaries as compared to FY 2022-23. These subsidiaries account for an estimated 1.17% of our total waste generated. This year we have also included waste generated data from our warehouses in India. This accounts for an estimated increase of 6.6% of our total waste generated. Further, we have included ash from briquette usage from our Kurkumbh units in YY 2023-24, accounting for approximately 6.23% increase of our total waste generated compared to last year. In FY 2023-24, total waste directed to landfill from our global operations amounted to 1,522 MT. Of this, 501 MT was construction and demolition waste, which has led to an increase in waste disposed to landfill as compared to FY 2022-23.

Our annual target for total hazardous waste disposed for FY 2024-25 was 3,316 MT.

## 2.4 Water

### Water Efficiency Management Programs (DJSI 2.4.1)

Our approach to water conservation and efficient usage is based on:

**1. Increased use of rainwater:**

Rainwater harvesting systems have been installed in our manufacturing units at Kurkumbh, Indore, Baddi, Bommasandra, Sikkim, Goa and Kundaim in the form of underground tanks, recharge pits and shafts. In FY 2024-25, a total of 4,705 KL rainwater was harvested and used and 18,907 KL rainwater recharged through borewell, where it is permitted.

**2. Reduction in the use of blue water through wastewater management:**

We actively strive to enhance the utilisation of treated water from our Effluent and Sewage Treatment Plants. These plants ensure that the treated water complies with all prescribed quality standards for the bulk drugs and pharmaceutical industry. We also incorporate Reverse Osmosis ("RO") reject water from raw water treatment plants into our operations. These efforts significantly reduce our dependence on freshwater. Prioritising wastewater management, we have implemented Zero Liquid Discharge ("ZLD") mechanisms at most of our Manufacturing locations. As of 31st March 2025, 54% of our global manufacturing units have implemented Zero Liquid Discharge mechanism.

In FY 2024-25, we recycled 45.6% of our total global water withdrawal.

External auditors also perform thorough reviews of water usage and activities with high-water footprints to identify opportunities for improved efficiency and reduced consumption. Our workforce receives ongoing water efficiency training to encourage conservation-minded practices.

### Water Consumption (DJSI 2.4.2)

Water in Million m <sup>3</sup>	FY 2021-22	FY 2022-23	FY 2023-24 <sup>4</sup>	FY 2024-25
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<sup>4</sup>We had increased our reporting boundary in FY 2023-24 to include an additional 15 subsidiaries as compared to FY 2022-23. These locations account for an estimated 4% of our total water withdrawal. We have also included water withdrawal data from our warehouses in India. This accounts for an estimated increase of 1.5% of our total water withdrawal in FY 2023-24 compared to FY 2022-23.

Water withdrawal (excluding saltwater)	1.825	1.576	1.614	1.632
Water discharge (excluding saltwater)	0.034	0.031	0.115	0.138
Total net freshwater consumption (A-B)	1.791	1.545	1.499	1.494

Our annual target for total net freshwater consumption for FY 2024-25 was 1.499 Million M<sup>3</sup>.

## 2.5 Climate Strategy

### Direct Greenhouse Gas Emissions (Scope 1) (DJSI 2.5.1)

Scope 1 in tCO <sub>2</sub> e	FY 2021-22	FY 2022-23	FY 2023-24 <sup>5</sup>	FY 2024-25
Total direct GHG emissions (Scope 1) – energy based	38,355	35,831	37,398	38,283

Our annual target for total direct GHG emissions – Scope 1 was 37,398 tCO<sub>2</sub>e.

### Indirect Greenhouse Gas Emissions (Scope 2) (DJSI 2.5.2)

Scope 2 in tCO <sub>2</sub> e	FY 2021-22	FY 2022-23	FY 2023-24 <sup>6</sup>	FY 2024-25
Total indirect GHG emissions (Scope 2) – Market Based	2,01,676	1,95,777	2,07,238	1,29,087

Our annual target for total indirect GHG emissions – Scope 2 was 2,07,238 tCO<sub>2</sub>e.

<sup>5</sup> We had increased our reporting boundary in FY 2023-24 to include an additional 15 subsidiaries as compared to FY 2022-23. These locations account for an estimated 6.4% of our scope 1 & scope 2 emissions in FY 2023-24.

<sup>6</sup> We had increased our reporting boundary in FY 2023-24 to include an additional 15 subsidiaries as compared to FY 2022-23. These locations account for an estimated 6.4% of our scope 1 & scope 2 emissions in FY 2023-24.

## Indirect Greenhouse Gas Emissions (Scope 3) (DJSI 2.5.3)

We have undertaken an assessment of the 15 categories of Scope 3 emissions as per the GHG Protocol to determine the relevance to each category to our business. Category 14 (Franchises) has been determined as not applicable since we do not operate on a franchisee model and Category 9, downstream transportation and distribution is combined with Category 4 upstream transportation and distribution.

We bear financial responsibility for downstream transportation hence it is added in Category 4. The emissions associated with distribution of our products from the distributor to end consumers is excluded as the data to that granularity is not available. Hence, we have inventoried our Scope 3 emissions for 13 categories as given below:

Scope 3 in tCO <sub>2</sub> e	FY 2023-24	FY 2024-25
Purchased Goods and Services	17,95,722	20,90,873
Capital Goods	34,426	30,687
Fuel and Energy Related Activities	70,624	51,336
Upstream Transportation and Distribution	1,10,882	1,23,790
Waste Generated in Operations	20,733	19,598
Business Travel	20,963	16,260
Employee Commute	20,025	22,250
Upstream Leased Assets	1,477	7,453
Processing Sold Products	5,098	3,355
Use of Sold Products	24,82,803	26,60,995

End of Life Treatment of Sold Products	209	64
Downstream Leased Assets	4,743	1,396
Investments	9,068	259
<b>Total</b>	<b>45,76,772</b>	<b>50,28,316</b>

Note: Scope 3 emissions from Category 1 and Category 11 have increased for the year due to an increase in the production volume.

### Climate Governance (DJSI 2.5.4)

The Investment and Risk Management Committee is tasked with overseeing and implementing our ESG initiatives, alongside identifying key risks and developing strategies to address them. Climate-related issues are reviewed by the Board on a quarterly basis.

At the management tier, the Sustainability Council, led by our Global Chief Manufacturing Officer, is charged with overseeing sustainability performance. This council convenes every quarter to report progress to the Board of Directors. Established to capitalize sustainability and innovation opportunities within our operations, the council focuses on tracking advancements in our predetermined goals and targets.

### TCFD Disclosure (DJSI 2.5.5)

Cipla has adopted the Task Force on Climate-Related Financial Disclosures (TCFD) framework to identify and assess the potential risks linked to climate on its business operations. These climate risks typically refer to the physical impacts resulting due to extreme weather, and climatic events, and the impact associated with a shift to a low carbon economy. Cipla has assessed the climate risks to the organisation based on 4 pillars as recommended by the TCFD. They are governance, strategy, risk management, metrics and targets. Our TCFD Summary Report can be accessed here: <https://www.cipla.com/sites/default/files/Cipla-Task-Force-on-Climate-Related-Financial-Disclosures-Report.pdf>

### Climate related Management Incentives (DJSI 2.5.6)

In FY 2024-25, our company set clear targets to reduce GHG emissions, water use, and waste generation, while also focusing on employee wellbeing and achieving zero fatalities. These ESG goals were integrated into key leadership roles, carrying substantial weight. At the year's end, the Nomination and Remuneration Committee (NRC) and the Board reviewed the company's performance against these targets. Performance evaluations were also conducted at a

functional level, influencing the variable pay for leadership. Positive performance on these environmental KPIs vis-a-vis targets is incentivised through variable pay for the relevant business leaders.

The performance of our Managing Director and Global Chief Executive Officer (MD & GCEO) was specifically assessed based on Key Performance Indicators set at the beginning of the financial year. These included a mixture of annual, long-term, and short-term targets that covered both financial aspects, such as revenue, EBITDA, and ROIC, and non-financial areas. The non-financial focus included operational performance and strategic priorities like innovation, developing new businesses, expanding into new markets, compliance, ESG, succession planning & development, improvements in inclusion & diversity, among others. ESG matrices included achievement of our climate related targets – ghg reduction, water neutrality and zero waste to landfill by December 2025 for all India manufacturing operations, etc.

The Board and NRC regularly tracked the MD & GCEO’s progress against the set scorecard, ensuring alignment with company goals and commitment to sustainable practices.

