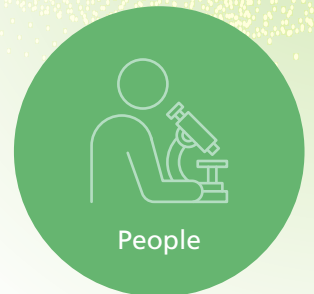




# Transform Action






# Transform Action

**Biocon's problem-solving spirit has led it to harness the transformational power of biotechnology-led innovation to improve the health and well-being of humanity. Over the past four decades, we have leveraged our knowledge of modern molecular biotechnology to engineer organisms with beneficial traits, thus enabling new solutions to the challenges of disease.**

From our origins as a pioneering biotechnology enterprise, we inculcated a research-driven strategy to introduce eco-friendly, enzyme-based solutions in industrial processing. Our innovation-led healthcare solutions that provide affordable access to patients who battle cancer, diabetes, and autoimmune diseases, are propelled by a clear sense of business purpose and responsibility.



Environmental, Social and Governance (ESG) is at the core of our business purpose and responsibility. By serving patients, protecting the environment, and promoting business integrity, we are taking 'sustainable action' every day, reinforcing our commitment to building an equitable and viable future.

We are putting new, research-driven insights into action to develop cost-effective therapeutic products that address unmet patient needs and reduce health inequities.

We are leading the transformation of patient ecosystems in collaboration with partners and disruptive operating models.

We are unleashing the power of technology to improve the quality of performance, increase efficiency and enable the highest levels of quality compliance.

We are building a diverse, equitable, and inclusive workplace through affirmative action, from recruitment to career and leadership development.

We are transitioning to renewable energy, reducing our carbon footprint, conserving natural resources, and safeguarding ecological diversity to ensure long-term environmental sustainability.

We are building resilient solutions that enable and empower disadvantaged communities to live better, every day.

We are implementing globally benchmarked standards of governance to create trust with patients, employees, customers, shareholders, and society.

It is transformation in action.

The challenges facing humanity remain significant. The past two-years have been a stark reminder of our fragility as a species. In the face of a deadly viral pandemic, climate disruption and economic standstill, embracing ESG is now, more than ever, imperative for a responsible corporate citizen like Biocon.

We are committed to taking bold and transformative action for the planet, people, and prosperity.

# About the Report

## Report overview

As a company committed to achieving sustainable growth with positive social and environmental impacts, it is with immense pride that we present Biocon's first ESG Report in FY22. The purpose of this report is to share our value creation journey with all our stakeholders and provide insights into the non-financial performance of Biocon. Through this report, our aim is to uphold the values of accountability, responsibility and transparency that resonate across everything that we do.

## Reporting standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Universal Standards and the Securities Exchange Board of India's (SEBI) Business Responsibility and Sustainability Reporting (BRSR) guidelines and attempts to provide a holistic overview of our ESG management practices and performance.

## Reporting scope and boundary

The FY22 ESG Report includes disclosures on the non-financial performance of Biocon Limited and Biocon Biologics Limited, excluding Syngene International, for the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. The reporting boundary further extends to include discussions on sustainability factors that impact the company's ability to create long-term value.

## Responsibility statement

We believe that this Report offers a balanced view of our ESG performance and our efforts to make a difference to all our stakeholders.

The Board of Directors confirms that the content of this report has been developed under the guidance of the senior leadership and the support of the various business functions.





To view or download our online reports, please log on to **biocon.com**

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# Our Transformative Story



Biocon was set up in 1978, as a joint venture with an Irish biotech company to manufacture bio-enzymes for the brewing industry for its partner's global customers. Beginning with a modest investment of ₹ 10,000 and operating out of a garage in Bengaluru, Biocon has steadily evolved over the years, from being an entrepreneurial enzymes enterprise, to a globally recognized, innovation-led biopharmaceuticals company.

Over the years, Biocon has periodically re-invented its business model to usher in transformational change.

Driven by a strong belief that the pharmaceutical industry has a humanitarian responsibility to enable access to essential drugs for patients and to do so with the power of innovation, Biocon has focused on building a new model of innovation that adds the condition of affordability to ensure accessibility.

## Vision

To enhance global healthcare through innovative and affordable biopharmaceuticals for patients, partners and healthcare systems across the globe

## Mission



- Management of research and business partnerships
- Intellectual asset creation through discovery, research, and development
- New medical insight through disease specific clinical research
- State-of-the-art manufacturing capabilities
- Internationally benchmarked quality and regulatory systems
- Customer relationship through outstanding products and services
- Human resource development through training, mentoring and empowering

## Values



- Collaboration, teamwork, and mutual respect
- Integrity and ethical behaviour
- Performance-driven work culture
- Value creation through innovation and differentiation
- Quality through compliance and best practices



## Biocon is a differentiated player in the global pharmaceutical space



## Generics

When we entered the biopharmaceutical sector in the early 2000s, we made the strategic choice of leveraging our core competence in fermentation sciences to produce small molecule Active Pharmaceutical Ingredients (APIs). As a result of this focus, we were able to command a significant market share for our portfolio of APIs, initially comprising of statins and later, increasingly dominated by immunosuppressants and other specialty small molecules. For over 20 years, our global portfolio of APIs has catered to over 700 pharma companies, with an impeccable track record of quality, safety, and reliability. To capture a larger portion of the value chain in the Generics business, which was a key anchor of Biocon's initial success in biopharmaceuticals, we forward integrated into complex formulations such as injectables and oral solids that incorporated our differentiated APIs. We have successfully commercialized several generic formulations under our

own label in the U.S. and are gradually expanding our reach to other geographies.

We have built a pipeline of niche, difficult-to-make formulations with high barriers to entry. This, coupled with our excellence in execution, will enable us to help address the needs of patients, partners, and healthcare systems worldwide.

## Biosimilars

To address the global challenges associated with non-communicable diseases (NCD), Biocon rapidly moved up the pharmaceutical value chain from small molecules to recombinant proteins and antibodies in the early 2000s. We enabled competition for expensive innovator biologics through our biosimilars for diabetes and cancer. We invested in cutting-edge Research and Development (R&D) and commercial scale globally compliant manufacturing facilities across diverse technology platforms spanning insulins, monoclonal antibodies, and conjugated recombinant proteins.



<sup>1</sup>Includes Syngene

Biocon Biologics, which is an independent subsidiary of Biocon, is leveraging cutting-edge science, advanced R&D capabilities, innovative tech platforms and global-scale manufacturing capacities to develop and manufacture high-quality biosimilars for a global patient population.

We established global credibility as a serious biosimilars player through several ground-breaking achievements, starting with the Indian approval for the world's first bTrastuzumab in 2014 and the Japanese approval for bGlargine in 2016. We were the first in the world to obtain U.S. approvals for bTrastuzumab in 2017 and bPegfilgrastim in 2018.

Our biosimilar monoclonal antibodies and therapeutic proteins are significantly impacting cancer care worldwide. Our portfolio of affordable recombinant human insulin and insulin analogs are benefiting millions of people with diabetes globally. In FY22, we touched 5.3 million patients' lives worldwide through our biosimilars portfolio for diabetes, oncology, and immunology.

Our investments in building global scale manufacturing have led us to be among the world's Top 15 bio-manufacturing companies. We are one of the leading insulin producers worldwide and have global scale antibodies manufacturing capacities as well.

To make a greater impact on global health, Biocon Biologics executed two strategic transactions in FY22. This included acquisition of Viatris' global biosimilars business will create a fully, vertically integrated world-leading biosimilars company with direct commercial presence in developed and key emerging markets. The strategic alliance with Serum Institute Life Sciences provide Biocon Biologics an 'asset light' by accelerating entry into vaccines. These strategic developments will create a business that will not only be able to expand our reach, but also transform patients' lives by delivering affordable access to innovative and inclusive healthcare solutions, thereby addressing the issue of health inequity.

## Novel Biologics

Biocon's ground-breaking work in novel biologics has enabled the company to address unmet requirements for the treatment of cancer and autoimmune ailments. Our current portfolio includes molecules that we are developing in-house, as well as, those that are driven by external collaborations.

We are proud to be pioneers in the development and launch of BIOMAb-EGFR (Nimotuzumab), India's first indigenously manufactured novel monoclonal antibody for the treatment of head and neck cancer. Furthermore, we developed and launched ALZUMAb (Itolizumab), the world's first novel anti-CD6 monoclonal antibody, for psoriasis and other indicators. Our proven capabilities in discovery, process, and product development, translational and clinical sciences, maximize the overall probability of our success.

In the next few years, we are expecting results from studies involving our novel assets.

Bicara Therapeutics, an associate of Biocon based in Boston, U.S., is developing a pipeline of bifunctional antibodies that exploit the recent advances in immuno-oncology. Bicara enables access to the thriving innovation ecosystem in the U.S. which accelerates our development of cutting-edge therapies for cancer. We are confident that synergies between the scientific teams in Boston and Bengaluru will pioneer rapid and cost-effective breakthrough innovation.

## Research Services

Started in the early 1990s, Syngene was India's first Contract Research Organization (CRO), set up with the aim of catering to the R&D needs of the global pharmaceutical industry. Syngene's emergence as India's leading contract development and manufacturing company (CDMO) triggered its successful public listing in 2015. Today, Syngene is well-positioned with its capabilities and infrastructure to leverage the strong market demand for the development and manufacturing of drugs. The company is moving beyond a traditional service outsourcing model toward true end-to-end collaborations, accelerating innovation for its clients across the drug R&D continuum. It is building expertise in immuno-oncology, CAR-T, mRNA, and small interfering RNA (siRNA) platforms for researching next-generation therapies.







# Statements from the Leadership

## Transformative Action for Sustainable Outcomes

### Chairperson's Statement

**Kiran Mazumdar-Shaw,  
Executive Chairperson  
Biocon and Biocon Biologics**

Innovation that delivers affordable access to life-saving therapeutics for patients worldwide is at the core of our business ambition. Our philosophy of ensuring health equity resonates with our Environmental, Social, and Governance or ESG aspirations. In a world where ESG is increasingly becoming a “biomarker” of business purpose, Biocon has adopted practices to demonstrate conscious capitalism, environmental stewardship, talent diversity, and equitable governance within its stakeholder ecosystem.

In FY22, Biocon made strategic moves to further its purpose of catalyzing transformative change to address health inequities across the world. We charted new growth paths and made a mega acquisition, fostered alliances, and made multiple new investments.





## Transformative Investments

Our landmark decision to acquire the global biosimilars business of our long-term partner, Viatris, will enable full vertical integration across the biosimilars value chain from 'lab to market' and take us closer to patients, payors, and healthcare providers in developed and emerging markets.

Our quest to impact global healthcare steered us towards a strategic expansion into adjacencies such as vaccines. In FY22, Biocon Biologics entered an alliance with India's largest vaccine maker, Serum Institute to join the effort of addressing the inequitable access to vaccines.

## Mission Insulin for Health Equity

As we commemorate 100 years of the discovery of Insulin, we are positioning ourselves to build global leadership through unlocking equitable access to insulin and meeting varied patient needs through our comprehensive portfolio.

We are proud of the historic approval we received for the world's first interchangeable biosimilar in the US. In FY22, the launch of our interchangeable Glargine is in line with our aspiration to provide our biosimilar to 'one-in-five' insulin-dependent people with diabetes, globally.

## Saving Lives During the Pandemic

At the height of the pandemic, we were able to realize the potential of bio-therapeutics in the fight against Covid-19 induced cytokine storm. Our repurposed novel biologic ALZUMAb-L (Itolizumab) benefited over 40,000 COVID-19 patients so far.

## Practicing Environmental Empathy

As a company, we believe that health equity is embedded in restoring ecological balance. This belief has driven us continuously to identify opportunities to increase the share of renewables in our energy mix, improve energy efficiency, innovate to drive productivity across our value chain, implement the principles of a circular economy, and adopt digital solutions that minimize inefficiencies.

Through usage of solar and wind energy, the share of 'green power' in total energy purchased across Biocon and Biocon Biologics India rose to 58% in FY22. We achieved 117,697\* tonnes of carbon dioxide equivalent (tCO<sub>2</sub>)

reductions in the year as a result of our green power initiatives and the use of clean fuel (natural gas) for steam generation.

We recorded 680,000 liters of incremental water savings per day from water conservation initiatives across the global manufacturing operations of Biocon and Biocon Biologics.

## Working Towards Gender Equity

As a woman entrepreneur, I have inculcated a strong sense of purpose and commitment to diversity, inclusion, and social equity at Biocon. This is reflected in our aspiration to get to a 50:50 gender ratio by 2030. To achieve this target, we are refining our policies and increasing career opportunities for women through initiatives that include management and leadership development programs.

We were certified by Great Place to Work® India as a Workplace with Inclusive Practices, acknowledging our investment in our people and our inclusive culture.

## Digital transformation: A key strategic initiative

ESG is foundational for Biocon's digital transformation initiative. We are making significant investments to transform the Biocon Group into a data and digital-led global biopharmaceuticals organization. These initiatives are enhancing quality and compliance while augmenting productivity through enhanced operational excellence. They are also enabling data integrity through technology-led data transparency. Digitalization, we firmly believe, can build higher standards of governance and build greater levels of trust with all stakeholders.

\* BL + BBL (Excluding Malaysia)



ESG is foundational for Biocon's digital transformation initiative. We are making significant investments to transform the Biocon Group into a data and digital-led global biopharmaceuticals organization.

### Corporate philanthropy in action

Biocon's corporate philanthropy aims to build resilient and innovative solutions that enable and empower disadvantaged communities to live better. In FY22, the Biocon Foundation implemented several initiatives targeted at increasing access to healthcare for underserved communities, improving the nutritional standing of school-age children, promoting science & technology, and sponsoring urban afforestation initiatives.

Biocon Academy is the outcome of our endeavor to build a talent ecosystem for biotech-related skills in India. We have trained over 850 students over the last eight years, by augmenting their industry readiness and providing them with value added employment opportunities in the Indian life sciences sector.

### Embracing ESG to drive the next phase of transformative action

Our business purpose is deeply intertwined with ESG. By protecting the environment, serving patients globally, and promoting business integrity, we are reinforcing our commitment to building a sustainable future. Our recent entry in the Dow Jones Sustainability Index (DJSI) Emerging Markets Index, where we achieved a 93<sup>rd</sup> percentile position with a Total Sustainability Score of 45, is a testimony to our responsible and sustainable business practices.

### Building Hallmarks of Trust and Reliability

At Biocon, we believe in building trust with patients, customers, shareholders, and society is the anchor for long-term success.

We are evolving and expanding our sustainability reporting and have captured our environmental management, social impact, and corporate governance practices in our first GRI-aligned ESG Report.

Keeping with our focus on ESG issues, we are taking transformative action to ensure sustainable performance across operational, financial, environmental, social, governance and humanitarian facets of our enterprise.

### Kiran Mazumdar-Shaw

Executive Chairperson  
Biocon and Biocon Biologics

# Sustainability is Integral to Business Strategy

## Q&A with Siddharth Mittal, Managing Director and CEO, Biocon Limited

### How is the Indian landscape evolving from the perspective of industry in achieving UN Sustainable Development Goals?

Companies have started realizing that sustainability is a serious business driver. They now understand that profitability and growth depend upon how effectively they are able to meet the expectations of different stakeholders, who are more aware and concerned about sustainability than ever before. Employees, for example, want their work to have a purpose that goes beyond a narrow professional definition. They want to be part of a company that believes in being socially responsible. Investors are now recognizing this reality and are asking questions about a business' sustainability strategies. Customers, too, are looking at a company's track record on sustainability and social commitment before making their purchasing decisions.

An article published by McKinsey and Co stated, "We looked at companies on the New York Stock Exchange and Nasdaq that had strong ESG records at the start of the pandemic, both when markets started to collapse and from March 2021 onward when the markets began to recover. In both of those periods, companies with better ESG records outperformed those with low records."

Not surprisingly, sustainability is now a critical part of business strategy that is driven at the Board level in several companies, including Biocon. This is aided and propelled by increasing regulatory momentum as well. For example, SEBI's Business Responsibility and Sustainability Reporting framework will help create a level playing field to ensure transparency, consistency, and comparability in non-financial disclosures.

At the 26<sup>th</sup> UN Climate Change Conference, also referred to as COP26, India has committed to achieve Net Zero emissions by 2070 and declared that 50 percent of our electricity production will be from renewable sources within the next decade. These commitments are sure



to translate into policy action to incentivize and support businesses that decrease their carbon footprint.

As a company, we believe in truly exploiting the opportunity to invest in innovation and R&D. With this, our purpose of promoting good health and well-being as well as reducing inequalities in access to necessary healthcare across spectrums is met.



## What are the objectives and targets of your sustainability efforts in Biocon?

Making ESG commitments and stating a purpose is easy. However, these become meaningless without transformative action. One has to have a clear ESG strategy, based on which a coherent program can be created, comprising specific action points and clearly defined, realistic goals.

Sustainability is integral to Biocon's business strategy as well as necessary for fostering long-term investment, financial stability, and business continuity.

**Environment** – We have sharpened our focus on climate action to understand, assess, and manage climate-related risks. We have adopted circular economy principles to reduce water usage and improve the efficiency of resource utilization. Our target is to ultimately transform our operations and make them net water positive, or at the very least, water neutral. Environmental responsibility is also embedded in our supply chain management practices.

**Social** – Social responsibility is intrinsic to our corporate policies and work culture. Being an equal opportunity employer, we believe strongly in the power of diversity, equity, and inclusivity. Our people policies and practices foster a culture of mutual trust and respect. Additionally, our actions are aimed at delivering positive societal and environmental outcomes and building intrinsic value in the community that we are a part of. We regard these as part of our business goals.

**Governance** – We have established high standards of governance to build an environment of trust, transparency and accountability. To drive a top-down approach for ESG integration, our Corporate Social Responsibility Committee at the Board level was reconstituted to 'Corporate Social Responsibility and Environment, Social, and Governance Committee' with the primary objective of providing oversight, direction and monitoring our ESG strategy and initiatives, as well as to direct initiatives to embed integrated thinking within Biocon's culture. Additionally, at Biocon Limited and Biocon Biologics, the Board formed an Environment, Social and Governance Committee to drive positive impacts across the entity.

## Can you provide an overview of what Biocon achieved during FY22 in terms of ensuring stakeholder equity?

The past two years were very challenging for the world at large with the COVID-19 pandemic almost bringing the world economy to a standstill. Being in the pharma sector, our responsibility was multifold. We had to ensure that our patients continued to get our medicines, which they count upon to stay in good health. At the same time, we had to ensure the safety and well-being of our employees and their families, while also supporting the government and local authorities in their efforts to mitigate the pandemic's impact.

However, amidst all this disruption, we never lost sight of our ESG goals and undertook several measures towards achieving them.

Last year, we conducted a detailed Materiality Assessment (MA) covering as many as 113 different stakeholders, both internal and external. The MA helped us identify the most material issues to be prioritized for creating long-term value and strategize resource allocation accordingly. Demonstrating transparency and inclusion, while prioritizing key focus areas for our growth, has enabled us to gain our stakeholders' trust. I am delighted that the stakeholder priorities that emerged are aligned with Biocon's business priorities. The details of the assessment can be perused later in this report.

This year we published our first Tax Transparency Report, demonstrating our commitment to openness on tax matters. We also developed a Code of Conduct as a support program for our suppliers and partners that help them align their operations and practices with our ESG goals. This enables us to build synergies with our suppliers.

We have published our first standalone Human Rights Policy\*, which details our approach to upholding human rights across our value chain, including our permanent and contractual employees, suppliers, consultants and our Board members.

Embedding ethics and compliance in every aspect of our business has resulted in our CDP, DJSI CSA and EcoVadis scores improving significantly.

\*Similar principles applicable to Biocon Biologics, currently embedded in its Code of Conduct, is being developed as an independent global policy document.

Our employees are our biggest asset and to facilitate our commitment towards transforming their career journeys, we have developed a competency framework which acts as the foundation for all our people processes, covering talent acquisition, performance evaluation, talent development, and succession planning. We have also launched initiatives to build a pervasive culture of excellence at Biocon and systematically incorporated tech-enabled tools into our processes to enhance efficiency, eliminate human error and ensure consistency of quality. Our digitization journey is ongoing and driven at the highest levels.

**Can you provide an overview of what Biocon achieved during FY22 in terms of ensuring environmental equity?**

We continue to build on the programs and initiatives undertaken over the last two years.

- With regard to energy purchased, we have reduced our non-renewable energy from 141,700-megawatt hour (MWh) to 137,200 MWh, and increased our renewable energy to 110,000 MWh from 95,000 MWh.
- We invested ₹ 80 million in a new 600 kiloliters/day (KLD) capacity zero liquid discharge (ZLD) effluent treatment plant in Bengaluru. This will gain us 680,000 liters of incremental water savings per day as 100 percent of wastewater is recycled and reused back in the process or in utilities.
- We also sent over 5,500 tonnes of high-calorific waste for reuse as an auxiliary fuel to cement factories. Besides, as much as 60 percent of solid waste generated at our facilities is recycled.
- Approximately 58 percent of total electricity purchased for consumption at our India sites in FY22 was from green sources for BL & BBL Indian operations.

All of these transformative actions have helped us achieve reductions of over 102,000 tCO<sub>2</sub> in FY21 and 117,000 tCO<sub>2</sub> in FY22.

**Due to the need of a highly-skilled workforce, how do you focus on attracting and retaining talent and building their skills? Can you specify the efforts you are making to ensure diversity and inclusion?**

The well-being of our employees is of paramount importance at Biocon, and we have in place several initiatives and programs to enable them to stay in good health, physically, mentally, and emotionally. We foster a sense of belonging and an ambience of mutual respect and positive collaborative spirit through several employee engagement initiatives that cover health and wellness and motivational sessions, to name a few.

We hired 2,806 individuals as full-time employees during FY22. We introduced several initiatives to enable our employees to learn, grow and develop their careers, such as departmental scorecards, career-pathing, competency frameworks, and digital learning programs to facilitate the development of individuals in multiple domains. In this vein, the total training hours for our employees stood at over 178,000. We invested a total of ₹ 27 million for employee learning and development in FY22.

Biocon is an equal opportunity employer and abides by a policy of equal pay for equal work. Diversity and inclusion are intrinsic to our work culture and people. Our organization level diversity ratio grew from 10.5 percent in FY 2020-21 to 12.3 percent in FY 2021-22

**How would you sum up Biocon's ESG journey in FY22?**

The significant improvement in our scores in DJSI and CDP is a validation of the transformative actions being undertaken at Biocon to embed ESG within and beyond the organization. As an ongoing journey, this aspect of our business has been accorded the topmost priority and is overseen at the highest levels. Going forward, we see ourselves delivering even better results on the ESG front in the years to come.

**Siddharth Mittal**

Managing Director and Chief Executive Officer, Biocon Limited

# Turning ESG Strategy into Action

## Q&A with Dr. Arun Chandavarkar, Managing Director, Biocon Biologics

### How are you improving global patient equity through Biocon Biologics' biosimilars business?

At Biocon Biologics, we strongly believe that healthcare must take many forms and should be accessible to all in a cost-effective way. Biologics have increasingly become the foundation of innovative therapies in modern medicine. Given the pipeline of therapies in clinical development, it is evident that biological therapies will continue to gain importance, if not dominate the market.

Biosimilars, which are follow-on biologics typically launched after the innovator molecules lose patent protection, have already demonstrated their ability to broaden access to several life-saving therapies, thus enabling patient equity. Having entered this segment more than 15 years ago, Biocon is a frontrunner in biosimilars today. As an industry pioneer, Biocon was amongst the first wave of companies to address the global need for biosimilars. Biocon Biologics, which is an independent subsidiary of Biocon with its management team, is leveraging strong science, global scale and its long experience in biopharmaceuticals to develop and manufacture several high-quality biosimilars for treating various chronic conditions for global patient population. We have developed several monoclonal antibodies and therapeutic proteins, which are significantly impacting cancer care worldwide. Our portfolio of affordable recombinant human insulin and insulin analogs is benefiting millions of people with diabetes globally. In FY22, we touched 5.3 million patients' lives worldwide through our biosimilars portfolio for diabetes, oncology, and immunology.

Our expertise in product development and manufacturing has allowed us to build a pipeline of 20 biosimilar assets for the coming decade. We will continue to invest in R&D to develop quality biosimilars for high-value therapeutics, enabling wider patient access.



### How do you see Biocon Biologics contributing to the global fight against diabetes?

Diabetes is a worldwide NCD pandemic that affects nearly half a billion people. Unfortunately, 'four out of five' people with diabetes live in low- and middle-income countries (LMICs). Insulins help save the lives of millions of diabetes patients each year, yet millions are denied access to this life-saving therapy due to its prohibitive costs.

Despite the capital-intensive nature of insulin production, Biocon Biologics has succeeded in expanding access to insulin therapy in India and key global markets by pursuing an innovation strategy that is rooted in affordability. We have built one of the largest insulin manufacturing capacities in the world, which we are using to shift the access paradigm for insulins, worldwide.

Biocon Biologics, through its proprietary *Pichia pastoris* platform, has been able to disrupt the insulins market globally. Our journey, which started with recombinant human insulin in India, has broadened to cover several global markets including the U.S. We have cumulatively supplied over 2.75 billion doses of recombinant human insulin to patients globally over the years.

Following the landmark commercialization of bGlargine in the U.S. in FY21, we marked another milestone by obtaining interchangeable designation from the U.S. FDA for our bGglargine in FY22. We are the first in the world to obtain approval for an interchangeable biosimilar product in the U.S. The interchangeability approval, which allowed substitution of our product for the innovator at the pharmacy counter, demonstrated our scientific, quality, and regulatory capabilities. The interchangeability status is allowing us to offer people living with diabetes in the U.S. more treatment options, rationalize cost of therapy and generate savings for the overall healthcare system. Our insulins are widening the treatment options available to patients living with diabetes, as well as enabling local healthcare systems to realize substantial savings on diabetes care. With the aim of making insulins affordable and accessible to patients in LMICs, we have rolled out our 'Mission 10 cents' initiative to supply recombinant human insulin at less than 10 U.S. cents per day to governments in some countries.

With the EU approval of our bAspart, we now have a broad portfolio, comprising basal, mixed and rapid acting insulins to meet the varied needs of people with diabetes worldwide.

