

EXECUTIVE SUMMARY

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT



Our Business Responsibility & Sustainability Report not only demonstrates our commitment to the nine principles of the National Guidelines on Responsible Business Conduct, but also its progress against the stated objectives across environmental, social and governance (ESG) parameters.

Our Company's purpose of accelerating access to affordable and innovative medicines across the world provides the foundation for ushering in a healthier tomorrow for all. This Report reflects how we work to address unmet patient needs across the world and enable our partners to succeed.

With deep science, progressive people practices, robust corporate governance as our core tenets, and a legacy spanning four decades, we continue to focus on creating value for our stakeholder ecosystem and towards our goal of serving over 1.5 billion patients by 2030.

Principle 1

CONDUCT AND GOVERN WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

- 92% of our employees received periodic training, viz., on business, business conduct and ethics, compliance regulations, and ESG parameter
- No disciplinary action against Directors/ KMPs/ Employees/ Workers by any law enforcement agencies for charges of bribery/ corruption
- 80% of value chain partners in terms of value were part of our ESG capacity building program



Principle 2

PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

- We conducted Life Cycle Assessment for 3 of our API products and that had no significant social or environmental risks
- All our facilities have waste management systems
- 99% of our global hazardous waste are sent to cement industries and recyclers for co-processing and recycling



Principle 3

RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN VALUE CHAINS

- 100% of our permanent employees and workers are covered under health and accident insurance, and maternity and paternity benefits
- 99% return to work rate and 83% retention rate for our permanent employees post parental leave
- 97% of employees were provided skill upgradation training



Principle 4

RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

- Comprehensive stakeholder engagement to understand their expectations, inform our strategy and communicate our progress
- National award for the empowerment of persons with disabilities through our community focussed program





Principle 5

RESPECT AND PROMOTE HUMAN RIGHTS

- 100% of our permanent employees and workers are paid more than the minimum wage
- Median remuneration of employees and workers are more than Rs. 6 Lakhs per annum
- 100% of plant or offices were assessed for human rights issues



Principle 6

RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

- 22% reduction in energy intensity from previous financial year
- 10% reduction in water intensity from previous financial year
- 35% reduction in Scope 1 & 2 GHG emission intensity from previous financial year
- 42% power through renewable sources



Principle 7

INFLUENCING PUBLIC AND REGULATORY POLICY, IN A RESPONSIBLE AND TRANSPARENT MANNER

- Associated with 8 trade and industry chambers/ associations to foster dialogue on industry growth drivers, innovation and shaping public policy
- Public policy advocacy on important issues such as regulatory changes, R&D and intellectual property protection, access and affordability, and marketing practices



Principle 8

PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

- Equal opportunities for engagement with all potential suppliers
- Positively impacted 3,31,861 individuals through CSR initiatives



Principle 9

ENGAGE WITH AND PROVIDE VALUE TO THE CONSUMERS IN A RESPONSIBLE MANNER

- No data breaches found during the reporting period
- No major critical service disruptions



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SECTION A – GENERAL DISCLOSURE

I – DETAILS OF LISTED ENTITIES

1 CORPORATE IDENTIFICATION NUMBER (CIN) OF THE LISTED ENTITY: L85195TG1984PLC004507	6 E-MAIL: shares@drreddys.com	11 PAID-UP CAPITAL: INR 832,639,380
2 NAME OF THE LISTED ENTITY: Dr. Reddy's Laboratories Limited	7 TELEPHONE: +91-40-49002900	12 NAME AND CONTACT DETAILS (TELEPHONE, EMAIL ADDRESS) OF THE PERSON WHO MAY BE CONTACTED IN CASE OF ANY QUERIES ON THE BRSR REPORT: Mr. K Randhir Singh Company Secretary, Compliance Officer & Head-CSR E-mail ID: shares@drreddys.com Contact No: +91-40-4900 2222
3 YEAR OF INCORPORATION: 1984	8 WEBSITE: www.drreddys.com	
4 REGISTERED OFFICE ADDRESS: 8-2-337, Road No. 3, Banjara Hills, Hyderabad – 500 034, Telangana, India	9 FINANCIAL YEAR FOR WHICH REPORTING IS BEING DONE: April 1, 2022 to March 31, 2023	
5 CORPORATE ADDRESS: 8-2-337, Road No. 3, Banjara Hills, Hyderabad – 500 034, Telangana, India	10 NAME OF THE STOCK EXCHANGE(S) WHERE SHARES ARE LISTED: The equity shares are listed on: BSE Limited National Stock Exchange of India Limited The ADRs are listed on: New York Stock Exchange, Inc NSE IFSC Ltd	13 REPORTING BOUNDARY: The disclosure under BRSR is on consolidated basis, unless otherwise stated.

II – PRODUCTS AND SERVICES

14 DETAILS OF BUSINESS ACTIVITIES (ACCOUNTING FOR 90% OF THE TURNOVER)

SL. NO.	DESCRIPTION OF MAIN ACTIVITY	DESCRIPTION OF BUSINESS ACTIVITY	% OF TURNOVER OF THE ENTITY
1	Pharmaceuticals	Development, manufacturing & sale of pharmaceutical products, and services	100

15 PRODUCTS/ SERVICES SOLD BY THE ENTITY (ACCOUNTING FOR 90% OF THE ENTITY'S TURNOVER)

SL. NO.	DESCRIPTION OF MAIN ACTIVITY	NIC CODE	% OF TOTAL TURNOVER CONTRIBUTED
1	Development, manufacturing & sale of generic formulations including biosimilars	21009	87
2	Development, manufacturing & sale of active pharmaceutical ingredients & custom pharmaceutical services	21009	12

III – OPERATIONS

16 NUMBER OF LOCATIONS WHERE PLANTS AND/OR OPERATIONS/OFFICES OF THE ENTITY ARE SITUATED

LOCATION	NO. OF PLANTS (INCLUDING R&D SITES/ OPERATIONS)	NO. OF OFFICES	TOTAL
National	23	16	39
International	7	56	63

**17. MARKETS SERVED BY THE ENTITY****A NO. OF LOCATIONS**

LOCATIONS	NUMBERS
National (No. of States & Union Territories)	36
International (No. of countries)	73

B. WHAT IS THE CONTRIBUTION OF EXPORTS AS A PERCENTAGE OF THE TOTAL TURNOVER OF THE ENTITY

Out of the total sales turnover of ₹16,299 Crore (excluding service income, license fees and other operating income) on standalone basis, the turnover of the products sold in India is ₹11,790 Crore (72%) and that of other countries is ₹4,509 Crore (28%)¹.

C. A BRIEF ON TYPES OF CUSTOMERS

Our customers include wholesalers, distributors, pharmacy chains and hospitals, government institutions, consumers and other pharmaceutical companies.

IV – EMPLOYEES**18. DETAILS AS AT THE END OF FINANCIAL YEAR:****A EMPLOYEES AND WORKERS (INCLUDING DIFFERENTLY ABLED):**

SR.NO	PARTICULARS	TOTAL	MALE		FEMALE		OTHERS	
			NO.	%	NO.	%	NO.	%
Employees								
1	Permanent	24,832	20,033	80.7	4,792	19.3	7	0.0
2	Other than permanent	6,939	4,686	67.5	2,244	32.3	9	0.1
Total		31,771	24,719	77.8	7,036	22.1	16	0.1
Workers								
1	Permanent	666	621	93.2	45	6.8	0	0
2	Other than permanent	6,162	5,105	82.9	1,057	17.2	0	0
Total		6,828	5,726	83.9	1,102	16.1	0	0

B DIFFERENTLY ABLED EMPLOYEES AND WORKERS:

SR.NO	PARTICULARS	TOTAL	MALE		FEMALE		OTHERS	
			NO.	%	NO.	%	NO.	%
Differently abled Employees								
1	Permanent	97	59	60.8	38	39.2	0	0
2	Other than permanent	23	11	47.8	12	52.2	0	0
Total		120	70	58.3	50	41.7	0	0
Differently abled workers								
1	Permanent	0	0	0	0	0	0	0
2	Other than permanent	17	17	100	0	0	0	0
Total		17	17	100	0	0	0	0

19 PARTICIPATION/INCLUSION/REPRESENTATION OF WOMEN

PARTICULARS	TOTAL	NO. OF FEMALES	% OF FEMALES
Board of Directors	9	3	33.3
Key Management Personnel (KMPs)	3	0	0

20 TURNOVER RATE FOR PERMANENT EMPLOYEES AND WORKERS

PARTICULARS	FY 2022-23				FY 2021-22				FY 2020-21			
	MALE	FEMALE	OTHERS	TOTAL	MALE	FEMALE	OTHERS	TOTAL	MALE	FEMALE	OTHERS	TOTAL
Permanent Employees (%)	21.1	19.2	42.9	20.8	20.5	21.4	27.3	20.6	19.8	18.1	9.1	19.5
Permanent workers (%)	23.6	44.7	0.0	24.9	21.8	28.6	0.0	22.2	33.7	15.4	0.0	32.7

¹As per IND AS standalone financial statements

V – HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21. NAMES OF HOLDING/ SUBSIDIARY/ ASSOCIATE COMPANIES/ JOINT VENTURES

The details of holding/ subsidiary/ associate companies/ joint ventures are given in Form AOC-1, as Annexure-I to the Board's Report and this forms part of the Integrated Annual Report.

DO THE ENTITIES INDICATED IN ABOVE TABLE, PARTICIPATE IN THE BUSINESS RESPONSIBILITY INITIATIVES OF THE LISTED ENTITY? (Yes/No)

Yes, all the entities, wherever applicable, participate in the relevant Business Responsibility initiatives of the Company, except the associate company.

VI – CSR DETAILS

22. WHETHER CSR IS APPLICABLE AS PER SECTION 135 OF THE COMPANIES ACT, 2013

Yes

(ii) Turnover (₹ in million ¹)	169,625
(iii) Net worth (₹ in million ¹)	204,742

VI – TRANSPARENCY AND DISCLOSURES COMPLIANCES

23 COMPLAINTS/GRIEVANCES ON ANY OF THE PRINCIPLES (PRINCIPLES 1 TO 9) UNDER THE NATIONAL GUIDELINES ON RESPONSIBLE BUSINESS CONDUCT:

STAKEHOLDER GROUP FROM WHOM COMPLAINT IS RECEIVED	GRIEVANCE REDRESSAL MECHANISM IN PLACE (YES/NO)	(IF YES, THEN PROVIDE WEB LINK FOR GRIEVANCE REDRESS POLICY)	FY 2022-23			FY 2021-22		
			NO. OF COMPLAINTS FILED DURING THE YEAR	NO. OF COMPLAINTS PENDING RESOLUTION AT CLOSE OF THE YEAR	REMARKS	NO. OF COMPLAINTS FILED DURING THE YEAR	NO. OF COMPLAINTS PENDING RESOLUTION AT CLOSE OF THE YEAR	REMARKS
Communities	Yes ²	https://www.drreddys.com/investor#governance	0	0	-	0	0	-
Investors other than Shareholders	Yes ²	https://www.drreddys.com/investor#governance	0	0	-	0	0	-
Shareholders	As per applicable law	https://www.drreddys.com/investor#governance	8	0	-	6	0	-
Employees and Workers	Yes ²	https://www.drreddys.com/investor#governance	234	34	-	212	22	-
Customers	Yes ²	https://www.drreddys.com/investor#governance	0	0	-	0	0	-
Value Chain Partners	Yes ²	https://www.drreddys.com/investor#governance	25	3	-	22	3	-
Others (Anonymous)	Yes ²	https://www.drreddys.com/investor#governance	69	11	-	65	7	-

¹As per IND AS standalone financial statements

²Some of the policies guiding the Company's conduct with all its stakeholders, including grievance mechanisms are placed on the Company's website. The hyperlink is: <https://www.drreddys.com/investor#governance>. In addition, there are internal policies placed on the intranet platform of the Company.



