

A large, abstract green graphic on the left side of the page, composed of three rounded, teardrop-like shapes that meet at a central point, resembling a stylized leaf or a modern logo element.

Transforming Hope into Healing

Integrated Report
2023-2024

About The Report

At Lupin, our unwavering dedication lies in shaping a future where healthcare is accessible, sustainable, and transformative, making a positive difference in the lives of individuals and communities worldwide. As a leading pharmaceutical company, we prioritize creating value for all our stakeholders. We proudly present our fourth Integrated Report (IR). The Report offers a comprehensive overview of our performance for FY24 across six key areas, namely Financial, Manufactured, Intellectual, Human, Natural, and Social & Relationship. By effectively leveraging these resources, we strive to create long-term value for all our stakeholders and contribute to a better tomorrow for everyone.

Reporting Frameworks and Guidelines

Lupin's Integrated Report FY24 adheres to the principles and guidelines set forth by the International Integrated Reporting Council's Integrated Reporting Framework. This framework was voluntarily adopted by the top 500 listed companies in India, as notified by the Securities and Exchange Board of India in February 2017. Through this report, we strive to showcase the value we bring to the healthcare industry and our dedication to uplift society. Wherever essential, we have also relied upon the disclosure requirements of the Sustainability Accounting Standards Board for the Biotechnology and Pharmaceuticals sector. The Key Performance Indicators are in accordance with the Global Reporting Initiative Standards. We have also provided a mapping to the 10 principles of UN Global Compact. This also illustrates our commitment and initiatives to the UN Sustainable Development Goals.

By aligning with these reporting frameworks, we aim to provide our shareholders and stakeholders with a comprehensive view of our non-financial performance encompassing our Environment, Social, and Governance management, targets, and their impact. This report also adheres to the mandatory disclosure requirements of the updated Business Responsibility and Sustainability Reporting (BRSR) mandate of SEBI in FY24; it is aligned to the nine principles of the National Guidelines on Responsible Business Conduct, which have been included to enhance the reporting boundaries. The financial and statutory information presented in this report, including the Director's Report, Corporate Governance Report, and the Management Discussion, adhere to the regulatory requirements mandated by the Companies Act, 2013, Indian Accounting Standards, the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Standards and other applicable laws.

Reporting Boundary, Scope and Period

The FY24 Integrated Report covers both the financial and non-financial performance of Lupin from April 1, 2023 to March 31, 2024, including Lupin's subsidiaries and operational units worldwide. In addition, the report provides insights into the factors that impact Lupin's ability to generate value. We have included information on our operational units, where relevant, to provide a comprehensive view of the company's operational excellence and efficiency.

Exclusions

There are no geographical exclusions.

Responsibility Statement

Lupin firmly believes that this Integrated Report is a fair representation of our company's financial, non-financial, sustainability and operational performance for FY24. The Board acknowledges that the contents of this report have been assimilated in consultation with various functions of the business and have been developed under the guidance of senior management and functional heads.

Assurance

The non-financial information in our IR and BRSR have been independently assured by DNV Business Assurance India Private Limited (Firm Registration No. 215094). The statement of the assurances is available on page number 183-196. The financial statements has been independently audited by B S R & Co. LLP. The audit statement is available on page number 274-283.

Feedback

It is our responsibility to receive inputs for improvement and address all our stakeholders' concerns and expectations.

Please share your feedback, suggestions, and/or queries by contacting:

Name: **Rajalakshmi Azariah**

Designation: **Vice President & Global Head - Corporate Communications**

Email: **rajalakshmiazariah@lupin.com**

FY24 At A Glance



₹200,108 Mn

Total Revenue From
Operations



₹39,307 Mn

EBITDA

1,420,000+

Patients Reached Through
Patient Education Programs

78,000+

HCPs Participated in
Doctor Education Programs

21% YoY

Reduction in Scope 1 and
Scope 2 Emissions in FY24



R&D

866

Active Patent Applications
up to March 2024

442

ANDAs and NDAs filed with
U.S. FDA up to March 2024



RANKINGS*

3rd

in the U.S.
(by prescriptions)

7th

in Indian
Pharma Market

11th

Largest Generics
Company Globally



PRODUCTS

25+

Robust Pipeline of
Injectables for FY25

15+

Robust Pipeline of
Respiratory Products
for FY25

27 Bn+

Formulation Units Sold
Globally (IQVIA MAT Mar 24
Standard Units)



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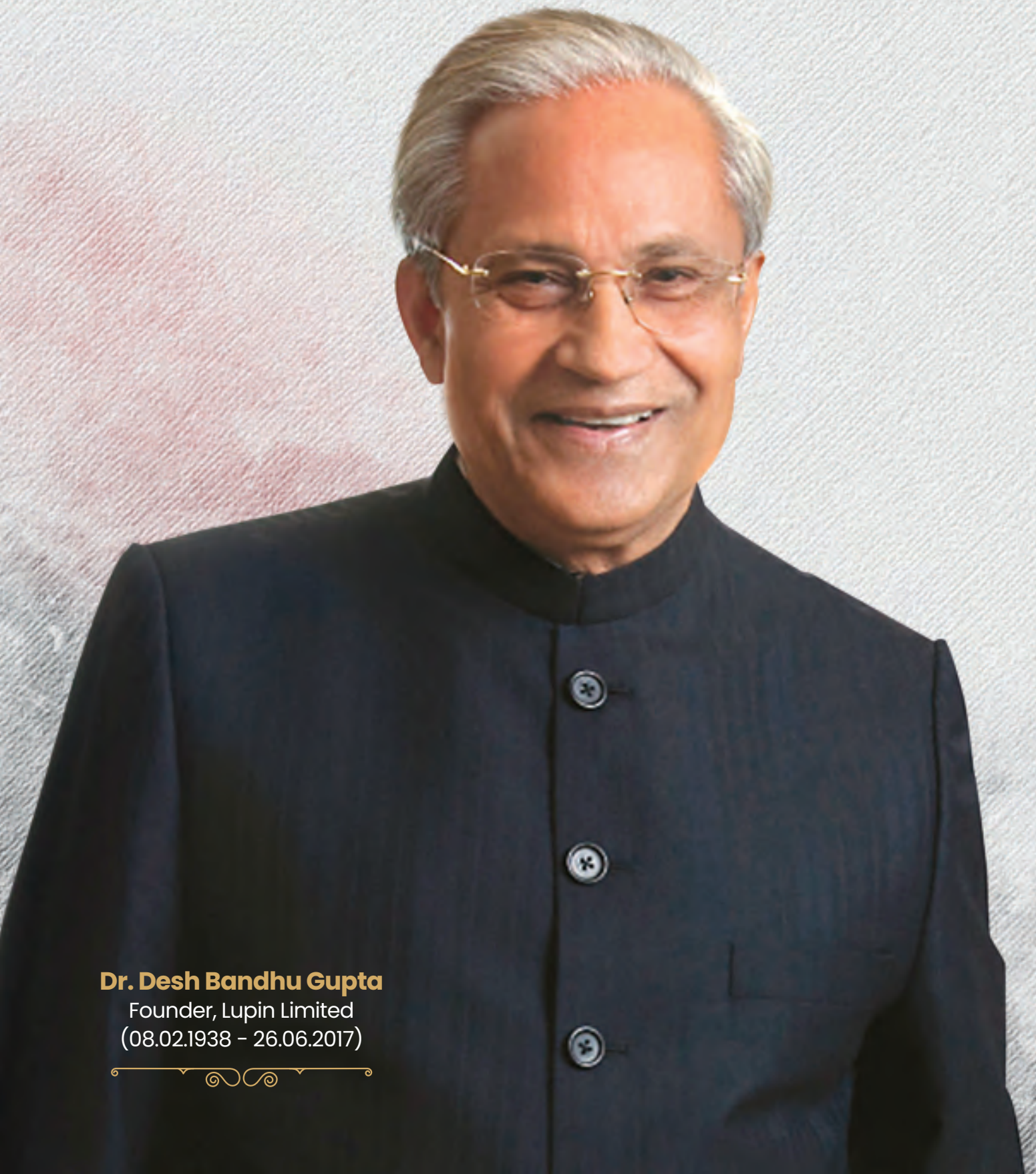
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Dr. Desh Bandhu Gupta

Founder, Lupin Limited
(08.02.1938 - 26.06.2017)



आत्मः दीपो भवः

(Gautama Buddha's Wish: Be your own light)



Desh Bandhu Gupta, a chemistry professor and son of a village school teacher, started Lupin in 1968, showing us that no goal is unachievable when science and excellence meet ethics.

We are now the 3rd largest generics company in the U.S., 7th largest Inhalation drug provider, 11th largest generics company globally, 7th largest pharma company in India, and the largest provider of TB drugs in the world. The 22,000 strong Lupin family, across 15 manufacturing locations in India and other countries, offices around the world, state of the art R&D centers, diagnostics labs and neuro-rehab center, provide healthcare solutions that are for people, not just profit.

DBG taught us that when you grow, you grow for the community. We are committed to transforming the lives of millions of patients and families with the best science, technology, and social development, reframing our future and millions of lives. DBG's dream will be fulfilled when no one is left without the quality care they deserve, and we make medicines for the world a synonym for Made in India.



About Lupin

Lupin Limited, headquartered in Mumbai, India, is a global pharmaceutical leader with a footprint across the U.S., LATAM, APAC, EMEA and India, with products distributed in over 100 markets. With a diverse portfolio of over 1,200 products, Lupin remains committed to its mission of making quality healthcare accessible to the communities we serve. Our visionary Founder, Dr. Desh Bandhu Gupta, instilled in us the importance of offering quality, affordable and innovative medicines and being a responsible corporate citizen, making a positive difference to patients, communities and the environment.

Lupin has a network of 15 manufacturing sites, 7 research centers, and a dedicated workforce of over 22,000 professionals. The company places emphasis on business excellence, R&D and innovation, patient-centricity and quality and compliance to consistently deliver value to our stakeholders. Lupin has also been at the forefront of leveraging digital solutions to serve patient needs.

Our efforts have positioned Lupin as a leader in generics, branded generics, complex generics, APIs, biosimilars and specialty medicines. With a specialized portfolio that includes branded and generic formulations, biologic products and active pharmaceutical ingredients, the company enjoys leadership positions in India, the U.S. and several other key markets focused on therapeutic areas such as respiratory, cardiovascular, anti-diabetic, anti-infective, gastrointestinal, central nervous system and women's health.

Lupin is committed to improving patient health outcomes through its adjacencies – Lupin Diagnostics, Lupin Digital Health and Atharv Ability.

Lupin Human Welfare and Research Foundation is a testament to the company's commitment to enriching communities and enhancing both Lives and Livelihoods. Through initiatives across 4,771 villages in eight states of India, we have positively impacted the lives of over 1.57 Mn people.

Our strides in the ESG journey have propelled Lupin to the forefront of the global pharmaceutical industry, where we rank in the top 5 percent. With a DJSI score of 69, we stand as a beacon of sustainability and responsible corporate citizenship, setting new standards for excellence in the pharma sector.

At Lupin, we strive to create meaningful and impactful health outcomes that benefit patients and communities alike. Lupin continues to stride ahead in its quest for excellence and is committed to ensuring an outstanding FY25, unlocking a bold and prosperous future for all its stakeholders.

Our



Passion for Excellence

We relentlessly pursue excellence through innovation and continuous improvement in all our projects, processes and products.

To set our standards, we benchmark with the best in the world.



Entrepreneurial Spirit

We empower our employees to generate new ideas, explore avenues and offer solutions that add exceptional value.

We encourage them to build ownership in all endeavours by assuming responsibility with passion and conviction.



Customer Focus

We strive to understand and meet customer needs in a professional and responsive manner.

We focus on building long-term partnerships for mutual benefit.

Values



Integrity

We conduct ourselves with uncompromising integrity and honesty with the highest standards of ethical behavior and transparency.

Everything we do must stand public scrutiny.



Teamwork

We align the efforts and energies of our people across all levels and geographies to deliver outstanding results to our stakeholders.

We encourage diverse opinions and work together in a coordinated and mutually supportive way.



Respect & Care

We are compassionate and sensitive towards all our stakeholders and treat them the way we would expect to be treated.

We provide equal and fair opportunities for employment, learning and career development.

Global Footprint



LUPIN
PHARMACEUTICALS, INC.
(USA)

LUPIN
PHARMA CANADA
(Canada)

Laboratorios Grin
Visión Para La Vida
A LUPIN GROUP COMPANY
(Mexico City, Mexico)

Manufacturing

India: Aurangabad, Ankleshwar, Dabhasa,
Goa, Pithampur, Jammu, Mandideep,
Nagpur, Pune, Sikkim, Tarapur & Vizag
U.S.: New Jersey; LATAM: Mexico & Brazil

Research

India: Pune & Aurangabad
U.S.: New Jersey & Florida
LATAM: Mexico & Brazil
Europe: Netherlands

 **Manufacturing**

 **Research**

 **Distribution & Marketing**

MedQuimica
Our commitment is with you
(Minas Gerias, Brazil)



Transforming Hope into Healing

Chairman's Letter



Dear Shareholders,

At Lupin, our unwavering focus has been on providing the best to the communities that we serve. This belief is reflected in our delivery of high quality healthcare offerings that enhance patient outcomes, and in our efforts to uplift communities through our social initiatives and beyond the pill programs. Driven by our commitment to business excellence and innovation, our goal is to be a trusted partner for quality medicines, transforming Hope into Healing.

This has been a pivotal year for Lupin. We have witnessed remarkable success, strategic progress, and significant advancement in our journey. While this has been the year of execution, we are confident of our plans and strategies to strengthen our position and drive sustainable growth.

Our Performance and Shareholder Returns

I am very pleased to share that FY24 stands out as a stellar year for us in terms of both financial performance and growth. We continued to improve our operating margins and maintained growth momentum over the year. Our key regions, the U.S., India, EMEA, and APAC, have been the driving force behind our significant revenue growth. Overcoming multiple headwinds, we have consistently enhanced our operating margins, a testament to our strategic strength and agility.

In India, we achieved a growth of 25% higher than the Indian Pharma Market. Our core therapy areas, including Cardiology and Respiratory, have grown well ahead of the market, with our key products supporting the growth. We also ranked #1 in the industry for new introductions. Backed by a larger workforce and a pipeline of new products, we are deeply committed to further strengthen our position in India.

Our U.S. business performed exceptionally well, contributing to half of the company's growth, backed by the launch of Tiotropium DPI, base business stabilization and multiple product launches in the generics market. With the continued ramp up of Tiotropium and new product launches in FY25, we expect to sustain and grow our U.S. business.

All other major regions recorded double-digit growth, driven by markets such as Germany, Australia, and the Philippines. Our acquisitions have expanded our footprint in Europe with complex injectables in France and respiratory brands in Europe and Canada. Our API Plus division had a remarkable year, growing by 21%, backed by key product launches.

Prioritizing Quality and Compliance

We have made strong strides in Quality and Compliance, with positive inspection outcomes, resolution of warning letters, and regulatory clearances. We continue to prioritize sustainable compliance across all our manufacturing units, further reinforcing our position as a trusted partner delivering high-quality medicines.

“

Driven by our commitment to business excellence and innovation, our goal is to be a trusted partner for quality medicines, transforming Hope into Healing.

”

Way Forward: Building a solid pipeline

We have remained steadfast in our commitment to R&D and innovation, which will continue to be a strategic priority, with significant investments directed toward developing complex products in the inhalation and injectables space. Our robust new product pipeline, including several first-to-market products, puts us in a position of strength for future growth.

In our quest to transform the lives of patients globally, we remain firm in our focus on patient-centricity and the community, with innovation, collaboration and sustainability being at the core of our culture.

Commitment to our Founder's Legacy of Sustainability

Inspired by our Founder, Dr. Desh Bandhu Gupta, we prioritize responsible leadership. We embarked on our ESG journey four years ago, and 2024 has been a milestone year in this continuum. Our leap in the Dow Jones Sustainability Index with a score of 69 and inclusion in the S&P Global Sustainability Yearbook is a reaffirmation of our commitment to ESG.

I thank our Board for its strategic leadership, our leadership team for their relentless pursuit of excellence, and every member of the Lupin family whose efforts contribute to our success. With the support of our partners and shareholders, we continue to strive to achieve our goals of enhancing patient outcomes and transforming Hope into Healing.

Warm Regards,

Manju Deshbandhu Gupta
Chairman

Delivering on our Promise

CEO & MD's Letter





With a strong foothold in our core regions, we aim to build on this momentum, while executing on our strategic vision to achieve sustainable growth.



Dear Shareholders,

Through the years, two aspects of our business have remained unchanged: our goal of enabling better health for communities that we serve across the globe and our commitment to providing access to high quality, affordable medicines. FY24 has been a year of significant achievements – Lupin has gone above and beyond in delivering on both these aspects and more. For patients and the communities that we serve globally, Lupin is a catalyst for good health, Transforming Hope into Healing.

Performance and Growth

We are very pleased to close FY24 on a strong note, continuing to improve our operating margins and maintaining the growth momentum. We made progress each quarter throughout FY24 on all key fronts. Our multi-pronged growth strategy has pivoted around enriching our portfolio to more complex products, commercial excellence, driving our agenda in quality and manufacturing, and delivering efficiencies across our business, thus laying the foundation for future margin expansion and sustainable growth. Over the last 2 years, we have navigated Lupin through a turnaround, executing on all critical imperatives to get our organization to its rightful position to deliver on our promise of sustained and profitable growth.

On a full year basis, our top line grew 20.8% to INR 196,563 Mn, and our EBITDA grew a strong 110% driven by continued growth in North America, India, and EMEA. We are at an inflection point, and with the plans we have in front of us, we are looking at an exciting journey ahead.

Growth Levers

Reflecting on the highlights from FY24, we made substantial progress in our evolution to complex generics, a major step forward with gSpiriva (tiotropium), now commercialized in the U.S. and Canada. The Respiratory

segment currently generates roughly a quarter of our global sales, and is now a material differentiator for our company, one of the main pillars of our strategy. Our U.S. business contributed significantly to the performance in the year, with products such as Tiotropium, Albuterol, GaviLyte, and Suprep driving a material part of the revenues. Complex generics in the U.S. now constitute around 40% of our sales. In India, we grew 25% faster than the Indian Pharmaceutical Market, with notable performance in the Cardiology and Respiratory therapy areas. Our growth in our internal portfolio of products has been commendable. Going forward, we are committed to also improving our performance in the diabetes segment, which has witnessed degrowth due to multiple factors, including loss of exclusivity in select brands and reduced margins. Overall, we aim to achieve an organic growth of 30% higher than the market. We are proud to be a partner of choice in India, ensuring we get the best in class solutions to our patients through our strong and diverse portfolio.

Our EMEA performance has been robust, with overall sales exceeding USD 200 Mn for the first time. Canada grew 17%, and Australia surpassed the AUD 100 Mn mark in revenues. Our businesses in South Africa and the Philippines achieved solid growth and have strong projections for the coming fiscal year, and our API Plus division saw a 21% increase in sales compared to FY23.

R&D Yields Robust Results

On the R&D front, we have continued to pivot to more complex products, especially inhalation and complex injectables where we have invested close to 50% of our R&D spend during the year. We intend to maintain our lead on the respiratory front by being the first to bring products on key platforms to developed markets. Complex products today constitute around 40% of our U.S. portfolio, which we expect to grow to above 50% in the next few years. In FY24, more than 80% of the new product sales in the U.S. were from non oral-solid products.

Our robust R&D efforts have resulted in 33 filings, 63 approvals, and 41 launches globally. Key product launches such as Tiotropium, Diazepam Rectal Gel and generic Prolensa in the U.S., Vilfuro-G and Difizma in India and complex product filings, including Risperidone Long Acting Injection, highlight our commitment to delivering innovative and much needed solutions to our patients.

Focus on Quality and Compliance

Enhancing our position in quality and compliance has been and continues to be a big part of our focus. While we faced regulatory challenges at certain facilities in the last few years, we have made impressive strides on the quality and compliance front successfully. We addressed

the warning letter from the U.S. FDA with regard to our facilities in Pithampur and Goa. We are glad to share that all our facility inspections in the last 18 months have resulted in satisfactory outcomes. Going forward, we aim to achieve regulatory clearance for the two pending sites and attain a sustainable state of compliance across our entire manufacturing network. We aspire to be best in class on the quality and compliance front, a trusted partner for high quality medicines for all the patients and communities we serve.

Expansion of Footprint and Portfolio

In FY24, we acquired Medisol in France, expanding our complex injectables portfolio in Europe. Further, we strengthened our respiratory portfolio and Specialty business by acquiring two brands from Sanofi, Nalcrom in Europe and Aarane in Canada. We also strengthened our India portfolio through the strategic acquisition of diabetes brands Ondero and Ondero Met from Boehringer Ingelheim, and the acquisition of five brands from Menarini.

Driving Innovation in Healthcare

Going beyond the pill, we have delivered better patient outcomes and holistic healthcare by addressing unmet needs and leveraging innovation in healthcare. Lupin Diagnostics has gained momentum with the highest percentage of NABL-accredited laboratories amongst peers in India and serves over 100,000 customers on a monthly basis. Our digital therapeutics platform, Lyfe, is gradually expanding its footprint in India, and Atharv Ability, our neuro-rehabilitation center in Mumbai, addresses a significant void to deliver transformative outcomes for patients.

Sustainability and ESG are at the Heart of our Business

We are guided by our Environmental, Social, and Governance principles, which form the cornerstone of our commitment to sustainability. We are proud to be in the top 5% of companies globally with a Corporate Sustainability Assessment score of 69, as per the Dow Jones Sustainability Index. Our inclusion in the S&P Global Sustainability Yearbook 2024 showcases our dedication



to integrating sustainability into our business operations, transforming Hope into Healing for a lasting impact.

Digital First

Since we embarked on a comprehensive digital transformation journey in 2021, we have continuously leveraged next-gen technologies to enhance data-driven decision making and agility in our business operations. We are now deploying transformative AI-led digital solutions across our manufacturing operations, supply chain, sales, finance, and HR, amongst others. The outcome of these initiatives has translated into better process efficiencies, improved regulatory compliance and enhanced business intelligence and transparency.

Future Growth

Reflecting on our progress, we are committed to continue to build on the momentum over the coming year. Our strong foothold in key regions and therapeutic areas, as

well as sharp focus on our delivery, will be key levers while executing on our strategic vision to achieve sustainable growth.

Our success is made possible by the hard work and dedication of our teams, the trust of our investors, and the guidance of our stakeholders. As we embark on the next chapter of our journey, we remain committed to growth, quality, operational excellence and innovation. We aspire to evolve Lupin as a trusted partner for innovative and affordable medicines in the years ahead.

We are grateful for your steadfast support and trust in Lupin. We are committed to pursue greater milestones, transforming Hope into Healing and creating sustainable value for all stakeholders.

Sincerely,

Vinita Gupta
Chief Executive Officer

Nilesh Gupta
Managing Director



The Year of Resurgence

CFO's Letter



Dear Shareholders,

FY24 marked a year of resurgence and transformation for Lupin, characterized by record-breaking sales and a significant turnaround in our financial performance. We are proud to report record-breaking sales, surpassing our previous peak in FY17 and achieving a robust double-digit growth rate exceeding 20%. This achievement is attributable to our strategic focus on complex generics, particularly in inhalation and complex injectables, which now constitute 40% of our U.S. portfolio. The buoyancy on the top line was further aided by the continued focus on operational efficiencies, resulting in rather positive outcomes.

Further, our bottom line performance has seen extraordinary progress, with profits soaring more than fourfold compared to the previous year. This impressive improvement can be attributed to a better product mix, reduced reliance on in-licensed products, increased volumes, and improved gross margins facilitated by higher inventory levels aimed at risk mitigation measures. We consistently accelerated our quarterly performance, culminating in a strong double-digit EBITDA, positioning us favorably as we move forward.



We are proud to report record breaking sales, surpassing our previous peak in FY17.



Driving Complex Generics

Our strategic focus on complex generics has been a key driver of our success. Building on our historical strength in the oral solids platform, we have diversified our portfolio to include a wide range of complex generics. This shift, initiated as part of our R&D strategy five years ago, has begun to yield significant results. Our North America business had phenomenal growth, with sales increasing by 33.8% to INR 72,462 Mn from INR 54,173 Mn last year. This growth was primarily driven by our U.S. business, which registered sales of USD 815 Mn. Complex generics accounted for around 40% of these sales, and our inhalation portfolio doubled over the previous year. Key products such as Tiotropium, Darunavir, and Suprep showcased strong performance, contributing significantly to our revenue.

In India, our regional formulation businesses delivered a reported growth of 8.7% as against market growth of 7.6%, which is higher by 15%. Our respiratory business grew by 7.9%, well ahead of the market growth of 2.7%. The launch of Vilfuro-G, the world's first fixed triple-dose combination for COPD, is proof of our commitment to innovation in complex generics. Overall, our India Formulation business grew by 9.6% to INR 66,564 Mn in FY24 from INR 60,759 Mn in FY23.

Our EMEA region also performed strongly, with sales growing by 24% to INR 19,235 Mn from INR 15,514 Mn, despite a 7% currency erosion in South Africa. Key drivers included our complex generics portfolio and strong performances in Germany and the UK. Complex generics accounted for over 25% of our sales in the EMEA region.

In the APAC region, Australia recorded its highest-ever sales, and the Philippines business grew by 35% to PHP 2.6 Bn from PHP 1.9 Bn last year. Although the LATAM region experienced a slight decline, with overall sales down by 7.8%, the opening of our plant in Mexico and stabilization in Brazil indicate positive future prospects.

Continuous Improvement on Cost

Our continuous improvements to achieve cost optimization with focus on reducing inefficiencies have driven profitability. Improved gross margins, which went up to 66% from 58% last year, were the primary drivers for EBITDA growth. Our procurement team has effectively engaged and negotiated deals and timed strategic

purchases well, while our R&D team has helped us implement various initiatives to enable cost optimization for our existing products. This has served as a catalyst to improving our margins and securing additional business by making us more competitive.

We also optimized our supply chain-related costs through better planning with Integrated Business Planning and the Kinaxis platform. Along with a singular focus on green energy and automation, this effort has significantly reduced our overall utility costs and inventory inefficiencies. Additionally, digitizing our returns payment processing and close tracking of distributors' inventory helped prevent leakages and optimize sales returns. Overall, all these strategies have resulted in continuous improvement in yields, development of alternate vendors, and operating with a lean workforce, significantly boosting our bottom line.

Investing in the Future

Investing in R&D and strategic acquisitions remains crucial to sustain our growth trajectory. Aligned to this, our R&D investment has significantly increased to over INR 15,265 Mn from INR 12,800 Mn last year. The FDA's approval of our Nagpur injectable facility denotes a significant milestone, enhancing our capabilities in complex generics and biosimilars.

Our acquisition of Medisol in France has strategically strengthened our presence as the second-largest injectable market in Europe, adding to our complex generics portfolio through its injectable products. The acquisitions of Ondero and Menarini complement our existing offerings in cardiac, gastro, and anti-infective therapies.

Our focus on R&D has led to the launch of various new products in our India Region Formulations, many of which have been well received by the market. Lupin India NPLs recorded the highest sales in the industry in FY24.

Sharpening Resource Allocation

Efficient resource allocation and robust governance have been key pillars in our growth journey. Our capital allocation policy is deeply rooted in the company's long-term strategy, rigorously converting strategic priorities into resource planning and budgeting guidelines. This disciplined approach ensures a balanced capital allocation, considering growth, risk, and returns across various business segments. We optimize capital by tracking business evolution using predetermined metrics. Our policy incorporates clearly defined financial metrics to evaluate capital allocation for both organic and inorganic initiatives, including profitability and payback benchmarks.

We identified prime levers in our balance sheet, optimizing working capital and reducing overall borrowing. By improving receivables, payables, and inventory management, we liberated cash of over INR 11,513 Mn and reduced gross borrowing from over INR 42,441 Mn to less than INR 26,699 Mn.

We also focused on optimizing our capital work in progress, which has reduced from INR 12,380 Mn in the last year to INR 7,725 Mn in the current year through concerted efforts to minimize the productivity of spent funds, the lowest in many years. This helped improve our financial efficiencies and enabled us to leverage our existing assets for future growth.

Our commitment to process improvement is unwavering. By leveraging analytics and automation, we have enhanced productivity across the organization, ensuring that we extract maximum value from our investments and operations.

Tax Transparency and Governance

At Lupin, we prioritize compliance and transparency in taxation. Our annual Tax Transparency Report, introduced in FY23, highlights our responsible tax compliance, integrity, and commitment to ethical practices. This has contributed to improving our Dow Jones Sustainability Indices score and underscores our dedication to making a positive societal impact.

We have continued to digitize our tax related information, resulting in speed and agility in responding to queries from tax authorities and providing relevant supporting documents efficiently. We also ensured comprehensive assessments of all tax related compliance during acquisitions and the restructuring of entities to avoid future litigations.

ESG Commitment

Sustainability is at the heart of our business strategy. We have made significant progress in various aspects of ESG, from environmental stewardship to human rights

and patient-centric innovation. We invested INR 776 Mn in green and renewable energy projects, reducing our Scope 1 and 2 emissions by more than 20% year-on-year. Water recycling and conservation initiatives resulted in 44% of withdrawn water being recycled in FY24.

Focus on Human Capital

Our focus on the development of our employees and thrust on Diversity, Equity, and Inclusion has resulted in greater employee satisfaction across the organization. Programs such as GROW (Get Ready for Opportunities at Work) and ASCENT (Advanced Studies for Capabilities Enhancement) to upgrade the knowledge and skills of our manufacturing executives/managers have been moot points in enhancing efficiencies. Initiatives such as iMPact and Returnity (a program for returning parents) ensure an inclusive work environment.

Our Social Initiatives

Our social initiatives, such as the Lives and Livelihoods programs, were able to benefit over 1.57 Mn people in more than 4,771 villages across 24 districts in eight states in India. We are proud to share that two women beneficiaries from our programs were recognized at an international conference in Amsterdam.

Our patient-centric programs demonstrate our commitment to improving patient outcomes through accessibility and affordability; for instance, patients have better access to our anti-retro viral and anti-TB medications. We augmented production capabilities at our Aurangabad facility, resulting in a 40% increase in specialized anti-TB medication production. Our patient reach programs, such as Lungs On Care and FENO, have helped thousands of patients.



We also understand that good governance is at the core of a responsible organization. Our Pledge program and governance policies help our employees and value chain partners adhere to the highest standards in business ethics. This year, we conducted an extended survey for Double Materiality to guide our internal risk review, with a good response from external stakeholders, resonating with our internal direction. To de-risk our value chain, we conducted an ESG assessment for 309 of our top tier 1 suppliers in raw material and packaging, providing opportunities for improvement.

Digital Transformation and Innovation

Our strategic embrace of digital transformation and Gen AI exemplifies our commitment to innovation. Our digital journey focuses on integrating advanced technologies – from automating supply chain processes to leveraging big data analytics for better decision making; digital solutions enable us to streamline operations and reduce our environmental footprint. This transformation extends to our R&D division, where digital tools accelerate drug discovery and development, helping us bring effective treatments to market faster.

Gen AI is at the heart of our innovation strategy. By harnessing the power of AI, we can analyze vast amounts of data. Our initiatives are designed with a strong ethical foundation, ensuring data privacy and security while promoting transparency and accountability. Our digital and AI-driven initiatives align closely with our ESG goals. Digital tools facilitate better stakeholder engagement, fostering trust and collaboration with our communities, partners, and regulators. We are dedicated to leveraging digital transformation and Gen AI to build a more sustainable, efficient, and patient-centric future.

We understand the critical need for a sophisticated risk management approach to successfully navigate regulatory shifts, emerging delivery methods, and the rapid pace of data driven innovation. In an environment marked by uncertainty, our ability to adapt to evolving expectations is paramount. Our robust risk management framework, overseen by the Board Committee, provides a cohesive and strategic response to risk mitigation across all our operations, fortifying our resilience and agility in a dynamic landscape.

Further, as cyber threats get more sophisticated, protection of our digital infrastructure has become

paramount. Our cybersecurity strategy is integral to our risk management framework, employing advanced measures to safeguard sensitive data and ensure operational resilience. This proactive stance on cybersecurity underpins our commitment to maintaining the trust of our stakeholders and securing our digital transformation efforts.

Looking Ahead

As we move to FY25, we remain committed to transforming Hope into Healing. Our strategic investments in R&D, recent acquisitions, capex investments, technological advancements, and process improvements will continue to drive innovation and growth. We aim to introduce new products that bring affordable healthcare solutions to patients while creating value for our shareholders.

The turnaround in FY24 was a result of our focused approach and foreseeing the needs of a constantly evolving world. The strategy of moving toward complex molecules, which was initiated more than five years ago, is now yielding significant benefits. The pandemic taught us the significance of agility and robust supply chain processes, which have made a substantial difference to our operations. We have also refined our approach to asset utilization, ensuring that people, processes, and systems work harmoniously to maximize efficiency and shareholder value.

Resilience and flexibility are crucial for success, and we continue to adapt quickly to emerging trends and ensure that we provide excellent healthcare solutions through our innovative medicines and services.

Our customers, partners, shareholders, and communities have been essential to our journey, and we remain committed to serving them with integrity and excellence. As we move forward, we are excited about the opportunities ahead and remain steadfast in our mission to bring innovative healthcare solutions to patients worldwide.

Sincerely,

Ramesh Swaminathan

Executive Director, Global CFO & CRO
and Head of API Plus SBU

Purpose and Strategy



At Lupin, our purpose fuels our commitment to deliver high-quality, affordable healthcare solutions, enhance the quality of life of our patients and uplift the communities that we serve. What inspires us is our commitment to transforming Hope into Healing.



Our Founder, Dr. Desh Bandhu Gupta, was a firm believer that science was a trigger to enhancing health and empowering communities. DBG, as Dr. Gupta was fondly called, founded Lupin in 1968, and soon expanded the scope to producing life-saving drugs for Tuberculosis. This early pivot towards serving patient needs has instilled in us the commitment to focus on good health for communities globally. Today, we take pride in carrying on this legacy by prioritizing innovation, quality, and accessibility of our healthcare solutions. We focus on key therapeutic areas such as cardiovascular health, tuberculosis, diabetes, respiratory, gastrointestinal disorders, and women's health. We are serving over 1,420,000 patients in 100+ countries through our patient support programs.

Our core values drive us, in our endeavor to fulfil our mission to deliver life changing medicines that meet diverse patient needs globally. Our patient first approach is: we focus on developing medical products for specific therapeutic areas and actively engage in addressing all stages of the healthcare cycle, from prevention to diagnosis and rehabilitation.



Served patients in
100
countries

Reached
1,420,000+
patients

Transforming HOPE

We are united by our Purpose – ‘To improve our patients’ lives’.

Our aspiration is to transform Hope into Healing for patients globally through cutting-edge science and technology, supporting the needs of our patients, colleagues, and communities, while delivering sustainable returns and creating value for everyone. We are guided by our four strategic priorities as we move forward to being an innovation-led transnational pharmaceutical company, dedicated to improving patient outcomes and advancing healthcare worldwide.

Holistic Growth

Our people are our greatest assets, and as our business evolves, we focus on business growth and value creation by developing a future ready workforce.



Lupin’s Value Based Culture

We integrate our values throughout the employee lifecycle, ensuring every team member understands and embodies them. By implementing employee-centric policies and processes, we foster a culture of growth and recognition.



Talent Attraction and Retention

Our learning and development framework promotes continuous learning and aims to sharpen our core competitive advantages for operational excellence. We are dedicated to creating an environment where individuals can hone their talent, feel inspired, stay curious, and be empowered every day.

Operational Excellence

We are focused on efficiency extraction and productivity optimization to achieve excellence in our operations across different aspects of the business. This helps us streamline operations and maximize productivity.



Manufacturing Efficiency

We aim to enhance the efficiency and productivity of our R&D operations and manufacturing networks through targeted optimization initiatives across markets.



Environmental Excellence

We are expanding our renewable energy capacity, investing in biomass fuel boilers, recycling of incinerable waste, reducing carbon emissions, and adopting sustainable energy sources.



Capital Efficiency

By focusing on capital efficiency and maintaining a robust balance sheet through disciplined capital allocation, we optimize resources, minimize costs, and embrace an asset-right model.



Digital Transformation

Accelerating the adoption of digital technologies and data analytics supports our decision-making and operational agility.

Focus on Patient-Centricity

We strive to provide patients with meaningful healthcare experiences and outcomes, helping them to lead fulfilling lives. Our decisions are driven by what patients identify as most important to them.



Market Expansion

In India, we aim to surpass market growth by expanding our sales force in existing therapeutic areas of dominance such as Cardiology, Pulmonology and Diabetes Management and diversifying our portfolio to include Gynecology, Dermatology, Urology, and Pediatrics to serve a broader patient base.

In the U.S., we focus on first-to-market launches of complex generics, including biosimilars. In the EMEA region, we strengthen our leadership in the Respiratory and Neurology segments.

We are creating new platforms in inhalation, injectables, and biosimilars to expand our offerings and enhance complex dosage forms beyond oral solids.



Accessibility and Affordability

We work to ensure equitable access to medicines and healthcare worldwide, accelerating ARV and anti-TB registrations in low and middle income countries.

Through our partnership with the Tutudesk Foundation in South Africa, we aim to promote equitable access to education for 20 Mn children by 2025.



Innovation

Innovation is the cornerstone of all our initiatives and is a core competency. We relentlessly pursue excellence through continuous improvements in all our projects, processes, and products. We continue to focus on developing innovative products that address medical needs and enhance patient outcomes.

Our strategy includes expanding the inhalation pipeline with accelerated development and green propellant programs and establishing an injectables growth strategy for early success.



Diagnostics and Digital Therapeutics

Lupin has always been a pioneer in technology adoption for advancing patient care. To enhance our connect with patients, we are working on advanced Digital and Diagnostic Solutions.

Lupin Diagnostics, our trusted network of labs and collection centers, is accessible to patients for their pathology needs.

Lupin's Lyfe solution is the first and only evidence-based Digital Therapeutics Solution for cardiac rehabilitation.

Lupin is revolutionizing healthcare through apps such as Fight TB for TB patients and LegalRx for medico legal information for healthcare professionals.

We are also advancing AI in healthcare with our AI chatbots, such as Anya and SAHAYAK.

Atharv Ability, Lupin's first Neurological Rehabilitation Center, located in Mumbai, serves as a cutting-edge outpatient facility for adults and children, for neurological rehabilitation.



Enriching the Ecosystem

We are committed to enriching the ecosystem by fostering strong collaborations with diverse stakeholders. By engaging with our suppliers and vendors and assessing their performance, including ESG compliance, we ensure mutual growth and adherence to high standards. We support healthcare professionals through continuous education and resources, enhancing their ability to provide exceptional patient care.

Support to Local Communities

Through the Lupin Foundation, we have established a sustainable, adaptable model of holistic rural development in India, serving over 1,405 villages across eight states in the year FY24.



De-risking Value Chain

To ensure supply continuity for high-value products, we engage with multiple suppliers, maintain buffer supplies, and utilize supply chain modeling to anticipate disruptions. Strategic investments in business intelligence and forecasting systems have enabled us to build a resilient global supply chain and ensure high service levels. We maintain consistent supplies by identifying and onboarding alternate vendors for critical APIs and intermediates.

We also work with our vendors by assessing their adherence to our ESG principles. We are in the process of building their capabilities for a sustainable value chain.



Regulatory Compliance

We ensure compliance with all applicable norms and regulations of national and international regulatory bodies. Additionally, our operations adhere to internationally recognized standards and certifications. These include environmental management, occupational health and safety, quality management, pharmaceutical quality systems, and laboratories for testing and calibration.

Value Creation Model

Input

Financial Capital

Our financial capital is invested strategically across different therapeutic areas for maximum capital efficiency

- Operating Expenses: INR 177 Bn
- CAPEX Allocation: INR 16.4 Bn

Human Capital

Our people are our most important assets, and their commitment to patients brings out the best in them

- Global Lupin Family: 22,000+
- Expenditure on Benefits: INR 35 Bn
- Total Training Hours: 1,448,463

Manufactured Capital

Our 15 state-of-the-art manufacturing facilities pave the way for our sustainable operations to address patient needs

Natural Capital

Our balanced use of natural resources maximizes efficiencies while reducing the impact on environment

- Energy Consumption: 2.8 Mn GJ
- Water Withdrawal: 1.7 Mn KL

Intellectual Capital

Our R&D Centers enable us with a competitive advantage, while making therapies more accessible

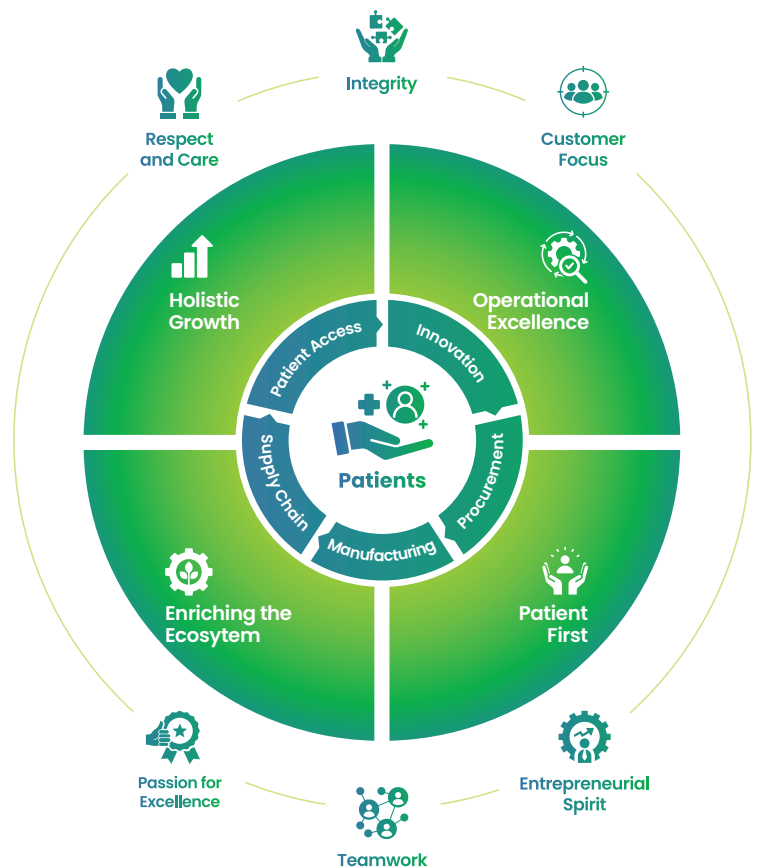
- R&D Investment: INR 15.3 Bn
- R&D Team: 1400+
- Global R&D Centers: 7

Social & Relationship Capital

Our communities are extremely important stakeholders, and their enrichment is priority for us

- CSR Spend: INR 256 Mn
- Patient Outreach Programs: 11

Business Model



Output

Financial Capital

- Revenue from Operations: INR 200 Bn
- EBITDA: INR 39.3 Bn
- Dividend Paid: INR 1,820 Mn

Human Capital

- Employee Satisfaction Score: 80%
- Gender Diversity: 9%
- Turnover: 18%

Manufactured Capital

- All sites cGMP compliant
- Manufacturing Capacity (Million Units): 20,514
- Total Product Portfolio: 1200+

Natural Capital

- Emission Reduction: 21%
- Water Recycling: 44%

Intellectual Capital

- Patents Filed in FY24: 73
- Patents Granted in FY24: 110
- Filings in FY24: 33
- Approvals in FY24: 63

Social & Relationship Capital

- Total CSR Beneficiaries: 233,383
- Total Patients Reached: 1.4 Mn+

Outcome

A growth centric, competitive and positive balance sheet



A diverse and holistic workforce



A modern and efficient manufacturing operation



A climate resilient approach to our business



Pushing the boundaries for development of new treatments



Responsible supply chain and strengthening of business alliances



For Lupin, “Value” centers around our patients. Hence, our value creation model is built on the foundation of delivering innovative healthcare solutions that improve patient outcomes, while ensuring sustainable growth for our shareholders. By integrating cutting-edge research, robust development pipelines, efficient production, and ethical marketing practices, we strive to provide long-term healthcare outcomes to our patients.

“VALUE” for us is synonymous with Affordable, Accessible, High-quality, and Innovative therapies that meet patient needs.

Our patient-centric model revolves around unlocking the highest value for our patients in an effective and efficient manner. Our HOPE strategy blends high-quality and innovative therapies for patients worldwide, with accessibility and affordability being critical components.

We constantly invest substantial resources in research and development, in line with our commitment to innovation. By leveraging extensive data and healthcare trends, we identify disease areas and regions needing attention. Our teams undergo rigorous training and development programs and participate in monthly LeadX

talks where CXOs engage in discussions with their teams to foster collaboration. Our R&D teams associate with leading academic institutions and partner firms to explore new therapeutic areas and develop complex medicines. Utilizing advanced technologies such as AI, machine learning, and biotechnology, we accelerate the drug discovery process and enhance the efficacy and safety of our products.

Our emphasis on high-value therapeutic areas, combined with strategic partnerships, drives robust revenue growth. Our next-generation manufacturing facilities adhere to the highest quality and compliance standards to support this. While pursuing growth, we prioritize integrating sustainability in all facets of our business model. We continue to invest heavily in renewable energy green chemistry to make our processes more circular and minimize our environmental impact, creating sustainable products. For instance, we are working towards replacing standard propellants with green propellants in our inhaler products and will commence supply of these products in advanced markets.

By maximizing inputs efficiently, we deliver sustained value to our stakeholders and fulfill our commitments to the United Nations Sustainable Development Goals (SDGs). This reflects our dedication to driving sustainable and equitable development across all aspects of our operations as we strive for excellence.



Patient-Centric Sustainability Approach

We aspire to deliver the best to our patients, and we understand that ESG is a vital lever to achieve that. Hence, we have taken immense care to integrate sustainability into the very fabric of our Hope strategy. Over the last five years, we have made significant strides in our Environmental, Social, and Governance journey, and our recent initiatives reflect this.

This year is pivotal in our ESG journey as we accelerate towards being a patient-centric sustainability organization. We have adopted Science-Based Targets to drive our decarbonization goals and aligned our objectives with those of the latest climate science targets, to reduce our carbon footprint. Additionally, our new biodiversity commitment reflects our recognition of the interconnectedness of human health and the health of our planet. We are implementing innovative practices to protect and enhance biodiversity across our operations, ensuring our growth is harmonious with nature.

Recognizing that our responsibilities extend beyond environmental stewardship, we have also undertaken a comprehensive assessment of human rights across all our operations. This initiative ensures that we are not only compliant with global standards but also proactive in promoting fair labor practices, safe working conditions, and the well-being of all individuals in our value chain. By addressing human rights issues proactively, we foster a culture of respect and equity within our organization and beyond.