**Biocon Biologics has been making large investments in expanding its manufacturing capacities. How do these investments dovetail with your sustainability objectives?**

Biocon Biologics has taken a modular approach to capacity expansion. As we progress on our strong growth trajectory,

we will continue to invest in upgrading our facilities with new age technology and capabilities to ensure that we meet our global sustainability goals. Our new 340,000-square feet, monoclonal antibodies manufacturing facility received an honorable mention at the 2021 Facility of the Year Award (FOYA) from the International Society for Pharmaceutical Engineering (ISPE). This facility has been designed to be energy-efficient with green building design features, thus reducing our carbon footprint.

Conducting our business in the most responsible manner has always been in our DNA since inception. We continuously undertake initiatives across our facilities to ensure minimal environmental impact. We have been increasing the share of renewable energy across our operations through onsite solar installations and the procurement of wind energy. Further, we have adopted other innovative technologies like energy efficient centrifugal air compressors, water chillers and motors, and rooftop solar panels to reduce energy consumption, thereby, offsetting 63 percent of our total greenhouse gas emissions across Biocon Limited and Biocon Biologics.

Bio-manufacturing being a water-intensive industry, we have implemented targeted interventions to ensure all our manufacturing operations in India are Zero Liquid Discharge (ZLD) facilities equipped with advanced engineering systems to treat and reuse wastewater and effluents.

**Biocon Biologics has multiple partners across the globe, including developed and emerging markets. How do you ensure stakeholder equity?**

At Biocon Biologics, we believe synergistic collaborations can help us capitalize on each others strengths to deliver on our objective of enabling patient equity. Therefore, we have entered global partnerships for research, manufacturing, and commercialization. Our long-standing global partnership with Viatris has enabled us to achieve many firsts, setting new benchmarks for the global biosimilars industry. In FY22, we made a strategic decision to acquire the global biosimilars business of Viatris to create a fully integrated biosimilars business in Biocon Biologics. This deal provides several advantages, including expanded global footprint, direct-to-market access, strategic agility and operational efficiencies. Once concluded, this acquisition will enable us to expand patient access to biosimilars and reduce healthcare inequities worldwide.



During FY22, we also entered into a strategic alliance with Serum Institute Life Sciences (SILS) for vaccines to make a meaningful impact in fighting infectious diseases. Vaccines and antibodies for infectious disease are a natural adjacency to Biocon Biologics' existing capabilities in biologics for non-communicable diseases. Together with SILS, we believe we can address patients' needs for vaccines for various infectious diseases, including COVID-19.

Our partnerships extend beyond our peers to include our vendors and consultants who have provided us with a continuous supply of raw materials, equipment as well as technical expertise when required. We are grateful for their efforts, which have enabled us to scale our operations and ensure business continuity, even in difficult times.

Our investor community has been vital in ensuring that we maintain a culture of transparency and accountability. We have received funding from four private equity investors and will be welcoming SILS and Viatris as shareholders post the completion of the two strategic deals, which I am sure will support us in building a world-class biosimilars company.

**As a biopharma leader who has to deal with the shortage of high-quality talent, what are your key focus areas for talent management?**

Biocon Biologics' workplace culture has been built on a strong sense of purpose and values.

It is designed to foster a healthy, happy and safe work environment where employees can fulfill their career aspirations while contributing to the organizational goals. We continuously strive to build a culture of transparency, openness, and innovation where people can find solutions to address patients' needs.

Biocon Biologics continues to make investments for people development, in learning & training, mentoring & empowering and enabling their career growth, thereby accentuating their contribution to the biopharma industry. We pride ourselves on our people-centric approach. Our concern for the health and well-being of our employees is evident through the various employee engagement initiatives, which have been recognized through several awards both nationally and internationally.

**What is Biocon Biologics doing to ensure diversity, equity and inclusion especially with respect to gender parity?**

Diversity and inclusion are at the core of our business strategy as we believe that everyone has unique strengths which can be leveraged to create a culture of innovation at Biocon Biologics. Over the years we have focused on diversity hiring and have a large pool of women scientists who have partnered our science-led innovation journey. We take pride in having a merit-based work culture and have ensured gender parity in terms of compensation and benefits for similar roles. In order to ensure that women are well-represented in every team, we run special leadership development programs for women to take up larger roles.

**Having already created a professional management team and an independent Board for Biocon Biologics, what additional measures are you taking to reinforce corporate governance in the entity?**

The premise of carving out Biocon Biologics as an independent entity with its own professional management team and independent Board of Directors was not only to ensure undivided focus on the biosimilars business, but also ensure better governance. We have adopted globally benchmarked standards of governance to foster long-term investment, financial stability and business integrity, which enable sustained and equitable growth. Our ethical business practices have earned us a strong reputation and we continue to always uphold these through the highest level of compliance to our Code of Conduct and Ethics. We have put systems and processes in place at Biocon Biologics that support the anticipated growth in business while protecting the interests of our shareholders and other relevant stakeholders. In order to ensure consistent focus and drive our ESG strategy we have designed a robust multi-tiered governance framework at the Board, management and working group levels. As we bring global investors and new partners on board, we will uphold our firm commitment to ethics and values inherited from our parent company, Biocon Limited.

**Dr. Arun Chandavarkar**  
Managing Director, Biocon Biologics







# Transformational Progress in Action

Our purpose, to champion change and make a meaningful and tangible difference in the lives of our patients and our people, forms the basis of all our business decisions. To deliver on our purpose, we are committed to a sustainable and equitable future with a strong focus on employee wellbeing, enabling development in the community and minimizing our impact on the environment.



A purpose-led approach translates into integrating ESG considerations in the design and execution phase of our business strategies. We have defined our vision and ambition towards ESG integration, supported by clear goals and commitments, and are transforming our business to better deliver shared value for our stakeholders. Our approach to ESG pivots around building trust, accountability, and transparency to drive long-term value, minimize risk and seize emerging opportunities.

## Transformational Action on ESG

While the formal integration of ESG into our business model has been a recent development, its core ethos and principles have always been a part of our business decisions. We believe in doing business the right way and over the years we have implemented a robust framework of policies and processes that enable us to be responsible corporate citizens.

The emergence of ESG standards and frameworks coupled with rapidly evolving regulations have provided an impetus at Biocon to better understand and formulate our business strategy to deliver a positive impact for our stakeholders. The journey of recognizing ESG principles as a key, standalone criterion for business decisions underwent several steps:

- **Conducted an ESG diagnostic:** We started our ESG journey by conducting a detailed assessment to review and benchmark our existing policies and processes, identifying opportunities and strategies to build a more sustainable company. The outcomes of the exercise established a baseline and provided insights into opportunities for further improvement, which became integral considerations to our ESG roadmap for FY22 and beyond.
- **Assessed materiality:** The ESG landscape is dynamic and ever evolving. In order to understand changing stakeholder expectations and capture their perspective on ESG priorities for our business, we conducted a detailed materiality assessment, wherein we engaged with over 110 internal and external stakeholders through online survey questionnaires, and personal interviews. The results of the assessment provided us with a priority list of ESG topics that are relevant to the long-term value creation potential of the company. These ESG topics helped us develop our ESG focus areas over the next two to three years.
- **Institutionalizing ESG into our governance structure:** We recognize that in order to truly integrate ESG into our business model, we need to identify ESG stewards within the organization and assign roles and responsibilities for implementing and monitoring our progress along the ESG transition. To provide adequate oversight and accountability on ESG, we have instituted the 'Corporate Social Responsibility and Environment, Social and Governance Committee' and the 'Environment, Social and Governance Committee' at Biocon Limited and Biocon Biologics Limited, respectively. The Committees report directly to the Board and drive a top-down approach towards ESG integration.
- **Developing an ESG roadmap:** We also recognize that embedding ESG into everything we do is a gradual process. Accordingly, we have developed a pathway towards greater ESG adoption by developing detailed actions plans and business-function level roadmaps. The roadmap sets out clear goals to achieve our sustainable development ambitions and will be tracked based on clearly defined metrics under our established governance process.
- **Managing supply chain ESG risks:** We hold our partners and suppliers accountable to the same set of expectations on ESG as we hold ourselves. While we do have defined processes for supplier assessments, we developed a 'Supplier Code of Conduct', a standalone charter which outlines expectations from third parties, vendors and suppliers towards fair treatment, ethical behavior and safe and sustainable business practices.
- We are publishing our **first ESG Report for FY22** in accordance with the Global Reporting Initiative (GRI) Universal Standards to enhance transparency on non-financial performance. This report will also be our first step to integrate SEBI's BRSR guidelines for ESG reporting ahead of its prescribed statutory adoption in FY23
- **Tax Transparency Report for FY22:** In lieu of the recent developments related to stakeholder expectations demanding greater tax transparency, we have developed and published a comprehensive tax Policy, and we are also publishing our first ever 'Tax Transparency Report'. The purpose of the Report is to provide an overview of our tax strategy, our

governance, control and risk management framework and our contributions to the exchequer. The publicly available Tax Transparency Report is intended to improve transparency and build a deeper sense of trust in our stakeholders regarding the management of tax in our company.

- **Human Rights Policy\*:** Demonstrative of our values, this year we strengthened our commitment to free and fair practices by formulating our Human Rights Policy\*. This is in alignment with the ten-tier principles of the UN Global Compact and the Universal Declaration of Human Rights (UDHR). This policy is aligned with Biocon's Code of Conduct and Supplier Code of Conduct and imbibes the spirit of protecting human rights in our operations and across the value chain. The Policy confirms our commitment to equal opportunity, non-discrimination, health and safety, free employment, fair wage and benefits, data privacy, corporate social responsibility, etc. The Human Rights Policy\* applies to all employees of Biocon Limited and its subsidiaries (excluding Biocon Biologics, Syngene and their subsidiaries), including business partners, contractual employees, trainees, volunteers, consultants, and members of the Board of Directors. We intend to conduct appropriate training for various stakeholders to ensure that they understand and share the same commitment towards this end.
- **Improving our ESG ratings and scores:** We featured for the first time on the DJSI Emerging Markets Index in 2021, with a total sustainability score of 45 as against the industry average of 18, thereby achieving a 93<sup>rd</sup> percentile position. We have also secured 'B' in the Carbon Disclosure Project (CDP) for both Climate Change & Water Security demonstrating disclosure, awareness and management of climate change and water related issues in our business, which is higher than the global average of the biotech and pharma sectors. We were awarded a Bronze Medal by EcoVadis in FY22 for our ESG performance.

## Our ESG Highlights

We have continued to improve our ESG initiatives to ensure that the impact of our actions leads to positive change. This is evidenced by our key highlights for FY21 and FY22, detailed below:

- Biocon Biologics' proposed acquisition of partner Viatris' biosimilars business is a transformational deal that will accelerate our mission of making biosimilars affordable, available and accessible to a larger global patient pool.
- Biocon Biologics has entered into an alliance with Serum Institute Life Sciences (SILS) to join the effort of addressing the inequitable access to vaccines.
- The landmark approval of interchangeable bGlargine, co-developed with Viatris, will allow Biocon Biologics to improve accessibility, availability and adoption of biosimilars in the U.S. for the benefit of patients and the overall healthcare system.

## Governance in Action

- Robust and globally benchmarked corporate governance policies
- Published our first Tax Policy and, voluntary 'Tax Transparency Report' FY22
- Biocon Limited published a standalone Human Rights policy\*
- Published our Supplier Code of Conduct which integrates ESG expectations such as Zero tolerance for child labor
- All employees trained in Adverse Event Reporting
- Continued digitization initiatives to strengthen the Quality Management System and Learning Management

## Transforming Patient Lives

- R&D Spend - ₹ 5,950 Million (FY22), 10% of total revenue\*\*
- Doses of rh-Insulin supplied to people with diabetes globally since 2004 - ~2.75 billion
- Patients benefitted through our biosimilars in FY22 - 5.3 million

\*Similar principles applicable to Biocon Biologics, currently embedded in its Code of Conduct, is being developed as an independent global policy document.

\*\*BL and BBL

## Responsible Action Towards Environment<sup>4</sup>

- Energy consumed - 511,354 MWh
- Water consumed - 1.71 million m<sup>3</sup>
- Green Energy Purchased - 58 percent for BL & BBL Indian operations
- Total GHG offset - 117,697 tCO<sub>2</sub>
- ISO 14001 (Environmental Management Systems) certified

## Transforming the Workplace

- The number of women in the permanent workforce stood at 1,531 in FY22 while it was 1,354 in FY21.
- 13 percent increase in women who constitute the permanent workforce in FY22 as compared to FY21
- ₹ 12.8 million invested in activities such as annual health check-ups, employee engagement initiatives, and RT-PCR testing for our employees at Biocon Limited, India
- The total hours of training in FY22 stood at 178,264. The average training hours per full-time employee

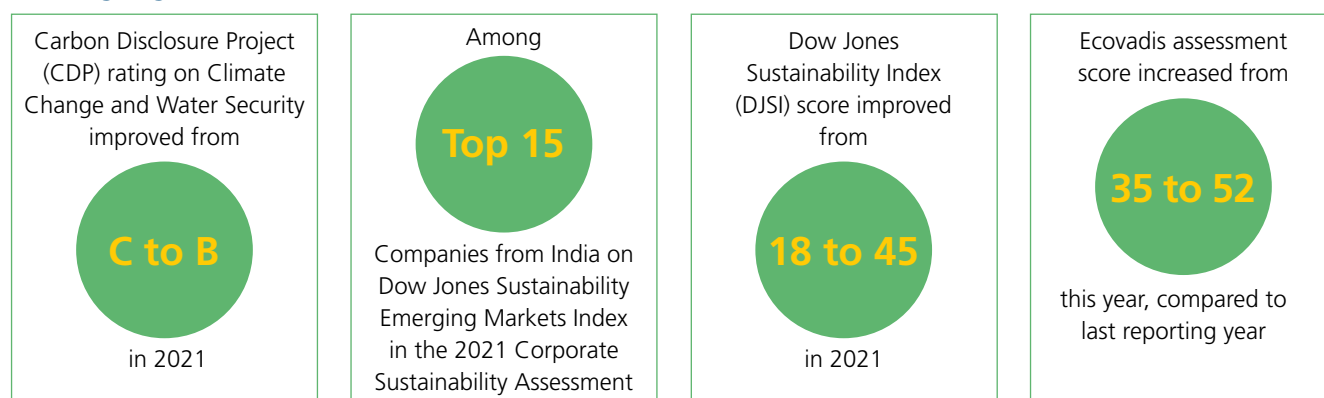
for FY22 stood at 19.9. Furthermore, the average amount spent per full-time employee on training and development stood at ₹ 3,033 in FY22

- ISO 45001 (Occupational Health and Safety Management Systems) certified

## Transforming our Communities

- ₹ 113 million (BL and BBL) in Corporate Social Responsibility (CSR) spending in FY22
- Investment in Hebbagodi Lake Rejuvenation Project since inception is more than ₹ 82 million, with ₹ 5 million invested in FY22
- 120+ students graduated from Biocon Academy in FY22 with 100 percent placement across leading pharma, biotech, and life sciences companies
- ~71,000 patient visits at the Biocon Foundation-run eLAJ smart clinics in FY22

## ESG highlights:



<sup>4</sup>FY22





## Transforming Patient Lives

We discover, develop, and deliver affordable medicines that help transform patient lives. Their health and wellbeing are our top priority. Our products have also helped enhance the healthcare process in developing countries, furthering our goal of achieving health equity for all.



Global health today is characterized by deeply entrenched inequities in access to quality healthcare. Availability and accessibility of essential and life-saving medicines are a prerequisite to guarantee healthy lives and social security for the majority of the world's population. Our commitment is to deliver medicines to a vast proportion of people and ensure better patient outcomes. Over the past 20 years, Biocon has leveraged India's value advantage of scientific talent and advanced manufacturing to deliver scale, speed, and quality that enabled affordable access to complex therapies for chronic conditions. Through our portfolio of generics, biosimilars and novel biologics we have strengthened our value proposition to reflect our four strategic pillars: accessibility, affordability, availability, and assurance.

## Generics

Biocon is focused on delivering high-quality and efficacious small molecule generic APIs and formulations across the globe. The cost savings offered by generic drugs position them as affordable alternatives to innovator drugs. They reduce the burden of healthcare costs for patients, providers and healthcare systems. If more prescribers substituted generics for brand-name drugs, healthcare spending could reduce substantially, especially for those in the middle to low-income brackets.



**Our global portfolio in APIs has grown significantly catering to ~500 pharma companies in 100+ countries, including the U.S., Europe and large emerging markets.**

With a track record of excellence for over 20 years, our APIs find application in high-quality drugs that treat oncology, cardiology, CNS, neurology, orthopedic, pulmonology, gastroenterology, nephrology, ophthalmology, and endocrinology conditions.

During the fiscal year, we filed 34 DMFs globally, including 5 in the U.S. We also received approvals for 16 DMFs in various geographies across the U.S., Europe, and most of the world (MoW).

This year began with two new formulation product launches – Labetalol Hydrochloride tablets and Esomeprazole Magnesium Delayed-Release capsules. Labetalol is used to treat high blood pressure and helps in the prevention of cardiovascular complications such as heart attack and stroke, while Esomeprazole Magnesium, a proton pump inhibitor, is indicated for the treatment of gastroesophageal reflux diseases. This was followed by a key launch of our vertically integrated complex formulation, Everolimus tablets in October 2021. Everolimus is a prescription medication that is used to treat certain types of cancers and tumors. Further, we secured product approvals for Mycophenolic Acid, which is indicated for the prophylaxis of organ rejection, Posaconazole, an anti-fungal drug, as well as Dorzolamide, an ophthalmic product. Before the close of the fiscal, we were able to commercialize the latter two products.

We continue to expand our portfolio and our regional presence while also building in-house manufacturing capabilities to support future growth.



## Strengthening capacity and capabilities in API manufacturing

We are close to completing the commissioning of our greenfield, fermentation-based immunosuppressant API manufacturing facility in Visakhapatnam, Andhra Pradesh. This is our first facility to be enabled with Industry 4.0. transformative technologies and will add much-needed capacities to serve our customers' demands. We are also investing in synthetic, potent, and peptides API manufacturing in addition to injectables in alignment with our strategic priorities. Apart from manufacturing capacity and capability expansion, we strengthened our R&D capabilities as well through an improved organizational structure.



## Biosimilars

Biocon operates its biosimilar business through its subsidiary Biocon Biologics Limited (BBL). We develop high-quality, affordable biosimilars that can expand access to cutting-edge therapeutics for patients globally at our R&D sites in Bengaluru and Chennai (India). These are manufactured at scale for both developed and emerging markets in Bengaluru (India) and Johor (Malaysia). Our products are marketed globally through a hybrid commercial model, wherein we have direct commercial presence in a few countries and in others, we leverage partners such as Viatris to expand patient reach.

FY22 was a transformational year for Biocon Biologics. It marked several watershed events, both strategic and operational, which have set the stage for us to better deliver on our commitment to serve patients and enhance global healthcare.

### Accelerating our vision of widening access to biosimilars

Earlier this year, we signed a definitive agreement to acquire the global biosimilars business of our long-term partner Viatris for USD 3.3 billion. This acquisition, upon closing, will accelerate our strategy to create a fully, vertically integrated company with direct commercial presence in the developed markets. This transaction is unique as it brings together the two companies' teams, which have been collaborating on common projects, into a single, integrated organization driven by a common vision and mission of improving affordability and enabling greater access through lifesaving biosimilars.

Through this deal, we intend to integrate Viatris' biosimilars commercial infrastructure globally. We will gain from Viatris' experience on navigating the formulary positioning, contracting, front end sales, regulatory interface, and distribution in these markets.

As a vertically integrated enterprise, we will be able to drive efficiencies in the system with quicker decision making, improved market insights and common focus across functions. This deal gives us better strategic agility to improve overall cost of supply chain, capital allocation and distribution, among others.

## Expanding into adjacent therapies

Whilst we have been primarily focused on bio-therapeutics for non-communicable disease to deliver on our vision of affordable, innovative and inclusive healthcare solutions, we recognize that a strong presence in communicable disease is an essential element to have a holistic impact on patient lives.

The rapid increase in the frequency of viral outbreaks such as Dengue, Zika, Ebola and more recently COVID-19, has had a devastating impact on human life. Through our Covid-care portfolio, anchored by Alzumab-L (our novel antibody Itolizumab), we were able to realize the potential of bio-therapeutics in the fight against infectious diseases.

Biocon's more than 20 years of investments in biologics provides a strong foundation to contribute further to this fight, leading to our strategic expansion into adjacencies such as vaccines and antibodies.

Biocon Biologics entered in a partnership with Serum Institute Life Sciences (SILS) in September 2021 for supply of about 100 million annual doses of vaccines per annum. The vaccines alliance with SILS strengthens Biocon Biologics' presence in infectious diseases, enabling it to further its offering to patients.

Gradually, we aim to establish a vaccine R&D division to support the strategic alliance in developing both vaccines and biologics for communicable diseases, adding to our portfolio of life saving patient therapies.

Biocon also entered into a partnership with Adagio Therapeutics for manufacturing and commercializing a novel COVID-19 antibody therapy, ADG20 in India and select emerging markets.



### Aiming to make a difference with first-ever interchangeable biosimilar Insulin Glargine in U.S.

In July 2021, our biosimilar Insulin Glargine received historic U.S. approval as the first interchangeable biosimilar under the 351(k) regulatory pathways. Our partner Viatris launched this first-ever interchangeable biosimilar Glargine in the U.S. in November 2021, thus providing a more affordable option for the millions of Americans living with diabetes.

This is a matter of great pride for the country and for all of us at Biocon Biologics. We believe this interchangeable designation is a game-changing development, as it will allow pharmacy-level substitution of the reference product by our biosimilar Insulin Glargine. It will maximize access to an important therapy, regardless of financial circumstances, insurance, or channel.

Already, our interchangeable product has been included in the National Formularies of two leading Pharmacy Benefit Managers (PBM) in the U.S., Express Scripts and Prime Therapeutics, which together have a reach of over 60 million members. The product will also be offered through the Walgreens Prescription Savings Club, saving members up to 80 percent off the cash price of comparable long-acting insulins purchased at Walgreens.

We believe our biosimilar Insulin Glargine has the potential to bring significant cost savings for patients, employers and PBMs, making insulin-based therapy affordable for a large number of people with diabetes in the U.S.



### Enabling affordable access to quality insulins

In April 2022, the Ministry of Health (MoH), Malaysia awarded a three-year contract to Biocon Biologics for its recombinant human insulin brand Insugen®. As a result, our Insugen formulations will be available to patients at all MoH hospitals, district health offices and health clinics. This will further expand affordable access to 400,000 patients with diabetes and support the government in its journey towards equitable access to diabetes care.

Since our entry into Malaysia in 2011, the prices of human insulin have dropped by over 20 percent and insulinization has improved by 30 percent. Being the only insulin manufacturer in Malaysia, we play a transformative role in insulin self-sufficiency, enabling our mission towards increasing health equity.

We have designed a special program, 'Mission 10 cents', to offer our rh-Insulin to governments in Low- and Middle-Income Countries for less than 10 U.S. cents a day. We have signed pacts to enable access to rh-Insulin in the Philippines and Tanzania. Through this initiative, Biocon Biologics focuses on implementing a continuum of care model encompassing a diabetes patient's journey from awareness to early diagnosis and treatment.

## Novel Biologics

Our novel molecule, Itolizumab, is currently being developed for indications such as acute graft-versus-host disease (aGVHD) and systemic lupus erythematosus (SLE) or lupus nephritis (LN) by our U.S.-based partner Equillum for the U.S., Canada, Australia and New Zealand.

Itolizumab has been at the forefront of our fight against COVID-19 in India, after we repurposed it for the prevention and treatment of cytokine release syndrome (CRS) in moderate to severe acute respiratory distress syndrome (ARDS) patients due to COVID-19. In FY22, we completed our Phase IV study of Itolizumab to treat CRS in moderate to severe ARDS patients.

In July 2021, the European Medicines Agency's Committee for Orphan Medicinal Products granted an orphan medicinal product designation to Itolizumab for the treatment of both acute and chronic GVHD. This was a milestone for us as we intend to develop this drug for patients in Europe upon regulatory approval.

## Our actions during the pandemic

The unprecedented events of the past two years are reflective of the unique challenges the world is facing. And the actions undertaken by our employees and partners are a testament to our ability to mitigate such challenges. Powered by a culture of innovation, Biocon and its subsidiaries ensured that we fulfilled our commitment of providing access to life-saving medicines during COVID-19. Our top priority remained to protect human lives in a public health crisis and encourage all our employees to relentlessly contribute towards ensuring stability in our operations.

As the COVID-19 pandemic swept through India, Biocon responded to the need of the hour and repurposed its novel biologic, ALZUMAb (Itolizumab) a first-in-class, anti-CD6 IgG1 monoclonal antibody. Itolizumab was used to treat cytokine release syndrome (CRS) in COVID-19 patients experiencing moderate to severe acute respiratory distress syndrome (ARDS). ALZUMAb-L benefited over 30,000 COVID-19 patients in FY22.

We offered a comprehensive portfolio of products for treating COVID-19 patients at different stages of the





disease spectrum, including RemWin (Remdesivir) and ARAFLU (Favipiravir) for mild to moderate patients, ALZUMAb-L for moderate to severe patients and CytoSorb for critical patients.

Our actions to combat the pandemic went beyond supplying therapies for treating COVID-19. We set up the necessary infrastructure required to provide proper COVID care. During the reporting period, we undertook the responsibility of augmenting the COVID-19 care infrastructure at the Anekal General Hospital and supported the State Government in its pandemic response efforts across over 20 Primary Health Centers in Karnataka. With resources being diverted towards pandemic management, our health interventions addressed the need for prevention, screening and control of common NCDs such as hypertension, diabetes and common cancer.

In FY21, we had established a reverse transcription-polymerase chain reaction (RT-PCR) testing facility which is approved by NABL and ICMR and adheres to the BSL-2 criteria. Over 100,000 samples have been tested at this facility over the past two years.

In FY22, we implemented a COVID-19 vaccination drive covering several thousand eligible individuals, including senior citizens, people with co-morbidities and differently abled individuals which was organised by the Biocon Foundation.