24 OVERVIEW OF THE ENTITY'S MATERIAL RESPONSIBLE BUSINESS CONDUCT ISSUES

MATERIAL RESPONSIBLE BUSINESS CONDUCT AND SUSTAINABILITY ISSUES PERTAINING TO ENVIRONMENTAL AND SOCIAL MATTERS THAT PRESENT A RISK OR AN OPPORTUNITY TO YOUR BUSINESS, RATIONALE FOR IDENTIFYING THE SAME, APPROACH TO ADAPT OR MITIGATE THE RISK ALONG-WITH ITS FINANCIAL IMPLICATIONS

SL. NO.	MATERIAL ISSUE IDENTIFIED	INDICATE WHETHER RISK OR OPPORTUNITY (R/O)	RATIONALE FOR IDENTIFYING THE RISK/ OPPORTUNITY	IN CASE OF RISK, APPROACH TO ADAPT OR MITIGATE	FINANCIAL IMPLICATIONS OF THE RISK OR OPPORTUNITY (INDICATE POSITIVE OR NEGATIVE IMPLICATIONS)
1	Enhancing availability of product	Opportunity	A significant proportion of patients in numerous low and middle-income countries encounter financial limitations when attempting to obtain affordable medicines. As a pharmaceutical company, we prioritize making life-saving medicines accessible, available, and affordable for patients. Also, due to our role in society, we are uniquely positioned to reduce health disparities, and enable improved health outcomes.	We are committed to serve 1.5 billion patients by 2030 and bring at least three innovative solutions to improve standard of treatment every year from 2027. We plan to achieve this by launching more innovative drugs and expanding our product portfolio, increasing our go-to-market through diverse collaborations and licensing arrangements, and through greater presence in public health. We are partnering with multilateral and donor agencies to address the global disease burden, neglected tropical diseases, and emergency disease areas. We remain deeply committed to taking a holistic approach to healthcare, running several innovative programmes, offering one-of-its-kind patient care and disease management initiatives that service patients digitally or through hybrid means. We also participate in strengthening public health delivery systems through the training and capacity building of health workers and local stakeholders.	Positive
2	Regulatory compliance	Opportunity, Risk	Regulatory guidelines and requirements heavily regulate the manufacturing of our products, including manufacturing quality standards. Periodic inspections are conducted on our manufacturing sites, and if the regulatory and quality standards and systems are not found adequate, it could result in observations. This might impact our ability to meet patient demand and generate value for our stakeholders.	- We are fully dedicated to quality and have robust quality processes and systems in place at our developmental and manufacturing facilities to ensure that every product is safe and of high quality. - We have integrated "Quality by Design" to build quality into all processes and use quality tools to minimize process risks. - We continue to spend significant time, money and effort in the areas of production and quality testing to help ensure full compliance with cGMP regulations. - We leverage information technology to digitize and enhance our quality assurance and quality control processes. - Our suppliers are subjected to periodic evaluation processes that prioritize quality parameters and ensure compliance with current Good Manufacturing Practice requirements. - We are continuously focused on improving our quality culture across the organization.	Negative
3	Pharmaco vigilance (PV)	Risk	The increase in digital central trials and accelerated speed to market of medicines and drugs amplifies the need for better drug quality and prevention of adverse side effects.	- We have a mature system in place to continuously monitor the benefit-risk profile of our products to ensure benefits outweigh the product-related safety risks for patients. - We maintain compliance with region / country-specific legislative requirements. - All our employees also receive basic training in PV on a periodic basis.	Negative

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4	Water management Waste Management	Risk	The potential risks to water and sanitation services posed by climate change include damage to infrastructure, leading to the loss of services, and deterioration in water quality – impacts that all increase risks to health. Water is a critical input into the manufacturing of medicines, used as a raw material in the production, processing and formulation of APIs, intermediates and finished pharmaceutical products (FPP), in the preparation of solvents and reagents, and for cleaning (e.g. washing and rinsing).	Water risks are assessed as part of an established enterprise risk management framework periodically. We conducted thorough water risk and evaluation studies in at all of our watersheds to identify alternative rich water resources. Our water management strategy involves key focus areas including water efficiency and optimization, identifying alternate water sources for water security, and creating freshwater potential beyond the fence. This year, we achieved our goal of turning into a water positive company. We have waste management systems in place at all our facilities.	Negative
5	Energy and emissions management	Risk	The close relationship between health and climate is undeniable, as illustrated by the consequences of extreme weather events on food security, the harmful air pollution resulting from wildfires, and the rising prevalence of infectious diseases. As a pharmaceutical company, the bulk of direct emissions come from running boilers and indirect emissions from purchased electricity for both industrial and domestic purposes.	- We have an opportunity to reduce GHG emissions from our manufacturing, operations and facilities and we announced our commitment to lead the energy transition with a goal to be 100% powered by renewable sources by 2030, and are committed to be a carbon neutral company in our direct operations by 2030. - Our key levers to reducing GHG emissions include energy productivity improvements, fuel substitution, green building design, and carbon sequestration with meaningful investments in afforestation and sustainable agriculture.	Negative
6	Talent attraction and retention	Risk	Ability to attract and retain the right technical talent with differing skill sets is a difficult challenge to address. The industry is highly knowledge-driven and technology based, and heavily reliant on specialist individuals well versed with state-of-the-art technology.	We use people analytics to measure employee performance, identify current skill gaps, and flight risks to improve retention. We actively address and resolve structural talent gaps by providing long-term reskilling and upskilling opportunities to our workforce, including digital learning initiatives. We embed strategic workforce planning into our operations strategy. The benefits of this initiative are multifaceted e.g., fostering internal mobility for well-suited roles, enhancing people productivity and containing staff costs.	Negative



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7	Promoting diversity and inclusion	Opportunity	We fully appreciate the significance of diversity to our organization, as it fosters the introduction of new perspectives, diverse experiences, novel concepts, and inventive approaches that can provide sustainable value creation for our stakeholders over the long term. It is our steadfast effort to promote inclusiveness through concerted interventions across different dimensions of business and embrace their distinctiveness.	- Over the last year, concerted interventions to increase gender diversity across different dimensions of hiring, sensitization, communication and policy revamp helped in increasing women diversity to 18% globally. - We are also working to increase the representation of women across roles and teams, exploring new entry level routes such as apprentice hiring and actively recruiting women for STEM roles. - Through our flagship female leadership development programme Chrysalis, mentoring initiatives, representation in external forums and coaching programs, we are invested in career development for women leaders. - In close partnership with Dr. Reddy's Foundation, we increased the representation of people with disabilities representation by 50%, introducing a focused internship program to acclimatize and absorb PwD employees into the workforce, while also sensitizing hiring managers and recruitment teams on infrastructure and support required to enable them to deliver on their job	Positive
8	Combating counterfeit medicines	Risk	Our industry has been increasingly challenged by the vulnerability of distribution channels to illegal counterfeiting and the presence of counterfeit products in a growing number of markets and over the internet. Third parties may illegally distribute and sell counterfeit versions of our products, which do not meet the rigorous manufacturing and testing standards that our products undergo. Counterfeit products are frequently unsafe or ineffective and can be potentially life-threatening.	We are proactively investing in aggregation along with serialization in geographies such as USA, Russia, Uzbekistan, EU, and worked closely with the Government of India for the implementation of DGFT+. A comprehensive set of measures have helped us establish a robust system that enables us to track and trace our medicines from the point of manufacture to the point of dispensing.	Negative
9	Health education and disease prevention	Opportunity	Health education empowers people to increase control over their health. Disease prevention is important to minimize the burden of diseases and associated risk factors. Primary prevention avoids the manifestation of a disease, and secondary prevention (early detection) improves the chances for positive health outcomes.	Through DRFHE (Dr. Reddy's Foundation for Health Education), we are contributing to health systems strengthening by sharing our expertise to increase patient awareness, and training and upskilling healthcare providers. Through CHIP (Community Health Intervention Programme), we are providing door-step primary healthcare services to rural communities, including increasing awareness on health, hygiene and disease management practices. Our patient counselling initiatives betaInstitut, betaCare, and betaWissen in Germany offer socio-legal and psychosocial information for physicians, pharmacists, patients and their family members.	Positive

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10	Technology & Digitalization	Opportunity	Digital innovation has the potential to improve drug development, make products and services more personalized, physicians and patients more engaged and empowered, decisions and product evidence more data driven, business processes less expensive and more optimized, and supply chain more transparent and efficient.	The opportunity of transformation exists across the value chain and possibilities range from portfolio selection with analytics-based insights, to drug development within silico experiments, automated lights out manufacturing with use of Industry 4.0 technologies and dynamic supply chain management. The use of technologies such as Advanced Analytics (AA) and Artificial Intelligence (AI), Digital Performance Management, Virtual Reality (VR), IIoT, Robotic Process Automation (RPA) is helping improve our operations performance and product robustness, enabling us to make data-driven decisions and optimize our processes in real-time, resulting in significant efficiency gains and improved quality.	Positive
11	Occupational health and safety	Risk	We recognize that employees form the foundation of our operations, and it is incumbent upon us to prioritize their health, safety, and well-being by furnishing a nurturing and secure work environment.	- We have developed and integrated a Safety, Health and Environment (SHE) policy that governs our employees and applies to all our research, production operations, and business facilities. - All our employees, including permanent workers and contractors are trained on occupational health and safety, specific work-related hazards, hazardous activities and situations. 7 of our global formulations manufacturing units are ISO 45001 certified. We have developed and implemented strong Health and Safety systems (H&S) at all our plants. - Periodic safety assessments against international standards are conducted to evaluate the effectiveness of current systems and appropriate measures are taken to further improve our safety posture performance continually.	Negative
12	Investment in new sustainable technologies	Opportunity	Along with helping reduce our impact on the climate, investment in sustainable technologies also helps us improve resource efficiency, productivity, and yield while cutting down costs, and waste.	- At select CTO sites, we implemented technologies such as Low Temperature Evaporator (LTE) to recover clean water from RO reject water, creating potential savings of ~INR 20 million per year. - We are also working on ZLD (Zero Liquid Discharge) enhancements such as steam strippers and Agitated Thin Film Dryer (ATFD) that also reuse water and waste, and minimize energy consumption.	Positive



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13	Risk management and business continuity	Opportunity	We operate in a complex geo-political and regulatory environment and entails potential challenges and uncertainties arising from geopolitical factors and intricate regulatory frameworks. This includes geopolitical instability, changes in government policies, trade disputes, sanctions, and intricate compliance requirements. These factors can pose risks to operations, supply chains, market access, and overall business performance, requiring proactive monitoring and strategic adaptation to mitigate potential adverse impacts.	- We are focused on identification of key business, operational, strategic, and business continuity risks through our ERM and assurance functions. - We prioritise a sustainable supply chain for the timely availability of our medicines, and to ensure business continuity in the face of disruptions. - We continuously strive to improve our resiliency posture focusing on the ability to provide and maintain an acceptable level of service in the face of any interruption and proactively plan for being prepared to respond to an uncertain situation.	Positive
14	Business ethics / Anti-bribery and corruption	Opportunity	Our commitment to strong corporate governance is integral to our business and it helps us create long-term value for all our stakeholders.	- Our Code of Business Conduct and Ethics (COBE) applies to all Directors and employees of our Company, its subsidiaries, and affiliates. It lays down the principles that guide our conduct and strengthens our decision-making, promotes stakeholder trust and works as a moat around our business. COBE has been designed to comply with the requirements of Companies Act, 2013, and the Sarbanes Oxley Act of 2002 and its implementing regulations. - We conduct our business as per our Anti-Bribery and Anti-corruption policies, and all applicable laws. While contracts with our suppliers, contractors, and business partners include adherence to our principles concerning ethics, there is a separate code of conduct required to be followed by our suppliers and service providers. Our Global Marketing Code provides a minimum set of standards in interacting with healthcare professionals and healthcare institutions while engaging in sales, research, marketing and promotion are covered under the Supplier Code of Conduct (SCOC), which is modelled on the Principles for Responsible Supply Chain Management (PSCI) and 100% compliance is mandatory.	Positive

SECTION B – MANAGEMENT AND PROCESS DISCLOSURES

DISCLOSURE QUESTION		P – 1	P – 2	P – 3	P – 4	P – 5	P – 6	P – 7	P – 8	P – 9
Policy and management process										
1.	A.	Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)					Yes			
1.	B.	Has the policy been approved by the Board? (Yes/No)					Yes (Note 1)			
1.	C.	Web link of the Policies, if available					Note 2			
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes. The Company's Code of Business Conduct and Ethics (COBE) and / or other polices imbibes the above-mentioned principles and the Company expects its stakeholders to adhere to the same in all their dealings.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The Company's Code of Business Conduct and Ethics (COBE) and / or other polices imbibes the above-mentioned principles and the Company expects its stakeholders to adhere to the same in all their dealings.								
4.	Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	GRI Standards 2021, UN SDGs, SA8000, NGRBC	GRI Standards 2021, UN SDGs, ISO 14001, cGMP	GRI Standards 2021, UN SDGs, ISO 45001, SA8000, UN Guiding Principles on Business and Human Rights, ILO Conventions and Codes of Practice, Universal Declaration of Human Rights	GRI Standards 2021, UN SDGs	GRI Standards 2021, UN SDGs, SA8000, UN Guiding Principles on Business and Human Rights, ILO Conventions and Codes of Practice, Universal Declaration of Human Rights	GRI Standards 2021, UN SDGs, ISO 14001, ISO 45001	GRI Standards 2021, UN SDGs	GRI Standards 2021, UN SDGs, National Standards - CSR Rules prescribed by the Companies Act, 2013.	GRI Standards 2021, UN SDGs, ISO 27001
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Note 3								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Note 4								
Governance, Leadership and Oversight										
7.	Statement by director responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Dr. Reddy's, we are committed to making business truly sustainable and responsible. Last year, we announced our renewed Environment, Social, Governance (ESG) goals. As a Company with over two decades of leadership in Indian pharma we saw it as our responsibility to set the bar high. Going beyond environment, we have set ourselves bold and measurable goals towards patients, employees and governance. The most distinctive aspect of our approach is that our sustainability agenda is now embedded in business strategy. Our ESG agenda is aimed at serving planet, purpose and people, and generating value for all stakeholders. Through technological progress and manufacturing excellence, we focus on expanding access and affordability to safe, effective and high-quality medicines that our patients and customers rely on us for, because Good Health Can't Wait. G V Prasad, Co-Chairman and Managing Director For more details, refer to Letter from Chairman and Co-Chairman on page 14 of this Integrated Annual report								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Erez Israeli, Chief Executive Officer Tel: +91-40-4900-2222 E-mail ID: shares@drreddys.com								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details	The Company has "Sustainability and CSR Committee" that acts as a nodal committee on overall sustainability goals and progress, amongst others. The detailed Charter of the said Committee including the terms of reference on sustainability matters are available on the website of the Company: https://www.drreddys.com/investor#governance#committees-of-the-board Further, from ESG perspective, the Science, Technology and Operations Committee also deals with the matter related to "E", the Nomination, Governance and Compensation Committee with "S" and the Risk Management Committee with "G". The respective Committees also updates the Board regarding deliberation and reviews on such matters.								

Note 1: The statutory policies are approved by the Board or Board Committees, as applicable. Other applicable policies are either approved by the Board or by the appropriate authority.

Note 2: <https://www.drreddys.com/media/983676/cobe-booklet-v40.pdf>
<https://www.drreddys.com/media/888147/she-policy-document-24-07-2020.pdf>
https://www.drreddys.com/media/899536/human-rights-policy_01092020.pdf
<https://www.drreddys.com/media/993225/csr-policy.pdf>
<https://www.drreddys.com/cms/cms/sites/default/files/static/supplier-code-of-conduct-new.pdf>

Some internal policies as applicable are available on the intranet platform of the Company.