We stand high on our commitment to not patent or enforce IP rights on diseases covered by ATMI-2021, especially in LMIC countries. Our generics offer significant cost savings to our patients, contributing to USD 373 Bn in savings to patients in the U.S. and reducing healthcare expenditures in South Africa by 35%. Moreover, our patient assistance programs in India have reached more than 30,000 patients in the last year alone. This was achieved via focused initiatives such as SAARTHI, Jeet and JAI programs. Additionally, our offerings from Lupin Diagnostics and Lupin Digital Health ensure that diagnostics and digital therapeutics are more accessible to patients. Our platforms, such as Lyfe and Atharv Ability, provide complete care to patients in cardiology and neurological rehabilitation. We have also unlocked the power of AI through solutions such as SAHAYAK and Anya, helping respond to queries on various topics, including diabetes, hypertension and TB.

We understand the power of collaboration and actively engage with suppliers, partners, and stakeholders to ensure our environmental and social objectives are shared in pursuance of our ESG goals.

As we move ahead in our ESG journey, we remain committed to transparency, accountability, and continuous improvement. Our vision is to lead by example, demonstrating that sustainable business practices are not only possible but essential for long-term success and the well-being of our planet and people.



Management Discussion and Analysis

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02 | India

03 | North America

04 | Europe, Middle East and Africa

05 | Growth Markets

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Global Trends in the Pharmaceutical Industry

The pandemic has brought in its wake, profound changes in the way the global pharma industry operates. The focus is on securing local pharma supplies while retaining the alignment towards accessibility and affordability. At the same time, a nationalistic fervor and a more patient-centric approach are also discernable.

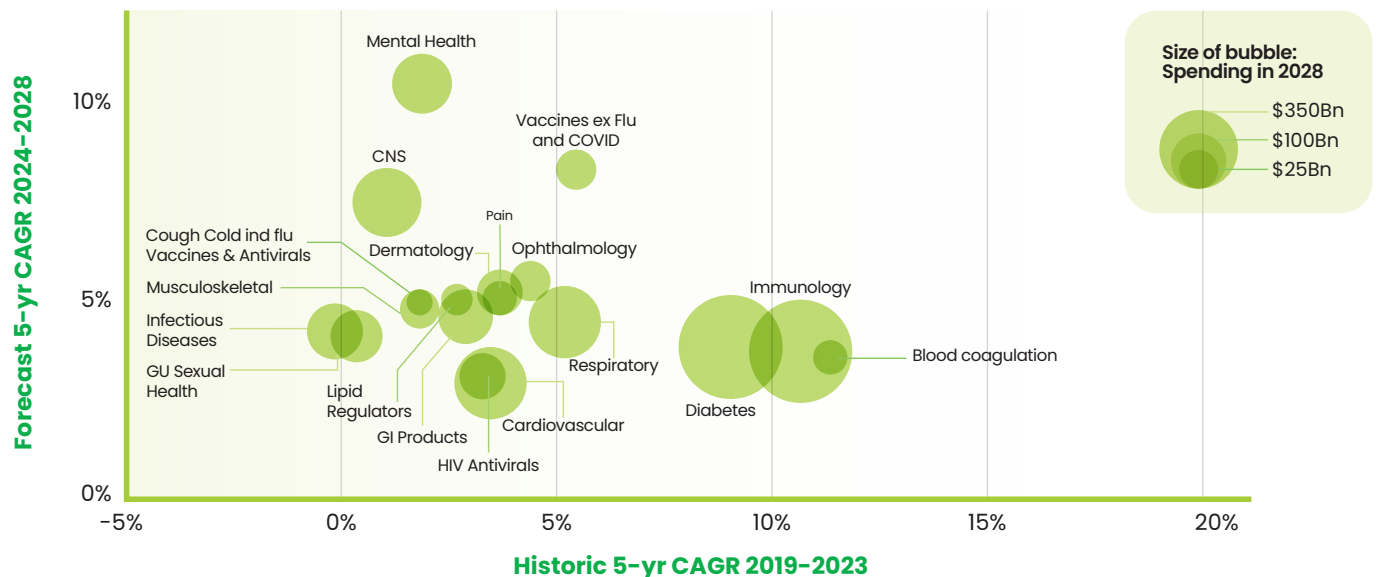
Global medicine consumption is projected to surge, with an estimated 3.8 trillion daily doses by 2028, with varying growth rates across different regions. Specialty medications are poised to dominate global spending, exceeding 40% over the next four years (Source: Deloitte Report), with developed markets leading the charge. Key therapeutic areas such as oncology, immunology, diabetes, and obesity are set to drive substantial growth,

fuelled by ongoing innovation and patent expirations. Oncology, in particular, is anticipated to expand at a robust 14-17% through 2028.

Due to an unprecedented strain on healthcare infrastructures globally, the price and accessibility of generics have become critical. This has led to a renewed emphasis on efficiency, process innovation, and cost savings. There is a further shift towards biosimilars and a move up the value chain through complex generics and building specialty pipelines, all of which are expected to lead to sustainable business streams and maximization of long-term profit margins. To achieve this, digital transformation has emerged as a key strategy, with Gen AI and other AI technologies driving innovation.

CAGR 2024-2028

Region	Original Brands	Non-original Brands	Unbranded Generics	Others	Total
Global	6-9%	8-11%	3-6%	3-6%	6-9%
Developed	6-9%	4-7%	1-4%	1-4%	5-8%
10 Developed	6-9%	4-7%	0-3%	0-3%	5-8%
Other developed	6-9%	4-7%	4-7%	4-7%	5-8%
Pharmerging	10-13%	12-15%	9-12%	5-8%	10-13%
Lower-income Countries	3-6%	4-7%	3-6%	4-7%	3-6%



Source: IQVIA report

Indian pharmaceutical companies have displayed mixed reactions to the changing economic environment. Fully integrated companies with global business models have benefited from tailwinds, while others are grappling with various challenges. These include intellectual property issues, regulatory compliance hurdles, government-imposed pricing pressures, rising raw material costs, and supply chain disruptions due to geopolitical conditions.

In the U.S., despite a relatively more benign pricing environment, competitive intensity remains very high with reduced pricing leverage for manufacturers of generics, impacting profitability.

The pharmaceutical industry today is at the crossroads of transformation and challenge, driven by technological advancements, shifting global dynamics, and evolving market pressures. Navigating these complexities calls for agility and innovation to capitalize on growth opportunities while mitigating risks in an increasingly interconnected global landscape.



Focus on High-value Specialty Generics

Specialty drugs used to treat rare and chronic diseases such as cancer and multiple sclerosis are driving the demand for more affordable generic versions. This segment is expected to grow at a 12.1% CAGR (Source: KPMG Report) through 2024.



Partnerships for Biosimilars

The biosimilars market is anticipated to expand at a 12.5% CAGR (Source: IQVIA Report), offering a less expensive alternative to off-patent drugs. Pharmaceutical companies are increasingly partnering with Contract Research Development Manufacturing Organizations to expedite time to market.



AI and Digital Transformation

GenAI, other AI technologies, and digital transformation tools are poised to enhance efficiencies and drive process innovation across the life sciences value chain. A significant portion of the value from AI in life sciences is expected to come from R&D, manufacturing, supply chain, and commercial areas.



Regulators' Focus on Patient-Reported Outcomes

The U.S. FDA is increasingly interested in understanding patients' health status through patient-reported outcome measures, prompting pharma companies to include these measures in their assessments.



Furthering Commitment to ESG

Pharmaceutical companies are setting ambitious net-zero targets, prioritizing improvements in global health infrastructure, and fostering workforce diversity. Future efforts will integrate AI and blockchain for sustainability and transparency, driven by stricter regulations and investor demands.



Supply Chain Redesign

The pandemic exposed vulnerabilities in the pharmaceutical supply chains, prompting manufacturers to diversify sources and explore additional revenue through forward-backward integration.

Geopolitical uncertainties continue to cast shadows over the global economic landscape, posing potential risks. In the U.S., the proposed Biosecure Act has potential significant implications for companies sourcing products from China, especially for the U.S. market. The ongoing Middle East conflict has exacerbated supply routes, mainly from the Red Sea, leading to an increase in freight costs as well as higher inventory costs, thereby placing greater emphasis on the management of delivery schedules.



Regulatory Governance in AI

As AI adoption accelerates, regulatory bodies are poised to enforce tighter governance to ensure accountability and deliver value. By 2025, stricter regulations are expected to shape AI deployment in the pharmaceutical industry, necessitating compliance and transparency. These regulations will play a critical role in safeguarding patient data and ensuring ethical use of AI technologies.



Personalized Patient Experience

Pharma companies are exploring novel ways to customize the patient's journey, improving patient outcomes and experiences. Advances in genomics and biotechnology are paving the way for personalized medicine, where treatments are tailored to individual genetic profiles.

Our Approach

Lupin is strategically positioned to navigate the evolving pharmaceutical landscape, focusing on high-growth therapeutic areas, regional market expansion, investments in innovative therapies, and adoption of advanced technologies. With a strong pipeline in the respiratory segment and complex injectables, Lupin remains competitive by constantly investing in research and development to bring innovative products to market. Our established presence in key emerging markets such as the Philippines, South Africa, Brazil and Mexico and ongoing expansion in Europe and other markets such as Australia enable us to capitalize on regional growth trends, enhance distribution networks, and augment local manufacturing capacities. These initiatives align with global industry trends, reinforcing Lupin's commitment to delivering value to stakeholders and improving patient outcomes worldwide, ensuring sustained growth and value creation.

Despite a challenging environment, Lupin has achieved robust double-digit growth. A strong ESG framework is at the core of all our initiatives, aligning with our business strategy. We will continue our strategic focus on complex generics, particularly inhalation and complex injectables, to achieve our objectives. Lupin remains committed to being a trusted partner for high-quality, affordable medicines, serving all patients and communities.

India



7th Rank
in Indian
Pharma Market



10%
Five-Year
CAGR

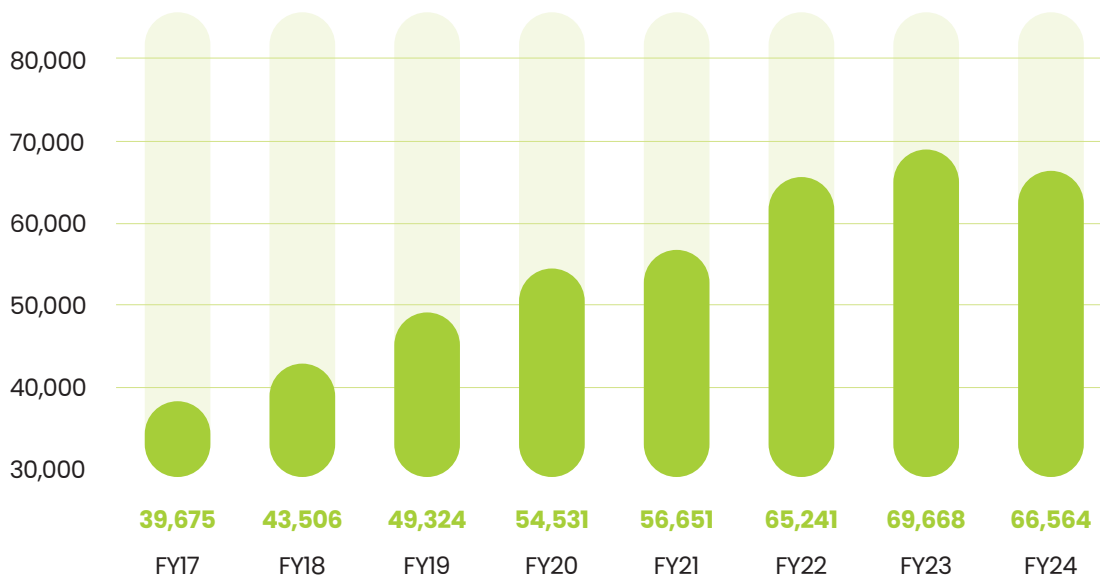


Lupin Brands
Ranks in the Top
300 Brands

Lupin's performance in the Indian pharmaceutical market has consistently been on an upward trajectory, with its India business outperforming the market. This success can be attributed to our strategic expansion into chronic and fast-growing therapies, leading to revenues of INR 66,564 Mn, accounting for 34% of Lupin's total revenue. The company's focus on delivering high-quality and affordable drugs has established it as a

preferred partner for medical practitioners in India. Strong customer engagement has also been a significant factor in strengthening its presence, with Lupin being ranked seventh in the Indian Pharmaceutical Market. In FY24, Lupin's branded generics sales increased by 9.6%, achieving a five-year CAGR of 10.4%, surpassing the market's growth rate of 9.9%. Consequently, our market share increased to 3.4% in FY24.

India Formulation Sales (in INR Mn)

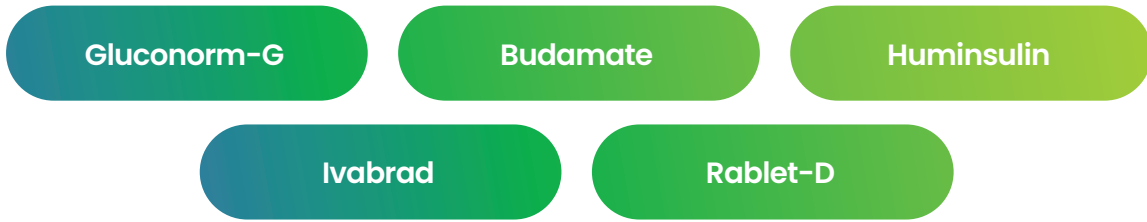


Lupin's India Region Formulations business primarily focuses on the chronic segment, contributing 59.8% of its total revenue, with Lupin holding the fifth position in the industry. The top five therapy areas in India - Cardiology, anti-diabetes, Respiratory, Gastrointestinal, and anti-infective, collectively account for 73.6% of Lupin's sales. Lupin is a leader in the anti-TB segment and ranks second in the Respiratory segment. The Cardiology and anti-diabetes segments generate approximately INR 16,000 Mn and INR 15,000 Mn, respectively, and Lupin ranks third in both these growing areas. The Respiratory therapy segment has surpassed INR 10,000 Mn, and the

Gastro+Hepato therapy segment has moved upto INR 7,000 Mn.

In the Respiratory segment, we launched the world's first Fixed Dose Triple Combination drug, Vilfuro-G, for managing Chronic Obstructive Pulmonary Disease, a leading cause of death and disability. Approved as a Dry Powder Inhaler by the Drug Controller General of India, this innovative therapy brings hope to over 37 million COPD patients in India. This milestone underscores our commitment to expanding our respiratory portfolio and providing essential healthcare solutions to transform lives.

Our Brands in the Top 300 Brands Category of the IPM



In the anti-diabetes segment, Lupin experienced a steady growth rate of 5.1%, while the Cardiology segment achieved a growth rate of 13.4%, outperforming the market growth rate of 10.0%. In the Respiratory segment too, Lupin’s growth rate of 13.8% was significantly higher than the market growth rate of 2.7%.

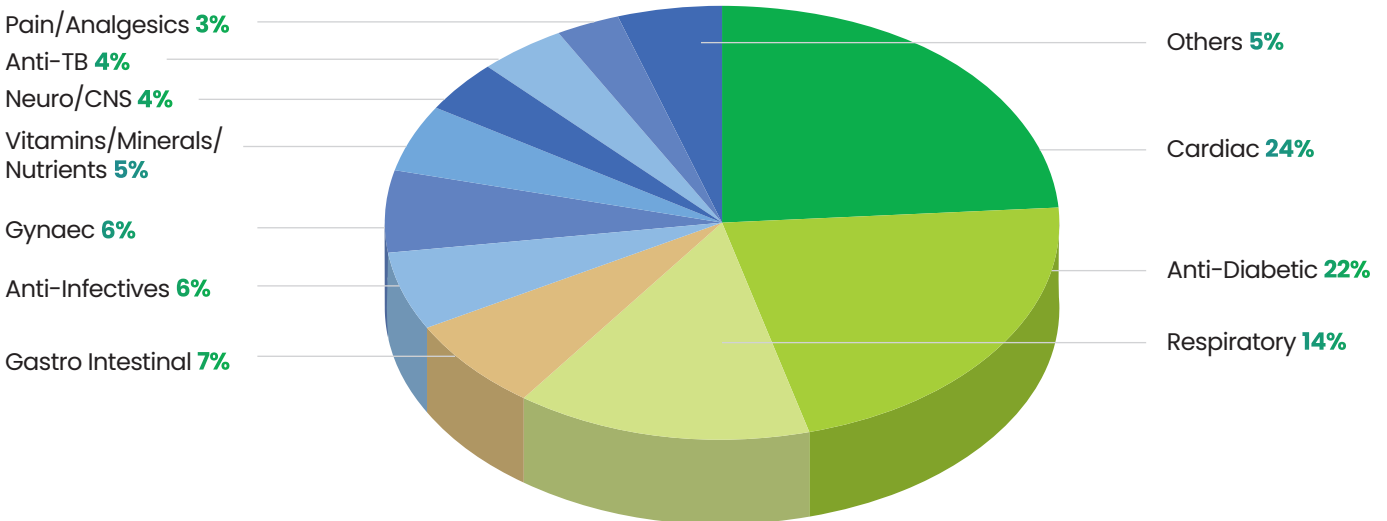
Lupin’s unwavering commitment to fostering more robust connections with medical practitioners and driving better patient outcomes is evident through its

proactive initiatives. The company has also constantly focused on curating unique scientific platforms that facilitate collaboration and partnerships with leading universities worldwide to enhance the expertise of doctors.

By consistently aligning its business strategies with foresight on future market trends and focusing strongly on innovation, Lupin continues to reinforce its position as a leading player in the Indian pharmaceutical market.

Therapy-wise Market Share

Therapy	Rank	Market Share
Anti-TB	1	60.7% (2.0%)
Anti-Diabetic	3	7.8% (-0.4%)
Cardiology	3	6.1% (-0.1%)
Respiratory	2	6.1% (0.3%)
Gynecology	9	3.7% (0%)
Neuro/CNS	6	2.7% (-0.1%)
Gastrointestinal	10	2.8% (0%)



Patient Support Programs

NovaShakti

NovaShakti empowers women against heart disease through awareness, diagnosis, and care, engaging over 50,000 patients and 7,000 healthcare professionals. Through an association with Olympian MC Mary Kom, NovaShakti promotes heart health through educational screening. A strong social media presence has helped in reaching out to a large segment of women and creating awareness.



JEET

Jeet is a reward-based Patient support Program that improves heart health through Awareness, Adherence, and Assistance. It encourages healthy habits through medication reminders and health quizzes. Jeet, recommended by healthcare practitioners, has empowered a number of patients and practitioners and will continue to focus on reaching out to many more.



Joint Airways Initiative

JAI is India's first digital asthma educator platform, aiding nearly 38 Mn asthma patients with the right way to use inhalers. Over 12,000 patients have enrolled in the last year.



Humrahi

Humrahi is a leading patient support program for diabetes management, offering services in 12 languages, including a chatbot, tracking tools, counseling, and complimentary tests. Humrahi onboarded over 11, 862 patients in the last year, who were supported through educational camps and screenings.



Say Yes to Life

SAARTHI is a support program for mental health professionals and patients, available in multiple regional languages. The platform improves treatment outcomes and offers coping strategies for mental health issues such as anxiety and stress, enabling open discussions with psychiatrists.



AI Screening for Breast Cancer

Niramai's Thermalytix™ uses AI for early breast cancer detection, significantly improving accuracy over traditional methods. Lupin has partnered with Niramai and conducted over 90 screening camps in the past year.



Prothsahan

Prothsahan promotes breast cancer awareness through educational initiatives and partnerships with public figures and medical experts. Interactive sessions with various sections of the community have been able to help with education on symptoms and early detection.



Leveraging Digital

In its efforts to drive positive patient health outcomes globally, Lupin has been at the forefront of leveraging innovative digital strategies to enhance customer engagement. Multichannel initiatives, such as Lupin Connect and DigiEngage, enable seamless interaction with our core doctors through digital and telecommunication channels, in addition to traditional face-to-face engagements. Through evidence-based practices and clinical guidelines, doctors have access to updates on therapeutic breakthroughs and treatment methods, helping them deliver optimal patient care to improve lives.

Lupin Connect plays a vital role in enhancing brand awareness among untapped General Practitioners. Through our omni-channel engagements, GPs are constantly kept abreast of the latest scientific updates, specifically tailored to the core Lupin brands. This targeted outreach allows us to build stronger relationships with them and improve brand recall.

Furthermore, we have implemented SmartRep, which is specifically designed for our field force and serves as a comprehensive analytics platform to obtain actionable insights. This platform is fully operational across all divisions within India Region Formulations, seamlessly integrating various resources such as sales performance metrics, coaching modules, a knowledge hub, chemist data, and more. This seamless integration empowers our teams with the necessary tools to provide exceptional service and support to healthcare professionals.

Currently, our adoption rate stands at an impressive 97%, highlighting the effectiveness of this platform in enhancing our field force's capabilities. Going forward, we will enhance our efforts through AI and Machine Learning based insight programs, to further support our field force.

Lupin Gurukul is a centralized repository for brand plans and marketing collateral, providing easy access and reference for our team members. This platform enhances efficiencies, reduces approval time and enables team members to make informed decisions.

Additionally, we have developed Anya, an AI-powered chatbot that delivers medically verified responses and provides valuable insights. Anya is available in 6 languages and covers a wide range of therapy areas, including Cardiology, Diabetes, Respiratory, Dermatology, Tuberculosis, Urology, Orthopaedics, and more. With over 32 lakh queries successfully addressed, Anya has assisted over 5 lakh+ users with not just text responses but infographics as well.

Our dedication to digital engagement is exemplified by our active presence on social media platforms to connect with our audience for positive outcomes. Lupin India has witnessed a remarkable 16% increase in followers, and the Shaping Health platform has seen a notable 10% rise compared to the previous year.

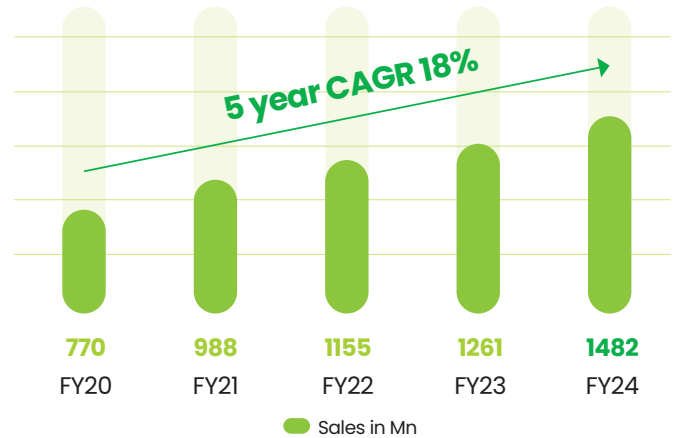
As we continue to grow our online community, we are committed to delivering relevant and informative content that resonates with our followers and reinforces our position as a leader in the digital space.



LupinLife

LupinLife Consumer Healthcare, our OTC business, has achieved remarkable growth since its inception in 2017, expanding into multiple categories, including gastro, health supplements, women’s health, and pain management. With a 5-year CAGR outpacing the OTC category, our flagship brand, Softovac®, leads the bulk laxative segment with a 44% market share. Following its transition to a consumer healthcare brand, Aptivate® has carved a niche in child healthcare, demonstrating strong performance. We run innovative engagement programs such as the Aptivate Achhi Bhook Quiz and Aptivate Run.

Strategic brands such as Vimpro and Vovilup strengthen our portfolio, which is supported by an agile retail network and digital marketing strategies. LupinLife continues to grow at 2x the OTC category, achieving an 18% CAGR since FY20, reflecting our commitment to consumer relevance and operational excellence, aided by a robust retail network, digital marketing strategies, and sales force automation.





Lupin Diagnostics Limited

Since commencing operations in 2021, Lupin Diagnostics has established 38 processing labs across West, East, and South India. By 31 March 2024, we surpassed our revenue of INR 600 Mn, serving over 1.2 million patients. Recognizing that 70% of treatment decisions in India are based on diagnostic tests, we ensure accuracy through stringent quality control and benchmarking against international standards. Over 50% of our labs are NABL accredited, one of the highest in the industry, with a goal to achieve 100% by FY25.

We are expanding in West and East India, focusing on tier 3 and tier 4 cities, and have broadened our portfolio to include oncology, neurology, and genomics. Our network of 750 collection centres support this growth. To maintain sample integrity, we employ over 100 field executives for temperature-controlled transportation. We also offer value-added services such as dynamic smart reports, health monitoring tips, and trend analysis for chronic disease management, enhancing patient care and treatment outcomes.

Lupin Digital Health

In FY23, Lupin launched Lupin Digital Health (LDH), marking its foray into the burgeoning field of Digital Therapeutics (DTx). LDH introduced Lyfe™, India’s first evidence-based remote cardiac rehabilitation program with Coronary Artery Disease and Acute Coronary Syndrome patients, aimed at reducing heart attack risks and improving patients’ quality of life. The program features a multidisciplinary team offering comprehensive care.

In FY24, we expanded our offerings with the launch of Lyfe HF, catering specifically to patients dealing with heart failure. Over the past year, thousands of patients across 200-plus cities and towns have benefited from our Lyfe programs. We secured an exclusive collaboration with the American College of Cardiology and obtained ISO 27001:2022 certification, along with Central Drugs Standard Control Organization approval for our platform as a Class C Software as a Medical Device.

Looking ahead to FY25, we plan to launch a product targeting early stage heart disease risk factors, emphasizing prevention through lifestyle modifications. Lupin Digital Health is committed to leveraging digital innovations to transform healthcare in India.





ATHARV ABILITY

A LUPIN INITIATIVE

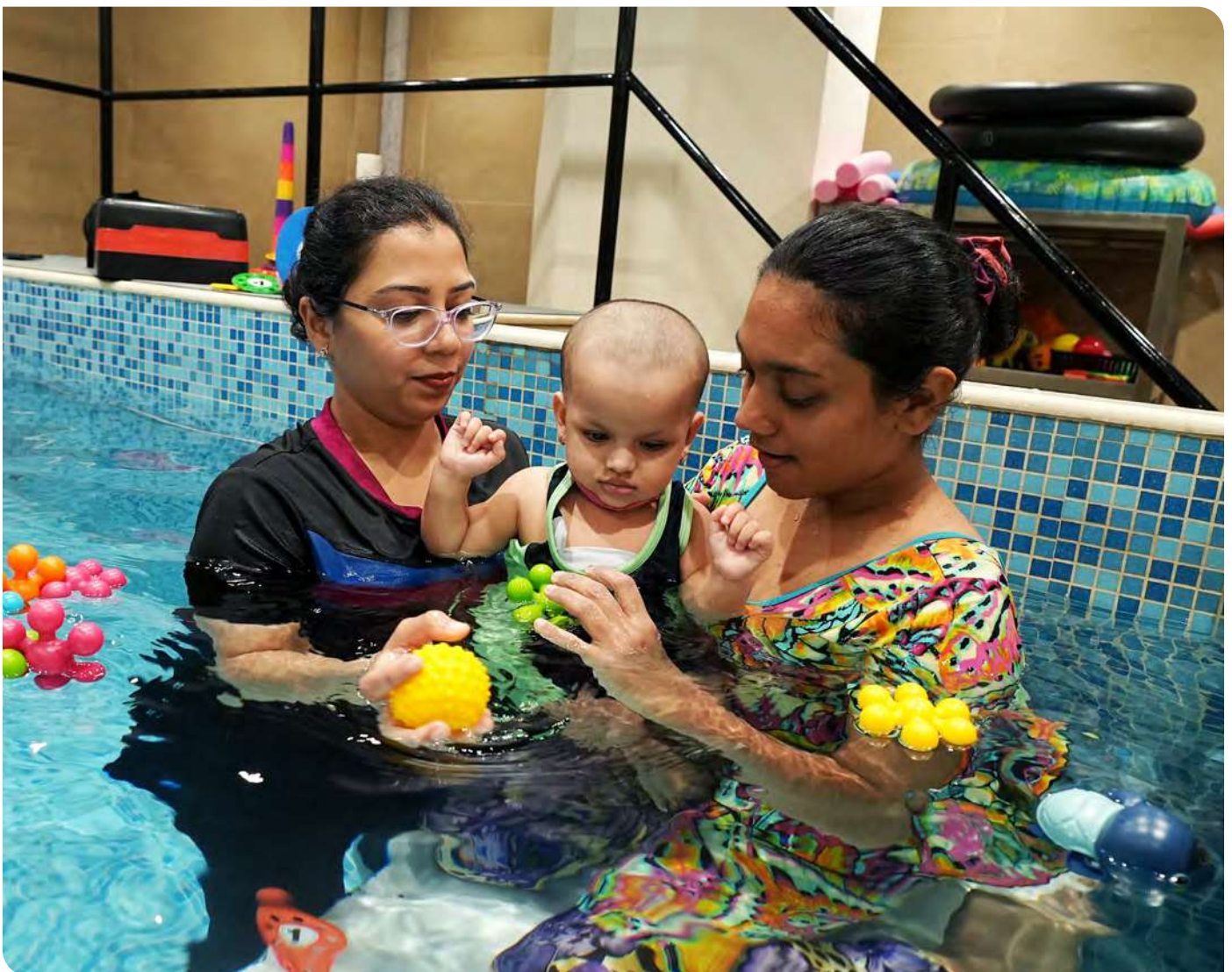
ABILITY · DIGNITY · LIFE

Atharv Ability

Atharv Ability, Lupin's first Neurological Rehabilitation Center, serves as a cutting-edge outpatient facility for both adults and children, and addresses the crucial need for neurorehabilitation in India. Research highlights that multidisciplinary rehabilitation can enhance functional recovery by 30-40% and improve the quality of life for patients. The center specializes in treating post-stroke, traumatic brain injury, spinal cord injury, and various other neurological conditions, including Parkinson's, cerebral palsy, and multiple sclerosis.

Offering a wide range of treatments under one roof, Atharv Ability's services include neuro physiotherapy, advanced robotics therapy, speech and language therapy, occupational therapy, cognitive therapy, aqua therapy, pain management, spine rehabilitation, and pediatric neurological rehabilitation. In FY24, Atharv Ability treated over 2,400 patients and conducted nearly 30,000 treatment sessions, including 10,000+ physiotherapy sessions, 2,200+ robotics therapy sessions, and 1,800 aqua therapy sessions.

Since its launch, Atharv Ability has meaningfully touched the lives of over 5,000 patients, exemplifying our commitment to enhancing the lives of those with neurological disabilities, ensuring they regain their abilities and reintegrate into society.





Outlook

Lupin's India business continues to move forward and sharpen its focus on chronic and high-growth therapy areas, leveraging its strong market position and expanding its portfolio of high-quality, affordable drugs. By continuing to foster strong relationships with doctors, patients, distribution channels and consumers, and leveraging its digital platforms, Lupin aims to enhance its customer engagement and support.

Our digital initiatives will be further enhanced with the integration of advanced technologies such as AI and machine learning to provide actionable insights and optimize performance. Additionally, we will continue to expand our digital marketing efforts to strengthen our brand presence and reach a broader audience. Our commitment to innovation and excellence will ensure that Lupin remains at the forefront, driving positive health outcomes and delivering value to our stakeholders.

North America



3rd Rank
in the U.S. by
Prescriptions



37%
of Lupin's Overall
FY24 Sales



>20
Products have Market
Share Greater than 50%



United States

The U.S. pharmaceutical market remains the largest globally in terms of dollar value, with a net market value of USD 446 Bn in 2023 and a net CAGR of 5.3% over the last five years (Source: IQVIA Institute for Human Data Science, Global Use of Medicines: Outlook to 2028, January 2024). It is characterized by a significant disparity between branded and generic medicines. Despite accounting for only 8.8% of prescriptions, branded medicines constitute a staggering 85.7% of the market value. On the other hand, unbranded generics dominate in terms of prescription volume, representing 88.4% of prescriptions, however contributing to only 8.0% of revenues. Branded generics serve as a middle ground, accounting for 6.3% of total net sales and 2.8% of prescriptions (Source: IQVIA – US Generics and Biosimilars Trends).

Biologics is another critical component of the U.S. pharmaceutical landscape, currently accounting for 46% of drug spending and exhibiting a very high growth rate (Source: IQVIA – Global Pharma Market Snapshot – 2024). This growth trajectory highlights its increasing importance in the market, a trend that is likely to continue as more biologic treatments gain approval and adoption.

The U.S. market is on the cusp of significant transformations due to impending losses of exclusivity. This is expected to reduce brand spending by USD 145 Bn over the next five years. Small molecule drugs will be the most affected, with an anticipated reduction in brand spending of USD 106 Bn through 2028, more than double the impact over the last five years. Biologics will also face substantial spending reductions, estimated at USD 39 Bn over the same period, as biosimilar market dynamics mature and major products encounter competition (Source: IQVIA Institute for Human Data Science, Global Use of Medicines: Outlook to 2028, January 2024).

Lupin's Evolution, Performance and Highlights

In this dynamic and competitive environment, Lupin has consistently played a pivotal role over the last few years by providing high-quality, safe, and affordable medicines to millions of Americans. Despite operating in a challenging environment characterized by high price deflation due to buyers' consolidation, supply chain disruptions, and rising competition, we have displayed not only a high degree of resilience, but also forged ahead in terms of sales. Our market strategy epitomizes value creation, which helps us thrive wherever we operate.





Our relentless focus on sustainable growth, portfolio diversification, and profitability drives every decision we make. A major growth engine over the last 5 years, both from a top as well as bottom line standpoint, has been the inhalation segment, which has witnessed significant growth. The business, which represented less than 2%, witnessed substantial growth, contributing to almost 40% of the overall U.S. net sales. We expect to sustain the business at high growth levels, ramping up the inhalation business and focusing on new product launches in FY25.

As of March 2024, Lupin is the third-largest pharmaceutical company in the U.S. by filled prescriptions, with a 5.2% market share in generic scripts. Thanks to our portfolio of 150+ commercialized products, a ~30% market share per marketed product. With 100+ products in the pipeline across a wide range of therapeutic areas and dosage forms, we continue to maintain our business momentum, auguring well for the healthcare ecosystem in the U.S.

During the last fiscal year, the U.S. market contributed to 34% of the overall company sales, with INR 67,628 Mn in net revenue, strong growth of 30% over FY23, higher than other geographies. Several key products have contributed to this noteworthy performance. Our strategic pivot to complex generics has yielded remarkable results.

The launch of Tiotropium (Gx Spiriva) in August 2023, the first Dry Powder Inhaler from India for the U.S. market, achieved consistent substitution rates exceeding 30%, underscoring its acceptance and demand. In line with prior years, Albuterol continued to be a top-selling product for Lupin and consistently captured 20%+ of the total reference market. Albuterol and Tiotropium are expected to be major drivers of financial performance through the next few years. Our strategy of integrating inhalation products such as Xopenex® and Brovana® enhances our offerings in the crucial respiratory segment. It will cement Lupin's position as a top player in the U.S. respiratory space, an area of strategic focus for the

company. The successful launch of gSpiriva (Tiotropium) has not only positioned us as a leader in oral solid dosage forms, but has also set the stage for pioneering biosimilars.

Notably, Lupin currently ranks as the second-largest generic pharmaceutical company by sales in the U.S. respiratory segment, reflecting a strong foothold in and focus on this critical therapeutic area. Beyond inhalation products, strong top and bottom line contributions also came from other significant products such as Lisinopril and Bupropion, as well as gastro-intestinal products Gx Gavilyte and Gx Suprep, both of which are manufactured in our Somerset, NJ, plant. In addition to the introduction of Tiotropium, the U.S. business also benefited from 10 more new product launches in FY24, including Darunavir, Gx Prolensa, and Diazepam Rectal Gel. The combination of

new product introductions, skillful commercial and supply chain execution, and ongoing measures to enhance operational efficiencies have helped move up our margins over the course of the last year, contributing to a remarkable financial performance. This, in turn serves as a key lever for value creation for all our stakeholders.

Driven by utmost attention to quality across all aspects of the supply chain, right from the procurement of APIs and KSMs to production, skillful commercial execution on in-line products, relentless innovation across all therapeutic areas and dosage forms, as well as continuous operational improvements and cost optimization efforts, Lupin U.S. is projected to maintain a leading position and propel the overall company to sustained success in the coming years.

Outlook

While the downward pricing pressure on oral solids has moderated from double-digit declines in FY23 to mid-high, single-digit percentages in FY24, Lupin's focus is to strategically shift from traditional oral solid formulations towards complex and differentiated products. During the last year, more than 80% of our new product revenues in the U.S. came from non-oral solid products, platforms such as inhalation and injectables, characterized by less pronounced generic price deflation and reduced competitive pressure. We will build upon scaled product platforms in legacy oral and ophthalmic segments and drive our business around the commercial portfolio over the coming years. To drive this shift, around 70% of the R&D spend over the next five years is projected to be utilized for the development of complex assets in the inhalation and injectables spaces.

Beyond unlocking additional value from the in-line commercial portfolio, we will ramp up our introduction of key oral and ophthalmic "first" products as well as a number of injectable assets. These include products such as Liraglutide (Victoza, Saxenda) and Glucagon, all of which are expected to contribute to robust growth in the near and medium term.

In the long term, a strong pipeline of 30+ injectables and 20+ inhalation products, comprising a number of first-to-file, exclusive first-to-file and first-to-market opportunities, will enable a more sustained growth as we continue to pivot to more complex

products, in particular inhalation and complex injectables. In this context, Lupin Inhalation Research Center (LIRC), our state-of-the-art, inhalation dedicated R&D center located in Coral Springs, Florida, will play an increasingly significant role in adding value. LIRC will contribute to our business strategy and will be a hotbed for innovation in the respiratory space from a formulation, device and drug-device combination standpoint. With advantages such as a differentiated talent pool, sophisticated technology and scientific equipment, LIRC will be a growth engine for the company. There will be further impetus to research around platforms such as MDIs, DPIs, SMI, and nasal sprays. LIRC will also push forward our agenda around sustainability with green propellants, which will be fundamental to further establishing our position as a responsible pharmaceutical company.

Additionally, cost optimization efforts will enable us to improve our bottom line. We will also continue to explore inorganic opportunities to complement our existing portfolio of generics and specialty products. Strategic acquisitions and partnerships will be key to enhancing our product offerings, entering new therapeutic areas, and strengthening our market position, particularly in the specialty arena. Overall, we remain dedicated to delivering high-quality, affordable medicines to patients and are confident in our ability to navigate the market landscape effectively. Lupin's strategic evolution in maintaining growth is multifaceted and deeply rooted in a blend of market diversification, new product portfolio, and operational optimization.




Canada

The Canadian pharmaceutical market, valued at USD 31.8 Bn with a 9% growth rate driven by biologics and diabetes/anti-obesity medications, offers significant opportunities. Lupin's subsidiary in Canada, Lupin Pharma Canada Ltd., is a specialty brand company focusing on gastroenterology and women's health areas, as well as niche and complex generics. It is the first company

to launch generic Tiotropium dry powder inhalation in Canada and has launched its first biosimilar, Etanercept, in April 2024. Since its commercial inception in 2015, Lupin Pharma Canada has consistently achieved double-digit growth, finishing this year with sales over CAD 48 Mn. We aim to continue investing in brand and complex generic products to sustain our strong growth trajectory.

Europe, Middle East and Africa



10%
of Global
Sales



NaMuscla
Broadening of
Indications ongoing



#8
Largest Generics Player
in South Africa

With an estimated value of USD 363 Bn, the pharmaceutical market in Europe, Middle East, and Africa (EMEA) accounts for 25% of the global market. Lupin's sales in the EMEA region constitute 10% of our global sales. Our unique portfolio, which includes niche branded generics, biosimilars, and inhalation products, presents significant growth opportunities within this region.

Europe

The pharmaceutical market in Europe is valued at USD 335 Bn, with the generic business contributing over USD 69 Bn. Despite the looming patent cliff with major pharmaceutical brands, particularly biologics, set to expire soon, the European market is poised for significant growth in the coming years.

In FY24, Lupin's European business recorded sales of INR 19,235 Mn, up by 24% compared to the last year. Key drivers of this growth include the launch of our first respiratory product to several European countries and the extension of NaMuscla® beyond the UK, Germany, and France. Furthermore, our market presence has been strengthened through deep digital engagement with healthcare practitioners and the successful adoption of digital channels for promotion.

NaMuscla®, our flagship product in the neurology segment in Europe, addresses the unmet needs of adult patients suffering from non-dystrophic myotonic disorders, a severe neuromuscular and orphan disease with debilitating effects. Lupin is committed to broadening NaMuscla's indications to pediatric patients with myotonic disorders and adults with Myotonic Dystrophy through two ongoing clinical studies. Apart from NaMuscla, our first respiratory product in Europe, Beclometasone-Formoterol Gx, is now distributed across several countries.

Lupin has successfully entered the injectable space through the acquisition of Medisol SAS in France. Medisol's wide portfolio comprises of injectables in pain, anti-inflammatory, and cardiovascular segments. This provides us with a robust foundation to leverage Lupin's injectable portfolio in France over the next few years. This strategic expansion and innovation in our product

offerings underscore Lupin's dedication to addressing unmet medical needs and driving growth in the European pharmaceutical market.

Germany

Our German subsidiary, Hormosan Pharma GmbH, has sustained its growth in the competitive German market. In FY24, Hormosan witnessed positive growth in its established neurology, pain, and sexual health portfolios. The launch of Luforbec®, the first generic Beclometasone/Formoterol in Germany, marked Hormosan's expansion into the inhalation field, further enhancing our potential in this segment.

In the face of a declining German contraceptive market, Hormosan has posted an impressive 16% growth compared to the previous year and achieved an 18% four-year CAGR, defying industry trends. At the core of this success lies a strategic investment in service innovation, helping position Hormosan as the fastest-growing company in the market. The company's commitment to meeting market needs led to the creation of the Contraception Prescription Navigator, a ground-breaking tool developed in collaboration with German Key Opinion Leaders, thus making Hormosan a trendsetter in the country.

United Kingdom

In the UK, we have moved the needle and enhanced our market share through the penetration of Luforbec®. Amongst the new brands launched over the last four years, Luforbec® is the highest-performing primary care brand in both value and volume (Source: IQVIA report), with over 150,000 patients benefitting from our product. This volume growth is driving significant savings for the UK healthcare system. Additionally, we have enabled our carbon offsetting program, which underscores Lupin Healthcare's commitment to sustainability alongside value delivery.

South Africa

In South Africa, the pharmaceutical market is valued at ZAR 54.8 Bn, experiencing a YoY growth of 1.1%. Lupin's South African subsidiary, Pharma Dynamics, outperformed the market with a MAT growth of 4.4%, with sales of ZAR 1,445 Mn. This growth was driven by sustained performance in key segments such as Cardiovascular and Central Nervous System, despite ongoing pricing pressures from medical aid funding agencies and a challenging economic climate. Additionally, strong growth was observed in our Female Healthcare portfolio and our OTC franchise, led by Efferflu-C Immune Booster.

Pharma Dynamics continues to be the largest CVS company in South Africa, holding a value share of 13.7%. In unit terms, we have 25 products ranked as the top products in their respective categories and 16 products in the second position across various ATC classifications. Pharma Dynamics stands as the 8th largest generic pharmaceutical company in South Africa.

Pharma Dynamics remains committed to complying with the government's Broad-Based Black Economic Empowerment policy, aimed at enhancing the economic participation of the Black population. Our upcoming verification is expected to reflect an increased compliance level following the successful pursuit of several new initiatives, including participation in the Youth Employment Service.

In FY24, Pharma Dynamics continued to collaborate with the South African Health Products Regulatory Authority to secure 21 product approvals. This year, 11 new products were introduced to the South African market. Pharma Dynamics is set to maintain its growth momentum in FY25, with the planned introduction of eight new products.

Outlook

The current macroeconomic and geopolitical situation impacting Europe and the Middle East present significant challenges for FY25, including price deterioration and inflation. Despite these challenges, Lupin is committed to expanding its product offerings and leveraging various platforms across the region for expansion. With top-ranking market positions in key therapeutic areas, we will continue to focus on building our specialty care portfolio to drive further growth. We are also focused on expanding our OTC self help category in the South African market through organic as well as inorganic opportunities.

Data Source: IQVIA MAT February 2024



Growth Markets – APAC



#2
Branded Generic
Player in Philippines



#4
Generic Player in
Australia

The APAC region continues to be a dynamic and rapidly expanding market for Lupin, with Australia and the Philippines being significant contributors. In Australia, our focus on niche generics and biosimilars is driving steady growth. In the fast-growing pharmaceutical sector in the Philippines, Multicare Pharmaceuticals is leveraging its extensive product portfolio and strategic new launches to gain market share. These efforts are a testament to our commitment to delivering high-quality, affordable medicines across the APAC region, while further widening our footprint in these markets.

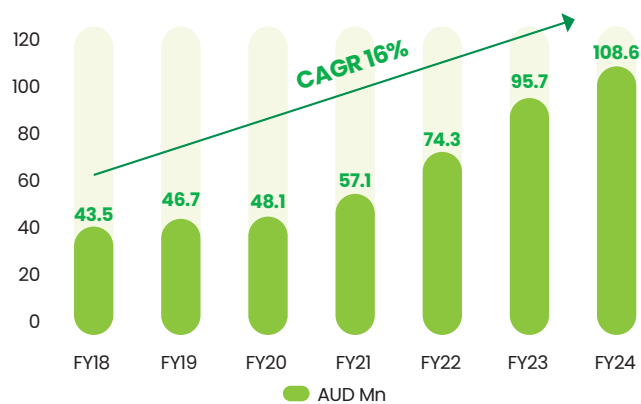


The pharmaceutical market in Australia is currently valued at approximately AUD 22 Bn, with an annual growth rate of 3%. The generic (Gx) business accounts for over AUD 3 Bn of this market. In the medium term, the Australian market is projected to grow at 3-5% annually. Australia's population of around 27 Mn is characterized by an aging demographic, similar to other developed nations. However, a robust immigration program has been a key driver of population growth, resulting in sustained demand for primary as well as chronic care medicines.

The Australian government subsidizes medicines for its population, focusing on cost containment to fund newer and more expensive medications without impacting the national budget. This emphasis on cost control is expected to continue in the medium to long term, with enhanced efforts to facilitate generic penetration. Some of the measures in this direction include simplification of product registrations, reducing compliance burdens, and collaborating with like-minded countries on product approvals with no compromise on quality standards. Additionally, the government has established a framework to facilitate the entry of biosimilars, too. Overall, the Australian market has created a clear pathway for generic and biosimilar companies to enter, develop and grow over the medium to long term.