Governance

## Governance in Action

At Biocon, we live our values by demonstrating the highest levels of ethics, compliance, and governance. By further integrating ESG within our governance and risk management framework, we are expanding our field of view, assessing risks holistically, implementing comprehensive controls and identifying new opportunities to deliver transformative outcomes to all stakeholders.

We implemented globally benchmarked standards of governance to build trust with patients, customers, shareholders and society. With the aim to develop a culture of the best management practices and compliances, sound corporate governance rests on the pillars of integrity, transparency, accountability, and the highest standards of business ethics.

The commitment to adopt effective corporate governance practices in all the spheres of working, has always been an imperative factor in the decision-making process, providing immense value addition and a competitive advantage.

Our continued success is driven by the trust, commitment and faith, our stakeholders have in our brand. To ensure this, we have built a highly experienced executive leadership team, professional management teams and independent Boards for all our businesses, which enables efficient governance across the Group.

Our Board of Directors are fully committed to enhance and retain investor confidence while creating a culture of transparency. We established a multi-tiered governance structure with defined roles and responsibilities for every constituent to align with our management philosophy.

As a company, we believe in going beyond the requirements of the legal framework and hence, while we adhere to all applicable regulatory requirements, we also adopt global best practices in corporate governance.

### Board oversight

The Board of Directors provides oversight and comprises a diverse and multidisciplinary group of knowledgeable and experienced professionals. Their objective is to ensure our success by collectively driving and directing management actions and reviewing overall performance, ensuring that stakeholder expectations are surpassed. Their guidance provides strategic insights to steer the company in the right direction and their expertise and counsel in areas of risk, control and compliance helps us maintain the highest standards of corporate governance and enhance shared value.

### Board diversity

As a leading biopharmaceutical company, we take pride in our commitment to embed diversity and inclusion across all levels of the organization. A diverse Board enables us to obtain different perspectives that positively transform our decision-making process. We have formulated a 'Board Diversity Policy' that creates a clear path to more inclusive and collective corporate governance. It sets out an approach to have diversity in terms of thought, experience, knowledge, perspective and gender in the Board.

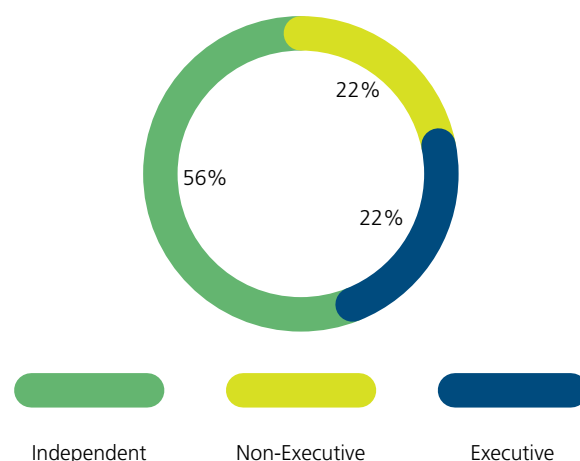
We believe that a diverse Board enables the following positive outcomes:

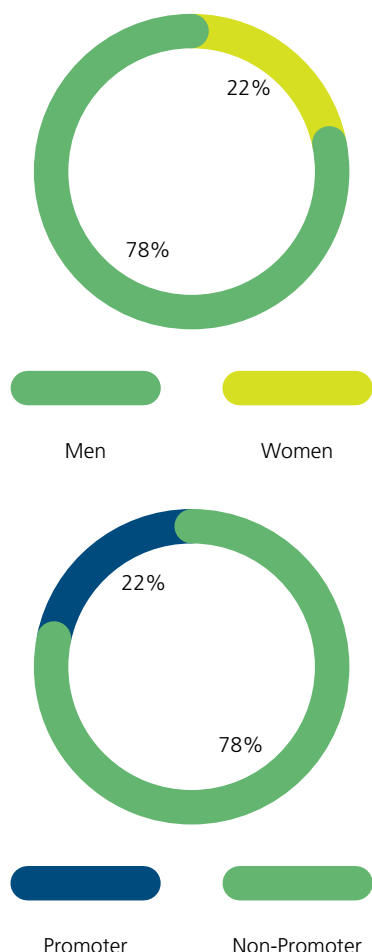
- Enhance the quality of decision making and ensure holistic tracking of business performance.
- Encourage diversity of perspectives, thereby fueling creativity and innovation.
- Supplement and enhance the skills, knowledge, and experience of the Board.
- Ensure effective corporate governance.

### Composition and engagement

At Biocon Limited, the Board consists of nine directors, two executive directors, two non-executive directors, and five independent directors. We have two women on our Board.

The classification of the Board according to various categories are as follows:





Our commitment to a diverse and equitable workplace extends to Biocon Biologics Limited which is a material unlisted subsidiary of Biocon Limited and has a well-established Board of Directors. At Biocon Biologics Limited, the Board of Directors consists of eight directors, with two being women and majority of them being independent directors.

All Board members at Biocon are encouraged to meet and interact with the management at timely intervals. We ensure that the members of the Board receive invites to key management meetings to consider their advice and insights for strategic guidance.

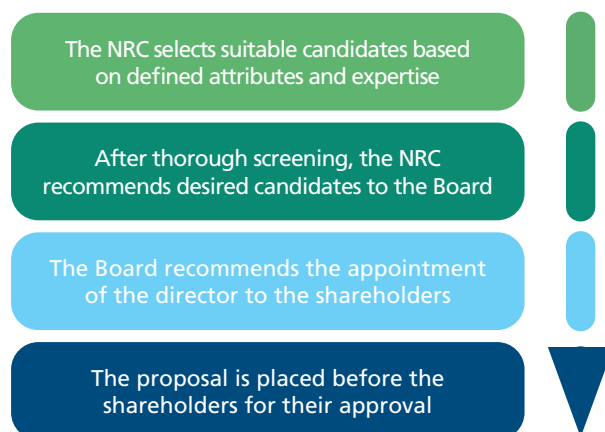
### Board Membership Criteria and Selection Process

At Biocon, the Nomination and Remuneration Committee (NRC) follows a disciplined process to identify and evaluate

a candidate Board membership under Section 178 of the Companies Act and SEBI Regulations.

The NRC assesses the composition and diversity of the Board to ensure the appropriate elements of skills, experience, independence and knowledge for continued effectiveness. In this case, diversity encompasses plurality in perspective, experience, education, background, ethnicity, nationality, age, gender and other personal attributes. These attributes may extend to professional experience, functional expertise, educational and professional background.

The Independent Directors annually provide a certificate of Independence, in accordance with the applicable laws, which is recorded by the Board. All Board members are encouraged to meet and interact with the management and are also invited to key meetings to provide strategic guidance as well as advice.



### Board Evaluation

A key function of the Board is to manage, monitor, and review the Board evaluation framework. The evaluation criteria for the performance of the Chairperson, Board, Committees and executive/non-executive/ independent directors have been laid down by the NRC as well as the Board. This is undertaken through peer evaluation, excluding the evaluation of the director.

Additionally, to ensure transparency and objectivity, the Board Evaluation is conducted by an external agency, at least once in three years. In FY21, this exercise was conducted by Egon Zehnder, a global management

consulting and search firm. In FY22, this activity was conducted through the deployment of self-evaluation questionnaires and focused on the following aspects:

- Board dynamics and other aspects of Board effectiveness
- Board Composition, quality, and culture
- Board meetings & procedures
- Execution & performance of specific duties
- Board & Management relations
- Succession planning
- Committee effectiveness
- Evaluation of Chairperson, Executive & Non-Executive Directors.

The outcomes of this evaluation were discussed at the Board of Directors meeting and appropriate recommendations for implementation were provided.

### Key expertise and attributes of the Board of Directors

In compliance with the SEBI Listing Regulations, the Board has identified the following competencies which are fundamental for the effective functioning of the Company. These are taken into consideration by the NRC while recommending the appointment of any candidate to the Board of the Company.



### Committees of the Board

Biocon Limited and Biocon Biologics Limited have constituted various committees to focus on specific areas and make informed decisions within their authority. Each of these committees meet periodically, along with members of the management team, to deliberate over applicable matters and monitor the same. Each committee has its own charter which outlines the scope, roles, and responsibilities. Decisions taken or recommendations made by the committee are placed before the Board for approval. Each committee has the authority to engage outside experts, advisors or counsel, to the extent considered appropriate, to assist them in their functioning. The committees call for various details from the senior officers or function heads, which are presented by them for review, discussion, and deliberation.

Given the emerging importance of ESG, the Board of Directors of Biocon Limited has incorporated oversight for ESG related activities under the ambit of its Corporate Social Responsibility Committee, which has been reconstituted as the 'Corporate Social Responsibility and Environmental, Social and Governance Committee'.

The ESG key roles of the Committee comprise of:

- Embedding CSR & ESG into the business
- Developing action plans
- Mobilizing resources and expertise for the initiatives
- Building capacities for CSR & ESG at all levels
- Involving employees to volunteer for CSR & ESG related activities
- Engaging stakeholders on a regular basis
- Building partnerships for scale
- Making strategic grants to support worthwhile projects/programs
- Being transparent, consistent, and fair in communication
- Carrying out periodic reviews and reporting
- Ensuring continuous compliance with statutory requirements



The Committee consists of a minimum of 3 Directors, of which at least one is an Independent Director.

The Board of Biocon Biologics formally approved the constitution of an 'Environment, Social and Governance Committee'. The Nomination and Remuneration Committee has assigned an Independent Director to be the Committee Chairperson and appointed four Board Directors as its members.



### FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS - FY22

In FY22, the members of the Board were regularly updated with the relevant regulatory and policy changes as well as the workings of the Company and its operations under each business function by the Senior Management Team. In addition to this, the business function heads also presented their respective performance and future strategy to the Board.

The Board is also responsible for conducting strategy meetings periodically to review the long-term plans and growth of the Company.

The familiarization program for the Independent Directors are also a part of the quarterly board meetings of the Company. This year, our Independent Directors spent approximately 148.25 hours in the programs cumulatively

## The Code of Conduct (CoC)

Our Code of Conduct (CoC) that came into effect in 2009, is one of the most important ethics and compliance communications provided to our employees. It doesn't just outline policies and acceptable behavior but also introduces our compliance program to cultivate a positive work culture and align all stakeholders with the expectations of the company. Our CoC is reviewed and amended periodically and was most recently revamped in FY21, with the vision to transform our CoC into an interactive document that helps create 'buy-in' and guide employees to the most helpful information such as illustrations, frequently asked situations, real life examples, situations and solutions. To understand the 'why' behind the policies, training on the CoC is provided to all employees, including the new joiners who are

subjected to a specific program on the same as a part of their onboarding process.

## The Code of Conduct for Prevention of Insider Trading

Biocon Limited has a "Code of Conduct for Prevention of Insider Trading" in place to implement and practice the principles of Corporate Governance based on fairness, transparency, integrity, honesty and accountability. The observance of the Code is a prerequisite to ensuring complete confidentiality of all "Unpublished Price Sensitive Information" and to build general investor confidence and stakeholder credibility. This policy is applicable to the employees/designated persons of all the subsidiaries, joint ventures and associates in India as well as our global counterparts.

In addition to this, the company has also adopted the "Code for Corporate Disclosure Practices for Prevention of Insider Trading" to ensure timely and adequate disclosure of Price Sensitive Information with special reference to analysts and institutional investors.

## Supplier Code of Conduct (SCoC)

In FY 22, we have developed a Supplier-Centric Code of Conduct that outlines our core values and expectations from our business partners and suppliers. The 'Supplier Code of Conduct' covers suppliers, service providers, customers, distributors, wholesalers, resellers, and other business partners and forms the foundation to build a strong culture of collaboration and a strong sense of purpose. The SCoC outlines our partners' expectations regarding business ethics, human rights, business practices, employee relations, health and safety and other topics related to sustainable and responsible business practices. It encourages our business partners to go beyond legal compliance, drawing upon internationally recognized standards.

## Enhancing our 'culture of ethics and compliance'

How can an organization support large numbers of employees across locations in doing the right thing when faced with an ethical dilemma?

This thought led to the creation of a specific program with the primary objective to proliferate a network of fully trained ethics ambassadors throughout the business.

The training sessions are designed, managed and conducted 100 percent by women leaders from different departments.

Currently 700+ employees have been trained across all departments and geographies. who act as advocates for the ethics program and the values of the organization. They also help in communicating and disseminating information that promotes a culture of compliance and good governance.

The CoC is communicated to the employees in the form of a 'Global Ethics and Compliance' (GEC) policy designed to help foster a positive work culture which ensures necessary compliance and enables the employees to be aligned with our values of integrity and ethical conduct of business.

We also use the following tools to train our employees on the policies within the CoC, including courses on anti-bribery and corruption, prevention of sexual harassment at the workplace and health and safety.

- Dedicated YouTube channel for micro-learning videos
- On the go, QR code based training video to promote ethical behaviors
- Animated micro-learning videos covering all industry specific topics
- Interactive learning platform 'Kahoot' to conduct live training through gamification and data analytics for focused training needs

## Human Rights Policy\*

As a pharmaceutical company, we recognize that health is a human right and ensuring access to medicines is vital. Beyond the core function of our company, we are committed to upholding human rights to the highest order. This includes taking action on issues pertaining to child labor and forced/compulsory labor, diversity, equal opportunity, and non-discrimination, wage, working hours, and benefits, and data privacy, among others.

This year, we formulated our Human Rights Policy\*, which aims to prevent human rights violations by responding promptly with appropriate action. Our policy is further in alignment with global standards---this includes the ten-tier principles of the UN Global Compact (UNGC).

\*Similar principles applicable to Biocon Biologics, currently embedded in its Code of Conduct, is being developed as an independent global policy document.



## Biocon's Human Rights Policy\*, 2022

At Biocon, we endeavor to identify, prevent, and mitigate any human rights violations within the organization as articulated in our Code of Conduct. To further strengthen the process and demonstrate this commitment, Biocon Limited has published its Human Rights Policy\* this year. While a detailed global policy on similar lines is currently under development at Biocon Biologics, the organisation continues to abide by the principles through the CoC.

Biocon Limited's policy focuses on fostering an inclusive, safe, and open workplace. It is in line with the Code of Conduct which confirms our commitment to abide by all applicable laws relating to wage, benefit, safety, and Human Rights principles. The focus areas are as mentioned below:

- Child labor and forced/compulsory labor
- Diversity, equal opportunity, and non-discrimination
- Environment, health and safety
- Wage, working hours, and benefits
- Data privacy
- Disciplinary measures
- Corporate social responsibility
- Management systems

The Human Rights Policy\* is a reflection of Biocon's values. We advocate and practice five values with a Zero-Tolerance approach to violations. The guiding five values include integrity & ethical behavior, performance-driven work culture, value creation through innovation & differentiation, quality through compliance & best practices, and collaboration, teamwork & mutual respect.



## Ethics and integrity

The principles of integrity, transparency, accountability, and business ethics are embedded in our DNA. At Biocon, we expect adherence to the highest standards of ethical conduct. To continuously be in alignment with this vision, we have devised policies, procedures, controls, and have implemented global best practices in corporate governance and risk management.

### Integrity and whistleblowing policy

Biocon's Integrity Committee (IC) or Audit Committee (AC) governs the reporting and investigation of allegations of suspected unethical practices and enables the Board and employees to report their grievances. Biocon's Integrity and Whistleblower Policy enables a person to report an unethical practice in an anonymous manner, without the fear of retribution. The responsibility of the IC is to assess the concerns raised by the whistleblower and initiate appropriate corrective action. A summary of key investigations is then collectively presented on a quarterly basis to the AC.

### Transparency and accountability

Transparency and accountability are the values that reinforce our pursuit of good governance and fostering deep, long-standing trust with our stakeholders. Increasingly, businesses are facing scrutiny from stakeholders, including customers, investors, employees, and policymakers around ESG issues, driving the demand for disclosure, transparency and sustainable actions. At Biocon, ESG is very much part of our Boardroom conversations and we are committed to purposefully embracing ESG aspects in our strategy and everyday decision-making processes.

Considering the appropriate structures and reporting systems in place to foster disclosure, we have begun to engage with ESG rating organizations and investors to better understand their expectations and reflect their priorities in our business activities and disclosures. We are committed to demonstrating the highest levels of transparency and accountability through voluntary ESG disclosures over and above statutory reporting requirements.

## Tax strategy

As one of the leading and pioneering healthcare providers, we have a responsibility towards maximizing value for our stakeholders and upliftment of our communities across the geographies where we operate. This responsibility also extends to meeting our stakeholders' expectations on good tax governance. To promote trust and credibility in our tax practices, we have published our 'Tax Policy' and our first ever 'Tax Transparency report' for FY22. It highlights our practices to balance tax compliance with business activities while meeting societal, ethical, and sustainability-related expectations. The Report structure and content are aligned with global trends on tax transparency and with the GRI 207 standards on tax reporting.



### Biocon's Tax Transparency Report, 2022

With a focus on transparency in the tax realm, our first ever Tax Transparency Report, published in July 2022, is reflective of our efforts to promote better visibility on how we run our business. It elaborates on our commitment towards adoption of responsible tax principles and behavior to maintain high standards of integrity with respect to tax compliance and reporting, including:

- Complying with both the letter and spirit of tax laws and regulations in jurisdictions and countries we operate in, in a timely, efficient, and accurate manner.
- Adhering to global standards and regulations on transfer pricing, including but not limited to ensuring that all transactions undertaken with related third parties are in line with the OECD guidelines.
- Maintaining a strong control environment and tax risk framework to identify tax-related risks and uncertainties and evaluate how they can be addressed.
- Engagement with the tax authorities in fair, transparent and co-operative manner.

The responsibility of tax governance rests with our tax function, in consultation with our Chief Financial Officer (CFO). The Audit committee provides oversight and guidance on tax governance and the Risk Management Committee provides oversight and guidance on effective tax risk management respectively. Our Tax Policy has been recommended by the Audit Committee and approved by the Board of Directors.

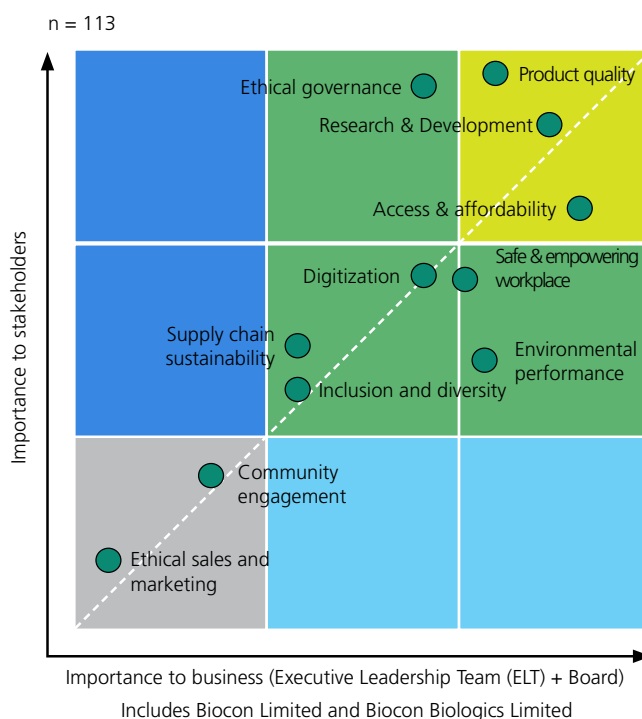
The Tax Transparency Report is a voluntary initiative, published on our website to provide insights to all our stakeholders, including our patients, employees, shareholders, vendors, customers, government agencies, supply chain participants, etc., and enable wider discussions around our tax trends, tax legislation and tax transparency matters.

## Materiality Assessment and Stakeholder Engagement

At Biocon, we believe in placing the utmost importance on engaging with our stakeholders, appreciating their views and, where applicable, incorporating them within our business operations. We are committed to designing an effective ESG strategy that reflects and is responsive to their expectations.

In FY22, we conducted a materiality assessment to identify key ESG topics for Biocon and Biocon Biologics. The process involved undertaking extensive secondary research on ESG within the biopharmaceutical industry and preparing an exhaustive list of 50 topics. Through understanding the macro business environment, sector specific trends and challenges, as well as benchmarking against peers, this list was condensed to 30 of the most relevant issues with respect to the company's operations. These issues were then categorized into 10 themes, aligned with our strategic objectives.

The assessment was rolled out to diverse internal and external stakeholders who were asked to rate the importance of each topic on a five-point scale ranging from low to very high. Based on the responses received, the weighted average of each topic was calculated, arriving at a score to prioritize the 10 themes, which are presented in the graph aside.



### Key to the materiality matrix

**Top priorities:** The issues that fall under this category are critical to both our stakeholders and our business. An effective and externally visible management response to these issues is vital for long-term business success.

**Key issues:** These are medium to high priority issues which require an effective and externally visible management response for our end to address them.

**Hidden value creators:** Although not of high importance on our priority list, these issues are nonetheless important to our business. And it is our responsibility to educate our stakeholders on the relevance of these issues.

**Hygiene factors:** Issues that are regarded as high priority for our stakeholders but are considered as low priority for our business are categorised here. They require a balance response from our end, keeping both perspective in sight.

**Monitoring issues:** The last category addresses the issues that are of low importance to our stakeholders and also have limited impact on our business. Constant vigilance is required to ensure these issues do not become more prominent over time.

The material issues for Biocon have been defined in line with the GRI guidelines and are linked with our value creation process.



## Risk management

From being managed in silos to being recognized as highly interconnected and interdependent, the practice of risk management has shifted fundamentally. The new approach views all risks together, within a strategic framework and encourages transformational actions throughout the organization.

At Biocon, risk management is a structured, integrated, consistent, and continuous process across the entire organization for identifying, assessing, mitigating, and reporting on opportunities and threats in a timely manner and in alignment with our strategic objectives.

Our risk management process entails the following:

- Risk identification and assessment
- Risk mitigation
- Risk monitoring and reporting

These aspects are aligned with the daily operations of the company, thus ensuring that the management of risks is embedded within the processes and systems. With risk identification being the first step, we undertake the approach of 'Treat, Terminate, Transfer and Take' to manage and mitigate the risk, restricting the same to a tolerable level.

The risk monitoring and reporting provides assurance that the risks identified have been managed and all measures have been undertaken to ensure that the company does not face any negative consequences.

## Risk governance

An enterprise-wide risk management framework (ERM) is implemented with an objective of timely identification of risks, assessment and evaluation of risks which are in line with the overall business objectives or strategies and defining adequate mitigation strategies. This year, risks associated or impacting the ESG priorities or objectives were also incorporated into the ERM, including mitigation measures for those risks identified. Our aim is to align our corporate strategy, risk processes and ESG, which will allow us to gain a complete view on the risks and opportunities which are applicable to us.

The Risk Management Committee, formed by the Board, reviews critical emerging or existing risks on a rotational basis every quarter while also monitoring the de-risking strategies and their implementation. This is in line with the risk management plan to measure effectiveness of mitigation actions defined against critical risks and their impact on overall risk exposure of the company. All the critical risk areas are covered at least once a year and the identified risks are re-evaluated annually by the company. During the year, as and when required, changes are made to the risk register, considering internal or external changes.

## Key risks identified

Due to the nature of the business, the global pharma industry is potentially exposed to inherent risks including product safety and quality issues, intellectual property tangles, regulatory delays and inappropriate marketing practices, which can lead to penalties, product recalls, brand/reputation loss, and revenue loss. These risks have been elaborated upon in our Annual Report.

Electronic medical records, cloud-based technologies, and data-sharing among industry stakeholders have increased the complexity of managing and ensuring the safety of information assets, particularly protecting patient health information and intellectual property. However, with digitization, we can control quality and operations, bring in flexibility and adaptability, and improve management effectiveness.

We have identified the primary risks which are material to the business. These include product quality, environmental performance, supply chain sustainability, safe & empowering workplace and ethical governance. For details on the impact of these to the business and our mitigation plan to address them, please refer to page number 93 – of this Report.

## COVID-19 related risks

While the impact of the pandemic in FY22 was lower in comparison with the year before, the industry continued to witness risks related to supply chain and logistics bottlenecks, delays in the development programs including regulatory reviews or approvals, delays in completion of capex projects as well as workforce safety.

With a transition to the “new normal” and to emerge stronger after the pandemic, we put in place key mitigation actions to continue our operations and support business continuity plans. These included but were not limited to:

- Inventory buildup in case of supply chain disruptions
- Vaccination campaigns for workforce and their family members
- Virtual reviews by regulators
- Other safety precautions such as continuous temperature monitoring, remote working options, etc.

### Internal controls

At Biocon, we have established a strong internal control system, which comprises policies, guidelines and procedures adopted by us to ensure orderly and efficient business conduct including adherence to policies, asset safeguarding, fraud and error prevention and detection, accounting records accuracy and completeness, and the timely preparation and presentation of reliable financial information.

This internal control system aims to assure our operational effectiveness and efficiency, compliance with laws and regulations, asset safeguarding and reliability of financial and management reporting.

We are staffed by experienced, qualified professionals who play an important role in designing, implementing, maintaining, and monitoring the internal control environment.

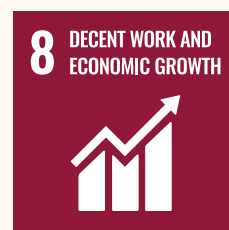
An independent firm of chartered accountants performs periodic internal audits to provide a sensible assurance of internal control effectiveness and advises us on industry-wide best practices. Our Audit Committee, consisting of independent directors, reviews important issues raised by the internal and statutory auditors regularly and the status of rectification measures to ensure that risks are mitigated appropriately on a timely basis. Our Compliance Management System was reviewed by an independent third party in FY 22. No major deviations were identified and recommendations for improvement are being incorporated





## Partnership in Action

As the effects of the biggest health crisis in a century continue to be felt across the globe, in communities and within business, we are determined to honor our commitment to patients and partners through unified action and transformative measures. We believe that by ensuring consistent and targeted action, we effectively collaborate with partners, to improve and enhance access, affordability, and reach. This is further augmented by our integrated supply chain and strategic partnerships, both local and international, which drive efficiencies right from the procurement of raw materials to last-mile delivery of life saving drugs.