Note 3: We strengthened our commitment to sustainability and announced renewed Environmental, Social, and Governance (ESG) goals for 2030 to make more meaningful impact through our sustainable development strategy.

A. BEING COMMITTED TO ENVIRONMENTAL STEWARDSHIP: REDUCING CARBON EMISSIONS

- 100% renewable power by 2030
- Carbon neutral in direct operations (Scope 1 and 2 emissions) by 2030
- 12.5% reduction in our indirect carbon emissions (Scope 3) by 2030

Water positivity

- Water positive by 2025

B. MAKING OUR PRODUCTS ACCESSIBLE AND AFFORDABLE FOR PATIENTS

- **Access:** Serve 1.5 billion patients by 2030
- **Affordability :** 25% of our new launches to be first to market by 2027
- **Innovation :** 3 innovative solutions (products, services and platforms) every year to improve standard of treatment from 2027

C. CONTRIBUTING TO A FAIRER AND MORE SOCIALLY INCLUSIVE WORLD

Equity, Diversity and Inclusion

- At least 35% women in senior leadership by 2030
- Gender parity by 2035
- Workforce to include at least 3% of Persons with Disability (PwD) by 2030
- Ensure 100% living wages for our extended workforce by 2025

D. ENHANCING TRUST WITH OUR STAKEHOLDERS

Compliance, Ethics, and Corporate Governance:

- Meet the highest standards on compliance and ethics backed by robust corporate governance

Disclosures and reporting

- Enhance ESG disclosures to reach top quartile by 2025

Suppliers

- 100% of our strategic suppliers to be compliant with our chosen ESG framework by 2030

Note 4: Details regarding our ESG Goals & Progress is given in page 31 of the Integrated report of the Company

10 DETAILS OF REVIEW OF NGRBCS BY THE COMPANY

SUBJECT FOR REVIEW	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Sustainability and CSR Committee reviews the performance against the ESG goals and targets of the Company. The Committee also updates the Board regarding deliberation and reviews on such matters. The Company has also constituted internal Sustainability Council which drives the implementation and program on the ESG goals and targets. The policies of the Company are reviewed periodically or on need basis by the respective department heads/ business heads/ Executive Directors. During such assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented. The Sustainability and CSR Committee reviews the performance on quarterly basis.								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	In its governance role, the Sustainability Council reviews Compliance with the statutory requirements of relevance to the principles and rectification of any non-compliances, if any. The Council reviews the compliances periodically. The same is also reviewed by the Sustainability and CSR Committee on a quarterly basis.								

11. HAS THE ENTITY CARRIED OUT INDEPENDENT ASSESSMENT/ EVALUATION OF THE WORKING OF ITS POLICIES BY AN EXTERNAL AGENCY? (YES/NO). IF YES, PROVIDE NAME OF THE AGENCY

The processes and compliances are subject to scrutiny by internal auditors and the status of compliances are updated to the Board. From best practices as well as from a risk perspective, policies are periodically evaluated and updated by various department heads/ business heads and approved by the management/ the Board Committees/ the Board. Some of the key policies have been evaluated by KPMG and DNV Business Assurance India Private Limited (DNV). An internal assessment of the workings of the BR policies has been done.

The independent assessment on the working of the BRSR policies is done by DNV Business Assurance India Private Limited (DNV)

12. IF ANSWER TO QUESTION (1) ABOVE IS "NO" I.E. NOT ALL PRINCIPLES ARE COVERED BY A POLICY, REASONS TO BE STATED: Not applicable

SECTION C – PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE**ESSENTIAL INDICATORS**

1 PERCENTAGE COVERAGE BY TRAINING AND AWARENESS PROGRAMMES ON ANY OF THE PRINCIPLES DURING THE FINANCIAL YEAR			
SEGMENT	TOTAL NUMBER OF TRAINING AND AWARENESS PROGRAMMES HELD	TOPICS/ PRINCIPLES COVERED UNDER THE TRAINING AND ITS IMPACT	%AGE OF PERSONS IN RESPECTIVE CATEGORY COVERED BY THE AWARENESS PROGRAMMES
Board of Directors	5	Familiarisation/ awareness programme for the Board of Directors/ KMPs of the Company is done periodically as part of Board process covering various areas pertaining to the business, strategy, risks, operations, regulations, code of business conduct and ethics, economy and environmental, social and governance parameters. In addition, frequent updates are shared with all the Board members/ KMPs to apprise them of developments in the Company, key regulatory changes, risks, compliances and legal cases.	100.0
Key Managerial Personnel (KMPs)	5		100.0
Employees other than BODs and KMPs	10,399	The employees/ workers of the Company undergo various training programmes throughout the year. Many trainings programmes followed a blended learning approach which entailed virtual classroom initiatives, along with dissemination of e-learning modules. Various trainings were undertaken during the year such as Prohibition of Insider Trading, Prevention of Sexual Harassment at the Workplace, Information and Cyber Security Awareness, Code of Conduct, Know Your Customer guidelines, and ESG. Other trainings included induction programmes for new recruits, leadership training, digitalisation and cyber security and modules on soft skills, programmes on mental and physical well-being, among several others	91.6
Workers	788		61.7

2. DETAILS OF FINES / PENALTIES /PUNISHMENT/ AWARD/ COMPOUNDING FEES/ SETTLEMENT AMOUNT PAID IN PROCEEDINGS (BY THE ENTITY OR BY DIRECTORS/ KMPs) WITH REGULATORS/ LAW ENFORCEMENT AGENCIES/ JUDICIAL INSTITUTIONS, IN THE FINANCIAL YEAR, (NOTE: THE ENTITY SHALL MAKE DISCLOSURES ON THE BASIS OF MATERIALITY AS SPECIFIED IN REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE OBLIGATIONS) REGULATIONS, 2015 AND AS DISCLOSED ON THE ENTITY'S WEBSITE)

MONETARY

NGRBC PRINCIPLE	NAME OF THE REGULATORY/ ENFORCEMENT AGENCIES/ JUDICIAL INSTITUTES	AMOUNT (INR)	BRIEF OF THE CASE	HAS AN APPEAL BEEN PREFERRED (YES/NO)?
Penalty/ Fine				
Settlement		Nil		
Compounding fees				

NON-MONETARY

NGRBC PRINCIPLE	NAME OF THE REGULATORY/ ENFORCEMENT AGENCIES/ JUDICIAL INSTITUTES	AMOUNT (INR)	BRIEF OF THE CASE	HAS AN APPEAL BEEN PREFERRED (YES/NO)?
Imprisonment				
Punishment		Nil		

3. OF THE INSTANCES DISCLOSED IN QUESTION 2 ABOVE, DETAILS OF THE APPEAL/ REVISION PREFERRED IN CASES WHERE MONETARY OR NON-MONETARY ACTION HAS BEEN APPEALED
- Not Applicable
4. DOES THE ENTITY HAVE AN ANTI-CORRUPTION OR ANTI-BRIBERY POLICY? IF YES, PROVIDE DETAILS IN BRIEF AND IF AVAILABLE, PROVIDE A WEB-LINK TO THE POLICY

Yes. Dr. Reddy's has an Anti-bribery and Anti-corruption policy. The policy has been developed in alignment with Dr. Reddy's Code of Business Conduct and Ethics (COBE), other internal policies such as Ombudsperson policy and other rules and regulations relevant to Anti bribery and Anti-Corruption that are applicable to the Company because of its geographical



presence in multiple countries. The policy reiterates that Dr. Reddy's does not tolerate any bribery and corruption directly or indirectly and upholds the highest standards of integrity and transparency in all its interactions and business activities. The Anti-bribery and Anti-corruption policy is available on the intranet platform of the Company.

The policy forms part of the Code of Business Conduct and Ethics (COBE), applies to all members of the Board of Directors, full and part-time employees of the Company, its subsidiaries and affiliates. All business partners are also expected to follow the same standard of ethics when conducting business with the Company or on its behalf. The COBE is available on the website of the Company at <https://www.drreddys.com/investor#governance>

5 NUMBER OF DIRECTORS/ KMPs/ EMPLOYEES/ WORKERS AGAINST WHOM DISCIPLINARY ACTION WAS TAKEN BY ANY LAW ENFORCEMENT AGENCY FOR THE CHARGES OF BRIBERY/ CORRUPTION

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6 DETAILS OF COMPLAINTS WITH REGARD TO CONFLICT OF INTEREST

	FY 2022-23		FY 2021-22	
	NUMBER	REMARKS	NUMBER	REMARKS
Number of complaints received in relation to issues of conflict of interest of the directors	Nil	Not applicable	Nil	Not applicable
Number of complaints received in relation to issues of conflict of interest of the KMPs				

7. PROVIDE DETAILS OF ANY CORRECTIVE ACTION TAKEN OR UNDERWAY ON ISSUES RELATED TO FINES/ PENALTIES/ ACTION TAKEN BY REGULATORS/ LAW ENFORCEMENT AGENCIES/ JUDICIAL INSTITUTIONS, ON CASES OF CORRUPTION AND CONFLICTS OF INTEREST

Not Applicable

LEADERSHIP INDICATORS

1 AWARENESS PROGRAMMES CONDUCTED FOR VALUE CHAIN PARTNERS ON ANY OF THE PRINCIPLES DURING THE FINANCIAL YEAR

SR.	TOTAL NUMBER OF AWARENESS PROGRAMMES HELD	TOPICS/ PRINCIPLES COVERED UNDER THE TRAINING	PERCENTAGE OF VALUE CHAIN PARTNERS COVERED (BY VALUE OF BUSINESS DONE WITH SUCH PARTNERS) UNDER THE AWARENESS PROGRAMMES
1	14	ESG Capability Building Program	80
2	54	Defensive Driving training & Road safety awareness	100
3	5	Safety Health & Environment Awareness	100

2. DOES THE ENTITY HAVE PROCESSES IN PLACE TO AVOID/ MANAGE CONFLICT OF INTERESTS INVOLVING MEMBERS OF THE BOARD? (YES/NO) IF YES, PROVIDE DETAILS OF THE SAME

Yes. The Company has a Conflict of Interest Policy which lays down the principles and standards that govern the actions of the Company including its subsidiaries, joint ventures and its directors, officers and employees (full time or part time, contract employees and consultants). This Policy provides guidance for recognising, reporting and resolution of any actual, potential or perceived conflict of interest.

Further, as part of the governance ecosystem, the Company has adopted best practices on reviews of conflict of interest of the Directors. The Director's disclosures are placed before the Board and conflict of interest, if any, are discussed and reviewed by the Board. The Board is collectively responsible for decision making on conflict of interest disclosed to the Board for any business decisions, wherein any of the Directors are interested.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1 PERCENTAGE OF R&D AND CAPITAL EXPENDITURE (CAPEX) INVESTMENTS IN SPECIFIC TECHNOLOGIES TO IMPROVE THE ENVIRONMENTAL AND SOCIAL IMPACTS OF PRODUCT AND PROCESSES TO TOTAL R&D AND CAPEX INVESTMENTS MADE BY THE ENTITY, RESPECTIVELY

	FY 2022-23	PY 2021-22	DETAILS OF IMPROVEMENTS IN ENVIRONMENTAL AND SOCIAL IMPACTS
R&D	100.0	100.0	R&D expenditure in various technologies is focused on improving the environmental or social impacts of our products / processes
Capex	3.3	0.8	Reduction in usage of non-renewable energy sources. Reduction of freshwater footprint in plants by reusing grey water. Safety of employees and stakeholders

2. A. DOES THE ENTITY HAVE PROCEDURES IN PLACE FOR SUSTAINABLE SOURCING

Yes

B. IF YES, WHAT PERCENTAGE OF INPUTS WERE SOURCED SUSTAINABLY

100% of our inputs are sourced from suppliers who abide by our Supplier Code of Conduct. Our Supplier Code of Conduct has a clear policy on sustainability requirements. As a future step, we have identified strategic suppliers and framed the internal ESG framework for assessing our strategic suppliers.

3. DESCRIBE THE PROCESSES IN PLACE TO SAFELY RECLAIM YOUR PRODUCTS FOR REUSING, RECYCLING AND DISPOSING AT THE END OF LIFE, FOR

(a) Plastics (including packaging)	We have waste management systems in place at all our facilities. Plastic waste is either co-processed or recycled based upon the type of waste generated. E-waste is sold to authorized vendors. 99% of our global hazardous waste is sent to cement industries and recyclers for co-processing and recycling. The remaining 1% of global hazardous waste is sent to landfill. Other non-hazardous waste such as glass, MS scrap, wood waste, and boiler ash, etc. are sent to recyclers, cement industries for co-processing or to brick manufacturers.
(b) E-waste	
(c) Hazardous waste	
(d) Other waste	We also monitor the waste management in further value chain wherein all our expired products are incinerated at authorized destruction vendor. Other waste like plastic drums/ pallets etc used for transportation are sold out to scrap vendors who are known for either re-use/ recycle.

4. WHETHER EXTENDED PRODUCER RESPONSIBILITY (EPR) IS APPLICABLE TO THE ENTITY'S ACTIVITIES (YES/ NO). IF YES, WHETHER THE WASTE COLLECTION PLAN IS IN LINE WITH THE EXTENDED PRODUCER RESPONSIBILITY (EPR) PLAN SUBMITTED TO POLLUTION CONTROL BOARDS? IF NOT, PROVIDE STEPS TAKEN TO ADDRESS THE SAME

Yes, we work in compliance with India's Plastic Waste Management Rules, 2016, as amended and the Extended Producer Responsibility (EPR) guidelines. As per our EPR plan, we have committed 1,506 tonnes of multi-layered, rigid and flexible plastics. Our waste collection plan is in line with the EPR plan submitted to Pollution Control Board (PCB). During the year FY2023, we have collected approximately 1,506 tonnes of waste and disposed in an environmentally friendly manner as per EPR requirements.