### Climate Risk Management (DJSI 2.5.7)

We have undertaken a detailed climate risk assessment to identify our exposure to physical and transition climate related risks. Our TCFD Summary Report can be accessed here: <https://www.cipla.com/sites/default/files/Cipla-Task-Force-on-Climate-Related-Financial-Disclosures-Report.pdf>

### Financial Risks of Climate Change (DJSI 2.5.8)

Risks driven by Regulation	
<b>Description of Risk and Mitigation Measures</b>	<p>Carbon pricing has been notably used in the European Union through the EU ETS (Emission Trading Scheme) and in parts of the USA with ETS and RGGI (Regional Greenhouse Gas Initiative). India has introduced the Carbon Credit Trading Scheme (CCTS) as of FY 2025-26, initially targeting energy-intensive sectors under the existing Perform, Achieve and Trade (PAT) scheme. Industries within these sectors are assigned annual greenhouse gas (GHG) reduction targets and are legally required to meet them.</p> <p>To achieve the country’s Nationally Determined Contributions (NDCs), it is</p>

	<p>anticipated that the scope of the CCTS will broaden over the next decade to encompass additional sectors, potentially including pharmaceutical manufacturing. We are contacting relevant authorities for further guidance. The financial impact of this transition is expected to range from INR 200,00,000 to INR 750,000,000.</p> <p>To tackle energy efficiency, we are pursuing initiatives like DG-Grid Synchronisation and BacComber System, achieving about 3,724 MWH in energy savings across our Indian manufacturing sites. Our commitment to renewable energy is strong, with 41% of our energy mix derived from renewable sources in FY 2024-25, up from 29% globally in FY 2023-24. We are also working on developing an internal carbon pricing strategy. We anticipate investing around INR 320,000,000 for effective risk mitigation.</p>
<b>Estimated Time Frame</b>	12 years
<b>Risks driven by change in physical climate parameters or other climate-change related developments</b>	
<b>Description of Risk and Mitigation Measures</b>	<p>Changes in weather patterns, rising temperatures, altered rainfall, and other factors contribute to water stress in certain regions. This leads to higher water costs, stricter groundwater withdrawal rules, and operational and maintenance challenges. Cipla has assessed the risk of water stress at its manufacturing sites, offices, and depots, predicting impacts for 2030, 2040, and 2050 using the "Aqueduct Water Risk Atlas." The financial impact is estimated to be between INR 67,000,000 and INR 150,000,000.</p> <p>Our water conservation efforts focus on three main areas: increased rainwater usage,</p>

	<p>reduced consumption of blue water, and community-focused water stewardship initiatives. Currently, 54% of our manufacturing sites have implemented Zero Liquid Discharge systems. In FY 2024-25, we harvested 4,705 KL of rainwater for use and recharged 18,907 KL through borewells where allowed. We estimate that a further investment of around INR 35,000,000 will be needed to address risks associated with water stress.</p>
<b>Estimated Time Frame</b>	<b>22 years</b>

Financial Opportunities Arising from Climate Change (DJSI 2.5.9)

<b>Description of Opportunity</b>	<p>We undertake focused efforts for increased renewable energy consumption through installation of solar rooftops open access of solar and wind energy and long-term renewable energy certificate purchase contracts. We also leverage alternative sources of fuel; 8% of our energy consumption in FY 2024-25 was from biomass.</p> <p>In FY 2024-25, renewable energy comprised 41% of our total global energy mix, as compared to 29% in FY 2023-24.</p> <p>We also surpassed our 50% renewable electricity target for our India Manufacturing operations, utilising 64% renewable electricity in FY 2024-25.</p> <p>Realising this opportunity will result in an estimate annual savings of a minimum of INR 70,000,000 and a maximum of INR 10,00,00,000, requiring an investment of approximately INR 15,00,00,000.</p>
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<b>Estimated Time Frame</b>	<b>4 years</b>
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### Climate related Scenario Analysis (DJSI 2.5.10)

Physical risks for the sites, offices, and depots of Cipla were identified and baseline and scenario analyses were performed considering the Representative Concentration Pathway (RCP). Three RCP scenarios: RCP 4.5, RCP 6.0, and RCP 8.5 were considered for the scenario analysis. Our TCFD Summary Report can be accessed here: <https://www.cipla.com/sites/default/files/Cipla-Task-Force-on-Climate-Related-Financial-Disclosures-Report.pdf>

### Physical Climate Risk Adaptation (DJSI 2.5.11)

Our risk assessment and mitigation plan encompasses 100% of our current and future operations. For our manufacturing operations in India, we have set specific targets to be reached by December 2025. These targets include achieving 80% reduction in absolute scope-1 (energy based) and scope-2 emissions, Water Neutrality, Zero Waste to Landfill, and using 50% renewable electricity.

We are proud to share that we have achieved our Water Neutrality, Zero Waste to Landfill and renewable electricity usage ahead of our set timeline of December 2025.

Our TCFD Summary Report can be accessed here.: <https://www.cipla.com/sites/default/files/Cipla-Task-Force-on-Climate-Related-Financial-Disclosures-Report.pdf>

### Emission Reduction Targets (DJSI 2.5.12)

We have target to reduce our absolute Scope 1 (energy-related) and Scope 2 emissions by 80% across India manufacturing operations by December 2025, from baseline year of FY 2019-20. As of FY 2024-25, our India manufacturing operations emissions stood at 111,356 tCO<sub>2</sub>e – marking a 58% reduction compared to the baseline year of FY 2019-20. In FY2024-25, our global Scope 1 (energy based) and 2 emissions totaled 167,370 tCO<sub>2</sub>e.

Additionally, we exceeded our target of using 50% renewable electricity at our Indian manufacturing locations. In FY 2024-25, 64% of our total electricity was from renewable sources.

Type of Target	Scope Covered by Target	Time Frame	Baseline year emissions covered and as a	% reduction target from base year
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			<b>% of total base year emissions</b>	
Absolute	Scope 1 (energy based) + 2 combined	Base year: 2019	Base year emissions: 2,63,266 tCO <sub>2</sub> e	80%
		Target year: December 2025	Percentage of total base year emissions: 100%	

## 2.6 Biodiversity

### Biodiversity Risk Assessment (DJSI 2.6.1)

In FY 2023-24, we evaluated our Indian operations to pinpoint nature-related gaps and understand how our activities impact and depend on the environment. The analysis, based on the Taskforce on Nature-related Financial Disclosures (TNFD) LEAP approach, assessed biodiversity and ecosystem risks.

The study covered 37 manufacturing sites across India, as well as nearby areas, to gauge our operations' effects on local biodiversity and ecosystem services. We scored each location against risk factors, referencing national and international standards like IUCN RET species habitats, IFC PS 6, Environmental clearance requirements per EIA notification 2016, Wildlife Protection Act 2022, and TNFD Framework.

Results showed that 81% of sites are at low or very low risk, 14% at medium risk, and two sites (5%) are deemed high risk due to proximity to a High Biodiversity Value area (National Park).

Looking ahead, we are committed to reviewing and adjusting our risk exposure assessments as needed to ensure responsible environmental stewardship.

Our detailed Biodiversity Risk Assessment Summary report can be found here: [https://www.cipla.com/sites/default/files/taskforce\\_on\\_nature-related\\_financial\\_disclosures\\_tnfd\\_report.pdf](https://www.cipla.com/sites/default/files/taskforce_on_nature-related_financial_disclosures_tnfd_report.pdf)

### Biodiversity Commitment (DJSI 2.6.2)

As a committed corporate entity, we understand that safeguarding biodiversity is crucial for both the sustainability of our operations and the well-being of society as a whole. In alignment with the UN Convention on Biological Diversity's Kunming-Montreal Global Biodiversity Framework, we have crafted a comprehensive policy to guide our conservation efforts and

foster engagement with our stakeholders. Our policy can be accessed here: [https://www.cipla.com/sites/default/files/2024-07/biodiversity\\_policy.pdf](https://www.cipla.com/sites/default/files/2024-07/biodiversity_policy.pdf)

## No Deforestation Commitment (DJSI 2.6.3)

We are dedicated to actively working towards the 2030 goals of the Kunming–Montreal Global Diversity Framework. To support this, we are concentrating on nature-based solutions, such as conserving ecologically sensitive areas and wildlife. Additionally, we will adhere to regulations related to green cover by engaging in afforestation efforts and reducing deforestation, as applicable, to address our reliance on biodiversity and promote positive outcomes.

## 2.7 Product Stewardship

### Product Design Criteria (DJSI 2.7.1)

With the aim of supporting innovation and sustainability, we place critical focus on efforts to drive process developments and efficiency. Comprehensive management practices have been formalised to support optimal use of resources, cost reduction and alignment with environmentally conscious methodologies.

Aspect	FY 2024-25
<p><b>Choice of raw materials or components that have a lower environmental footprint</b></p>	<p>Through our efforts in developing an alternative coating material, we were able to eliminate Class 2 organic solvents from the product coating process for one of our products and replace it with aqueous coating. This breakthrough helped in preventing the use of hazardous solvents in our finished products manufacturing.</p> <p>We developed a process that replaced the existing two stages – seal coating and film coating, with a single stage coating for one of our products, thus saving significant time and cost.</p> <p>Initiatives have also been undertaken to identify the replacement of normal phased chiral methods with reverse phased chromatography to replace solvents like Toluene and Dichloromethane.</p>

<p><b>Direct operations, production &amp; manufacturing</b></p>	<p>While our top priority remains improving outcomes for asthma patients with the most effective inhaler devices, we are increasingly aware of the importance of environmental sustainability. Building on our respiratory legacy of over four decades, our pioneering efforts and innovation in our lung leadership journey today also includes investments in sustainable solutions such as inhalers with low carbon emissions (low GWP propellants) for a healthier future for both our patients and the planet. This will help in reducing GHG emissions from Propellants during the production or manufacturing stage.</p>
<p><b>Distribution, storage and transportation</b></p>	<p>To reduce our GHG footprint from transportation of our goods, we use Electric Vehicles (EVs) for finished goods movement from our warehouses in India. A total of nine EVs have been deployed across five locations in India – Mumbai, Delhi, Bangalore, Ghaziabad and Hyderabad. In FY 2024-25, these EVs cumulatively travelled more than 90,000 kms, greatly enhancing our efforts for green transportation of our products.</p>
<p><b>Use phase - operation and servicing/maintenance</b></p>	<p>In a significant move forward focused on patient convenience, we have launched Afrezza®, a needle-free, rapid-acting inhaled insulin, in partnership with MannKind Pharma. This innovative launch also provides significant environmental benefits. As compared to traditional insulin, which relies heavily on single-use plastic syringes, pens, or cartridges contributing significantly to medical waste, Afrezza® utilizes an inhaler device that requires less frequent replacement, thereby decreasing plastic</p>