It has been two years since the start of the COVID-19 pandemic, and while there has been relief in the form of widespread vaccination drives and a reduction in daily cases, business as usual continues to be disrupted, severely affecting supply chains and delivery logistics. Despite these challenges, we have worked closely with our partners and suppliers to deliver the global patient pool with our generic and biosimilar therapies.

The unwavering sense of purpose of our people and partners to put 'patients first' ensured that we delivered on our promise of providing access to life-saving healthcare solutions during COVID-19, globally. Our generic formulations business in the US had zero back orders throughout the pandemic and we were able to act with efficiency and speed to ensure crucial supplies of much-needed APIs and formulations from India were distributed to over 70 countries. Our efforts to distribute medicines contributed towards countering medicine shortages during the pandemic.

For our biosimilars business, we have established a strong foothold in developed markets like the U.S., Canada, EU, and Australia through our long-standing partner Viatris. Biocon Biologics also has a wide commercial footprint across many Emerging Markets, where we have partnered with leading local pharma companies.

### Creating value together with our partners

We believe in forging strategic partnerships that expand our ability to create value and deliver quality products to patients across the globe. Through the widespread reach of our businesses, we are ensuring we lead from the front, ensuring we strengthen our value proposition of augmenting our four strategic pillars: accessibility, affordability, availability and assurance.

In FY22, we ramped up our presence in emerging markets by signing 44 new partnerships across 50 countries for our biosimilar products, enabling us to expand our reach.



Various partnerships and collaborations we have forged over the years\*



In FY22, we continued to forge impactful partnerships across our businesses:

- Biocon Biologics entering into a strategic alliance with Serum Institute Life Sciences to expand into vaccines.
- Biocon Biologics entering into a collaboration with the Research Society for the Study of Diabetes in India (RSSDI) to expand its insulins access program to address the needs of young people with Type 1 diabetes in India.
- Biocon Biologics partnering with US based Adagio Therapeutics for an exclusive license to manufacture and commercialize ADG20 in India and select emerging markets. ADG20 is a novel monoclonal antibody targeting the spike protein of SARS-CoV-2 and related coronaviruses.
- Strengthening an existing partnership by acquiring Viatris' Biosimilars Assets for up to \$ 3.335 billion to create a world leading fully integrated biosimilars enterprise.



\*Represents select key partnerships





## Our acquisition of Viatriis will transform our business and expand our reach:

Our belief in the strength of collaborations first led us to partner with Viatriis (previously Mylan) in 2009 to co-develop a portfolio of biosimilar antibodies and recombinant proteins. We expanded this collaboration to include insulin analogs in 2013. Over the years, we synergized our frontier science and robust manufacturing capabilities with Viatriis' regulatory and commercialization expertise to deliver affordable therapies to patients in both developed and emerging countries. As it stands, we have one of the most extensive biosimilars portfolio with seven biosimilars from our joint portfolio commercialized in global markets.

In February 2022, Biocon Biologics announced that it would acquire Viatriis' Biosimilar Assets for \$3.335 billion. This acquisition further builds on the strategic global partnership that we have forged with Viatriis over a decade. Our symbiotic partnership which will mature further after the completion of this acquisition, will allow us to share risks, lower costs, maximize our efficiencies, expedite development, and expand our reach. As we integrate the two businesses, we will continue on our transformation journey under one umbrella, creating operational efficiencies and agility across value chain.



## Partnering to address inequitable access to vaccines and biologics for infectious diseases

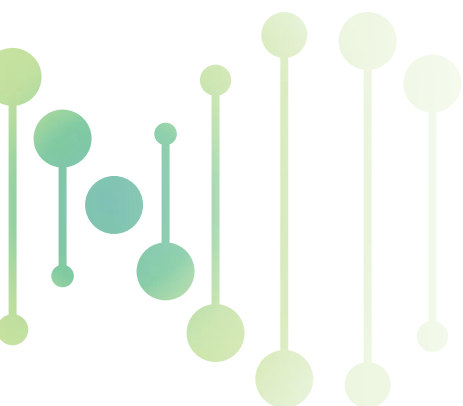
While Biocon Biologics continue to have a broad and robust pipeline of biosimilars that target NCDs, it has made strategic alliances to expand its presence in communicable diseases, through two key partnerships, one with Serum Institute Life Sciences (SILS) for vaccines and infectious disease antibodies, and the second with Adagio Therapeutics for a novel COVID antibody therapy. The Serum Institute Life Sciences strategic alliance provides Biocon Biologics an asset-light and accelerated entry into the vaccines segment. This alliance will complement the strengths and resources of the two leading players in vaccines and biologics, with the objective of addressing inequitable access both in emerging and developed markets for life saving vaccines and biologics. SILS will get about 15 percent stake in BBL enabling us to work together to grow together. Thereby, through this alliance, both companies aim to make a significant impact on global healthcare.



## Transformative partnership with Tabuk Pharmaceuticals to commercialize specialty generic drugs in the Middle East and North Africa (MENA)

In December 2021, we announced a partnership with Tabuk Pharmaceuticals Manufacturing Company, a subsidiary of Astra Industrial Group, to commercialise of specialty generic products in the MENA region. As part of the agreement, Biocon will develop and manufacture the products, while Tabuk would commercialize them.

The partnership with Tabuk ensures that we are synergizing with a leading pharmaceutical company who understands the MENA market and will enable us to register, import, and promote specialty generic medicines in Saudi Arabia and other Middle East countries, as they would hold marketing authorization of these products. Through this partnership Biocon is laying the foundation to expand into the MENA region, with a focus on markets like Saudi Arabia, UAE, Kuwait, Qatar, Oman and Iraq, Jordan, and Lebanon. Our plans to expand into this region further corroborate our commitment towards ensuring global availability of affordable and accessible medicines.



## Collaborating with suppliers to ensure continuous delivery of quality and value

To ensure reliable supply of affordable therapies for patients and to make them accessible globally, we leverage strong partnerships with our supply chain and logistics partners. Such strategic partnerships help optimize cost, minimize resource consumption, and increase the affordability of our products. Our integrated supply chain ensures uninterrupted medicine availability to our customers, patients, partners, and healthcare systems globally. Continuous focus on cost effective and sustainable supply chain remains a key priority to increase access and affordability of the products to the patients. Whilst we utilize both air and sea modes for movement of our products, we are increasingly focusing on sea freight to create a positive impact on the environment.

Through the course of the pandemic, we strived to maintain business continuity, and this is something we are continuing to do via collective action from within the organization as well as outside. As a result, we are now well versed in weathering the toughest challenges and will continue to stand with our vendors and collectively navigate global disruptions.

## Responsible sourcing

For us, responsible sourcing is a key criterion towards ensuring patient, people, social, and environmental equity. As a result, we procure our raw materials from approved vendors, both local and international, and audit our critical suppliers periodically on business sustainability parameters. These parameters are closely aligned with global frameworks and standards to guarantee our products meet the requirements of all 120 countries where we supply the product.

We have made tremendous progress in moving away from an animal-origin to a recombinant supply base for some of our key products, including insulins. The sourcing team focuses on the use of non-petrochemicals based 'green solvents', which are environmentally friendly alternatives to petrochemical based solvents.

We strive for a high level of conformance towards environmental compliance for our critical vendors. By evaluating various business and quality performance

indicators, we ensure seamless supply across all manufacturing plants. To encourage new ideas and implement sustainable practices across the supply chain, we organize periodic business sessions with suppliers and logistics service providers.

E-Sourcing has been implemented for our top solvents to gain visibility in the market and procure raw materials at competitive rates. We are in the process of designing a vendor portal to increase transparency and evaluate vendor performance. This portal will also support Biocon's paperless initiative through seamless real time SAP data integration, repository creation of vendor documentation and process simplification.

## Effective alignment and action through our Supplier Code of Conduct

To guide our value chain partners on the behavioral and ethical standards we expect from them, we have developed a Supplier Code of Conduct in FY22. In alignment with our Code of Conduct, we have zero tolerance for child labor and have always ensured no children are employed in any of our operations. During the year, there were no reportable incidents of child labor from any of our vendors.

Moreover, we are working towards ensuring ESG is integrated within supplier and vendor practices, and in this regard, we have developed and designed a detailed ESG training and development program. In FY22, we rolled out the program for our key value chain partners to guide them on applicable laws, regulations, policies, and procedures, as well as the behavioral and ethical standards we expect from them.

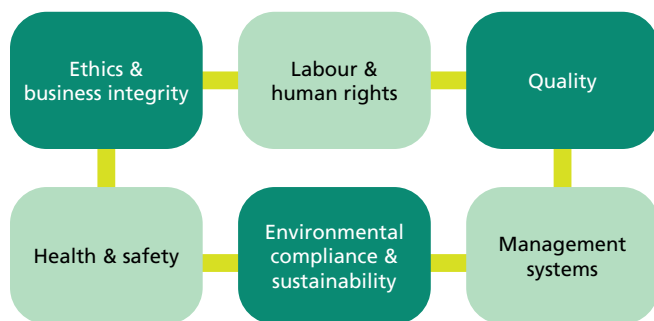


## Biocon's Supplier Code of Conduct

At Biocon, we aim to adhere to the highest ethical standards by operating within a framework of principles, guidelines and policies aligned with ethical, social, and environmental responsibilities to deliver our brand purpose and promise. Consequently, we seek to partner with third parties, vendors and suppliers that are aligned with our values and are committed to operating ethically and responsibly.

The Supplier Code of Conduct (SCoC) outlines our expectations and guidelines with respect to responsible sourcing and calls for third parties, vendors, and suppliers to commit to fair treatment and professional and ethical behavior along with safe, sustainable business practices.

### THE CODE COMPRISES OF THE FOLLOWING ESG ASPECTS:



## Local Sourcing

Biocon prefers to collaborate and develop small and medium enterprises (SMEs) around its area of operations to foster local economy. Local sourcing reduces carbon footprint from freight, increases local employment and builds trust amongst local communities. With the disruption in global healthcare delivery during the pandemic and the Suez Canal blockage highlighting the importance of local sourcing, we have further strengthened our local vendor base throughout our value chain.

## Transparency and Traceability

Biocon engages with an extensive network of suppliers worldwide to ensure supply chain resilience. Supply chain teams collaborate with stakeholders within and outside the organization to anticipate and respond to complex and interconnected risks that threaten the continuity of business operations. We focus on product safety and integrity throughout our logistics channels and implement measures to ensure traceability of our products, whilst strengthening compliance with Customs-Trade Partnership Against Terrorism (C-TPAT) and Drug Supply Chain Security Act (DSCSA).

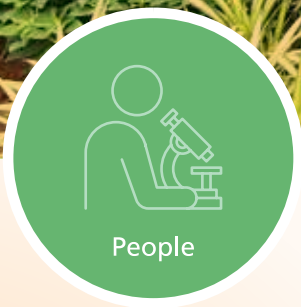
## Periodic Vendor Evaluation

Periodic Reviews are done to address any issues, based on metrics including OTIF (On-Time, In-Full Deliveries) and number of quality complaints. Third-party vendor evaluation is carried out by international agencies such as Dun & Bradstreet, as required.



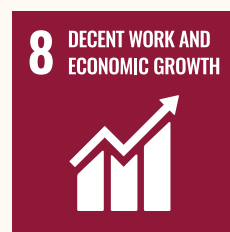






# Transforming the Workplace

At Biocon, we believe that organizational growth hinges on the continued development of our workforce. Our investments and strategy, therefore, aim to create a diverse, equitable, and inclusive workplace. Further, a performance driven work culture based on transparency, integrity, teamwork, and collaboration helps us drive innovation in our thinking. This enables us to co-create transformative solutions to real-world problems by 'doing things differently' and 'doing different things'. Leveraging this ethos, through our practices and processes, we strive to develop the workforce of tomorrow.



## Repurposing our hiring and onboarding

The company's mission is to be an integrated biotechnology enterprise of global distinction<sup>7</sup>. To achieve this, we place emphasis on our human resource development, which starts with right hiring and effective onboarding.

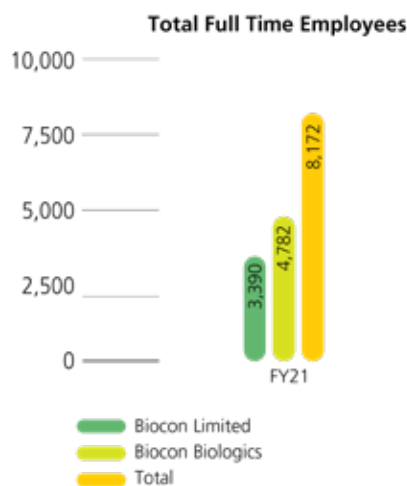
By recruiting the best talent, we actively seek to create future leaders, who can further our purpose of creating unparalleled impact.

We lay equal emphasis on the expertise of potential hires and the alignment of their aspiration with our values. Our hiring philosophy is governed by transparency, visibility, and respect for diversity across all levels. It is imperative for us to onboard passionate individuals, who are determined to create transformational solutions for the healthcare industry. This is exemplified with our diversified Talent Acquisition strategies. In FY22, we accessed skilled talent through our targeted programs such as campus placements, and other hiring initiatives across geographies which includes attracting talent from Tier 2/Tier 3 cities. Our engagement framework with various campuses provides support to students through internship opportunities and multiple knowledge sharing platforms that bridges the gap between academics and industry know-how for the students. This approach enables the organization to deploy the young talent early on.

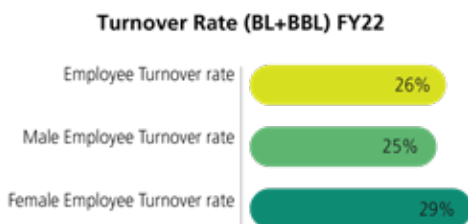
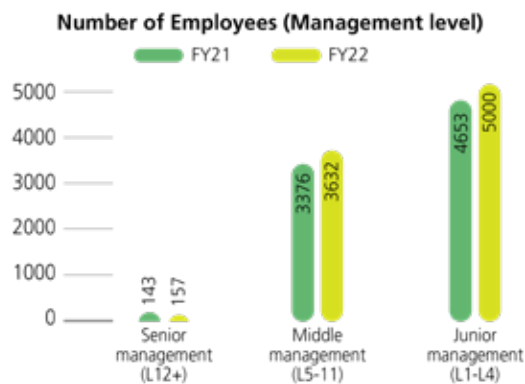
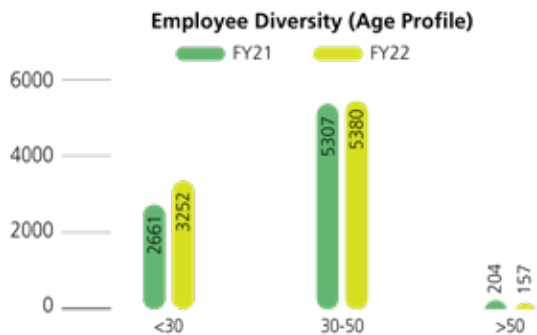
To ensure smooth navigation of our processes, technology has been kept at the forefront of our hiring strategy. Our approach leverages various Artificial Intelligence (AI) interventions to identify and attract talent from prestigious institutions in India. As an example, at Biocon Limited, the hiring efficiency increased through the integration of AI-based tools to match the Company's requirements using talent acquisition metrics. The tool ensures effective tracking of timelines and quality of hires against such metrics. This led to the creation of talent acquisition scorecards that helped revamp our recruiting processes. We have leveraged technology for the entire pre-employment medical examination. Similarly, to enable data driven decision making on contractual workforce, a Dashboard has been operationalized which provides real-time insights into budget, demographics, cost-efficiency, and resource utilization of contractual workforce.

At Biocon, we place emphasis on leveraging the internal talent pool and have revamped our processes to promote career growth and development. The job posting process allows filling vacant positions internally first, before expanding our search outside. The process is managed by our newly launched in-house career portal, MyCareer, that maps internal roles to employees based on aspirations, experience, skill, and competencies. This portal notifies the target population meeting the criteria for internally advertised jobs. Post this, the selected candidates undergo an in-depth interview as well as panel assessments.

Our hiring, onboarding and employee lifecycle processes have been linked with technology to reduce human dependency and create an efficient process. In FY22, we hired a total of 2,806 individuals as full-time employees. Of these, we hired 594 full-time female employees. For FY22, an increase of ~94 percent has been recorded for the number of full-time employees hired, as compared to FY21 levels.



<sup>7</sup> <http://covid19.biocon.com/our-vision-mission-values>

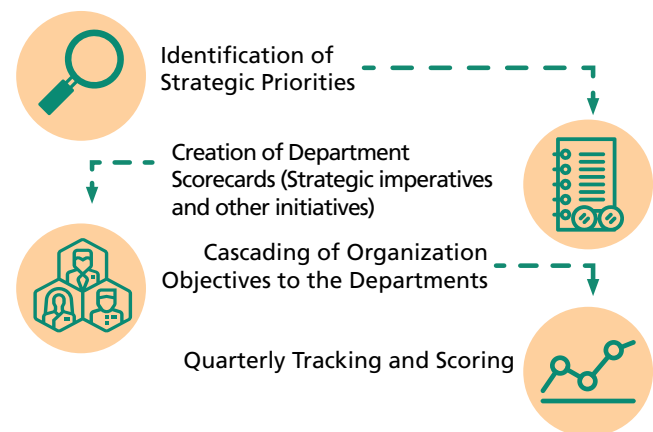


## Strengthening performance management

Our dynamic environment requires our employees to be adaptable, agile, and passionate problem-solvers. For this reason, performance management systems need to go beyond the traditional approach toward continuous feedback and evaluation of performance.

During FY22, we strengthened our systems by introducing the 'department scorecard' — a process that supports individual business functions to identify, prioritize and track their strategic priorities in line with the organizational goals. The integration of goal alignment in the scorecards has resulted in proper measurement of performance and achievement across the organization. This leads to creation of a shared sense of ownership across levels in the organization through the goal cascading process. This goal setting then forms the basis of the promotion and career progression cycle and provides periodic monitoring of performance and progress against individual goals.

Furthermore, we have developed a robust technical and behavioral competency framework that is embedded in our performance management process. One of the key outcomes of our performance management process is to identify the key development areas for the employees and provide support for improvement through learning and development.





To remain relevant and up to date in technical skills, there has been a great emphasis on defining technical competencies required for each role within the organization. We collaborated with Mercer consulting to build a technical competency framework. This initiative has assisted in identifying technical competencies and proficiency levels for diverse roles across the business functions of the organization. This forms a core part of the overall talent and organizational development strategy.

## Transforming through learning

To establish domain expertise and build functional capabilities, we have partnered with India's prestigious educational institutes giving higher education opportunity to employees while they continue to work.

We strive to support the skill development of our people through meaningful interventions via Education, Exposure and Experiences Augmenting leadership capabilities and building a succession slate is one of the key focus areas for the organization.

At Biocon Biologics, to build future-ready leaders and accelerate career development, we have introduced a structured talent development program for the top talent which aims to develop internal talent and strengthen our succession pipeline for leadership roles. In partnership with the external parties, we have developed a bespoke program with blended learning experiences that include coaching, cross-functional projects, and external market orientation thus enabling individual and group learnings. Additionally, we also provide various learning and development programs to support the building of professional, digital, innovation and managerial skills for our employees.

At Biocon Limited, senior leaders in the organization underwent a behavioral competency assessment program conducted by Saville and Holdsworth Limited (SHL). Subsequently, ~ 40 leaders from senior management are undergoing a 10-month development program in partnership with a global firm - Development Dimension International (DDI), which includes various master classes, group coaching, and learning projects.



## Senior Leadership Development Program

The leadership development program aims to build future succession roles by developing a second line of leaders. The program constitutes a two phased approach, wherein:

- Phase one involved the participants undergoing extensive assessments conducted by SHL, an external talent and HR consultancy firm. The assessment results form the foundation for formulating individual development plans, in consultation with their respective managers/mentors.
- Phase two focuses on Biocon's defined leadership competencies and identified learning needs. This will be an immersive 10-month blended learning format—leveraging online and offline tools. The program has been designed to be result-oriented, to ensure that leadership competency is built in a contextualized and customized manner. To ensure that competencies are built, business critical Action Learning Projects (ALP) are allocated to participants which are reviewed by the senior management. The key objective of phase two is to develop strategic ability, a mindset for collaboration, and team management skills for participants.

For our middle management level, we identified a pool of 140 employees who underwent assessments conducted by Basil Tree, a leading talent assessment and development firm. The assessments evaluated cognitive potential and abilities based on our competency framework. The outcomes of the evaluation were utilized to develop customized individual development plans. This will be followed by an 8–10-month development journey in partnership with an external facilitator. In addition, we implement various initiatives to nurture and build technical capabilities. A few noteworthy initiatives are mentioned below:

- **Lean Six Sigma Training:** In FY22, we conducted sessions in Bengaluru, training a cohort of our employees as Green Belts (GB). There are multiple green belt projects currently underway, anchored by trained GB employees.
- **Data Analytics Program:** This has been conducted for a group of our R&D scientists. The training is divided into two phases, focused on training the scientists on

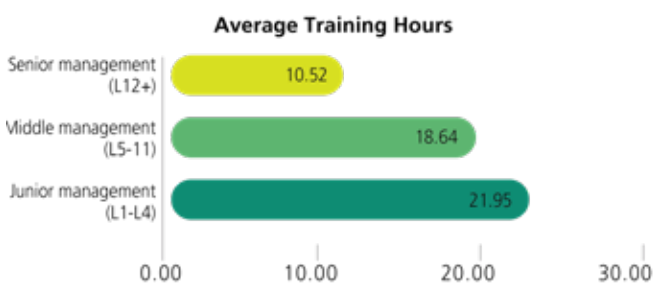


data-backed decision making. Phase one of the training has been completed and phase two will be concluded in FY23.

- **Customer Centricity workshops:** These have been conducted for employees across IT and Compliance teams.

We conducted a refresher program for our Manufacturing & Quality team to build a quality mindset and be audit-ready throughout the year. Moreover, at Biocon Limited and Biocon Biologics Limited, our employees have undertaken mandatory trainings on the prevention of sexual Harassment (POSH), Information Security Management, Code of Conduct, Zero Tolerance, and Employee Health and Safety, amongst other function-based training.

The total hours of training in FY22 stood at 178,264. The average training hours per full-time employee for FY22 stood at 19.9. Furthermore, the average amount spent per full-time employee on training and development stood at ₹ 3,033 in FY22.



### In-Process Quality Assurance (IPQA Training)

Recognizing the business need to strengthen the IPQA team's existing skill sets, Biocon rolled out a targeted training program to build synergies between the quality and the production teams. To identify the key concerns and challenges faced by both teams, a stocktaking session was conducted. Following this, a roadmap for collaboration was built, which sought to address the identified bottlenecks and create new opportunities for effective teamwork.

Based on the collaboration roadmap, the IPQA training was rolled out in a workshop-based format for capacity building

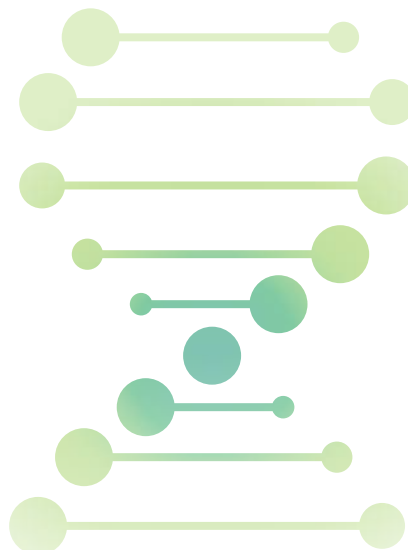
and dissemination. The training focused on enhancing the teams' soft skills and creating awareness of the importance of knowledge acquisition and application in day-to-day processes and work. A post-training assessment was also conducted which indicated visible improvement in the IPQA team's motivation levels and communication skills.

## Embedding diversity and inclusion

As a leading biopharmaceuticals company, we recognize that diversity and inclusion are the driving force for innovation, new ideas, and perspectives. Our diverse employee base reflects this recognition and are the carriers of our success. As a result, we are investing in building the next cadre of empathetic and smart women leaders who will shape and transform the business further. The share of women in Biocon's permanent workforce stands at 17 percent. In absolute terms, the composition of the total number of women in the workforce increased to 1,531 in FY22 from 1,354 in FY21.

Our concerted and focused efforts have been recognized by UN Women, as the winner in the 'Transparency and Reporting' category for exemplary practices in embracing Women's Empowerment Principles, Asia Pacific.

In line with our ambition of being an equal organization by 2030, we have undertaken several initiatives to promote inclusion and diversity. For example, we have an 'Equal Pay for Equal Work' practice, where employees are compensated based on merit, rather than gender, race, or age. We also ensure that women are well-represented in every team, and therefore, we undertake distinct developmental programs to prepare them for managerial and leadership roles.





## Creating an Inclusive Workplace

An inclusive workplace is key to driving growth in the organization. This enables higher employee engagement, better innovation, and higher employee recognition.

To bolster and action our commitment, we have focused on building and expanding our diversity and inclusion networks. At Biocon Biologics, we have institutionalized the diversity, equity, and inclusion (DE&I) Council and launched a three-structured employee resource group. This includes creation of 6 Biocon Women Network chapters and programs such as Back to Work and Old-Timers Network. We also support women in science through various activities, including mentoring. Moreover, in FY22, we launched the Biocon Women Mentors & Coaches Network for 300+ gender diverse students across STEM colleges and universities in India.

To ensure that our employees can manage and perform their roles effectively, BioWin has been operationalized to promote healthy work life balance. A key pillar of BioWin is the maternity leave benefit programs. In FY22, 1,299 employees were entitled to maternity leave<sup>11</sup> out of which, 53 employees availed the same during the reporting year. The rate of return for employees who took maternity leave stood at 84 percent, and 86 percent for Biocon Limited, and Biocon Biologics India, respectively.



“When you have a strong support system to not only guide you through your work but also provide a sense of assurance, it helps you rebuild your confidence”, says Lakshmi Bhavani, who will soon transitioning back to work after maternity leave, adding, “I had the full support of my team, especially during the challenging weeks before I went on leave.”



“Motherhood brings with it a tangle of responsibilities, but I was allowed the space to explore the scope of my work, helping me achieve a good balance between work and home”, says Vineela A, who made the shift to a new role that allowed her to develop new skills and challenge herself.