LEADERSHIP INDICATORS

1 HAS THE ENTITY CONDUCTED LIFE CYCLE PERSPECTIVE / ASSESSMENTS (LCA) FOR ANY OF ITS PRODUCTS (FOR MANUFACTURING INDUSTRY) OR FOR ITS SERVICES (FOR SERVICE INDUSTRY)? IF YES, PROVIDE DETAILS

Yes, we have completed LCA of three of our Active Pharmaceutical Ingredient (API) products during the year FY2023.

SR.	NIC CODE	NAME OF PRODUCT/ SERVICE	%AGE OF TOTAL TURNOVER CONTRIBUTED	BOUNDARY FOR WHICH THE LIFE CYCLE PERSPECTIVE/ ASSESSMENT WAS CONDUCTED	WHETHER CONDUCTED BY INDEPENDENT EXTERNAL AGENCY (YES/NO)	RESULTS COMMUN-ICATED IN PUBLIC DOMAIN (YES/NO)	IF YES, PROVIDE THE WEB-LINK
1	21009	Doxycycline Lactic Acid	0.1	Cradle to gate	Yes	No	Not applicable
2	21009	Levetiracetam	0.2	Cradle to gate	Yes	No	Not applicable
3	21009	Atorvastatin	1.1	Cradle to gate	Yes	No	Not applicable



2 IF THERE ARE ANY SIGNIFICANT SOCIAL OR ENVIRONMENTAL CONCERNS AND/OR RISKS ARISING FROM PRODUCTION OR DISPOSAL OF YOUR PRODUCTS/ SERVICES, AS IDENTIFIED IN THE LIFE CYCLE PERSPECTIVE/ ASSESSMENTS (LCA) OR THROUGH ANY OTHER MEANS, BRIEFLY DESCRIBE THE SAME ALONG-WITH ACTION TAKEN TO MITIGATE THE SAME

Action taken to mitigate significant social or environmental concerns and/or risks arising from production or disposal of products/ services

SR.	NAME OF PRODUCT/ SERVICE	DESCRIPTION OF THE RISK/ CONCERN	ACTION TAKEN
		There were no significant social or environmental concerns raised from the LCA analysis of our three API products.	

3. PERCENTAGE OF RECYCLED OR REUSED INPUT MATERIAL TO TOTAL MATERIAL (BY VALUE) USED IN PRODUCTION (FOR MANUFACTURING INDUSTRY) OR PROVIDING SERVICES (FOR SERVICE INDUSTRY)

Not applicable. As in the pharmaceutical industry we do not use recycled or reused input materials in the manufacturing process due to its nature of products. However, in some of our operations we recover the spent solvent through solvent recovery system and reuse the same in our manufacturing process.

4 OF THE PRODUCTS AND PACKAGING RECLAIMED AT END OF LIFE OF PRODUCTS, AMOUNT (IN METRIC TONNES) REUSED, RECYCLED, AND SAFELY DISPOSED

	FY 2022-23			FY 2021-22		
	RE-USED	RECYCLED	SAFELY DISPOSED	RE-USED	RECYCLED	SAFELY DISPOSED
Plastics (including packaging)	0	0	0	0	0	0
E waste	0	0	0	0	0	0
Hazardous waste – Expired Product	0	0	809 tons	0	0	647 tons
Other waste	Cold boxes- 16,800 units	0	0	Cold boxes – 19,200 units	0	0

5 RECLAIMED PRODUCTS AND THEIR PACKAGING MATERIALS (AS PERCENTAGE OF PRODUCTS SOLD) FOR EACH PRODUCT CATEGORY

SL. NO.	INDICATE PRODUCT CATEGORY	RECLAIMED PRODUCTS AND THEIR PACKAGING MATERIALS AS %AGE OF TOTAL PRODUCTS SOLD IN RESPECTIVE CATEGORY
1	Cold boxes	46% of cold boxes are reused at CFA or stockist end

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1 A. DETAILS OF MEASURES FOR THE WELL-BEING OF EMPLOYEES

CATEGORY	% OF EMPLOYEES COVERED BY										
	TOTAL	HEALTH INSURANCE		ACCIDENT INSURANCE		MATERNITY BENEFIT		PATERNITY BENEFITS		DAY CARE FACILITIES	
		NO.	%	NO.	%	NO.	%	NO.	%	NO.	%
Permanent employees											
Male	20,033	20,033	100.0	20,033	100.0	0	0	20,033	100.0	10,015	50.0
Female	4,792	4,792	100.0	4,792	100.0	4,792	100.0	0	0	2,240	46.7
Other ¹	7	7	100.0	7	100.0	0	0	0	0	2	28.6
Total	24,832	24,832	100.0	24,832	100.0	4,792	100.0	20,033	100.0	12,257	49.4
Other than permanent employees											
Male	4,686	4,686	100.0	4,686	100.0	0	0	4,686	100.0	3,883	82.9
Female	2,244	2,244	100.0	2,244	100.0	2,244	100.0	0	0	1,279	57.0
Other ¹	9	9	100.0	9	100.0	0	0	0	0	0	0
Total	6,939	6,939	100.0	6,939	100.0	2,244	100.0	4,686	100.0	5,162	74.4

¹Maximum benefits to be provided on a case to case basis

1 B. DETAILS OF MEASURES FOR THE WELL-BEING OF WORKERS

CATEGORY	% OF EMPLOYEES COVERED BY										
	TOTAL	HEALTH INSURANCE		ACCIDENT INSURANCE		MATERNITY BENEFIT		PATERNITY BENEFITS		DAY CARE FACILITIES	
		NO.	%	NO.	%	NO.	%	NO.	%	NO.	%
Permanent workers											
Male	621	621	100.0	621	100.0	0	0	621	100.0	418	67.3
Female	45	45	100.0	45	100.0	45	100.0	0	0	18	40.0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	666	666	100.0	666	100.0	45	100.0	621	100.0	436	65.5
Other than permanent workers											
Male	5,105	5,105	100.0	5,105	100.0	0	0	5,105	100.0	4,930	96.6
Female	1,057	1,057	100.0	1,057	100.0	1,057	100.0	0	0	1,004	95.0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	6,162	6,162	100.0	6,162	100.0	1,057	100.0	5,105	100.0	5,934	96.3

2 DETAILS OF RETIREMENT BENEFITS, FOR CURRENT FINANCIAL YEAR AND PREVIOUS FINANCIAL YEAR

	FY2022-23			FY2021-22		
	NO. OF EMPLOYEES COVERED AS A % OF TOTAL EMPLOYEE	NO. OF WORKERS COVERED AS A % OF TOTAL WORKERS	DEDUCTED AND DEPOSITED WITH THE AUTHORITY (Y/N/N.A.)	NO. OF EMPLOYEES COVERED AS A % OF TOTAL EMPLOYEES	NO. OF WORKERS COVERED AS A % OF TOTAL WORKER	DEDUCTED AND DEPOSITED WITH THE AUTHORITY (Y/N/N.A.)
PF	100.0	100.0	Yes	100.0	100.0	Yes
Gratuity	100.0	100.0	NA	100.0	100.0	N.A.
ESI	2.7	0.0	Yes	3.2	0.0	Yes
Others –Superannuation	3.5	Not applicable	Not applicable	6.3	Not applicable	Not applicable

3. ACCESSIBILITY OF WORKPLACES: ARE THE PREMISES / OFFICES OF THE ENTITY ACCESSIBLE TO DIFFERENTLY ABLED EMPLOYEES AND WORKERS, AS PER THE REQUIREMENTS OF THE RIGHTS OF PERSONS WITH DISABILITIES ACT, 2016? IF NOT, WHETHER ANY STEPS ARE BEING TAKEN BY THE ENTITY IN THIS REGARD

Yes. The premises/ offices of the Company, including the registered and corporate offices have ramps to enable easy movement. Most offices are located either on the ground floor or have elevators and infrastructure for differently abled individuals. Wheelchair accessible restrooms are also available at certain premises. We conduct infrastructure audits regularly with the increase in differently abled employees in the organisation.

4. DOES THE ENTITY HAVE AN EQUAL OPPORTUNITY POLICY AS PER THE RIGHTS OF PERSONS WITH DISABILITIES ACT, 2016? IF SO, PROVIDE A WEB-LINK TO THE POLICY

Yes. The Code of Business Conduct and Ethics (COBE) of the Company provides for an Equal Opportunity Policy to create an inclusive work environment by fostering diversity at the workplace, and to treat all employees equally irrespective of gender, age, physical disability, creed, religion, sexual orientation, racial background, pregnancy, place of origin, caste, political affiliation or other discriminatory factors. We value diversity at our workforce and thus encourage and nurture talent within the organization. We work best when there is an atmosphere of mutual trust and co-operation. The policy is available at the Company's website at: <https://www.drreddys.com/cms/cms/sites/default/files/2021-11/cobe-booklet-v40.pdf>.

Further, the Equal Employment Opportunity (EEO) Statement states that Dr. Reddy's maintains a work environment, that is free from discrimination, and is an equal opportunity employer. We are committed to employ and nurture all qualified diverse workforce without regard to race, colour, religion, national origin, gender, age, disability status, genetics, sexual orientation, gender identity or expression, marital status, citizenship or any other characteristic or classification protected by the applicable law(s) of the countries we operate in. We apply these principles in all aspects of employment, including recruitment, hiring, placement, promotion, termination, lay off, transfer, leaves of absence, training and compensation. The Company assures all employees that no individual filing a complaint will be discriminated against, as a result of their complaint. The policy is available at the Company's career website at: <https://careers.drreddys.com/#/!/#eeo-statement>.

**5 RETURN TO WORK AND RETENTION RATES OF PERMANENT EMPLOYEES AND WORKERS THAT TOOK PARENTAL LEAVE**

GENDER	PERMANENT EMPLOYEES		PERMANENT WORKERS	
	RETURN TO WORK RATE	RETENTION RATE	RETURN TO WORK RATE	RETENTION RATE
Male	99.4	84.0	-	-
Female	98.4	80.9	-	-
Others	0	0	-	-
Total	99.3	83.4	-	-

6 IS THERE A MECHANISM AVAILABLE TO RECEIVE AND REDRESS GRIEVANCES FOR THE FOLLOWING CATEGORIES OF EMPLOYEES AND WORKER? IF YES, GIVE DETAILS OF THE MECHANISM IN BRIEF

YES/NO		(IF YES, THEN GIVE DETAILS OF THE MECHANISM IN BRIEF)
Permanent workers	Yes	The Company has an Ombudsperson Policy (whistle-blower or vigil mechanism) applicable to employees and third parties, to report concerns on actual or suspected violations of the code or any applicable laws and regulations. The Audit Committee Chairperson is the Chief Ombudsperson.
Other than permanent workers	Yes	Concerns raised to the Company and their resolution are reported through the Chief Ombudsperson to the Audit Committee and where applicable, to the Board.
Permanent employees	Yes	The policy provides avenues to report concerns directly to the Compliance Team. Reference link of the policy and reporting channels is separately mentioned below. Ombudsperson Policy Link: https://www.drreddys.com/investor#governance
Other than permanent employees	Yes	Ombudsperson reporting channel website link: https://drreddys.ethicspoint.com/

7 MEMBERSHIP OF EMPLOYEES AND WORKER IN ASSOCIATION(S) OR UNIONS RECOGNISED BY THE LISTED ENTITY

CATEGORY	FY 2022-23			FY 2021-22		
	TOTAL EMPLOYEES/ WORKERS IN RESPECTIVE CATEGORY	NO. OF EMPLOYEES/ WORKERS IN RESPECTIVE CATEGORY, WHO ARE PART OF ASSOCIATION(S) OR UNION	%	TOTAL EMPLOYEES/ WORKERS IN RESPECTIVE CATEGORY	NO. OF EMPLOYEES/ WORKERS IN RESPECTIVE CATEGORY, WHO ARE PART OF ASSOCIATION(S) OR UNION	%
Total permanent employees	24,832	0	0	23,524	0	0
Male	20,033	0	0	19,177	0	0
Female	4,792	0	0	4,347	0	0
Other	7	0	0	0	0	0
Total permanent workers	666	573	86.0	725	646	89.1
Male	621	555	89.4	685	626	91.3
Female	45	18	40.0	40	20	50.0
Other	0	0	0	0	0	0

8 DETAILS OF TRAINING GIVEN TO EMPLOYEES AND WORKERS

CATEGORY	FY 2022-23					FY 2021-22				
	TOTAL	ON HEALTH AND SAFETY MEASURES		ON SKILL UPGRADATION		TOTAL	ON HEALTH AND SAFETY MEASURES		ON SKILL UPGRADATION	
		NOS.	%	NOS.	%		NOS.	%	NOS.	%
Employees										
Male	20,033	6,495	32.4	19,655	98.1	19,177	6,231	32.5	17,272	90.1
Female	4,792	1,145	23.9	4,511	94.1	4,347	979	22.5	3,719	85.6
Other	7	0	0	5	71.4	0	0	0	0	0
Total	24,832	7,640	30.8	24,171	97.4	23,524	7,210	30.6	20,991	89.2
Workers										
Male	621	260	41.9	372	59.8	685	284	41.5	545	79.6
Female	45	18	40.0	40	88.9	40	18	45.0	36	90.0
Other	0	0	0	0	0	0	0	0	0	0
Total	666	278	41.7	412	61.9	725	302	41.7	581	84.5

CATEGORY	FY 2022-23			FY 2021 – 22		
	TOTAL	NOS.	%	TOTAL	NOS.	%
Employees						
Male	20,033	20,033	100.0	19,177	19,177	100.0
Female	4,792	4,792	100.0	4,347	4,347	100.0
Other	7	7	100.0	0	0	0
Total	24,832	24,832	100.0	23,524	23,524	100.0
Workers						
Male	621	621	100.0	685	685	100.0
Female	45	45	100.0	40	40	100.0
Other	0	0	0	0	0	0
Total	666	666	100.0	725	725	100.0

10. HEALTH AND SAFETY MANAGEMENT SYSTEM:

A. WHETHER AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM HAS BEEN IMPLEMENTED BY THE ENTITY. IF YES, THE COVERAGE OF SUCH SYSTEM

Yes, we have implemented an occupational health and safety management system. The coverage is 100% of our entity, and it includes both regular employees and contractors. Seven of our ten formulations units have been certified under ISO 45001.