Generic Health remains the fourth-largest generic player in Australia, with sales of AUD 108 Mn in FY24, up from AUD 96 Mn in FY23, representing a growth rate of 13%. This has been possible due to 12 new product launches during the year and the continued success of our OTC hair loss treatment product, Minoxidil. We have also witnessed an increased market share of existing products; despite

competition in our key molecules, innovative and new product launches and strategic market positioning have supported our growth trajectory.



Outlook

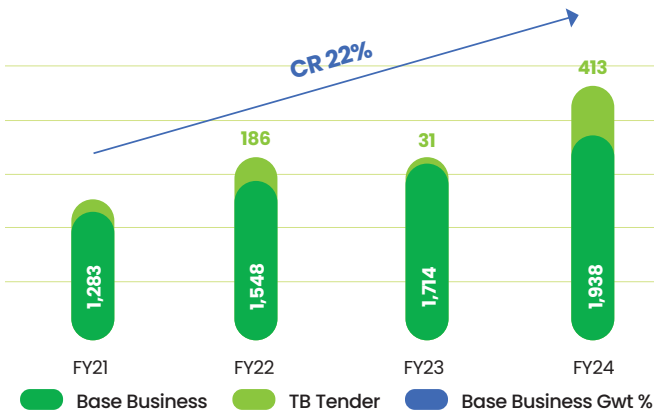
Looking ahead to FY25 and beyond, Generic Health will maintain its focus on niche generic products and gaining market share. We anticipate market erosion in our top products due to new entrants; however, we are prepared to counter this with a robust pipeline and strategic marketing programs. Lupin will focus on the generics sector, with an emphasis on Respiratory, Oncology, complex injectables, and Biosimilars. Additionally, we are expanding our footprint in adjacent markets, including New Zealand, to leverage growth opportunities in the region.



Philippines

The pharmaceutical market in the Philippines is valued at USD 4.9 Bn, with a robust annual growth rate of 8.7% (based on IQVIA Topline Report MAT March 2024). Multicare Pharmaceuticals, a subsidiary of Lupin Ltd, is ranked the No.1 Indian company in the Philippines and holds the second position among all branded generic companies.

Multicare Pharmaceuticals achieved total sales of PHP 2.35 Bn in FY24, an increase of 35% compared to the previous year. The company has a vast and diverse portfolio of approximately 100 products spanning various therapeutic areas, including Rheumatology, Women’s Health, Oncology, Diabetes, Gastroenterology, Pediatrics, Renal, Respiratory, anti-TB, and Neuroscience.



Multicare Pharmaceuticals was recently certified as a ‘Great Place to Work,’ reflecting the company’s commitment to fostering a highly engaged and productive workforce. This certification on workplace culture underscores the high level of trust within the organization and the consistent positive employee experience that drives performance and productivity.

Outlook

Looking forward, Multicare has a robust pipeline of new product launches scheduled for FY25 and FY26, which include biosimilars and specialty products. This strategic focus on expanding and diversifying its product offerings is expected to drive continued growth and solidify its market position.

Multicare Pharmaceuticals is well-positioned to capitalize on the growing pharmaceutical market in the Philippines through its extensive product portfolio, strategic new launches, and a dedicated workforce committed to excellence. This aligns with Lupin’s overall strategy to strengthen its presence in key growth markets within the APAC region.



Growth Markets – LATAM



#2
Ophthalmic
Player in Mexico



#6
Player in Brazil
in Volume



With a market size of USD 11.7 Bn, Mexico is the second largest pharmaceutical market in Latin America. The market experienced a growth of 4.4% in value terms (according to MAT Figures as of February 2024). The primary driver of this growth is the strong dependency of the Mexican pharmaceutical market on patients' out-of-pocket expenses, coupled with the absence of price controls. Key product categories such as anti-diabetics, vaccines, and respiratory treatments exhibit significant double-digit growth.

In FY24, Laboratorios Grin (Lab Grin), Lupin's subsidiary in Mexico, primarily focused on ophthalmology within the private market, and achieved significant milestones despite facing many challenges. The temporary closure of our manufacturing facility posed complex supply chain issues; however, Lab Grin demonstrated remarkable resilience and a robust recovery. The closure of our factory for a considerable period created supply issues that required swift and effective management. Through strategic planning, we mitigated the impact of these disruptions and ensured a strong bounce back.

Lab Grin secured an impressive market share of 7.6%, underscoring our commitment to innovation and market penetration. This achievement is particularly notable, given the operational disruptions faced during the year. The successful launch of six new products from our pure innovation pipeline was crucial to our growth. These products, including treatments for dry eye, anti-infectives,

and food supplements, have been well-received in the market. Additionally, we maximized the market penetration of our in-licensing portfolio, further enhancing our product offerings and market reach. Financially, Lab Grin delivered a positive EBITDA of INR 239 Mn, reflecting our highly focused approach to the controllable portfolio and driving significant operational efficiencies. These efforts have helped Lab Grin gain market penetration and a higher share within the ophthalmic segment.

Outlook

Looking ahead, Lab Grin is well-positioned to continue its market share gains within the ophthalmic market. The company plans to launch over 20 innovative products in the next five years, with an aim to secure market leadership. Leveraging Lupin's global product pipeline, Lab Grin also intends to expand beyond ophthalmology by introducing products in the neuroscience and respiratory segments. This strategic expansion aims to transform Lab Grin's portfolio into one comprising purely innovative and innovative branded generics across various therapy areas.





Brazil

The Brazilian pharmaceutical market continues to demonstrate robust growth and dynamic shifts, providing significant opportunities for various business models. The ongoing evolution in pharmaceutical retail dynamics presents ample room for expansion. Additionally, an important number of molecules are expected to lose patent protection in the next five years, creating opportunities for the generic and biosimilar markets while posing challenges for reference drugs. Medquimica, Lupin's Brazil subsidiary, has continued outperforming the market, gaining a share in a highly competitive environment. In FY24, Medquimica achieved sales of BRL 253 Mn, maintaining its position as the 6th largest player in Brazil. The company's robust performance is driven by a diverse portfolio and strategic market positioning. Medquimica has a broad portfolio encompassing 76 molecules across 50 therapeutic classes, with 18 products ranked within the top 5 in their categories. The OTC portfolio is a leading segment featuring top-selling and rapidly growing products. Continuous expansion through innovative formulations has made OTC the primary revenue source. The company also focuses on rare diseases, such as Wilson disease, a rare genetic disorder affecting approximately 1 in 30,000 to 1 in 50,000 Brazilians annually.

During the year, Medquimica encountered a few challenges on the quality front. However, the company acted swiftly and decisively to address these issues. A robust remediation plan, including a reinforced weekly quality control mechanism, was implemented. This

ensured that Medquimica quickly overcame these challenges and was able to significantly enhance its quality management processes, providing a huge fillip for future growth.

Several factors are propelling the growth of Medquimica and the broader pharmaceutical market in Brazil. Increased cost and price pressures from payers and the accelerated launch of new products contribute significantly to market growth. The adoption of new technologies and growing government expenditure on health further bolster the market. The loss of exclusivity, favoring generics and biosimilars, continues to be a critical growth driver.

Outlook

Medquimica's outlook for FY25 is promising, with growth expected to be driven by price hikes and the performance of key products. Medquimica has implemented a robust remediation plan, including a reinforced weekly quality control mechanism, to ensure the highest gross margins moving forward. This strategic focus is expected to maintain the company's growth trajectory and enhance its market position in the Brazilian pharmaceutical industry.

API Plus

Lupin's Active Pharmaceutical Ingredient (API) Business is anchored on our extensive expertise in process chemistry including fermentation technology, manufacturing efficiencies, strategic cost management, and procurement. During FY24, we delivered well on our API business, continuing to strengthen our loyal client base and further expand on it. The API division achieved sales of INR 11,415 Mn over the year.

We are currently in the process of developing a robust new product portfolio across various therapeutic areas. The seeding of new products in diverse markets is expected to pave the way for sustainable growth in our API business over the next five years.

The Government of India's Performance Linked Initiative scheme aims to enhance self-reliance in the API sector and reduce import dependency for key products. Lupin has launched several strategic initiatives aligned with this, including additions to our product portfolio and expansion of our API production capacities.

Leveraging our rich expertise in API research and formulation development, our value-added P2P business focuses on developing new molecules and combinations that meet market needs. During the year, the P2P business successfully commercialized new and innovative formulations in the cardiovascular and gastrointestinal therapy segments. Revenue from new products contributed 20% to overall sales, with key launches

including Sacubitril-Valsartan and Linagliptin, both as plain formulations and in combination.

Lupin Manufacturing Solutions

In FY24, we had a strategic carve out of our API business, encompassing the manufacturing sites at Dabhaha and Vizag, as well as Fermentation and Enzymatic research at Lupin Research Park - Pune, to form our subsidiary, Lupin Manufacturing Solutions. This initiative aligns with our commitment to exploring new horizons and achieving sustainable growth. LMS aims to maximize our third-party API business while expanding into API Contract Development and Manufacturing Operations.

This transition marks a significant step towards positioning Lupin as a trusted partner in the pharmaceutical industry, facilitating the development and manufacturing of safe, effective, and affordable medicines. Our path to success will be defined by collaboration, dedication, and an unwavering commitment to excellence.

Global Institutional Business

Our Global Institutional Business is not just a business venture but a testament to our commitment to a healthier world globally. We collaborate closely with global and national public health institutions in the coordinated fight against TB and HIV.





TB notification rates across high TB-burden countries have been steadily increasing. However, there remains a significant gap between actual TB prevalence and TB notification. For several years now, Lupin has been striving to establish a world free of TB, with high-quality, affordable, and reliable medicines. Our products are distributed in more than 50 countries across Africa, Latin America, the CIS, and Asia. Our firm resolve to combat TB has established us as one of the largest suppliers of first-line anti-TB drugs globally.

New medicines for managing multidrug-resistant TB are currently in development. We are working on a backward integration strategy to manufacture these essential APIs in-house, ensuring reliable supplies, continuous availability, and access to high-quality, affordable medication.

Lupin is proud to be the first generic company in the world to receive the WHO Prequalification status for Bedaquiline, a key drug for managing MDR-TB.

In addition to TB treatment, there is an increased effort to scale up the use of regimens to prevent TB in high-risk individuals, such as those in close contact with TB patients or those with HIV. Our preventive TB regimen features Rifapentine, a fermentation-based product. Lupin's expertise in fermentation and our large API/formulation manufacturing capacities provide strong growth and leadership opportunities in the preventive TB space.

During the year, Lupin became the first company in the world to file for WHO Prequalification approval for Rifapentine 150 mg Dispersible Tablets aimed at preventing TB in children.

We are also actively engaged with global and national public health institutions in an effort to treat HIV patients in low and middle income countries. Similar to our approach to TB, we are backwardly integrated to manufacture new antiretroviral drugs, ensuring we can offer quality-assured

medication at affordable prices while mitigating potential supply disruptions.

Lupin is well positioned to capture a significant market share in the ARV segment in access countries, leveraging our backward integration and large manufacturing capacities to meet global demand.

Outlook

In the coming fiscal year, we are targeting significant growth across our business segments. We are optimistic about the prospects of our API Plus segment, anticipating robust growth driven by strong market demand and strategic initiatives.

Our Formulation arm, encompassing the Global Institutional Business and P2P Business, is set for substantial revenue growth in FY25. The GIB segment, in particular, is expected to achieve a milestone with the sales of key new product launches, including Bedaquiline and Pretomanid, alongside the TB preventive regimen of Rifapentine-INH. Additionally, our P2P business is also on a growth trajectory, with planned expansions in Southeast Asia, CIS, and Africa, further enhancing our market presence.

We are also excited to incorporate significant biological products into our P2P portfolio, with Ranibizumab and Etanercept being key inclusions. We anticipate considerable revenue contributions from new product offerings, mainly from Ezetimibe, Eslicarbazepine, Pirofenidone, Desvenlafaxine, Dapagliflozin, and Mirabegron. With continued momentum on innovation and the introduction of newer products, we are poised for strong performance in the upcoming quarters.

Governance, Ethics, and Compliance

Guided with foresight and experience

Our governance framework, driven by transparency, accountability, fairness, integrity, and professionalism, provides the foundation for ethical decision-making and compliant practices throughout our operations.

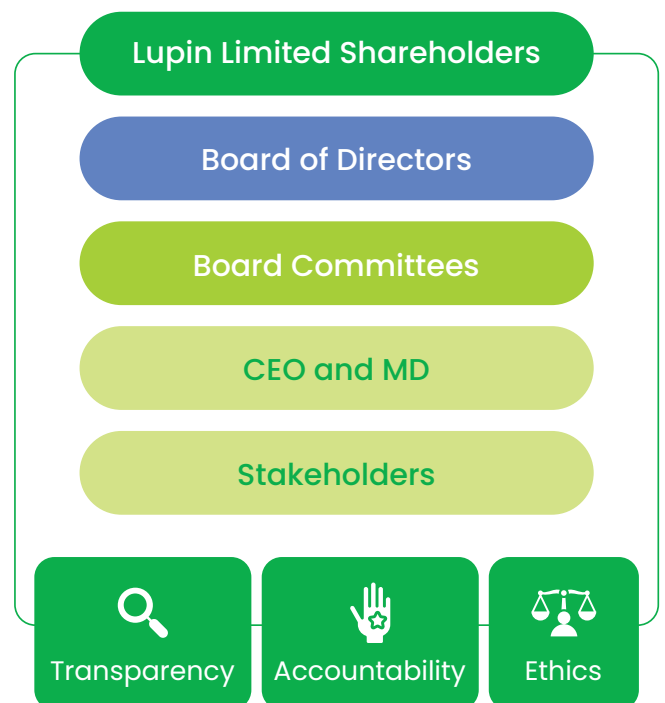
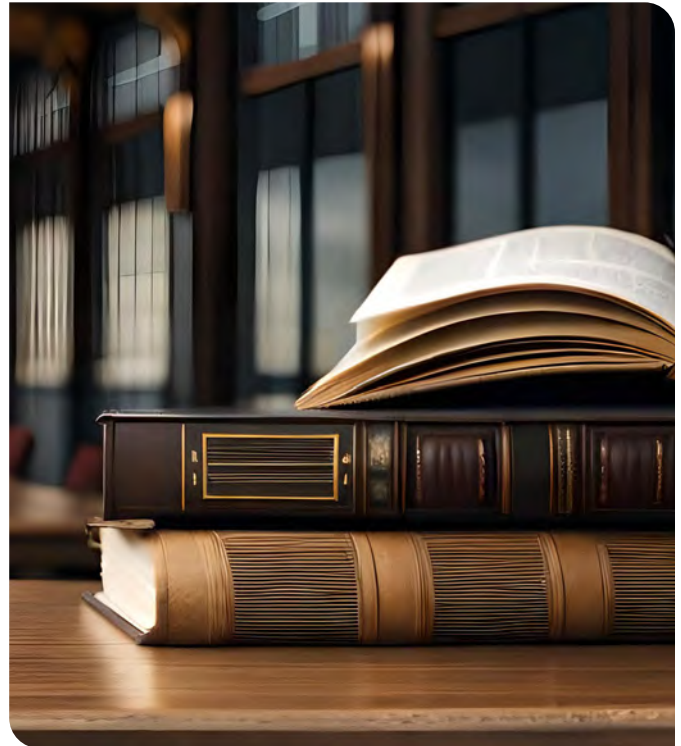
We prioritize integrity, accountability, and transparency in our governance framework. We put strong emphasis on ethical conduct and culture of responsibility and clear accountability throughout the organization. The Board of Directors, supported by its various committees, provides strategic direction and oversight. Robust risk management, internal control systems, and a commitment to sustainability further strengthens our governance practices.

Organizational Governance Structure

Lupin’s robust governance framework is the cornerstone of our sustained growth and expanding global footprint in the highly competitive pharmaceutical sector. The company’s unwavering commitment to the highest ethical standards not only cultivates a foundation of trust and responsibility with its stakeholders but also supports its strategic initiatives for long-term prosperity. This dedication to ethics is bolstered by comprehensive internal controls and systems, which are pivotal for enhancing Lupin’s financial performance and value creation over time.

The diversity within Lupin’s Board of Directors brings together seasoned professionals from a multitude of backgrounds, including international veterans of the pharmaceutical industry. This diversity enriches the board with a vast array of perspectives and skills, essential for navigating the complexities of global markets. The leadership’s primary role is to assess the efficacy of management policies, set corporate goals, provide strategic guidance, and back the senior management team in its efforts to propel growth and maximize shareholder returns.




A key element of Lupin’s governance excellence is the active involvement of its independent Board committees. These committees convene regularly, undertaking a thorough review of governance practices to ensure that Lupin not only adheres to but also sets benchmarks in corporate governance. The committee is guided by a principle of good faith, with every decision aimed at nurturing Lupin’s success to the advantage of all stakeholders. This systemic approach to governance underscores Lupin’s commitment to ethical business conduct, transparency, and accountability, reinforcing its leadership position in the pharmaceutical industry.



Board Committees

Lupin’s governance structure is fortified by the formation of specialized committees, each with clearly defined roles and responsibilities, to ensure that diverse matters receive the focused attention they require. Operating on a structured schedule, these committees engage in regular meetings to tackle technical or specialist issues. Their role is critical in providing informed guidance and recommendations to the Board of Directors, facilitating well rounded decision making.

Each committee is composed of Board members who bring specific skills and knowledge pertinent to the committee’s area of focus. This strategic composition enables comprehensive discussions at the committee level, enhancing the quality and depth of the advice provided to the Board. By establishing these committees, Lupin reaffirms its commitment to effective governance and meticulous oversight across all aspects of its operations, ensuring the company remains agile, compliant, and aligned with its long-term strategic goals.

	Board Committee				
	 Audit Committee	 Stakeholders Relationship Committee	 Nomination and Remuneration Committee	 Corporate Social Responsibility Committee	 Risk Management Committee
Mrs. MANJU D. GUPTA Chairman				C	
Ms. VINITA GUPTA Chief Executive Officer				M	C
Mr. NILESH D. GUPTA Managing Director	M	M		M	M
Mr. RAMESH SWAMINATHAN Executive Director, Global CFO & CRO and Head of API Plus SBU					M
Mr. JEAN-LUC BELINGARD Independent Director			C		
Mr. K. B. S. ANAND Independent Director	M	C		M	
Dr. PUNITA KUMAR-SINHA Independent Director	C	M	M		
Mr. MARK McDADE Independent Director			M		M

M - Member C - Chair

Ethics, Compliance, and Integrity

Lupin is deeply committed to fostering an environment that emphasizes ethics, compliance, and integrity, not just as abstract principles but as the foundation of all business operations. This commitment is manifested through transparent and impartial interactions with stakeholders and the public, reflecting Lupin’s dedication to maintaining uncompromising integrity in every facet of its business. A zero-tolerance stance on corruption and immoral practices underpins the company’s operational ethos, ensuring that Lupin’s activities are conducted in a manner that is both ethical and responsible.

To reinforce this culture, Lupin has introduced the ‘Preparing Lupin Employees to Demonstrate Governance and Ethical Conduct’ program. Moreover, Lupin’s commitment to ethical practices is supported by robust control systems, subject to regular audits by both internal and external auditors. These systems are integral to maintaining the high standards of compliance and integrity that Lupin is known for. Beyond the Code of Conduct, Lupin has implemented a comprehensive policies and initiatives aimed at preventing workplace harassment. These measures not only create awareness among employees, but also empower them to report any unethical practices they encounter, ensuring that issues can be addressed promptly and effectively.

P.L.E.D.G.E. Program

A cornerstone initiative designed to embed these values deeply within the organization.

Serves as a reminder of the company’s ethical commitments.

Practical tool for enforcing the Lupin Code of Business Conduct and Ethics.

Provides employees with a clear mechanism for reporting violations of the CODE, ensuring they can do so without fear of retaliation or retribution, thereby promoting an open and honest workplace environment.

A key component of Lupin’s ethical framework is the Office of Ombudsperson, established to offer employees a confidential channel for reporting potential issues such as fraudulent business practices, unethical behavior, discriminatory misconduct, or violations of company policies. During the reporting period, the Ombudsperson’s office handled 22 complaints through various reporting channels. These complaints were diligently addressed by teams led by strategic business unit heads or officers designated by the Ombudsperson, in line with Lupin’s whistleblower policy.

Furthermore, Lupin’s Internal Complaints Committee plays a crucial role in investigating and resolving sexual harassment complaints, adhering to the timeframes set forth by the Sexual Harassment of Women at Workplace

(Prevention, Prohibition, and Redressal) Act, 2013. Over the past year, the committee successfully investigated and resolved three such complaints, demonstrating Lupin’s unwavering commitment to creating a safe, transparent, and respectful work environment for all employees.

Through these initiatives, Lupin underscores its dedication to upholding the highest standards of integrity and ethical conduct, ensuring that its corporate actions are always aligned with its core values.

Policies and Procedures

At Lupin, our commitment to excellence and integrity is underpinned by a comprehensive suite of policies and procedures that guide our operations and interactions. These policies serve as a blueprint for decision-making, ensuring that our business practices are not only compliant with regulatory standards but also aligned with our ethical values and corporate governance principles. They are designed to support our strategic objectives while fostering a culture of transparency, accountability, and respect for all stakeholders.



ESG Governance

Lupin’s commitment to Environmental, Social, and Governance (ESG) principles is central to our business ethos, reflecting our dedication to sustainability and social responsibility. Our ESG efforts, led by the ESG Core Committee under our Global CFO & Head Corporate Affairs, are integral to our strategy and operational decisions. This committee ensures ESG considerations are at the forefront of our business planning, aligning departmental goals with our broader ESG objectives. Their work, regularly reviewed by our Board of Directors, emphasizes our resolve to incorporate ESG into every facet of our operations. Through this focused approach, Lupin aims to meet stakeholder expectations and contribute positively to our community and the environment, ensuring our business remains sustainable, profitable, and socially responsible. Furthermore, we also engage with associations such as CII and IPA, to create a positive influence climate alignment policies.

Corporate Information

DIRECTORS

Mrs. Manju D. Gupta, Chairman
Ms. Vinita Gupta, Chief Executive Officer
Mr. Nilesh D. Gupta, Managing Director
Mr. Ramesh Swaminathan, Executive Director,
 Global CFO & CRO and Head of API Plus SBU
Mr. Jean-Luc Belingard, Independent Director
Mr. K. B. S. Anand, Independent Director
Dr. Punita Kumar-Sinha, Independent Director
Mr. Mark D. McDade, Independent Director
Mr. Jeffrey Kindler, Independent Director
 (effective May 6, 2024)
Mr. Alfonso Zulueta, Independent Director
 (effective May 6, 2024)

LEADERSHIP TEAM

Ms. Vinita Gupta, Chief Executive Officer
Mr. Nilesh D. Gupta, Managing Director
Mr. Ramesh Swaminathan, Executive Director,
 Global CFO & CRO and Head of API Plus SBU
Mr. Christoph Funke, Chief Technical Operations
 Officer
Dr. Rajender Kamboj, President - Novel Drug Discovery
 & Development
Mr. Naresh Gupta, President - API Plus & Global TB
Mr. Rajeesh Sibal, President - India Region Formulations
Dr. Cyrus Karkaria, President - Biotechnology
Mr. Yashwant Mahadik, Chief Human Resources
 Officer
Mr. Sunil Makharia, President - Finance
Mr. Rajendra Chunodkar, President - Manufacturing
 Operations
Dr. Ranjana Pathak, Chief Quality Officer
Dr. Sofia Mumtaz, President - Legal, Canada & APAC
Mr. Thierry Volle, President - Europe,
 Middle East & Africa
Dr. Fabrice Egros, President - Corporate Development
 & Growth Markets
Dr. Shahin Fesharaki, Chief Scientific Officer
Mr. Spiro Gavaris, President - U.S. Generics

REGISTERED OFFICE

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 🌐 www.lupin.com ✉ info@lupin.com

CORPORATE IDENTITY NUMBER

L24100MH1983PLC029442

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
 Unit: Lupin Limited
 C 101, 247 Park, L.B.S. Marg, Vikhroli (West),
 Mumbai - 400 083
 ☎ Tel: +91 22 4918 6270
 ☎ Toll Free No.: 1800 1020 878
 ✉ E-mail: rnt.helpdesk@linkintime.co.in

COMPANY SECRETARY

Mr. R. V. Satam

AUDITORS

B S R & Co. LLP, Chartered Accountants

AUDIT COMMITTEE

Dr. Punita Kumar-Sinha, Chairperson
Mr. Nilesh D. Gupta
Mr. K. B. S. Anand

NOMINATION AND REMUNERATION COMMITTEE

Mr. Jean-Luc Belingard, Chairman
Dr. Punita Kumar-Sinha
Mr. Mark D. McDade

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. K. B. S. Anand, Chairman
Mr. Nilesh D. Gupta
Dr. Punita Kumar-Sinha

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mrs. Manju D. Gupta, Chairman
Ms. Vinita Gupta
Mr. Nilesh D. Gupta
Mr. K. B. S. Anand

RISK MANAGEMENT COMMITTEE

Ms. Vinita Gupta, Chairman
Mr. Nilesh D. Gupta
Mr. Ramesh Swaminathan
Mr. Mark D. McDade
Mr. Jeffrey Kindler

STRATEGY COMMITTEE

Ms. Vinita Gupta, Chairman
Mr. Nilesh D. Gupta
Mr. Jean-Luc Belingard
Mr. Mark D. McDade
Mr. Jeffrey Kindler
Mr. Alfonso Zulueta

KEY CONTACTS

Ms. Rajalakshmi Azariah
 Vice President - Corporate Communications
 ✉ rajalakshmi.azariah@lupin.com

Mr. Ravi Agrawal

Sr. Vice President - Investor Relations and M&A
 ✉ ravikagrawal@lupin.com

Mr. R. V. Satam

✉ investorservices@lupin.com

Board of Directors



Mrs. MANJU D. GUPTA
Chairman

● C



Ms. VINITA GUPTA
Chief Executive Officer

● C ● M



Mr. NILESH D. GUPTA
Managing Director

● M ● M ● M ● M



Mr. RAMESH SWAMINATHAN
Executive Director, Global CFO & CRO
and Head of API Plus SBU

● M



Mr. JEAN-LUC BELINGARD
Independent Director

● C



Mr. K. B. S. ANAND
Independent Director

● C ● M ● M



Dr. PUNITA KUMAR-SINHA
Independent Director

● C ● M ● M



Mr. MARK D. McDADE
Independent Director

● M ● M

Awards and Recognitions



Taxation Team recognized as the **'Best In-house Indirect Tax Team of the Year'** at the ITR Asia-Pacific Tax Awards 2023 by the International Tax Review

'Breakthrough Launch of the Year' Award (for the brand Valentas) at the National Feather Healthcare and Pharma Awards in association with the Economic Times

Humrahi, Lupin's Patient Support Program for Diabetes Management, recognized as a **'Patient-Centric Pharma Program in Diabetes Care'** by the IHW Council

JAI, Lupin's Digital Asthma Educator platform, won the **'Big Impact Award'** curated by Big FM and as the **'Best Customer Experience Platform'** at the Global CX Summit India

Novashakti won the **'Patient-centric Campaign of the Year'** award at the India Health Summit

Gold Award at the Industrial Safety Leadership Award by CII

Two Gold awards at National Awards for **Manufacturing Competitiveness FY24**

Platinum Award for Kaizen at **CII Champions Trophy 2023**

Best-in-class Supply Chain Strategy Award at **15th ELSC Leadership Awards**

LHWRF won the **Water Sustainability Award** for **Excellence in Participatory Water Management**

Lupin Diagnostics won the **Emerging Diagnostics Chain** of the Year award at the **Diagnostics Innovation & Excellence Awards 2024**

Lupin's Corporate Communications team named among **'The 30 Top Corporate Communication Teams 2023 and 2024'** by Reputation Today

Vinita Gupta recognized as one of **'India's 50 Most Powerful Women in Business'** by Fortune India

Vinita Gupta featured in **'The She List, Top 100 Women Achievers of India'** by India Today

ESG Journey

2020	2021	2022	2023	2024	2025 and Beyond
Diagnostic Review of Current State of ESG	Published our First Integrated Report	Enhancement of ESG Governance Mechanisms	Further Enhancement of ESG Governance Mechanisms through the Establishment of Board Level ESG Committee	Adopted Double Materiality Principles	Sustained Progress and Development of Existing ESG Performance
Identification of Key ESG Priorities	Detailed Engagement with Stakeholders on Progress	Policy Formulation – Board Diversity Policy, Human Rights Policy, EHSS Policy, Third Party Code of Conduct	Policy Formulation – Water Stewardship Policy, Biodiversity and No-Deforestation Policy	Completed ISO 45001 & ISO 14001 Certification for all India Sites	Employee Assistance Program Planned
Establishment of an ESG Team and Management Structure		Undertook GHG Inventorization and Baseline for Scope 1 and 2	Implementation of ESG Dashboard and Data Management Tools	Completed Human Rights Assessment for all India Sites	Value Chain Decarbonization
Alignment with Global and Regional ESG Frameworks and Standards		Conducted a Water Risk Assessment	Published our First TCFD Reporting	Conducted First Employee Engagement Survey with more than 95% Participation	
		Identification of Critical Suppliers	Conducted a Physical and Transition Risk Assessment along with Scenario Analysis	Conducted LCA of 10 Products	
		Published our Second Integrated Report	Undertook GHG Inventorization for Scope 3	Conducted Biodiversity Assessment of Three Sites	
		Disclosed to DJSI and CDP Climate Change	Improved Diversity Strategy	Conducted Supplier Awareness Programs	
			Became a UNGC Signatory	Signed SBTi Commitment	
			Developed and Published a Tax Transparency Report		



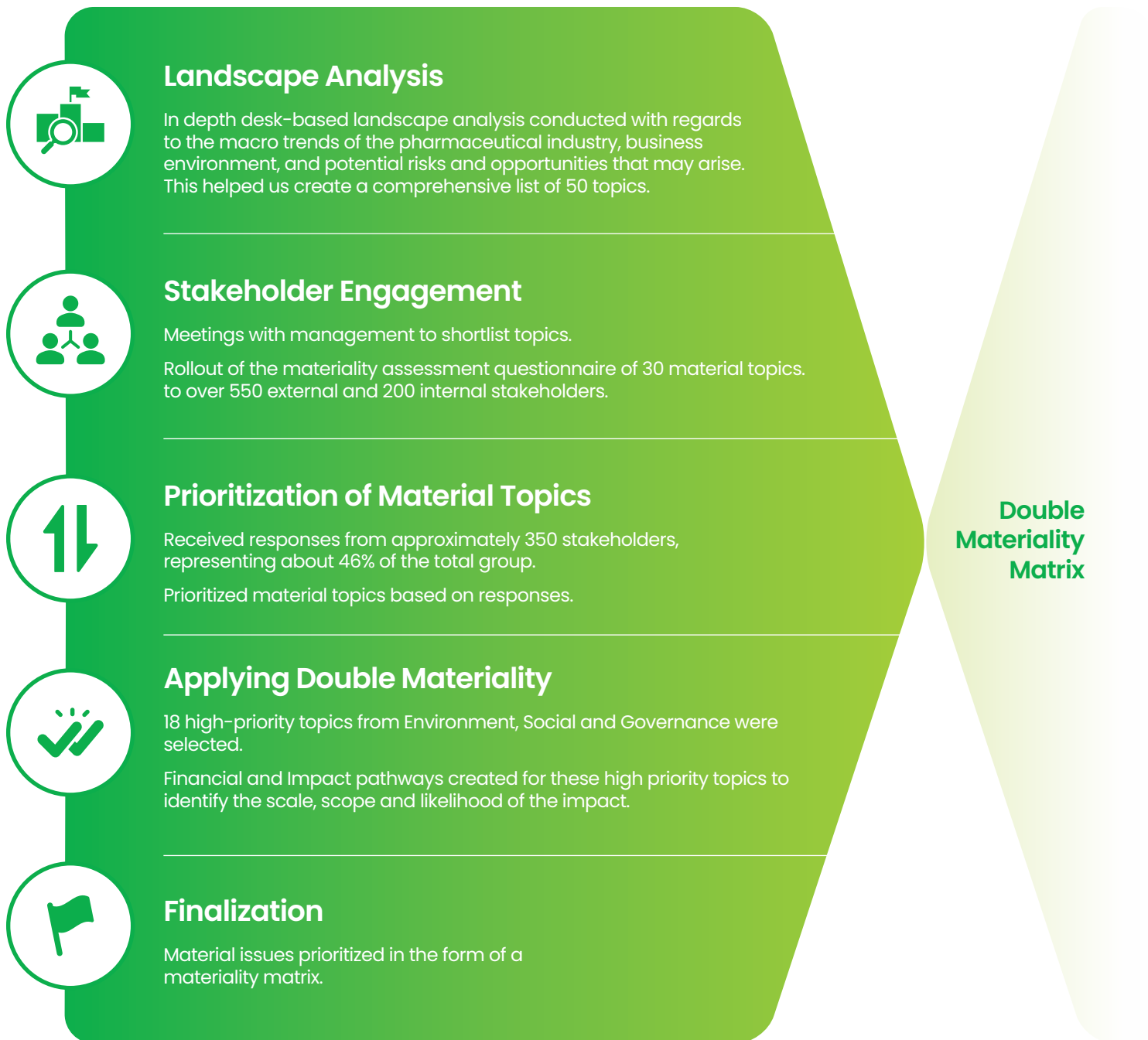
Our Approach to Materiality

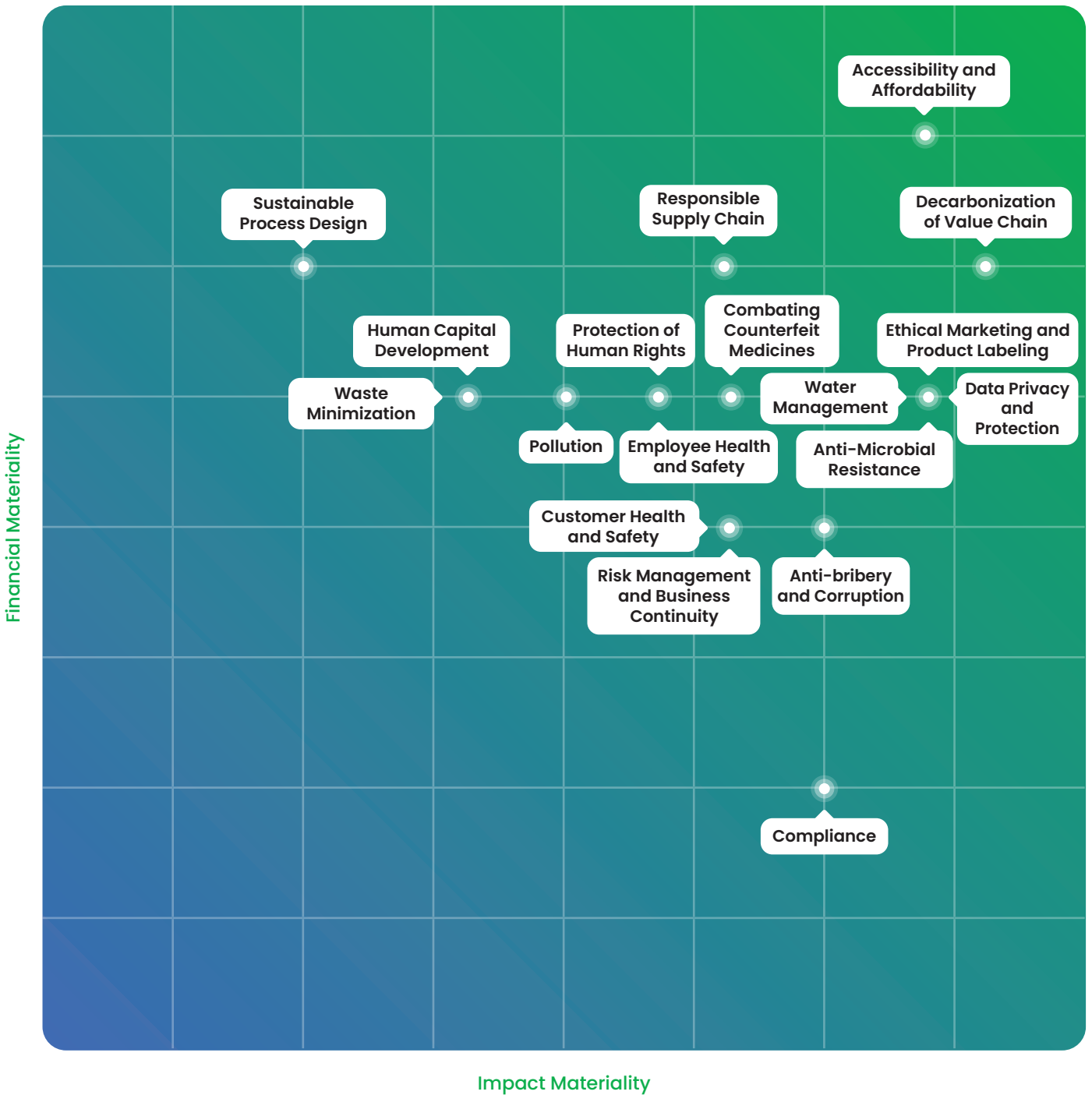
In FY24, we conducted a materiality assessment applying the principles of double materiality, guided by the Corporate Social Responsibility Directive framework. Double materiality allows us to evaluate our stakeholders' perspectives on our societal and environmental impacts and the potential effects of external events on our business. This evaluation helps us identify potential vulnerabilities that could impact our ability to deliver medicines and treatments while enabling the company to manage its impact and better understand stakeholder perceptions.

Furthermore, materiality assessments help us address issues such as water resource management, the potential impact of excessive water extraction on climate change, and the subsequent impact on our future business. Our materiality assessment process includes multiple steps landscape analysis, stakeholder engagement, prioritization of material issues, application of double materiality and finalization of topics.

Based on the materiality assessment, we identified 18 high-priority topics, applying a double materiality lens to determine their financial and impact materiality and plotted these on a materiality matrix.




The Process of our Materiality Assessment








These identified material topics have guided our Enterprise Risk Management Framework, enabling us to manage risks and opportunities effectively and allocate resources efficiently. Through this process, we have identified key risks and opportunities and developed strategies to mitigate risks and capitalize on opportunities.

Material Issues for Enterprise Value Creation

Material Risk or Opportunity	Accessibility and Affordability	Water Management	Responsible Supply Chain and Decarbonization
 <p>Relevance/ Business Case</p>	<p>With our portfolio of generics and extensive global presence, we are well-equipped to provide patients globally with access to essential medicines and meet the increasing demand for pharmaceutical products. Barriers to access, such as pricing and availability negatively impact the ability to obtain necessary medications and may pose challenges to our vision and long-term growth potential.</p>	<p>Effective water and waste management is crucial for the company to create a positive environmental impact. Prioritizing efficient water usage, minimizing waste generation, and ensuring proper disposal are essential to showcase our commitment to a sustainable future and a healthier planet.</p>	<p>The pharmaceutical industry's dependence on the supply chain for critical raw materials and the final delivery of medicines could mean that any disruption can affect business continuity and product quality. Reliance on non-substitutable suppliers poses a risk to the consistent availability of essential raw materials.</p>
 <p>Our Impact</p>	<p>The company's innovation and research efforts boost brand value by providing diverse, accessible, and affordable products. These offerings help address unmet patient needs and improve access in low and middle-income countries.</p>	<p>Persistent high water consumption in areas experiencing water stress increases the risk of rising operational costs, which can disrupt manufacturing capabilities and result in overall revenue loss. Inadequate management of environmental impact can lead to legal, regulatory, and financial consequences, damage to reputation and stakeholder trust, and, ultimately, a loss of license to operate.</p>	<p>Partnerships with suppliers can be impacted if they fail to meet the required regulatory and ESG standards, resulting in a loss of business value.</p> <p>Dependence on non-substitutable and critical raw material suppliers poses a risk to the business in the event of unforeseen disruptions.</p>
 <p>Business Strategies</p>	<p>We are dedicated to building a resilient and varied product portfolio through strengthening cross-functional synergies, organizational capabilities, project management, and governance. Our focus is on identifying, developing, planning, and launching new products. We prioritize developing and commercializing advanced generics, supported by operational excellence initiatives aimed at improving yields, ensuring supply chain continuity, and maintaining sufficient inventories.</p>	<p>We monitor our water consumption on a regular basis. Our efforts are concentrated on optimizing water usage, minimizing withdrawals, and enhancing water recovery. We aim to implement Zero Liquid Discharge at our facilities to treat all manufacturing wastewater responsibly. Additionally, we are committed to prudent water use in regions facing water scarcity, reducing our environmental impact.</p>	<p>We are actively seeking ways to mitigate supply chain risks by assessing alternative suppliers for critical or irreplaceable raw materials. Our suppliers are required to uphold the company's ESG standards as outlined in our Supplier Code of Conduct.</p>

Material Issues for External Stakeholders

Material Issues for External Stakeholders	Ethical Marketing and Labeling	Anti-Microbial Resistance	Data Privacy and Cyber Security
 <p>Cause of Impact</p>	<p>Ethical marketing and clear labeling ensure that patients receive accurate and comprehensive information about their medications. This includes dosage instructions, potential side effects, contraindications, and interactions with other drugs.</p>	<p>AMR can lead to higher mortality rates as infections that were once treatable become resistant to antibiotics, making them harder to cure, resulting in prolonged illnesses and increased complications. Resistant bacteria can spread within communities and healthcare settings, leading to outbreaks that are difficult to control.</p>	<p>The security and integrity of the IT system across the entire business is directly impacted by risks related to Cyber Security and Data Privacy.</p>
 <p>Stakeholder Group</p>	<p>Community in general</p>	<p>Community in general</p>	<p>Community in general</p>
 <p>Impact (Positive/Negative)</p>	<p>Miscommunicating drug uses or prescriptions, along with any incorrect labeling, can cause serious harm to patient's health and safety, which has reputational risks alongside risks related to loss in revenues.</p>	<p>Lupin's inaction as a pharmaceutical company regarding AMR stewardship can lead to a loss of reputation, which in turn leads to a loss of customer loyalty and customers.</p>	<p>Lack of a robust data integrity and security mechanism could increase the rate of data breaches and result in the loss of valuable data that may have an adverse impact on the business. Breach of customer/ stakeholder data may potentially expose us to litigations, fines and penalties.</p>

ESG Goals and Progress


Driven by our mission to be the most trusted patient-centric company, we are committed to addressing environmental and social challenges impacting our patients and communities. We actively pursue relevant initiatives to meet critical issues, such as combating climate change and addressing social inequities.

Our organizational goals are aligned to two pillars: ESG SMART goals and Perpetual Commitments. ESG SMART goals have specific targets and timelines, which are monitored every quarter. Our Perpetual Commitments represent our ongoing efforts to improve, track, and report monthly progress. Some significant milestones in our progress toward these goals has been shared.



ESG (SMART) Goals





Theme	Sub Theme	Goal Description	Target	Target Year	FY24 Status
 Environment Stewardship	Climate Change	38% absolute reduction in Scope 1 & 2 by 2030	38%	2030	21%
	Water Recycling	Recycling of 50% of our total water withdrawal in our India operations by 2025	50%	2025	44%
	Circular Economy	70% of incinerable hazardous waste generated in India operations will be sent for co-processing by 2025	70%	2025	89% Goal Achieved
	ISO 14001 & ISO 45001 Audits	Certification of all the India sites including LRP and Biotech for ISO 14001 and ISO 45001	All sites	2024	Goal Achieved
	LCA	Completion of the LCA assessment of at least 10 products	10 products	2024	Goal Achieved
	Biodiversity Assessment	Completion of Biodiversity assessment of at least 3 sites	3 sites	2024	Goal Achieved
 Human Capital Development	Diversity, Equity, and Inclusion (DEI)	15% Women at Workplace in Indian operations by 2030	15%	2030	9%
		Accessibility audit for PWD for all India locations by 2030	All sites	2030	New Goal
	Community Engagement	Employee Volunteering Program (Hours)	50,000	2030	19,188
	Employee Well-being	Achieve and maintain an employee satisfaction score of 80% or higher on annual surveys by 2025	80%	2025	80% Goal Achieved
 Stakeholder Management	Supply Chain Sustainability	Undertake detailed ESG audits of 100% of only raw material and packaging materials Tier 1 suppliers by 2025	100% Tier 1 Direct Material Suppliers	2025	Audits completed for 250 Tier 1 suppliers
		Incorporation of ESG aspects in the evaluation criteria for onboarding all new vendors by 2025		2025	New Goal
 Patient-Centric Innovation	Product Launches	Complex Generics launches in Regulated Markets by 2028		2028	
		Complex Inhalation products	10		1
		Complex Injectables	5		1
		Ophthalmology, Dermatology and Women's Health	5		1
	Product Portfolio	Should be more than 70% in complex dosage forms	70%	2024	74% Goal Achieved
	Biosimilar and Novel Complex Products	Completion of 3 biosimilar filings in regulated markets by 2028t	3	2028	4 programs in development. Recruitment completed for a phase III trial. Agreement signed for MENA region.

Theme	Sub Theme	Goal Description	Target	Target Year	FY24 Status
 Access & Affordability	Access to Medicines	Targeting 80+ registrations of anti-TB and ARV medicines in 2024	80	2024	80+ Goal Achieved
	Implementation of Patient Assistance Programs	Two programs by 2025, each benefitting 100,000 patients	100,000	2025	11,521 - JAI 6,000 - Jeet 11,862 - Humrahi 29,383 - Total
	Education for Patients and Doctors	Education and awareness programs for patients and doctors			
		1 million Patients by 2028	1,000,000	2028	557,013
		20,000 doctors by 2030	20,000	2030	9,247
	Local Manufacturing Partnerships	Developing partnership with African firm by 2027 to improve accessibility	1	2027	Currently evaluating different options to try and shift the production to the local manufacturing partner
	Diagnosis	By 2030, assist in the diagnosis of lung disease using fractional exhaled nitric oxide FENO and Spirometry tests for more than 1 million patients	1,000,000	2030	874,212
		Target the diagnosis of breast cancer in 1,400 women in FY24	1,400	2024	2,700 Goal Achieved
	Rehabilitation	Lungs on Care campaign: Provide in-clinic services for Interstitial Lung Diseases ILD rehabilitation in 300 clinics by 2030	300	2030	50
		Atharv Ability, our Neuro Rehabilitation Centre, is targeting an outreach to 10,000 patients in FY24	10,000	2024	19,448 Goal Achieved
Full Care	Lyfe provides post ACS (acute coronary syndrome) patient care, aiming to reach 25,000 patients in FY24	25,000	2024	2,988	

*Base Year 2023

All achieved and surpassed goals will be considered closed

Sustained Commitments

Theme	Sub Theme	Goal Description	Progress/Deviation FY24
 Environmental Stewardship	Regularly Review and Revise Goals	In alignment with our decarbonization strategy and Scope 3 reduction objectives	New Commitment
 Social	Personnel Safety	10% YoY reduction in the Lost Time Injury Frequency Rate, Accident Frequency Rate, and Incident Frequency Rate	4% YoY reduction in LTIFR, 26% YoY reduction in AFR and 21% YoY reduction in Incident Frequency Rate.
 Patient Centric Innovation	Process Innovation	Target 15–20 process innovations annually, resulting in USD 2–3 Mn in savings	Continuous exploration for new ideas, breakthrough concepts, and perspectives has instigated innovative thinking in the process development team; to create simple and safe processes with new solutions and approaches. The implementation of the ideas in top leadership molecules' ideas has led to the creation of value of approx. USD 10 Mn.
	Partnerships	Pursue open innovation partnerships in API, formulations, digital solutions and diagnostics	Lupin has adopted multiple open innovation strategies to strengthen its capabilities and competitiveness in the pharmaceutical industry.
 Quality	Data Integrity	No data integrity related observations in any regulatory audits	No deviation
	Product Quality	No class 1 recalls	1 class 1 recall
	Regulatory Compliance	Zero sites with Warning Letter status (WL) by FY26	2 USFDA sites under Warning Letter

Financial Capital

At Lupin, we recognize the criticality of managing financial resources efficiently to drive business growth as well as bring about a positive societal impact. We continue to make substantial investments in Research and Development and manufacturing, which are essential to unlock our potential and enable optimum productivity in the value chain. Our distinct approach lies in strategically allocating capital to enable focus on core pharma growth across key geographies while nurturing adjacencies within threshold units to provide for a patient-centric approach to growth. This strategy has enabled us to establish a strong presence across various market segments, thereby mitigating the risks associated with a singular business focus.