<sup>11</sup> Parental leave is understood as maternity leave for Biocon Limited, India.

## Awards<sup>12</sup>



Great Place to Work has certified Biocon Limited & Biocon Biologics Limited among the top 10 companies in India for best workplaces in Diversity, Equity, and Inclusion



Jobs4her recognized Biocon Limited & Biocon Biologics Limited as the "Top 20 Companies in DivHERsity (Large Enterprises)" and "Top 20 Most Innovative Practices — DivHERsity Policies



Working MOTHER & AVTAR has awarded Biocon Limited as one of the Best Companies for Women and was featured among the 100 Best Hall of Fame for winning consistently for the 5 years

## Empowering our employees

# 12.8 (Million in ₹)

Employee Benefits including Annual Health Check-Up, Employee Engagement, RT-PCR Testing for Biocon Limited

### Employee initiatives

We pride ourselves on our people-centric approach. This is reflected in our practices for the health and well-being of our employees. We deployed an app-based wellness initiative—**BioPulse**, which includes different programs that focus on maximizing the physical, social, environmental, and emotional well-being of our employees. In FY22, we conducted various webinars for health awareness through **BioPulse**. This included webinars on eye care & vision, coping with stress and anxiety during the pandemic, breast cancer awareness sessions, and awareness sessions on mothers returning to work after a maternity break, among others. In FY22, a few notable programs included the celebration of World Health Day, #IBeatCOVID, yoga and meditation, cancer awareness sessions, pregnancy care, and sessions on women's health concerns and preventive measures.





## Physical Wellbeing

- Annual health check ups
- Medical benefits and insurance
- Occupation health centre
- Access to doctors and specialist
- Gym facility
- Yoga camps
- Zumba camps
- Aerobics and cardio

## Emotional Wellbeing



- Unlimited access to counsellor via chat, email & call
- Emotional wellbeing awareness session
- Health & lifestyle
- Guided sessions burn out
- The wellness corner, wellness portal and mobile app to build a healthy lifestyle



- Interventions on occupational hazards
- Health and Safety guidelines
- Healthy work environment
- Awareness and training sessions
- Safety awareness session
- 'National Safety Week'



## Environmental Wellbeing

## Social Wellbeing

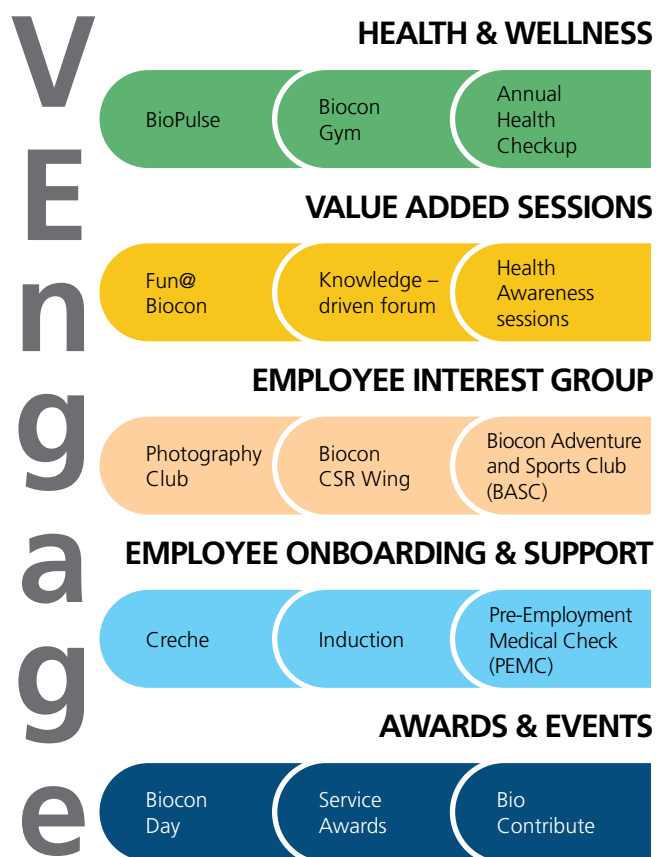


- Preventive awareness session on a monthly basis
- Access to dieticians for a healthy lifestyle
- CSR wing - Employee's participation in activities



At Biocon, we have created an environment where our employees are supported and cared for beyond their professional aspirations. With this resolve, we launched **VEngage** to interact with and holistically celebrate our people. In FY22, we undertook various webinars for health awareness through **VEngage**. This included webinars on eye care & vision, coping with stress and anxiety during the pandemic, breast cancer awareness sessions, and awareness sessions on mothers returning to work after a maternity break, among others.

## PILLARS OF EMPLOYEE ENGAGEMENT



In our transformative journey, we achieved a significant milestone three years ago when we shifted gears to design our 'Good to Great' or g2G initiative. The aim of the initiative is to establish a culture that embodies our values while fostering excellence. The initiative includes a set of five GREAT behavioral traits that is weaved into the DNA of our organization.

We have enhanced our employees' skills, specifically in professional behavior and growth that has enabled them to achieve their aspirations and shaped rewarding careers.



Furthermore, as part of our commitment to bring affordable healthcare to all, we introduced Biocare, a special access program for our employees. Through a digital platform, our people can request for Biocon's critical, life-saving medicines for themselves and their immediate family members.

Our progress for our employee initiatives work work in parallel with accelerating social transformation. In FY22, our employees represented an extraordinary drive for transformation. As an example, Biocon Limited in association with Narayana Health organized a blood donation camp at Biocon Park and Campus. This received a resounding response from 200+ donors at the drive.

Along with wellbeing initiatives, capturing employee feedback is critical for enabling a positive work culture. In view of this, we rolled out the BioPulse Survey, to capture employee feedback and sentiment. This was launched across operations, including, R&D, quality, supply chain management, IT. The outcome/insights from the focus-group-discussion assisted us to understand employee concerns, suggestions for improvement and action planning.

## Employee health and safety

At Biocon, we foster an environment where our employees feel safe, healthy, and inspired. That is only possible by ensuring the highest degree of compliance with applicable laws and regulations while enhancing the mental, financial, and physical well-being of our people. Creating an environment that prevents accidents and incidents has positive impact on our business productivity.

Our efforts to create a safe work environment is evidenced by the facilities that are designed in accordance with the highest safety standards and state-of the-art safety controls. We regularly assess risks through audits of our equipment, systems, and processes across various parameters to detect and mitigate potential hazards. Process safety improvement programs are regularly carried out across all sites as part of the safety enhancement initiative.

All manufacturing areas are continuously monitored in line with stringent industrial hygiene protocols. For any new and existing process, periodic safety risk assessment is done to ensure safety interlocks and controls are functioning as per the required standards. A 'Zero Tolerance' program is present to strengthen discipline around workplace safety and make it an integral part of the organizational culture.

To identify the ground level safety issues, the department heads periodically conduct GEMBA walks at the manufacturing site. To undertake any maintenance activity at the facility, a work permit system has been established to ascertain that equipment is isolated and maintenance work can be carried out. Further, Electrical safety programs such as lock out and tag out (LOTO), Arc flash assessment & Hazardous area classification are also implemented. Fire safety measures include maintaining a fire hydrant system, dry sprinkler powder aerosol (DSPA) fire protection system, fire extinguishers and an auto modular fire extinguishing system at the facilities.

All operations undergo periodic third-party audits to assess safety risks, identify gaps and define improvement measures. Walk through surveys, measurement of noise levels, illumination, indoor air quality and volatile organic compounds (VOC) monitoring are carried out as a part of assessment in order to locate various hazards of the workplace. Process safety improvement programs are

regularly carried out across all sites as part of the safety enhancement initiative. Process risk register is maintained to manage and mitigate the residual risks, identified during safety assessments and those emerging during operations.

Our aim is to inculcate an efficient environment, where managers and employees can collaborate and drive the health and safety of our people. To this effect, we also organize internal and external training sessions on a periodic basis, aimed at spreading awareness on the health and safety aspects and guiding our employees on prevention and mitigation measures. During the year, several safety-related initiatives, awareness campaigns and drives like 'National Safety Week' and 'Fire Services Week' were conducted to advocate a "zero incidents" culture amongst employees. In alliance with the Karnataka State Fire and Emergency Services (KSFES), we organized mock fire drills to assess the coordination between the internal teams and external agencies and accordingly developed corrective action plans to modify our emergency response mechanism. Further, we organized 'Advanced Firefighting' sessions conducted by KSFES for our employees, which focused on preventing fire emergencies and acting responsibly in a contingency, in a manner that mitigates the risk of loss and injuries.



A key event during the reporting period was 'Red Tag', an event where employees had to highlight potential workplace hazards. This event was conducted as a part of the larger event of EHS Culture Building. Furthermore, the Dynamic Emergency Response Team (ERT) displays safety performance boards across key manufacturing blocks to foster and increase emergency preparedness and safety performance awareness. At Biocon, we observed the

\*A Japanese term, which means a workplace walkthrough aimed at observing employees, ask about their tasks, and identify productivity gains.

'Chemical Disaster Prevention Day' in December 2021 and conducted awareness programs to emphasize the importance of chemical safety. The main aim of these programs was to commemorate the Bhopal Gas Tragedy and disseminate information regarding safe manufacturing, transportation, storage, and use of chemicals to prevent accidents, injuries, and loss of property. We also observed the National Safety Week in March 2022 and undertook activities such as a safety poster-making competition and firefighting training.

We also provide our employees, including workers, with non-occupational medical and healthcare services at our occupational health centers, equipped with a competent team of paramedics and doctors. Our workers are also provided with non-occupational medical and healthcare services facilitated through various initiatives driven by the HR and EHS teams. The Company carries out a full annual health check-up for all employees and contract workers, aimed at identifying potential health problems and raising awareness about potential occupational illnesses.



In FY22, Biocon Biologics was conferred the '20th Annual Greentech Safety Award 2021' for outstanding achievements in the 'Safety Excellence' category.

Over 124 companies, from both public and private sectors, were in contention for this national level award.

## Actioning Compliance

At Biocon, we have reinforced our commitment to adhere to our policies on Code of Conduct, Prevention of Sexual Harassment (PoSH), among others. We foster an ethical, fair, equitable and responsible environment that enables a culture of trust and transparency. This year we have developed and released our Human Rights Policy\*, which is applicable to all employees of Biocon Limited and its subsidiaries, including business partners, contractual employees, trainees, volunteers, consultants, and members of the Board of Directors. At Biocon, we have zero tolerance for any kind of discrimination or

harassment and have instituted robust mechanisms for escalation and redressal.

## Actions to protect our employees during the pandemic

Amid confusion and chaos caused by the pandemic during the past two years, the world had its hopes pinned on the pharmaceutical industry for recourse. While our employees were up to the challenge of providing for our customers, we were equally cognizant of the importance of protecting our employees. During the first wave of the pandemic, even as the nation went into a lockdown, our facilities remained operational. However, we ensured that the necessary protocols were implemented to ensure the safety of our employees. We arranged transportation for employees who were required to come to work. Our facilities were completely sanitized, and the employees underwent thermal screening while entering the premises. Within the facilities, the employees were required to always wear their masks, maintain physical distance, and stay within their allocated zones while working. We also conducted RT-PCR tests for our employees and undertook contract tracing, where required. For our employees who lived in shared residences, we provided additional support and alternative accommodation, in case anyone on the premises was detected with COVID-19.



"As a scientist, I felt the urge to help those patients who are dependent on Biocon's therapies daily. At a time when COVID-19 cases were surging in India, my family and friends were concerned about my safety. I explained to them the situation and my reasons for reporting to work despite the challenges posed by the lockdown. I was anxious too, but I believe my expertise helped patients, which was the key motivation for me. I'm very humbled to be able to do my part. I encourage everyone to embrace that passion, because we're in a unique position to help fight this pandemic, especially as a biotech company. I felt proud to be able to do my part."

– R&D team personnel, Biocon Limited



To boost the morale of our frontline workers, we launched several campaigns like #SmashCOVID-19Stigma, #BreakTheChain, #YouAreImportant, and #UnitedAgainstCOVID on our social media channels to appreciate the efforts and contributions of our healthcare warriors. Additionally, we launched a dedicated microsite, 'UNITED AGAINST COVID-19', as a one-stop resource for employees to receive all updates on government guidelines and health advisories. We have also initiated several online programs to provide counseling, healthcare tips, and yoga to our employees.

We have also launched a company-wide campaign called 'Your Safety, Our Priority' with the intent of reinforcing the importance of vaccination against the virus by sharing relevant details on approved vaccines, registration process, and side effects as well as telling the facts from myths. We also launched a vaccination drive for all our employees and their dependents.

We also ensured that there was continued interaction between our leadership team and the employees through shared videos, messages, town halls and focus groups to

foster a sense of oneness at a time when teams were working virtually.

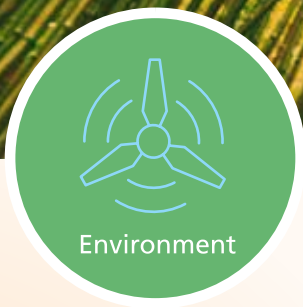
### **Tribute to colleagues lost to COVID-19**

The last two years were extremely difficult for us, as we lost a few members of our family. We recognize the value of human life and take responsibility to support the families of our employees who have contributed to the company immensely. In addition to the Group Term Life Insurance and other applicable benefits, we undertook additional actions to assist and support the families.

Our approach to human resource management can be described as holistic and forward-looking. The families were provided 50 percent of the employee's gross salary for two years, up to a maximum payout of ₹ 5 Million. We also facilitated a special education allowance that supports two children up to 18 years of age. In addition, we provided support for the recruitment of either the spouse or the child in any of our group companies or in another suitable field depending on their qualifications and eligibility.







# Responsible Action Towards the Environment

As part of our commitment towards long-term sustainability and climate change mitigation, we aim to reduce our environmental footprint through the implementation of strategic initiatives that will bring about a transformative change in how we interact with the environment. They include identifying opportunities to increase the share of renewable energy mix in our operations, improving energy efficiency, innovating to drive productivity across our value chain, implementing the principles of circular economy and adopting digital solutions which minimize inefficiencies.



As part of our responsibility towards the environment, we also focus on collaborating with stakeholders to promote environmental stewardship in communities, thereby ensuring responsible long-term action towards sustainability and climate change mitigation.

Environmental stewardship has been a key focus for Biocon since our inception and we actively promote the same through judiciously optimizing resources to enhance healthcare outcomes and improve lives.

Most of our manufacturing processes have a relatively lower environmental footprint as compared to conventional pharmaceuticals. This helps in ensuring we stand out as a biopharma company that is more sustainable and less resource intensive.

In order to limit our environmental impact, we have taken progressive steps to accelerate our transition towards renewable energy, implemented efficient recycling of water and waste and adopted responsible procurement practices. Furthermore, as an environmentally responsible company, we go beyond statutory compliances and embrace responsible business practices that focus on the judicious use of natural resources.

We believe that creating a better business and creating a better world are not conflicting goals. They are both essential ingredients for long-term growth and sustainability.

Our approach to managing the environmental impact is holistic, transformative and inspired by our desire to promote and strengthen environmental stewardship. This starts by managing the environmental impact of our business including close collaboration and coordination with our stakeholders, thereby instilling environmental conscious decision making in our day-to-day practices.

## Key highlights

- 117,697 tCO<sub>2</sub> reductions achieved in FY22\*, a 12% increase from FY21
- ₹ 80 million invested in installing a new 600 kilo litres per day (KLD) capacity zero liquid discharge (ZLD) effluent treatment plant in Bengaluru enabling 400,000 litres of incremental water savings per day and 680,000 additional savings achieved in FY22 due to water offset initiatives at BBL facilities

- Over 5,500 tonnes of fermentation waste sent for reuse as an auxiliary fuel to cement factories\*
- 100 percent of treated wastewater is recycled and reused in the process or in utilities
- 58 percent of total purchased electricity for BL & BBL Indian operations in FY22 was green power
- 60 percent of solid waste generated in our operations is sent for recycling
- 64,373 hours of EHS training

## Awards

- We won the 'Athynnatha Suraksha Puraskara' from National Safety Council, Karnataka in September 2021
- We were awarded the 'Best Safe industry in the category of Mega industries' by the Department of Factories, Karnataka in March 2022
- We won the prestigious 'CII-SR EHS Excellence Awards 2021' for Bengaluru facilities for our commitment to EHS practices in March 2022
- In October 2021, we were awarded the 'Greentech Environment Award 2021' in the Environment Protection category for our Hyderabad facility

\* BL + BBL (excluding Malaysia)





## Biocon enters prestigious Dow Jones Sustainability Emerging Markets Index

Biocon was selected to be in the Dow Jones Sustainability Index (DJSI) in the Emerging Markets (EM) category for progressive ESG practices, which underlines our commitment to the larger goal of sustainable development. We made a formal submission for Corporate Sustainability Assessment for its listing on the DJSI for the first time in 2021 and made it to the DJSI EM Index with a total sustainability score of 45 as against an industry average of 18, achieving a 93rd percentile position. It is among the Top 15 companies from India and one of the 12 companies from the pharmaceuticals, biotechnology, and life sciences sectors to be featured in the index for 2021. A total of 360 Indian companies were invited to participate in DJSI in 2021. Biocon has been listed amongst the Top 10 Global Biotech Companies in 2021 and will strive to improve its position through future disclosures.

Sustainability has been among our topmost priorities since inception and both Biocon and Biocon Biologics are committed to provide insights into their ESG performance to their stakeholders.

The DJSI Index provides an important yardstick for Biocon and Biocon Biologics to measure sustainability performance and continuously improve reporting on ESG to address the growing interest of our global stakeholders.

## EHS governance

During FY22, Biocon introduced new governance mechanisms with regards to EHS in the form of enhanced policies, procedures, and management systems. This new mechanism comprises the Environment, Occupational Health, Safety, Sustainability (EHSS) policy which is driven by the top management. The EHSS policy is the foundation on which EHS governance is built and is applicable to the entire Biocon Group.

The Policy is enforced and acted upon by the EHS heads of BL and BBL, who in turn are further supported by dedicated teams of 178 EHS specialists who are involved in the execution of EHS management systems. The policy is extended to all our internal and external stakeholders

and requires them to adhere to it. The Policy's primary aim is to ensure environmental stewardship, sustainability, and safety. Through this Policy we also aim to minimize all safety incidents to achieve our target of zero incidents and keep our people safe. Our EHSS Policy principally alludes to the precautionary principle.

Furthermore, our aim is to identify and mitigate potential environmental impacts by ensuring that all Biocon facilities meet strict environmental standards and our systems, practices and processes are regularly upgraded to align with leading industry standards.



## Biocon's mAbs facility receives ISPE Award

We ensure that all new facilities constructed on our campuses are designed with energy-efficient green building features. Multiple elements of sustainability were considered during the design of our new 340,000-sq. ft. monoclonal antibodies (mAbs) manufacturing facility (B3) in Bengaluru to ensure minimal environmental impact, despite the large size of the facility. We earned the distinction of being the first biopharmaceutical company from India to get an honorable mention at the International Society for Pharmaceutical Engineering's (ISPE) Facility of the Year Award (FOYA) for this facility.

Additionally, with regards to the EHS Management System, Biocon has extensively bolstered it over the last two years by implementing the PDCA Approach. This approach is centered around the pillars of 1) Plan; 2) Do; 3) Check; and 4) Act. The intention behind bolstering this system is to ensure we are effectively and rapidly addressing the climate emergency through strategic transformative actions.





| Bolstered EHS Management System                   |  |  |                          |
|---|--|--|--------------------------|
| Plan  | Do   | Check  | Act                      |
| Implementation of and alignment with EHSS policy  | Carrying out EHS related trainings                   | Conducting audits biannually                   | Incident management      |
| Development of EHS goals and strategic objectives | Integrating EHS procedures in our business processes | Carrying out compliance evaluation assessments | Creation of action plans |
| Undertaking risk planning and assessment          | Ensuring operational control                         | Ensuring management reviews are conducted      | Continual improvement    |
| Ensuring leadership commitment                    | Developing emergency management systems              |  |                          |

Biocon's EHS Management System is ISO 14001:2015 and ISO 45001:2018 Certified

## Addressing the climate emergency

Climate emergency is perhaps the biggest challenge facing humanity in the 21<sup>st</sup> century and requires collective action and transformative change to mitigate the impacts.

At Biocon, we are cognizant of our responsibilities towards sustainable development, and we are actively taking necessary steps by collaborating both internally and externally to ensure we are doing our bit to address the climate emergency.

This begins by increasing investments to help decarbonize our operations and build climate resilience. As a part of our unceasing efforts to lower carbon emissions over the long term, we leverage opportunities to increase the share of renewable energy across our operations through onsite solar installations and procurement of wind energy. These efforts have led to an increase in the share of green power to 58 percent of our total power consumption for BL & BBL Indian operations. All new facilities constructed on our campuses integrate green building design features to optimize resource use.

To monitor our climate change related initiatives, targets, objectives, priorities and performance, aspirational goals are set as part of our Environmental Management System (EMS).

Grid power, diesel, and natural gas account for a significant share of our direct energy consumption and we are continuously evaluating options to switch to cleaner sources of energy. As a result, over the years we have

gradually reduced our dependence on traditional sources of energy and are moving towards more renewable forms. In FY22 we increased total renewable energy by 13.6 percent compared to FY21. We strive to continue increasing the share of clean energy in our operations in the coming years.

Over the course of FY22, our total energy consumption (direct and indirect) has increased by 8.4 percent attributed to increased production on account of greater demand.

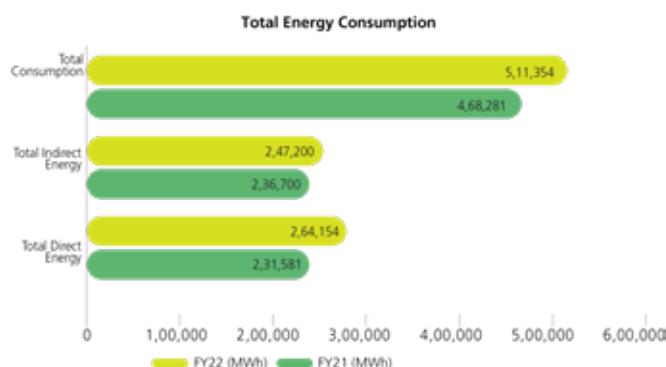


Fig: Total energy consumption - Indirect Energy and Direct Energy

Indirect energy or grid electricity purchased has increased by 4.2 percent over the course of FY22. However, we have aimed to ensure we reduce our electricity purchased from non-renewable sources, and increase total renewable energy purchased.



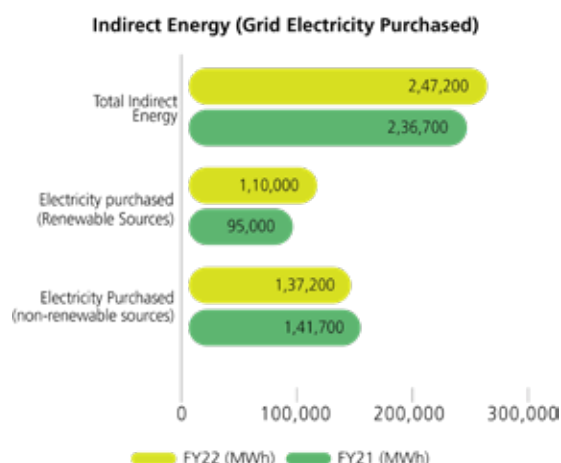


Fig: Total indirect energy purchased - Renewable and Non-Renewable

Total direct energy consumption has increased by 12.3 percent over the course of the last year on account of increased production.

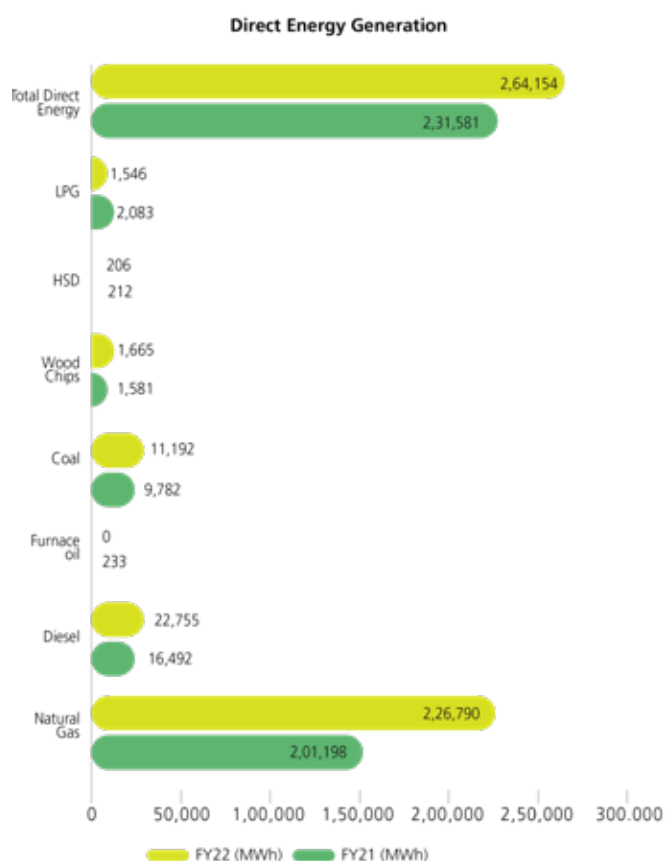


Fig: Total direct energy generation - Across LPG, HSD, Woodchips, Coal, Furnace, Diesel, and Natural Gas

We have also adopted innovative technologies like energy efficient centrifugal air compressors, water chillers and motors to reduce energy consumption, thereby reducing GHG emissions from our own operations. Furthermore, the use of variable refrigerant volume systems and steam condensate recovery measures have also helped us reduce our total energy consumption. Lastly, installed energy efficient economizers in boilers for steam generation, motors for air compressors and ETP, and motors for chilled water and cooling water pumps are also actively being implemented across our operations.

Greenhouse gas emissions (GHG) have increased marginally in FY22 by 1.1 percent on account of an increase in production, compared to FY21. The increase, however, is minimal and our GHG intensity of production has reduced<sup>16</sup> compared to last year. This indicates that in relative terms we are reducing GHG emissions across our operations, although our overall energy consumption is increasing, by implementing forward looking and transformative initiatives.