B. WHAT ARE THE PROCESSES USED TO IDENTIFY WORK-RELATED HAZARDS AND ASSESS RISKS ON A ROUTINE AND NON-ROUTINE BASIS BY THE ENTITY?

We have developed a guidance document which provides the course on how to identify, evaluate safety, health & environment risks and reduce them to an acceptable level by strengthening existing controls and/ or incorporating additional controls for all the activities within premises of the organization. The guideline clearly outlines the roles and responsibilities of employees and workers.

C. WHETHER YOU HAVE PROCESSES FOR WORKERS TO REPORT THE WORK-RELATED HAZARDS AND TO REMOVE THEMSELVES FROM SUCH RISKS. (Y/N)

Yes, department heads interact with all members on safety matters daily through toolbox talks. In this forum, workmen actively participate and give suggestions and feedback for improvements.

D. DO THE EMPLOYEES/ WORKER OF THE ENTITY HAVE ACCESS TO NON-OCCUPATIONAL MEDICAL AND HEALTHCARE SERVICES? (YES/ NO)

Yes, My Health Index (MHI), a proactive health and wellbeing initiative that takes care of the overall physical and mental wellbeing of employees

SAFETY INCIDENT/NUMBER	CATEGORY	FY 2022 -23	FY 2021 – 22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.28	0.14
	Workers ¹	0.21	0.22
Total recordable work-related injuries	Employees	17	22
	Workers ¹	10	13
No. of fatalities	Employees	1	0
	Workers ¹	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers ¹	0	0

¹Workers means other than permanent workers

12. DESCRIBE THE MEASURES TAKEN BY THE ENTITY TO ENSURE A SAFE AND HEALTHY WORKPLACE

At Dr. Reddy's, we emphasize strongly on the health, safety, and well-being of our people. We continuously strive to create a work environment that is free from any occupational hazards, regardless of where our people are located or what type of work they carry out. We have developed and implemented strong Health and Safety systems at all our plants. These systems are guided and driven by our established policies and procedures. Periodic assessments are conducted to evaluate the effectiveness of the systems implemented and appropriate measures are taken to further improve our health and safety performance continually.

**13 NUMBER OF COMPLAINTS ON THE FOLLOWING MADE BY EMPLOYEES AND WORKERS**

	FY 2022-23			FY 2021-22		
	FILED DURING THE YEAR	PENDING RESOLUTION AT THE END OF YEAR	REMARKS	FILED DURING THE YEAR	PENDING RESOLUTION AT THE END OF YEAR	REMARKS
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14 ASSESSMENTS FOR THE YEAR

% OF YOUR PLANTS AND OFFICES THAT WERE ASSESSED (BY ENTITY OR STATUTORY AUTHORITIES OR THIRD PARTIES)	
Health and safety practices	100.0
Working Conditions	100.0

15. PROVIDE DETAILS OF ANY CORRECTIVE ACTION TAKEN OR UNDERWAY TO ADDRESS SAFETY-RELATED INCIDENTS (IF ANY) AND ON SIGNIFICANT RISKS / CONCERNS ARISING FROM ASSESSMENTS OF HEALTH & SAFETY PRACTICES AND WORKING CONDITIONS

Not Applicable

LEADERSHIP INDICATORS**1. DOES THE ENTITY EXTEND ANY LIFE INSURANCE OR ANY COMPENSATORY PACKAGE IN THE EVENT OF DEATH OF (A) EMPLOYEES (Y/N) (B) WORKERS (Y/N)**

Yes, it extends to both employees and workers

2. PROVIDE THE MEASURES UNDERTAKEN BY THE ENTITY TO ENSURE THAT STATUTORY DUES HAVE BEEN DEDUCTED AND DEPOSITED BY THE VALUE CHAIN PARTNERS

The Company ensures that statutory dues as applicable to the transactions within its remit are deducted and deposited in accordance with extant regulations. This activity is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

3 PROVIDE THE NUMBER OF EMPLOYEES / WORKERS HAVING SUFFERED HIGH CONSEQUENCE WORK-RELATED INJURY / ILL-HEALTH / FATALITIES (AS REPORTED IN Q11 OF ESSENTIAL INDICATORS ABOVE), WHO HAVE BEEN REHABILITATED AND PLACED IN SUITABLE EMPLOYMENT OR WHOSE FAMILY MEMBERS HAVE BEEN PLACED IN SUITABLE EMPLOYMENT

	TOTAL NO. OF AFFECTED EMPLOYEES/ WORKERS		NO. OF EMPLOYEES/WORKERS THAT ARE REHABILITATED AND PLACED IN SUITABLE EMPLOYMENT OR WHOSE FAMILY MEMBERS HAVE BEEN PLACED IN SUITABLE EMPLOYMENT	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	0	0	0	0

4. DOES THE ENTITY PROVIDE TRANSITION ASSISTANCE PROGRAMS TO FACILITATE CONTINUED EMPLOYABILITY AND THE MANAGEMENT OF CAREER ENDINGS RESULTING FROM RETIREMENT OR TERMINATION OF EMPLOYMENT? (YES/ NO)

Yes

5 DETAILS ON ASSESSMENT OF VALUE CHAIN PARTNERS

% OF VALUE CHAIN PARTNERS (BY VALUE OF BUSINESS DONE WITH SUCH PARTNERS) THAT WERE ASSESSED	
Health and safety practices	We conduct periodic supplier risk assessments for our value chain partners through a third party to better understand our value chain risk exposure. In the last two years, we have assessed 28% of our global value chain partners on multiple ESG parameters. During the year, 10% of our value chain partners have been evaluated.
Working conditions	

6. PROVIDE DETAILS OF ANY CORRECTIVE ACTIONS TAKEN OR UNDERWAY TO ADDRESS SIGNIFICANT RISKS/ CONCERNS ARISING FROM ASSESSMENTS OF HEALTH AND SAFETY PRACTICES AND WORKING CONDITIONS OF VALUE CHAIN PARTNERS

Dr. Reddy's has shared corrective action reports post onsite assessment for critical and strategic suppliers wherein there are no major risks/concerns with regards to the health & safety practices & working conditions. Also, the hardware compliance is continually assessed for our transportation and logistics providers. The roadworthiness of these vehicles has improved through daily, weekly and monthly inspections by about 78%.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. DESCRIBE THE PROCESSES FOR IDENTIFYING KEY STAKEHOLDER GROUPS OF THE ENTITY

We consider individuals, groups, institutions, or entities that contribute to shaping our business, that add value or constitute a core part of the business value chain as key stakeholders. Our stakeholders are both internal and external, and direct as well as indirect. Our process of identification and classification of the stakeholders is defined by their interest, impact and participation in operations of the Company including engagement on various environmental, social and governance matters. Delivering on stakeholder needs, interests and expectations are integral to the way we operate. We keenly listen to our stakeholders and have established various touchpoints and tools for communication, advocacy and engagement. Our key stakeholders include employees, investors, suppliers and partners, customers, government authorities, healthcare professionals, patients and the community.

2 LIST STAKEHOLDER GROUPS IDENTIFIED AS KEY FOR YOUR ENTITY AND THE FREQUENCY OF ENGAGEMENT WITH EACH STAKEHOLDER GROUP					
SR.	STAKEHOLDER GROUP	WHETHER IDENTIFIED AS VULNERABLE & MARGINALIZED GROUP	CHANNELS OF COMMUNICATION	FREQUENCY OF ENGAGEMENT	PURPOSE AND SCOPE OF ENGAGEMENT INCLUDING KEY TOPICS AND CONCERNS RAISED DURING SUCH ENGAGEMENT
1	Employees	No	We use digital as well as physical channels of communication including but not limited to e-mails, newsletters, intranet, townhalls and leadership touchpoints, pulse surveys for employee feedback and redressal, and appraisal and training programmes for personal and professional growth.	Daily	Through multiple physical and digital channels of communication, we aim to provide our employees a safe, inclusive and empowering workplace that encourages transparent engagement and the freedom to act, innovate and grow as professionals and individuals. Our ongoing effort is to maintain two-way engagement with colleagues globally including those in corporate offices, R&D laboratories, manufacturing locations and in the field. Our engagement ranges from providing the latest and updated information on the Company and industry developments, avenues for employee voice to capability building, recognition and celebrations.
2	Investors	No	We interact with our shareholders, potential investors and research analysts through investor meetings/ calls, conferences, earnings call, investor events, e-mail, press releases, stock exchange intimations, investor presentations and annual reports. We also provide various updates on our website and other places of engagement.	Frequent and need based	We engage with them so that they can take an informed decision to invest in our Company. The key areas of engagement include an update on the business and financial performance, Company's strategy and growth levers, potential opportunities and risks, our ESG goals/ actions, and material events which may have a positive or negative impact on the performance of the Company.
3	Patients	Yes, depending on various factors such as health, income, access and others	We engage with patients through multiple assistance programs (Financial assistance program, Lifestyle support program, Education, counselling programs), Disease management and awareness initiatives. We also use different marketing channels (print, digital, social media) to inform patients about our OTC products. We provide Customer services to report any feedback/ adverse effects from our products.	Frequent and need based	Patient centricity is the core tenet of our organization. Through our customer assistance and outreach programs, we try to help educate, provide support, increase awareness, and increase adherence to improve the health of our patients. Being closer to the patient also allows us to identify and address the unmet patient needs and develop better products/ services for the patients. We address patient related queries / feedback and any drug related concerns. We also create awareness and breaking various myths on managing various diseases or medical treatments.
4	Health Care Professionals	No	We use physical and digital channels such as e-mail, web conferences, electronic updates, portals as well as in-person visits and collaterals.	Frequent and need based	Our engagement aims to update healthcare professionals on products, innovations, access, availability of our medicines and healthcare solutions, and to discuss therapy advances, science of medicines and patient need.



2

LIST STAKEHOLDER GROUPS IDENTIFIED AS KEY FOR YOUR ENTITY AND THE FREQUENCY OF ENGAGEMENT WITH EACH STAKEHOLDER GROUP

SR.	STAKEHOLDER GROUP	WHETHER IDENTIFIED AS VULNERABLE & MARGINALIZED GROUP	CHANNELS OF COMMUNICATION	FREQUENCY OF ENGAGEMENT	PURPOSE AND SCOPE OF ENGAGEMENT INCLUDING KEY TOPICS AND CONCERNS RAISED DURING SUCH ENGAGEMENT
5	Customers	No	Physical and virtual meetings, Daily customer events, calls, e-mail, website		We engage with our customers to ensure regular supply of the products, keep them informed about new products, participate in the bids/ tenders and maximize the outreach of our products.
6	Suppliers & Partners	No	On site meetings, virtual meeting, business partners meet, supplier forums, partner events, calls, e-mail, website	Frequent/ Quarterly Governance calls/ Annual meet	Making a holistic impact on the health of patients worldwide requires us to work with partners across the healthcare value chain. We emphasize fair, transparent, and ethical practices and seek partners who share the same commitment towards compliance with laws, regulations, published standards and environmental practices. Our supplier engagement includes capability building programmes, audit CAPA governance and tracking, business partner meets and includes discussions on our ESG goals, efficiency in manufacturing, stronger quality management practices, human rights policies and standards, and working together to advance our sustainability agenda.
7	Government authorities	No	Our interactions with authorities take place through e-mails, meetings, submissions, etc. as required.	Need-based	Our engagement with official authorities is multi-fold. With regulatory authorities, our engagement is aimed at discharging responsibilities and furthering our core business of product development, launch, manufacturing, etc. in keeping with the latest and highest standards of compliance. With policy-makers, our engagement aims to understand and discuss matters pertaining to the industry. We do advocacy and make representations on various regulatory and policy issues to strengthen the healthcare eco-system through policy interventions and ensure timely access to quality medicines at affordable prices.
8	Community	No	Our engagement with the community includes physical visits as well as digital channels.	Frequent and need based	With giving back to society as a core tenet of the Company, our corporate social responsibility and employee volunteering programmes target the areas of education, skilling and livelihood, health and environmental sustainability through partners and local NGOs around the world. Additionally, we also run training, awareness and empowerment programmes. We engage with local community to understand their challenges and work for their sustainable development.
9	Third Party logistics service provider's and CFA's	No	Annual meet at Campus, Driver Management centre, Virtual Meetings	Frequent	We provide rewards and recognition to third party logistics service providers for road safety practices. Through the driver management centre, we train and counsel the transporters on behavioural safety to ensure zero road accidents, and conduct vehicle inspections for improved hardware compliance
10	Contract Workforce	No	In campus through trainings & Toolbox talks	Frequent	To address health, safety and environmental policies and practices.

LEADERSHIP INDICATORS

1. PROVIDE THE PROCESSES FOR CONSULTATION BETWEEN STAKEHOLDERS AND THE BOARD ON ECONOMIC, ENVIRONMENTAL, AND SOCIAL TOPICS OR IF CONSULTATION IS DELEGATED, HOW IS FEEDBACK FROM SUCH CONSULTATIONS PROVIDED TO THE BOARD

Based on the consultation and feedback received with the respective stakeholder groups, we have assessed and analysed the material topics and the same were discussed with the relevant business and functional heads. The material topics including economic, environmental and social topics requiring attention of the Board or its Committees, are thereafter placed before the relevant Board Committees and the Board during the quarterly meetings.