₹200 Bn

Revenue from Operations

₹39.3 Bn

EBITDA

₹15.3 Bn

R&D Spend

₹1.8 Bn

Dividend Paid

Operating Performance

During FY24, Lupin achieved a remarkable resurgence, marked by significant growth in both operating margin and profitability. With revenue growth exceeding over 20%, the company's profits soared more than fourfold compared to FY23, demonstrating robust financial health and resilience amid challenging market conditions. This exceptional performance is a testament to Lupin's strategic foresight as well as operational agility, augmenting our position in the pharmaceutical market.

Our U.S. business showcased outstanding growth, surpassing the USD 800 Mn revenue mark, driven by New Product Launches such as Tiotropium and Darunavir, combined with stellar performances in the inline generic business. This success highlights our ability to identify and capitalize on market opportunities, reaffirming our commitment to delivering high-quality healthcare solutions.

Our India business maintained a strong momentum, outpacing market growth despite formidable challenges. In the EMEA region, robust sales in the UK and EUPP segments contributed to substantial growth throughout the year. This geographic diversification strategy has proven to be a key driver of Lupin's sustained success, enabling us to weather market fluctuations and capitalize on emerging opportunities.

Lupin's Global Institutional Business witnessed a significant upswing, recording its highest-ever sales, further bolstering our global footprint and revenue streams.

Our ability to navigate complex market dynamics and deliver customer value underscores the strong proposition we offer. With focus on innovation, operational excellence, and strategic expansion, Lupin is well poised to continue driving sustainable growth and creating value for its stakeholders in the future years.

Financial Highlights

Lupin has demonstrated robust financial performance in FY24, with total revenue surpassing INR 200 Bn. Our EBITDA percentage ranged from 18.5% to 21% from Q1 to Q4, showcasing steady improvement throughout the year. This growth was driven by strategic launches of key products such as Tiotropium and Darunavir, coupled with strong sales of core products such as Luforbec, Albuterol, and Xoponex. Additionally, cost optimization initiatives and favorable market conditions contributed to enhanced profitability. The dividend payments to shareholders amounted to INR 1.8 Bn. Furthermore, strategic acquisitions, including Medisol and ONDERO, contributed to our expansion efforts and strengthened our competitive position in key therapeutic areas.

Key Metrics	FY24	FY23
Revenue Generated (₹ Mn)	200,108	166,417
EBITDA (₹ Mn)	39,307	18,715
PBT (₹ Mn)	24,223	7,165
ROCE	14.8%	5.2%
Working Capital Days	124	145

Strategic Overview

Lupin's strategic pivot towards specialized generics and respiratory treatments has delivered remarkable outcomes, particularly evident in the United States, where inhalation products now constitute a significant 40% share of total revenue. This trend is equally promising in the EMEA region, buoyed by the resounding success of Luforbec, our flagship inhalation product. Lupin has also witnessed a surge in demand for respiratory products in India, surpassing market growth rates and resulting in significant increase in overall sales.

Expansion and Acquisitions Driving Growth

Our growth strategy includes strategic acquisitions in the EMEA and India regions, fueling expansion and profit growth. Key acquisitions, such as Medisol in the EU to bolster the injectables franchise and ONDERO from Boehringer Ingelheim for diabetes brands, have strengthened our market presence and product portfolio. Acquisitions in strategic therapy areas, including Gastroenterology, Urology, and anti-infectives from Menarini, have further enhanced our capabilities and competitiveness in these therapeutic segments.

Focus on New Product Launches and Market Expansion

Looking ahead, Lupin remains committed to driving growth through the launch of new product lines in the coming year. Building on the success of recent launches, we anticipate continued benefits from annualization and geographic extension. With strategic focus on the Indian market, we aim to outpace market growth rates through our strategic investments in expansion and acquisitions over the last 15 months. Leveraging our robust supply chain capabilities, we are well positioned to capitalize on market opportunities and maximize sales across geographies.

Capital Allocation Strategy

Our capital allocation strategy reflects our strong commitment to advancing growth and enhancing shareholder value. With a total allocation of INR 16.4 Bn, we prioritize strategic acquisitions, capital expenditures, and dividends. Additionally, notable strategic therapeutics acquisitions aim to expand our market presence and product offerings.

Key Metrics	INR (Mn)
Capex	9,248
Acquisitions	5,180
Dividend payout	1,820

Driving Sustainable Value Creation

Lupin's dedication to environmental, social, and governance principles continues to be at the forefront of our strategic investments, driving long-term value creation for all stakeholders. Our capital expenditure strategy integrates ESG considerations, extending beyond mere financial returns.

Employee Well-being

In FY24, we have further enhanced our focus on the well-being of our employees. We have introduced comprehensive health and wellness programs, ensuring a supportive and nurturing workplace. These initiatives include mental health support, professional development opportunities, and inclusive policies that promote diversity and equality. Our robust health and safety systems are continually updated to maintain a secure work environment.

Environmental Stewardship

Lupin remains committed to minimizing our environmental footprint through strategic investments in sustainable practices. This year, we have expanded our renewable energy projects, significantly enhancing the use of solar and wind power across our operations. Our effective water management strategies have been upgraded to include advanced water recycling and conservation techniques. Additionally, we have implemented cutting-edge waste management systems to boost recycling and reduce landfill contributions.

Community Engagement

Our commitment to the community is stronger than ever over the last year. We have launched several community-focused initiatives aimed at improving local living conditions and providing essential services. These initiatives include education programs, healthcare camps, and infrastructure development in underserved areas. We actively engage with local communities to understand their needs and tailor our efforts to create a meaningful impact.

Key Metrics	INR (Mn)
Capital invested in environmental benefits	776
Amount invested in employee benefit	34,946
Amount invested in CSR	256

Tax Transparency

We maintain an unwavering commitment to ethical, transparent, and sustainable tax practices, which align with our core values and Code of Business Conduct. Our tax strategy ensures compliance with all relevant laws and deadlines while responsibly managing our tax liabilities. Our CFO leads this portfolio, supported by our global corporate tax department and trusted legal advisors. We prioritize adherence to transfer pricing standards and OECD guidelines, maintaining transparent reporting to tax authorities. Upholding accountability to both internal and external stakeholders, we strive for alignment, compliance, and effective reporting. Our firm conformity towards transparency extends beyond legal mandates, fostering trust and confidence in our tax operations. For detailed insights, our group-wide tax strategy for Lupin Healthcare can be accessed at <https://www.lupin.com/wp-content/uploads/2023/05/global-tax-policy-2.pdf/>.



Manufactured Capital

Our unwavering commitment to manufacturing excellence is at the very core of our foundation in our quest towards sustainable manufacturing practices and providing the best healthcare solutions for our patients. Enhanced efficiencies, adherence to high standards for product quality and regulatory compliance are the hallmarks of our manufacturing excellence, as we set new benchmarks in the industry.

At Lupin, we have made significant investments to boost our manufacturing capital. These investments focus on enhancing our manufacturing infrastructure for both Active Pharmaceutical Ingredient (API) and formulation products. This catalyzes our strategy to achieve optimal levels of resource deployment, productivity, operational efficiencies, sourcing, supply chain and logistics. We have also made significant strides in harnessing the power of technology to bolster our capabilities.





15

Global
Manufacturing Sites

11

U.S. FDA
Approved Sites

20,079 Mn

Total Formulation
Units Manufactured

>3,200 MT

API Quantity
Manufactured

World Class Manufacturing Capabilities

With 15 cGMP-compliant manufacturing facilities spanning three continents, we have established a robust foundation in pursuance of our goal to deliver affordable and high-quality medicines worldwide. These facilities adhere to the highest national and international standards, ensuring the quality, safety and efficacy of our pharmaceutical products. Additionally, by leveraging the Contract Manufacturing Organization model, we have unlocked a host of benefits, such as improved resource allocation, higher cost savings, expanded production capacities, and enhanced output.

Units Manufactured



19,936 Mn Units
Oral Solids



8.4 Mn Units
Oral Liquids



0.1 Mn Units
Injectables



1.4 Mn Units
Ophthalmic Liquids



2.0 Mn Units
Topicals



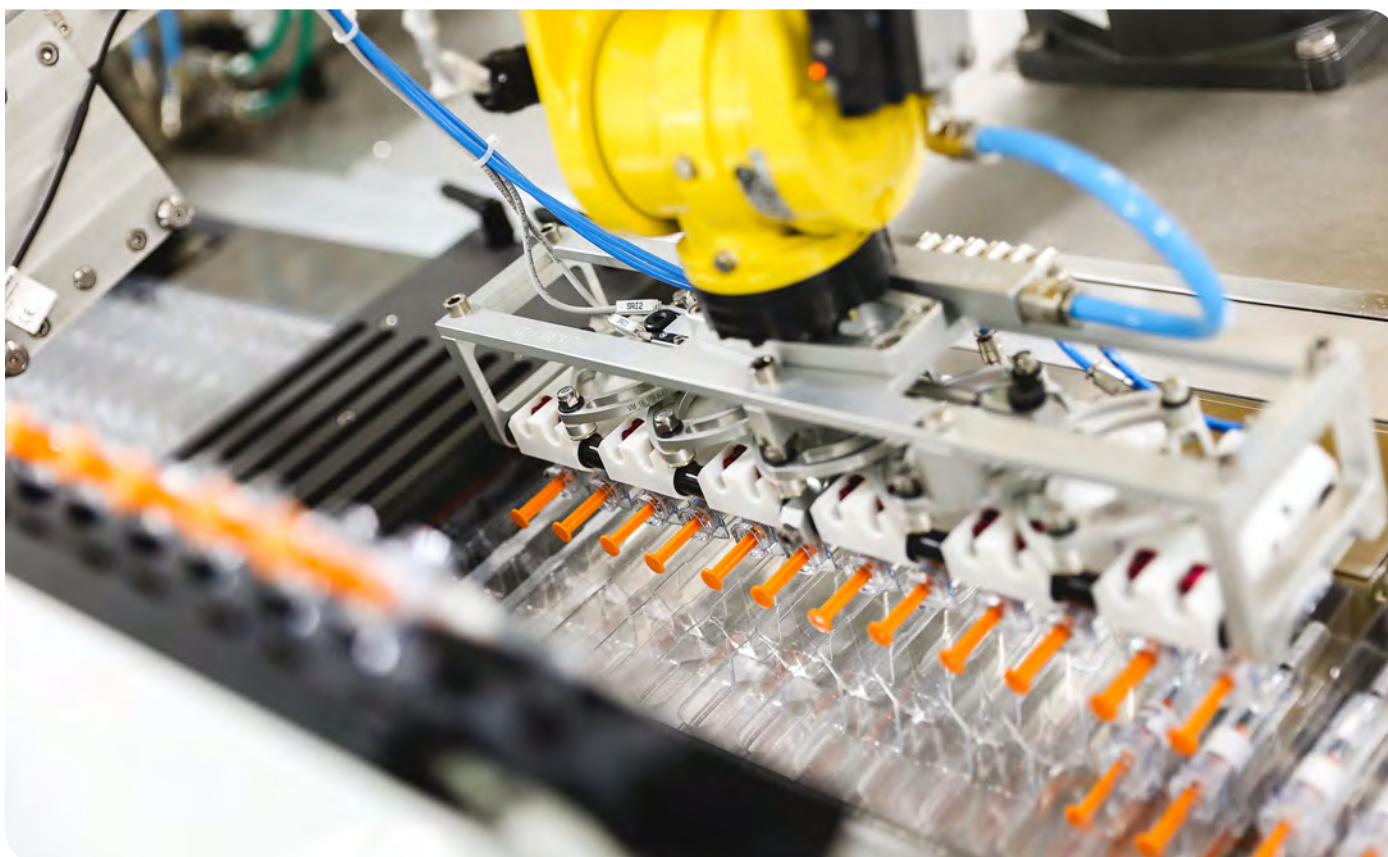
566 Mn Units
Nasal Inhalers
(including Dry Powder Inhalers and Metered Dose Inhalers)

Enhancing Operational Efficiencies

Our manufacturing approach is driven by commitment to quality and continuous improvement. We have periodic upgradations to ensure that our equipment and machinery are state-of-the-art, backed by advanced processes. Some of our strategic investments during the year include:

- **Continuous Flow Reactor:** We have deployed the first Continuous Flow Reactor at our Ankleshwar plant in India and completed process validation for the same. Continuous flow reactors allow precise control over reaction parameters such as temperature, pressure, and residence time, leading to consistent product quality. This approach translates into additional cost savings and reduced carbon footprint when compared to the conventional batch process operation.
- **Continuous Manufacturing Plant:** We are evaluating a continuous manufacturing plant for formulation products. This plant will enable us to accelerate product development and reduce time to market by streamlining the production process and enabling faster iterations and optimization checks.
- **Digital Systems:** We utilize digital platforms such as KINAXIS to track and monitor raw material and intermediate supplies, facilitating inventory optimization and ensuring accountability is maintained throughout our supply chain process.
- **AgilLine Project Initiation:** We are implementing the AgilLine Project at three sites, which aims to streamline operational efficiencies and maximize productivity.





Optimizing our Manufacturing Execution System via PAS-X MES Suite

MES is a computerized system used in manufacturing process to track and document the transformation of raw materials to finished goods. It enables real-time monitoring and control of multiple elements of the production process. With PAS-X MES Suite, users can create Master Batch Records digitally, process them, and ensure regulatory-compliant documentation. We currently utilize PAS-X at our Nagpur Unit-1 (OSD) and Unit-2 (Injectables) facilities, and implementation is ongoing at our Goa manufacturing site.

Process Innovation

Continuous process innovation is a priority at Lupin. Our teams in API and Formulation sites work to optimize manufacturing processes for existing and new drug molecules. Their efforts streamline processes, improve yield, productivity, quality, and reduce cycle times. These efforts are also aligned towards optimizing manufacturing costs and enabling strict adherence with regulatory standards, ultimately enabling us to deliver high-quality, affordable medicines to patients worldwide.

Some of the process innovations in our sites that demonstrate our commitment to continuous improvement include:

Liquid-Liquid In Situ Process

We developed an improved process to manufacture an API (ACE inhibitor class drug) which minimizes the use of hazardous reagents and solvents, and also reduces solid waste generated.

Outcome: 19% increase in overall yield, 82% and 100% reduction in solvent and water usage respectively, and overall decrease in testing load for quality control from 22 to 14 samples per batch.

Safer and More Efficient Process Adoption

We have replaced the traditional process of manufacturing an antiretroviral API with a simple

chemical deprotection process using an alkaline alcoholic solution at atmospheric pressure.

Outcome: This new process enables 15% yield improvement, lower water usage, better solvent recovery and reduced waste generation, making it a viable and market-competitive option.

Process Redesign

We redesigned the traditional 5-step manufacturing process into a 3-step process for manufacturing an API (antidepressant class drug). This process involved selective reduction of the imine with a metal catalyst to achieve a higher yield of chirally pure product.

Outcome: 63% higher yield, 30% reduction in raw material usage, and 30% lesser residue per kilogram of product manufactured.

Reformulation of a Formulation Product

We reformulated an antidepressant drug product to control the generation of nitrosoamine impurity in the final drug product and optimize raw material consumption.

Outcome: The revised formulation reduces the generation of nitrosoamine impurity in the drug and also helps reduce the overall consumption of inactive excipients by 20%. This reduction in excipient weight also enables significant savings.

Environment-friendly initiatives

A) Tablets Coating Optimization: We redeveloped the coating process of an anti-epileptic drug formulation product using purified water instead of solvents.

Outcome: Following variation filings and approvals, this change has been implemented for commercial batch

manufacturing. Using water instead of solvents during the coating process is environmentally friendly and enables savings.

B) Packing optimization to reduce waste: We changed the packing design for one of our gel products by reducing the carton size.

Outcome: The optimal reduction in carton size has resulted in decreased waste generation and has potential savings.

Manufacturing for a Sustainable Future

At Lupin, our focus has been on enabling sustainable manufacturing operations. We have continued transitioning to renewable energy sources across our sites. Additionally, we have moved to the usage of energy-efficient lighting and pumping technologies, installed Variable Frequency Drives and adopted energy-efficient cooling systems. All our manufacturing and R&D sites in India, as well as our headquarters in Mumbai, are certified for ISO 14001 and ISO 45001, highlighting our commitment to the environment. We invested a sizable amount of CAPEX during renewables and decarbonizing manufacturing processes in FY24.

All our 12 India manufacturing sites, R&D Center and corporate office in India have achieved ISO 14001 & ISO 45001 certifications.



Product Quality and Safety

Patient safety is at the core of everything we do. We remain committed to delivering top-quality products to our patients.

Our robust quality management systems, coupled with our quality-first culture driven by strong governance frameworks, have helped us consistently deliver on our quality commitments.



Ensuring Good Manufacturing Practices

We continue to adhere to Good Manufacturing Practices, and all our employees are trained in the same. Compliant with global regulatory standards set by the FDA, EMA, and WHO, our operations are guided by a robust Quality Policy and Management System, ensuring product quality.

Quality Management System

Our approach to quality management is led by a team of 2,700 specialists who drive the execution of our Global Quality Action Plan. This holistic strategy fosters standardization across all our global manufacturing sites under a unified quality system. Our Global Quality Council Steering Committee oversees our quality-focused operations and ensures continuous improvement. We have also appointed a Chief Quality Officer, marking our commitment to excellence in everything we do.

Our Quality Management System enables resource management and quality control across the entire product lifecycle and involves periodic reviews at manufacturing sites, business units, and with our senior personnel. We continue to take great pride in the World Class Labs program, to elevate all laboratory operations to Five Sigma.

Furthermore, we have installed laboratory equipment such as Inductively Coupled Plasma Mass Spectrometry, Liquid Chromatography Mass Spectrometry, and Gas Chromatography/Mass Spectrometry across eight sites. This infrastructure enables us to meet our stringent in-house testing requirements and quality standards effectively.

Our Journey Towards World Class Labs

To enhance overall laboratory performance and reduce human errors, laboratory incidents and contamination related errors, we implemented the World Class Labs initiative across our manufacturing sites. Through this initiative, we have achieved higher sigma levels in laboratory incidents and set up the revised targets from 4.0 to 4.1 Sigma level. Additionally, 14 of our Labs have achieved and sustained the 5S level.

Our Process Development and R&D teams ensure the delivery of robust processes, control input material attributes, manage in-process materials, define product specifications, oversee unit operations, and conduct thorough end-product testing prior to product release. In recent years, we have developed and filed patents for several processes aimed at quality improvement, particularly in the removal of Nitrosamine and Genotoxic impurities.

We are committed to driving continuous improvements across our products and processes by focusing on critical quality attributes and minimizing process variations. This has led to the development of an optimized process model that consistently operates at sigma levels 4 and above.

2 In-process Quality Assurance

The In-process Quality Assurance personnel withdraw finished product samples that are tested against approved specifications by the Quality Control Department. If the samples meet the specifications, the Quality Assurance department provides an approval.



1 Finished Goods Warehouse

On completion of testing, the batch records along with analytical records are sent to QA for review. On review and subsequent compliance (if any) to the batch records, analytical records, marketing authorization, and regulatory approvals, the batch is released by Quality Assurance for further distribution.

3 Batch Testing

Batch testing is conducted by qualified analysts in accordance to approved specification and standard testing procedures.

Regulatory Compliance

We continue to prioritize regulatory compliance and ensure that we adhere to regulatory benchmarks in all the regions we operate. We have committed to a target of zero warning letters/OAI issues by FY25. Our progression towards our target has been significant as we continue to have only one site that was issued a warning letter during our last inspection cycle. We continue to monitor the following KPI's to ensure we are on track to reaching our goals:

Inspections	FY23 Results	FY24 Results	Target
U.S. FDA Inspection (including GMP and Bioresearch center)	9	9	Zero sites with WL/OAI status by FY25 (Currently two sites under WL)
Number of Form 483	7	2	
Number of Total Observations	55	3	
U.S. FDA Inspection (including GMP and Bioresearch center) Warning Letters	1	1	Zero data integrity related observations

Recalls	FY23 Results	FY24 Results	Target
Class 1	0	1	Zero class 1 recalls
Class 2/3	7	7	

Inspections	FY23 Results	FY24 Results	Target
Corporate Internal Audit on Lupin sites	16	17	Driven by Lupin's internal quality metrics, all India sites are to be audited at least once a year by an internal audit team to ensure compliance and audit preparedness
Total supplier quality audits (Third party finished product site) for India markets	74	64	Driven by supplier quality metrics, every supplier site is audited once every three years and at the time of new vendor qualification
Total supplier quality audits (Third party finished product site) for U.S. markets	6	3	
Total supplier quality audits (raw materials) for all markets	250	265	
Training for Data Integrity, SOPs and CGMP conducted across all Manufacturing Sites	6,385	10,090	100% of applicable employees

Digitalization as a Lever to Achieve Excellence

With greater adoption of artificial intelligence, automation and digitization, the manufacturing landscape is continuously evolving. Leveraging cutting-edge technologies and sustainable manufacturing practices to stay ahead and drive excellence is paramount to us. Through the launch of the Accelerated Digital & Analytics Performance Transformation project, we have been able to harness big data and systematically assess any lapses in our manufacturing process in real time.

The results have been promising over the financial year, with substantial savings through project ADAPT, marking another successful year for the initiative and a show of continued excellence from our operations team. We have implemented advanced automation tools such as centrifuge automation, controlled feeding for the harvesting, profile-based automation and automation-based level measurement systems to enhance product quality, avoid recalls and drive our overall commitment to enhancing quality at an organizational level. Here are some of the achievements we have made over the financial year through Project ADAPT:

- **Granular data access as a backbone of Digital and Analytics**
Lupin has integrated its Information Technology

and Operational Technology layers within the manufacturing operations. This integration facilitates real-time access to granular data from manufacturing processes and equipment. To facilitate this, a site-level IIOT/ Data Lake platform has been installed at our Tarapur, Nagpur, and Goa sites.

- **Advanced Analytics for Enhanced Productivity**
Minute-level sensor data made available through the IIOT platform is analyzed using advanced analytics to optimize processes in significantly less time than conventional methods of analysis. This results in a quick improvement in production efficiency and output quality of manufacturing operations. In one of the legacy products, we have improved efficiency by more than 4%. Furthermore, our Data Science team leveraged IIOT and Machine Learning to optimize chiller and air compressor operations. This resulted in energy efficiency gains of 8% at our Tarapur location, which is our highest energy consumption site. This same model is now being expanded to other sites.
- **Empowering Operational Teams**
The ADAPT program emphasizes building capabilities in operating teams for using digital and advanced analytic tools. Some of the tools being used are Gamified learning, Digital Performance Management, and Low-code to No-code tools to make this transition smoother and tailored to the capabilities of individual employees.

Action Against Counterfeit Medicines

At Lupin, we are committed to combating the problem of counterfeit drugs to ensure product integrity and bolster patient safety measures. We implement anti-counterfeit measures, such as tamper evident labels, unique identifiers and QR codes, along with robust transportation tracking systems and chain of custody documentation, for products being rolled out from our manufacturing sites.

Pharmacovigilance

Lupin's Drug Safety and Risk Management team utilizes a quality management system adhering to pharmacovigilance regulations. It vigilantly monitors the safety and quality of our products post-launch, identifying and addressing any safety related issues.

We track key performance indicators, including compliance with submission deadlines for expedited and periodic reports to regulatory authorities such as the U.S. FDA, TGA Australia, Health Canada, Drug Controller General of India, and UK MHRA, among others. These KPIs undergo a monthly review and are presented during our Global Quality Council Steering Committee meetings to ensure governance over our regulatory obligations.

Building Team Capabilities

This year, we have introduced the Parenteral Drug

Associations Education Courses and Skill Development Program. 34 employees participated in this training, which included theoretical training and practical demonstrations with case studies. The training program was delivered by subject matter experts with extensive industry experience. Trainees were supervised daily and provided with one-on-one training for a more holistic understanding.

The PDA initiative provides a unique platform that makes science-based learning simple, effective, and practical to translate into practice.

Level
1

Shop Floor Operators

Hands-on sessions explaining the science behind the unit operations.

Level
2

Supervisors

Hands-on sessions along with investigation and trouble shootings.

Level
3

Senior Managers

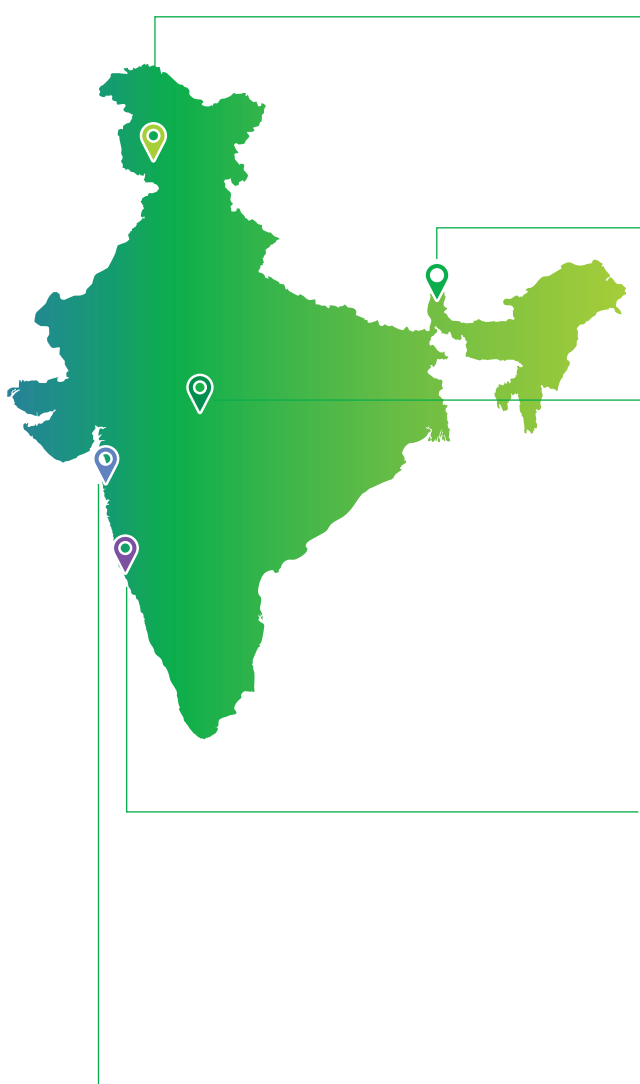
Sessions focused on regulatory alignment.

Ninja-X App Program

In order to enable continuous learning across our sites and offices in India, Lupin deployed the Ninja-X mobile and desktop app in FY24. Ninja-X is a comprehensive learning platform enabling organizations to build training modules based on various topics. We at Lupin have created modules for our integrated manufacturing processes.

By earning points, badges, and rewards, employees are encouraged to actively participate and push for further improvement in their conceptual understanding of different operational and non-operational procedures. The gamified aspect of Ninja-X introduces an element of excitement and motivation in the learning process, promoting camaraderie and healthy competition amongst colleagues and further enriching the learning journey.

Other Training and Development Programs



Jammu	<ul style="list-style-type: none"> • E-learning modules with video tutorials are being utilized for topics such as market complaints, recalls and change control. • SME development program has been initiated at the site.
Sikkim	<ul style="list-style-type: none"> • Regular 'Learn with Leaders' training sessions conducted under which heads of departments provide extensive training for second-line employees.
Mandideep	<ul style="list-style-type: none"> • Conducted a workshop on investigations at the Mandideep site. A total of 39 participants from various sites (Mandideep, Goa, Aurangabad, Tarapur, Dabhasa and Mumbai Corporate Office) attended this training. • Cleaning validation workshop conducted at the Mandideep site with a total of 38 participants from various manufacturing locations (Mandideep, Tarapur, Pithampur and Mumbai Corporate Office) attending this training program.
Goa	<ul style="list-style-type: none"> • Weekly training provided to the operating team on the shop floor. • Regular 'Safety Toolbox' talks organized to enable employees to direct safety-related concerns in a streamlined manner. • ISO 14001 & 45001 trainings conducted by partnering with external faculty.
Tarapur	<ul style="list-style-type: none"> • Modules for safety training automated through digital kiosk introduced at the site. • Road safety drive conducted by partnering with an external agency. • Electrical safety and compliance standard level training was conducted. • Training on Energy conservation was conducted. • Upgradation programs to nurture the next set of leaders are underway. • Energy week celebrations were conducted for awareness across the site. • Leaders+ training for employees was conducted.

Intellectual Capital

Pushing the Frontiers of Innovation

We continue to be at the forefront of fulfilling the needs of our patients globally. This, along with our enhanced understanding of the global health profile, has enabled us to focus on areas with high disease burden. Our teams are dedicated to rigorous testing, filing, and regulatory approval processes for our novel, complex, biosimilars and specialty drug developments. We focus on bringing these innovative healthcare solutions to the market while adhering to the highest standards of quality, safety and compliance to local and international standards. Sustainable research and development are at the core of our business as we continue to collaborate with partners and institutions globally.





₹15,264 Mn

R&D Investments
in FY24

440

Patents Granted


684

Cumulative Filings

506

Cumulative
Approvals

Progress and Highlights

Focus Area	Theme	Goal Description	Target	Target Year	Progress
 Innovation	Product Launches	Complex inhalation products	10	2028	1
		Complex injectables	5	2028	1
		Ophthalmology, Dermatology and Women's Health	5	2028	1
	Product Portfolio	Portfolio should be more than 70% complex dosage forms	70%	2024	74% goal achieved
	Biosimilar and Novel Complex Products	Complete Biosimilar filings in regulated markets	3	2028	<p>2 in the pipeline, and cloning and process development were completed.</p> <p>2 directed towards the India market. Recruitment was completed in the phase III trial of a biosimilar.</p> <p>Agreement signed for the commercialization of a biosimilar in the MENA region.</p>

Research and Development

Research and Development plays a critical role in the creation of healthcare solutions. We have seven research centres spread across five countries – India (Pune and Aurangabad), the U.S. (New Jersey and Florida), Mexico, Brazil and the Netherlands. These centers undertake extensive market research and evaluation of disease trends and patient needs to develop affordable and quality medicines.

Our team of 1400+ employees has constantly shared knowledge with the industry at large. In FY24, we published five research papers on projects conducted in our sites, showcasing our commitment towards developing innovative patient treatments.

The company continues to invest in furthering research with revenue inflow to maximize our potential. Last year, we had a spend of INR 15,265 Mn, 7.8% of our annual revenues, to bolster our research and development programs, a testament to our commitment to continuous innovation. This has led to the direct addition of 1,211 drugs to our existing product portfolio.

Our R&D Strategy

Our R&D strategy over several years is aligned with our portfolio strategy to be at the forefront of the industry and a leader in API and complex generics. We continue to strengthen our capabilities in the Inhalation, Injectable and Orals space across all our key markets, including the U.S., India, Europe, Canada, Australia and our Global Institutional Business.

Our Products

We have continued to pivot towards more complex products, strengthening our extensive product portfolio across newer markets. In FY24, we launched ten complex inhalation products across the U.S., Canada, Europe and Australia. A key launch was Tiotropium, the first approved generic version of Spiriva hand inhaler in the U.S. and Canada. We have also filed for four complex generic products in these markets. This augurs well for the sustainable growth of our business.

2 Key Product Launches

55 Approvals Received During the Year

Type of Filing	FY22		FY23		FY24	
	Filings	Approvals	Filings	Approvals	Filings	Approvals
NDA	1	2	3	3	0	1
ANDA & ANDS	19	9	28	17	12	42
Total	20	11	31	20	12	43

Intellectual Property Governance

Protection and management of Intellectual Property is crucial to our business strategy. Our stringent policies and robust governance processes enable us to identify and safeguard our assets against any breach of information and mitigate any risk associated with infringements. Our Code of Business Conduct and Ethics Policy ensures that all our employees are aware of our commitment to protecting intellectual property.

We have a diverse and constantly evolving product portfolio that has seen the addition of 34 generic dossiers across the U.S., Canada, Europe, Australia, Philippines, India and our Global Institutional Business. Driving these initiatives is our Intellectual Property Management Group, that upholds the creation and safety of our IP, as well as pioneer research, building a valuable portfolio of patents, products, and a robust research pipeline.

With these filings, our portfolio now stands at 40 active patents out of 866 patent applications, comprising of APIs, formulations, NDDD, and biotech. These patents represent our mission to bring the best-in-class medicines to our patients.

32

Formulations

5

Biotech

2

Active Pharmaceutical Ingredients

34

Novel Drug Discovery and Development Applications

73

Patent Applications in FY24

Milestones Achieved by our R&D Facilities in FY24

Lupin filed 34 generic dossiers across the U.S., Canada, Europe, Australia, Philippines, India and our Global Institutional Business.

18

Formulations

2

Biotech

1

Active Pharmaceutical Ingredients

89

Novel Drug Discovery and Development Applications

110

Patents Secured in FY24

Biosimilar Research

We have continued to invest in and expand our biosimilar portfolio in FY24, in line with our growth strategy and business objectives. Our biosimilars are aimed at key markets, including the U.S., Europe, Japan, India, and other emerging regions. We also signed up for the commercialization of a biosimilar in the MENA region. We take pride in developing biosimilars that adhere to the highest quality standards, ensuring they meet regulatory requirements in both developed and emerging markets. We continue to expand access to our biosimilars in developed and new markets. This year, we signed an exclusive licensing agreement with Amman Pharma for exclusive marketing and commercialization of Ranibizumab, a biosimilar of Lucentis®, in the MENA region.

Our Biosimilars Pipeline

Two new global programs were included in the pipeline, and cloning and process development was completed.

Novel Drug Discovery and Development

Our Novel Drug Discovery and Development team continues to focus on accelerating new drug discoveries and bringing them to commercialization. Since its inception, the NDDD team has focused on three key therapeutic areas - oncology, immunology and metabolic disorders. We have continued to advance our discovery programs by fostering partnerships with leading pharmaceutical companies. In July 2023, we secured funding from our development partners at AbbVie to initiate phase 1 clinical trials for the MALT1 (Mucosa-Associated Lymphoid Tissue Lymphoma Translocation Protein 1) inhibitor program for treatments across a range of hematological cancers that are hard to treat. This has been a significant step in getting this formulation to market and demonstrates our continued commitment to ensuring positive health outcomes for our patients.

DIFIZMA® DPI - Bringing innovation to underserved markets

The estimated national burden of asthma in India stands at approximately 30 million of the population, with an overall prevalence of 3%. Out of this, approximately 3 million patients are classified as 'inadequately controlled'. They experience uncontrolled symptoms and are at a higher risk of exacerbations that may lead to hospitalization, thereby contributing to higher Disability Adjusted Life Years in most patients.

Lupin is the first company to introduce DIFIZMA®, the only fixed-dose combination (FDC) dry powder inhalation product for the treatment of inadequately controlled Asthma. This FDC combines Indacaterol, a long acting beta agonist, Glycopyrronium, a long acting muscarinic receptor antagonist, and Mometasone Furoate, an inhaled corticosteroid.

Leveraging Technology for Innovation

We have been exploring the power of technology to drive innovation and transform drug discovery, development, and delivery. By integrating cutting-edge technologies such as artificial intelligence, machine learning, and genomics, we aim to accelerate the identification of new drugs and create more patient-centric solutions. Our collaborations seek to unlock the value of enterprise data, enhancing efficiencies and helping to expedite innovation across all functions and processes, including manufacturing, testing, supply chain, finance and accounting.

Strategic Digital Transformation for Enhanced Operational Efficiency

We have embarked on a strategic data-driven transformation to enhance business agility, performance, and operational efficiencies. By deploying a cutting-edge digital platform based on SAP S/4HANA®, we provide our decision makers with real-time visibility into integrated data from multiple sources, including supply chain, personnel, and sales networks. This platform spans over 100 countries and integrates our fifteen manufacturing and research facilities across India, the U.S., Brazil, and Mexico, enabling a comprehensive view of global operations and performance for high level, informed decision making.

The implementation of SAP Fiori apps has significantly improved the user experience for our employees, offering simple, easy to access data models and analytical reports.

In our Indian operations, we have harnessed Robotic Process Automation and advanced analytical tools such as Qlik Sense to automate critical tasks. Enhancements to our Qlik Sense dashboards have promoted business transparency and facilitated data-driven decision-making, enabling integrated data utilization and providing meaningful insights in a user friendly manner.

Furthermore, we have globally implemented an innovative end-to-end supply planning tool, marking a significant advancement in optimizing supply chain operations and enhancing organizational efficiencies. This tool seamlessly integrates with our ERP system, providing a unified platform that automates planning activities for both demand and supply sides, delivering a touchless planning experience.

Revolutionizing Drug Discovery

In FY24, we partnered with a leading AI-driven solutions company in the pharmaceutical industry. This partnership empowers our Global Business Development and Licensing team with actionable insights to identify promising assets for the Inhalation/Respiration and central nervous system fields.

Employing cutting-edge AI algorithms helps sift vast amounts of data and evaluate various aspects of potential assets, including drug class, mechanism of action, indications, route of administration, formulation, dosages, innovation, and clinical probability of success.

This comprehensive approach ensures that we receive highly relevant insights to guide our strategic decision-making process.

Green Chemistry

Lupin is accelerating the use of green chemistry to reduce the generation of hazardous substances. We have been achieving this by applying metrics such as atom economy and e-factor. An example of this is an antiviral molecule; the earlier process involved three steps, and the overall yield was found to be 0.91% with an e-factor of 88 and an atom economy of 35%. The improved process involves one step and a yield of 1.4%. E-factor has improved by almost 90% (8.0) and atom economy by 58% (80%).

We aim to incorporate 12 principles of green chemistry and have conducted programs and trained process development scientists on principles pertaining to the same. This ensures that we do not focus our remediation efforts on end of life waste streams, but rather take on a proactive approach to the disposal of hazardous materials. We intend to expand this to include more processes and chemicals in the coming years. Using telescoping principles, lean processes for 17 leadership molecules (API) were transformed, and isolations at intermittent steps were eliminated. The optimal use of water and solvents in the process has helped in the reduction of both aqueous effluents and the number of organic solvents mix. The use of statistical tools (DoE) to develop and optimize chemistry has also enabled us to explore new design spaces. The manufacturing API's overall cycle time has been reduced.

To transform the batch processes for one of our high-volume APIs, our team has embarked on a journey to gradually transition from batch process to continuous

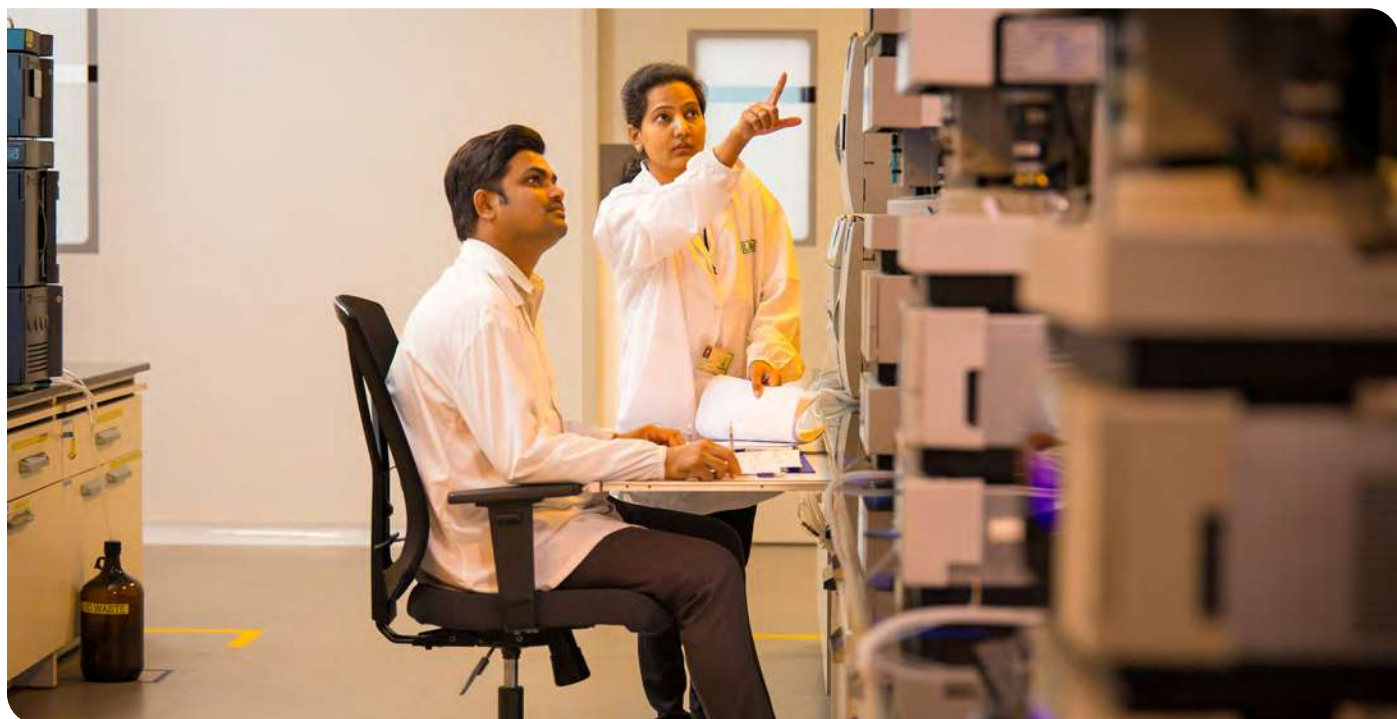
30% Waste Reduction

60% Solvent/Reagent Reduction

45% Water Reduction

20% Reduction in Number of Stages

manufacturing and has witnessed benefits such as shorter processing times, increased safety and efficiency, and a reduced environmental footprint. This has resulted in the reduction of manual intervention and overhead expenses. Furthermore, process designs through biotechnological routes and enzymatic catalysis have enabled us to catalyze numerous chemical reactions for molecules such as Cephalexin, Eslicarbazepine, and Rifampicin, as an alternative to classical chemical synthesis. This is a testament to our efforts to provide business value.



R&D Partnerships and Collaborations

Our partners are at the crux of our innovation journey. Open innovation involves partnering with external entities to acquire new knowledge, technologies, inventions, and study market opportunities. Lupin has adopted multiple open innovation strategies to strengthen its capabilities for ESG commitment on partnerships and competitiveness in the pharmaceutical industry.

Therapy for Highly Drug-Resistant TB

TB Alliance granted Lupin a non-exclusive license to manufacture the anti-TB drug Pretomanid as part of the three-drug "BPAL" regimen. Lupin has initiated commercialization of the anti-tuberculosis medicine in approximately 140 countries and territories, including many of the highest TB burden countries around the world.

Information Security Management and Protection

In today's interconnected digital landscape, information security management and protection have become paramount concerns for organizations worldwide. We are committed to upholding the highest standards of information security across our operations and have a comprehensive approach to safeguarding our information assets.

Elevating Information Security in Digital Age

Lupin prioritizes the security of its sensitive information through a robust Information Security Management System. This framework provides a structured approach to proactively identify, assess, and mitigate information security risks. By adhering to industry best practices, the ISMS ensures the confidentiality, integrity, and availability of critical data assets.

Our commitment to cybersecurity extends beyond policy implementation. We leverage advanced technologies like Zero Trust and network monitoring tools, particularly at the plant level, to bolster our defenses. Additionally, the strategic deployment of honeypots at the perimeter aligns seamlessly with CERT-IN standards. This multi-layered approach has yielded positive results, with zero major security incidents reported this year.

Furthermore, Lupin demonstrates its dedication to continuous improvement by achieving ISO 27001:2013 certification across all India locations, including our headquarters. We are currently transitioning to the latest standard, ISO 27001:2022. This proactive approach ensures our security practices remain aligned with evolving threats and regulatory requirements, enabling us to adapt effectively.



Anomaly Detection and Threat Intelligence in OT Networks

Overview

In a rapidly evolving digital landscape, Safeguarding Operational Technology networks is paramount. Our project aimed to fortify cybersecurity by implementing cutting-edge anomaly detection techniques and integrating threat intelligence feeds. The goal was to proactively identify and mitigate potential threats to uphold integrity, availability, and reliability of critical industrial processes.

Key Highlights

- State of the Art Technology Deployment**
 We deployed advanced anomaly detection systems within our OT network. These systems monitored network traffic without disrupting manufacturing operations, analyzing patterns to identify any unusual behaviors signaling security threats swiftly.
- Collaborative Customization**
 Engaging with equipment manufacturers, business teams, and security consultants was crucial. Together, we ensured that the threat intelligence feeds were finely tuned to the unique needs of each plant. This collaborative effort maximized the effectiveness of our cybersecurity measures.

Business Benefits

- Early Threat Detection**
 Real-time anomaly detection empowered us to swiftly respond to potential threats, minimizing their impact on critical processes.
- Reduced Downtime**
 Proactive threat mitigation led to minimal operational disruptions, ensuring seamless manufacturing continuity.
- Heightened Situational Awareness**
 By raising awareness about cybersecurity threats, we fostered a culture of vigilance across our organization.
- Cost Savings**
 Early risk mitigation translated to significant cost savings, preventing the need for extensive system repairs and downtime.

Business Continuity Plan

To ensure the resilience of our critical operations in times of crisis, we have established a Business Continuity Management System in alignment with the ISO 22301 standard. In the initial phase, we conducted a comprehensive Business Impact Analysis and Risk

Assessment specifically for IT services in our Head office. The recovery strategy was then validated through a tabletop exercise. Subsequent phases will involve conducting BIA and RA for four additional locations engaged in Research and Development and manufacturing.