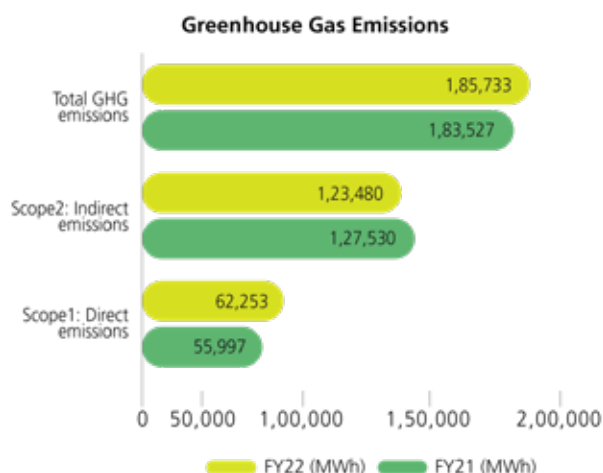


Fig: Total Greenhouse Gas Emissions - Scope 1 and Scope 2

Furthermore, by increasing the efficiency of our production, coupled with incorporating renewable energy technologies, we have substantially decreased GHG emissions. Increasing energy efficiency and upgrading our energy mix has also helped us offset a significant amount of our total GHG emissions. In FY22 procurement of green power from the grid has enabled us to offset approximately 99,000 tCO<sub>2</sub>.

We also have switched to natural gas, instead of using furnace oil to produce steam. Natural gas, a cleaner fuel, has considerably lowered GHG emissions compared to

<sup>16</sup> Please refer to the "GHG emissions" table in Biocon's ESG Scorecard

furnace oil, and this initiative alone has helped us achieve a reduction of 17,045 tCO<sub>2</sub>. Through other technological upgradations, such as installation of energy efficient boiler economizers that reduce natural gas consumption, we achieved a cumulative reduction of 117,697 tCO<sub>2</sub><sup>17</sup>.

In FY22, we were able to offset approximately 63 percent of our total GHG emissions through technology upgrades, green power procurement and fuel switchovers.

## Accelerating the Clean Energy Transition

To further our commitment to a greener and sustainable future, we have commissioned the first captive solar power plant of 20 MW over 60 acres in North Karnataka in collaboration with a leading renewable energy partner. It reduces carbon emission by 25,000 tons annually.

This addition of solar power complements our existing wind power and balances our renewable energy requirements to cater to manufacturing all 24 hours a day throughout the year. Biocon is one of the first pharmaceutical companies to operate on hybrid renewable energy sources that includes both wind and solar.



This image represents the first captive solar power plant of 20 MW over 60 acres in North Karnataka.

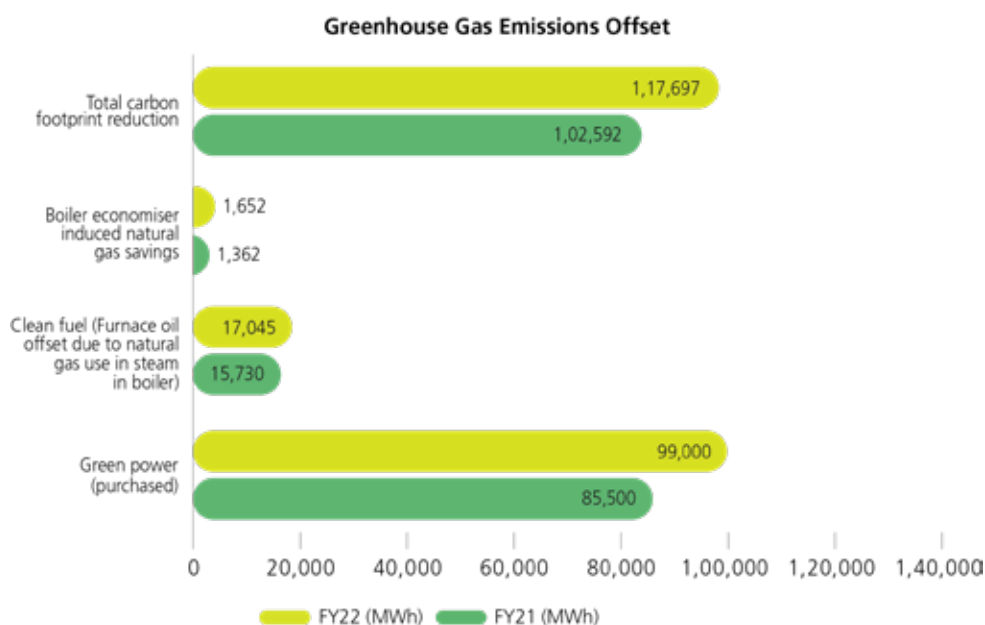


Fig: Total greenhouse gas emissions offset through various initiatives at Biocon Limited and Biocon Biologics India Operations (tCO<sub>2</sub>)

## Water management

As our offices and manufacturing units are in regions that are projected to face moderate to extreme water stress by the mid-21<sup>st</sup> century, it is imperative for us to take the necessary actions to mitigate the risks of water scarcity in the region through responsible consumption.

We realize the impact our business has on the communities we operate in, and we must be cognizant of our duty

to optimally utilize and manage the scarce freshwater resources that are available to us, as these sources of water are essential for both domestic consumption and agricultural use. Therefore, we have deployed best-in-class water management practices to appropriately treat and reuse wastewater within our operations and facilities, thereby eliminating discharges into local water bodies and reducing our demand for freshwater.

Our efforts to conserve water involve process modifications and the adoption of new technologies which allow us to undertake 100 percent recycling of treated wastewater. As our manufacturing processes are water intensive we have implemented targeted interventions to minimize our water footprint.

One of our key initiatives is the introduction of Membrane Bioreactor (MBR) technology which improved our water quality in our wastewater stream. MBR technology was introduced in the newly installed 600 KLD capacity ZLD effluent treatment plant in Bengaluru. Based on advanced membrane bioreactor technology, this ZLD effluent treatment plant facilitates the recycling of an incremental 680,000 liters of water per day and allows us to reuse the treated permeate for boiler operations.

Furthermore, Multiple Effect Evaporator (MEE) and biological treatment has been expanded. Biological treatment is equipped with Membrane Bioreactors at one of the facilities to improve our treatment process as well as to improve the quality of the treated water.

Our transformative actions with regards to water management have enabled us to proudly state that 100 percent of our treated wastewater is recycled and reused in different processes and utilities at Biocon Limited and Biocon Biologics India. We have made substantial capital investments to upgrade to the latest advancements in wastewater treatment. ZLD, an innovative engineering system designed to treat and reuse wastewater and effluents, is implemented across all our manufacturing units in India<sup>18</sup>.

Through water accounting, audits, demand management, efficiency initiatives and risk assessments, we ensure that we responsibly use the scarce freshwater resources.

To further augment our water conservation efforts, we have also installed rainwater harvesting systems at our manufacturing units to reduce our reliance upon external sources of freshwater. We have also implemented several catchment-based interventions in local communities to promote aquifer recharge in the communities around our locations of operation.

## Waste reduction

We strive to identify opportunities which promote the circular use of our resources and reduce waste disposal in the communities we operate in. This is guided by our approach to waste management and governed by the principles of reduce, reuse, and recycle. We extend our philosophy of circular economy across our operations and within the business value chain by actively engaging with our stakeholders, to effectively articulate our desire to enhance environmental equity.

Our EHSS policy clearly articulates procedures to manage waste in an environmentally responsible manner. Monthly reports track and categorize the waste generated, and our policies ensure that the waste is appropriately segregated, securely stored and safely disposed through authorized waste handlers and recyclers, in compliance with applicable central and state regulations in India.

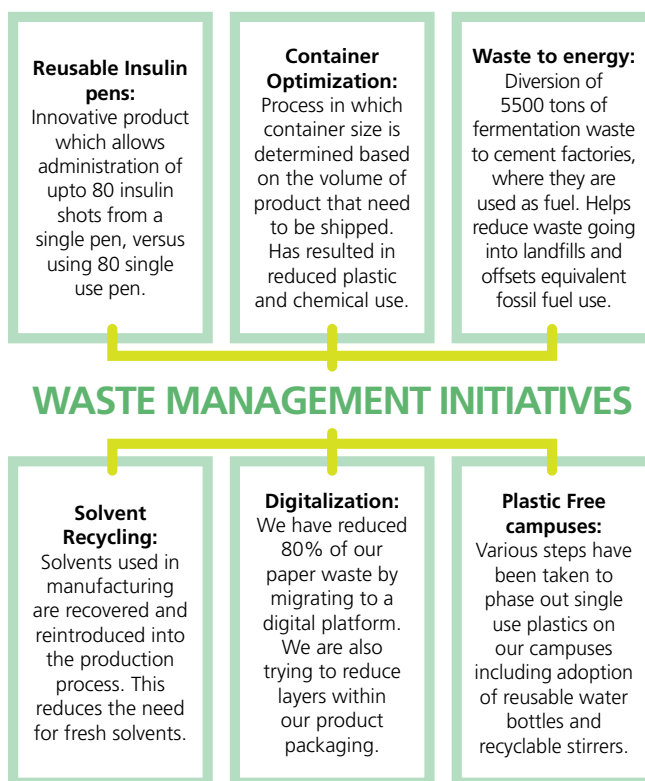


Fig: Waste management initiatives at Biocon

In FY22, we recycled 60 percent of the total waste generated at Biocon Limited and Biocon Biologics. Our approach to waste management involves chronological considerations of the principles of prevention, reduction, recycling, recovery, and disposal. We continue to implement the

<sup>18</sup> Only two manufacturing units are in Special Economic Zones (SEZ) where wastewater and effluents are treated at a Common Effluent Treatment Plant (CETP)

following initiatives within our operations and in our business value chain to minimize our waste generation and maximize the recycling and recovery of wastes. It is our ongoing focus to continuously reduce the fraction of our waste diversion to landfills. We have introduced electric waste pickup vehicles as part of the solid waste management initiative at our SEZ facility in Bengaluru.

### Air emissions

The air emission levels from our operations are significantly lower than the limits prescribed by regional pollution control boards and we monitor the air quality at our manufacturing units every quarter to track nitrogen oxide (NOx) compliance. Our transition to cleaner fuels such as natural gas in our boilers at the two sites in Bengaluru ensures minimum sulfur oxide (SOx) and NOx emissions. The use of diesel generators to generate power (which emits significant amounts of air pollutants) is restricted to times when grid power is interrupted. At our Bengaluru facilities, we have installed state-of-the-art continuous ambient air quality monitoring stations (CAAQMS) to improve the management of air quality parameters through real time monitoring. Lastly, the partial replacement of coal to biomass has also helped reduce the air pollution.

### Green Chemistry

Another key area of focus in our R&D organization is 'Green Chemistry' that uses sustainable or green chemical development processes which, in turn, reduces or eliminates the use of polluting substances.

We have initiated several measures in this regard, including switching from solvent based reactions to water-based reactions, replacing hazardous solvents with harmless, greener solvents, enhancing our solvent recovery capabilities and improving our processes to maximize the incorporation

of all materials used. These efforts extend to our existing as well as new product molecules. Green chemistry plays a key role in reducing our overall carbon footprint, by designing products that are not harmful to human or environmental health.'

### Environmental awareness and engagement

We engage our employees in all aspects of sustainability. From design and manufacturing to community

outreach, we aim to embed a culture of environmental care. EHS Learning Series, a knowledge platform, was launched to share insights on various topics including environmental management. Sessions were conducted by eminent speakers and subject matter experts. In FY22, our employees also attended specialized EHS training sessions conducted by reputed external agencies. 35 employees were certified as ISO Internal auditors and 17 employees as ISO lead auditors from Biocon Biologics by TUV Nord on ISO 14001 and 45001 standards.

Our employees clocked over 64,373 hours of EHS training in FY22.

As we have in the past, this year too we celebrated the World Environment Day to spread environmental awareness amongst our employees. To encourage environmental action amongst employees, we have instituted a program to recognize and reward innovative projects that have demonstrated an impact on emission reduction, energy efficiency and environmental excellence.

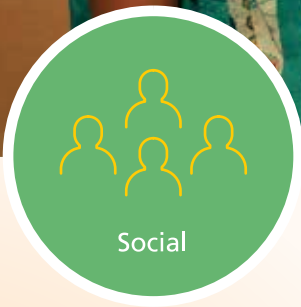
Biocon Biologics has been conferred with the '20<sup>th</sup> Annual Greentech Safety India Award 2021' for outstanding achievements in the 'Safety Excellence' category. Over 124 companies from both public and private sectors were in contention for this national level award.

### Environmental stewardship in our communities

As we work towards long-term environmental sustainability, we are determined to create a positive impact on the environment and safeguard ecological diversity. As a result, we have taken proactive steps to conserve biodiversity around our manufacturing units and other regions through our corporate social responsibility (CSR) initiatives.

The 'Namma Biocommunity' initiative, which was started in 2017 by Biocon employees, allows us to implement change in local communities by making the environment cleaner, greener, and safer. Volunteers of the initiative engage with the local communities through activities like tree plantation drives, garbage cleanups and environmental awareness programs. In the past, we have also promoted conservation through celebration of the 'World Environment Day', where Biocon employees, along with school children, planted 1,000 saplings to emphasize the importance of safeguarding the environment and biodiversity.





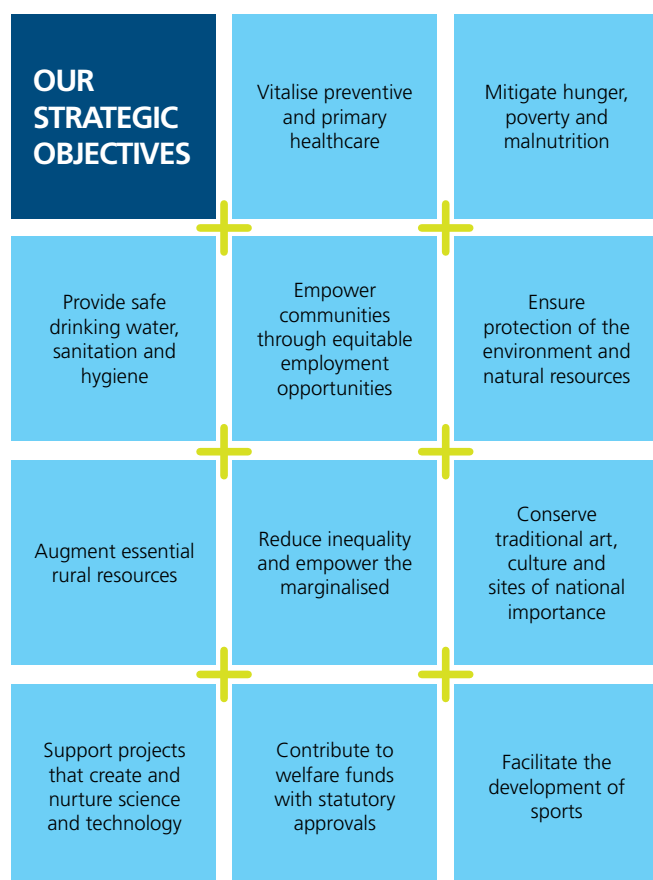
# Transforming our Communities

We believe that social transformation is only possible by making a tangible difference in the lives of our community members. Actions that promote inclusive growth, such as equal access to healthcare, education, and sustainable livelihoods, enable a metamorphosis in the lives of our beneficiaries. It is our firm belief that investing in the growth of people is the best utilization of financial resources.



We aim to make a positive impact on our communities through our Corporate Social Responsibility (CSR) arm, the Biocon Foundation. We are acting by designing our programs to serve the needs of the disadvantaged, vulnerable and marginalized sections of society.

The community-centered approach of our actions is reflected in the projects and partnerships we have initiated with like-minded, credible organizations. This has been undertaken through signing of memorandum of understandings and by providing grants to NGOs, trusts, and academic institutions under the Grant-in-Aid initiative for innovative and impactful social projects. The Foundation works across the following focus CSR areas:



In FY22, our overall contribution stood at ₹ 113 million. We are focusing our resources on critical projects where our engagement has made a significant difference in the lives of our larger communities. The beneficiaries of these projects are primarily determined based on their socioeconomic status, gender, age, information

asymmetry, infrastructure constraints, geographical challenges, and cultural barriers. Armed with the knowledge that transformation begins from the ground up, our initiatives are currently carried out in and around our facilities, a few remote rural areas with low-resource settings and in one aspirational district as well. Focus areas for our CSR activities

- Primary healthcare
- Environmental sustainability
- Rural development
- COVID-19 relief

Our efforts have been recognized at several national as well as global platforms. We were awarded the 'Mahatma Awards 2021' on the eve of Gandhi Jayanti, under the 'Good health and well-being' category. We won the 'Best Corporate Foundation Award' at the World CSR Congress, 2021 and were bestowed with the Jury Commendation Certificate for our oral cancer screening program at the 18<sup>th</sup> FICCI CSR Awards in the 'Exemplary Innovation' category. In addition to these awards, the 'Bengaluru Women Achievers' award was conferred upon Dr. Anupama Shetty, Mission Director, Biocon Foundation by the Bangalore Political Action Committee. She also received the 'South India's best CSR Leaders' award at the National CSR Leadership Congress & Awards.

## Primary healthcare

### eLAJ Smart Clinic services:

The Government of India formally launched the Pradhan Mantri Digital Health Mission (PM-DHM) on 27<sup>th</sup> September 2021, to enable unique health ID for every citizen and build an integrated digital health infrastructure in the country. The Biocon Foundation has continually invested in Information and Communications Technology (ICT), enabled process innovations by developing technology-enabled access to healthcare.

Developed in-house, eLAJ Smart Clinic is a one-stop solution that addresses the issue of healthcare delivery in remote areas of the country. Through these clinics, we provide free lab investigations, doctor consultation and counseling for lifestyle changes and medication adherence.

This platform captures and securely stores electronic patient records to enable the practice of evidence-based precision medicine and ensure quality improvement in dispensing targeted, need-based care to the patient.

A total of 20 government-run Primary Health Centers (PHCs) and three Biocon Foundation-operated health centers across seven districts of Karnataka, transformed into eLAJ Smart Clinics, remained operational in FY22. More than 711,000 patient visits have been recorded at eLAJ Smart Clinics since inception and approximately 71,000 patient visits were recorded in FY22 alone.

**Outpatients exit survey:** Six key performance indicators (KPIs) were identified, and a five-point Likert scale was used to gauge the patient satisfaction. More than 1,100 patients were asked to grade their experience on a scale of one to five, , with five signifying a very positive experience.

**Oral cancer screening:** Addressing the global burden of oral cancer, Biocon Foundation has formed an Oral Cancer Task Force composed of eminent national oncologists in 2018, with the objective of downstaging oral cancer through preventive and promotive efforts on ground leveraging on research, advocacy and use of

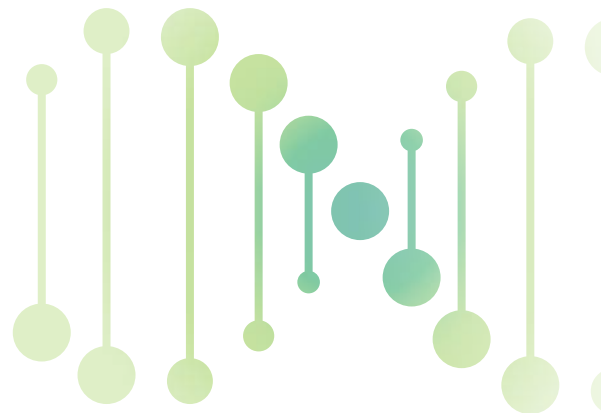
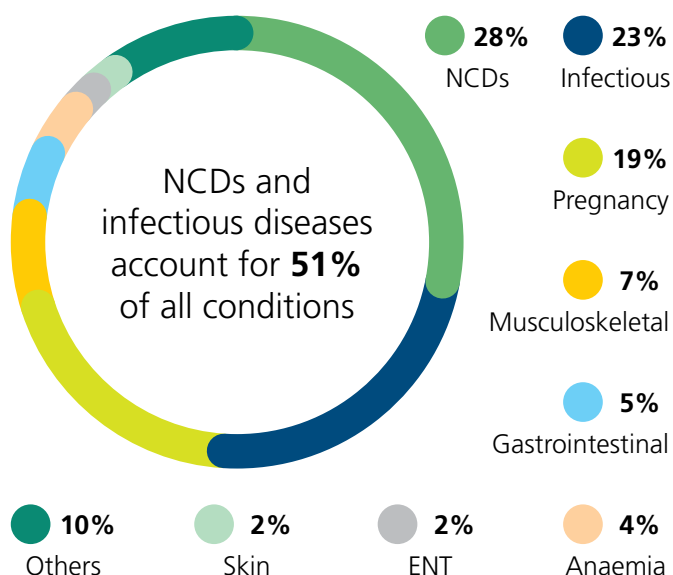
appropriate technologies. This Task Force has developed clear guidelines for the management of head and neck cancer. It aims to develop a strategy to downstage oral cancer in India over the next decade.

As part of our oral cancer-screening program, the Foundation organized screening camps in partnership with KLE Society's Institute of Dental Sciences (KLESIDS) in and around Bengaluru and Homi Bhabha Cancer Hospital in Varanasi.

Our mobile phone-based health technology platform captures data and intra-oral images of patients for recognizing the symptoms and signs of oral cancer in high-risk groups. The Foundation has built extensive field experience in early oral cancer screening, strengthening the initiative through a mobile health-based (mHealth) approach that equips the staff with smartphones to examine people in low-resource settings.

Our mHealth platform innovation supports early detection and management of oral precancerous lesions. The asymptomatic attribute of oral cancer in the early stages results in delayed presentation and late-stage diagnosis, and therefore, high morbidity and mortality. In a secure network, the mobile application creates a robust electronic health record, which includes intra-oral image-based data for active treatment and surveillance. The frontline health workers are trained for oral cancer prevention, early detection; and subsequent referral with the help of remote specialists, even in settings, where health resources are generally scarce. Our efforts through the platform were recognized by the CSR Journal as one of the 'Top CSR initiatives for cancer prevention and early detection on National Cancer Awareness Day 2021.

**Conditions (eLAJ Dashboard)  
Breakup by Category**





## A cancer treatment beneficiary from Varanasi

Cancer was a scary word for me. I never thought that even consuming paan (betel leaves) with areca nuts could cause oral cancer, until I attended a screening organized by the Biocon Foundation and Homi Bhabha Cancer Hospital.

I was initially hesitant to undergo screening, but a counseling session helped me realize the significance of screening. The doctors identified white patches in my mouth, which were symptoms of oral cancer. I was explained that it was a precancerous lesion, which could turn into cancer if not treated.

I panicked and couldn't come to terms with the fact that I had been diagnosed with cancer. Since I was struggling to repay the auto loan, I couldn't think of ways to afford the treatment. It was so comforting to know that it was curable because the cancer was detected at an early stage and treatment would be provided free of cost. The screening, which I was hesitant to attend earlier, changed my perception about health and life. The cessation counseling helped me overcome my habit. I am extremely grateful to the organizations for taking up such a noble initiative to save the lives of people like me. I want to thank the entire team for being so compassionate and patient with me.

### Health clinics:

Biocon Foundation also operates clinics that provide specialist diagnostic, management, and counseling on a range of issues including women and child health, nutrition, NCDs and comorbidities.

- NCD Clinics to diagnose and manage type 2 diabetes and hypertension
- Geriatric Clinics for elderly health issues, including chronic health conditions
- The Well Woman Clinics provide services to deal with issues related to sexual and reproductive health, nutrition, diet related NCDs (diabetes and hypertension), common cancers and others

- The Well Baby Clinics to improve local access to cures for common childhood illnesses and to address malnutrition
- Support in augmenting the COVID-19 care infrastructure at the Anekal General Hospital in Bangalore.

In FY22, our outreach has expanded to 14,000 patients who have benefited from the services of these clinics.

### Mazumdar-Shaw Advanced Research Center

The former Vice-Chairman of Biocon, John Shaw, along with Kiran Mazumdar -Shaw, our Executive Chairperson, have been honored by University of Glasgow by having the University's new research center named after them. The Mazumdar-Shaw Research Centre will be home to over 500 researchers, spanning across various disciplines with far reaching impacts. Their contribution of ₹ 580 million in 2019 has been used to set up a new research hub within the University campus and create a Professor Chair, the Mazumdar-Shaw Chief of Molecular Pathology.

### Environmental sustainability

#### Reviving Hebbagodi lake

In 2018, we executed a three-step bioremediation process using advanced technologies and implementing innovative solutions to revive the Hebbagodi lake. We installed trash barriers and bar screens to stop floating matter from entering the water body. In addition, we placed floating wetlands and also installed energy efficient cascading aerators and submersible mixers to increase dissolved oxygen and reduce sludge in the water. We have been regularly carrying out bioremediation to treat the organic pollutants. As a result of these concerted efforts, we successfully restored the ecosystem of the dying 35-acre Hebbagodi lake.

Regular water quality audits are carried out by NABL accredited laboratories, through sample collection and analysis from various points around the lake. In the year 2017, pre-intervention assessment of water quality suggested that several parameters indicative of chemical, physical, and biological properties were abysmally poor. The higher COD, BOD & TDS represented the greater levels of water pollution and the environmental concern. Nil DO concentration was indicative of lack of aerobic aquatic life. Water quality was calculated as per the National



Sanitation Foundation Water Quality Index. A comparison between the pre-and post-intervention levels of COD, BOD, TDS, Nitrates and DO after our intervention showed a significant improvement in the water quality. Between 2017 to 2022, we have spent over ₹ 82 million towards the Hebbagodi lake rejuvenation project.

Despite the challenges presented by the pandemic, our efforts towards lake revival and maintenance continued unabated to prevent the waterbody from any degradation. We also undertook a series of activities along with the local community, to augment awareness towards protection of the lake.

### Hebbagodi Metro project:

In 2020, the Biocon Foundation partnered with the Bengaluru Metro Rail Corporation Limited (BMRCL) to finance the construction of a metro station at Hebbagodi in Anekal Taluk, Bengaluru. We pledged to contribute ₹ 650 million to fund the construction of the Hebbagodi Metro Station on Hosur Road and in FY22, over ₹ 32 Million was invested in this project by both Biocon Biologics and Biocon respectively.