2. WHETHER STAKEHOLDER CONSULTATION IS USED TO SUPPORT THE IDENTIFICATION AND MANAGEMENT OF ENVIRONMENTAL, AND SOCIAL TOPICS (YES / NO). IF SO, PROVIDE DETAILS OF INSTANCES AS TO HOW THE INPUTS RECEIVED FROM STAKEHOLDERS ON THESE TOPICS WERE INCORPORATED INTO POLICIES AND ACTIVITIES OF THE ENTITY

Effective engagement helps us connect stakeholder needs with organizational goals, creates the basis of an effective strategy development, and unlocks greater shared value for all stakeholders. We use multiple platforms to engage with a wide variety of stakeholders to understand their unique needs and concerns and chart out suitable strategies to address them. We also conducted a materiality assessment that involved an intensive stakeholder engagement round. Our internal and external stakeholders identified key material topics that are likely to impact Dr. Reddy's business, like product availability, responsible pricing and affordability, high-quality medicines, patient safety, anti-bribery and corruption. These topics have been considered in the list of Dr. Reddy's action areas and our sustainability framework.

3. PROVIDE DETAILS OF INSTANCES OF ENGAGEMENT WITH, AND ACTIONS TAKEN TO, ADDRESS THE CONCERNS OF VULNERABLE/ MARGINALIZED STAKEHOLDER GROUPS

Patients: We have various patient assistance programs that provides financial assistance patients who are not in a position to afford high-cost treatments. We also support them through education, increase in awareness, and adherence to improve their health conditions.

Community: We implement several CSR programs in the areas of education, skilling and livelihood, health and environmental sustainability through partners and local NGOs for marginalized sections of communities. The Company's various CSR projects are carried out by Dr. Reddy's Foundation, Naandi Foundation, Nice Foundation and Roshni Trust. The Dr. Reddy Foundation has been conferred with the prestigious National Award for the Empowerment of Persons with Disabilities in New Delhi by Hon'ble President of India on the occasion of International Day of Persons with Disabilities (IDPD). For more details, refer to our social section of this Integrated Annual Report.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1

EMPLOYEES AND WORKERS WHO HAVE BEEN PROVIDED TRAINING ON HUMAN RIGHTS ISSUES AND POLICY(IES) OF THE ENTITY

CATEGORY	FY 2022-23			FY 2021-22		
	TOTAL	NO. OF EMPLOYEES/ WORKERS COVERED	%	TOTAL	NO. OF EMPLOYEES/ WORKERS COVERED	%
Employees						
Permanent	24,832	19,486	78.5	23,524	16,506	70.2
Other than permanent	6,939	297	4.3	6,361	65	1.0
Total	31,771	19,783	62.3	29,885	16,571	62.6
Workers						
Permanent	666	337	50.6	725	95	13.1
Other than permanent	6,262	0	0.0	5,230	0	0.0
Total	6,928	337	5.4	5,955	95	1.6

2

DETAILS OF MINIMUM WAGES PAID TO EMPLOYEES AND WORKERS

	FY 2022-23					FY 2021-22				
	TOTAL	EQUAL TO MINIMUM WAGE		MORE THAN MINIMUM WAGE		TOTAL	EQUAL TO MINIMUM WAGE		MORE THAN MINIMUM WAGE	
		NOS.	%	NOS.	%		NOS.	%	NOS.	%
Employees										
Permanent	24,832	0	0	24,832	100.0	23,524	0	0	23,524	100.0
Male	20,033	0	0	20,033	100.0	19,177	0	0	19,177	100.0
Female	4,792	0	0	4,792	100.0	4,347	0	0	4,347	100.0
Others	7	0	0	7	100.0	0	0	0	0	100.0
Other than Permanent	6,939	0	0	6,939	100.0	6,361	0	0	6,361	100.0
Male	4,686	0	0	4,686	100.0	4,540	0	0	4,540	100.0
Female	2,244	0	0	2,244	100.0	1,817	0	0	1,817	100.0
Others	9	0	0	9	100.0	4	0	0	4	100.0

**2 DETAILS OF MINIMUM WAGES PAID TO EMPLOYEES AND WORKERS**

	FY 2022-23					FY 2021-22				
	TOTAL	EQUAL TO MINIMUM WAGE		MORE THAN MINIMUM WAGE		TOTAL	EQUAL TO MINIMUM WAGE		MORE THAN MINIMUM WAGE	
		NOS.	%	NOS.	%		NOS.	%	NOS.	%
Workers										
Permanent	666	0	0	666	100.0	725	0	0	725	100.0
Male	621	0	0	621	100.0	685	0	0	685	100.0
Female	45	0	0	45	100.0	40	0	0	40	100.0
Others	0	0	0	0	0	0	0	0	0	0
Other than Permanent	6,162	4,907	79.6	1,255	20.4	6,262	4,926	78.7	1,336	21.3
Male	5,105	4,052	79.4	1,053	20.6					
Female	1,057	855	80.9	202	19.1	6,262	4,926	78.7	1,336	21.3
Others	0	0	0	0	0					

3 DETAILS OF REMUNERATION/ SALARY/ WAGES**MEDIAN REMUNERATION**

	MALE		FEMALE		OTHERS	
	NUMBER	MEDIAN REMUNERATION/ SALARY/ WAGES OF RESPECTIVE CATEGORY (₹ IN MILLION)	NUMBER	MEDIAN REMUNERATION/ SALARY/ WAGES OF RESPECTIVE CATEGORY (₹ IN MILLION)	NUMBER	MEDIAN REMUNERATION/ SALARY/ WAGES OF RESPECTIVE CATEGORY (₹ IN MILLION)
Board of Directors (BoD) ¹	6	16.7	3	15.4	Nil	Nil
Key Managerial Personnels (KMPs)	3	57.4	Nil	Nil	Nil	Nil
Employees other than BoDs and KMPs	20,028	0.6	4,792	0.8	7	0.7
Workers	621	0.8	45	0.7 ²	Nil	Nil

¹As on March 31, 2023²Only for employees in India**4. DO YOU HAVE A FOCAL POINT (INDIVIDUAL/ COMMITTEE) RESPONSIBLE FOR ADDRESSING HUMAN RIGHTS IMPACTS OR ISSUES CAUSED OR CONTRIBUTED TO BY THE BUSINESS**

Yes

5. DESCRIBE THE INTERNAL MECHANISMS IN PLACE TO REDRESS GRIEVANCES RELATED TO HUMAN RIGHTS ISSUES

Chief Compliance Officer (CCO) is the designated authority reporting to the Chief Ombudsperson of Dr. Reddy's for the purpose of compliance with the Ombudsperson Policy. All human rights issues are investigated by designated investigator under guidance from CCO. Based on findings, suitable opportunity of being heard is provided to alleged person before concluding on the case. Any Corrective and Preventive action (CAPA) identified through discussion with business head and all CAPA are tracked till closure.

6 NUMBER OF COMPLAINTS ON THE FOLLOWING MADE BY EMPLOYEES AND WORKERS

CATEGORY	FY 2022-23			FY 2021-22		
	FILED DURING THE YEAR	PENDING RESOLUTION AT THE END OF YEAR	REMARKS	FILED DURING THE YEAR	PENDING RESOLUTION AT THE END OF YEAR	REMARKS
Sexual Harassment	19	6	-	14	2	-
Discrimination at workplace	15	-	-	10	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. MECHANISMS TO PREVENT ADVERSE CONSEQUENCES TO THE COMPLAINANT IN DISCRIMINATION AND HARASSMENT CASES

Dr. Reddy's policy on Ombudsperson as well as Non-retaliation also supports the Company values and "Speak Up" culture by taking proactive steps to ensure that employees who raise concerns in good faith are protected and supported in the workplace, as appropriate. To protect the interest of complainant, Dr. Reddy's follows a strict non-retaliation policy, where any retaliation against an employee who in good faith raises concerns or who assists in an investigation of suspected wrongdoing, is not tolerated. Non-retaliation policy is applicable to all employees (including, but not limited to, all current and past employees, contract workers, part-time or temporary workforce) and third parties of the Company. A concern of potential retaliation can be raised through multiple reporting channels that are available and promoted across the organisation.

8. DO HUMAN RIGHTS REQUIREMENTS FORM PART OF YOUR BUSINESS AGREEMENTS AND CONTRACTS

Yes

9 ASSESSMENTS FOR THE YEAR

% OF YOUR PLANTS AND OFFICES THAT WERE ASSESSED (BY ENTITY OR STATUTORY AUTHORITIES OR THIRD PARTIES)

Child labour	
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	100%
Wages	
Others	

10. PROVIDE DETAILS OF ANY CORRECTIVE ACTIONS TAKEN OR UNDERWAY TO ADDRESS SIGNIFICANT RISKS/ CONCERNS ARISING FROM THE ASSESSMENTS AT QUESTION 9 ABOVE

Not applicable, as no risks/ concerns observed across the above parameters as stated in question 9 above.

LEADERSHIP INDICATORS**1. DETAILS OF A BUSINESS PROCESS BEING MODIFIED / INTRODUCED AS A RESULT OF ADDRESSING HUMAN RIGHTS GRIEVANCES/COMPLAINTS**

Business process were not modified / introduced as result of addressing human rights grievances/ complaints, as no concerns/ risks were observed.

2. DETAILS OF THE SCOPE AND COVERAGE OF ANY HUMAN RIGHTS DUE DILIGENCE CONDUCTED

We have a due diligence process under which human rights due diligence is conducted to identify the potential issues that may have been present in our business operations and the value chain. Some of the identified issues include child labor, forced labor, discrimination, harassment, collective bargaining and freedom of association.

3. IS THE PREMISE/ OFFICE OF THE ENTITY ACCESSIBLE TO DIFFERENTLY ABLED VISITORS, AS PER THE REQUIREMENTS OF THE RIGHTS OF PERSONS WITH DISABILITIES ACT, 2016

Yes. The premises/ offices of the Company, including the registered and corporate offices have ramps or have elevators and relevant infrastructure for differently abled individuals. Wheelchair accessible restrooms are available at certain premises.

4 DETAILS ON ASSESSMENT OF VALUE CHAIN PARTNERS

% OF VALUE CHAIN PARTNERS
(BY VALUE OF BUSINESS DONE WITH SUCH PARTNERS) THAT WERE ASSESSED

Child labour	
Forced/involuntary labour	
Sexual harassment Discrimination at workplace	
Wages	
Others – please specify	

We conduct periodic supplier risk assessments for our value chain partners through a third party to better understand our value chain risk exposure. In the last two years, we have assessed 28% of our global value chain partners on multiple ESG parameters. During the year, 10% of our value chain partners have been evaluated.

5. PROVIDE DETAILS OF ANY CORRECTIVE ACTIONS TAKEN OR UNDERWAY TO ADDRESS SIGNIFICANT RISKS / CONCERNS ARISING FROM THE ASSESSMENTS AT QUESTION 4 ABOVE

Not applicable, as no risks/ concerns observed across the above parameters as stated in question 4 above.



PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1 DETAILS OF TOTAL ENERGY CONSUMPTION (IN JOULES OR MULTIPLES) AND ENERGY INTENSITY			
PARAMETERS		FY 2022-23	FY 2021-22
Total electricity consumption (A)		13,47,746	12,59,881
Total fuel consumption (B)		26,92,267	32,35,123
Energy consumption through other sources (C)		0	0
Total energy consumption (A+B+C)		40,40,013	44,95,004
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) GJ/INR Million		16.4	21
Energy intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)

2. DOES THE ENTITY HAVE ANY SITES / FACILITIES IDENTIFIED AS DESIGNATED CONSUMERS (DCS) UNDER THE PERFORMANCE, ACHIEVE AND TRADE (PAT) SCHEME OF THE GOVERNMENT OF INDIA. IF YES, DISCLOSE WHETHER TARGETS SET UNDER THE PAT SCHEME HAVE BEEN ACHIEVED. IN CASE TARGETS HAVE NOT BEEN ACHIEVED, PROVIDE THE REMEDIAL ACTION TAKEN, IF ANY

No

3 PROVIDE DETAILS OF THE FOLLOWING DISCLOSURES RELATED TO WATER			
PARAMETERS		FY 2022 - 23	FY 2021 - 22
Water withdrawal by source (in kilolitres)			
(i) Surface water		48,931	53,293
(ii) Groundwater		10,69,076	10,40,154
(iii) Third party water		1,01,525	1,10,925
(iv) Seawater / desalinated water		0	0
v) Others (Municipal)		6,64,831	6,33,647
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		18,84,363	18,38,019
Total volume of water consumption (in kilolitres)		15,85,558	17,04,281
Water intensity per rupee of turnover (Fresh water consumed / turnover) KL/INR Million		7.5	8.3
Water intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)

4. HAS THE ENTITY IMPLEMENTED A MECHANISM FOR ZERO LIQUID DISCHARGE? IF YES, PROVIDE DETAILS OF ITS COVERAGE AND IMPLEMENTATION

Yes, we have implemented Zero Liquid Discharge (ZLD) facility at all our chemical technical operations and formulations plants (except one) in India. To avoid the discharge of untreated wastewater effluents, we use the ZLD water treatment engineering approach at 15 of our 21 global manufacturing facilities. All waste water is treated, contaminants are reduced to solids through ZLD, all the treated water is channelled back for usage in our utilities.