Human Capital

Championing Workforce Development

Our people are at the heart of everything we do. We believe that their unwavering contributions play a pivotal role in forging ahead and achieving our business objectives. We foster a culture where every individual thrives and is valued and empowered. We take pride in creating an environment which supports their wellbeing, learning and development and continuous improvement, resulting in overall excellence. The dedication and resilience of our people propels us forward, helping us overcome challenges and explore new opportunities in healthcare.

Embracing a people-centric ethos is not merely a philosophy at Lupin; it is about creating a community united by the passion for providing quality and affordable medicines and unlocking a bold and prosperous future for everyone.





22,000+

Strong Workforce

1,448,463

Total Hours Spent on
Training and Development

9%

Women in Our
Total Workforce

₹191 Mn+

Investment Made
for Training and
Development

Progress Against ESG Targets

Theme	Sub Theme	Goal Description	Target	Target Year	Progress FY24
Human Capital Development	Diversity, Equity, and Inclusion	15% Women at Workplace in Indian operations by 2030	15%	2030	Gender diversity in workforce is 9%
		Complete Accessibility audit for PWD for all India locations by 2030	All sites	2030	New Goal
	Community Engagement	Collectively reach 50,000 hours, employee volunteer hours by 2030	50000 hours	2030	Completed 19188 hours of employee volunteering
	Employee Well-being	Achieve and maintain an employee satisfaction score of 80% or higher on annual surveys by 2025	80%	2025	Achieved overall engagement score of 80% globally and 89% in India

Progress against Perpetual Commitments

Theme	Sub Theme	Goal Description	Progress FY24
Health and Safety	Occupational health and safety	10% YoY reduction in Lost Time Injury Frequency Rate, Accident Frequency Rate, and Incident Frequency Rate, considering FY19 as the base year	Reduction of LTIFR – 4% AFR – 26% IFR – 21%

Onboarding the right talent

Our employees help us achieve our goal of strengthening the global healthcare ecosystem by providing patients worldwide quality, affordable and accessible healthcare solutions. To ensure we are on the right path, we dedicate considerable time and effort to attract and retain the best talent from the industry through various recruitment channels. We offer various programs once they are onboard to ensure smooth and seamless integration within the organization.







- **Management Trainee programs:** Central to our talent acquisition strategy is the onboarding of Management Trainees, wherein candidates are recruited through campus placements and internships. These programs offer a unique opportunity, outlining a clear path for career growth for the candidates within Lupin. The program nurtures them for future roles across the company as we build a strong pipeline of skilled individuals,
- **Lupin Program for Interns:** Our successful internship program is a gateway for college students to understand and experience the work environment

and culture at Lupin. It also serves as a platform for us to identify promising talent as they contribute to projects. In the past year, we welcomed interns from esteemed institutes such as the National Institute of Pharmaceutical Education and Research, Birla Institute of Technology and Science, Manipal, Punjab University and JSS College, amongst various others.







- **GROW (Get Ready for Opportunities at Work):** We encourage our employees to explore and apply for roles across Lupin that suit their interests and experience through our internal job posting platform, GROW.
- **Parichay:** Employees refer and connect us to suitable candidates who align with Lupin's vision through our employee referral program, Parichay.

Our candidate screening process is thorough and meticulous, ensuring each potential employee aligns with our business goals. Through interviews and assessments, including technical and soft skills, as well as psychometric evaluations, we strive to find the most suitable and talented individuals who share our passion to create a healthier world.



New Hires FY24, India

Category	<30 years		30-50 years		>50 years		Total
							
	Male	Female	Male	Female	Male	Female	
Employees (Permanent)	3,383	254	1,096	104	15	1	4,853
Senior Management	0	0	13	5	6	0	24
Middle Management	60	33	369	32	5	1	500
Junior Management	3,323	221	714	67	4	0	4,329
Employees (Other than Permanent) (Apprentices, Trainees, Interns, Part-timers)	13	28	3	10	0	0	54
Workers (Permanent)	32	0	15	0	0	0	47
Workers (Other than Permanent)	264	43	4	0	0	0	311

New Hires FY24, ROW

Category	<30 years		30-50 years		>50 years		Total
							
	Male	Female	Male	Female	Male	Female	
Employees (Permanent)	36	43	55	72	10	9	225
Employees (Other than Permanent) (Apprentices, Trainees, Interns, Part-timers)	14	11	2	5	5	3	40
Workers (Permanent)	15	17	10	12	0	0	54
Workers (Other than Permanent)	1	2	0	1	0	0	4

Total Hires FY24, North America

Category	 Male	 Female
Employees (Permanent)	64	50

Induction Program

Udbhav, our flagship induction program, is quite comprehensive and designed to familiarize new employees with Lupin's culture and operations. It covers the legacy, values and culture of the company, as well as guidelines pertaining to finance and pharma. This information enables new joiners to seamlessly integrate into the organization. In FY24, 2044 employees participated in the onboarding program, gaining a deep understanding of the company and their roles.

Buddy Program

During their initial months, new employees are assigned buddies through a structured process. Senior employees in the company help them to settle in and smoothly integrate into the organization with a sense of belonging. With 499 active buddies, including 114 newly certified ones and 172 engaging in experiential learning, we are working to enhance the onboarding experience and productivity of our new hires, ensuring they feel supported every step of the way.

Investing in People

Impetus on training and development contributes to the growth of an organization, especially within a rapidly evolving industry like pharmaceuticals. We foster a spirit of learning to ensure that our employees constantly move up the curve to be able to take on newer challenges and, hence, feel motivated and engaged at work. We have initiated multiple programs for technical upskilling, behavioral training, and leadership development.

Learning and Development Programs

- The key to building a robust internal talent pool and developing capability is to identify the skill gaps and work diligently to address them in a meaningful manner. Our Catalyst and Accelerate programs are designed to ensure a comprehensive approach to talent development. The Catalyst program, spanning over twelve months and four phases, was developed to identify and address skill gaps. The first phase, gap identification, is facilitated by in-house Development Centers, which make use of comprehensive assessment processes and tools for gap identification. This is followed by extensive feedback and debriefing sessions. The program then provides a business driven Individual Development Plan, strategically focusing on experience, exposure, and education. Over the year, five reviews are conducted to ascertain the gaps that pave the way for targeted learning sessions.
- Similarly, the Accelerate program follows a systematic approach to upskill all Regional Sales Managers of India Region Formulations. The program begins by identifying development areas and then provides customized learning interventions over six months, ensuring the specific business needs are met.

It also provides comprehensive training modules about our corporate policies, including the Code of Business Conduct and Ethics Policy, Whistle Blower Policy, and Prevention of Workplace Harassment through the PLEDGE (Preparing Lupin Employees to Demonstrate Corporate Governance and Ethical Conduct) initiative. CoBC training is rolled out to permanent and contract employees. Last year, we further strengthened our Prevention of Sexual Harassment (PoSH) framework, establishing dedicated Internal Committees in all locations. The PoSH e-module saw remarkable completion rates of 84% among permanent employees and over 2,350 contractual staff. We also completed an annual in-person refresher for all 47 Committee members and held a virtual PoSH refresher internal workshop with 23 participants.

Online learning continues to be important for us. Our collaboration with OpenSesame® enables employees to access 25,000+ relevant courses spanning diverse topics. These e-learning courses also cover health and safety topics, equipping employees with the necessary knowledge to stay informed and compliant to industry norms.



Training Data – India			Training Data – North America			Training Data – ROW		
Category	FY24	FY23	Category	FY24	FY23	Category	FY24	FY23
Total hours of Training	1,416,956	1,711,297	Total hours of Training	6,554	9,348	Total hours of Training	27,016	16,219
Total amount spent on Training (INR)	132,678,981	65,309,762	Total amount spent on Training (INR)	31,519,666	29,613,557	Total amount spent on Training (INR)	22,854,727	28,859,219

Opportunities for Continuous Learning

Ascent Program for R&D division

We introduced a 4-year PhD program, a collaboration between Manipal and Symbiosis universities, exclusively sponsored by Lupin. Ascent offers a unique opportunity for Lupin professionals to advance their academic pursuits while contributing to cutting-edge research in their respective fields.

25 Participants in FY24

2 Participants were awarded their PhD degrees this year

Advanced Program in Sales Management, IRF

An 11-month virtual program covering eight modules. 100% of sessions are delivered virtually over weekends, minimizing work disruption. ASMs are exposed to global learnings.

65 Participants in FY24

Postgraduate Diploma in Advanced Biotechnology

A partnership with Fergusson College to upskill our employees in biotechnology.

Notable features of this program are:

- Industry-academia collaboration with joint curriculum and faculty
- Hands-on experience for students in an industrial work environment

4 Participants in FY24

Management Development Program, IRF

A 5-day certification program for our National Sales Managers, in partnership with IIM Lucknow:

- Accelerate personal and professional growth
- Strengthen leadership, team building, and value-driven mindset

The impact of the certification course is measured through the outcome of the project assigned to each NSM.

23 Participants in FY24

Nurturing Academic Aspirations through ASCENT

Partnering with esteemed institutions such as Manipal Academy of Higher Education, Karnataka and Symbiosis International University, Lavale, Pune, this four-year PhD journey presents a transformative opportunity for Lupin's R&D division to pursue academics while contributing to cutting-edge research in their fields. This fully sponsored initiative goes beyond mere classroom learning, enabling participants to embark on a research journey under the guidance of a Doctoral Advisory Committee. With a

primary guide from Lupin, a co-guide from the partnering university, and Subject Matter Experts from the company and academia, participants benefit from a wealth of expertise and perspectives. Regular progress reviews with the DAC serve as vital checkpoints, ensuring that our employees' research stays on track while aligning with academic and industry objectives. Upon completing their research phase, participants submit their thesis for an evaluation to ensure that their work meets the highest standards of quality, originality, and contribution to their respective fields.

Employee Participation

25

Total Participants in FY24

2

PhD Degrees Awarded in FY24

Financial Overview

INR 763,625

Total Spending FY24

Includes participants' fees, cost of two mandatory courses, and two defense viva sessions organized for final evaluation of PHD

Courses and Training

Research Methodology

7 Number of Candidates who pursued this course

33 hours Total Training Hours

Research Publication and Ethics

6 Number of Candidates who pursued this course

30 hours Total Training Hours

- Classroom Training: **15 hours**
- Experiential Learning: **15 hours**

We are immensely proud of this program as it embodies our belief in investing in our people and supporting them to reach their full potential.

Empowering leadership

Influential leaders are crucial to driving our purpose-led strategy to develop a pipeline of talented leaders within the organization. We have created a series of programs designed to cultivate leadership skills and capabilities among our employees, from entry-level managers to senior management positions.



Lupin's Leadership Development Programs

For Senior Leaders

- **Lead, Accelerate, Motivate, Perform:** Recently launched flagship senior leadership development program

For Mid-Managers and Technical Leads

- **Area Managers Excellence**
An eight-month program to equip our area managers with leadership skills, brand standards knowledge and customer service excellence.
- **ELITE**
A comprehensive program to shape managerial and leadership capabilities through psychometric assessments, team activities, workshops, development clusters, action learning projects and coaching led by the L&D team with external expert inputs.
- **ENHANCE**
A three-year developmental program for selected leaders, facilitated through engagements like development centers, action learning projects, executive education, mentoring and site immersions to groom them as future site heads.

For Entry-level managers

- **Leader Plus**
Designed to empower young leaders by addressing soft skills gaps, providing insights and tools to enhance leadership capabilities, communication, teamwork, problem-solving and supervisory skills for driving team performance.

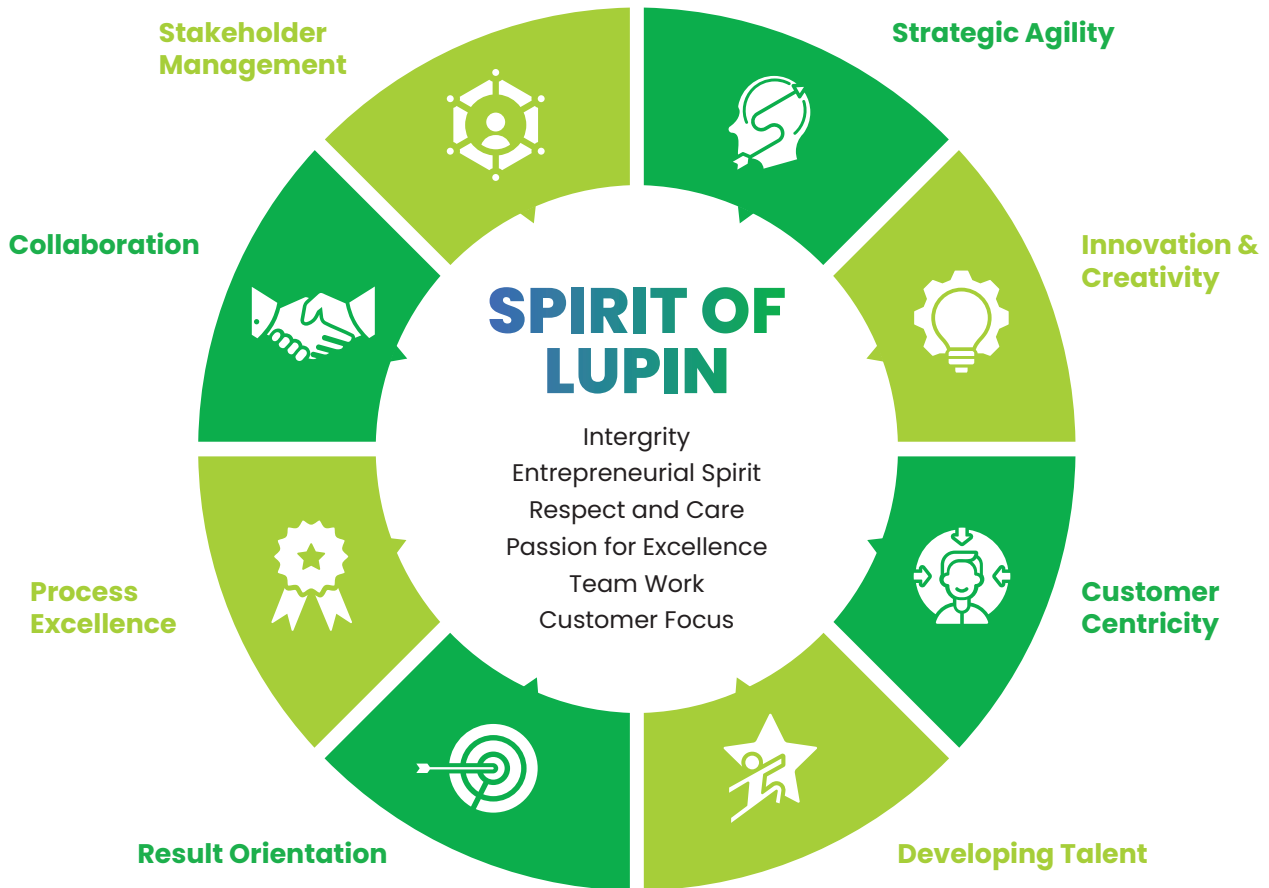
LAMP: Lead, Accelerate, Motivate, Perform is a flagship senior leadership development initiative designed to enhance the leadership skills of our General Managers, Senior General Managers, and Vice Presidents. Launched in February 2024, it is a 6-month blended journey developed in partnership with the Indian Institute of Management (IIM) Nagpur and esteemed faculties from IIMs across the country.

The program offers a well-rounded learning experience, featuring in-person modules focused on developing Lupin's 8 leadership competencies, virtual masterclasses on contemporary leadership topics,

immersive experiences with changemakers, industry speaker sessions, and interactive business simulations. Participants also engage in action learning projects, applying their learnings to real-world business challenges.

The first cohort includes 200 senior leaders from diverse functions like Corporate, R&D, Manufacturing, Quality, and IRF in four batches. Batch 1 has completed the on-campus module and is engaged in ongoing masterclasses and ALPs. More such programs are planned in the upcoming months.





Companies often face the challenge of developing a robust succession pipeline for critical site leadership roles, especially those instrumental in maintaining operational excellence and regulatory compliance. Lupin’s ENHANCE program directly addresses this need by systematically grooming a select group of high potential managers over three years to assume the responsibilities of a site head in the future. Investing in this initiative mitigates the risks associated with leadership transitions and ensures seamless knowledge transfer. The program safeguards business continuity by fortifying the leadership pipeline of individuals well-versed in the company’s operations and culture.

The program follows a comprehensive nine-step approach facilitated through three broad areas: Engage, Challenge, and Measure. Engagement is achieved through a variety of touchpoints, including Development Centers, 1:1 interactions, Action Learning projects, world-class executive education and exposure to prestigious institutions like the Indian Institutes of Management Lucknow, mentoring by our senior leadership team, coaching from business leaders and industry veterans, and site immersions. This engagement is closely tracked by the senior leadership team, ensuring a structured and impactful journey.

The core of the program is a series of dynamic workshops led by industry experts and seasoned leaders. These

workshops delve into crucial leadership competencies, such as team management, impactful presentations, executive presence, decision-making, and effective communication, equipping participants with the skills necessary to thrive in a competitive business environment.

Quantitative benefits of LAMP

Lupin Leadership Development Program, LAMP, incorporates **Action Learning Projects** as a core component.

20 live projects to be allocated among 187 senior leaders, organized into groups of 9-10 members each. These participants work on live organizational challenges, providing practical solutions and driving impactful change within the company.

Action learning Projects: 20 live projects

- Mentors: Senior leaders across functions
- Sponsors: Company Presidents
- The structured **interim and final reviews** of each project by MD Nilesh Gupta and the Executive Leadership Committee ensure that the projects align with our strategic goals and deliver meaningful impact.

ELITE at Pithampur: ELITE (Evolving Leaders Inspire Team Effectiveness): A comprehensive multidisciplinary intervention where each leader's unique requirements are addressed. It aims to enhance Managerial and Leadership capabilities through a Psychometric Assessment and Profiling tool, team activities, workshops, development clusters, action learning projects, coaching, and more. The complexity necessitated a co-partnered approach where the L&D team drives over 90% of the developmental activities, and external experts were brought in at regular intervals for focused inputs.

The intervention integrates key insights with proven innovative development methods to deliver significant and lasting business results. The journey convened with onboarding participants and key stakeholders, followed by a psychometric profiling tool on Leadership paradoxes. Post report debriefing, development areas were identified and addressed through the IDP.

Quantitative Benefits of ELITE

- Action Learning Projects taken by 19 participants
 - A. Cost price reduction of tablets in OSD: The team overachieved the target of reducing the cost price from INR 5.10 to 4 to 3.53, leading to savings of INR 48 Mn over the last year.
 - B. Market complaints reduction and closure enhancement in Albuterol inhaler: Achieved reduction in complaints by 94%.
 - C. Reduction in COGM of Levothyroxine Sodium Tablets USP, U.S. market, by reducing CC/PC cost/pack by ~20%, with an increase in the batch size from 2.6 Mn to 5.2 Mn. Impact:
 - a. Yield increased by 0.2% (97.3 % to 97.5%)
 - b. OEE of Packing increased by 2% (38% to 40%)
 - c. OEE of Comp. increased by 4%. (39% to 43%)
 - d. Changeovers reduced by 50%
 - e. Capacity increased by 10%
 - f. Inventory buildup went up to 400+ Mn
 - g. Inventory was less than 5 months
- 21% Promotions and 21% identified as future Site Heads
- Positive shift in behaviors: The most impacted behaviors, as confirmed by the stakeholders, were productive cross functional interactions, being assertive, empathetic and flexible and having a focused approach toward next line development.





Shaping Promising Talent

We have implemented the Global Talent Management and Leadership Development program, an initiative designed to identify, assess, and foster the growth of our high potential and high performing individuals. Anchored around the eight Lupin Leadership Competencies, the framework focuses on three key areas: succession plans for critical positions, career plans for top talent and individual developmental plans. The program covers employees from mid to senior management (Vice Presidents). For senior management, the program is applicable globally. The initiative was launched in 2022 with over 200 participants from across the globe, encompassing a talent assessment process, including 360-degree feedback, Thomas Profiling and talent reviews by Presidents and key stakeholders. The comprehensive review helps chart individual development plans tailored to each employee's needs.

In FY24, all employees who underwent assessments were evaluated by the Talent Council and the President.

Top performing talents were identified within each department and the organization. Detailed career development plans were created for these high potential employees to enable continued growth. Additionally, successors were designated for all critical roles to ensure seamless leadership transition when required. Progress reviews will be conducted periodically to track the development of identified talents and successors against their personalized career plans.

Diversity, Equity and Inclusion

We take pride in DEI being a priority and a business objective for us. Our belief is simple. Our differences make us stronger. We are committed to creating a world where everyone feels included, valued and thrives. We have a system where we oversee diversity centrally and measure success with clear metrics but entrust local teams to implement it in ways that suit their context.

Our DEI Programs



Groups of Support for Different Voices

Lupin Women’s Network is a platform for women employees to network, share ideas, and drive growth, support, and well-being initiatives.

iImpact is a mentoring program for women at Lupin that provides career advice and support from certified mentors. Through structured sessions and feedback, women are guided to elevate their voices and perspectives in their careers.

Returnity supports employees returning after their maternity leave with comprehensive programs to ease them into the workforce, including workshops and tailored support for both mothers and their managers. We run pre-maternity dialogues, ensure periodic check-ins during their leave, and offer a structured return-to-work program.



Gender Sensitization Workshops

Gender Sensitization Workshops are conducted annually to raise awareness, promote gender equality, and create an inclusive environment, addressing discrimination and empowering individuals. This year, we also hosted virtual best practices sessions, gathering insights from industry leaders to drive continuous improvement and innovation.

D&I Drives were organized in Delhi, Mumbai, Bangalore and Hyderabad, promoting awareness for an equitable workplace. The event witnessed active participation of over 200 women.



Celebrations

International Women’s Day, Men’s Day, and Pride Month were celebrated through talks, health camps, themed activities, and LGBTQ+ inclusivity workshops to embrace diversity and honor contributions.

Unstoppables is an annual self-defense program for female employees. It equips them with safety and self-defense skills for various situations, including cybercrime, and prepares them to tackle these challenges as effectively as possible.

Building a family-friendly work culture is important to create positive, connected and trusting teams. LWN organized various activities for our employees’ children, including a painting competition, public speaking contest, and Waste to Wow challenge. 135 children from Lupin Pune participated enthusiastically in these events.

To drive Lupin's diversity strategy and targets, we have refreshed and reformed our diversity councils to facilitate central control over strategy and local control over implementation. The strategy has been reformed to establish a governance mechanism for tracking and monitoring DEI progress. Our five business diversity councils include:

- Research and Development for Pune
- Biotech R&D and manufacturing division of Pune
- Corporate
- Manufacturing and Quality, and
- IRF

FY24 Women Workforce, India		FY24 Women Workforce, ROW		FY24 Women Workforce, U.S.	
Category	FY24	Category	FY24	Category	FY24
Share of women in junior management positions	39%	Share of women in junior management positions	14%	Share of women in junior management positions	45%
Share of women in STEM-related positions	3%	Share of women in STEM-related positions	31%	Share of women in STEM-related positions	37%
Share of women in management positions in revenue generating functions (such as sales or that contribute directly to the output of products or services)	9%	Share of women in management positions in revenue generating functions (such as sales or that contribute directly to the output of products or services)	20%	Share of women in management positions in revenue generating functions (such as sales or that contribute directly to the output of products or services)	32%
Share of women in management positions	8%	Share of women in management positions	23%	Share of women in management positions	26%
Share of women in top management positions	0%	Share of women in top management positions	1%	Share of women in top management positions	25%

Gender Pay Gap, Mean and Median Pay Gap, India

Category	Women	Men
Mean (INR)	1,141,668	894,127
Median (INR)	652,688	578,173

Gender Pay Break Up, India

Level	Number of Women	Number of Men	Average Women Salary	Average Men Salary
Executive level (base salary + other cash incentives)	21	193	8,143,530	11,458,111
Management level (base salary only)	248	1,908	2,063,817	2,120,855
Management level (base salary + other cash incentives)	248	1,908	2,105,882	2,220,621
Non-management level (base salary only)	716	15,165	620,369	557,425

Assessing Performance

As the future of work evolves, our approach to performance management must align with it, too. We continuously refine our annual performance process to ensure transparency, fairness, and robustness through:

- Collaborative goal setting and development plans with employees, rather than a traditional unilateral approach
- Performance conversation documents that track progress in Key Result Areas that enable us to identify development needs and provide timely support
- Continuous feedback through a newly launched platform, Success Factor, in addition to annual reviews
- Introduction of self appraisal forms for all employees, allowing them to rate themselves against objectives
- Upgraded portal capturing metrics from ratings to calibration

Linking Performance to ESG and Materiality

Our leaders guide their teams through this process and ensure that individual goals are aligned with Lupin's Leadership Competencies and Values Framework. Further to ascertain our commitment to our ESG goals and material KPIs, all Presidents have ESG goals as their individual goals and Lupin has ESG goals in its corporate goals – if the goals are met or not met/achieved, then the compensation of the Executives is affected.

Our materiality assessment has identified the top 3 material KPIs for enterprise value creation

- Accessibility and Affordability
- Responsible Supply Chain and Decarbonization
- Data Privacy and Protection

All these 3 KPIs are covered under the ESG goals as well as directly linked to the performance assessment of responsible executives.

Supporting the well-being of all

We believe that nurturing employee well-being is crucial to cultivating resilience in our workplace. We want to create a welcoming environment in the company that people are proud to be a part of, where they can build successful careers while contributing to improving patients' lives. We provide a competitive total rewards program covering pay, benefits (health insurance, parental and adoption leave, sabbatical), learning opportunities and well-being initiatives. While local cultures and regulations influence the specifics of our offerings in each country, our employee well-being strategy remains global in its scope.

To support physical well-being, we offer diverse fitness programs and workshops, including yoga, zumba, nutritional guidance, mindfulness practices and other engaging activities. These initiatives encourage our

employees to incorporate regular exercise into their daily routines. Annual health checkups are also organized to monitor the overall well-being of our workforce. Our Sikkim Lupin Women's Network organized a women's football tournament on International Women's Day this year. The event brought together employees from various peers, including Cipla, Zydus and Golden Cross, to celebrate inclusivity and a spirit of togetherness.

The scope of our well-being programs extends beyond physical health as we understand that true well-being encompasses more than just an active lifestyle. We conduct webinars on holistic health and wellness, providing valuable insights and strategies to help our employees thrive personally and professionally. We offer work from home and flexible working hours if needed. This approach allows employees to maintain a healthy work-life balance when faced with unique circumstances or obligations outside the workplace.

Ensuring our employees feel seen, heard, and appreciated is fundamental to our strategy. This year, we launched BRAVO 2.0!, an online platform to celebrate individuals who champion Lupin's core values. New features include spot recognition and the option for users to nominate any deserving colleague across all our India locations (excluding IRF, which continues using the Shabaash program).

The Desh Bandhu Gupta Spirit of Lupin Awards is our apex awards program, named after our visionary Founder. The program pays homage to his belief in recognizing and honoring individuals who embody the values of innovation, dedication, and compassion in advancing healthcare for all. Last year, we witnessed over 10,000 nominations across six regions and our six core values. Such an outpour of recognition for our employees' exceptional contributions inspired us to extend our gratitude beyond the walls of our company. Motivated by the nominations, we planted 10549 trees, one for each nomination across various locations.

Prioritizing Mental Health through WeCare

We are taking deliberate actions to destigmatize mental health at work to help us lead with empathy and openness. We organize stress management workshops to equip employees with coping strategies and resilience-building techniques, while mindfulness programs, meditation sessions, and relaxation techniques have been introduced to promote mental clarity and emotional balance.

Through the WeCare program, we support our employees in managing personal and workplace stress. Employees can access curated content on emotional and mental health tailored for the Indian context through an online platform. Counseling is confidential and options include telephone, online, and video sessions, with support also extended to immediate family members.

Employee Engagement

In order to improve employee engagement, the renowned McKinsey framework of the Organizational Health Index was administered by the said. The survey had a Global Employee response rate of 85%. The overall engagement score was 80% globally and 89% for India. Post administration of the survey, a structured communication plan was rolled out for the respondents. Detailed action plans were formulated subsequent to business/function-wise focused group discussions. These action plans will be monitored over a period of time as the OHI is a Biennial process.

Human Rights

Lupin signed on to the United Nations Global Compact in April 2023 and is committed to the UNGC’s Ten Principles on respecting internationally proclaimed human rights and operating responsibly labor, environment and anti-corruption. Guided by our Human Rights Policy, we respect and promote human rights across our operations, business relationships, and communities we work with. We do this through:

- **Sensitization Efforts:** As it’s a shared responsibility to uphold these values, we conduct periodic human rights awareness sessions to build an understanding

and respect for human rights within our workforce. This year, we organized a mandatory annual human rights refresher for our Indian teams led by Mr. Amit Patil, a renowned social and sustainability expert and trainer. We also ensure that all new hires receive human rights training during onboarding.

- **Responsible Management:** To support the implementation of our human rights policies, we have established site-level Human Rights Core Committees led by the respective site heads. Each committee has a fair representation from departments, managers, junior employees, female employees, and contract employees, and meets every quarter. They ensure policy governance, track key metrics every quarter and address any related concerns or grievances that may arise. Through human rights audits, we aim to identify potential risks arising from our activities and effectively manage them. We have expanded the coverage of the audits, starting with five sites last year to encompass all manufacturing facilities across India for Lupin and Lupin Manufacturing Solutions this year. During the human rights assessment audits, our sites undergo thorough evaluation against the key parameters listed below that are essential for ensuring human rights excellence.



- Engaging our suppliers and business partners: We expect and encourage all our third parties to uphold our values and follow our human rights standards as outlined in our Third party Code of conduct.

For details about our framework for safeguarding human rights and reporting concerns, see our Human Rights Policy.

Third-party Audits at Manufacturing Sites

Independent third-party auditors conducted the audits to ensure on-site compliance with Lupin's Human Rights Policy.

Out of Lupin's 15 total sites, 10 have been rated 'Platinum' while the others have received a 'Gold' rating. To sustain and enhance the overall site level score and the site rating, we have rolled out a few special projects at every site.

One such project was the 'Process Improvement in the vendor billing cycle.' During a Human Rights Audit, it was observed that while third-party contractors were paying their employees within the stipulated period, the pay dates varied across vendors. This posed a risk of perceived discrimination since Lupin's permanent employees were paid on the last day of the month. To address this issue, a cross-functional team comprising HR location leads, administration, financial shared services, and procurement was formed.

The team renegotiated agreements with contractors, allowing for shorter credit periods and a priority payout partner every month. Standard Operating Procedures were developed, approved, and implemented to standardize the payment date for vendors and their third-party contractual employees across all locations in India. This initiative improved engagement among third-party contractual employees across our locations in India by ensuring a uniform and fair pay date aligned with Lupin's permanent employees.

Health and Safety

Protection of our workforce is of utmost importance to the organization. Our Environment, Health, Safety & Sustainability (EHSS) policy is a guiding principle in fostering a safe and healthy workplace environment. We are committed to complying with all relevant laws and regulations while promoting the adoption of health and safety management standards across our manufacturing locations, R&D units, and offices.

We have implemented well-defined OHS management systems that delineate roles and responsibilities. This approach ensures the successful integration of OHS practices across all business processes and supports the effective participation of workers in determining and implementing preventive measures.

Proactive Risk Mitigation Strategies

Our robust Hazard Identification and Risk Assessment systems, coupled with comprehensive risk management processes, enable us to identify and implement effective control measures for potential risks. We employ a multifaceted approach, including HAZOP assessments for API products and processes, risk assessments for formulation units, and job safety analyses to gain a thorough understanding of potential hazards. To ensure readiness in emergencies, our team conducts regular mock drills to verify the operational effectiveness of our mitigation strategies. We prioritize rapid access to

medical services, including the provision of ambulances and the availability of antidotes, ensuring prompt and effective response in critical situations.

Continuous Improvement and Stringent Oversight

Ensuring effective health and safety initiatives is an ongoing process. We conduct monthly reviews of our environmental, health, and safety (EHS) performance at both site and corporate levels. These reviews play a crucial role in identifying constraints and developing improvement measures. Our sites are equipped with dedicated EHS units that facilitate the integration of safety management systems with annual performance appraisals, establishing clear safety performance targets. Our health and safety systems undergo rigorous internal and external audits to maintain the highest standards. In the event of an incident, our Incident Management System enables thorough investigation and implementation of appropriate remedial actions.

Established channels for reporting

We actively encourage our employees and workers to report any work-related hazards or potentially dangerous situations. Individuals can report near misses, injuries, and incidents to their respective department heads. Our specialized safety team is responsible for conducting root-cause analyses of incidents and implementing preventive actions to avoid recurrences.

Celebrating Excellence through the Lupin Environment, Health and Safety Awards and Accolade System

The EHSAAS initiative acknowledges and rewards employees and partners for their exceptional contributions towards EHS aspects of our operations, including EHS performance improvements, greenhouse gas reduction measures, resource conservation efforts, and injury reduction. This reward and recognition system will strengthen the EHS-driven culture within our facilities.



Health and Safety, India

Category	FY24				FY23			
	Lost Time Injury Frequency Rate	Total recordable work-related injuries	Number of Fatalities	Accident Frequency Rate (per one million man hours worked)	Lost Time Injury Frequency Rate	Total recordable work-related injuries	Number of Fatalities	Accident Frequency Rate (per one million man hours worked)
Employee	0.00	34	0	1.62	0.05	37	0	1.75
Contractual	0.12	60	0	2.48	0.09	86	0	3.85
Total	0.07	94	0	2.08	0.069	123	0	2.83

Category	FY22				FY21			
	Lost Time Injury Frequency Rate	Total recordable work-related injuries	Number of Fatalities	Accident Frequency Rate (per one million man hours worked)	Lost Time Injury Frequency Rate	Total recordable work-related injuries	Number of Fatalities	Accident Frequency Rate (per one million man hours worked)
Employee	0.26	65	0	2.81	0	79	0	3.58
Contractual	0.16	145	0	5.82	0.21	179	0	7.63
Total	0.21	210	0	4.37	0.11	258	0	5.67

zero
Fatalities

of employees and contractors
over the last five years.

Defensive Driving Training

We have proactively raised awareness about road safety and promoted a culture of defensive driving among our employees.

With top management's endorsement, we have partnered with specialized trainers to conduct comprehensive on-site defensive driving training programs across our manufacturing sites in India, including LRP, Lupin Diagnostics, Lupin Digital Health, and the Head Office.

Physical and online training sessions were conducted for the IRF business employees.

This initiative extends to new hires during induction, and road safety kits are distributed to employees.

In FY24, we provided defensive driving training to 7,021 employees, aiming to contribute to reducing accidents and creating a safer environment for everyone on the road.

Safety and Health Trainings

Effective safety and health practices stem from a well-trained and informed workforce. To that end, we conduct safety and health training across all Lupin manufacturing sites, utilizing a diverse array of training modes. These include:

Classroom Training: Interactive sessions facilitated by subject matter experts.

- **On the Job Training:** Hands-on, practical training sessions conducted at the workplace, ensuring direct application of safety procedures.
- **Toolbox Talks:** Brief, focused discussions on specific safety topics, reinforcing best practices and raising awareness.
- **Digital Learning:** Leverage the L2LMS/SABA training platform to provide accessible and engaging online safety training modules.

A few examples of safety training programs are material safety data sheet, laboratory safety, chemical safety, near-miss reporting, process safety, and basic firefighting.

A few examples of health training topics are first-aid training, health and hygiene, prevention of eye injury, awareness on hypertension and diabetes.



Natural Capital

Contributing to a Cleaner, Better Tomorrow

Our commitment to environmental sustainability is fundamental to building trust with society and aligns with our goal of manufacturing high-quality, affordable medicines. Sustainable operations are paramount to our mission of improving lives, ensuring our efforts are not compromised by adverse environmental impact.

We continue to reduce emissions, water consumption, and waste disposal in our operations, in line with our 2025 targets. In 2023, we integrated environmental sustainability as a criteria into supplier contracts and started working with them to define actions to reduce emissions across our supply chain.





21%

Reduction in Absolute GHG Emissions (Scope 1 and 2)

33.8%

Share of Renewable Energy Across Operations




400%

Water Positivity

6

Sites are Zero-Liquid Discharge

Progress and Highlights

Focus Area	Target	Progress
 <p>Climate and Energy</p>	Reduce our Scope 1 and Scope 2 GHG emissions by 38% from 2022-23 levels by 2030 (aligned to a 1.5 degree science-based reduction pathway)	Achieved 21% reduction in Scope 1 & 2 from the previous year (Scope 1: 29% reduction and Scope 2: 19% reduction)
 <p>Addressing Water Security</p>	Recycling 50% of our total water withdrawal in our Indian operations by 2025	44% of total water withdrawn recycled in FY24
 <p>Waste Management</p>	70% of the hazardous waste generated in our Indian operations will be sent to cement plants for co-processing by 2025	89% of total incinerable hazardous waste sent to cement plants for co-processing Goal Achieved

Ensuring Good Governance Practices

Our environmental governance, guided by our EHSS policy, focuses on resource efficiency, pollution prevention, energy conservation, water recycling, and waste reduction. Our ESG Committee monitors compliance with environmental legislation and measures the effectiveness of our management systems.

All our sites are ISO 14001 certified and adhere to robust environmental management systems. We regularly monitor our EHSS practices and performance, reporting findings comprehensively. Our EMS audit strengthens this process, ensuring regulatory compliance. Results are shared with the Board once in six months, facilitating discussions around critical EHSS aspects and identifying areas for improvement. This enables us to address gaps and continuously enhance our environmental performance and management system. We have initiated an EHSAS reward recognition program for employees and contractors for exemplary contributions to ESG targets, GHG emission reductions, water-saving initiatives, etc.

EHS Audits

13

Internal Audits

24

External Audits

Climate Strategy and Action

As a responsible and resilient business, we acknowledge the potential impact of climate change on the environment, society, governance, and the economy. Our comprehensive decarbonization strategy enables us to understand our environmental impact better and ensure we implement necessary measures to reduce it. This includes procurement of renewable energy, comprising captive solar and wind generation and a switch over to briquette boiler operations with renewable fuel sources.

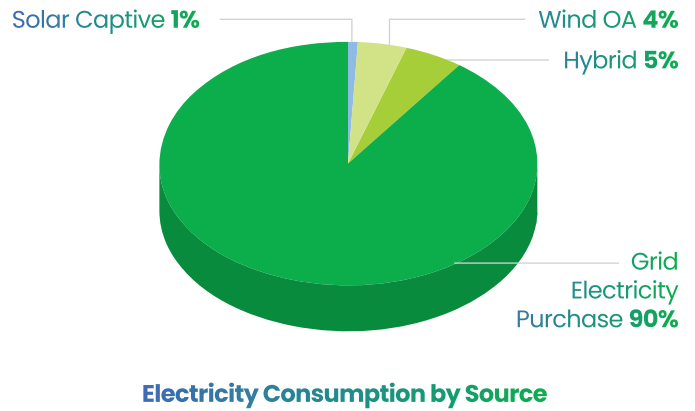
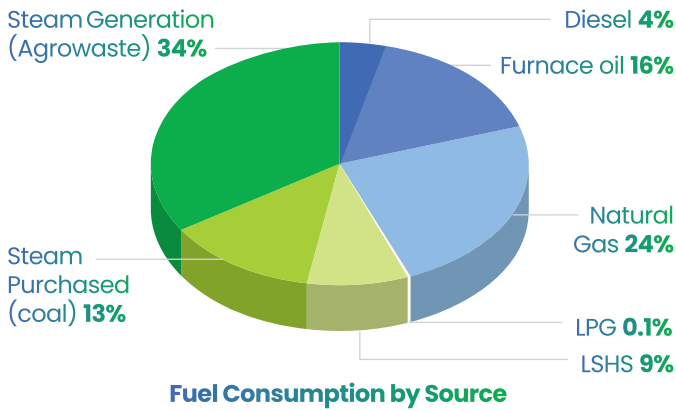


Lupin Limited joins the Science Based Targets initiative and sets 2030 GHG emission targets.

Addressing Energy Security




In FY24, our global energy consumption stood at 2,842,807 GJ, of which India manufacturing operations accounted for 97% of consumption.

Our primary energy consumption is from grid-purchased electricity, with additional sources including diesel for DG sets and fuel for company owned vehicles. We have been lowering our consumption and improving the efficiency of our physical infrastructure. Additionally, we are increasing the contribution of renewable energy sources in our energy mix YoY.



Share of renewable fuel in the energy mix increased by 4 times, from 109,049 GJ in FY23 to 487,713 GJ, contributing to 33.8% of total energy derived from fuel sources in FY24.

Our energy management strategy is multifaceted, encompassing several key elements:

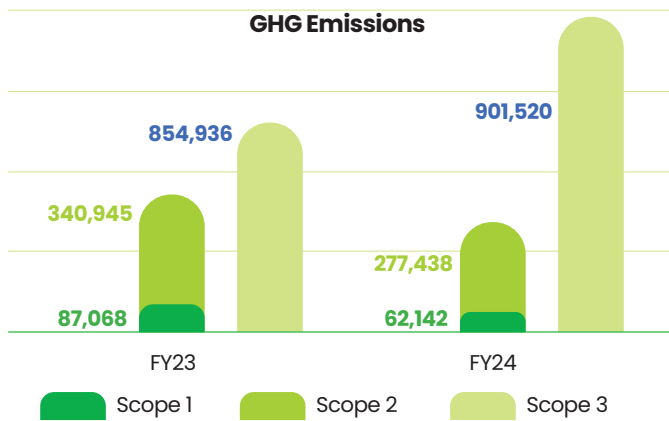
Energy Management	
 Energy Efficiency	<p>We have undertaken a phased study across all our facilities to evaluate their energy efficiency potential. This comprehensive assessment helps us identify opportunities for improvement and determine the optimal energy sources for each site.</p> <p>Replacement of outdated conventional luminaires with energy efficient LED lights.</p> <p>Upgrading conventional AC motors to DC electronically commutated motors in air handling units.</p> <p>Optimizing refrigeration plants, fine-tuning pumping systems, and improving the efficiency of boiler and utility equipment. These efforts have yielded substantial improvements in energy efficiency and significant reductions in power costs.</p> <p>We have installed screw press for dewatering of sludge over conventional methods thereby reducing the energy consumption and CO₂ reduction.</p>
 Renewable Energy Adoption	<p>We have significantly bolstered our commitment to renewable energy at our Ankleshwar and Dabhasa sites, adding approximately 5.3 MW to our renewable power capacity. We are constantly looking to scale up the utilization of renewable electricity to power our operations by installing rooftop solar panels and through open access of solar and wind energy. Our overall total renewable energy mix has enhanced from 5.3% to 10.6%.</p>
 Embracing Alternate Fuels	<p>We embrace the use of alternate fuels for our operational processes to reduce our reliance on non-renewable sources, such as the use of biomass. We have introduced Agro waste boilers as a more environmentally friendly fuel source at all our sites including Nagpur, Mandideep, Pithampur, Sikkim, Tarapur, Dabhasa and Vizag.</p>

Through our energy saving interventions, we avoided the use of approximately 29,684 MWh of energy across India manufacturing operations in FY24.

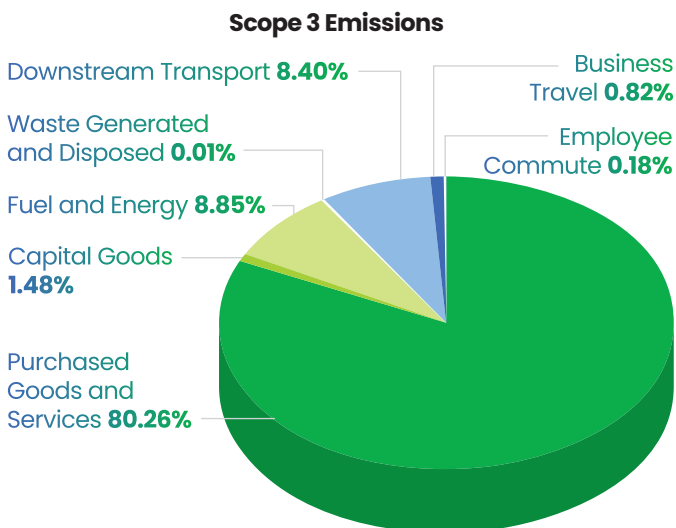
Carbon Footprint

Reducing GHG emissions, particularly CO₂ emissions, is critical to mitigating the adverse effects of climate change. We are taking concrete steps towards decarbonizing our operations.

Of our total emissions, Scope 1 and Scope 2 emissions comprise 5% and 21% of our GHG footprint, respectively. 74% are emitted from our value chain (Scope 3). Most of our Scope 1 (direct) emissions originate from boilers used in operations for producing steam, electricity, and wastewater treatment facilities, while our Scope 2 (indirect) emissions are from purchased electricity for running facilities and operations. Our Scope 3 (indirect) emissions include those from purchased goods and services, capital goods, processing of sold products, and others. We align our reporting and monitoring practices with the SBTi requirements and develop systems to reduce our Scope 1 and Scope 2 emissions, reaffirming our commitment to responsible environmental stewardship.



The scope 1 and scope 2 emissions reduced by 29% and 19% respectively, owing to dedicated investments into phase out of fossil fuels and adoption of renewable power for our operations.



By 2030, we aim to reduce our Scope 1 and Scope 2 GHG emissions by 38%, benchmarked against FY23 levels.

Biomass Boilers

Fuel consumption in boilers forms a significant part of our Scope 1 emissions. To reduce this, we have replaced oil-fueled boilers with biomass briquette boilers.

Biomass briquettes, made from biodegradable waste, significantly lower GHG emissions compared to FO/LSHS/LDO. They are typically produced from organic waste such as rice husk, sawdust, bagasse, groundnut shells, and other agricultural or forest waste. Biomass briquette boilers not only have lower emissions but also provide farmers with an alternative to monetize agro-waste. Additionally, the biomass briquette supply chain has strengthened over time to fulfill the necessary demand.

Ten of our twelve manufacturing sites in India make use of biomass briquette boilers for steam generation. Installation is underway at one additional site and is expected to be completed in FY25.

Climate Risk Assessment

At Lupin, we recognize the importance of being resilient and protecting our business and stakeholders against external threats. To this end, we prioritize monitoring and addressing a wide range of external factors to ensure that we are able to mitigate any risk. In our commitment to combating climate change, we fully support the Paris Agreement and aim to reinforce our response to risks posed by climate change. We will do this by limiting the rise in the global average temperature to well below 2°C and endeavor to limit the temperature increase to 1.5°C to minimize severe climate change.