	<p>waste. Its potentially more compact packaging also uses less material, further reducing waste and adverse environmental impacts. Further, it also supports a lower carbon footprint and reduced emissions associated with production and waste management.</p> <p>We are also actively developing a suite of products using low-GWP propellants, alongside innovative drug-device combinations across dry powder inhalers (DPIs) and pMDIs. This will further reduce any adverse environmental impact from the use of our products.</p>
<p><b>End of life management</b></p>	<p>In South Africa, we implement an Inhaler Recycling Project for proper and sustainable disposal of use asthma inhalers. Through inhaler recycler bins present at pharmacies, patients are encouraged to return their used inhalers at the time of collecting a new script. These inhalers are then collected by an authorized agency for appropriate disposal and recycling. Recycled plastic is used to create community-beneficial products, such as park benches, while metal canisters are disposed of responsibly to prevent environmental harm from greenhouse gases. This initiative supports recycling of inhalers manufactured by Cipla and other companies, further enhancing our commitment to holistic sustainability and value creation. Further details on this initiative can be found at: <a href="https://za.cipla.africa/asthma/breathing-new-life-into-recycled-asthma-inhalers/">https://za.cipla.africa/asthma/breathing-new-life-into-recycled-asthma-inhalers/</a> and <a href="https://cipla.africa/about-cipla/sustainability/inhaler-recycling-project/">https://cipla.africa/about-cipla/sustainability/inhaler-recycling-project/</a></p>

	<p>We also follow Extended Producer Responsibility guidelines laid down by Central Pollution Control Board as per Plastic waste management rules, 2016 &amp; related amendments. In FY 2024-25, we continued to collect 100% of both pre- and post-consumer plastic waste of 24,603 MT. Of the collected waste, 12,515 MT was recycled, and 12,088 MT was co-processed.</p> <p>Additionally, 100% of the equivalent quantity of pre- and post-consumer plastic waste generated from our packaging is collected through authorised waste management agencies and is either co-processed, recycled, or converted into energy.</p>
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**Life Cycle Assessment (DJSI 2.7.2)**

In FY 2024-25, we conducted a Product Carbon Footprint (PCF) assessment for four anesthetic inhaler products: Sereflo Ciphaler DPI 500mcg inhaler, Sereflo pMDI 125/25mcg inhaler, Kelhale pMDI 100mcg inhaler, and Becloformo pMDI 100mcg inhaler. These inhalers are manufactured at our facilities in Indore and Goa and represent 0.4% of our total product revenue. The assessment, along with a Full Life Cycle Assessment (LCA), was conducted in accordance with ISO 14067 and ISO 14040/44 standards, covering the phases of goal and scope definition, life cycle inventory analysis, life cycle impact assessment, and life cycle interpretation.

The purpose of this assessment was to measure the greenhouse gas emissions associated with the entire lifecycle of the four products, from production to disposal, identify key areas for improvement, and communicate these findings to external stakeholders. The selected inhalers were chosen for their specific characteristics, including the fact that three of them use propellants, which we have identified as the major contributors to our Scope 1 and Scope 3 emissions. These products are also intended for the UK market, where regulations regarding environmental impact are stringent and continuously evolving. Therefore, assessing these inhalers is essential to meeting both current and future regulatory requirements.

The assessment covered various impact categories, such as abiotic depletion (elements and fossils), acidification potential, eutrophication potential, global warming potential over 100 years, global warming potential excluding biogenic carbon, human toxicity potential, ozone depletion potential, photochemical ozone production, and primary energy demand from

renewable and non-renewable sources, as well as blue water consumption. These categories align with the CML guidelines from August 2016.

## Exposure to Hazardous Substances (DJSI 2.7.3)

Cipla Limited is in the business of manufacturing pharmaceutical preparations, accounting for more than 95% of our revenue from operations.

To ensure mitigation of any potential risks, we have established a formal process of evaluating the inherent hazards of chemicals, raw materials, intermediates & potential exposures while handling. This is done through qualitative and quantitative assessments to monitor exposure to human life and the environment. We use similar comparable methodology as ICCA guidance on Chemical risk management for mitigating risk of exposure to pharma compounds. Our risk assessment includes similar steps like characterising the hazards and determining the exposure potential based on quantity, duration of operations, properties of material and Occupational Hazard band of the material. Subsequently, a set of containment control strategies is applied to handle the said material/ product. We follow the philosophy of keeping the exposure as low as possible by investing in effective engineering and administrative control. The controls required at different manufacturing stages are identified at the stage of the introduction of a new product with a documented risk review of the product exposure and handling through toxicology and industrial hygiene functions. These controls are then implemented at site after review by the site EHS team.

## Social Dimension

### 3.1 Labor Practices

#### Labor Practices Commitment (DJSI 3.1.1)

As detailed in our [Human Rights Policy](#), we are committed to respecting and promoting Human Rights in line with our purpose 'Caring for Life'. This policy is applicable to our entire operations, suppliers and partners. This is further supported by the provisions laid down in our [Code of Conduct](#) and [Supplier Code of Conduct](#).

In India, we comply with all minimum wage laws and provide additional benefits including bonus pay, social security and other statutory entitlements. We are committed to fair remuneration and ensure compliance with all applicable laws pertaining to wages, working hours and overtime compensation.

All employees are expected to work a total of 48 hours on a weekly basis, in legal compliance with the Factories Act, 1948. We do not encourage overtime work or excessive working hours. Equal remuneration practices are also ensured through compliance with the Equal

Remuneration Act, 1976. We are also committed to ensuring that all employees are paid for their annual leave.

### Labor Practices Programs (DJSI 3.1.2)

At Cipla, we ensure that our wage and remuneration practices are in line with industry standards and regional practices. Furthermore, we regularly monitor the gender pay gap, further supporting our efforts for equal remuneration.

Strict monitoring of working hours is undertaken to ensure limited overtime work. We ensure that employees work 48 hours on a weekly basis, as required by applicable laws and regulations. In cases where overtime work does occur, we ensure that all employees are paid fairly for the same. We also periodically engage with worker representatives on working conditions and any grievances through townhalls and targeted engagement programs.

Employee wellbeing is a crucial component of our human capital management approach. We provide all our employees with targeted benefits for physical, mental and financial wellbeing. In addition to legally mandated benefits, we also provide our employees with additional benefits including extended leave, medical and accident insurance, transport and canteen facilities.

We make focused efforts to ensure that our employees avail their paid annual entitlements. Our robust Leave Policy provides all employees with a maximum of 28 days of paid leave in the calendar year. All employees are expected to avail 50% of their leave days in the calendar year to avoid a leave lapse. This targeted approach ensures that our workforce takes their allocated leave and provides them with an opportunity to recuperate and focus on their personal needs.

We also provide training for our employees to mitigate negative effects of industrial or climate change transition changes. Our investment in advanced Gen-AI technologies and Industry 4.0 has optimized processes like inventory and energy efficiency, leading to significant savings of NR 1.75 crores at API plants and INR 0.41 crores at formulation plants in FY 2024-25. This digital transformation, coupled with regular training for operators, prepares the workforce to adapt to technological shifts, ensuring they can effectively manage new systems. Key features included process optimisation, a user-friendly interface, robust analytics, documentation assistance, inventory optimisation, root cause analysis and pump energy efficiency, etc. This approach not only drives operational excellence but also positions us to successfully navigate industrial transitions. We also provide focused training on environmental aspects, providing our workforce with crucial skills and awareness on eco-friendly practices.

### Workforce Breakdown: Gender (DJSI 3.1.4)

Diversity Indicator	Percentage (0-100%)
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Share of women in total workforce (as % of total workforce)	15.87
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	15.41
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	15.96
Share of women in top management positions (as % of total top management positions)	17.01
Share of women in management positions in revenue-generating functions (as % of all such managers)	12.37
Share of women in STEM-related positions (as % of total STEM positions)	23.62

### Workforce Breakdown: Race/ Ethnicity & Nationality (DJSI 3.1.5)

Less than 20% of our workforce is based in the US. We are not able or allowed to report on ethnic and racial minorities, and therefore provide a breakdown based on nationality. The nationalities which make up the highest percentage of our workforce are provided in the table below.

Nationality/ Geography	Share in total workforce (as a % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
India	92.66	93.83
USA	2.70	1.37
South Africa	2.68	2.61
Sri Lanka	0.39	0.43
Morocco	0.27	0.31
Others*	1.30	1.45

\*Details of countries under 'Others' are covered in our Integrated Annual Report FY 2024-25

## Freedom of Association (DJSI 3.1.5)

We engage in collective bargaining, with significant worker representation at associations in India and the SAGA region. In the United States of America, our operations comply with the National Labour Relations Act ('NLRA').