5 PLEASE PROVIDE DETAILS OF AIR EMISSIONS (OTHER THAN GHG EMISSIONS) BY THE ENTITY			
PARAMETERS	UNITS	FY 2022-23	FY 2021 - 22
NOx	Metric Tonnes	111.1	103.5
SOx	Metric Tonnes	263	247.4
Particulate matter (PM)	Metric Tonnes	103.9	78.6
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Not available

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)

PROVIDE DETAILS OF GREENHOUSE GAS EMISSIONS (SCOPE 1 AND SCOPE 2 EMISSIONS) & ITS INTENSITY

PARAMETERS	UNITS	FY 2022-23	FY 2021 - 22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2,14,257	3,02,466
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,37,627	1,66,247
Total Scope 1 and Scope 2 emissions per rupee of turnover (MT/INR Million)	-	1.4	2.2
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Not available	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)

6. DOES THE ENTITY HAVE ANY PROJECT RELATED TO REDUCING GREEN HOUSE GAS EMISSION? IF YES, THEN PROVIDE DETAILS

We are investing in solar, wind and hydel projects, acquiring solar plants through joint ventures, moving from coal to cogeneration systems, and using briquette-based boilers rather than fuel oil-based boilers to reduce our greenhouse gas emissions and accelerate our green transition. For project details and impact, please refer to the environmental section of our Integrated Annual Report.

7 PROVIDE DETAILS RELATED TO WASTE MANAGEMENT BY THE ENTITY

PARAMETERS	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	385.2	472.8
E-waste (B)	5.3	4.8
Bio-medical waste (C)	163.1	169.1
Construction and demolition waste (D)	449.7	638.1
Battery waste (E)	80.8	58.7
Radioactive waste (F)	0	0
Other hazardous waste (includes used oil, off-spec products, ZLD residue, organic solvents, chemical sludges, expiry chemicals, etc.) (G)	33,652	32,726.8
Other Non-hazardous waste generated (H) (includes briquettes ash, metal scrap and scrap equipment, drums, wooden pallets, waste GI ducts sheet, etc.) (Break-up by composition i.e. by materials relevant to the sector)	17,611.8	13,024.4
Total (A+B + C + D + E + F + G + H)	52,347.8	47,094.7
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	10,331.3	7,640.6
(ii) Re-used	4,415.2	2755.5
(iii) Other recovery operations	3,949.2	3,962.6
Total	18,695.8	14,358.7
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	123.7	187.8
(ii) Landfilling	55.5	32.8
(iii) Other disposal operations	33,472.8	32,506.2
Total	33,652.0	32,726.8

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)



8. BRIEFLY DESCRIBE THE WASTE MANAGEMENT PRACTICES ADOPTED IN YOUR ESTABLISHMENTS. DESCRIBE THE STRATEGY ADOPTED BY YOUR COMPANY TO REDUCE USAGE OF HAZARDOUS AND TOXIC CHEMICALS IN YOUR PRODUCTS AND PROCESSES AND THE PRACTICES ADOPTED TO MANAGE SUCH WASTES

We have waste management systems in place at all our facilities. Plastic waste is either co-processed or recycled based upon the type of waste generated. E-waste is sold to authorized vendors. 99% of our global hazardous waste is sent to cement industries and recyclers for co-processing and recycling. The remaining 1% of global hazardous waste is sent to landfill.

Other non-hazardous waste such as glass, MS scrap, wood waste, boiler ash etc. is sent to recyclers, cement industries for co-processing or to brick manufacturers.

We reduce waste through technological interventions and ongoing initiatives including sustainable packaging, waste source segregation, process optimization etc. For example, we have replaced plastic boxes with paper boxes for commercialized products (Practin tablets), removed triple laminated films and LDPE bags from primary packaging (Ibandronate tablets).

9. IF THE ENTITY HAS OPERATIONS/OFFICES IN/AROUND ECOLOGICALLY SENSITIVE AREAS (SUCH AS NATIONAL PARKS, WILDLIFE SANCTUARIES, BIOSPHERE RESERVES, WETLANDS, BIODIVERSITY HOTSPOTS, FORESTS, COASTAL REGULATION ZONES ETC.) WHERE ENVIRONMENTAL APPROVALS / CLEARANCES ARE REQUIRED, PLEASE SPECIFY DETAILS IN THE FOLLOWING FORMAT

Nil

10. DETAILS OF ENVIRONMENTAL IMPACT ASSESSMENTS OF PROJECTS UNDERTAKEN BY THE ENTITY BASED ON APPLICABLE LAWS, IN THE CURRENT FINANCIAL YEAR

NAME AND BRIEF DETAIL OF PROJECT	EIA NOTIFICATION NUMBER	DATE	WHETHER CONDUCTED BY INDEPENDENT EXTERNAL AGENCY (YES / NO)	RESULTS COMMUNICATED IN PUBLIC DOMAIN (YES / NO)	RELEVANT WEB LINK
Nil					

11. IS THE ENTITY COMPLIANT WITH THE APPLICABLE ENVIRONMENTAL LAW/ REGULATIONS/ GUIDELINES IN INDIA; SUCH AS THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, ENVIRONMENT PROTECTION ACT AND RULES THEREUNDER (Y/N). IF NOT, PROVIDE DETAILS OF ALL SUCH NON-COMPLIANCES

Yes, the Company is compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act and Environment protection act and rules thereunder.

LEADERSHIP INDICATORS

1. PROVIDE BREAK-UP OF THE TOTAL ENERGY CONSUMED (IN JOULES OR MULTIPLES) FROM RENEWABLE AND NON-RENEWABLE SOURCES

PARAMETERS	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	6,18,954	3,81,069
Total fuel consumption (B)	5,30,555	1,53,349
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	11,49,510	5,34,418
From non-renewable sources		
Total electricity consumption (D)	7,28,792	8,78,812
Total fuel consumption (E)	21,61,711	30,81,774
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	28,90,503	39,60,586

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – Yes.

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)

2 PROVIDE THE FOLLOWING DETAILS RELATED TO WATER DISCHARGED

PARAMETERS	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties (CETP)	1,49,433	1,33,738.2
- No treatment	0	0
- With treatment – please specify level of treatment	1,49,433	1,33,738
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	1,49,433	1,33,738.2

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)

3 WATER WITHDRAWAL, CONSUMPTION AND DISCHARGE IN AREAS OF WATER STRESS (IN KILOLITRES): FOR EACH FACILITY / PLANT LOCATED IN AREAS OF WATER STRESS, PROVIDE THE FOLLOWING INFORMATION

- (i) Name of the area: Hyderabad, Pydibhimavaram
(ii) Nature of operations: Manufacturing and R&D
(iii) Water withdrawal, consumption and discharge in the following format:

PARAMETERS	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	33,880	40,975
(ii) Groundwater	5,99,544	4,68,156
(iii) Third party water	1,01,525	1,10,925
(iv) Seawater / desalinated water	0	0
(v) Others	3,72,773	3,34,593
Total volume of water withdrawal (in kilolitres)	11,07,722	9,54,649
Total volume of water consumption (in kilolitres)	9,58,784	9,50,874
Water intensity per rupee of turnover (Fresh water consumed / turnover) KL/INR Million	4.4	4.3
Water intensity (optional) – the relevant metric may be selected by the entity	0	0
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	3,830	3,775
- No treatment	0	0
- With treatment – please specify level of treatment	3,830	3,775



3	WATER WITHDRAWAL, CONSUMPTION AND DISCHARGE IN AREAS OF WATER STRESS (IN KILOLITRES): FOR EACH FACILITY / PLANT LOCATED IN AREAS OF WATER STRESS, PROVIDE THE FOLLOWING INFORMATION		
(v) Others		0	0
- No treatment		0	0
- With treatment – please specify level of treatment		0	0
Total water discharged (in kilolitres)		3,830	3,775

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)

4	PLEASE PROVIDE DETAILS OF TOTAL SCOPE 3 EMISSIONS & ITS INTENSITY			
PARAMETERS	UNITS	FY 2022-23	FY 2021 – 22	
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	9,21,055	9,20,609	
Total Scope 3 emissions per rupee of turnover		3.8	4.3	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		0	0	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency

Yes, independent assurance is carried out by DNV Business Assurance India Private Limited (DNV)

5. WITH RESPECT TO THE ECOLOGICALLY SENSITIVE AREAS REPORTED AT QUESTION 10 OF ESSENTIAL INDICATORS ABOVE, PROVIDE DETAILS OF SIGNIFICANT DIRECT & INDIRECT IMPACT OF THE ENTITY ON BIODIVERSITY IN SUCH AREAS ALONG-WITH PREVENTION AND REMEDIATION ACTIVITIES

Not applicable

6. IF THE ENTITY HAS UNDERTAKEN ANY SPECIFIC INITIATIVES OR USED INNOVATIVE TECHNOLOGY OR SOLUTIONS TO IMPROVE RESOURCE EFFICIENCY, OR REDUCE IMPACT DUE TO EMISSIONS / EFFLUENT DISCHARGE / WASTE GENERATED, PLEASE PROVIDE DETAILS OF THE SAME AS WELL AS OUTCOME OF SUCH INITIATIVES

During the year, we implemented Low Temperature Evaporator, Zero Liquid Discharge enhancements including steam strippers, Agitated Thin Film Dryer, and forced circulation evaporation systems to reuse water and waste, and minimize our energy consumption. We also automated Sewage Treatment Plants (STP) and Effluent Treatment Plants (ETP) infrastructure through our Digital Paani initiative.

7. DOES THE ENTITY HAVE A BUSINESS CONTINUITY AND DISASTER MANAGEMENT PLAN? GIVE DETAILS IN 100 WORDS/ WEB LINK

Yes. Dr. Reddy's has adopted a resilience strategy focusing on the ability to provide and maintain an acceptable level of service in the face of any planned or unplanned interruption related emergencies at its manufacturing facilities, IT, supply chain etc.

In our pursuit of operational excellence, we have embarked upon several change management initiatives across our organization, including information technology and automation in the areas of manufacturing, research and development, supply chain and shared services. Accordingly, there are continuous efforts to also strengthen our data resiliency.

8. DISCLOSE ANY SIGNIFICANT ADVERSE IMPACT TO THE ENVIRONMENT, ARISING FROM THE VALUE CHAIN OF THE ENTITY. WHAT MITIGATION OR ADAPTATION MEASURES HAVE BEEN TAKEN BY THE ENTITY IN THIS REGARD

There is no significant adverse impact to the environment, arising from the value chain partners. 100% of our critical and strategic suppliers have valid air, water & waste consent. 66% of our strategic partner's are also certified under ISO 14001 – Environmental Management System.

However, we also measure our Scope 3 emissions to address the emission hotspots in the value chain. To address the reduction in carbon footprint we have driven major projects around:

- Air to sea Shipment: 85% transition from air to sea shipment was observed.
- Truck Loadability: With appropriate planning and management, we have optimized the utilization of trucks resulting in a reduction of trips and overall carbon footprint.
- We encourage dedicated transporters to shift to CNG vehicles from diesel.
- We drive supplier engagement programs to help them opt for projects resulting in reduction of Carbon footprint.

9. PERCENTAGE OF VALUE CHAIN PARTNERS (BY VALUE OF BUSINESS DONE WITH SUCH PARTNERS) THAT WERE ASSESSED FOR ENVIRONMENTAL IMPACTS

We conduct periodic supplier risk assessments for our value chain partners through a third party to better understand our value chain risk exposure. In the last two years, we have assessed 28% of our global value chain partners on multiple ESG parameters. During the year, 10% of our value chain partners have been evaluated.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. A. NUMBER OF AFFILIATIONS WITH TRADE AND INDUSTRY CHAMBERS/ ASSOCIATIONS : 8

B LIST THE TOP 10 TRADE AND INDUSTRY CHAMBERS/ ASSOCIATIONS (DETERMINED BASED ON THE TOTAL MEMBERS OF SUCH BODY) THE ENTITY IS A MEMBER OF/ AFFILIATED TO

The Company is affiliated with 8 trade and industry chambers / associations.

SR.NO	NAME OF THE TRADE AND INDUSTRY CHAMBERS/ ASSOCIATIONS	REACH OF TRADE AND INDUSTRY CHAMBERS / ASSOCIATIONS (STATE / NATIONAL)
1	National Council of the Confederation of Indian Industry (CII)	National
2	Board of Trade, Ministry of Commerce, Government of India	National
3	Indian Pharmaceutical Alliance	National
4	National Accreditation Board for Certification Bodies	National
5	the Life Sciences Advisory Committee	State
6	International Generic and Biosimilar medicines Association	National
7	Pharmaceutical Supply Chain Initiative (PSCI)	International
8	Asia Business Council	International

2 PROVIDE DETAILS OF CORRECTIVE ACTION TAKEN OR UNDERWAY ON ANY ISSUES RELATED TO ANTICOMPETITIVE CONDUCT BY THE ENTITY, BASED ON ADVERSE ORDERS FROM REGULATORY AUTHORITIES

NAME OF AUTHORITY	BRIEF OF THE CASE	CORRECTIVE ACTION TAKEN
	Nil	

LEADERSHIP INDICATORS

1 DETAILS OF PUBLIC POLICY POSITIONS ADVOCATED BY THE ENTITY

SL NO.	PUBLIC POLICY ADVOCATED	METHOD RESORTED FOR SUCH ADVOCACY	WHETHER INFORMATION AVAILABLE IN PUBLIC DOMAIN? (YES/NO)	FREQUENCY OF REVIEW BY BOARD	WEB LINK, IF AVAILABLE
1	Making representation to the Securities and Exchange Board of India / Ministry of Corporate Affairs on various proposed changes in law in the larger economic interest of the common good	Representation made directly or through industry chambers/ associations	No	The Board reviews on quarterly basis	No
2	Advocacy and support for policies and regulatory framework that support R&D and intellectual property protections.	Through IPA (Indian Pharmaceutical Alliance)	No	The Board reviews on need basis	https://www.ipa-india.org/
3	Policy advocacy to help make medicines more affordable and accessible.	Representation made directly or through industry chambers/ associations	No	The Board reviews on need basis	No
4	Policy advocacy on reduction in counterfeiting & non-standard quality drugs, Uniform Code of Pharmaceuticals Marketing Practices	Through IPA (Indian Pharmaceutical Alliance)	Yes	The Board reviews on need basis	https://www.ipa-india.org/
5	Proactively engage with lawmakers and policymakers on laws and regulations that addresses the issues faced by Pharma Industries for common good.	Representation made directly or through industry chambers/ associations	No	The Board reviews on need basis	No

The Company works closely with various trade and industry associations. This includes industry representations to the government and/ or regulators. The Company performs the function of policy advocacy in a transparent and responsible manner while engaging with all the authorities and takes into account the Company's as well as the larger national interest. The Company believes that policy advocacy must preserve and expand the public good and thus, it does not advocates any policy change to benefit itself or a select few. We have also actively participated in several notable industry events and forums lending our voice and perspectives to shape a holistic healthcare ecosystem.

**PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT****ESSENTIAL INDICATORS****1 DETAILS OF SOCIAL IMPACT ASSESSMENTS (SIA) OF PROJECTS UNDERTAKEN BY THE ENTITY BASED ON APPLICABLE LAWS, IN THE CURRENT FINANCIAL YEAR**

NAME AND BRIEF DETAILS OF PROJECT	SIA NOTIFICATION NO.	DATE OF NOTIFICATION	WHETHER CONDUCTED BY INDEPENDENT EXTERNAL AGENCY (YES / NO)	RESULTS COMMUNICATED IN PUBLIC DOMAIN (YES / NO)	RELEVANT WEB LINK
During the year ended FY 2023, there were no new projects/ capacity expansion of existing projects which requires Environmental Clearance or Social Impact Assessment.					

2 PROVIDE INFORMATION ON PROJECT(S) FOR WHICH ONGOING REHABILITATION AND RESETTLEMENT (R&R) IS BEING UNDERTAKEN BY YOUR ENTITY

SL.NO.	NAME OF PROJECT FOR WHICH R&R IS ONGOING	STATE	DISTRICT	NO. OF PROJECT AFFECTED FAMILIES (PAFS)	% OF PAFS COVERED BY R&R	AMOUNTS PAID TO PAFS IN THE FY (IN INR)
Nil						

3. DESCRIBE THE MECHANISMS TO RECEIVE AND REDRESS GRIEVANCES OF THE COMMUNITY

Most of the activities are carried out in discussion and agreement with the community members. In case of any grievances, the community leaders can reach out to the Company's point of contact (POC) at each of the units. The POC is directly and easily accessible to the community to address any concerns that may arise. Depending on the nature of complaint, relevant stakeholders are engaged to resolve any issue.

4 PERCENTAGE OF INPUT MATERIAL (INPUTS TO TOTAL INPUTS BY VALUE) SOURCED FROM SUPPLIERS

PARAMETERS	FY 2022 -23 ¹	FY 2021 - 22 ¹
Directly sourced from MSMEs/ small producers	2.6	1.7
Sourced directly from within the district and neighbouring districts	38.6	38.4

¹As per Ind AS standalone financial statements

LEADERSHIP INDICATORS**1 PROVIDE DETAILS OF ACTIONS TAKEN TO MITIGATE ANY NEGATIVE SOCIAL IMPACTS IDENTIFIED IN THE SOCIAL IMPACT ASSESSMENTS (REFERENCE: QUESTION 1 OF ESSENTIAL INDICATORS ABOVE)**

SR.	DETAILS OF NEGATIVE SOCIAL IMPACT IDENTIFIED	CORRECTIVE ACTION TAKEN
During the year ended FY 2023, there were no new projects/ capacity expansion of existing projects which requires Environmental Clearance or Social Impact Assessment.		

2 PROVIDE THE FOLLOWING INFORMATION ON CSR PROJECTS UNDERTAKEN BY YOUR ENTITY IN DESIGNATED ASPIRATIONAL DISTRICTS AS IDENTIFIED BY GOVERNMENT BODIES

SL. NO.	STATE	ASPIRATIONAL DISTRICT	AMOUNT SPENT (₹)
1	Andhra Pradesh	Vizianagaram	64,88,280
2	Andhra Pradesh	Vizianagaram	71,80,349
3	Andhra Pradesh	Visakhapatnam	2,99,61,987
4	Jharkhand	Ranchi	39,58,460

3. (A) DO YOU HAVE A PREFERENTIAL PROCUREMENT POLICY WHERE YOU GIVE PREFERENCE TO PURCHASE FROM SUPPLIERS COMPRISING MARGINALIZED/ VULNERABLE GROUPS?

No, as stated in our Code of Business Conduct and Ethics (COBE), we do not discriminate on any basis while selecting our suppliers and provide equal opportunities for engagement to all potential suppliers. We encourage working with local suppliers or suppliers that are close to our facilities (including small-scale industries). However, we have not specifically considered marginalized/ vulnerable groups in our supplier qualifying criteria.

(B) FROM WHICH MARGINALIZED / VULNERABLE GROUPS DO YOU PROCURE

Not applicable

(C) WHAT PERCENTAGE OF TOTAL PROCUREMENT (BY VALUE) DOES IT CONSTITUTE

Not applicable

4 DETAILS OF THE BENEFITS DERIVED AND SHARED FROM THE INTELLECTUAL PROPERTIES OWNED OR ACQUIRED BY YOUR ENTITY (IN THE CURRENT FINANCIAL YEAR), BASED ON TRADITIONAL KNOWLEDGE

SR.	INTELLECTUAL PROPERTY BASED ON TRADITIONAL KNOWLEDGE	OWNED/ ACQUIRED (YES/NO)	BENEFIT SHARED (YES / NO)	BASIS OF CALCULATING BENEFIT SHARE
	Not Applicable			

5 DETAILS OF CORRECTIVE ACTIONS TAKEN OR UNDERWAY, BASED ON ANY ADVERSE ORDER IN INTELLECTUAL PROPERTY RELATED DISPUTES WHEREIN USAGE OF TRADITIONAL KNOWLEDGE IS INVOLVED

SR.	NAME OF AUTHORITY	BRIEF OF THE CASE	CORRECTIVE ACTION TAKEN
	Not Applicable		

6 DETAILS OF BENEFICIARIES OF CSR PROJECTS

SR.NO.	CSR PROJECTS	NO. OF PERSONS BENEFITTED FROM CSR PROJECTS	% OF BENEFICIARIES FROM VULNERABLE AND MARGINALIZED GROUP
1	School Improvement Programme	65,728	99.5% of the CSR projects are implemented with an objective to reach out to the vulnerable and marginalised communities, including persons with disabilities, elderly, women and children from the less privileged socio- economic sections of the society
2	Kallam Anji Reddy Vidyalaya	2,339	
3	Kallam Anji Reddy Vocational Junior College	802	
4	Scholarship for Women in Science	81	
5	GROW	1,003	
6	GROW -PwD	952	
7	High Quality Health Care Skilling	406	
8	Employability Training and Vocational Training to Persons with Disability	88	
9	Farmer Field Schools	8,334	
10	Making Integrated Transformation for Resourceful Agriculture	80,196	
11	Life at Door Step - Palliative Care Programme	615	
12	Nutrition support to TB patients	595	
13	Transforming Lives through Plant Based Nutrition	1,625	
14	Mamatha Nutritional Support Programme for Children Living with HIV	150	
15	Primary Health Centre - Upgradation	6,939	
16	Community Health Intervention Programme	1,28,823	
17	Roshni Tele-counselling Helpline	3,874	
18	Action for Climate and Environment	29,311	
Grand Total		3,31,861	

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. DESCRIBE THE MECHANISMS IN PLACE TO RECEIVE AND RESPOND TO CONSUMER COMPLAINTS AND FEEDBACK

We have a CSC helpline that receives calls, including complaints from consumers and directs them to relevant departments basis the nature of complaint. There are TAT (turnaround timelines) for each type of complaint at the various department levels, CSC only directs it to the respective internal stakeholder

2 TURNOVER OF PRODUCTS AND/ SERVICES AS A PERCENTAGE OF TURNOVER FROM ALL PRODUCTS/SERVICE THAT CARRY INFORMATION ABOUT

	AS A PERCENTAGE OF TOTAL TURNOVER
Environmental and social parameters relevant to the product	We comply with the relevant laws and regulations of the countries we operate in with respect to disclosure of information on environmental and social parameters relevant to the products. 100% of our formulation products, representing around 87% of our overall revenue, carry information about safe and responsible usage on product labelling and package inserts. Further, based on the legal requirements and guidelines in the countries of our operations, we include instructions on safe disposal of products.
Safe and responsible usage	
Recycling and/ or safe disposal	

**3 NUMBER OF CONSUMER COMPLAINTS IN RESPECT OF THE FOLLOWING**

CATEGORY	FY 2022-23			FY 2021-22		
	RECEIVED DURING THE YEAR	PENDING RESOLUTION AT END OF YEAR	REMARKS	RECEIVED DURING THE YEAR	PENDING RESOLUTION AT END OF YEAR	REMARKS
Data Privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

4 DETAILS OF INSTANCES OF PRODUCT RECALLS ON ACCOUNT OF SAFETY ISSUES

DETAILS OF INSTANCES OF PRODUCT RECALLS ON ACCOUNT OF SAFETY ISSUES	NUMBER	REASONS FOR RECALL
Voluntary recalls	22	Due to Out of Specification results in various tests (15) Due to incidents reported (2) Due to various market complaints received (3) Due to others reasons (2)
Forced recalls	0	-

5. DOES THE ENTITY HAVE A FRAMEWORK/ POLICY ON CYBER SECURITY AND RISKS RELATED TO DATA PRIVACY? (YES/ NO) IF AVAILABLE, PROVIDE A WEB-LINK OF THE POLICY

Yes, we have internal policy/procedures related to Information Security Management Systems and Global Data Privacy framework which is shared with the relevant stakeholders. The policies are also available on the intranet platform of the Company.

6. PROVIDE DETAILS OF ANY CORRECTIVE ACTIONS TAKEN OR UNDERWAY ON ISSUES RELATING TO ADVERTISING, AND DELIVERY OF ESSENTIAL SERVICES; CYBER SECURITY AND DATA PRIVACY OF CUSTOMERS; RE-OCCURRENCE OF INSTANCES OF PRODUCT RECALLS; PENALTY/ ACTION TAKEN BY REGULATORY AUTHORITIES ON SAFETY OF PRODUCTS/ SERVICES

No such incident

LEADERSHIP INDICATORS**1. CHANNELS/ PLATFORMS WHERE INFORMATION ON PRODUCTS AND SERVICES OF THE ENTITY CAN BE ACCESSED (PROVIDE WEB LINK, IF AVAILABLE)**

Channels/ platforms where information on products of the Company can be accessed are as follows:

<https://www.drreddys.com/australia/>
<https://www.drreddys.ca/>
<https://www.drreddys.cl/>
<https://www.drreddys.com/china/>
<https://www.reddypharma.fr/>
<https://www.betapharm.de/>
<https://www.drreddys.com/india/>
<https://www.drreddys.ro/>
<https://www.drreddys.com/russia/>
<https://www.drreddys.com/south-africa/>
<https://www.drreddys.es/>
<https://www.drreddysusa.com/>
<https://www.becozincmyanmar.com/>
<https://api.drreddys.com/product>
<https://www.aronix.co.uk/home>
<https://drreddysnutrition.com/>
<https://mintophair.com/>
<https://www.drreddysvenusia.com/>

2. STEPS TAKEN TO INFORM AND EDUCATE CONSUMERS ABOUT SAFE AND RESPONSIBLE USAGE OF PRODUCTS AND/OR SERVICES

Dr. Reddy's conducts promotional and non-promotional meetings. In these meetings, we educate Clinical Pharmacy (CPs) on responsible usage of our products. Our new products also carry a detailed information leaflet on the safe use of the product

3. MECHANISMS IN PLACE TO INFORM CONSUMERS OF ANY RISK OF DISRUPTION/ DISCONTINUATION OF ESSENTIAL SERVICES

During the year, there were no major disruptions of critical services of the Company. Issues that are bound to arise in any customer/supplier relationship, there is continual communication maintained with customers these help to identify problems before they become serious and allows both parties to work for resolution of the same. The Company's teams focus on quality and customer service, continue to strengthen our relationship and position Dr. Reddy's as a trusted partner.

4. DOES THE ENTITY DISPLAY PRODUCT INFORMATION ON THE PRODUCT OVER AND ABOVE WHAT IS MANDATED AS PER LOCAL LAWS (YES/ NO/ NOT APPLICABLE) IF YES, PROVIDE DETAILS IN BRIEF

The Company understands the importance of fair disclosure of the description of its products and thereby, ensures to disclose, truthfully and factually, such relevant information including risks about the product, as may be required statutorily, through labelling so that the consumers can exercise their freedom to consume in a responsible manner. The Company has always believed in being transparent with its customers by providing all the relevant details.

DID YOUR ENTITY CARRY OUT ANY SURVEY WITH REGARD TO CONSUMER SATISFACTION RELATING TO THE MAJOR PRODUCTS / SERVICES OF THE ENTITY, SIGNIFICANT LOCATIONS OF OPERATION OF THE ENTITY OR THE ENTITY AS A WHOLE

The Company engages with its consumers on an ongoing basis and conducts methodical research on their satisfaction with respect to its products.

5. PROVIDE THE FOLLOWING INFORMATION RELATING TO DATA BREACHES

- a. Number of instances of data breaches along-with impact: Nil
- b. Percentage of data breaches involving personally identifiable information of customer: Nil