To achieve this goal, we launched strategic initiatives to comprehensively understand the effects of climate change on our business and therefore have put in place, measures to combat the same. Further to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), we conducted a climate risk assessment, including scenario analysis, in FY23 to study the impact of climate change on the business in different climate scenarios. This risk assessment covered both physical climate risks and transition-related risks to the business, adhering to leading internal frameworks and guidelines, such as the TCFD and the Carbon Disclosure Project.

Physical Risk Assessment

Our physical risk assessment encompassed 16 locations/sites globally, based on the IPCC AR5 Risk Assessment Framework. We analyzed two climate scenarios: SSP 2 (Middle of the Road) and SSP 5 (Fossil-fueled Development). Anomaly (difference from the average or baseline) was calculated for various indicators such as

temperature, precipitation, cooling degree days, cyclones, and water stress. For both scenarios, we have considered two time periods – 2020–2039 and 2040–2059, to develop a composite climate risk index and a vulnerability index, taking into account exposure, sensitivity, and adaptive capacity. Key risks that Lupin’s units potentially might face include:

Risk Type	Location	Impact	Adaptation Measure
Cyclones	Mumbai Visakhapatnam USA	Disconnection or disruption of internet and/or phone services or electricity leading to disruption in operations. Infrastructure failures due to cyclones/winds, such as the collapse of the Galvalume roofing system, failure of connections/structures, progressive collapse of roof steel trusses, and breakage of window panes at the plants and office locations.	<ul style="list-style-type: none"> Policy on building all new infrastructure considering the cyclone and wind impacts. Retrofit all existing structures as per IS:875 (Part 3) codes for various types of buildings and structures. Provision of shelter and resilient assembly places for staff in case of climate or industrial disasters. Identify cyclone weak spots (roofing, shafts, chimney stacks etc.) and review transmission lines and potential consequences of power cuts.
Sea Level Rise	Mumbai Visakhapatnam	Saltwater inundation.	<ul style="list-style-type: none"> Business interruption/relocation plans. Additional insurance for buildings/assets. Flood barriers and plantations. Avoid new projects in low-lying coastal zone.
High Temperature	Vadodara Kalpataru, Mumbai Aurangabad Mandideep	Temperature increase impacting the building structures. Building energy use will increase if climate extremes become the norm. High temperature variability impacting the comfort level and the productivity of the staff. Heat waves are the leading causes of weather-related morbidity and mortality and will directly impact the health of the staff/community in the vicinity.	<ul style="list-style-type: none"> Conduct an internal survey on heat-related impacts on staff. Heat Resistant Roofing, Heat Resistant Tiles. Install efficient heating, ventilation and air-conditioning (HVAC) systems. Assess high temperature impacts on energy usage/ product storage/ development. Conduct a detailed study on lowering the increasing cost of cooling due to increased temperatures.
Dry Spell and Water Stress	Mumbai Vadodara Indore Mandideep	Dry spells may not directly impact the Lab’s infrastructure except through water scarcity. This will impact its cooling systems, water requirements, pools etc. Water scarcity can cause Health and Safety issues. Reduced water availability may also impact sanitation and hygiene needs.	<ul style="list-style-type: none"> Grey water reuse and Recycling systems. Rainwater harvesting is also an important measure that may be installed. Annual training programs on water-saving measures. Site-based water usage minimization program. Exploration of alternate sources of water other than groundwater.

Transition Risk Assessment

We conducted a scenario analysis up to 2050 to assess risks from anticipated changes in the policies, regulations, markets, and technologies due to climate change. Using Network for Greening the Financial System Scenarios, we partnered with an academic consortium from the Potsdam Institute for Climate Impact Research, International Institute for Applied Systems Analysis, University of Maryland, Climate Analytics and Eidgenössische Technische Hochschule Zürich for this assessment. The transition pathways for the NGFS Scenarios are differentiated by several key design choices relating to long term temperature targets, net zero targets, short term policy, overall policy coordination and technology availability.

Addressing Water Security

Water stewardship is integral to our Sustainable Development Plan 2030, underscoring its critical role in our business operations and broader societal well-being. Recognizing the significance of water quality and availability, we remain steadfast in our commitment to developing sustainable water supply systems across our operations. Operating in water-scarce regions, we prioritize compliance with all water-related regulations and maximize the use of recycled water from our effluent treatment and reverse osmosis facilities for utilities.

At the community level, we extend our water conservation efforts through initiatives such as rainwater harvesting projects facilitated by our CSR team. Furthermore, we continuously optimize freshwater usage and enhance water efficiency within our operations. To mitigate groundwater risks, we implement projects that place emphasis on surface water sources and deploy desalination plants. Moreover, our commitment to responsible wastewater management is evident through the establishment of wastewater recycling and zero liquid discharge in most of our sites. These initiatives ensure the safe disposal of treated waste, minimizing the risk of groundwater contamination and reinforcing our commitment to environmental sustainability.

Water Savings League

Water conservation plays a critical role in our sustainability journey. We actively invest in the latest technologies to reduce our freshwater consumption and are constantly exploring newer avenues to strengthen it.

We launched the Water Saving League 2023, a gamified initiative under 'Mission Jal Shakti' to optimize water usage in our Pithampur facility. As part of this program, awareness camps were held, and employee participation was actively sought to discuss innovative ideas to reduce water usage at the site. Our employees shared several novel ideas, which were implemented at Pithampur. Some of them include:

- Rooftop rainwater harvesting system
- Use of rainwater in the fire hydrant tank by replacing fresh water for makeup during the monsoon season
- Retrofitted flow restrictors in water taps to improve water use efficiency
- Removal of unwanted tappings from the mains water supply line
- Identification of unaccounted water use points and installation of water flow meters at those points for effective monitoring

Collective participation by employees helped us to reduce our freshwater consumption by 16863 KL.

In FY24, we recycled 43.8% of the total water withdrawn for our India operations. We aim to achieve 50% recycling of the water used in India operations by 2025.



Enabling Circular Economy

Lupin's waste management strategy is driven by the 3R principle: Reduce, Reuse and Recycle. We diligently inventory our waste streams, including hazardous waste, non-hazardous waste, e-waste, biomedical waste, and more, and ensure their recycling or disposal through third parties, adhering to all relevant government regulations.

43,523 tons of waste disposed globally

8,129 tons of waste recycled

89.4% of incinerable hazardous waste is sent for co-processing to cement plants

Hazardous Waste

At our sites, hazardous waste comprises 3% plastic liners and drums, 13% chemical gypsum, 22% spent solvents, and 62% other hazardous wastes designated for landfilling, disposal, incineration without energy recovery, and co-processing. In collaboration with our suppliers, we ensure responsible disposal of both hazardous and non-hazardous waste. Over the last two years, we have consistently repurposed 70% of disposed waste as alternate raw material or fuel for co-processing, underscoring our commitment to sustainability.

Non-Hazardous Waste

All non-hazardous waste produced in our facilities undergoes recycling or reuse processes. This encompasses STP sludge, paper, and food waste from our canteens. We have also implemented biomass composting systems, transforming biodegradable waste into high-quality organic compost within our premises.

Other Waste

All other waste, including e-waste, plastic waste, and biomedical waste, is disposed of as per regulatory

requirements. We comply with the 'Plastic Waste Management Rules' of the Central Pollution Control Board, including Extended Producer Responsibility for the management of plastic waste and e-waste. We have recycled 2803 MT of post-consumer plastic waste, fulfilling 100% of our EPR target.

Biocomposter

The non-hazardous canteen waste from most of the sites was sent to piggeries/cattle farms. The horticulture waste, i.e., dry leaves, dry grasses, dead branches, etc., was stored inside the premises as it was not disposed of outside the plant.

Our Goa plant utilizes a biocomposter system to convert organic waste from canteens and gardens into compost, which is used as manure within the plant. The biocomposter operates odor-free, with minimal electricity consumption, and produces nutrient rich compost in 15 to 20 days, eliminating the requirement of storing the compost further for maturing and curing.

Antimicrobial Resistance

Lupin recognizes the importance of Antimicrobial Resistance stewardship in our sustainability strategy, as it directly impacts human and ecological well-being. AMR poses a significant threat to public health by reducing the effectiveness of antibiotics and other anti microbial drugs.

The excessive use and improper disposal of these drugs can lead to contamination of water bodies, soil, and food chains, leading to further adverse conditions. We actively assess the ecological impact of the Active Pharmaceutical Ingredients used in the manufacturing processes, discharge into water bodies, potential bioaccumulation in ecosystems, and overall toxicity to organisms. We frequently analyze the anti microbial content in the treated water discharge and ensure that the PNEC values of those AMRs are below the quantification limit. 6 manufacturing plants are Zero Liquid discharge plants where the treated effluent is recycled in the utilities, and there is no discharge outside the premises. We also undertake lifecycle assessments of our top 10 revenue generating products, from cradle to gate, to understand and mitigate the cumulative environmental impact of APIs. The lifecycle assessments will help us to assess the opportunities for reducing the ecological footprint.

Biodiversity

Biodiversity holds immense significance for us due to the role it plays in the discovery and development of nutraceuticals. Natural resources serve as invaluable reservoirs for novel chemical compounds and active ingredients, making the preservation of biodiversity crucial to our industry's innovation and sustainability. Last year, we formalized our commitment to zero deforestation, recognizing the integral link between forest ecosystems and the availability of key resources for drug development. Building upon this commitment, we have embarked on a comprehensive assessment of biodiversity.

We undertook a biodiversity risk assessment in three of our manufacturing sites: Tarapur, Mandideep, and Pithampur. Detailed surveys of flora and fauna within the core and buffer zones (10 km radius) of each site were conducted, focusing on biodiversity aspects. Utilizing the WWF Risk Filter and Encore tools, we identified key risks and dependencies, including physical, political, and reputational risks. Notable physical risks identified are extreme heat, tropical cyclones, pollution, and possible disruptions in water supply.

Our methodology for conducting biodiversity risk assessment included desk research, primary and secondary data collection to conduct vegetation and faunal assessments (including the computation of biodiversity indices) and reporting. Primary data comprises direct field observations across the three sites and remote sensing data. The core zone (plant area) and

buffer zone (defined as a radius of 10 km from the plant) at each of the three locations were physically surveyed. Secondary data included details of Environmental Impact Assessments, Plant Operation and Production Reports, Corporate Social Responsibility / Sustainability Reports, Satellite Imagery, etc.

Ashoka and Teak are two Flora species identified for conservation. Faunal surveys highlighted River Tern and Black Rail species for conservation efforts.

Utilizing the established methodologies endorsed by the Intergovernmental Platform on Biodiversity and Ecosystem Services, we have identified and analyzed dependencies and pressures exerted on biodiversity within the operational areas of the assessed manufacturing plants. The detailed Biodiversity Management Plan outlines recommendations to ensure no net loss of biodiversity, enhance ecological health, avoid degradation of critical habitats, and achieve our long-term sustainability goals.

Product Sustainability

Lupin employs Life Cycle Assessment tools to evaluate and communicate the environmental performance of



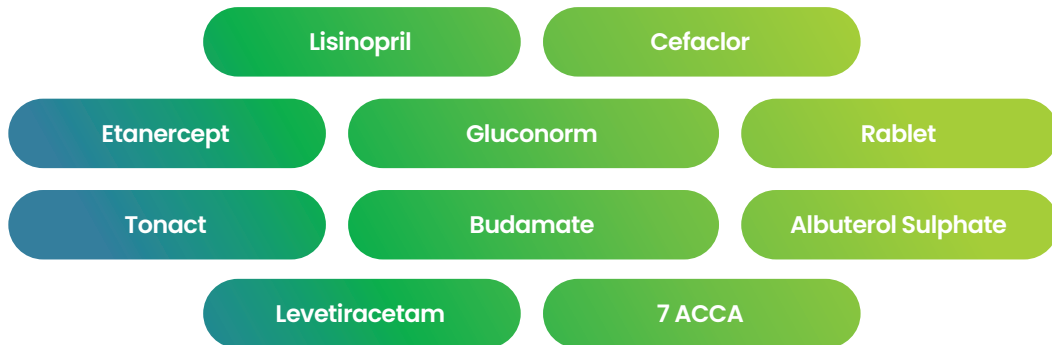
our products across their lifecycle. Guided by ISO 14040 and ISO 14044 standards, we completed LCA studies for 10 products this year. The LCA study adopted a cradle-to-gate assessment, which includes emissions from raw material production and the final stage of production. Furthermore, the product use phase and end-of-life stage are excluded as per the system boundary. The LCA software used was SimaPro, and the EcolInvent Database was used for the LCA Database to model the environmental impact of the selected products.

The report presents the data in the form of eleven midpoint indicators (including Ecotoxicity and resource depletion indicators) to evaluate the environmental impacts such as: Climate change/Global Warming Potential (GWP, kg CO₂ equivalent), Ozone Depletion

Potential (ODP, kg R-11 equivalent, Human toxicity, cancer (CTUh), Human toxicity, non-cancer (CTUh), Particulate matter (kg PM2.5 eq), Ionizing Radiation (kBq U235), Photochemical Ozone Creation Potential (kg NMVOC eq.) / Photochemical Ozone formation, Acidification Potential (mole H⁺eq.), Eutrophication, Terrestrial (mole N eq) Eutrophication, Freshwater (kg P eq), Eutrophication, marine (mole N eq), Freshwater Ecotoxicity Potential (FAETP, CTUe), Land use (kg C deficit), Water Use (m³ water eq), Mineral, fossil and ren resource depletion (kg Sb eq).

Further to the study, environmental hotspots which were identified are being addressed through decarbonization strategy and other environment action plans.

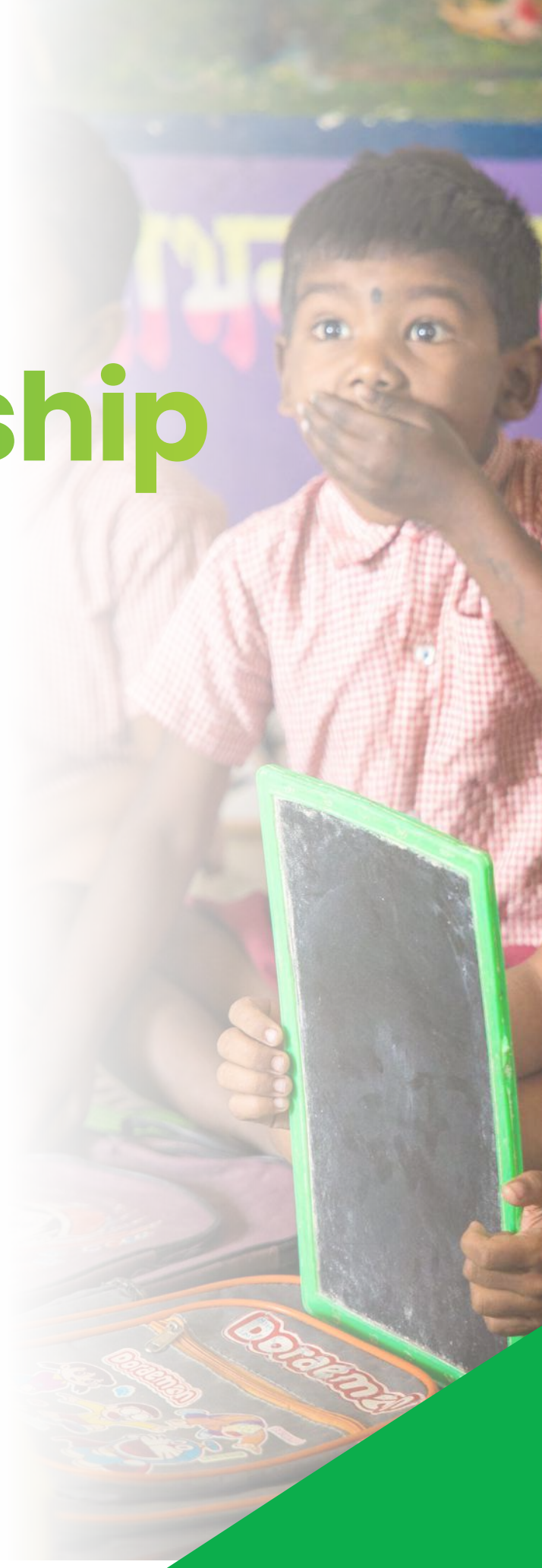
Products



Social & Relationship Capital

Enriching Lives of Our Communities

The Lupin Human Welfare and Research Foundation was established by our Founder, Dr. Desh Bandu Gupta, in 1988, dedicated to promoting good health and fostering economic growth through sustainable livelihood in India's most marginalized regions. Over the last three decades, LHWRF's efforts have centered around agriculture, animal husbandry, women's empowerment, and rural industries. Through structured long term programs and strategic partnerships with governmental and non-governmental entities, international development agencies, and philanthropic organizations, we have reached out to over 1.57 Mn beneficiaries in more than 4,771 villages across eight states in India. Various initiatives, such as upgrading local infrastructure and enhancing access to healthcare and education, have led to a positive impact on the lives and livelihoods of these communities. This demonstrates our unwavering dedication to social upliftment and economic development through collaborations with community-based organizations as well as local institutions.





₹256 Mn

CSR Spend

233,383

Beneficiaries

300+

Suppliers Assessed
on ESG Parameters

100%

Suppliers Covered
under Supplier Code of
Conduct

In FY24, we intensified our efforts in focus districts, benefiting over 195,000 families through our Livelihood program, screened over 25,000 villagers and treated 12,257 individuals through our Lives program.

Our Relationship with Communities

Strong relationships are crucial to the success of our CSR initiatives, and through LHWRP, we remain deeply committed to nurturing these bonds. We have fostered a culture of trust and honesty within our communities, laying the groundwork for meaningful change. We work with community-based institutions comprising local catalysts and influencers, playing a pivotal role in inspiring and motivating their fellow villagers. These grassroots leaders exemplify the Foundation's values, driving social

transformation and empowering their communities to embrace positive change.

Strategic Focus Areas

Understanding the aspirations and perspectives of our communities is paramount in crafting effective programs. By prioritizing their voices and needs, we ensure that our initiatives are not just responsive but also tailored to address the specific challenges and opportunities within our communities. This approach underscores the importance of a nuanced, need-based strategy that places the empowerment and fulfillment of individuals at its forefront, driving sustainable change from within the community.

Lives Programs

Our Lives program, in collaboration with the governments, addresses service delivery challenges related to cardiovascular and chronic respiratory diseases. Over the past year, LHWRP has conducted 214 camps (154 in Alwar and 60 in Palghar), reaching 12,257 individuals in Maharashtra and Rajasthan.

Mobile Medical Van

- Inaugurated in July 2023
- Offers a comprehensive range of diagnostic services and medical support
- 18 health camps are held twice a month in nine selected health facilities in the Alwar district
- Improved access to essential healthcare services in the Alwar's Rajgarh, Laxmangad, Reni, and Kherali blocks
- Enables early intervention, fostering the overall well-being of residents

Non-Communicable Disease Awareness

- Specialized NCD corners, offering tailored care and information, are set up in nine government health facilities in Alwar
- 130 street plays conducted, and over 500 wall paintings done in project villages to raise awareness

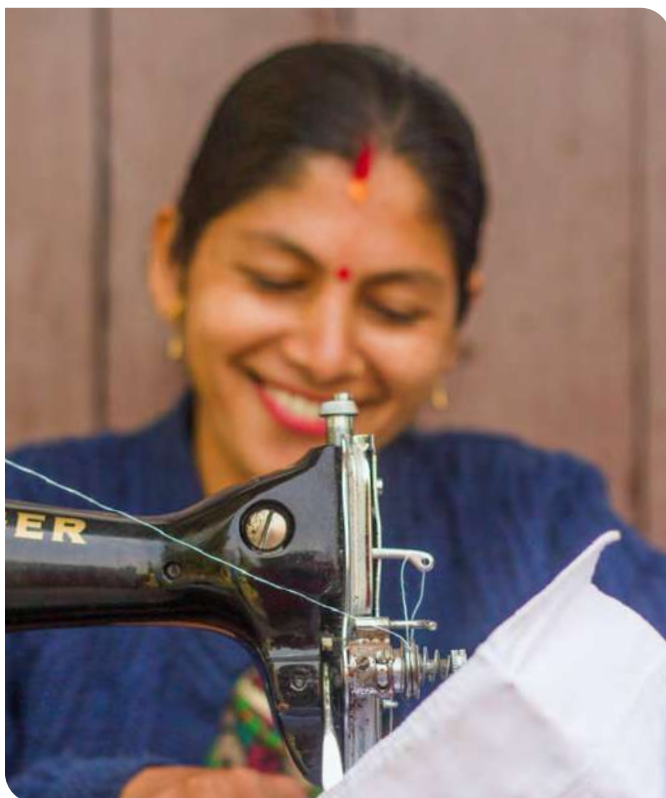
Livelihood Programs

Our Livelihood Program empowers economically vulnerable rural communities in North and West India by offering locally tailored, sustainable solutions to improve incomes. It operates through internally and

externally funded projects developed in collaboration with grassroots institutions, municipalities, and community members, ensuring relevant, impactful interventions and effectively meeting community needs.

Highlights, FY24

Key Projects	Impact	Locations
<p>Desh Bandhu Jan Utkarsha Pariyojna</p>	<p>850 households supported</p>	<p>Rajasthan and Maharashtra</p>
<p>Natural Resource Management and Efficient Resource Utilization</p>	<p>Water Storage capacity of 2,28,141 cubic meters was achieved</p>	<p>Rajasthan and Maharashtra</p>
<p>Skill Development and Enterprise Promotion</p>	<p>689 young individuals</p>	<p>Rajasthan and Maharashtra</p>
<p>Better Cotton Initiative</p>	<p>95,000 farmers</p>	<p>Maharashtra’s Dhule and Nandurbar</p>
<p>Soil Protection and Rehabilitation for Food Security</p>	<p>24,000 marginal women farmers</p>	<p>Six districts of Maharashtra</p>
<p>Farmers’ Producer Organizations</p>	<p>19,411+ farmers</p>	<p>Maharashtra, Rajasthan, and Madhya Pradesh</p>



Desh Bandhu Jan Utkarsh Pariyojna

- Flagship program launched in FY22
- Implemented in select villages of Bharatpur, Alwar, Pune, and Dhule districts of Rajasthan and Maharashtra, respectively
- The program seeks to reduce dependency on rain fed agriculture by promoting alternative income sources, ensuring sustainable economic empowerment
- Irrigation Facilities: Offered based on feasibility to enhance agricultural productivity
- Vegetable Cultivation: Encouraged among households with access to irrigation, promoting dietary diversity and income
- Goat Rearing and Poultry Units: Aimed at landless and artisan households to provide them with stable income sources
- Skill and Enterprise Development: Facilitates skill upgrading and provides job placement support for establishing small enterprises, both farm and off-farm

Key Impact

- Supported over 850 households in reducing their dependence on rainfed agriculture and facilitated the development of alternate sources of income
- Achieved a total water storage capacity of 2,28,141 cubic meters through the construction of 53 water harvesting structures, including check dams and ponds
- 689 young individuals trained in General Duty Assistant and Tailoring

Pioneering Initiatives for the Advancement of Cotton Agriculturists

- Implemented in Maharashtra's Dhule and Nandurbar districts in partnership with the Better Cotton Initiative
- Supported by the Deutsche Gesellschaft für Internationale Zusammenarbeit, the initiative aims to elevate cotton farming practices in Maharashtra, fostering sustainability, fair labor and better returns on investment
- Supported over 95,000 farmers in the Dhule and Nandurbar regions of Maharashtra to promote a holistic approach to sustainable cotton production
- Aims to double Better Cotton production by 2030

Elevating Agriculture Through Digital Innovation and Sustainability Practices

- Deploys an innovative educational framework, employing 2D animated videos in vernacular languages,
- Targeting women at the grassroots level who have access to smartphones.

Key Impacts of the Project

- Two project beneficiaries, Ms. Surekha Desale, a Woman Farmer, and Ms. Rekha Sonavane, the field facilitator, **received recognition at an International Conference in Amsterdam**

Strong Governance

Robust governance mechanisms drive our social initiatives and optimize social capital. The Board of Trustees, supported by the CSR Committee and the LHWRF, oversees the implementation of our programs. The Board ensures effective CSR policy implementation and fund allocation, while the CSR Committee moderates plans, monitors projects, and evaluates impact. LHWRF directly manages project execution, ensuring ethical practices and compliance. Collaborations with government agencies, local partners, institutions, self help groups, NGOs, and experts enable us to leverage resources and expertise for successful implementation.

Impact Assessment Study

As responsible corporate citizens, we are cognizant of

the importance of regular evaluations to ensure that our programs make a meaningful impact. Such assessments also serve to reorient our programs to meet the needs of the community. In adherence to this, during FY24, we conducted an independent third-party impact assessment of district development programs in Dhule, Sindhudurg, Pune, Bharatpur, and Alwar. Conducted by CSR Box, this assessment evaluated key sub-programs implemented by LHWRF, including agriculture, animal husbandry, skill and enterprise development, women empowerment, water resource development, tree plantation, upgradation of healthcare services, digitalization of schools and infrastructure development in rural areas. The study provided a comprehensive analysis of the social value of these programs, guiding our investment assessments.

Areas	Intervention	Social Return on Investment				
		Sindhudurg	Bharatpur	Alwar	Pune	Dhule
Agriculture	Crop Yield Enhancement	44.61	3.06	12.56	16.90	5.69
	Promotion of Horticulture	11.60		12.20		
	Bee Keeping		7.10			
	Land Levelling				7.40	
Animal Husbandry	Dairy		5.58	5.91	33.21	5.91
	Goat Rearing			2.93	0.43	4.76
	Poultry			6.00	1.45	2.24
	Fish Rearing	22.31				
Rural Industrialization	Skill and Enterprise Development	43.98	4.66	22.30	6.95	5.04



Employee Volunteering

Our Employee Volunteering initiatives have significantly impacted the communities we serve, with our team dedicating 19,188 hours of service to various meaningful activities. These efforts reflect our strong commitment to environmental, social, and governance (ESG) principles, reinforcing our role as responsible corporate citizens.



Environmental Sustainability: We organized cleanliness drives and planted 63,355 trees across multiple locations, contributing to ecological conservation and enhancing green cover



Community Health: Our teams organized and participated in blood donation drives, supporting local healthcare efforts



Education and Social Development: We conducted educational sessions, delivered guest lectures in schools, and distributed mid-day meals, ensuring that children received essential nutrition to support their education and overall development



Cultural and Social Cohesion: By celebrating important cultural days, we fostered community unity and promoted social cohesion



Rural Infrastructure: Our contributions to farm road development projects have improved accessibility in rural areas, enhancing the quality of life for local communities

Empowering Patients: Access, Care, and Outcomes

At the heart of our business philosophy lies our commitment to fostering profound relationships built on

transparency, trust, and open communication grounded in shared values. We nurture respectful and mutually beneficial connections with stakeholders, underpinning our business conduct. Our diverse network spans patients, healthcare professionals, channel partners, government entities, suppliers, shareholders, industry bodies, media, regulatory authorities, employees, and society.

Enhancing Patient Experiences

Throughout its history, Lupin has significantly impacted patients' lives, particularly in the fight against TB, where we are the largest supplier of primary anti-TB medications. Our commitment to ensuring access to safe, effective, and quality medicines and health products is fundamental to preserving and improving the health of millions. Leveraging our global presence, we have pioneered health solutions for both regulated and non-regulated markets.

Recognizing the importance of comprehensive patient-centric care, we have expanded our scope to include diagnostics and healthcare solutions, initially focusing on cardiovascular and diabetes care. In response to evolving priorities and the demands of the digital era, Lupin has initiated a robust digital transformation program. This initiative aims to streamline patient interactions and internal processes, aligning with our commitment to improving healthcare accessibility and connectivity. By leveraging digital technologies, we facilitate timely interventions and enhance treatment efficiency, ultimately leading to better patient outcomes. Concurrently, we focus on optimizing processes across various functions to drive quality and efficiency improvements.

Through our digital platform connecting cardiovascular and diabetes patients with healthcare professionals and practitioners, we have significantly enhanced accessibility in healthcare delivery. This seamless integration facilitates quicker interventions, placing patient well-being at the forefront of our endeavors.



Flagship Initiatives Targeted Towards Improving Patient Awareness

SAARTHI Say Yes to Life



Revolutionary tool for mental health professionals in customized, regional languages. Improves treatment outcomes and supports patients and caregivers. Fosters open discussions and coping tips for anxiety, low mood, stress, and sleeplessness.

320,000

Patients Reached

Pan-India

Geographical Presence

Jeet



Launched this year, Jeet is a trusted partner in cardiovascular care, offering a range of benefits including savings on medical costs, disease counselling, medication reminders and lifestyle support. The program promotes a healthy lifestyle by offering features like timely medication reminders and daily wellness activities, all designed to support heart health.

6000

Patients Reached

Pan-India

Geographical Presence

Jai



We launched the Joint Airway Initiative (JAI), India's first digital asthma educator platform, to provide comprehensive inhalation techniques to guide patients suffering from asthma and enable effective asthma symptom management.

11521+

Patients Reached

Pan-India

Geographical Presence

Achieving Accessibility and Affordability

We are committed to ensuring that everyone, regardless of their geographical location or socio-economic status, benefits from our pharmaceutical innovations. In our efforts to combat TB, particularly in regions with limited resources, we operate multiple state-of-the-art facilities dedicated to anti-TB products. As one of the largest manufacturers of Rifampicin, Pyrazinamide, and Ethambutol Active Pharmaceutical Ingredients, we have expanded our production capabilities in Aurangabad, increasing our output by 40% from our specialized anti-TB formulation blocks. Our generics offer significant cost savings worldwide. In the U.S., Lupin ranks #3 by prescriptions, holding a 4.7% share of total prescriptions, contributing to USD 373 Bn in savings. Similarly, in South Africa, Lupin has helped reduce healthcare expenditures by 35%, and in the U.K., our products have generated 30-50% savings for the government.

Creating Affordable Drugs in Low and Middle Income Countries

Bedaquiline, one of the three new drugs developed against TB in over half a century, is crucial for treating drug-resistant TB infections. Lupin has made this vital medication more accessible in LMICs by reducing its six-month treatment course price by 33%.

We are also launching 2-3 programs in India and building capacities in healthcare systems where we operate. Our commitment to not patenting or enforcing patents on intellectual property related to products for diseases covered by ATMI 2021 in least developed and low income countries ensures affordable and accessible medications for those in need.

Through Lupin Access Business, we have successfully registered our products in low and middle income countries, surpassing 115 registrations to date. In FY24, we secured 80+ registrations across various nations, marking significant milestones in expanding the global reach of Lupin's antiretroviral and tuberculosis treatments, fostering greater accessibility to life-saving medications worldwide.

Access to medication for COPD patients in the U.S.

Lupin Limited has partnered with Mark Cuban Cost Plus Drug Company and the COPD Foundation to improve access to affordable medications for COPD patients in the U.S. This initiative addresses the urgent need for cost-effective respiratory treatments for the 15 million adults affected by COPD in the U.S., enhancing patient access and supporting Lupin's commitment to health care innovation and affordability.

Supporting Healthcare professionals

At the core of our mission is the commitment to advancing healthcare and fulfilling patient needs. This necessitates a collaborative relationship with health care organizations and health care professionals to leverage scientific expertise effectively. We offer compensation to HCPs for their invaluable time and expertise and provide financial assistance to HCOs for patient care, NHS initiatives, and R&D endeavors.

We strictly adhere to the guidelines set forth by the Association of the British Pharmaceutical Industry, maintaining transparency by disclosing all payments and benefits. Our flagship programs are meticulously designed to enhance understanding and knowledge with regard to the optimal use of our products. Through comprehensive educational initiatives for both healthcare providers and patients, we ensure that they are well informed about the benefits and appropriate usage of our treatments.



Flagship Initiatives Targeted Towards Improving Medical Professional Awareness

EHFA Certification Courses on Heart Failure



In collaboration with the European Society of Cardiology, Lupin has launched a program for cardiologists, focusing on the latest advancements in managing heart failure. This aims to enhance awareness and knowledge about cutting-edge approaches in cardiac care among medical professionals.

1,863

Medical Professionals

Pan-India

Geographical Presence

International Symposium on Diabetes



Lupin collaborates with Joslin Diabetes to conduct a flagship program for Indian endocrinologists and diabetologists, promoting advancements in diabetes management and providing updates on the latest advances in the field.

2,200

Medical Professionals

Pan-India

Geographical Presence

Experience the Expertise



Lupin raises awareness about dry and refractory cough among chest and respiratory physicians by disseminating scientific material and enabling discussions. We provide valuable insights on diagnosis and treatment advancements and foster a collaborative environment for sharing expertise and addressing challenges.

1,175

Medical Professionals

Pan-India

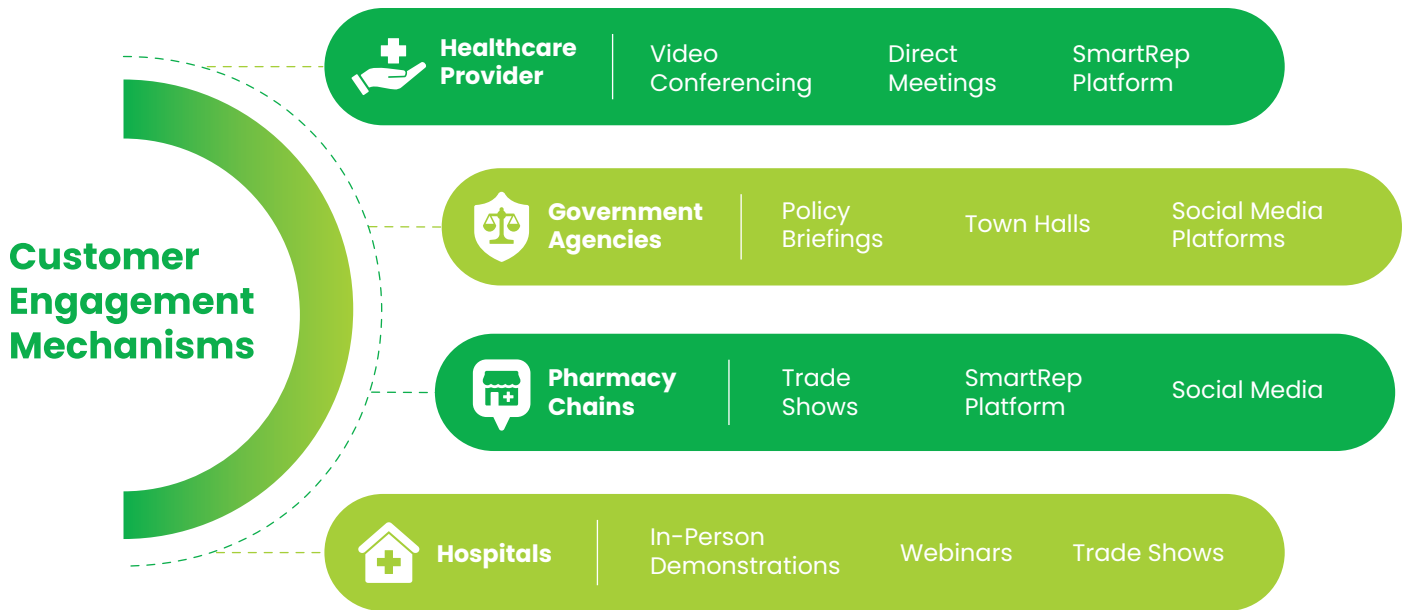
Geographical Presence

Customers

At Lupin, our focus is on building strong relationships with our diverse customer base, which includes healthcare providers, government agencies, pharmacies, and hospitals. Our commitment is to deliver exceptional

service and ensure customer satisfaction in every interaction. We believe that outstanding customer service is key to consistently exceeding expectations.

Customer Engagement Mechanisms



Our proactive involvement in notable industry events allows us to directly engage with our customers, providing a platform for sharing insights, discussing industry trends, and fostering collaborative opportunities.

Our senior leadership’s accessibility underscores our customer-centric commitment. Executives, including

the CEO and other senior leaders, actively engage with customers to align strategic objectives. Regular updates on sales activities, product launches, and opportunities for collaborative growth during business reviews demonstrate our dedication to transparency and mutual success.

In the Philippines, our wholly owned subsidiary, Multicare Pharma, uses Pocketwise, our Sales Force Effectiveness Customer Relationship Management system, to manage interactions with doctors, key accounts, and trade accounts. It records daily call activities and supports initiatives such as medical consultancy. By integrating marketing programs, sales-initiated activities, and

corporate activities, Pocketwise enhances operational efficiencies. It enables personalized interactions, seamless data tracking, and informed decision-making. The system’s nudge engine guides sales representatives in achieving key performance indicators, driving demand generation, and fostering positive business outcomes.

Responsible Supply Chain Management

We prioritize delivering best-in-class service levels through trustworthy and long-term partnerships within our global supplier network. This dedication allows us to consistently provide high quality healthcare solutions to our customers.

Our extensive global network of suppliers and business partners, including manufacturers, service providers, wholesalers, and distributors, ensures efficient delivery of our medicines to patients. We proactively explore opportunities to derisk our supply chain by evaluating alternate suppliers for critical or non substitutable raw material. As part of our Supplier Code of Conduct, we expect suppliers to adhere to Lupin's ESG standards. We enforce stringent contractual agreements that mandate compliance with our standards for quality, ethics, environmental sustainability, and human rights across all third-party engagements. We promote a culture

of continuous improvement and collaboration with our partners, emphasizing the development of quality products to enhance consumer safety. We also ensure the quality of raw materials through periodic supplier audits.

Decarbonization of Value Chain

At Lupin, we recognize the importance of long-term commercial partnerships with our suppliers. These relationships are sustained through a robust commitment to social, environmental, and safety standards, ensuring our business value remains uncompromised. Our Supplier ESG Program plays a pivotal role in this commitment. Through our Supplier ESG Program, we meticulously track the environmental, social, and governance impact within our supply chain. This monitoring is particularly focused on critical direct material suppliers, ensuring they meet our stringent ESG criteria. To align our suppliers



with Lupin's organizational goals, we have conducted multiple webinars, educating them on the importance of ESG compliance. These educational efforts are crucial for fostering a shared understanding of our ESG expectations and enhancing supplier performance. In FY24, we undertook a comprehensive ESG evaluation of 309 suppliers who are either strategic or critical to our operations. The assessments enabled us to identify those suppliers needing intervention to meet Lupin's ESG requirements. For those who have certain development areas, we have designed and implemented Corrective and Preventive Action plans. These tailored plans address specific deficiencies, requiring suppliers to submit detailed improvement strategies. We track these CAPA plans periodically to ensure that improvements are being made and that sustainability standards are consistently met.

309Suppliers
Assessed**7+**Awareness
Sessions
Conducted

Risk Management

Navigating regulatory pathways, operational complexities, and volatile market conditions call for a robust risk management framework that straddles the entire gamut of business operations. This comprehensive framework necessitates a deep understanding of the factors that cause uncertainty across the value chain and support systems.

At Lupin, our Executive Management team anchors the tone for risk appreciation and management, resonating

across all functions and ably supported by our team members. Various metrics, data analytics and technology platforms form the backbone for the identification, quantification, and control of risks in a comprehensive manner. These factors enable sustained value creation, upholding the spirit of entrepreneurship, which forms an integral part of our ethos.

Risk Governance



Lupin employs a 'three lines of defense' system to govern and manage risks.

The Risk Management Committee, constituted by the Board, holds the ultimate responsibility for our approach to risk management and internal controls. With their extensive experience and expertise, the committee translates strategic directives into tactical guidelines for the risk management function and oversees its effective implementation. The RMC establishes our risk appetite, taking a holistic view of risks across the entire organization and considering their global impact and interdependencies. The committee convenes bi-annually to provide strategic direction and oversight on risk management activities.

Reporting to the Board Committee is the Risk Management Cross Functional Team, which comprises of

individual risk owners. This team meets as frequently as needed to review risk treatment plans, monitor changes in risk exposures, and adjust the risk appetite as required. The risk owners share their reports on risks and mitigation strategies with this team.

At the operational level, our functional and location teams support the risk owners and are responsible for day-to-day risk ownership. They ensure clear assignment of risk management responsibilities and implementation of risk treatment plans. The functional and location teams meet regularly to assess risks and review the risk treatment plans.

We maintain an independent internal audit unit tasked with advising and auditing yearly to ensure that policies are followed and processes align with the company's risk strategy and policies. This unit provides objective

assurance, safeguarding against conflicts of interest arising from other business priorities and ensuring effective risk management practices.

Biennially, the internal audit team may invite external experts for their comments on the audit process. This may

be done to benchmark our practices with global best practices. Further, to strengthen our ERM capabilities, we are set to pursue ISO 31000 Risk Management certification, thus aligning our risk governance systems with global standards.

Risk Management Framework

Our Risk Management Framework guides our approach across all our subsidiaries and partners, ensuring clarity and effectiveness, thereby safeguarding Lupin's objectives and operations.



Key elements include

- **Alignment of strategy and enterprise risk management:** The company's risk management strategy is derived from its overall business strategy. The Board of Directors plays a pivotal role in setting the risk threshold and risk appetite aligned with business expectations. The risk threshold on financial impact and likelihood frames the cornerstone for setting the risk categorization.
- **Risk Identification and Prioritization:** We conduct an extensive assessment of the business landscape, scanning the risk horizon throughout the year to identify external trends that may present opportunities or emerging risks. Additionally, risk owners monitor their business activities and internal environment to identify potential risks.
To feed into the internal risk assessment, an external double materiality exercise is undertaken once every two years, where material risks are assessed for their financial materiality and impact materiality. During this process, material Key Performance Indicators (KPIs) are identified and compared against the

company's risk taxonomy, ensuring all relevant risks are captured and addressed.

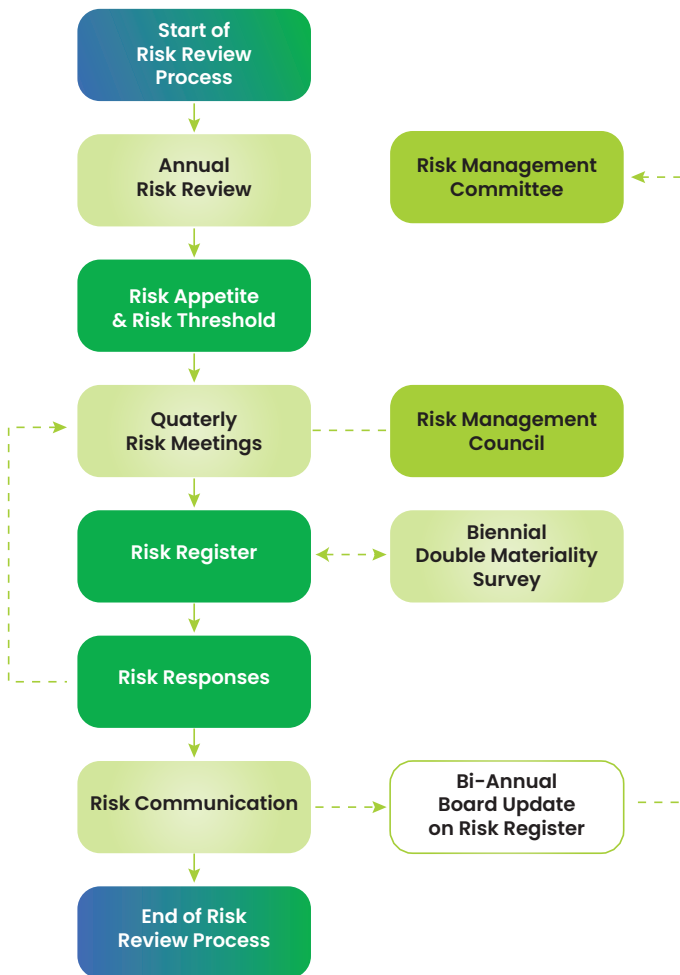
Insights from risk owners across the organization contribute to the risk prioritization process. Risk exposure is assessed once a year by considering the likelihood of occurrence and the overall impact of the identified risks. We utilize our risk appetite framework to define the likelihood and impact of the risk. By combining likelihood and impact, we determine the severity of risks, allowing us to prioritize the risks. Through this evaluation, risks are categorized as strategic, operational, emerging, and systemic.

- **Scenario Testing and Sensitivity Analysis:** We are evolving sensitivity analysis and scenario planning exercises to evaluate our readiness to respond to our strategic and operational risks. This planning will aid us in anticipating contingencies and developing effective risk mitigation strategies.
- **Oversight and Governance:** A Coordinated effort across all three lines of defence enables us to effectively identify, assess, and manage risks

while pursuing our business objectives. The Risk Management Council, with its role in overseeing the implementation of the risk management framework and management of material risks, is the key component in strengthening Lupin's risk governance and oversight mechanisms.

- Risk Mitigation:** The respective risk owners, with the support of the site and functional teams, ensure the development and implementation of consistent risk mitigation plans. At the start of each fiscal year, the Internal Audit team conducts an internal risk review. Additionally, an independent third-party Internal Audit of the risk management process is conducted once every two years. The findings from these reviews are used to adjust and refine the company's risk treatment strategies as needed.

- Risk Communication:** Risk owners monitor risk treatment plans on a quarterly basis, and the progress and status of risk treatment are communicated to the Board committee on a bi-annual basis. This regular communication ensures that key stakeholders remain informed about the company's risk exposures and the effectiveness of risk mitigation strategies.
- Building a strong risk culture:** We are deeply committed to integrating risk processes, procedures and employee awareness initiatives throughout the organizations to embed a strong risk culture. We foster a culture of personal responsibility to understand and manage risks. This robust culture, built on our commitment, helps us fulfill our purpose and meet stakeholder expectations.



Risk Management Committee Education

- Need based education and training specific to risk management for the Board of Directors and Risk Management Committee (including Non-Executive Directors)
- Deepens understanding of the company's risk profile
- Empowers decision making to mitigate potential risks

Employee Training

- Multiple trainings are conducted annually to raise awareness about different risks
- Skill upgradation training sessions are conducted based on training needs identified by the risk response teams
- Interactive sessions for corporate offices and manufacturing sites are held with our risk experts

Recognition and Reward System

- Our leadership encourages employees to identify and report potential risk expressions such as near miss incidents, market dynamics, statutory and regulatory changes
- We have an extensive reward system for employees and contractors, such as EHSAAS Awards and Spirit of Lupin Awards

Reporting Mechanisms

- Employees can report risks to their leadership or via Ombudsperson
- Office of Ombudsperson ensures responsive and professional handling of reports

Risk Criteria in Product / Service Development

- Manufacturing facilities conduct risk management for all activities following Standard Operating Procedures (SOPs) referencing Engineering Controls and Personal Protective Equipment (PPE) usage
- SOPs are prepared based on risks using Hazard Identification and Risk Assessment (HIRA) methodology and aspect impact to control adverse environmental effects
- Rigorous regulatory audits by entities such as the U.S. FDA and UK MHRA necessitate preparedness
- Unique training methods such as the Audit Readiness film simulate real-life audit situations, ensuring employees interact positively and confidently with auditors

Our Risk Categorization

The risks in our portfolio are evaluated based on their likelihood and potential impact and categorized into one of the four risk categories.