Category	FY 2024 - 25			FY 2023 - 24		
	Total workers in respective category (A)	No. of workers who are part of associations or unions (B)	% (B/A)	Total workers in respective category (C)	No. of workers who are part of associations or unions (D)	% (D/C)
Male	260	260	100	271	271	100
Female	106	106	100	114	114	100
Total Permanent Workers	366	366	100	385	385	100

## Gender Pay Indicators (DJSI 3.1.6)

At Cipla, we ensure all remuneration and pay practices are in line with principles of merit and equity, maintaining strong adherence to applicable laws and regulations. We undertake an annual Gender Pay Gap Study to ensure alignment in our practices. This is undertaken and certified by a third party, AON, an independent advisory group.

## 3.2 Human Rights

### Human Rights Due Diligence Process (DJSI 3.2.2)

We have implemented robust layers of preventive and detective controls to ensure compliance with established internal processes and applicable regulations. Leveraging risk analytics, we automate the detection of non-compliance, fraud, and inefficiencies—not only within our own operations but also across our value chain and business partners. All new business-related engagements are subject to a rigorous due diligence process, which includes screening for potential human rights violations. Our standard business agreements include

explicit provisions mandating compliance with all relevant laws, conventions, and policies, including human rights obligations.

During FY 2024-25, we conducted a comprehensive review of our human rights policies, focusing on issues like child labour, forced labour, freedom of association, right to collective bargaining, equal remuneration, employee health and safety and discrimination. We conduct independent assessments of all our locations on a three-year cycle to ensure comprehensive coverage of our operations.

Over the past three years, we have commissioned independent audits at our manufacturing facilities, and this year, we completed human rights assessments for major Indian sites, several foreign locations, and depots in India in alignment with the SA 8000 standard. These assessments covered our entire workforce, including employees, permanent staff, and contractual workers, with a particular focus on human rights risks affecting minors, children, and women.

The review found our human rights safeguards to be satisfactory, with no major observations reported. At Cipla, we take a proactive approach to identifying and mitigating human rights risks through systematic site audits. Any issues identified are promptly addressed through corrective and preventive actions across all our facilities.

### Human Rights Assessment (DJSI 3.2.3)

Category	% of total assessed in last three years	% of total assessed (column A) where risks have been identified	% of risk (column B) with mitigation actions taken
Own operations (including joint ventures where the company has management control) (as a % of sites)	43	0	0
Contractors and Tier I suppliers (as a % of contractors or Tier I suppliers)	7	4.1	0
Joint ventures (including stakes above 10%)	0	0	0

(as a % of joint ventures)			
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## Human Rights Mitigation and Remediation (DJSI 3.2.4)

### Processes implemented to mitigate human rights risks

At Cipla, we are firmly committed to upholding human rights across our global operations. Our policies clearly prohibit all forms of discrimination and harassment, fostering a safe, inclusive, and respectful workplace for every employee. Our comprehensive Human Rights Policy is accessible [here](#).

All our business agreements include standard clauses mandating adherence to applicable laws, international conventions, and internal policies—explicitly covering human rights requirements. We have also established a dedicated grievance mechanism through our Whistleblower Policy, enabling stakeholders to report concerns confidentially to the Chairperson of the Ethics Committee or the Chief Internal Auditor at [ethics@cipla.com](mailto:ethics@cipla.com).

To strengthen compliance, we have implemented robust preventive and detective controls supported by advanced risk analytics. These systems help us proactively identify non-compliance, fraud, and inefficiencies across our operations.

Over the past three years, we have conducted independent human rights audits across our manufacturing facilities and corporate offices in India. In FY 2024–25, we completed a comprehensive human rights assessment for major Indian sites, several foreign locations, and depots in India, aligned with the SA 8000 standard. This evaluation encompassed our entire workforce—including employees, permanent staff, and contractual workers—with a special focus on risks affecting minors, children, and women.

The audits confirmed that our human rights safeguards are effective, with no major concerns identified.

Our commitment to human rights is further reinforced through accessible grievance redressal systems, transparent investigation procedures, and regular training and awareness initiatives. As a result, 100% of our sites, facilities, and offices are covered by robust mitigation and remediation frameworks to promptly address any potential human rights issues.

### The type of remediation actions taken

We uphold a zero-tolerance policy against retaliation towards complainants or whistleblowers, ensuring their protection throughout and beyond the investigation process. We have standard protocols for carrying out fair and prompt investigations for any suspected or actual incidents reported through our communication channels. Further, we have in place corrective and preventive action mechanisms for identified human rights risks based on regular

assessment of our own operations and of our value chain partners and those are promptly implemented across all Cipla facilities and for identified value chain partners in need of the CAPA support. In FY 2024-25, there were no instances of complaints for discrimination at workplace, child labour, forced / involuntary labour and or nonpayment of proper wages.

### 3.3 Human Capital Management

#### Training and Development Inputs (DJSI 3.3.1)

	FY 2024-25
Average hours per FTE of training and development	26.22
Average amount spent per FTE on training and development (in INR)	3,884

#### Data breakdown by category:

Particulars	Average training hours		
	Male	Female	Total Average
<b>Permanent employees</b>			
<b>a. Top Management</b>	6.06	12.67	7.26
<b>b.Senior Management</b>	22.89	13.89	21.40
<b>c.Middle Management</b>	37.99	20.45	35.65
<b>d.Junior Management</b>	39.90	33.43	38.91
<b>e. Associate / Non-Management</b>	0.89	1.38	1.04

<b>f. Indian Subsidiaries</b>	16.69	16.52	16.66
<b>Permanent workers</b>	7.70	6.24	7.27
<b>Non-Permanent employees</b>	8.72	9.03	8.79
<b>Non-Permanent workers</b>	0.30	0.45	0.33
<b>Total</b>	<b>27.60</b>	<b>19.54</b>	<b>26.22</b>

### Employee Development Programs (DJSI 3.3.2)

Cipla is deeply committed to nurturing talent and building future-ready leaders through a wide range of development programmes. Targeted and strategic employee development programmes through mentorship and coaching efforts and Employee Resource Groups. We also cater to our contractual workforce through these programmes.

We offer targeted leadership development programmes to ensure our workforce is equipped with the necessary skills and abilities to achieve their leadership potential. These include:

- CLAP – Cipla Leadership Ascent Programme:** The "Cipla Leadership Ascent Programme" is a 10-month executive education initiative designed in partnership with Cornell University to empower our leaders and foster organisational growth. The programme addresses critical aspects of leadership and business excellence. In FY 2024-25, 25 leaders from across departments were selected to participate in the programme.
- LeadX:** LeadX is a four-month transformative program that cultivates brand ambassadors for Cipla Leadership Essentials. It enables managers to inspire teams and achieve superior results through self-discovery, comprehensive assessments, orientation, and an intensive three-day workshop. For many managers, the program also marks their first experience with external professional coaching. As of 31<sup>st</sup> March 2025, 200 employees have received training through this programme. As a result of this, we have recorded Level 3 behavioural change of 6% across all Leadx batches with the highest of 12.33%.
- Leaders as Coaches:** The objective of this programme is to empower participants to cultivate their unique coaching style using new practices and techniques from the workshop. Build awareness of their current mindset and attitude towards coaching and

focus on the needs of others. Over 60 employees have benefited from this training over the past two years. This has enabled a Level 3 behavioural change of 5.29% across 3 batches with the highest of 11.39%.

### Human Capital Return on Investment (DJSI 3.3.3)

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Revenue	217,633,400,000	227,531,200,000	257,740,900,000	275,476,200,000
Total Operating Expense	139,856,800,000	154,111,300,000	161,650,500,000	168,966,600,000
Total Employee-related expenses (salaries + benefits)	35,299,100,000	38,300,800,000	43,100,400,000	48,328,300,000
Resulting HC ROI	3.20336	2.91693	3.22945	3.20388
<b>Total Employees</b>	<b>25,926</b>	<b>26,615</b>	<b>27,764</b>	<b>30,313</b>

### Hiring (DJSI 3.3.4)

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total number of new employee hires	6,391	6,465	6,560	7,979
Average hiring cost/FTE in INR	24,818	26,414	25,142	25,662

**Data breakdown of new employee hires by category:**

Category	<30 Years		30-50 Years		>50 Years		Total
	Male	Female	Male	Female	Male	Female	
<b>Permanent Employees</b>							
Top Management	-	-	-	-	-	-	-
Senior Management	-	-	3	2	6	2	13
Middle Management	83	36	563	87	16	10	795
Junior Management	4,532	837	824	157	7	8	5,105
Associates/ Non management	15	12	32	9	14	7	85
Indian Subsidiaries	367	78	238	21	12	1	550
<b>Total</b>	<b>4,997</b>	<b>963</b>	<b>1,660</b>	<b>276</b>	<b>55</b>	<b>28</b>	<b>7,979</b>

### Employee Turnover Rate (DJSI 3.3.5)

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total employee turnover rate	21.61%	21.7%	18.6%	18.65%
Voluntary employee turnover rate	--	19.1%	17.1%	17.39%

## Employee Support Programs (DJSI 3.3.7)

At Cipla, our benefits and policies are more than just frameworks—they are a reflection of our cultural ethos and a testament to our commitment to creating an environment where our people can truly thrive. Rooted in our core philosophy of *Caring for Life*, these curated policies and benefits are aimed at nurturing Ciplaites to flourish and thrive.