The Hebbagodi Metro Station is part of the new 18.82 km line from R V Road to Bommasandra, being constructed under Phase II of the Bengaluru Metro Rail Project. In recognition of our efforts, the Government of Karnataka issued an order in December 2020, renaming Hebbagodi Metro Station to 'Biocon Hebbagodi Metro Station' for a period of 30 years. Once operational, the metro line is expected to see an average daily ridership of over millions of passengers, thereby reducing traffic congestion and helping in lowering the environmental impact from vehicular pollution.

### Minsk Square landscaping:

To restore a historically important site at Minsk Square, we initiated a project to create an urban green space at the heart of Bengaluru. The landscape design comprises hard-scape and soft-scape features. Phase I of the project, covering an area of 460 square meter, has been completed. The project will aim to plant 4,500 square feet with 20 varieties of more than 4,000 shrubs, deploying drip irrigation techniques.

## Rural development

We work with partners in rural India and join hands with like-minded organizations to help improve the quality of learning outcomes. In FY21, we invested to build new buildings at the government higher primary schools in Huskuru, Bengaluru and Sira, Tumkuru. The improved infrastructure will provide an enabling environment to the students and is expected to positively influence the learning outcomes. Additionally, the school infrastructure project enabled 500 students to avail access to quality infrastructure.



"We were conducting classes in an old and dilapidated school building, where walls and ceilings had developed cracks, posing a risk to the lives of the students. Our teachers and students thank the Biocon Foundation for reconstructing our school despite the challenges posed by COVID-19. The infrastructure has created a safe and fearless learning environment. As the students return to school, they are going to experience a friendly and conducive ambience."

- Srinivasamurthy R, Headmaster, Government Higher Primary School, Huskuru

Regular engagements and interactions among the local communities has created a support network across various geographies in Karnataka. We also undertake Baseline studies and Focus Group discussions to understand the needs and challenges of the communities.

## Covid-19 relief

During the reporting period, we undertook the responsibility of augmenting the COVID-19 care infrastructure at the Anekal General hospital and supported the Government in its pandemic response efforts across other Primary Health Centres. With resources being diverted towards pandemic management, our health interventions addressed the need for prevention, screening, and control of common NCDs such as hypertension, diabetes, and common cancer. Our support in setting up the infrastructure stands to benefit over 60,000 patients who annually use the hospital facilities.

## Biocon Academy

The Biocon Academy is committed to building an ecosystem for biotech related skills in India. We help create an enabling environment that molds everyone into highly capable, forward-looking self-starters, equipped with the skills, experience and knowledge to move India forward. Since November 2013, over 700 people have received rigorous academic learning and world class industrial training on applied aspects of various life sciences disciplines at the Biocon Academy, and all of them have earned placements in some of the top biotech companies in India. The programs we offer aim to empower biotechnology and engineering graduates. Through the Biocon Academy, we partner with esteemed international education institutions such as Keck Graduate Institute, California, to deliver industry-oriented training programs for biotech students.

To enrich student experience and learning outcomes, we continue to implement innovative learning methods such as industry-oriented case study discussions and comprehensive project-based learning programs. We have now launched a unique program in Global Regulatory Affairs (GRA) in partnership with the JSS Academy of Higher Education and Research (JSS AHER), Mysuru. This program is exclusively structured for students to develop knowledge on various regulatory practices, clinical development processes, submission of filings, regulation for drugs, biologics, and medical devices. In addition to partly funding the course fees, we sponsor facilities such as meals and transportation, which enable students to retain their focus on their training.

During FY22, 120+ students successfully graduated from the Academy and found jobs with leading biotech and biopharma companies in India including the Biocon Group-Bangalore, Chennai, Vizag and Hyderabad, Dr. Reddy's Labs, Hetero Drugs-Hyderabad; Intas Biopharma-Ahmedabad and Baxter- Gurugaun. We are proud to have maintained a 100 percent placement record in leading biotech and biopharma companies, including Biocon.

In addition to developing a talent pool for the industry, we are empowering many faculty members of the universities and colleges by imparting industry training in biopharmaceutical technologies. We are working closely with the Karnataka Science and Technology Academy

(KSTA), Association of Biotechnology Led Enterprises (ABLE) and Biotechnika to organize joint webinars and seminars, promoting biotechnology initiatives across the country. Over 20 faculty members from more than 10 universities and colleges across India and Malaysia also received training under the Biocon Academy Certificate Program in Faculty Development. For our efforts, we were awarded the 'Smart Bio Award' in 2021 by the Government of Karnataka under the 'Best Social Enterprise/Institute' category.



# ESG Scorecard

## Economic Performance:

Biocon Total refers to Biocon and Biocon Biologics (India and Malaysia).

\*Syngene is not included

| Economic Value Generated |           |                     |                     |
|--------------------------|-----------|---------------------|---------------------|
| Category                 | Unit      | Biocon Total (FY21) | Biocon Total (FY22) |
| Total Revenue            | ₹ Million | 51,114              | 56,849              |

| Economic Value Distributed and Retained               |           |                     |                     |
|---|-----------|---------------------|---------------------|
| Category  | Unit      | Biocon Total (FY21) | Biocon Total (FY22) |
| Total Operating cost                                  | ₹ Million | 29,518              | 34,648              |
| Total employee related expenses (salaries + benefits) | ₹ Million | 10,808              | 11,620              |
| Payments to providers of capital                      | ₹ Million | 0                   | 0                   |
| Payment to government                                 | ₹ Million | 1,220               | 1,367               |
| Community investments                                 | ₹ Million | 97                  | 114                 |
| Economic Value Retained                               | ₹ Million | 9,471               | 9,100               |

Data includes consolidated value excluding Syngene

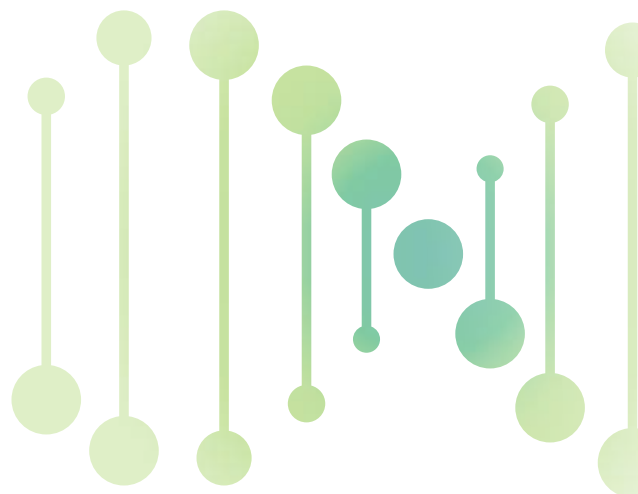
| Philanthropic Contributions |                      |                     |                     |
|-----------------------------|----------------------|---------------------|---------------------|
| Category                    | Unit                 | Biocon Total (FY21) | Biocon Total (FY22) |
| CSR expense                 | ₹ Million            | 98.6                | 113                 |
| Charitable donations        | % of total CSR spend | 12                  | 0                   |
| Community Investments       | % of total CSR spend | 88                  | 100                 |
| Political contributions     | ₹ Million            | 0                   | 0                   |

| Research and Development            |            |                     |                     |
|-------------------------------------|------------|---------------------|---------------------|
| Category                            | Unit       | Biocon Total (FY21) | Biocon Total (FY22) |
| Research & Development spending     | \$ Million | 75.56               | 78.37               |
| Research & Development spending     | ₹ Million  | 5,531               | 5,950               |
| R&D spending as percentage of Sales | %          | 11.23               | 11                  |
| No. of R&D positions                | No.        | 721                 | 1,057               |

| Fines/Settlements/Complaints  |      |                     |                     |
|---|------|---------------------|---------------------|
| Category  | Unit | Biocon Total (FY21) | Biocon Total (FY22) |
| Fines or settlements related to Anti-competitive practices  | ₹    | 0                   | 0                   |
| Ongoing investigations related to anti-competitive practices  | No.  | None                | None                |
| Confirmed cases of Corruption & Bribery   | No.  | 1                   | 0                   |
| Current involvement in any ongoing corruption and bribery cases   | No.  | None                | None                |
| Contributions to and spending for political campaigns, political organizations, lobbying, trade associations, tax-exempt entities | ₹    | 0                   | 0                   |
| No. of incidents of discrimination and harassment   | No.  | 1                   | 5                   |
| No. of complaints related to Child labour/Forced labour/ Involuntary labour   | No.  | 0                   | 0                   |
| Class I product recalls   | No.  | 0                   | 1                   |
| Class II product recalls  | No.  | 0                   | 0                   |
| Regulatory agency inspections   | No.  | 4                   | 6                   |
| Complaints concerning breaches of customer privacy and losses of customer data  | No.  | 0                   | 0                   |

## Environmental Performance\*

| Material Consumption        |              |                     |                     |
|-----------------------------|--------------|---------------------|---------------------|
| Category                    | Unit         | Biocon Total (FY21) | Biocon Total (FY22) |
| Raw materials               | tonnes/annum | 23,445              | 21,859              |
| Associated materials        | tonnes/annum | 6,536               | 6,164               |
| Semi-manufactured materials | tonnes/annum | 187                 | -                   |
| Packaging materials         | tonnes/annum | 84                  | 132                 |





| Energy Consumption                                 |            |                     |                     |
|--|------------|---------------------|---------------------|
| Category   | Unit       | Biocon Total (FY21) | Biocon Total (FY22) |
| Natural Gas  | MWh        | 201,198             | 226,790             |
| Diesel   | MWh        | 16,492              | 22,755              |
| Furnace oil  | MWh        | 233                 | 0                   |
| Coal   | MWh        | 9,782               | 11,192              |
| Wood Chips*  | MWh        | 1,581               | 1,665               |
| HSD*   | MWh        | 212                 | 206                 |
| LPG*   | MWh        | 2,083               | 1,546               |
| <b>Total Direct Energy</b>                         | <b>MWh</b> | <b>231,581</b>      | <b>264,154</b>      |
| Electricity purchased (from non-renewable sources) | MWh        | 141,700             | 137,200             |
| Electricity purchased (renewable sources)          | MWh        | 95,000              | 110,000             |
| <b>Total Indirect Energy</b>                       | <b>MWh</b> | <b>236,700</b>      | <b>247,200</b>      |
| Electricity purchased (renewable sources)          | MWh        | 95,000              | 110,000             |
| Biomass based Energy*                              | MWh        | 1,581               | 1,665               |
| <b>Total Renewable Energy</b>                      | <b>MWh</b> | <b>96,581</b>       | <b>111,665</b>      |

\*Only BBL Malaysia

| GHG Saving Initiatives^                                      |                  |                     |                     |
|--|------------------|---------------------|---------------------|
| Category   | Unit             | Biocon Total (FY21) | Biocon Total (FY22) |
| Green power (purchased)                                      | tCO <sub>2</sub> | 85,500              | 99,000              |
| Furnace oil offset due to natural gas use in steam in boiler | tCO <sub>2</sub> | 15,730              | 17,045              |
| Boiler economiser induced natural gas savings                | tCO <sub>2</sub> | 1,362               | 1,652               |
| Total carbon footprint reduction                             | tCO <sub>2</sub> | 102,592             | 117,697             |

^ BL+BBL India Operations'

| GHG emissions               |   |                     |                     |
|-----------------------------|---|---------------------|---------------------|
| Category                    | Unit                                      | Biocon Total (FY21) | Biocon Total (FY22) |
| Scope 1: Direct emissions   | tCO <sub>2</sub>                          | 55,997              | 62,253              |
| Scope 2: Indirect emissions | tCO <sub>2</sub>                          | 127,530             | 123,480             |
| Total GHG emissions         | tCO <sub>2</sub>                          | 183,527             | 185,733             |
| GHG emission intensity      | tCO <sub>2</sub> eq/Revenue in Million ₹* | 3.59                | 3.27                |

\* Exchange rate used: INR 77.77 to USD 1

| Emissions of ozone-depleting substances (ODS) |        |                     |                     |
|---|--------|---------------------|---------------------|
| Category                                      | Unit   | Biocon Total (FY21) | Biocon Total (FY22) |
| HCFC-22 or R-22                               | tonnes | 0.15                | 0.7                 |

| Air Pollutant Management |              |                     |                     |
|--------------------------|--------------|---------------------|---------------------|
| Category                 | Unit         | Biocon Total (FY21) | Biocon Total (FY22) |
| Particulate matter (PM)  | tonnes/annum | 19.20               | 31.2**              |
| Nitrogen Oxide (NOx)     | tonnes/annum | 0.60                | 0.76**              |
| Sulfur Oxide             | tonnes/annum | 13.58               | 9.4**               |

\*Excludes BBL Malaysia

\*\*BBL Malaysia: PM, NOx and SOx levels are monitored and are within the regulatory limit

| Water Sourcing and discharge                             |                        |                     |                     |
|--|------------------------|---------------------|---------------------|
| Category   | Unit                   | Biocon Total (FY21) | Biocon Total (FY22) |
| Municipal water supplies (or from other water utilities) | million m <sup>3</sup> | 1.74                | 1.71                |
| Fresh surface water (lakes, rivers, etc.)                | million m <sup>3</sup> | 0.00                | 0                   |
| Fresh groundwater  | million m <sup>3</sup> | 0.00                | 0                   |
| Total Withdrawal   | million m <sup>3</sup> | 1.74                | 1.71                |
| Discharge post treatment                                 | million m <sup>3</sup> | 0                   | 0                   |
| Treated wastewater recycled                              | %                      | 100                 | 100                 |

\*2 Sites in India (Hyd and Vizag) and Biocon Malaysia send wastewater to Common Effluent treatment plant (CETP) for further treatment

| Waste generation and disposal and method* |           |                     |                     |
|---|-----------|---------------------|---------------------|
| Category                                  | Unit      | Biocon Total (FY21) | Biocon Total (FY22) |
| <b>Hazardous</b>                          | <b>MT</b> | <b>17,147</b>       | <b>24,748</b>       |
| Authorised BMW waste handler              | MT        | 30                  | 160                 |
| Authorised disposal agency                | MT        | 1,059               | 8,548               |
| Authorised e-waste recycler               | MT        | 3                   | 10                  |
| Authorised recycler                       | MT        | 10,109              | 10,463              |
| Authorised reprocessor                    | MT        | 23                  | 157                 |
| Authorised TSDF                           | MT        | 4,868               | 4,774               |
| incineration/co-processing                | MT        | 1,056               | 628                 |

\*BL and BBL (India+Malaysia)

| Waste generation and disposal and method* |  |           |                     |                     |
|---|--|-----------|---------------------|---------------------|
| Category                                  |  | Unit      | Biocon Total (FY21) | Biocon Total (FY22) |
| <b>Non-Hazardous</b>                      |  | <b>MT</b> | <b>9,735</b>        | <b>11,154</b>       |
| Authorised disposal agency                |  | MT        | 1,351               | -                   |
| Authorised recycler                       |  | MT        | 220                 | 1,843               |
| Composting                                |  | MT        | 88                  | 0                   |
| Co Processing                             |  | MT        | 5,929               | 7,153               |
| Recycling or reuse                        |  | MT        | 2,147               | 2,158               |

\*BL and BBL (India+Malaysia)

## Social Performance

| Employee Information      |           |      |                     |                     |
|---------------------------|-----------|------|---------------------|---------------------|
| Category                  | Employees | Unit | Biocon Total (FY21) | Biocon Total (FY22) |
| Senior management (L12+)  | Male      | No.  | 124                 | 137                 |
|                           | Female    | No.  | 19                  | 20                  |
|                           | <30       | No.  | 0                   | 0                   |
|                           | 30-50     | No.  | 88                  | 103                 |
|                           | >50       | No.  | 55                  | 54                  |
| Middle management (L5-11) | Male      | No.  | 2,910               | 3,107               |
|                           | Female    | No.  | 466                 | 525                 |
|                           | <30       | No.  | 143                 | 218                 |
|                           | 30-50     | No.  | 3,105               | 3,322               |
|                           | >50       | No.  | 128                 | 92                  |
| Junior management (L1-L4) | Male      | No.  | 3,784               | 4,014               |
|                           | Female    | No.  | 869                 | 986                 |
|                           | <30       | No.  | 2,518               | 3,034               |
|                           | 30-50     | No.  | 2,114               | 1,955               |
|                           | >50       | No.  | 21                  | 11                  |
| Contractual employees     | Male      | No.  | 1,611               | 1,687               |
|                           | Female    | No.  | 460                 | 469                 |
|                           | <30       | No.  | 1,001               | 948                 |
|                           | 30-50     | No.  | 1,087               | 1,131               |
|                           | >50       | No.  | 69                  | 77                  |

| New Employee Hires        |           |      |                     |                     |
|---------------------------|-----------|------|---------------------|---------------------|
| Category                  | Employees | Unit | Biocon Total (FY21) | Biocon Total (FY22) |
| Senior management (L12+)+ | Male      | No.  | 52                  | 34                  |
|                           | Female    | No.  | 12                  | 4                   |
|                           | <30       | No.  | 0                   | 0                   |
|                           | 30-50     | No.  | 50                  | 26                  |
|                           | >50       | No.  | 14                  | 12                  |
| Middle management (L5-11) | Male      | No.  | 571                 | 713                 |
|                           | Female    | No.  | 97                  | 168                 |
|                           | <30       | No.  | 58                  | 135                 |
|                           | 30-50     | No.  | 607                 | 739                 |
|                           | >50       | No.  | 3                   | 7                   |
| Junior management (L1-L4) | Male      | No.  | 287                 | 1,465               |
|                           | Female    | No.  | 52                  | 422                 |
|                           | <30       | No.  | 228                 | 1586                |
|                           | 30-50     | No.  | 105                 | 301                 |
|                           | >50       | No.  | 6                   | 0                   |

| Employee Turnover         |           |      |                     |                     |
|---------------------------|-----------|------|---------------------|---------------------|
| Category                  | Employees | Unit | Biocon Total (FY21) | Biocon Total (FY22) |
| Senior management (L12+)  | Male      | No.  | 17                  | 34                  |
|                           | Female    | No.  | 3                   | 5                   |
|                           | <30       | No.  | 0                   | 0                   |
|                           | 30-50     | No.  | 12                  | 28                  |
|                           | >50       | No.  | 8                   | 11                  |
| Middle management (L5-11) | Male      | No.  | 302                 | 709                 |
|                           | Female    | No.  | 66                  | 149                 |
|                           | <30       | No.  | 15                  | 80                  |
|                           | 30-50     | No.  | 342                 | 761                 |
|                           | >50       | No.  | 11                  | 17                  |
| Junior management (L1-L4) | Male      | No.  | 522                 | 1,028               |
|                           | Female    | No.  | 120                 | 265                 |
|                           | <30       | No.  | 373                 | 799                 |
|                           | 30-50     | No.  | 268                 | 491                 |
|                           | >50       | No.  | 1                   | 3                   |



| Workforce Breakdown: Gender   |      |                     |                     |
|---|------|---------------------|---------------------|
| Category  | Unit | Biocon Total (FY21) | Biocon Total (FY22) |
| No. of women in total permanent workforce   | No.  | 1,354               | 1,531               |
| Percentage of women in total permanent workforce (as % of total permanent workforce)  | %    | 17%                 | 17%                 |
| No. of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions   | No.  | 2                   | 4                   |
| Percentage of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions) | %    | 0.02%               | 0.05%               |

| Trainings Man Hours       |  | Total Training Hours by Grade |         | Average Training Hours by Grade |       |
|---------------------------|--|-------------------------------|---------|---------------------------------|-------|
| Category                  |  | FY21                          | FY22    | FY21                            | FY22  |
| Senior management (L12+)  |  | 1,375                         | 1,557   | 9.62                            | 10.52 |
| Middle management (L5-11) |  | 91,861                        | 67,366  | 27.21                           | 18.64 |
| Junior management (L1-L4) |  | 159,957                       | 109,341 | 34.38                           | 21.95 |
| <b>Total</b>              |  | 253,193                       | 178,264 | 31                              | 20.40 |

|        |       | Total Training Hours by Gender |         | Average Training Hours by Gender |      |
|--------|-------|--------------------------------|---------|----------------------------------|------|
| Gender | Unit  | FY21                           | FY22    | FY21                             | FY22 |
| Male   | Hours | 219,108                        | 131,223 | 32                               | 17   |
| Female | Hours | 34,538                         | 47,559  | 26                               | 26   |

| Parental Leave*   |      | FY 2020-21    |                         | FY 2021-22    |                         |
|---|------|---------------|-------------------------|---------------|-------------------------|
| Category  | Unit | Biocon, India | Biocon Biologics, India | Biocon, India | Biocon Biologics, India |
| Employees entitled for maternity leave  | No.  | 351           | 702                     | 486           | 813                     |
| Employees that took maternity leave   | No.  | 18            | 30                      | 25            | 28                      |
| Employees that returned to work in the reporting period after maternity leave ended                                       | No.  | 16            | 13                      | 21            | 24                      |
| Employees that returned to work after maternity leave ended that were still employed 12 months after their return to work | No.  | 14            | 13                      | 21            | 24                      |
| Rate of Return to work that took maternity leave  | %    | 89%           | 100%                    | 84%           | 86%                     |
| Retention rates of employees that took maternity leave  | %    | 0             | 0                       | 0             | 0                       |

\*Parental leave includes maternity leaves only

| Health and Safety   |      | Biocon Total (FY21) | Biocon Total (FY22) |
|---|------|---------------------|---------------------|
| Category  | Unit | Biocon Total        | Biocon Total        |
| Fatalities  | No.  | 0                   | 0                   |
| Near miss incidents   | No.  | 47                  | 96                  |
| Occupational disease cases  | No.  | 0                   | 0                   |
| Man hours worked  | No.  | 24,627,456          | 24,454,656          |
| Total working days scheduled to be worked by the workforce                            | No.  | 288                 | 288                 |
| Injuries (Total)  | No.  | 53                  | 37                  |
| Note: Only lost time injuries will be considered here. As per internal classification |      |                     |                     |
| Lost time injury frequency rate (LTIFR)   | Rate | 2.15                | 1.51                |

| Suppliers and Procurement spend                                    |           |                     |                     |  |
|--|-----------|---------------------|---------------------|--|
| Category   | Unit      | Biocon Total (FY21) | Biocon Total (FY22) |  |
| Total Suppliers  | No.       | 1,308               | 1,194               |  |
| Critical suppliers   | No.       | 304                 | 296                 |  |
| Non-Critical Suppliers   | No.       | 1,004               | 898                 |  |
| Total Procurement spend  | Million ₹ | 17,870              | 20,700              |  |
| Procurement spend on Critical Suppliers                            | Million ₹ | 16,250              | 18,120              |  |
| Procurement spend on Non-Critical Suppliers                        | Million ₹ | 1,620               | 2,580               |  |
| Procurement spend on locally based suppliers                       | Million ₹ | 4,210               | 5,520               |  |
| Procurement spend on locally based suppliers(%)                    | %         | 24%                 | 27%                 |  |
| No of Tier 1 suppliers identified for sustainability high-risk     | No.       | 0                   | 0                   |  |
| No of Non-Tier 1 suppliers identified for sustainability high-risk | No.       | 0                   | 0                   |  |



| Benefits provided to Permanent employees and Temporary employees*                             | Biocon Total (FY22) |  |
|---|---------------------|--|
|   | Permanent Employees | Contractors                                    |
| Life insurance  | Yes                 | No   |
| Health insurance  | Yes                 | Yes (for those who are not covered under ESIC) |
| Accident insurance  | Yes                 | Yes (covered under ESIC)                       |
| Parental Medical Insurance (including paternity leave option from Biocon Biologics, Malaysia) | Yes                 | Yes (covered under ESIC)                       |
| Disability  | Yes                 | Yes (covered under ESIC)                       |
| Parental leave (**maternity leave or paternity leave)   | Yes                 | Yes  |
| Marriage leave (additional to Normal leaves allotted)   | No                  | No   |
| Bereavement leave (additional to Normal leaves allotted)                                      | Yes                 | No   |
| Leave for Haj (additional to Normal leaves allotted)  | No                  | No   |
| Leave for Baptism (additional to Normal leaves allotted)                                      | No                  | No   |
| Leave for Circumcision Ceremony (additional to Normal leaves allotted)                        | No                  | No   |
| Retirement provision  | No                  | No   |
| Stock ownership   | *Yes                | No   |
| Transportation  | Yes                 | Yes  |
| Housing   | No                  | No   |
| Food allowance  | Yes                 | Yes  |
| Extra paid holidays   | Yes                 | Yes  |
| Citizenship leave   | No                  | No   |
| Children Education Reimbursement  | Yes                 | No   |
| Higher Education Policy   | Yes                 | No   |
| Day care facilities   | Yes                 | Yes  |
| Employee Car Scheme policies  | Yes                 | No   |