Strategic Risks: These are the most critical factors affecting our ability to implement our strategy or accomplish our business objectives. As they stem from the organization's overarching strategy, business model and strategic decisions, their impact can be far-reaching and potentially undermine the company's core mission. We conduct regular risk reviews and scenario planning to manage strategic risks and establish robust mitigation measures to treat the risk. This enables us to reduce the likelihood of the risk materializing.

Operational Risks: These risks pertain to potential losses or disruptions arising from identified inadequacy in internal processes, systems, human errors, or external events. They arise from our day-to-day operations, processes, and systems that enable the organization to function effectively. Our operational risks are managed through robust internal control processes, employee training, business continuity planning, compliance mechanisms, and incident response protocols.

Emerging Risks: These risks are potential threats that are newly formed or rapidly evolving, requiring oversight and monitoring as they may develop into strategic or operational risks in the future. They may not be quantifiable, may contain a high degree of uncertainty, and their full impact on the organization may not be

immediately apparent. These risks are often driven by nascent trends, disruptive technologies, regulatory shifts, or societal changes. Depending on the priority of the risk, respective risk owners are identified for these risks, and appropriate mitigation measures are implemented.

Systemic Risks: These are evolving trends in the industry, over a longer term, that hold the potential to develop into

new risks. They are on the radar of the company but do not warrant an immediate risk response. However, these are assessed to see if the future consequence of the risk would be within our risk appetite and tolerances. Both emerging and systemic risks are communicated regularly and escalated appropriately to the Risk Management Committee so that they can guide decision-making.

Our 2024 Risk Register

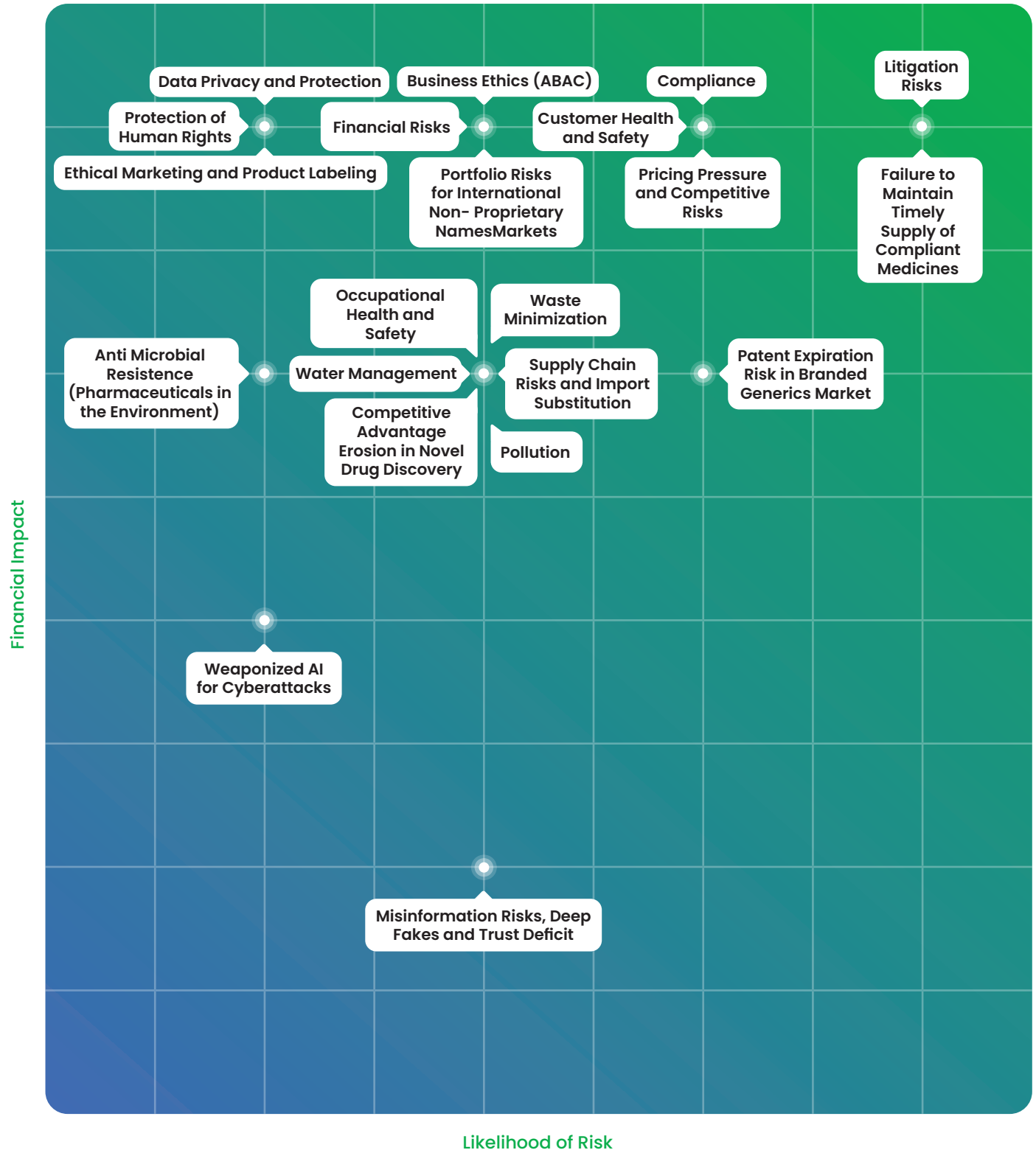
Taxonomy	Risk	Likelihood	Impact	Trend	Category
Business	Litigation Risks	●	●	↘	Strategic
Business	Failure to Maintain Timely Supply of Compliant Medicines	●	●	↔	Strategic
Business	Pricing Pressure and Competitive Risks	●	●	↔	Strategic
Business	Compliance	●	●	↘	Strategic
Business	Customer Health and Safety	●	●	↘	Strategic
Business	Business Ethics (ABAC)	●	●	↘	Operational
Business	Portfolio Risks for International Non-Proprietary Names Markets	●	●	↔	Operational
Business	Data Privacy and Protection	●	●	↗	Operational
Business	Patent Expiration Risk in Branded Generics Market	●	●	↘	Strategic
Business	Competitive Advantage Erosion in Novel Drug Discovery	●	●	↗	Emerging
Business	Supply Chain Risks and Import Substitution	●	●	↗	Emerging
Business	Weaponized AI for Cyberattacks	●	●	↗	Systemic
Business	Misinformation Risks, Deep Fakes and Trust Deficit	●	●	↗	Systemic
ESG	Protection of Human Rights	●	●	↔	Operational
ESG	Ethical Marketing and Product Labeling	●	●	↔	Operational
ESG	Water Management	●	●	↘	Operational
ESG	Pollution	●	●	↘	Operational
ESG	Waste Minimization	●	●	↘	Operational
ESG	Anti Microbial Resistance (Pharmaceuticals in the Environment)	●	●	↗	Operational
ESG	Occupational Health and Safety	●	●	↔	Operational
Financial Risks	Financial Risks	●	●	↔	Operational

● 4 ● 3 ● 2 ● 1

↗ Increasing ↘ Decreasing ↔ Constant

Risk Prioritization Matrix

Prioritization is an outcome of likelihood and magnitude assessment. To illustrate this, we have created a risk prioritization matrix, a heat map that highlights their significance.



Risk Responses for our Strategic and Operational Risks

Failure to Maintain Timely Supply of Compliant Medicines



Risk Description	Supply chain risks are two-fold: securing supplies of APIs and key starting materials for production and maintaining a consistent supply of final products to global customers. Delays at manufacturing sites or in logistics can disrupt the procurement of ingredients and components, as well as the distribution of finished products, leading to potential product shortages, lost sales, and reputational damage.	
Impact Materiality	Heat Map Score	Financial Materiality
-	16	● Magnitude ● Likelihood
Risk Taxonomy	Trend (for 1-3 years)	Risk Type (based on Financial Impact)
Business	Constant	Strategic
Risk Treatment	Aversion/ Reduction /Acceptance/Taking	
Risk Treatment Plan	We work with alternate API suppliers, keep reserve stocks, and use supply chain modeling to foresee disruptions to guarantee the continuous supply of API for high-value products. Building a robust global supply chain is made possible by careful investments in business intelligence solutions. We assess and onboard alternate vendors for essential APIs and intermediates to ensure a steady supply. We are proactively engaging with our customers, particularly in the U.S., so that order books can be maintained in the long term.	

Litigation Risk



Risk Description	Given the nature of our business, the company is exposed to intellectual property claims, product safety-related litigation risks, employment disputes, and legal challenges concerning income tax, excise, customs, sales/VAT tax, and other regulatory matters pertaining to our business operations. Such risks have the potential to significantly impact our financial standing, damage our brand reputation, and erode the trust of our stakeholders.	
Impact Materiality	Heat Map Score	Financial Materiality
-	16	● Magnitude ● Likelihood
Risk Taxonomy	Trend (for 1-3 years)	Risk Type (based on Financial Impact)
Business risk	Decreasing	Strategic
Risk Treatment	Aversion/Reduction /Acceptance/Taking	
Risk Treatment Plan	To reduce legal risks, we focus on intellectual property management, build strong quality standards, and conduct thorough screenings. These include patent searches, tracking expiration dates, and evaluating validity and enforceability. We maintain high-quality standards through defined policies, procedures, thorough testing, and training. We screen all contracts extensively, utilizing robust standard operating processes. All contracts are carefully drafted to protect the interests of Lupin. These efforts reduce litigation risks, prevent product liability claims, recalls, and regulatory actions, and protect our reputation and stakeholder confidence.	

Compliance Risk



Risk Description

Compliance risk can lead to delayed product approvals, penalties, and plant shutdowns. Policy regulations such as bans on certain products or combinations may also impact commercial prospects. Rigorous quality requirements across the value chain increase the chances of quality deviations and batch rejections. Non-compliance with CGMP regulations can jeopardize regulatory certifications from authorities such as the U.S. FDA, UK MHRA, Japan's PMDA, and WHO, affecting Lupin's ability to execute its pipeline and maintain its reputation.

Impact Materiality

-

Heat Map Score

12

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy

 Business

Trend (for 1-3 years)



Risk Type (based on Financial Impact)

 Strategic

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

Lupin's Pharmacovigilance function ensures product safety by implementing effective monitoring systems and adhering to globally accepted cGMP and regulatory requirements. The Quality team conducts audits and follows a Global Quality Action Plan to ensure compliance and prepare for audits. We prioritize product life cycle management and timely recalls to maintain high-quality standards and resolve any adverse events.

Pricing Pressure and Competitive Risk



Risk Description

As a global pharmaceutical manufacturer, Lupin encounters substantial pricing pressures and competitive risks. The U.S. generics market is particularly challenging, with intense competition and consistently declining prices, especially in high-competition dosage forms. In the U.S. and EMEA regions, selling specialty products adds to the pricing pressure due to government initiatives to lower prescription drug costs. The consolidation of drug wholesalers and retailers and the influence of large buying groups and managed care organizations amplify these pressures by enhancing their purchasing leverage. This environment threatens Lupin's financial margins and competitive edge.

Impact Materiality

-

Heat Map Score

12

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy

 Business

Trend (for 1-3 years)



Risk Type (based on Financial Impact)

 Strategic

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

Our emphasis on producing complex generics for major markets such as the U.S. has strengthened our market leadership to offer cost-effective therapies for patients. Moreover, by strategically determining prices for innovative drugs, we guarantee that our research and development investments are appropriately compensated, ultimately leading to better pricing. We have a strategic focus on operational efficiencies and cost optimization for spend reduction. Finally, we established long term with buying groups as well as active pharmaceutical ingredient (API) and essential raw material suppliers to mitigate pricing risks.

Customer Health and Safety



Risk Description

At Lupin, ensuring customer health and safety is a critical priority. The company's rigorous quality standards and compliance with cGMP regulations across its entire supply chain are essential to mitigate risks related to product safety. Any deviations in manufacturing processes or product specifications can lead to batch rejections and potential safety issues, posing significant risks to patients. Regulatory inspections by authorities such as the U.S. FDA, UK MHRA, Japan's PMDA, and WHO play a crucial role in maintaining these standards. Adverse findings can not only affect Lupin's ability to bring products to market but also damage its reputation.

Impact Materiality

-

Heat Map Score

12

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy

Business

Trend (for 1-3 years)



Risk Type (based on Financial impact)

Strategic

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

Lupin places top priority on ensuring the safety and quality of its products, achieved through the dedicated efforts of its Pharmacovigilance function and strict quality management processes. The company's strong systems and adherence to cGMP and regulatory requirements guarantee thorough monitoring and management of product safety. Ongoing compliance at sites is assured through the implementation of a Global Quality Action Plan and regular audits. The diligent Pharmacovigilance team actively monitors adverse events associated with Lupin medications and takes necessary actions. Furthermore, prompt recalls are carried out for products that are discovered to have defects or fail to meet specifications, whether identified by regulatory authorities or through internal assessments.

Patent Expiration Risk in Branded Generics Market



Risk Description

Potential loss of market share and revenue for the company because of the patent expiry opens up the market to competition from other generic manufacturers. The risk lies in maintaining our brand value and market share in such an event.

Impact Materiality

-

Heat Map Score

9

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy

Business

Trend (for 1-3 years)



Risk Type (based on Financial Impact)

Strategic

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

In FY24, Lupin implemented Integrated Business Planning to identify its product portfolio in advance and mitigate risks effectively. The company manages its product portfolio efficiently and evaluates it effectively. With a strategic focus on inhalation and injectables, Lupin is making early investments to identify and plan capacities accordingly.

Financial Risk



Risk Description

Financial risk for Lupin emanates from both core operations in the ordinary course of business and incidental risks arising out of fluctuations in various interest rates and taxes. Being a business with a market reach of over 100 countries, financial risk may arise out of changing demand and prices, the nature of contracts and the competitive environment. A significant portion of our revenues are generated from exports with a definite forex risk exposure. Additionally, tax risks and compliance issues are associated with specific transactions, further contributing to Lupin's overall financial risk profile.

Impact Materiality

-

Heat Map Score

8

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy

 Financial

Trend (for 1-3 years)



Risk Type (based on Financial Impact)

 Operational

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

Lupin constantly evaluates and takes remediation measures to address financial risks related to the realization of business plans. Through real-time engagement of all key stakeholders, we vigilantly review the performance of our portfolio of products and services globally and adopt necessary steps to ensure planned sales, costs and margins are protected, remediated, and permanent changes are addressed and compensated where possible.

- We further address financial risks through a diversified liability profile and through strategic fundraising from domestic and international markets.
- The company optimizes debt maturity and accesses liquidity pools to reduce financing costs.
- Lupin ensures accurate recording, accounting, and payment of tax liabilities, supported by strong internal tax teams, technical intervention, and compliance checks.
- For forex risk, a comprehensive strategy is adopted involving forecasting, hedging tools, and proactive monitoring to minimize volatility.

Portfolio Risks for International Non-Proprietary Names Markets



Risk Description

Inherent challenges are associated with managing a portfolio of drug products across multiple international markets, targeting the generic markets. These markets are often highly competitive, and the success of a product depends on factors such as timely identification, selection, and development of viable molecules, as well as being among the first companies to launch or file for regulatory approvals.

Impact Materiality

-

Heat Map Score

8

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy

 Business

Trend (for 1-3 years)



Risk Type (based on Financial Impact)

 Operational

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

In FY23, Lupin implemented integrated business planning into practice. This helps to define the product portfolio ahead of time, reducing the risk. Lupin keeps its product portfolio optimal, which is achieved through efficient portfolio management and assessment. Since inhalation and injectables represent a strategic area for us, we have been making early investments to determine and schedule capacities appropriately.

Data Privacy and Protection



Risk Description

- Information protection risks have become more critical due to the shift to remote work driven by the COVID-19 pandemic. The increased reliance on digital communication and data sharing has heightened the company's exposure to cyber threats. An attack on Lupin's IT systems or failure to comply with data privacy laws can lead to the loss of vital business intelligence, financial setbacks, and reputational damage.
- Emerging challenges for data protection and cybersecurity include:
 - Complexity of the Digital Ecosystem: The interconnected nature of modern cyberspace, with continuously evolving data elements and integration across platforms, creates a complex environment that is difficult to manage and secure.
 - Sophistication and Evolution of Cyber Threats: Cyber attackers are getting more sophisticated, leveraging advanced techniques to exploit the larger digital footprints left by remote workforces.
 - Mobile and IoT Vulnerabilities: The proliferation of mobile devices and IoT technologies introduces new vulnerabilities. Communications and transactions on these platforms are closely tied to individual users, increasing the risk of personal data breaches.
 - Regulatory Compliance: Adhering to global data privacy laws, such as GDPR and CCPA, is crucial. Non-compliance can result in severe penalties and loss of customer trust.
 - Social Engineering Attacks: Cyber threats are increasingly targeting human vulnerabilities through social engineering tactics, making it essential to educate and train employees on recognizing and responding to such threats.

Impact Materiality

-

Heat Map Score

4

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy



Business

Trend (for 1-3 years)



Risk Type (based on Financial Impact)



Operational

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

All our locations have achieved the ISO 27001:2013 certification, demonstrating a robust information security management system. To stay ahead of evolving regulations, we are planning to upgrade to the latest ISO 27001:2022 standard, ensuring continued compliance with data privacy requirements.

We implemented Zero Trust Architecture across the organization. This grants secure access to applications only to authorized users, regardless of their location, safeguarding our data even in remote work environments. Our Security Operations Center diligently monitors security threats and vulnerabilities, enabling us to proactively address them and minimize risks.

Business Ethics



Risk Description

The pharmaceutical industry faces unique ethical dilemmas that sets it apart from other sectors. The evolving global regulatory environment has led to increased scrutiny and heightened stakeholder expectations. Ethical issues in this industry include product pricing and affordability, counterfeit drugs, transparent disclosures, marketing and advertising practices, and the ethical conduct of employees regarding corruption and bribery. Ensuring fair dealings with all stakeholders is also crucial. Any damage to Lupin's reputation can severely compromise its ability to execute core business operations. Therefore, maintaining high ethical standards is essential for upholding trust and integrity in the global pharmaceutical market.

Impact Materiality

-

Heat Map Score

8

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy

Business

Trend (for 1-3 years)



Risk Type (based on Financial Impact)

Operational

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

Lupin has implemented policies to safeguard against ethical risks and encourages an integrity-focused culture. These consist of a global Code of Conduct and a strong system to report concerns in confidence to whistleblowers. The required yearly e-training promotes responsible behavior and reduces ethical risks by further ingraining the Code of Conduct throughout the company. In addition, employees receive training on compliance regulations and ethical marketing practices, and regulatory changes are tracked to safeguard compliance. The organization has established policies pertaining to environmental sustainability, biodiversity, and human rights. It also highlights the ethical responsibilities that go beyond conducting business as usual.

Protection of Human Rights



Risk Description

Without proper safeguards for employee human rights protections, the company will lose its reputation and credibility in the market and see a drastic drop in revenues.

Impact Materiality

2.33

Heat Map Score

4

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy

ESG

Trend (for 1-3 years)



Risk Type (based on Financial Impact)







Operational

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

We have established site-level Human Rights Core Committees led by the respective site heads. All our staff and third parties are encouraged to uphold Lupin's values and follow our human rights standards as outlined in our Human Rights Policy and Third-party Code of Conduct. Comprehensive Human Rights Audits are conducted across all sites in India. Periodic human rights awareness sessions are organized to build an understanding and respect for human rights within our workforce.

Water Management 							
Risk Description	While water shortages can disrupt our operations and affect supply chains, poor water quality affects the quality of medicines we manufacture. Any deterioration of local water quality caused by our operations would subject the company to public and regulatory scrutiny. Continued water withdrawal in high water-risk regions increases the company's operational costs, affects social trust, and can impact manufacturing capabilities, ultimately resulting in revenue loss.						
Impact Materiality	<table border="1"> <tr> <td>Heat Map Score</td> <td>Financial Materiality</td> </tr> <tr> <td>2.67</td> <td>6</td> </tr> <tr> <td></td> <td>● Magnitude ● Likelihood</td> </tr> </table>	Heat Map Score	Financial Materiality	2.67	6		● Magnitude ● Likelihood
Heat Map Score	Financial Materiality						
2.67	6						
	● Magnitude ● Likelihood						
Risk Taxonomy	<table border="1"> <tr> <td>Trend (for 1-3 years)</td> <td>Risk Type (based on Financial Impact)</td> </tr> <tr> <td></td> <td> Operational</td> </tr> </table>	Trend (for 1-3 years)	Risk Type (based on Financial Impact)		 Operational		
Trend (for 1-3 years)	Risk Type (based on Financial Impact)						
	 Operational						
Risk Treatment	Aversion/ Reduction /Acceptance/Taking						
Risk Treatment Plan	<ul style="list-style-type: none"> Dedicated water stewardship efforts and assessment of water footprint. Engagement in watershed development initiatives through Lupin Human Welfare and Research Foundation. We are committed to responsible wastewater management through the establishment of wastewater recycling and necessary AMR Controls. 6 of our manufacturing plants are Zero Liquid discharge plants. Particularly in areas of high-water stress, our focus extends to maximizing the use of recycled water treated at our effluent treatment plants and reverse osmosis facilities. We launched Water Saving League-2023 which was a gamified initiative under 'Mission Jal Shakti' to optimize water usage at our Pithampur facility. We are 400% water-positive (replenishment is four times our consumption). 						

Pollution



Risk Description

Pharmaceutical production processes can lead to significant environmental pollution. Air emissions such as volatile organic compounds (VOCs), sulphur oxides (SOx), nitrogen oxides (NOx), particulate matter, and GHG emissions are released during solvent handling, chemical reactions, and boiler operations. Water, air, and soil pollution from our activities can negatively impact direct operations, workforce health, local communities, and ecosystems. Proper management of these pollutants is crucial to mitigate supply issues, health risks, and ecosystem damage.

Impact Materiality

2

Heat Map Score

6

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy



Trend (for 1-3 years)



Risk Type (based on Financial Impact)



Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

Compliance with regulations to protect the health of the workforce and environment. Ensuring sustainable operations and biodiversity preservation.

We are commissioning biomass briquette boilers and installing bag filters and electrostatic precipitators at multiple locations for energy optimization and reduction of particulate matters in flue gas.

We have also undertaken various initiatives to reduce GHG emissions from our operations, including procurement of renewable energy and switching to cleaner use of fuels.

We have installed advanced chillers and condensers in our manufacturing plants to improve the effectiveness of condensate recovery and further reduce utility costs.

Occupational Health and Safety



Risk Description

Providing a safe work environment increases employee satisfaction and ensures that they can achieve their highest potential. Ineffective management of health and safety practices can lead to a high number of safety-related incidents. An unsafe workplace can cause distress and could potentially result in reputational and revenue loss for the organization.

Impact Materiality

2.33

Heat Map Score

6

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy



Trend (for 1-3 years)



Risk Type (based on Financial Impact)







Risk Treatment





Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

All our sites are ISO18001 certified and have management systems to avoid unsafe incidents. Regular training is provided to all site teams to mitigate unsafe acts and report on unsafe incidents. Employees are encouraged to report on near misses and potential near misses to avoid any future incidents. Industrial hygiene and personnel safety standards are maintained as per global best practices to keep the workplace safe.

Our record states that our incident rate and accident rate are reducing YoY in line with our commitment towards the same.

Waste Minimization 		
Risk Description	Our waste streams include hazardous waste, non-hazardous waste, e-waste, biomedical waste, and others. This typically consists of spent solvents, shelf-life expired products, packaging waste, plastic among others. Directing more waste to landfills and incinerators will increase the company's contribution to air pollution and GHG emissions, along with underground water eutrophication. Improper waste management can lead to material wastage, fines and compliance penalties.	
Impact Materiality	Heat Map Score	Financial Materiality
1.67	6	● Magnitude ● Likelihood
Risk Taxonomy	Trend (for 1-3 years)	Risk Type (based on Financial Impact)
 ESG		 Operational
Risk Treatment	Aversion/ Reduction /Acceptance/Taking	
Risk Treatment Plan	<ul style="list-style-type: none"> The 3R principle of 'Reduce, Reuse and Recycle' is the mantra of our waste management practices Our waste streams, which include hazardous waste, non-hazardous waste, e-waste, biomedical waste, and others, are inventoried periodically and are sent to third parties for recycling/disposal in compliance with applicable government regulations We consistently repurpose majority of our disposed waste as an alternative raw material or fuel for co-processing, aligning with our commitment to sustainable waste management practices. The spent solvents produced in the process of manufacturing Active Pharmaceutical Ingredients (APIs) are either reused on-site or sent to certified disposal facilities or recyclers. Post-consumer plastic recycling is done to fulfill 100% of our EPR target. 	

Ethical Marketing and Product Labeling 		
Risk Description	Miscommunicating drug uses or prescriptions, along with any incorrect labeling, can cause serious harm to patients' health and safety, which presents reputational risks alongside risks related to loss in revenues.	
Impact Materiality	Heat Map Score	Financial Materiality
3.33	4	● Magnitude ● Likelihood
Risk Taxonomy	Trend (for 1-3 years)	Risk Type (based on Financial Impact)
 ESG		 Operational
Risk Treatment	Aversion/ Reduction /Acceptance/Taking	
Risk Treatment Plan	<p>Lupin's Code of Conduct guides our employee behavior in all customer interactions and professional activities. Furthermore, our SOP training with over 30,000 courses enables our field staff to present our products and their therapeutic areas accurately. We, also, train our field in ethical marketing practices and applicable compliance regulations.</p> <p>All our labels are made to be compliant to applicable regulatory standards. All products of Lupin have the usage/directions mentioned on leaflets/packaging, with information on intended usage and potential hazards.</p>	

Anti-Microbial Resistance (Pharmaceuticals in the Environment)



Risk Description

AMR can lead to higher mortality rates as infections that were once treatable become resistant to antibiotics, making them harder to cure, resulting in prolonged illnesses and increased complications. Resistant bacteria can spread within communities and healthcare settings, leading to outbreaks that are difficult to control.

Inaction from Lupin as a pharma company towards AMR stewardship can lead to loss of reputation, leading to loss in customer loyalty and customers.

Impact Materiality

3.33

Heat Map Score

3

Financial Materiality

● Magnitude ● Likelihood

Risk Taxonomy



ESG

Trend (for 1-3 years)



Risk Type (based on Financial Impact)



Operational

Risk Treatment

Aversion/**Reduction**/Acceptance/Taking

Risk Treatment Plan

We actively assess the ecological impact of the Active Pharmaceutical Ingredients (APIs) used in the manufacturing processes, discharge into water bodies, potential bioaccumulation in ecosystems, and overall toxicity to organisms. We frequently analyze the Anti-Microbial content in the treated water discharges and ensure that the PNEC values of those AMRs are below the quantification limit. 6 of our manufacturing units are zero liquid discharge plants, wherein the treated effluent is recycled in the utilities, and there is no discharge outside the premises. Additionally, we have undertaken lifecycle assessments of top-10 revenue-generating products across the value chain to understand the cumulative environmental impact based on the cradle-to-gate approach. The lifecycle assessments will help us to assess opportunities to reduce the ecological footprint.

Furthermore, as part of our training on ethical marketing, we train our field staff and conduct sessions with our HCPs on optimum usage of our products.

● High ● Medium ● Low ● Very Low

↗ Increasing ↘ Decreasing ↔ Constant

Emerging Risks

Competitive Advantage Erosion in Drug Discovery due to AI

The traditional pharmaceutical industry is facing disruption from AI powered drug discovery startups, which are accelerating the drug discovery process, and potentially eroding the advantages of established players. AI brings more efficiency in today's high costs and slow processes and holds the potential to identify new drugs that go beyond traditional methods. As per a report by Markets & Markets published in November 2023, the integration of AI and machine learning in drug discovery is expected to grow significantly, with a compound annual growth rate (CAGR) of 40.2% from 2023 to 2028. Lupin faces the risk of being outpaced by digitally agile competitors, and our advantage in NDD could be threatened by the emergence of AI-enabled startups that offer newer medications and therapies.

Mitigation action: Lupin is investing in technology enabled solutions such as AI and ML, with a potential to disrupt the market.

Supply Chain Disruptions due to Geopolitical and Transition Risk

Our supply chain is always exposed to interruptions in raw material inputs due to factors such as geopolitical risks, physical climate risks and transition risk against import from a specific region. Moreover, international sanctions and trade policies can also cause issues with raw material availability, while conflict ridden trade routes may potentially affect our logistics time.

Mitigation Action: Import substitution strategies can be effective in mitigating the above mentioned supply chain disruptions but require careful consideration of potential risks in sourcing regions. Lupin has an import substitution

strategy as part of its broader strategy to de-risk the company's supply chain, which could be impacted by geopolitical tensions and potential war zones in sourcing regions, particularly in regions such as the Middle East and Eastern Europe. Our Global Sourcing and Contract Manufacturing team engages with suppliers worldwide. However, the emphasis is on collaborating and developing domestic manufacturers to reduce import dependency and contribute to the local economy. We have a cross functional team comprising experts from the Research and Development, Quality Assurance, GSCM, and Regulatory Affairs departments, who collaborate closely with suppliers working on import substitution.

Systemic risks

Misinformation Risks, Deep Fakes and Trust Deficit

The World Economic Forum's 'The Global Risks Report 2023' ranks 'Misinformation' as the 5th most severe global risk over the long term.

As the internet evolves, pharmaceutical companies like Lupin are becoming more susceptible to misinformation campaigns that can spread unreliable evidence on any of the products affecting the public's trust in the brand and the industry at large. With the potential to develop hostility toward the brand, deep fakes and AI-generated content are a novel threat to our credibility and business. It poses higher stakes and more harmful risks due to its capacity

to create believable content at scale and at speed, which makes it challenging for us to counter.

Weaponized AI for Cyberattacks

Pharmaceutical companies have experienced an uptick in cyber attacks over the last few years due to valuable data and intellectual property held by these organizations. According to the Journal of the American Medical Association, the frequency of cyberattacks on U.S. hospitals and health systems more than doubled from 2016 to 2021. Another example closer to home is the recent 2023 ransomware attack on one of India's largest drug manufacturers, drawing attention to the industry's vulnerability to data breaches and cyber threats. Cyber criminals are increasingly leveraging AI techniques to enhance the effectiveness of their attacks, making them more difficult to detect and defend against. Generative AI tools can be used to create counterfeit medical records, produce sophisticated phishing emails, create malware, and even manipulate diagnostic imaging results from X-rays and MRIs for ransomware. In diagnostic businesses like Lupin's, medical imagery like MRI and CT scan results are typically stored on a central system and retrieved when required, making them susceptible to weaponized AI attacks without adequate measures to fend them off. AI systems could also be used to analyze and reverse-engineer our proprietary drug formulations, manufacturing processes, or research data, leading to IP infringement and potential legal battles.



ESG Databook

Fines/Settlements/Complaints			
Category	Unit	FY24	FY23
Fines related to Anti-competitive practices	INR Mn	0	0
Settlements related to Anti-competitive practices	INR Mn	0	0
Confirmed cases of Corruption and Bribery	No.	0	0
Current involvement in any ongoing corruption and bribery cases	No.	0	None
Number of incidents of discrimination and harassment	No.	4	2
Number of incidents of Conflicts of Interest	No.	0	0
Number of incidents of Money Laundering or Insider trading	No.	0	0
Number of complaints related to Child Labour/Forced Labour/Involuntary Labour	No.	0	0
Upheld regulatory complaints concerning marketing and selling practices	No.	0	0
Upheld self-regulatory complaints concerning marketing and selling practices	No.	0	0
Class I product recalls	No.	1	0
Class II product recalls	No.	6	7
Class III product recalls	No.	1	
U.S. FDA inspections	No.	9	9
Form 483's	No.	2	7
Total Number of Observations	No.	3	55
U.S. FDA Warning Letters (or equivalent)	No.	1	1
Total number of clients, customers and employees affected by the breaches	No.	0	0
Complaints concerning breaches of customer privacy and losses of customer data	No.	0	0
Total number of information security breaches	No.	0	0

No environmental violation in the past 3 years.

Zero penalties/legal actions from any bodies from the past 3 years.

Board Committees in FY24	Number of Meetings	Attendance %
Audit Committee	5	100%
Risk Management	2	100%
Corporate Social Responsibility	1	100%
Stakeholders' Relationship	2	100%
Nomination and Remuneration	2	100%

Intellectual Capital

Intellectual Property and Patents					
FY24	NDDD	Formulation	API	Biotech	Total
Total Patents Filed	34	32	2	5	73
Total Patents Granted	89	18	1	2	110

As on 31-Mar-2024	NDDD	Formulation	API	Biotech	Total
Total Patents Applications	450	323	50	43	866
Total Patents Granted	209	191	8	32	440

Intellectual Property and Patents				
Type of Filing (Number of dossiers)	Filing FY24	Approval FY24	Cumulative Filings	Cumulative Approvals
NDA	0	1	11	11
ANDA	6	41	431	314
ANDSs [Canada]	6	1	20	13
MAAs - Europe	1	2	51	42
MAAs - AU / NZ	4	4	54	49
MAAs - GIB	6	1	25	16
MAAs - Brazil	0	1	7	6
MAAs - South Africa	6	10	51	39
MAAs - Mexico	0	1	11	1
MAAs - Philippines	4	1	22	15
MAAs - China	0	0	1	0
Total	33	63	684	506

Total Product Portfolio	1,211
Total Research Centers	7
R&D Team Headcount	1,400+

Energy Consumption

Energy from Renewable Sources		India		Global	
Indicator	Unit	FY24	FY23	FY24	FY23
Solar-captive	GJ	17,901	9,141	17,901	9,141
Wind-grid	GJ	62,413	30,727	62,413	30,727
Hybrid	GJ	66,416	0	66,416	0
Steam Generation (Agrowaste)	GJ	487,713	109,049	487,713	109,049

Energy from Non-Renewable Sources		India		Global	
Indicator	Unit	FY24	FY23	FY24	FY23
Diesel	GJ	62,373	96,823	62,971	97,091
Furnace Oil	GJ	232,703	398,3312	232,703	398,332
Natural Gas	GJ	334,579	356,295	342,566	356,593
LPG	GJ	0	0	1,729	1,921
LSHS	GJ	123,486	27,397	123,486	27,397
Steam Purchased	GJ	192,367	358,486	192,367	358,486
Grid Electricity Purchase	GJ	1,184,496	1,267,950	1,252,542	1,343,949

Energy Mix		India		Global	
Indicator	Unit	FY24	FY23	FY24	FY23
Renewable Sources	GJ	634,443	146,674	634,443	146,674
Non-Renewable Sources	GJ	2,130,003	2,505,284	2,208,364	2,583,769
Total	GJ	2,764,446	2,651,958	2,842,807	2,730,443

Emissions Avoided

India			
Renewable Energy Source	Unit	FY24	FY23
Solar Captive	MTCO ₂ e	3,560	1,803
Wind Power	MTCO ₂ e	12,413	6,060
Hybrid	MTCO ₂ e	13,209	
Total	MTCO₂e	29,183	7,863

Total GHG Emissions (Scope 1 & 2)

Indicator Unit	Unit	India		Global	
		FY24	FY23	FY24	FY23
Scope 1 emissions (from energy use in own operations)	MTCO ₂ e	61,474	86,910	62,142	87,068
Scope 2 emissions (from purchased energy sources)	MTCO ₂ e	263,905	323,845	277,438	340,945
Scope 1+2	MTCO ₂ e	325,379	410,755	339,581	428,013
Emission Intensity for Scope 1, 2	MTCO ₂ e/Mn revenue	1.63	2.47	1.70	2.6
YoY Change (Scope 1+2)	%	21%		21%	

Total GHG Emissions (Scope 3)

Global				
Scope 3 (MTCO ₂ e)	Unit	FY24	FY23	
Category 1: Purchase goods and services	MTCO ₂ e	723,544	657,535	
Category 2: Capital Goods	MTCO ₂ e	13,363	17,160	
Category 3: Fuel and Energy	MTCO ₂ e	79,785	82,924	
Category 5: Waste Generated and Disposed	MTCO ₂ e	125	121	
Category 4: Downstream Transport	MTCO ₂ e	75,700	89,601	
Category 6: Business Travel	MTCO ₂ e	7,349	5,996	
Category 7: Employee Commute	MTCO ₂ e	1,654	1,599	
Scope 3 emissions	MTCO ₂ e	901,520	854,936	
Emission Intensity for Scope 3	MTCO ₂ e/Mn revenue	4.51	5.14	

Global				
Source	Unit	FY24	FY23	Change
Steam Generated	MTCO ₂ e	11,574	10,713	8%
Steam Purchased	MTCO ₂ e	0	0	0
Total	MTCO₂e	11,574	10,713	8%

Biogenic Emissions

Global					
Source	Unit	FY24	FY23	FY24	FY23
Steam Generated	MTCO ₂ e	48,920	10,938	48,920	10,938
Steam Purchased	MTCO ₂ e	0	0	0	0
Total	MTCO₂e	48,920	10,938	48,920	10,938

Water Withdrawal, Consumption and Discharge

Total water qty	Units	FY 2023-24			FY 2022-23		
		India	Overseas	Global	India	Overseas	Global
Ground water	KL	149,551	28,012	177,563	161,832	30,511	192,343
Municipal Supply, etc	KL	93,465	0	93,465	92,252	0	92,252
	KL	1,243,266	44,757	1,288,023	1,178,659	21,154	1,199,813
Surface Water	KL	135,186		135,186	135,146		135,146
Fresh Water	KL	1,621,468	72,769	1,694,237	1,567,890	51,665	1,619,555
Rain Water	KL	17,583	0	17,583	11,490	0	11,490
AHU Condensate	KL	3,186	0	3,186	4,078	0	4,078
Others	KL	20,769	0	20,769	15,568	0	15,568
Recycled Water (CETP)	KL	24,410	0	24,410	4,217	0	4,217
Recycled Water Consumption	KL	710,664	0	710,664	661,753	0	661,753
Recycled Water Disposed to CETP	KL	24,410	0	24,410	4,217	0	4,217
Total Recycled Water Consumption	KL	686,254	0	686,254	657,536	0	657,536
Total Water Consumption	KL	2,328,491	72,769	2,401,260	2,240,995	51,665	2,292,660
Total water Consumption (GRI)	KL	1,584,942	61,366	1,646,307	1,551,013	51,665	1,602,678

Wastewater Generation	KL	1,000,713	11,403	1,012,116	968,704	NA	968,704
Waste Water Disposed to CETP	KL	12,116	11,403	23,519	12,660	NA	12,660
Water Discharge to CETP	KL	36,526	11,403	47,929	16,877	0	16,877

Global Water Withdrawal from sources	India		Global	
	FY24 (in KL)	FY23 (in KL)	FY24 (in KL)	FY23 (in KL)
Ground Water (Borewell)	149,551	161,832	177,563	192,343
Third Party Water (Municipal Supply, etc.)	1,336,731	1,270,912	1,381,488	1,294,733
Surface Water (River)	135,294	135,146	135,294	135,146

Parameters	Unit	India		Mode of Disposal
		FY24	FY23	
Plastic Waste	MT	2,803	1,956	Authorized Recycler (EPR)
E-Waste	MT	37	30	Authorized Recycler
Bio-medical	MT	80	86	Incineration to Common Bio-medical treatment facility
Construction and demolition waste	MT	2,753	Not monitored	Landfilled to offsite
Battery Waste	MT	38	Not mentioned	Buyback/Dealer
Incineration Hazardous waste and co-processing/pre-processing	MT	8,199	6,850	TSDF/Co-processing to Cement Industry
Hazardous waste sent for Co-processing/Pre-processing	MT	7,332	4,163	Co-processing to Cement Industry
Hazardous waste sent for Landfilling	MT	12,169	9,651	Landfilled to TSDF
Spent calcium sulphate - (Chemical gypsum) - Cement industry	MT	4,471	4,458	Cement industry
Used oil, spent solvent, spent catalyst	MT	7,211	6,490	Authorized Recycler
Plastic liners, drum, containers	MT	918	725	Authorized Recycler
Total other Hazardous waste	MT	32,968	28,167	
Non-hazardous waste Generated and disposal				
Canteen waste and Mycellia waste	MT	4,806	5,713	Mycellia- Composting (Offsite) and Canteen waste On site composting/Handdover to Municipal/Piggaries/ Cattle feed
Agrowaste Boiler Ash	MT	5,395	1,265	Bricks Manufacturere/Landfilled (offsite)
Total Other Non Hazardous Waste	MT	10,201	6,978	
Total waste generated	MT	43,169	35,145	

Parameters	Unit	Global		Mode of Disposal
		FY24	FY23	
Plastic Waste	MT	2,888	1,956	Authorized Recycler (EPR)
E-Waste	MT	39	30	Authorized Recycler
Bio-medical	MT	90	86	Incineration to Common Bio-medical treatment facility
Construction and demolition waste	MT	2,777	Not monitored	Landfilled to offsite
Battery Waste	MT	38	Not monitored	Buyback/Dealer
Incineration Hazardous waste and co-processing/pre-processing	MT	8,516	7,009	TSDf/Co-processing to Cement Industry
Hazardous waste sent for Co-processing/Pre-processing	MT	7,334	4,178	Co-processing to Cement Industry
Hazardous waste sent for Landfilling	MT	12,169	9,651	Landfilled to TSDf
Spent calcium sulphate -(Chemical gypsum)- Cement industry	MT	4,471	4,452	Cement industry
Used oil, spent solvent, spent catalyst	MT	7,212	6,490	Authorized Recycler
Plastic liners, drum, containers	MT	918	725	Authorized Recycler
Total other Hazardous waste	MT	33,286	28,326	
Non-hazardous waste Generated and disposal				
Canteen waste and Mycellia waste	MT	4,842	5,717	Mycellia- Composting (Offsite) and Canteen waste On site composting/Handover to Municipal/Piggaries/Cattle feed
Agrowaste Boiler Ash	MT	5,395	1,265	Bricks Manufacturere/Landfilled (offsite)
Total Other Non Hazardous Waste	MT	10,237	6,982	
Total waste generated	MT	43,523	35,309	

Global					
Category	Unit	FY24	FY23	FY22	FY21
Recycling/Recovery/Utilisation	MT	12,600	11,679	14,724	14,862
Waste Landfilled	MT	12,169	9,651	12,940	17,397
Incineration and pre-processing and co-processing in cement plants	MT	8,516	6,838	6,954	8,653
Total Hazardous waste disposed	MT	33,286	28,168	34,618	40,912
Waste incinerated without energy recovery	MT	867	2,687	3,854	3,735

Social Performance

Employee Information

Global Workforce

Category	Male	Female	Total
Total Employees (Permanent)	19,030	1,759	20,789
Total Employees (Other than Permanent)	257	220	477
Total Employees	19,287	1,979	21,266
Total Workers (Permanent)	1,051	28	1,079
Total Workers (Other than Permanent)	242	58	300
Total Workers	1,293	86	1,379
Totals	20,580	2,065	22,645
Percentage	91%	9%	

Lupin India (Age, Gender, Level)

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	7,124	533	10,902	630	426	38	19,653
Senior Management	0	0	109	17	104	3	233
Middle Management	160	57	3,421	221	155	20	4,034
Junior Management	6,964	476	7,372	392	167	15	15,386
Employees (Other than Permanent)	9	26	236	171	0	0	442
Workers (Permanent)	146	2	661	1	240	9	1,059
Workers (Other than Permanent)	217	38	24	16	0	0	295
Total Workers	363	40	685	17	240	9	1,354

Our Global Workforce (ROW) in 2024

Category	<30 years		30–50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	69	77	228	268	59	73	774
Employees (Other than Permanent)	2	13	4	5	6	5	35
Workers (Permanent)	2	4	2	11	0	1	20
Workers (Other than Permanent)	1	2	0	2	0	0	5

Our Global Workforce (North America) in 2024

Category	Male	Female
Employee (Permanent)	222	140

Gender representation across Employee Groups in FY24 - India

Category	Total Number of Employees	% Women
Permanent Employees	784	18
Employees (Interns, Trainees/Apprentices, Part-time Employees, etc.)	49	24
Workers (Permanent)	0	0
Workers (Other than Permanent)	0	0

Gender representation across Employee Groups in FY24 - ROW

Category	Total Number of Employees	% Women
Permanent Employees	861	59
Employees (Interns, Trainees/Apprentices, Part-time Employees, etc.)	43	54
Workers (Permanent)	20	22
Workers (Other than Permanent)	5	11

Gender representation across Employee Groups in FY24 - USA (North America)

Category	Total Number of Employees	% Women
Permanent Employees	362	39
Employees (Interns, Trainees/Apprentices, Part-time Employees, etc.)	24	46
Workers (Permanent)	0	0
Workers (Other than Permanent)	0	0

FY24 Women workforce across different positions - India

Category	FY24
Share of women in junior management positions	39%
Share of women in STEM-related positions	3%
Share of women in management positions in revenue generating functions (such as sales or that contribute directly to the output of products or services)	9%
Share of women in management level positions	8%
Share of women in top management positions	0%

FY24 Women workforce across different positions - ROW

Category	FY24
Share of women in junior management positions	14%
Share of women in STEM-related positions	31%
Share of women in management positions in revenue generating functions (such as sales or that contribute directly to the output of products or services)	20%
Share of women in management level positions	23%
Share of women in top management positions	1%

FY24 Women workforce across different positions - USA (North America)

Category	FY24
Share of women in junior management positions	45%
Share of women in STEM-related positions	37%
Share of women in management positions in revenue generating functions (such as sales or that contribute directly to the output of products or services)	32%
Share of women in management level positions	26%
Share of women in top management positions	25%

Gender Pay Gap - Mean and Median Pay Gap (India) - LL

Category	Women	Men
Mean (INR)	1,141,669	894,127
Median (INR)	652,688	578,174

Gender Pay Break Up in FY24 (India) - Lupin Limited

Level	No. of Women	No. of Men	Average Female Salary	Average Male Salary
Executive level (base salary)	21	193	7,272,836	10,127,621
Executive level (base salary + other cash incentives)	21	193	8,143,530	11,458,111
Management level (base salary only)	248	1,908	2,063,817	2,120,855
Management level (base salary + other cash incentives)	248	1,908	2,105,882	2,220,621
Non-management level (base salary only)	716	15,165	620,369	557,425
Share of women in total workforce			18%	

New Employee Hires (ROW) - FY24

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	36	43	55	72	10	9	225
Employees (Other than Permanent) (Apprentices, Trainees, Interns, Part-timers)	14	11	2	5	5	3	40
Workers (Permanent)	15	17	10	12	0	0	54
Workers (Other than Permanent)	1	2	0	1	0	0	4