### Embracing the Pause | Time Away from Work

We are committed to offering a diverse array of opportunities that enable our employees to effectively manage the balance between work and personal life, cultivating a culture centered around resilience and well-being. We advocate for periodic "pauses" throughout the year, providing employees with the chance to recharge, step back from their daily routines, and engage in moments of relaxation, introspection, and self-improvement. We strongly encourage our colleagues to utilise 14 days of their annual leave entitlement for these rejuvenating breaks. In addition to that we have other initiatives to help our colleagues focus on their wellbeing and personal development:

Time away from work	Inclusive ecosystem	Flexibility	Family support
<p><b>Different types of leave</b></p> <ul style="list-style-type: none"> <li>• Maternity</li> <li>• Paternity</li> <li>• Gender neutral adoption</li> <li>• Transfer</li> <li>• Sabbatical</li> <li>• Medical</li> <li>• Accidental</li> <li>• Compassionate</li> </ul>	<ul style="list-style-type: none"> <li>• Medical Insurance for self, spouse, children, live-in partners, same sex partners and their respective parents and parent-in laws</li> <li>• Day care, creche and lactation facilities</li> <li>• Gender neutral washrooms</li> <li>• Accessibility facilities for differently abled colleagues</li> </ul>	<ul style="list-style-type: none"> <li>• Flexi working guidelines for corporate offices</li> <li>• Employee financial wellbeing</li> <li>• Employee volunteering policy</li> </ul>	<ul style="list-style-type: none"> <li>• Financial assistance programme in the event of death of employees/workers</li> <li>• Education merit awards for children of employees</li> </ul>

The parental leave policy at Cipla supports male employees by offering up to 2 weeks (14 calendar days) of paternity leave within 270 days following the birth of their child, enabling them to balance family responsibilities with their careers. Female employees are entitled to up

to six months of paid maternity leave, which covers both the prenatal and postnatal phases. They have the flexibility to use up to three months before the anticipated delivery date or the entire six months following the birth, including the delivery date itself.

Additionally, the Gender-Neutral Adoption Leave Policy is designed to ensure a smooth and joyful adoption experience for all employees, regardless of gender. This policy provides up to 6 months (in calendar days) of adoption leave, subject to specific internal policy conditions. Moreover, the policy includes provisions for intended parents entering into a surrogacy arrangement that complies with applicable laws. Eligible employees can take this leave multiple times throughout their tenure at Cipla.

#### **Support Spectrum and workplace flexibility:**

- We have extended medical insurance coverage to employees with live-in or same-sex partners, alongside existing coverage for spouses, children, parents, and parents-in-law.
- Adhering to legal requirements, we prioritize accessibility as a fundamental aspect of our infrastructure. Our offices and site locations meet accessibility standards, ensuring an inclusive environment for our differently-abled colleagues. Our Equal Opportunity Policy, aligned with The Rights of Persons with Disabilities Act, 2016, safeguards their rights and promotes equal opportunities for growth and success.
- We offer daycare facilities for parents and reimbursement options for women colleagues in specific roles.
- Our onsite creches and corporate offices are equipped with breastfeeding/lactation facilities.
- Employees in our corporate office can benefit from a hybrid work model.
- To assist women employees in sales in balancing their personal commitments with work responsibilities, we have implemented a #flexiFieldPolicy, allowing them to work from home for up to two days each month.

#### **The Larger Cipla Family | Investing in supportive practices:**

The families of our employees are an essential part of their lives and contribute to our larger family at Cipla. We support our extended families through initiatives like the MiCareFund, which provides employees with an additional resource to cover their medical expenses. Under the iPharmacy program, employees can receive up to a 25% discount on select Cipla medications. We also recognize and reward the children of our employees who demonstrate outstanding academic achievements at various levels. Additionally, we celebrate and acknowledge our employees' loyalty and commitment to the organization through our Long Service Awards and Superannuation Awards.

#### **Type of Performance Appraisal (DJSI 3.3.8)**

At Cipla, we have implemented a structured, ongoing and systematic performance review and appraisal process that aligns individual contributions with organisational goals. Our approach is grounded in Management by Objectives (MBO) and is executed through our digital platform, MiDNA (Develop, Nurture, Achieve).

MiDNA enables employees to set clear goals, while managers monitor progress in real time and provide timely, constructive feedback. This ongoing support ensures employees stay aligned with strategic priorities and receive the guidance needed to grow and succeed.

Unlike the traditional bell curve model, our performance management philosophy embraces a performance curve that recognizes real business impact and evolving performance trends. Our process integrates 360-degree feedback from multiple stakeholders—managers, peers, skip-level managers, and functional heads—ensuring a well-rounded and fair assessment. These insights feed into performance ratings and compensation reviews, creating a transparent and merit-based system.

Regular check-ins between managers and employees are central to our approach. These conversations, held at multiple points throughout the year, help track progress, provide feedback, and adjust goals when necessary. To strengthen this culture of continuous dialogue, we conduct training sessions to equip managers with the skills to lead effective performance conversations.

Additionally, our internal podcast series, ‘Cipla Unplugged’, promotes awareness and educates employees on the importance of meaningful, qualitative discussions around performance and development.

Our structured 360-degree feedback mechanism also plays a key role in identifying high-potential talent. Based on this input, we create personalized development plans that help enhance capabilities and build a sustainable leadership pipeline. This process is supported by our three-tiered talent review boards, which engage leaders at all levels in recognizing and nurturing Cipla’s future leaders.

**Trend of Employee Wellbeing (DJSI 3.3.9)**

<b>Core focus</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>
Employee engagement (% of employees with top level of engagement, satisfaction)	88	87	91	91

Data coverage (% of FTEs)	90	73	84	70
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Our annual employee engagement target for FY 2024-25 was 90%. We foster a culture of open communication and collaboration among our employees through various engagement initiatives. We conduct an annual global employee survey to gain more insight into our employees with aspects such as job satisfaction, clarity of purpose, extent of happiness, stress and general well-being.

**3.4 Occupational Health and Safety**

OHS Programs (DJSI 3.4.2)

**OHS risk and hazard assessments in the workplace; Prioritization and integration of action plans with quantified targets to address those risks**

We prioritize safety, health, and environmental responsibility through our comprehensive Environment, Health, and Safety (EHS) Policy and processes aligned with Factory Rules and ISO 14001/45001 standards. Our commitment to these standards extends across all manufacturing sites, R&D, supply chain, and business operations. Qualified and competent EHS professionals are appointed throughout our manufacturing, business, R&D, and value chain to ensure that EHS considerations are integrated into all decision-making processes.

We identify and mitigate significant environmental, health, and safety hazards through rigorous risk assessments aimed at reducing risks to ALARP (As Low as Reasonably Practicable) levels. Our risk assessment process follows a prioritized approach of Elimination, Substitution, Engineering, and administrative controls.

To ensure safety, we employ a range of risk assessment systems that cover everything from new product introductions and hazard studies to containment control strategy assessments. These efforts are designed to minimize personnel exposure. We implement specific engineering controls, operational protocols, and personal protective equipment (PPE) to effectively manage health risks. Additionally, we conduct periodic risk-based medical surveillance to monitor and assess any health outcomes related to occupational exposures.

In FY 2024-25, there were two fatalities following which we conducted a comprehensive review of all critical operations and reinforced safety barriers with a strong focus on plant, people and process. Furthermore, we have set a goal to attain a Total Incident Rate (TIR) of less than 6.75 incidents per one million hours worked, and we have successfully achieved a TIR of 2.2.

**Integration of actions to prepare for and respond to emergency situations; OHS training to raise awareness and reduce operational health & safety incidents**

We have identified significant risk areas at our sites, including work at heights, confined space work, hot work, and excavation. Our updated Permit to Work Procedure incorporates comprehensive safety measures, clearly defined responsibilities, communication protocols, energy isolation guidelines, and preparation protocols for hot work and confined space entry. We also developed scaffold safety standards in line with both Indian and international norms. To ensure our teams are adequately prepared, we conducted extensive internal and external training focused on scaffold safety and lifting and rigging practices.

We hold regular, expertly designed training sessions to promote workplace safety. Our workforce receives thorough instruction on hazard identification, safe work procedures, self-protection measures, and emergency response protocols. These training programs encompass safety training, process education sessions, awareness campaigns, the implementation of safety signage, and emergency drills. In FY 2024-25, we conducted 9,652 Health and Safety training sessions. We encourage our employees to report unsafe conditions and empower them to halt hazardous activities whenever necessary. Our dedicated in-house training professionals collaborate with external experts to ensure our workforce receives top-notch training.

### **Evaluation of progress in reducing/preventing health issues/risks against targets**

We have a 'Learning from Incidents' forum to discuss and share insights from all incidents, ensuring that lessons learned at one site are communicated and applied across all locations. A global Corrective and Preventive Action (CAPA) process is implemented at each site to guarantee that these learnings are effectively applied. This approach helps prevent the recurrence of similar incidents in the future.

### **Internal inspections**

The site EHS team conducts daily Gemba walks to monitor and improve safety practices. Monthly EHS inspections are carried out by the Leadership Team in collaboration with the site head. Additionally, line managers and higher management perform behavioral observations and inspections each month. We also continue to implement cross-site audits, during which EHS heads from other sites conduct detailed audits annually.