New Employee Hires (India) - FY24

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employees (Permanent)	3,383	254	1,096	104	15	1	4,853
Senior Management	0	0	13	5	6	0	24
Middle Management	60	33	369	32	5	1	500
Junior Management	3,323	221	714	67	4	0	4,329
Employees (Other than Permanent) (Apprentices, Trainees, Interns, Part-timers)	13	28	3	10	0	0	54
Workers (Permanent)	32	0	15	0	0	0	47
Workers (Other than Permanent)	264	43	4	0	0	0	311

New Employee Hires (North America) - FY24

Category	Women	Men
Employee Permanent	64	50

Hiring Cost

Category	FY24	FY23	FY22	FY21
Total number of new employee hires	5,192	4,099	4,625	NA
Percentage of open positions filled by internal candidates (internal hires)	1223	39	19.2	NA
Average hiring cost/FTE	15,970	56,531	14,400	NA

Employee Turnover**New Employee Hires - FY24- India**

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	1,822	141	1,391	110	46	4	3,514
Employees (Other than Permanent) (Apprentices, Trainees, Interns, Part-timers)	4	12	1	4	0	1	22
Workers (Permanent)	27	0	20	0	37	1	85
Workers (Other than Permanent)	244	24	4	1	0	0	273

Total Employees Separated (Voluntary) FY24

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	1,821	141	1,390	110	46	4	3,512
Employees (Other than Permanent such as interns, trainees / apprentices, part time employees, etc)	4	12	1	4	0	1	22
Workers (Permanent)	27	0	20	0	37	1	85
Workers (Other than Permanent)	244	24	4	1	0	0	273

Total Employees Separated FY24- ROW

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	15	12	59	57	12	5	160
Employees (Other than Permanent such as interns, trainees/apprentices, part time employees, etc)	12	9	1	1	0	1	24
Workers (Permanent)	27	33	35	29	0	0	124
Workers (Other than Permanent)	0	1	0	0	0	0	1

Total Employees Separated (Voluntary) FY24- ROW

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	6	4	33	29	3	3	78
Employees (Other than Permanent such as interns, trainees/apprentices, part time employees, etc)	0	1	1	1	1	1	5
Workers (Permanent)	1	0	5	3	0	0	9
Workers (Other than Permanent)	0	0	0	0	0	0	0

Total Employees Separated (North America) - FY24

Category	Women	Men
Employee (Permanent)	39	25
Employees (Other than Permanent such as interns, trainees/apprentices, part time employees, etc.)	10	6

Total Employees Separated (Voluntary) - FY24

Category	Women	Men
Employee (Permanent)	23	25
Employees (Other than Permanent such as interns, trainees / apprentices, part time employees, etc)	5	4

Training Hours

Training Data per Topic (India) - FY24

Level	Total Training Hours	
	Male	Female
Technical	1,166,233	69,535
Non-Technical	145,258	18,116
Prevention of Sexual Harassment	16,134	1,357
Skill-Upgradation	250	73
Total Training amount spent per FTE	25,675	
Average amount spent per FTE	6,974	

Training Data per Topic (ROW) - FY24

Level	Total Training Hours	
	Male	Female
Technical	3,616	3,463
Non-Technical	80	105
Prevention of Sexual Harassment	0	0
Skill-Upgradation	6,591	11,097
Total Training amount spent	16,400,710	
Average amount spent per FTE	488,255	

Training Data per Topic (North America) - FY24

Level	Total Training Hours	
	Male	Female
Technical	2,694	2,047
Non-Technical	827	692
Prevention of Sexual Harassment	50	43
Skill-Upgradation	130	72

Training Data Across Geographies FY24 - India

Category	2022-23	2023-24
Total hours of training	1,711,297	1,416,956
Total amount spent on training	65,309,762	132,678,981

Training Data FY24 (North America)

Category	FY24	FY23
Total hours training	9,348	6,554
Total amount spent on training (USD)	29,613,557	31,519,666

Training Data FY24 - ROW

Category	FY24	FY23
Total hours training	16,219	27,016
Total amount spent on training (INR)	28,859,219	22,854,727

Rate of Return to Employment (India) - FY24

Category	Unit	Permanent Employees		Permanent Workers	
		Male	Female	Male	Female
Employees entitled for parental leave	No.	174	121	2,694	2,047
Employees that took parental leave	No.	144	105	827	692
Employees that returned to work in the reporting period after parental leave ended	%	66	56	50	43
Rate of Return to work that took parental leave		114	71	130	72

Rate of Return to Employment - FY24 USA (North America)

Category	Unit	Permanent Employees		Permanent Workers	
		Male	Female	Male	Female
Employees entitled for parental leave	No.	236	151	0	0
Employees that took parental leave	No.	8	5	0	0
Employees that returned to work in the reporting period after parental leave ended	No.	7	5	0	0
Rate of Return to work that took parental leave	%	87.5	100	0	0

Rate of Return to Employment - FY24 - ROW

Category	Unit	Permanent Employees		Permanent Workers	
		Male	Female	Male	Female
Employees entitled for parental leave	No.	390	431	5	20
Employees that took parental leave	No.	8	14	0	1
Employees that returned to work in the reporting period after parental leave ended	No.	8	8	0	1
Rate of Return to work that took parental leave	%	100%	57%	0%	100%

Employee Wellbeing

Category	FY24	FY23	What was your target for FY24
% of employees with top level of engagement, satisfaction, wellbeing, or employee net promoter score (eNPS)	80%	NA	80%
% of employees who responded to the survey	89%	NA	100%

Benefits provided to Permanent Employees and Temporary Employees

Category	FY24	
	Permanent Employees	Contractors
Life Insurance	Yes	NA
Health insurance	Yes	Yes
Accident insurance	Yes	Yes
Parental Medical Insurance	Yes	NA
Disability	Yes	NA
Paid parental leave for the primary caregiver (please enter total number of paid leave in weeks offered to the majority of your employees)	Yes - 26 Weeks	NA
Paid parental leave for the non-primary caregiver (please enter total number of paid leave in weeks offered to the majority of your employees)	Yes - 1 Week	
Paid family or care leave beyond parental leave (care for a child, spouse, partner, dependent, parent, sibling, or other designated relation with a physical or mental health condition)	No	
Bereavement leave (additional to Normal leaves allotted)	No	NA
Leave for Haj (additional to Normal leaves allotted)	No	NA
Leave for Baptism (additional to Normal leaves allotted)	No	NA
Leave for Circumcision Ceremony (additional to Normal leaves allotted)	No	NA
Retirement provision	Yes	NA
Stock ownership	Yes	NA
Transportation	Yes	NA
Housing	Yes	NA
Food allowance	No	NA
Extra paid holidays	Yes	NA
Citizenship leave	No	NA
Children Education Reimbursement	No	NA
Higher Education Policy	No	NA
Day care facilities	Yes	NA
Employee Car Scheme policies	Yes	NA

Induction	Participants in FY24
1. Udbhav - Induction Program	2,044 participants
2. Buddy Program	499 active buddies. Of these 114 are newly certified, 172 are engaged in experiential learning

Training Program	Participants in FY24
1. PoSH e-module completion rate	84% (among permanent employees), contractual staff trained = 2,350
2. Annual in person refresher	47 Committee members
3. Virtual PosH refresher workshop	23 participants
4. Ascent program	25 participants, 2 recieved PhD in FY24
5. Postgraduate Diploma in Advanced Biotechnology	4 participants
6. Advanced Program in Sales Management (APSM) for IRF	65 participants
7. Management Development Program (MDP) for IRF	23 participants
8. L.A.M.P: Lead, Accelerate, Motivate, Perform	200 senior leaders
9. D&I drive	200+ women
10. Multiple events for employees' children	135 participants
11. Diversity Councils at Lupin	5 councils (Research and Development for Pune, Biotech R&D and manufacturing division of Pune, Corporate, Manufacturing and Quality, IRF)
12. Plantation as part of Desh Bandhu Gupta Spirit of Lupin Awards	10,549 trees

Human Rights Audit

Coverage	"100% of manufacturing sites of Lupin and LMSL 17 total sites (15 of Lupin Limited sites and 2 wholly owned subsidiaries)"
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Human Capital Return on Investment

Category	FY24	FY23	FY22	FY21
a) Total Revenue	200,108	166,417	161,928	149,270
b) Total Operating Expenses	177,087	159,985	179,197	136,241
c) Total employee-related expenses (salaries + benefits)	34,946	30,872	29,893	28,259
Resulting HC ROI (a - (b-c)) / c	1.6	1.2	0.4	1.4

Our India Workforce in 2024

Lupin Limited

Category	<30 years		30–50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	6,908	436	9,946	509	419	38	18,256
Senior Management	0	0	93	17	102	3	215
Middle Management	137	45	3,276	193	154	20	3,825
Junior Management	6,771	391	6,577	299	163	15	14,216
Employees (Other than Permanent)	0	0	232	161	0	0	393
Workers (Permanent)	146	2	556	1	240	9	954
Workers (Other than Permanent)	217	38	4	0	0	0	259
Total Workers	363	40	560	1	240	9	1213
Grand Total	19,862						

Lupin Digital health

Category	<30 years		30–50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	26	27	69	16	1	0	139
Senior Management	0	0	7	0	1	0	8
Middle Management	23	12	55	7	0	0	97
Junior Management	3	15	7	9	0	0	34
Employees (Other than Permanent)	9	26	4	10	0	0	49
Workers (Permanent)	0	0	0	0	0	0	0
Workers (Other than Permanent)	0	0	0	0	0	0	0
Total Workers	0	0	0	0	0	0	0
Grand Total	188						

Lupin Diagnostics

Category	<30 years		30–50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	190	70	304	75	6	0	645
Senior Management	0	0	3	0	1	0	4
Middle Management	0	0	30	20	1	0	51
Junior Management	190	70	271	55	4	0	590
Employees (Other than Permanent)	0	0	0	0	0	0	0
Workers (Permanent)	0	0	0	0	0	0	0
Workers (Other than Permanent)	0	0	0	0	0	0	0
Total Workers	0	0	0	0	0	0	0
Grand Total	645						

Lupin Manufacturing Solutions

Row Labels	Male	Female	Total
Employee (Permanent)	583	30	613
Senior Management	6	0	6
Middle Management	60	1	61
Junior Management	517	29	546
Workers (Permanent)	105	0	105
Workers (Other than Permanent)	20	16	36
Total Workers	125	16	141
Grand Total	754		

Totals Lupin India (Employees + Workers)

Lupin India	Employee (Permanent) (A)	Employees (Other than Permanent) (B)	Employees (Total) (A+B)	Workers (Permanent) (C)	Workers (Other than Permanent) (D)	Workers (Total) (C+D)	Total
Lupin Limited	18,256	393	18,649	954	259	1,213	19,862
Lupin Digital Health	139	49	188	0	0	0	188
Lupin Diagnostics	645	0	645	0	0	0	645
Lupin Manufacturing Solutions	613	0	613	105	36	141	754
Totals	19,653	442	20,095	1,059	295	1,354	21,449

Total Permanent (On Payroll)	20,712
Total - Other than Permanent	737
Grand Total (Employees + Workers)	21,449

Lupin India (Age, Gender, Level)

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	7,124	533	10,902	630	426	38	19,653
Senior Management	0	0	109	17	104	3	233
Middle Management	160	57	3,421	221	155	20	4,034
Junior Management	6,964	476	7,372	392	167	15	15,386
Employees (Other than Permanent)	9	26	236	171	0	0	442
Workers (Permanent)	146	2	661	1	240	9	1,059
Workers (Other than Permanent)	217	38	24	16	0	0	295
Total Workers	363	40	685	17	240	9	1,354
Grand Total	19,862						

Total Male	19,985
Total Female	1,464
Grand Total	21,449

Category	Male	Female	Totals
Employee (Permanent)	18,452	1,201	19,653
Employees (Other than Permanent)	245	197	442
Total Employees	18,697	1,398	20,095
Percentage	93%	7%	
Workers (Permanent)	1,047	12	1,059
Workers (Other than Permanent)	241	54	295
Total Workers	1,288	66	1354
Percentage	95%	5%	
Totals	19,985	1,464	21,449
Percentage	93%	7%	

Internal (position filled by internal candidates) Hires - FY24 - India

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	555	28	516	17	42	1	1,159
Senior Management	0	0	0	0	0	0	0
Middle Management	13	2	193	7	8	1	224
Junior Management	542	26	323	10	34	0	935
Employees (Other than Permanent) (Apprentices, Trainees, Interns, Part-timers)	0	0	0	0	0	0	0
Workers (Permanent)	19	0	239	0	201	0	459
Workers (Other than Permanent)	0	0	0	0	0	0	0

Internal (position filled by internal candidates) Hires - FY24 - ROW

Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employee (Permanent)	2	8	8	2	0	0	20
Employees (Other than Permanent) (Apprentices, Trainees, Interns, Part-timers)	0	1	0	0	0	0	1
Workers (Permanent)	0	0	0	0	0	0	0
Workers (Other than Permanent)	0	0	0	0	0	0	0

Internal (position filled by internal candidates) Hires - FY24 - USA

Category	Male	Female	Totals
Employee (Permanent)	30	14	44
Grand Total	1,223		

Health and Safety

Health and Safety (India)

Category	FY24				FY23			
	Lost Time Injury Frequency Rate	Total Recordable Work Related Injuries	No. of Fatalities	Accident Frequency Rate (per one million man hours worked)	Lost Time Injury Frequency Rate	Total Recordable Work Related Injuries	No. of Fatalities	Accident Frequency Rate (per one million man hours worked)
Employee	0.00	34	0	1.62	0.05	37	0	1.75
Contractual	0.12	60	0	2.48	0.09	86	0	3.85
Total	0.07	94	0	2.08	0.069	123	0	2.83

Category	FY22				FY21			
	Lost Time Injury Frequency Rate	Total Recordable Work Related Injuries	No. of Fatalities	Accident Frequency Rate (per one million man hours worked)	Lost Time Injury Frequency Rate	Total Recordable Work Related Injuries	No. of Fatalities	Accident Frequency Rate (per one million man hours worked)
Employee	0.26	65	0	2.81	0	79	0	3.58
Contractual	0.16	145	0	5.82	0.21	179	0	7.63
Total	0.21	210	0	4.37	0.11	258	0	5.67

Suppliers

Critical Supplier Identification

Category	Unit	FY24	FY23	FY22
Total tier 1 suppliers	No.	9,400	10,356	10,982
Critical tier - 1 suppliers	No.	498	516	519
Critical non-tier - 1 suppliers	No.	22	22	3
MSMEs/small producers	No.	3,028	3,021	2,874

Share Of Total Procurement Budget Spent (%)

Category	Unit	FY24	FY23	FY22
MSMEs/small producers	%	12%	11%	9%
Critical non-tier - 1 suppliers	%	12%	10%	20%
Critical tier - 1 suppliers	%	69%	71%	60%
Total tier - 1 suppliers	%	81%	83%	71%

Supplier Assessment

A. Coverage and progress of our supplier assessment program

Sr. No	Supplier Assessment	FY24
1.1	Total number of suppliers assessed via desk assessments/on-site assessments	309
1.2	Number of suppliers assessed with substantial actual/potential negative impacts	Confidential
1.3	% of significant suppliers assessed	Majority of significant suppliers were assessed (~60%+)
1.4	% of suppliers with substantial actual/potential negative impacts with agreed	CAPA agreement is to be initiated
1.5	Number of suppliers with substantial actual/potential negative impacts that were	NA

B. Coverage and progress of suppliers with corrective action plans

Sr. No	Supplier Assessment	FY24
1.1	Total number of suppliers supported in corrective action plan implementation	CAPAs developed; but action plan implementation is to be started
1.2	% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	NA
1.3	% of significant suppliers assessed	NA
1.4	% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	NA
1.5	Number of suppliers with substantial actual/potential negative impacts that were terminated	NA

C. Coverage and progress of suppliers in capacity building programs

Sr. No	Supplier Assessment	FY24
1.1	Total number of suppliers in capacity building programmes	NA
1.2	% of significant suppliers in capacity building programmes	NA

Healthcare Clinical Pipeline

Global				
Innovation Phase	Share of Projects	Number of Projects	Share of R&D Budget Invested	Success Rate
Total	100%	107	100%	100%
Launch	100%	107	100%	100%

Product Innovations (Healthcare)

Number of projects, breakouts in R&D investments (% total of R&D spend), and success rates (%) for each of the phases of the healthcare innovation process below:

Global				
Innovation Phase	Share of Projects	Number of Projects	Share of R&D Budget Invested	Success Rate
Total	100%	107	100%	100%
Launch	100%	107	100%	100%

Percentage of revenues generated by the different product types and by the different types of product innovations that have been launched in the past fiscal year

India		Global	
Product optimizations launched in the previous 5 years	12%	Product optimizations launched in the previous 5 years	27%
Unchanged or minimally changed product or services	88%	Unchanged or minimally changed product or services	73%
Total (=100% only)	100%	Total (=100% only)	100%



SBTi COMMITMENT LETTER

Version 1.2

April 2023



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INTRODUCTION

- Organizations joining the Science Based Targets initiative (SBTi) must follow the [SBTi step-by-step process](#) and align with SBTi Criteria and Recommendations.
- Please consult the [SBTi FAQ](#) for additional information on the process and expectations.
- SMEs¹ are welcome to join the SBTi by submitting a completed [SBTi Target Validation Application for SMEs](#).

The Science Based Targets initiative (SBTi) is a global body enabling businesses to set ambitious emissions reduction targets in line with the latest climate science. The SBTi's goal is to accelerate companies across the world to support the global economy to halve emissions before 2030 and achieve net-zero before 2050.

The initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments. The SBTi defines and promotes best practice in science-based target setting, offers resources and guidance to reduce barriers to adoption, and independently assesses and approves companies' targets.

INTRODUCTION

Setting a science-based target is a five-step process:

Step 1. Register online and submit the commitment letter

Signing this commitment letter indicates that your organization will work to set a science-based emission reduction target aligned with the SBTi's target-setting criteria. After [registering online](#), submitting your commitment letter to commitments@sciencebasedtargets.org, and passing the due diligence process, your organization will be recognized as "committed" at [SBTi's webpage](#) as well as on our partner websites at [We Mean Business](#). Organizations that are participants of the UN Global Compact will also be recognized on the [UNGC website](#). Companies and financial institutions are urged to aim for the highest level of ambition in their target setting and also commit to set a long-term science-based target to reach net-zero value chain GHGs emissions by no later than 2050. Companies that commit to set these long-term science-based targets to reach net-zero and align their business with a 1.5°C future will also be recognized as part of the [Race to Zero](#) campaign.² The SBTi has developed a [Net-Zero Standard](#) for corporates and the SBTi Net-Zero Standard for Financial Institutions is planned to be launched in 2023.

¹ To find the latest definition of SMEs please see [Small and Medium Sized Enterprises \(SMEs\) FAQ](#).

² Companies that are eligible to join the Race to Zero must follow the SBTi's current fossil fuel policy. For any queries, please contact Race to Zero at racetozero@unfccc.int.



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Step 2. Develop a target

Once your organization has signed the commitment letter you will have a maximum of 24 months to:

1. Develop a science-based target aligned with the SBTi Criteria;
2. Submit the target to the SBTi for validation.

We encourage companies and financial institutions to begin this process and submit targets for validation as early as possible. Please review the [Commitment Compliance Policy](#) to ensure your organization complies with your commitment.

Please note that the SBTi increased the minimum ambition of its near-term targets to 1.5°C for scope 1 and 2 and well-below 2°C for scope 3, and updated the timeframe of near-term targets to be 5 to 10 years. These updates are published in the [V5 of the SBTi Criteria and Recommendations](#). Organizations must ensure that they submit targets for verification in line with the most recent SBTi Criteria. The SBTi offers [resources](#), [case studies](#) and [webinars](#) to help companies develop their science-based targets.

Step 3. Submit your target for official validation

To have your science-based target officially approved and published, your organization must fill in the correct [Target Submission Form](#), according to the type of targets you want to submit, and upload it along with your complementary documents via the [Target Validation Service online Booking System](#). If you find difficulties please contact this email targets@sciencebasedtargets.org. If your submission passes the initial screening, the SBTi target validation team will validate the target against the [SBTi Criteria](#) and the [Target Validation Protocol](#), and inform you when the target has been approved.

Step 4. Announce the target

On confirmation that your target meets the SBTi Criteria, your organization's target will be published on the SBTi website and may be showcased in other communications. Please ensure that your company has reviewed the [SBTi Communications Guidelines](#). The SBTi may contact your nominated communications contact about further opportunities to profile your organization's climate leadership.

Step 5. Disclose your progress

Following approval, you should disclose your organization's emissions annually and monitor progress against your target as stated in the SBTi Criteria. Recommendations for reporting include [disclosure through CDP](#), annual reports, sustainability reports and your company's website.

Please proceed to [page 6](#) of this document to complete this Commitment Letter. Financial institutions and food, agriculture and forest sectors must consult [pages 4](#), and [5](#) respectively before proceeding to complete [page 6](#) and [7](#).



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FINANCIAL INSTITUTIONS

Due to its unique nature, the financial sector has a separate process established by the SBTi. The sector's largest impact comes from its investment and lending activities (known as scope 3, category 15 emissions) and therefore it is imperative that targets for this sector encompass such activities.

The SBTi defines a financial institution as an organization whose business involves the arrangement and execution of financial and monetary transactions, including deposits, loans, investments, and currency exchange. More specifically, the SBTi deems an organization a financial institution if 5 percent or more of its revenue or assets comes from the activities described above.

On October 1, 2020, the SBTi released a framework that allows financial institutions - including banks, investors, insurance companies, and others - to set science-based targets to align their lending and investment activities with the Paris Agreement. Visit the [SBTi finance homepage](#) for more information.

Based on current methods and coverage, the primary financial sector audience includes banks, asset managers, asset owners (pension funds, closed-end funds, insurance companies), private equity firms, and mortgage real estate investment trusts (REITs). The framework is also relevant for other financial institutions that have holdings in the following asset classes where methods are currently available: real estate, electricity generation project finance, corporate and consumer loans, bonds, and equity. The SBTi plans to develop additional methods and criteria for insurance underwriting, sovereign debt, and securities underwriting in 2023.

Asset classes beyond this list are currently out of the SBTi's scope. Bilateral and multilateral development financial institutions (e.g. the World Bank) are not the primary audience of this framework. Equity REITs, namely real estate companies that own or manage income-generating properties and lease them to tenants, are not a target audience of this project and shall pursue the regular target validation route for companies.

Financial institutions are invited to commit to set science-based targets by signing this commitment letter, and to set targets by completing the following steps within a maximum of 24 months:

1. Develop a science-based target aligned with the [SBTi Criteria for financial institutions](#);
2. Submit the target to the SBTi for validation.

Financial institutions have to refer to our [Compliance Policy](#) to ensure that their organization is complying with their commitment.

If a company falls under the definition above but does not consider their investment activities significant/relevant for the purposes of science-based target setting, the company should reach out to the team at info@sciencebasedtargets.org.



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FOREST, LAND AND AGRICULTURE SECTORS

Companies in land-intensive sectors have a critical role to play in the transformation to a zero carbon economy. The [SBTi Forest, Land and Agriculture project \(SBTi FLAG\)](#) developed methods and guidance to enable businesses in FLAG sectors to set science-based targets that fully incorporate deforestation and land-related emissions. Companies with land-intensive operations can commit to the SBTi through signing this letter and setting targets with existing methods. An updated version of the SBTi FLAG Guidance will follow after the [GHG Protocol Land Sector and Removals Guidance](#) is finished to ensure alignment with corporate accounting guidance. As is standard in the SBTi, companies that set targets with the current version of the guidance are still encouraged to update targets with the release of future versions; any target updates should occur as part of the regular target review process or when a target recalculation is warranted, following the SBTi Criteria. The [SBTi FLAG Guidance](#) covers near-term (5-10 year) FLAG targets. For information about setting long-term net-zero FLAG targets, please see the [Net-Zero Standard](#).

Companies are responsible for reviewing SBTi's Criteria and sector pages to understand what methods are available and/or required for them to set science-based targets.



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COMMITMENT SELECTION

By signing this Commitment Letter, our organization indicates an intent to join the growing group of leading corporations that are setting emissions reduction targets in line with what climate science says is necessary. By doing so, we recognize the crucial role the business community can play in minimizing the risk climate change poses to the future of our planet.

Thereby, I am pleased to confirm that [Lupin Limited] is committing to:

Set near-term science-based emissions reduction targets in line with the SBTi Criteria and Recommendations, and submit them to the SBTi for validations within a maximum of 24 months.

We acknowledge that our commitment will be recognized on the [SBTi website](#) as well as on our partner websites at [We Mean Business](#). Companies who are participants of the UN Global Compact will also be recognized on [the UNGC webpage](#).

In addition, to align with the most ambitious aim of the Paris Agreement and to what science dictates is necessary to reduce the destructive impacts of climate change on human society and nature - to reach net-zero global emissions by 2050 at the latest in order to limit global warming to 1.5°C - my company is committing to:

Set net-zero targets, including a long-term science-based target: My company commits to set long-term science-based targets to reach net-zero value chain GHG emissions by no later than 2050 in line with the [SBTi Net-Zero Standard](#) and submit it for SBTi validation within a maximum of 24 months. By committing to set a net-zero target, I also acknowledge that my company will join the Race to Zero campaign.^{3,4,5}

Near-term science-based targets are 5-10 year GHG mitigation targets in line with 1.5°C pathways.

Net-zero science-based targets are long-term targets that show companies how much they must reduce value chain emissions to align with reaching net-zero at the global or sector level in eligible 1.5°C pathways by 2050 or sooner. The SBTi defines the state of net-zero emissions for companies as reaching a state of no impact on the climate resulting from the organization's GHG emissions. Reaching a status of science-based net-zero emissions implies the following two conditions:

³ Companies that are eligible to join the Race to Zero must follow the SBTi's current fossil fuel policy. If companies have questions, please reach out to Race to Zero at racetozero@unfccc.int.

⁴ Companies must have valid near-term science-based targets (SBTs) that meet the SBTi Criteria to be eligible for a net-zero target, unless the long-term SBT year is 10 years or fewer from the date of submission.

⁵ Companies that are already part of the initiative can raise their ambition by also committing to set a net-zero target.



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- Achieving a scale of value chain emissions reductions consistent with the depth of abatement at the point of reaching global net-zero in pathways that limit warming to 1.5°C with no or low overshoot.
- Neutralizing the impact of any source of any residual emissions by permanently removing an equivalent volume of atmospheric CO₂.⁶

Visit the [SBTi Net-Zero webpage](#) and review the [Net-Zero Standard](#) for more information. For financial institutions, the approach to net-zero emissions targets across the value chain is being developed.

Sign the commitment

Please [register online](#), sign this document, and return a signed copy to commitments@sciencebasedtargets.org. The SBTi reserves the right to carry out due diligence reviews before accepting and publishing commitments.

This SBTi commitment letter can be signed by any organization representative, but the commitment application form requires the contact details of a managerial level point of contact in the organization.

Once this commitment letter is processed and you have received formal confirmation over email, your organization will be recognized as "Committed" on the SBTi [website](#) and the partner websites of UN Global Compact and We Mean Business. Organizations committing to set a net-zero target will also be added to the UNFCCC Race to Zero website provided the organizations are eligible to join at this time.

Company name: Lupin Limited

Signature

Christoph Funke

Chief Technical Operations Officer
Lupin Limited

India





Headquarters Country

04 July 2024

Date

⁶ Residual emissions are emissions sources that remain unabated by the time net-zero is reached at the global or sector level in 1.5°C mitigation pathways with low or no overshoot ([Foundations for Science-based Net-Zero Target Setting](#), pp. 7, 32-34). For most companies this requires emission reductions of at least 90%, which implies neutralization of no more than 10% of base year emissions when reaching net-zero.

UNGC Alignment

	Principle	Statement	Report Chapter	Page Number
 Human Rights	Principle 1	Businesses should support and respect the protection of internationally-proclaimed Human Rights	Human Capital	108-109
	Principle 2	Businesses should make sure that they are not complicit in Human Rights abuses	Human Capital	108-109
 Labour Rights	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human Capital	108-109
	Principle 4	Eliminate all forms of forced and compulsory labor	Human Capital	108-109
	Principle 5	The effective abolition of child labour	Human Capital	108-109
	Principle 6	The elimination of discrimination in respect of employment and occupation	Human Capital	108-109
 Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges	Natural Capital	112-121
	Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility	Natural Capital	112-121
	Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies	Natural Capital	112-121
 Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Governance, Ethics, and Compliance	56



March 8, 2023

H.E. António Guterres
Secretary-General
United Nations
New York, NY 10017
USA

Dear Secretary-General,

I am pleased to confirm that Lupin supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our commitment to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. Lupin will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (CoP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress starting the calendar year after joining the UN Global Compact, and annually thereafter according to the UN Global Compact CoP policy. This includes:

- A statement signed by the chief executive expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the UN Global Compact.
- The completion of the online questionnaire of the Communication on Progress through which we will disclose our company's continuous efforts to integrate the Ten Principles into our business strategy, culture and daily operations, and contribute to United Nations goals, particularly the Sustainable Development Goals.

Sincerely yours,

Vinita Gupta
Chief Executive Officer - Lupin

LUPIN LIMITED

Registered Office: 3rd Floor, Kalpataru Inspire, Off W. E. Highway, Santacruz (East), Mumbai - 400 055 India. Tel : (91-22) 8640 2323.

Corporate Identity Number: L24100MH1983PLC029442

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IFRS S2 Alignment

Principle	Recommended Disclosures	Report Chapter	Page Number	CDP Alignment
Governance Disclose the Company's governance around climate-related risks and opportunities.	Describe the board's oversight of climate-related risks and opportunities.	Governance, Ethics and Compliance; Taskforce on Climate Disclosures (TCFD) Report	56, 5-6	4.1.2; 4.3
	Describe management's role in assessing and managing climate-related risks and opportunities.	Governance, Ethics and Compliance; Risk Management, TCFD Report	56, 134, 5-6	
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the Company's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the Company has identified over the short, medium, and long term.	Natural Capital, TCFD Report	116-117, 7-12	2.2.1; 2.1; 2.2.2
	Describe the impact of climate-related risks and opportunities on the Company's businesses, strategy, and financial planning.	Natural Capital, TCFD Report	116-117, 7-12	
	Describe the resilience of the Company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Natural Capital, TCFD Report	116-117, 7-12	
Risk Management Disclose how the Company identifies, assesses, and manages climate-related risks.	Describe the Company's processes for identifying and assessing climate-related risks.	Risk management, TCFD Report	135, 136, 13-15	3.1; 3.1.1; 3.6; 3.6.1; 5.2; 5.1; 5.1.1; 5.3.1; 5.3.2
	Describe the Company's processes for managing climate-related risks.	Risk management, TCFD Report	135, 136, 13-15	
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the Company's overall risk management.	Risk management, TCFD Report	135, 136, 13-15	
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics the Company uses to assess climate-related risks and opportunities in line with its strategy and risk management process.	Natural Capital and ESG Databook	112-121, 156-158	7.53; 7.53.1; 7.53.2; 7.54.1; 7.54.2; 7.6; 7.7; 7.8; 7.8.1; 7.52
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Natural Capital and ESG Databook	116, 153-158	
	Describe the targets used by the Company to manage climate-related risks and opportunities and performance against targets.	Natural Capital	114	



INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Lupin Limited (Corporate Identity Number L24100MH1983PLC029442, hereafter referred to as 'Lupin Ltd or 'the Company') to undertake an independent assurance of the Company's non-financial disclosures in its Integrated Report for the FY 23-24.

The disclosures have been prepared by Lupin Ltd.

- Integrated Reporting (<IR>) framework of the International Integrated Reporting Council (IIRC)- with the KPIs aligned to GRI standards 2021.
- United Nations Sustainable Development Goals (SDGs)
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

DNV has carried out the assurance engagement in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. DNV's VeriSustain™ Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. DNV team has also followed the ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements*; ISO 14046 - *Environmental management - Water footprint - Principles, requirements, and guidelines* to evaluate indicators with respect to Greenhouse gases and water disclosures respectively in the assessment process.

The intended user of this assurance statement is the Management of Lupin Ltd ('the Management').

As per the agreed scope of work, DNV performed a limited level of assurance of GRI disclosure in IR. Details of Scope are mentioned in the section 'Scope, Boundary and Limitations'. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

Responsibilities of the Management of Lupin Ltd and of the Assurance Provider

The Management of Lupin Ltd has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. Lupin Ltd is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

The agreed scope of work included information on non- financial performance which were disclosed in the Report prepared by Lupin Ltd based on GRI Topic-specific Standards for the identified material topics for the activities undertaken by the Company during the reporting period 01/04/2023 to 31/03/2024. The reported topic boundaries of non-financial performance are based on the internal and external materiality assessment covering Company's operations as brought out in the section 'Reporting boundary and period' of the report.

The scope of work as agreed is a Limited level of assurance of the GRI disclosures indicators in the IR report, assurance was carried out for the indicators disclosures as mentioned in Annexure I.

Boundary covers the performance of Lupin Ltd operations that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary covers the operations of Lupin Ltd across all locations.

Inherent Limitation(s):

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and is free from material misstatements.

The assurance scope has the following limitations:

DNV Headquarters, Veritasveien 1, P.O.Box 300, 1322 Høvik, Norway. Tel: +47 67 57 99 00. www.dnv.com



- The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on financial disclosures relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy, or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of Lupin Ltd. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

1. Reviewed the disclosures in the report. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework.
2. Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in report.
3. Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
4. Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
5. Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected GRI disclosures.
6. DNV audit team conducted on-site audits for corporate offices and sites (mentioned in Annexure II). Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
7. Reviewed the process of reporting as defined in the assessment criteria.

Conclusion

Limited Level of Assurance

On the basis of the assessment undertaken, for GRI disclosures as mentioned in Annexure I, nothing has come to our attention to suggest that the disclosures are not fairly stated and are not prepared, in all material aspects, in accordance with the reporting criteria.

1. Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.



Page 3 of 6

The Report explains out the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders, and inputs from peers and the industry, as well as issues of relevance in terms of impact for Lupin Ltd's business. The list of topics has been prioritized, reviewed and validated, and the Company has indicated that there is no significant change in material topics from the previous reporting period.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

2. Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups.

Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

3. Reliability/Accuracy

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The Report brings out the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with Lupin Ltd's management teams and process owners at the Head Office and sampled sites within the boundary of the Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified in the report during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed post correction.

Nothing has come to our attention to believe that the Report does not meet the principle of Reliability and Accuracy.

4. Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported?

The Report brings out the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its operational locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

5. Neutrality/Balance

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.

The Report brings out the disclosures related to Lupin Ltd's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - *Conformity assessment - General principles are requirements for validation and verification bodies*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct¹ during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



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was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of Lupin Ltd.

Purpose and Restriction on Distribution and Use

This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this report.

For DNV Business Assurance India Private Limited

 <p>Digitally signed by Chaudhari, Tushar Date: 2024.07.06 21:03:43 +05'30'</p>	<p>Karthik Ramaswamy</p> <p>Digitally signed by Karthik Ramaswamy Date: 2024.07.06 21:09:01 +05'30'</p>
<p>Tushar Chaudhari Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.</p>	<p>Karthik Ramaswamy Assurance Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.</p>
<p>Shilpa Swarnim (Verifier) Himanshu Babbar (Verifier) Chandan Sarkar (Verifier) 06/07/2024, Pune, India.</p>	

DNV Business Assurance India Private Limited is part of DNV - Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com



Annex I

GRI disclosures assured for Limited level of assurance:

Reference criteria - GRI Standards 2021
Universal Standards
General Disclosures <ul style="list-style-type: none"> • The organization and its reporting practices: GRI 2-3 • Activities and workers: GRI 2-7, GRI 2-8 • Stakeholder engagement: 2-29, 2-30 • Material Topics: GRI 3-1, GRI 3-2, GRI 3-3
Topic Specific Standards
Environmental <ul style="list-style-type: none"> • GRI 302: Energy (2016): 302-1, 302-2, 302-3, 302-4 • GRI 303: Water & Effluent (2018): 303-3, 303-4, 303-5 • GRI 305: Emissions (2016): 305-1, 305-2, 305-3, 305-4 • GRI 306: Waste (2020): 306-3, 306-4, 306-5
Social <ul style="list-style-type: none"> • GRI 401: Employment (2016): 401-1, 401-2, 401-3 • GRI 403: Occupational Health and Safety (2018): 403-2, 403-3, 403-8, 403-9 • GRI 404: Training and Education (2016): 404-1, 404-2, 404-3 • GRI 413: Local Communities (2016): 413-1 • GRI 415: Public Policy (2016): 415-1
Economic <ul style="list-style-type: none"> • GRI 205: Anti-Corruption (2016): 205-1, 205-2



Annex II

Sites selected for audit

S.no	Site	Location
1.	Head office	Mumbai
2.	India plants	Tarapur, Lupin Research Park-Pune, Lupin Biotech, Mandideep, Goa



INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Lupin Limited (Corporate Identity Number L24100MH1983PLC029442, hereafter referred to as 'Lupin Ltd or 'the Company') to undertake an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR'). The disclosures include non-financial BRSR Core indicators as per Annexure I of SEBI circular dated 12 July 2023.

Reporting standard/framework

The disclosures have been prepared by the Company. in reference to:

- BRSR Core - Framework for assurance and ESG disclosures for value chain as per SEBI (Securities and Exchange Board of India) Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023.
- BRSR reporting guidelines (Annexure II) as per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, and incorporated Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.
- ISO 14064-1:2018 - Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

Assurance Methodology/Standard

This assurance engagement has been carried out in accordance with DNV's VeriSustain protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. DNV's Verisustain Protocol has been developed in accordance with the most widely accepted reporting and assurance standards.

Apart from DNV's Verisustain protocol, DNV team has also followed ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements*; ISO 14046 - *Environmental management - Water footprint - Principles, requirements, and guidelines* to evaluate indicators with respect to Greenhouse gases and water disclosures respectively.

Intended User

The intended user of this assurance statement is the Management of the Company ('the Management').

Level of Assurance

Reasonable Level of assurance for BRSR Core 9 Indicators (Ref: Annexure I of SEBI circular); and

Responsibilities of the Management of Lupin Ltd and of the Assurance Provider

The Management of the Company has the sole responsibility for the preparation of the BRSR Report and is responsible for all information disclosed in the BRSR Core and BRSR Report. The Company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. The Company is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

Scope

The scope of our engagement includes independent reasonable level of assurance of 'BRSR Core 9 Indicators' (Ref: Annexure I of SEBI Circular) for Financial Year (FY) 2023-24.

Boundary of our assurance work:

Reasonable assurance of BRSR Core indicators: Boundary covers the performance of Lupin Ltd operations that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of Lupin Ltd across all locations.

DNV Headquarters, Veritasveien 1, P.O.Box 300, 1322 Høvik, Norway. Tel: +47 67 57 99 00. www.dnv.com



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Limitation(s):

We performed a reasonable Level of assurance for the BRSR Core for the BRSR reporting based on our assurance methodology VeriSustain, v06.

The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the Company. DNV opinion on specific BRSR Core indicators (ref- for total revenue from operations; Principle 3, Question 1(c) of Essential Indicators for Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the Company; Principle 8, Question 4 of Essential Indicators, Principle 1, Question 8 of Essential Indicators and Principle 1, Question 9 of Essential Indicators) relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.
- The assurance engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of Lupin Ltd. We carried out the following activities:

1. Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The format of BRSR Core used a basis of reasonable level of assurance.
2. Evaluation of the design and implementation of key systems, processes, and controls for collecting, managing and reporting the BRSR Core indicators
3. Assessment of operational control and reporting boundaries
4. Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core Indicators. Engaged directly with internal stakeholders/data owners to gather insights and corroborative evidence for each disclosed indicator.
5. Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
6. DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at



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each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annex-II.

7. Conduct a comprehensive examination of key material aspects within the BRSR Core framework supporting adherence to the assurance based on applicable principles plus specified data and information.
8. DNV teams conducted the:
 - Verification of the data consolidation of reported performance disclosures in context to the Principle of Completeness.
 - Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ for reasonable level verification for the disclosures.

Conclusion

Reasonable level of Assurance- BRSR Core 9 Indicators

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR Core indicators (as listed in Annex I of this statement) for FY 2023-24 are reported in accordance with reporting requirements outlined in BRSR Core (Annexure I of SEBI Circular dated 12 July 2023).

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity assessment - General principles are requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct¹ during the assurance engagement and maintain independence wherever required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e FY 2023-24, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of Lupin Ltd. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process. We did not provide any services to Lupin Ltd in the scope of assurance for the reporting period that could compromise the independence or impartiality of our work.

Purpose and Restriction on Distribution and Use


This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the Company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than the Company for DNV's work or this assurance statement. The usage of this assurance statement shall be governed by the terms and conditions of the contract between DNV and Lupin Ltd and DNV does not accept any liability if this assurance statement is used for an alternative purpose from which it is intended, nor to any third party in respect of this assurance statement. No part of this assurance statement shall be reproduced, distributed or communicated to a third party without prior written consent.

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



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For DNV Business Assurance India Private Limited

 <p>Digitally signed by Chaudhari, Tushar Date: 2024.07.06 21:02:37 +05'30'</p>	<p>Karthik Ramaswamy</p> <p>Digitally signed by Karthik Ramaswamy Date: 2024.07.06 21:07:28 +05'30'</p>
<p>Tushar Chaudhari Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.</p>	<p>Karthik Ramaswamy Assurance Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.</p>
<p>Shilpa Swarnim (Verifier) Himanshu Babbar (Verifier) Chandan Sarkar (Verifier)</p>	

06/07/2024, Pune, India.

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Annex I

Verified Data

Sr. No.	Attribute	Parameter	Unit of Measures	Assured Values
1	Green-house gas (GHG) footprint Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*	Total Scope 1 emissions	MT of CO2e	61,474
		Total Scope 2 emissions	MT of CO2e	263,905
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover	MT CO2e/ Revenue from operations in ₹ Mn	2.27
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MT CO2e/ Revenue from operations in (Mn USD) adjusted to PPP	52
		Total Scope 1 and Scope 2 emission intensity in terms of physical output	MT CO2e/ total service output	
2	Water footprint	Total water consumption	KL	1,584,941
		Water consumption intensity	KL / Revenue from operations in Mn international dollars adjusted for PPP	253.30
			KL/ Revenue from operations in ₹ Mn	11.07
		Water Discharge by destination and levels of Treatment	KL	36,526
3	Energy footprint	Total energy consumed	Giga Joules (GJ)	2,764,446
		% of energy consumed from renewable sources	In % terms	23
		Energy intensity	GJ/ Revenue from operations in Mn international dollars adjusted for PPP	441.80
			GJ/ Revenue from operations in ₹	19.31
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	2,803
		E-waste (B)	MT	38.63
		Bio-medical waste (C)	MT	79.82
		Construction and demolition waste (D)	MT	2,752.6
		Battery waste (E)	MT	38.38
		Radioactive waste (F)	MT	Nil
		Other Hazardous waste		
		Used Oil, Spent Solvents, Spent Catalyst	MT	7,211.40
		Plastic Liners, Drums, Containers		917.73
		Spent Calcium Sulphate (Chemical Gypsum)		4,471.10
		Incinerable Hazardous Waste		8,198.60
		Hazardous Waste for landfill		12,168.97
		Total Hazardous Waste (G)	MT	32,967.80
		Other Non-hazardous waste		
		Canteen waste & mycelia waste	MT	4,805.9
		Agro waste Boiler Ash	MT	5,395.16
		Total Other Non-Hazardous Waste (H)	MT	10,201.06
Total (A+B + C + D + E + F + G+ H)	MT	48,881.29		
Waste intensity per rupee of turnover from operations	Total waste generated / Revenue from operations in ₹	0.34		



		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Total waste generated / Revenue from operations in Mn international dollars adjusted for PPP	7.81
		Waste intensity (optional) - Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations		-
		(i) Recycled	MT	(i) Plastic Waste: 2,803.00 MT (ii) E-waste: 38.63 MT (iii) Other hazardous waste: 8,129.20 MT
		(ii) Re-used	MT	29.83
		(iii) Other recovery operations	MT	(i) Non-hazardous waste: 5,395.16 MT (ii) Hazardous waste: 4,471.10 MT
		Total waste recovered = [(i)+(ii)+(iii)] For each category of waste generated, total waste disposed by nature of disposal method	MT	28,866.92
		(i) Incineration	MT	(i) Bio-medical waste: 79.82 MT (ii) Other hazardous waste: 8,198.62 MT
		(ii) Landfilling	MT	(i) Construction & demolition waste: 2,752.60 MT (ii) Other hazardous waste: 12,169 MT
		(iii) Other disposal options	MT	Non-hazardous waste: 4,805.90 MT
		Total waste disposed = [(i)+(ii)+(iii)]	MT	28,005.94
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers - cost incurred as a % of total revenue of the Company	In % terms	0.07
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the Company's construction sites)	Number of Permanent Disabilities Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) No. of fatalities	Employees :0 Worker: 0 Employees :0 Worker: 0.12 Overall: 0.066 Employees :0 Worker: 0
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	5.05
		Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported	4
			Complaints on POSH as a % of female employees / workers	0.4
			Complaints on POSH upheld	3
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases -and from within India	Directly sourced from MSMEs/ small producers (In % terms - As % of total purchases by value)	11.8



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			Sourced directly from within the district and neighboring districts	78
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Location	
			Rural	Not Available
			Semi-urban	Not Available
			Urban	Not Available
			Metropolitan	Not Available
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	Total Loss/breach of Data of Customers: 0% Total Cyber Security breaches: 0%
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	82
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties	Purchases from trading houses as % of total purchases	14.6
		Loans and advances & investments with related parties	Number of trading houses where purchases are made from	389
			Purchases from top 10 trading houses as % of total purchases from trading houses	9.83
			Sales to dealers / distributors as % of total sales	44.63
			Number of dealers / distributors to whom sales are made	7,887
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	5.18
			Share of RPTs (as respective %age) in	
			Purchases	30.51
			Sales	35.50
			Loans & advances	0
			Investments	99.41

Note:

* Calculation of Scope 1 GHG emissions are based on conversion factors, emission factors considered in 2006 IPCC Guidelines for National Greenhouse Gas Inventories-DEFRA, IPCC sixth assessment report. Scope 2 GHG emissions for Indian operations are calculated based on the Grid Electricity EF - Central Electricity Authority, Govt. of India, CO₂ baseline database for Indian Power Sector, version 19, December 2023 EF considered (including RES & Captive power injection into grid) is 0.716 kgCO₂ per kWh.



Annex II

Sites selected for audit

S.no	Site	Location
1.	Head office	Mumbai
2.	India plants	Tarapur, Lupin Research Park- Pune, Lupin Biotech, Mandideep, Goa