### **Site Assessments and EHS Audits in FY 2024-25**

In FY 2024-25, 76 internal audits were conducted, held at a six-monthly frequency. Additionally, 15 external audits were also undertaken, conducted on an annual basis. Furthermore, there were 8 working conditions audits and 9 focused audits (including Statutory laws, Electrical safety, Lab safety) done in the reporting period.

### **Independent external verification of health, safety and well-being**

We have implemented a robust Occupational Health and Safety management system that complies with ISO 45001:2018 standards across all our manufacturing facilities in India. This management system covers all personnel and processes within our Cipla India manufacturing facilities without exception or exclusion.

Additionally, we enforce comprehensive road safety guidelines for both drivers and passengers, which apply to hired and personal vehicles as well as motorcycles. All drivers undergo road safety training, and we actively monitor driving behaviors in Company-owned cars and buses, particularly on high-risk routes. Our EHS processes are standardized across manufacturing sites, complemented by tailored procedures for depots and lower-risk operations.

### **Procedures to investigate work-related injuries, ill health, diseases and incidents**

We encourage our workforce to actively report incidents and any potentially unsafe conditions, regardless of how minor they may seem. During FY 2024-25 and FY 2023-24, the Company did not receive any complaints from employees or workers regarding working conditions, health, or safety.

**Active Employee Involvement:** Our employees play a central role in our safety initiatives. They are involved in preparing and reviewing risk assessments, participating in safety committee meetings, investigating accidents, and collecting data on work-related hazards and mitigation strategies.

**Open Communication:** Workers are encouraged to engage in preparing and reviewing risk assessments, joining safety committee meetings, and participating in accident investigations. They can contribute their observations via Safety Suggestion boxes for anonymous feedback or through our internal reporting software. Open forums, such as safety committee meetings and Toolbox Talks (TBTs), create an environment where employees feel safe reporting unsafe conditions without fear of retaliation.

### **OHS criteria introduced in procurement and contractual requirements**

At Cipla, Environmental Health and Safety ('EHS') is a core part of our business ethos. To protect and safeguard our workforce, our procurement and contractual processes are also governed by safety protocols. These include 'user requirement specifications' embedded in our contracts to ensure OHS compliance.

**Safety Performance (DJSI 3.4.3), (DJSI 3.4.4), (DJSI 3.4.5)**

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.20	0.15
	Workers	0.22	0.15
Total recordable work-related injuries	Employees	19	14
	Workers	9	10
No. of fatalities	Employees	0	0
	Workers	2	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	1
Rate of recordable work-related injuries (per one million person-hours worked)	Employees	0.64	0.51
	Workers	0.40	0.50

### 3.5 Contribution to Societal Healthcare

Access to Healthcare Programs- Products and Drugs (DJSI 3.5.1) and Impact on Access to Healthcare (3.5.3)

**Reporting on targets and progress associated with access to healthcare products and drugs; Initiatives on improving access to medicine for vulnerable populations or Least Developed Countries (LDCs)**

We are dedicated to adopting a compassionate and empathetic approach to medicine and healthcare. Our motto, "Caring for Life," reflects our commitment to inclusive healthcare by making medicines affordable and accessible to everyone.

Currently, we make drugs available for 45% of diseases on the World Health Organisation ('WHO') Essential Medicine List ('EML'), including five of the seven antimicrobial-resistant pathogens prioritised by India's Antibacterial Surveillance Network. The Company also has 32

products listed in WHO List of Prequalified Medicinal Products as part of WHO Prequalification of Medicines Programme (PQP) which is used by international procurement agencies to guide bulk purchasing of medicines for distribution in resource limited countries.

In FY 2024-25, the Cipla Global Access business successfully served ~1.4 million patients across 63 countries, with a significant focus on 47 low and middle-income countries. This global outreach highlights the Company's commitment to making healthcare accessible and affordable to underserved populations, ensuring that quality medical services reach those who need them the most.

Cipla Foundation, through its partnership with HelpAge India, enhances healthcare access for marginalized and underserved communities by deploying Mobile Healthcare Units (MHUs) across multiple locations. In FY 2024-25, these MHUs provided 1,27,653 outpatient consultations, conducted 174 health camps focusing on chronic diseases and elderly care, and facilitated 482 patient referrals to higher medical facilities. The initiative prioritizes women, elderly, and children, distributing free essential medicines and delivering targeted health education sessions.

Additionally, the Foundation continues its long-standing commitment to thalassemia care by supporting life-saving Bone Marrow Transplants (BMTs) for low-income patients, funding 68 BMTs in the last year through partnerships with specialized centers. This initiative, alongside extensive blood transfusion support, exemplifies our dedication to equitable healthcare and sustainable patient support.

The Company's efforts have not only expanded its reach but also have made a meaningful impact on LMIC's and LDC's where healthcare resources are limited. We also continue to focus on supply chain optimization and reduction in our product lead times, further enhancing our reach in underserved regions. Additionally, we are in the process of launching Multi-Lingual artworks for our Tenofovir/Lamivudine/Dolutegravir (TLD) formulation, which will simplify inventory generation and help meet urgent demand.

### **Dablap Medicines**

Cipla South Africa is involved in Dablap meds (Central Chronic Medicine Dispensing and Distribution - CCMDD), a National Department of Health program aimed at providing easy access to chronic medication for chronic stable state patients. The number of patients served through this program has steadily increased over the years. The table below shows a four-year trend of the number of patients with chronic ARV, respiratory and OSD medication through this programme:

<b>Number of patients reached through the Dablap meds programme</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>
Patients provided chronic ARV, respiratory and OSD medication	27,969,421	22,872,384	32,429,663	36,462,203

Additionally, within the program, Sha'p Left is a contracted Pick-Up Point (PUP) service provider where Patient Medicine Parcels (PMPs) are processed and distributed to patients at a low cost. As part of the program, Cipla Foundation has distributed 4,47,635 parcels to patients in FY 2024-25 through 43 PUPs. For the next year, we **target a 10% growth in the number of patients served in the region.**

**Number of patients with access to low/free of cost access to the PMPs**

<b>Number of patients with low-cost access to the organization's products or services to address diseases/ conditions</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>
Patients serviced through low-cost medicine parcels	5,62,377	5,59,402	4,57,292	4,47,635

**Miles for Smiles**

Through our Miles for Smiles program, we continue to create awareness and help raise funds for Operation Smile that facilitates corrective surgery on children born with cleft lip and palates in South Africa, Kenya, Ghana and Morocco. Our ambition is to ensure that every child with a cleft lip or palate has access to safe and high-quality surgical care. A cleft lip or cleft palate operation and follow-up care costs approximately ZAR 5500 and it takes roughly 45 minutes per surgery. In FY 2024-25, Cipla Foundation South Africa raised enough funds for sponsoring 63+ corrective surgeries for the affected children.

**Mitra**

The Mitra program stands as a transformative access to healthcare initiative, with its Mitra Diabetes Educators striving to empower individuals with diabetes to enhance their insulin therapy and dietary management through personalized education and compassionate support. The program aims to reduce stigma and boost patient compliance, ultimately improving glycemic control and enhancing the quality of life while caring for the emotional well-being of patients. Key initiatives include the Insulin Insight Initiative offering face-to-face

counselling and personalized guidance on insulin use, device and injection training, and lifestyle integration, directly impacting diabetes outcomes. Complementing this effort, the Mitra On Wheels community outreach delivers real-time insulin counselling, titration guidance, and emotional support both in clinics and through home visits, ensuring that critical education and assistance are available right where patients need it most. This patient-centric approach seeks to transform diabetes management by providing hands-on training and support that leads to improved adherence and overall well-being. In FY 2024-25, in-clinic and at home educations and telephone counselling sessions was provided to 1.14 lakh patients across India. In India, we also have dedicated teams across the country in various therapy areas to support our efforts to enhance access to critical medication in underserved regions. Therapy areas covered include inhalation, neb, cardiac, anti-diabetes and other acute therapy areas. Additionally, we also contribute to the Government of India's Jan Aushadhi Kendra, whereby generic medicines are procured through a tender system. In FY 2024-25, we sold INR 16.16 Crores worth of products. Further, we have also launched targeted medication to combat AMR. Additional products are in the pipeline and will be launched subsequently.

Further information on our initiatives for enhanced access to medicines can be found on page 100 of our Integrated Report FY 2024-25: <https://www.cipla.com/sites/default/files/Cipla-AR-2024-25.pdf>

### **Product Enrollment Programmes**

In South Africa, we implemented 4 patient support programs in FY 2024-25 to enhance access to our products. More than 900 patients were enrolled in these programmes in the reporting year.

### **Medicinal donations based on WHO Guidelines**

We donated critical medicines for HIV/AIDS, cancer, respiratory illnesses and more, worth INR 14.94 lacs, to humanitarian organisations supporting distressed and vulnerable communities globally.

### **Product innovation to facilitate access**

In partnership with MannKind Corporation USA, we have launched Afrezza®—a needle-free, rapid-acting inhaled insulin— transforming diabetes management in India and improving patient comfort and accessibility. This innovative product aims to support more effective and efficient patient care, further enhancing access to affordable healthcare.

We have also collaborated with Takeda Pharmaceutical Company Limited, we have launched Vonoprazan in India, a next-gen acid blocker offering a treatment for Gastroesophageal Reflux Disease and related conditions.

### **Providing patient assistance to access and reimbursement support**

In the U.S. market, we dispensed over 82 million prescriptions in FY 2024-25, with more than 13 million of these related to respiratory products. Our patient assistance programs helped 4,404

patients gain access to our medications and facilitated over 16k transactions for co-pay cards across various products. Patients have received benefits of more than USD Four million through our Co-pay support programs in the reporting year. We have also contributed to awareness efforts led by the American Lung Association and the COPD Foundation through financial sponsorships of a cumulative amount of USD 45k. Furthermore, we also support our patients with facilitation of submissions to funders/medical aid schemes to obtain treatment authorizations pertaining to Cipla marketed products in South Africa.

The Oncology PAP Program is designed to enhance access to quality cancer treatment by offering financial assistance to eligible patients, facilitating extended therapy access in line with prescribed plans. This initiative aims to reduce financial barriers, support treatment adherence, and ensure continuity of care while empowering healthcare professionals with affordability solutions. The program has significantly benefited patients across various therapeutic areas, aligning with the mission to provide equitable and sustainable cancer care. Additionally, the Actemra and Emzumab Patient Support Programs offer structured support, including free vial provisions, managed through partnerships with Img for patient calls and Vardhaman for deliveries, ensuring comprehensive assistance for patients using these specific treatments.

### **Conducting research to develop new medicines for neglected diseases**

Cipla has secured a license from ViiV Healthcare and the Medicines Patent Pool (MPP) to develop, manufacture and supply long-term acting injectable cabotegravir (CAB LA) in 133 countries, with a focus on low- and middle-income countries. This will enable increased access to innovative long acting injectables for HIV treatment.

### **Local Capacity Building (DJSI 3.5.2)**

#### **Research and Development**

**Collaboration to Improve Disease Treatment and Product Development:** Cipla is working with a partner company to develop a connected smart device, which will help patients & health care providers to monitor accuracy of inhalation techniques.

#### **Collaboration with Academic Institutions:**

- We have initiated a partnership with CDRI (Central Drug Research Institute) Lucknow to develop Liposomal polymeric sustained release ophthalmic formulation for Fungal Keratitis. This ophthalmic formulation will address the unmet need of availability of effective targeted topical treatment of infected cornea with reduced frequency of administration resulting in fast cure with better patient compliance.
- In partnership with the Indian Institute of Science (IISc), Bengaluru, the Cipla Foundation will be providing support to the establishment of the TATA IISc Medical School, focused

on advancing public health, medical education and research. The Cipla Foundation will be supporting the formation of a Clinical Pulmonary Unit, addressing increased research and development of pulmonary diseases, enabling clinical excellence and advanced patient care. This unit will provide enhanced access to patients with high quality pulmonary care and treatment.

## Patient Education

As a company dedicated to 'Caring for Life', we implemented targeted initiatives that enhance patient awareness and quality of care and life. Campaigns such as Inhaler Hai Sahi, Tuffies, and Berok Zindagi have significantly improved inhaler acceptance and patient outcomes. Some of our key programs include:

**Breathefree**, for over a decade, has served as a comprehensive patient-centric support system for respiratory care in India. Through a network of over 1,500 educators, Breathefree has provided guidance to more than 4.5 million patients in India. An additional, 5.5 million individuals were screened through outreach efforts like Breathefree Yatra and camps in India.

In Nepal, over 4,500 patients were screened for Obstructive Air Diseases, and an additional 9,000 patients were screened in Sri Lanka through Breathefree camps to initiate their treatment journey. We also launched the Nepal – Digital Educator Lab in the reporting year. Throughout this initiative, more than 450 digital educator counseling sessions were conducted in Nepal, over 500+ QR code scans and 200+ patient calls were recorded in Nepal.

Furthermore, #Hari Husmak ("the right breath"), an influencer awareness campaign in Sri Lanka, had a reach of ~3.3 million, which is estimated to have resulted in generation of more than 8,100 calls, 4,400 appointments and 3,000 confirmed visits

## Metabolic, BPH camps and COPD Diagnosis

Our efforts in Nepal and Sri Lanka to enhance awareness and improve the diagnosis of Metabolic Disorders and Benign Prostate Hyperplasia (BPH) continue to create positive outcomes for our patients. In FY 2024-25, more than 700 clinics were organised, screening over 21,000 patients. Furthermore, we have also launched Spirofy in Nepal to increase access to diagnostic of COPD. In the reporting year, approximately 4,000 patients have benefitted from this initiative in Tier two and three towns, supporting the reduction of the COPD burden in the country.

## Hridayam

The Hridayam programme embodies Cipla's "Caring for Life" motto by striving to build a comprehensive ecosystem for chronic therapy in heart disease. It offers seamless, value-added services for patients living with cardiovascular disease (CVD), ensuring they receive the best support throughout their treatment journey. Key initiatives include personalized

counselling tailored to patients' comorbidities, alongside screenings for hypertension (HTN), edema, and obesity, which help identify potential health risks early on. Through patient assistance programs, Hridayam also enhances adherence to Arnicor therapy, improving ease of access for patients. While patients are the primary beneficiaries, receiving authentic disease management information and guidance on lifestyle changes, doctors also benefit from educators who provide free in-chamber counselling, thus saving time and increasing patient intake. This holistic approach ensures both patients and healthcare providers are well-supported in managing heart disease effectively.

### **Provider Education**

Our Company engages with Healthcare Professionals (HCPs) through various physical and digital mediums with the objective of enhancing awareness and providing training for better patient outcomes. During FY 2024-25, we engaged with two lacs+ HCPs through various forums, including but not limited to educational conferences, Continuing Medical Education programmes, regional webinars and advisory boards. Some of our key regional HCP engagement initiatives include:

#### **Cipla EMEU**

- **Ciplamed Flix:** Driving the lung leadership agenda of going beyond the pill, Ciplamed Flix has been instrumental in driving scientific engagement by providing healthcare professionals across EMEU access to the latest medical news, articles, CME videos & global KOL insights via international web series-Healthcare Superstars. Ciplamed flix has set footprints in Europe with its launch in Spain. With a global community of over 53000+ HCPs we have successfully been able to engage over 10,000+HCPs in events over the entire year.
- **ProActiv CME:** As the leader in Urology therapy in the Sri Lanka and Nepal markets, we initiated the ProActiv CME program to educate and enhance the practices of second-tier healthcare professionals (GPs/CPs) in treating BPH. More than 500 healthcare professionals were trained to effectively manage BPH.

#### **One Africa**

Through initiatives such as the Medical Chronicle CPD talk, Clinical Lunch Chat, and Islamic Medical Association of Southern Africa (IMASA) Convention, we provide platforms for education and collaboration across our operations in Africa. These initiatives are designed to support healthcare professionals (HCPs) in their practice, providing access to the latest research, treatment protocols, and clinical insights. Our engagement with HCPs extends to conferences, webinars, and Continuing Medical Education (CME) programs, where we share insights and gather valuable feedback to enhance our offerings. This year, we successfully engaged with over 7,000+ healthcare professionals (HCPs) through dynamic, two-way interactions in the region.

## India

Cipla Med is a comprehensive digital platform dedicated to enhancing the skills and knowledge of healthcare professionals (HCPs). As of the fiscal year 2025, the platform boasts an active cohort of over 100,000 doctors in India. Key features of Cipla Med include electronic Continuing Medical Education (eCMEs), where doctors can register to complete online modules and earn Medical Council of India (MCI) credit points. Additionally, it offers access to virtual events and multimedia content, such as webcasts, podcasts, and expert talks, tailored to align with HCPs' areas of interest. The platform also promotes quick learning by providing access to medical guidelines, news updates, and journal scans. Furthermore, CiplaMed Peer is an exclusive community for HCPs to engage with their peers by posting content, participating in polls, joining specialized groups, and interacting with other professionals within the healthcare sector.

We also implemented targeted initiatives for enhanced awareness on combatting Anti-microbial Resistance (AMR). During the World AMR Awareness Week, we conducted offline and online campaigns with healthcare providers in Kenya, Mauritius and Ghana. Webinars on appropriate use of antibiotics to treat urinary tract infections were also conducted for gynaecologists. Furthermore, extensive hospital ward trainings have also been undertaken across 20 hospitals in South Africa. We also organised AMR meetings for stewardship guidance. These meetings saw extensive participation from specialists and microbiologists. Further information on our efforts for enhanced AMR awareness and stewardship can be found on page 35 of our Integrated Report FY 2024-25: <https://www.cipla.com/sites/default/files/Cipla-AR-2024-25.pdf> and dedicated AMR website: <https://www.cipla.com/cipla-amr>

## Supply Chain Management

In a landmark collaboration, Orchid Pharma has partnered with Cipla Limited to ensure widespread and rapid distribution of Cefepime-Enmetazobactam for the treatment of complicated Urinary Tract infections (cUTI), Hospital-Acquired Pneumonia (HAP) and Ventilator-Associated Pneumonia (VAP) indications.

We also leverage licensing agreements to further support the supply and provision of medicines for all patients. We have launched a partnership with Formosa Pharmaceuticals for the commercialization of clobetasol propionate ophthalmic suspension. Under this agreement, Cipla has exclusive rights to market the innovative treatment for post-operative inflammation and pain following ocular surgery across 11 countries such as India, South Africa, Nepal, Sri Lanka, Bangladesh, Malaysia, Myanmar, Kenya, Nigeria, Argentina, and Colombia. This will strongly support access to targeted and cutting-edge medication and pain management in these regions.

We have also signed a non-exclusive Patent License agreement with Takeda Pharmaceutical Company Limited for Vonoprazan for India Market for treating acid-related illnesses among patients, greatly enhancing quality of life for patients.

### Measure Contribution to Health Outcome (DJSI 3.5.7)

Key Programs	KPI used to measure impact (e.g. # of patients reached)	Impact FY 2024-25	Forecast Impact FY 2025-26
<b>Prevention</b>			
<p><b>Awareness Campaign in Sri Lanka- Hari Husmak (The Right Breath)</b></p> <p>#HariHusmak campaign is committed to serving the community by raising awareness about respiratory health, advocating for the importance of early diagnosis of respiratory diseases and providing support for managing respiratory diseases.</p>	Program Reach	3.3 million	5 million
<p><b>Influencer Awareness Campaign in Nepal- Gaas, Baas, Kapas Ra Saas (GBKS)</b></p> <p>With 'GBKS', Cipla extended relationship-based care by understanding the health issues of our patients within the context of their lives and forging a bond of trust, empathy and understanding.</p>	Program Reach	12 million	- <sup>7</sup>
<p><b>Breathefree 90 Alerts</b></p> <p>Launched in FY 2025-26, Breathefree 90 Alerts, support enhanced relationship-based care by helping asthma and COPD</p>	Program Reach	- <sup>8</sup>	5 million

<sup>7</sup> This programme will not be implemented from FY 2025-26

<sup>8</sup> This programme has been launched in FY 2025-25

patients improve inhaler adherence through daily WhatsApp reminders.			
<b>Diagnosis</b>			
<p><b>Metabolic and BHP Camps</b></p> <p>The Company conducted camps in Nepal and Sri Lanka to increase awareness and improve disease diagnosis of Metabolic disorder and BPH.</p>	Patients screened	21,000	27,000
<p><b>BreatheFree in Nepal and Sri Lanka</b></p> <p>Breathfree bridged the diagnosis and counseling gap through camps and Breathefree Educator counseling. In Nepal, over 4,500 patients were screened for Obstructive Air Diseases, and an additional 9,000 patients were screened in Sri Lanka through Breathefree camps to initiate their treatment journey.</p>	Patients Screened	13,500	16,000
<p><b>Spirofy</b></p> <p>We have also launched Spirofy in Nepal to increase access to diagnostic of COPD in tier 2 and 3 towns in the region.</p>	Patients Screened	4,000	5,000
<b>Treatment</b>			
<p><b>Berok Zindagi Campaign</b></p> <p>For over half a decade, Cipla's Berok Zindagi campaign has been a pioneering force in asthma awareness, challenging stigmas and myths around asthma treatment through a multitude of creative mediums. This year the campaign entered a new era of storytelling, with treatment adherence as</p>	Number of people reached	27 million	- <sup>9</sup>

<sup>9</sup> This programme will not be implemented from FY 2025-26

<p>the focus. Last year’s campaign reached an estimated 30 cr people through social media, YouTube, doctors’ clinics and other sources.</p> <p>Through alternative content partnership, the campaign explored, created and integrated its message into multiple videos for the short-form content platform, FilterCopy (with ~ 1 crore subscribers) and was complimented by a witty film "Berok Zindagi Ke Liye Bas Common Sense He Kaafi Hai".</p>			
<p><b>Mitra</b></p> <p>The Mitra program stands as a transformative access to healthcare initiative, with its Mitra Diabetes Educators striving to empower individuals with diabetes to enhance their insulin therapy and dietary management through personalized education and compassionate support. Key initiatives include the Insulin Insight Initiative offering face-to-face counselling and personalized guidance on insulin use, device and injection training, and lifestyle integration, directly impacting diabetes outcomes. Complementing this effort, the Mitra On Wheels community outreach delivers real-time insulin counselling, titration guidance, and emotional support both in clinics and through home visits, ensuring that critical education and assistance are available right where patients need it most. This patient-centric approach seeks to transform diabetes management by providing hands-on training and support</p>	<p>No. Of patients</p>	<p>1.14 lakhs</p>	<p>2.1 lakhs</p>

<p>that leads to improved adherence and overall well-being.</p>			
<p><b>End to End Cycle Solutions/Other Program</b></p> <p>Breathefree, for over a decade, has served as a comprehensive patient-centric support system for respiratory care in India. Through a network of over 1,500 educators, Breathefree has provided guidance to more than 4.5 million patients in India.</p> <p>An additional, 5.5 million individuals were screened through outreach efforts like Breathefree Yatra and camps in India. In Nepal and Sri Lanka, over 13,500 patients were screened through Breathefree camps to initiate their treatment journey.</p> <p>Through the Breathefree Digital educator program, we provide continuous digital education and assistance for patients on correct technique for usage of inhalers, nebulizers, and nasal sprays through 24/7 support service, AI avatar and video calling feature. In FY 2024-25, more than 1.2 million patients were provided with training. This initiative was further scaled through its launch in Nepal. More than 450 digital educator counseling sessions were conducted in Nepal, over 500+ QR code scans and 200+ patient calls were recorded in Nepal.</p> <p>Continuing our collaboration with CREST Private Limited, Breathefree conducted CORD (Certificate Course on Obstructive Airway Diseases) programs to train 200+ Breathefree Educators on inhaler devices, spirometers, obstructive airway diseases and counseling skills. This initiative has</p>	<p>Patients counselled</p>	<p>11.2 million</p>	<p>15.2 million</p>

consistently set new benchmarks in respiratory counseling and care, equipping educators with advanced skills to better serve patients.			
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Of these programmes mentioned above, four of nine are provided through digital platforms, i.e. 44% are globally accessible.

### Accessibility and Transparency of Outcome Data (3.5.9)

At Cipla, all the clinical trial results, including real world studies, are presented at medical conferences and published in peer reviewed medical journals. Additionally, research participant demographics are pooled and presented in study reports, while anonymized individual data are shared with regulatory agencies through detailed data listings. Participant data is used only for the specified purpose for which consent was granted. If a request is received it will be evaluated within the purview of the DPDP Act 2023.

## 3.6 Customer Relations

### Ethical Marketing Commitment (3.6.1)

As detailed in our [Global Code of Conduct](#), we are committed to the highest standards of business ethics in all our operations. We are committed to ethical, transparent and responsible interactions with healthcare professionals globally, thereby ensuring scientific integrity and unbiased exchange of information. Additionally, as required by regulations in areas of our operation, all Transfer of Values (ToV) with respect to healthcare professionals is accurately reported. All our interactions with patient organisations, if any, are strictly governed by our ethical principles, ensuring our independence across the lifecycle of engagement.

We ensure that all our external communications to the media, analysts, investors and the general public are only through our authorised representatives. We do not manipulate or misrepresent any facts relating to our Company. This ensures that no misleading or incorrect information is shared with respect to our operations.

Furthermore, we adhere to a robust internal process to ensure that all promotional and non-promotional materials are approved and meet prescribed local regulatory requirements before use.

With respect to Direct-to Consumer Marketing, we do not directly market our products to consumers. 'Direct to consumer marketing, i.e., advertising prescription medicines directly to patients under Indian regulations is governed by [The Drug and Cosmetics Act, 1940 (DCA) and the Drugs and Cosmetics Rules, 1945 (DCR)]. DCR prohibits the advertisement of any form of medicine classified under Schedule H, HI and X of the DCR. For the products under certain

categories (i.e. OTC and FSSAI), patient education and training/ knowledge dissemination is permitted.

### Ethical Marketing Performance (3.6.2)

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Incidents of non-compliance concerning product and service information and labelling	0	0	0	0
Incidents of non-compliance concerning marketing communications	0	0	0	0
Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	0	0	0	0

## 3.7 Privacy Protection

### Privacy Policy: Systems/Procedures (3.7.1)

We are committed to data privacy and protection and have implemented robust controls across our company to ensure security. Our robust Data Privacy Management Policy provides for a detailed frameworks on all matters relating to privacy. It is applicable to our entire operations and all stakeholders who may have access to or receive personal data from us or provide personal data to us. Our Data Privacy Management Policy can be accessed at: <https://www.cipla.com/sites/default/files/Data-Privacy-Management-Policy-13-July-2023.pdf>

At Cipla, we embed privacy-by-design in all organizational processes. As detailed in our policy we follow strict principles to ensure compliance and protection of personal data. We strictly monitor any associated risks and our exposure on a regular basis. As a pharmaceutical company, we strongly acknowledge the risk of a breach and have implemented targeted control measures for effective mitigation. This includes advanced monitoring and detection measure, periodic red-teaming reviews, simulation exercises and optimizing processes by minimising unnecessary human touchpoints and integrating technologies for scalability. We also ensure compliance through regular internal and external audits.

All complaints with respect to data privacy can be made to the Grievance officer through a dedicated email ID ([grievance.officer@cipla.com](mailto:grievance.officer@cipla.com)). Thereafter, the Audit Committee reviews complaints/breaches and actions taken thereon. We have also appointed a Chief Information Security Officer as the nodal authority on all data privacy related matters.

We have a zero-tolerance policy for willful violations of mandatory privacy norms/ regulations. Disciplinary actions for any breach range from warning letters to termination of employment, depending on the nature of violation.

### Customer Privacy Information (3.7.2)

Cipla does not collect any personal information or data of patients/customers.