\*For select cadres of employees

\*\*Maternity, surrogacy and adoption

# GRI Standards Index

| GRI Classification References |               |   |                                      |                                |
|-------------------------------|---------------|---|--------------------------------------|--------------------------------|
| Classification                | GRI Standards | Disclosures   | Report Section/<br>Chapters          | GRI index<br>(reference pages) |
| Organizational<br>Profile     | 102-1         | Name of the organization  | About the Report                     | 4                              |
|                               | 102-2         | Activities, brands, products & services                                       | Our Transformative story             | 6-9                            |
|                               | 102-3         | Location of headquarters  | Our Transformative story             | 6-8                            |
|                               | 102-4         | Location of operations  | Our Transformative story             | 6-8                            |
|                               | 102-5         | Ownership and legal form  | About the Report                     | 4                              |
|                               | 102-6         | Markets served  | Our Transformative story             | 6-9                            |
|                               | 102-7         | Scale of the organization   | Our Transformative story             | 6-9                            |
|                               | 102-8         | Information on employees and other workers                                    | Transforming the workplace           | 46-49                          |
|                               | 102-9         | Supply chain  | Partnership in Action, ESG Scorecard | 40-44, 79                      |
|                               | 102-10        | Significant changes to the organization and its supply chain                  | Partnership in Action                | 40-44                          |
|                               | 102-11        | Precautionary Principle or approach   | Governance in action                 | 30-37                          |
|                               | 102-12        | External Initiatives  | Transformation progress in action    | 20-23                          |
|                               | 102-13        | Membership of associations  | Partnership in action                | 40-43                          |
| Strategy                      | 102-14        | Statement from Senior decision maker  | Statements from the Leadership       | 10-18                          |
|                               | 102-15        | Key impacts, risks, and opportunities   | Transformational progress in Action  | 20-23                          |
| Ethics and Integrity          | 102-16        | Values, principles, standards, and norms of behaviour                         | Governance in Action                 | 31-37                          |
|                               | 102-17        | Mechanisms for advice and concerns about ethics                               | Governance in Action                 | 31-37                          |
| Governance                    | 102-18        | Governance structure  | Governance in Action                 | 31-37                          |
|                               | 102-19        | Delegating authority  | Governance in Action                 | 31-37                          |
|                               | 102-20        | Executive-level responsibility for economic, environmental, and social topics | Our Transformative story             | 6-8                            |



| GRI Classification References |               |  |   |                                |
|-------------------------------|---------------|--|---|--------------------------------|
| Classification                | GRI Standards | Disclosures  | Report Section/<br>Chapters                       | GRI index<br>(reference pages) |
| Governance                    | 102-21        | Consulting stakeholders on economic, environmental, and social topics    | Materiality assessment and stakeholder engagement | 37                             |
|                               | 102-22        | Composition of the highest governance body and its committees            | Governance in Action                              | 31-37                          |
|                               | 102-23        | Chair of the highest governance body                                     | Governance in Action                              | 31-37                          |
|                               | 102-24        | Nominating and selecting the highest governance body                     | Governance in Action                              | 31-37                          |
|                               | 102-25        | Conflicts of interest  | Governance in Action                              | 31-37                          |
|                               | 102-26        | Role of highest governance body in setting purpose, values, and strategy | Governance in Action                              | 31-37                          |
|                               | 102-27        | Collective knowledge of highest governance body                          | Governance in Action                              | 31-37                          |
|                               | 102-28        | Evaluating the highest governance body's performance                     | Governance in Action                              | 31-37                          |
|                               | 102-29        | Identifying and managing economic, environmental, and social impacts     | Governance in Action                              | 31-37                          |
|                               | 102-30        | Effectiveness of risk management processes                               | Governance in Action                              | 31-37                          |
|                               | 102-31        | Review of economic, environmental, and social topics                     | Governance in Action                              | 31-37                          |
|                               | 102-32        | Highest governance body's role in sustainability reporting               | Governance in Action                              | 31-37                          |
|                               | 102-33        | Communicating critical concerns  | Governance in Action                              | 31-37                          |
|                               | 102-35        | Remuneration policies  | Governance in action                              | 31-35                          |
|                               | 102-36        | Process for determining remuneration                                     | Governance in action                              | 31-35                          |
|                               | 102-37        | Stakeholders Involvement in remuneration                                 | Governance in action                              | 31-35                          |

| GRI Classification References |               |  |   |                                |
|-------------------------------|---------------|--|---|--------------------------------|
| Classification                | GRI Standards | Disclosures  | Report Section/<br>Chapters                       | GRI index<br>(reference pages) |
| Stakeholder Engagement        | 102-40        | List of stakeholder groups                               | Materiality assessment and stakeholder engagement | 37                             |
|                               | 102-42        | Identifying and selecting stakeholders                   | Materiality assessment and stakeholder engagement | 37                             |
|                               | 102-43        | Approach to stakeholder engagement                       | Materiality assessment and stakeholder engagement | 37                             |
|                               | 102-44        | Key topics and concerns raised                           | Materiality assessment and stakeholder engagement | 37                             |
| Reporting Practice            | 102-45        | Entities included in the Total financial statements      | About the Report                                  | 4                              |
|                               | 102-46        | Defining report content and topic boundaries             | About the Report                                  | 4                              |
|                               | 102-47        | List of material topics                                  | Materiality assessment and stakeholder engagement | 37                             |
|                               | 102-48        | Restatements of information                              | NA  | -                              |
|                               | 102-49        | Changes in reporting                                     | About the Report                                  | 4                              |
|                               | 102-50        | Reporting period   | About the Report                                  | 4                              |
|                               | 102-51        | Date of most recent report                               | About the Report                                  | 4                              |
|                               | 102-52        | Reporting cycle  | About the Report                                  | 4                              |
|                               | 102-53        | Contact point for questions regarding the report         | About the Report                                  | 4                              |
|                               | 102-54        | Claims of reporting in accordance with the GRI Standards | About the Report                                  | 4                              |
|                               | 102-55        | GRI content index  | GRI Index   | 81                             |
|                               | 102-56        | External assurance                                       | NA  | -                              |
| Management Approach           | 103-1         | Explanation of the material topic and its boundary       | About the Report                                  | 4                              |
|                               | 103-2         | The management approach and its components               | About the Report                                  | 4                              |

| GRI Classification References                 |               |  |  |                                |
|---|---------------|--|--|--------------------------------|
| Classification                                | GRI Standards | Disclosures  | Report Section/<br>Chapters            | GRI index<br>(reference pages) |
| <b>GRI 200 Economic Standard Series</b>       |               |  |  |                                |
| <b>Economic Performance</b>                   |               |  |  |                                |
| <b>Indirect Economic Impact</b>               |               |  |  |                                |
| GRI 201:<br>Economic<br>Performance           | 201-1         | Direct economic value<br>generated and distributed                                       | ESG Scorecard                          | 72                             |
|   | 201-3         | Defined benefit plan<br>obligations and other<br>retirement plans                        | ESG Scorecard                          | 80                             |
| <b>Procurement Practices</b>                  |               |  |  |                                |
| GRI 204:<br>Procurement<br>Practices          | 204-1         | Proportion of spending<br>on local suppliers   | ESG Scorecard                          | 79                             |
| <b>Anti-corruption</b>                        |               |  |  |                                |
| GRI 205: Anti-<br>corruption                  | 205-1         | Operations assessed for<br>risks related to corruption                                   | Governance in Action                   | 35                             |
|   | 205-2         | Communication and<br>training about anti-<br>corruption policies and<br>procedures       | Governance in Action                   | 35                             |
|   | 205-3         | Confirmed incidents of<br>corruption and actions<br>taken                                | ESG Scorecard                          | 73                             |
| <b>Anti-competitive Behavior</b>              |               |  |  |                                |
| GRI 206: Anti-<br>competitive<br>Behavior     | 206-1         | Legal actions for anti-<br>competitive behavior,<br>antitrust, and monopoly<br>practices | Governance in action, ESG<br>Scorecard | 35, 73                         |
| <b>GRI 300 Environmental Standards Series</b> |               |  |  |                                |
| <b>Materials</b>                              |               |  |  |                                |
| GRI 301:<br>Materials                         | 301-1         | Materials used by weight<br>or volume  | ESG Scorecard                          | 73                             |
| <b>Energy</b>                                 |               |  |  |                                |
| GRI 302: Energy                               | 302-1         | Energy consumption<br>within the organization  | ESG Scorecard                          | 73                             |
|   | 302-3         | Energy intensity   | ESG Scorecard                          | 73                             |
| <b>Water</b>                                  |               |  |  |                                |
| GRI 303: Water                                | 303-1         | Water withdrawal by<br>source  | ESG Scorecard                          | 75                             |
|   | 303-2         | Water sources<br>significantly affected by<br>the withdrawal of water                    | ESG Scorecard                          | 75                             |
|   | 303-3         | Water recycled   | ESG Scorecard                          | 75                             |

| GRI Classification References                 |               |  |   |                                |
|---|---------------|--|---|--------------------------------|
| Classification                                | GRI Standards | Disclosures  | Report Section/<br>Chapters                           | GRI index<br>(reference pages) |
| <b>Emissions</b>                              |               |  |   |                                |
| GRI 305:<br>Emissions                         | 305-1         | Direct (Scope 1) GHG emissions   | ESG Scorecard   | 74                             |
|   | 305-2         | Energy indirect (Scope 2) GHG emissions  | ESG Scorecard   | 74                             |
|   | 305-4         | GHG emissions intensity  | ESG Scorecard   | 74                             |
|   | 305-5         | Reduction of GHG emissions   | Responsible action towards environment                | 63                             |
|   | 305-7         | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions                    | ESG Scorecard   | 75                             |
| <b>Effluents and Waste</b>                    |               |  |   |                                |
| GRI 306:<br>Effluents and Waste               | 306-1         | Water discharge by quality and destination   | Responsible action towards environment, ESG Scorecard | 58-64, 75                      |
|   | 306-2         | Waste by type and disposal method  | ESG Scorecard   | 75-76                          |
|   | 305-5         | Water bodies affected by water discharges and/or runoff  | Responsible action towards environment                | 58-64                          |
| <b>Environmental Compliance</b>               |               |  |   |                                |
| GRI 307:<br>Environmental Compliance          | 307-1         | Non-compliance with environmental laws and regulations   | Responsible action towards environment                | 58-64                          |
| <b>Supplier Environmental Assessment</b>      |               |  |   |                                |
| GRI 308:<br>Supplier Environmental Assessment | 308-1         | New suppliers that were screened using environmental criteria                                      | Responsible action towards environment, ESG Scorecard | 58-64, 79                      |
| <b>GRI 400 Social Standards Series</b>        |               |  |   |                                |
| <b>Employment</b>                             |               |  |   |                                |
| GRI 401:<br>Employment                        | 401-1         | New employee hires and employee turnover   | ESG Scorecard   | 76-77                          |
|   | 401-2         | Benefits provided to full-time employees that are not provided to temporary or part-time employees | ESG Scorecard   | 80                             |
|   | 401-3         | Parental leave   | ESG Scorecard   | 78                             |



| GRI Classification References                     |               |   |  |                                |
|---|---------------|---|--|--------------------------------|
| Classification                                    | GRI Standards | Disclosures   | Report Section/<br>Chapters                  | GRI index<br>(reference pages) |
| <b>Occupational Health and Safety</b>             |               |   |  |                                |
| GRI 403:<br>Occupational<br>Health and<br>Safety  | 403-1         | Workers representation<br>in formal joint<br>management-worker<br>health and safety<br>committees   | Transforming our<br>workplace                | 55-56                          |
|   | 403-2         | Types of injury and rates<br>of injury, occupational<br>diseases, lost days, and<br>absenteeism, and number<br>of work-related fatalities | Transforming our<br>workplace, ESG Scorecard | 55-56, 79                      |
|   | 403-3         | Workers with high<br>incidence or high risk of<br>diseases related to their<br>occupation   | Transforming our<br>workplace, ESG Scorecard | 55-56, 79                      |
| <b>Training and Education</b>                     |               |   |  |                                |
| GRI 404:<br>Training and<br>Education             | 404-1         | Average hours of training<br>per year per employee  | ESG Scorecard                                | 78                             |
|   | 404-2         | Programs for upgrading<br>employee skills and<br>transition assistance<br>programs  | Transforming our<br>workplace                | 46-56                          |
|   | 404-3         | Percentage of employees<br>receiving regular<br>performance and career<br>development reviews   | Transforming our<br>workplace                | 48-49                          |
| <b>Diversity and Equal Opportunity</b>            |               |   |  |                                |
| GRI 405:<br>Diversity<br>and Equal<br>Opportunity | 405-1         | Diversity of governance<br>bodies and employees   | Governance in Action                         | 31-35                          |
| <b>Non-Discrimination</b>                         |               |   |  |                                |
| GRI 406: Non-<br>Discrimination                   | 406-1         | Incidents of discrimination<br>and corrective actions<br>taken  | ESG Scorecard                                | 73                             |
| <b>Child Labor</b>                                |               |   |  |                                |
| GRI 408: Child<br>Labor                           | 408-1         | Operations and suppliers<br>at significant risk for<br>incidents of child labor   | Partnership in Action, ESG<br>Scorecard      | 40-44, 79                      |

| GRI Classification References       |               |   |   |                                |
|-------------------------------------|---------------|---|---|--------------------------------|
| Classification                      | GRI Standards | Disclosures   | Report Section/<br>Chapters               | GRI index<br>(reference pages) |
| <b>Forced or Compulsory Labor</b>   |               |   |   |                                |
| GRI 409: Forced or Compulsory Labor | 409-1         | Operations and suppliers at significant risk for incidents of forced or compulsory labor      | Partnership in Action, ESG Scorecard      | 40-44, 79                      |
| <b>Human Rights Assessment</b>      |               |   |   |                                |
| GRI 412: Human Rights Assessment    | 412-1         | Operations that have been subject to human rights reviews or impact assessments               | Governance in action ESG Scorecard        | 30-35, 73                      |
|                                     | 412-2         | Employee training on human rights policies or procedures                                      | Governance in action                      | 34                             |
| <b>Local Communities</b>            |               |   |   |                                |
| GRI 413: Local Communities          | 413-1         | Operations with local community engagement, impact assessments, and development programs      | Transforming our communities              | 66-71                          |
|                                     | 413-2         | Operations with significant actual and potential negative impacts on local communities        | Transforming our communities              | 66-71                          |
| <b>Supplier Social Assessment</b>   |               |   |   |                                |
| GRI 413: Supplier Social Assessment | 414-1         | New suppliers that were screened using social criteria  | Partnership in Action, ESG Scorecard      | 40-44, 79                      |
| <b>Public Policy</b>                |               |   |   |                                |
| GRI 415: Public Policy              | 415-1         | Political contributions   | ESG Scorecard                             | 72                             |
| <b>Customer Health and Safety</b>   |               |   |   |                                |
| GRI 416: Customer Health and Safety | 416-1         | Assessment of the health and safety impacts of product and service categories                 | Transforming the workplace                | 73                             |
|                                     | 416-2         | Incidents of non-compliance concerning the health and safety impacts of products and services | Transforming the workplace, ESG Scorecard | 73                             |

| GRI Classification References         |               |   |                             |                                |
|---------------------------------------|---------------|---|-----------------------------|--------------------------------|
| Classification                        | GRI Standards | Disclosures   | Report Section/<br>Chapters | GRI index<br>(reference pages) |
| <b>Marketing and Labeling</b>         |               |   |                             |                                |
| GRI 417:<br>Marketing and<br>Labeling | 417-1         | Requirements for product<br>and service information<br>and labeling                                   | Our Transformative story    | 6-7                            |
|                                       | 417-2         | Incidents of non-<br>compliance concerning<br>product and service<br>information and labeling         | ESG Scorecard               | 73                             |
|                                       | 417-3         | Incidents of non-<br>compliance<br>concerning marketing<br>communications                             | ESG Scorecard               | 73                             |
| <b>Customer Privacy</b>               |               |   |                             |                                |
| GRI 418:<br>Customer<br>Privacy       | 418-1         | Substantiated complaints<br>concerning breaches of<br>customer privacy and<br>losses of customer data | ESG Scorecard               | 73                             |

# BRSR Index

## Section A: General Disclosures

### 1. Details of the listed entity

|   |   |
|---|---|
| Corporate Identity Number (CIN) of the Listed Entity  | L24234KA1978PLC003417   |
| Name of the Listed Entity   | Biocon Limited  |
| Year of incorporation   | 1978  |
| Registered office address   | 20th KM Hosur Road, Electronic City, Bengaluru – 560 100, India   |
| Corporate address   | 20th KM Hosur Road, Electronic City, Bengaluru – 560 100, India   |
| E-mail  | co.secretary@biocon.com   |
| Telephone   | +91 80 2808 2808 /<br>+91 80 4014 4014  |
| Website   | www.biocon.com  |
| Financial year for which reporting is being done  | FY 2021-22  |
| Name of the Stock Exchange(s) where shares are listed   | BSE Limited<br>National Stock Exchange of India Limited   |
| Paid-up Capital   | INR 600,30,00,000   |
| Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report  | Mr. Mayank Verma<br>Email: co.secretary@biocon.com  |
| Reporting boundary<br>Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | The reporting boundary for this BRSR Report includes Biocon Limited (BL) and Biocon Biologics Limited (India and Malaysia) (BBL), excluding Syngene International, for the period from 1st April, 2021 to 31st March, 2022. The entities will collectively be referred to as the 'Company' for the length of this report, unless specified otherwise. |



## 2. Products/services

### 2.1. Details of business activities (accounting for 90% of the turnover):

Please refer to page numbers 6 - 9 for an overview of the Company's services which constitute over 90% of the turnover.\*

\*Research services of the Company are undertaken by subsidiary Syngene International Limited. Syngene is excluded from the remainder of this report.

### 2.2. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/Service   | NIC Code* | % of total turnover contributed |
|--------|---|-----------|---------------------------------|
| 1      | Manufacture of pharmaceuticals, medicinal chemical and botanical products | 021       | 100                             |

\*As per National Industrial Classification – Ministry of Statistics and Programme Implementation medicinal chemical and botanical products

## 3. Operations

### 3.1 Number of locations where plants and/or operations/offices of the entity are situated:

| Location      | Number of plants/offices   | Number of offices | Total |
|---------------|--|-------------------|-------|
| National      | 3 Manufacturing Locations (1 plant - Bengaluru, 2 plants - Hyderabad, Vizag)                             | 18                | 21    |
| International | United States of America, Switzerland, United Kingdom, United Arab Emirates, Brazil, Malta and Singapore | 11                | 12    |

### 3.2. Markets served by the entity:

#### (a) Number of locations

Please refer to page numbers 6 - 9 for information on the number of national and international locations the Company has offices/operations.

### 3.3 What is the contribution of exports as a percentage of the total turnover of the entity?

Over 54% of the Company's total revenue can be attributed to its earnings from exports.

#### (b) A brief on types of customers

The Company is invested in cutting-edge science, key research partnerships and global manufacturing scale to expand its reach and develop products that address unmet patient needs. Its customers fall under two broad categories:

##### Healthcare providers

The Company is focused on delivering high-quality therapies to partners and healthcare systems across the globe.

It has leveraged its unique strength in fermentation technology to develop a differentiated portfolio of generic Active Pharmaceutical Ingredients (API) which are used in a variety of therapy areas, including cardiology, immunosuppressants, anti-diabetics, multiple sclerosis and cancer. The APIs developed by the Company have found application in high quality drugs that treat oncology,

cardiology, CNS and neurology, orthopedic, pulmonology, gastroenterology, nephrology ophthalmology, and endocrinology conditions. The Company supplies statins, immunosuppressants, cardiovascular drugs and other APIs to over 100 countries and has accomplished 33 filings and received 14 approvals for APIs globally.

Biocon operates its biosimilar business through its subsidiary Biocon Biologics Limited (BBL). We develop high-quality, affordable biosimilars that can expand access to cutting-edge therapeutics for patients globally at our R&D sites in Bengaluru and Chennai (India). These are manufactured at scale for both developed and emerging markets in Bengaluru (India) and Johor (Malaysia). Our products are marketed globally through a hybrid commercial model, wherein we have direct commercial presence in a few countries and in others, we leverage partners such as Viartis to expand patient reach.

## Patients

We discover, develop, and deliver affordable medicines that help transform patient lives. Patients' health and wellbeing are our top priority. Our products are helping enhance the healthcare process in both developed and developing countries, furthering our goal of achieving health equity for all.

Our commitment is to deliver medicines to a vast proportion of people and ensure better patient outcomes. Over the past 20 years, Biocon has leveraged India's value advantage of scientific talent and advanced manufacturing to deliver scale, speed and quality that enabled affordable access to complex therapies for chronic conditions. Through our generics, biosimilars and novel biologics we have strengthened our value proposition to reflect our four strategic pillars: accessibility, affordability, availability, and assurance.

Our global portfolio of APIs has catered to over 700 pharma companies, with an impeccable track record of quality, safety, and reliability, for the past 20 years.

The Company's biosimilar portfolio has benefitted over 5.3 million Patients worldwide in FY22.

Biocon's subsidiary Biocon Biologics has launched a special program, 'Mission 10 cents,' to offer governments of Low- and Middle-Income Countries (LMIC) (specifically in the Philippines and Tanzania) its products for less than 10 U.S. cents a day.

## 4. Employees

### 4.1 Details as at the end of Financial Year: Employees and workers (including differently abled):

For information on the employee force at the Company, please refer to page number 76 of this Report.

Note: The Company does not have any 'Workers' as defined in the guidance note on BRSR

### 4.2. Differently abled Employees and workers

| S. No                       | Particulars                               | Total<br>(A) | No. (B) | Male<br>% (B / A) | No. (C) | Female<br>% (C / A) |
|-----------------------------|---|--------------|---------|-------------------|---------|---------------------|
| Differently abled employees |   |              |         |                   |         |                     |
| 1.                          | Permanent (D)                             | 2            | 2       | 100%              | -       | -                   |
| 2.                          | Other than Permanent (E)                  | -            | -       | -                 | -       | -                   |
| 3.                          | Total differently abled employees (D + E) | 2            | 2       | 100%              | -       | -                   |

\*Data excludes BBL Malaysia numbers

Note: The Company does not have any 'Workers' as defined in the guidance note on BRSR

#### 4.3. Participation/Inclusion/Representation of women

|                          | Total<br>(A) | No. and percentage of Females |           |
|--------------------------|--------------|-------------------------------|-----------|
|                          |              | No. (B)                       | % (B / A) |
| Board of Directors*      | 9            | 2                             | 22%       |
| Key Management Personnel | 4            | 1                             | 25%       |

\*Note: Dr. Kiran Mazumdar Shaw, Executive Chairperson and Mr. Siddharth Mittal, Managing Director & CEO, are members of the Board of Directors and are also considered Key Managerial Personnel.

#### 4.4. Turnover rate for permanent employees

Please refer to page number 48 & 77 of the Report for details on the turnover rate of the Company's employees.

### 5. Holding, Subsidiary and Associate Companies (including joint ventures)

#### 5.1. Names of holding / subsidiary / associate companies / joint ventures

| Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture   | % of shares held by listed entity  | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---|--|--|--|
| The company is associated with 22 entities                                  | Of the 22 entities, 20 are subsidiaries while Bicara is an associate and Neo Biocon is a joint venture | The % of shares held by the Company is present in the independent financial statements.<br><a href="https://archive.biocon.com/biocon_invrelation_subsidary.asp">https://archive.biocon.com/biocon_invrelation_subsidary.asp</a> | Yes, Biocon Academy (Non-Profit company), subsidiary of the Company, participates in the BR initiatives of the Company.      |

### 6. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) -Yes

(ii) Turnover (in Rs.) - 17,382 Mn

(iii) Net worth (in Rs.) - 80,929 Mn

\*Data for turnover and Net worth are standalone figures

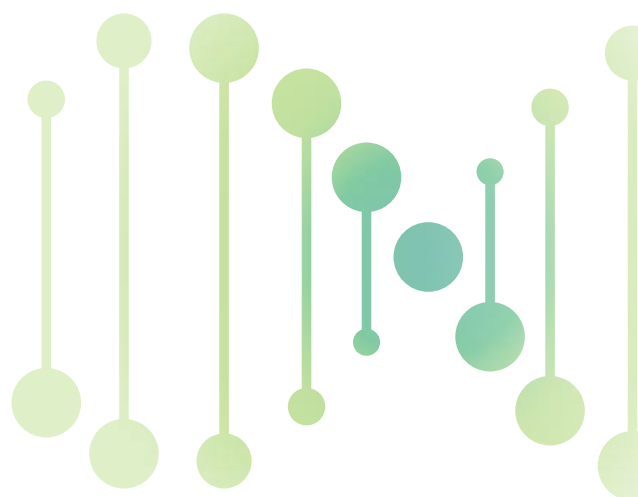
## 7. Transparency and Disclosures Compliances

| Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct: |  |  |  |  |  |
|---|--|--|--|--|--|
| Stakeholder group from whom complaint is received   | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) * | FY 2021-22                                 |  | FY 2020-21                                 |  |
|   |  | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Number of complaints filed during the year | Number of complaints pending resolution at close of the year |
| Communities   | Yes  | 0  | 0  | 0  | 0  |
| Investors/ Shareholders   | Yes  | 119  | 1  | 184  | 0  |
| Employees and Workers   | Yes  | 1  | 0  | 2  | 0  |
| Customers   | Yes  | 0  | 0  | 0  | 0  |
| Value Chain Partners  | Yes  | 0  | 0  | 0  | 0  |
| Others (Please specify)   | Yes  | *4   | 0  | 0  | 0  |

\* Whistleblowing complaints

\*\*Please note complaints that were material and substantial have been considered.

The Company's grievance redressal mechanism has been detailed in its process for complaint/grievance redressal - <https://www.biocon.com/whistle-blower-integrity-policy/>



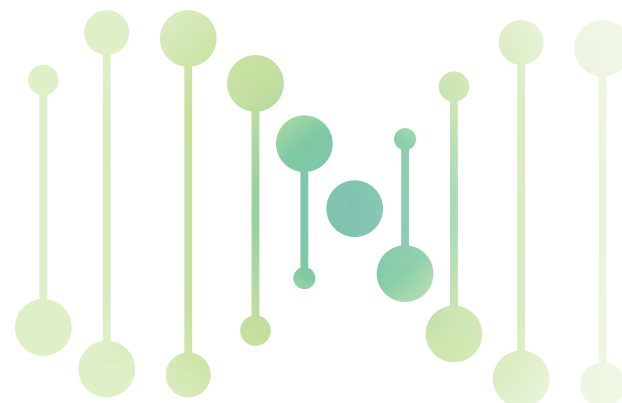


## 7.1. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate   | Financial implications of the risk or opportunity (Indicate positive or negative implications)   |
|--------|---------------------------|--|--|--|--|
| 1      | Product quality           | Risk                                       | All pharmaceutical companies are constantly being evaluated on possible recalls, product safety concerns.  | <p>We have implemented a system to ensure quality of products and continuous compliance to regulatory requirements.</p> <p>Additionally, through the pharmacovigilance process, Biocon tracks responses to actively address product related risks and continuously improve the products.</p> <p>A dedicated pharmacovigilance team tracks and reports complaints received via a purpose-built web portal. We also have a toll-free number, publicly available on the web portal for patients or other stakeholders to report complaints. All reports are proactively investigated to ensure that timely action is taken where necessary.</p> <p>Further, all employees undergo mandatory pharmacovigilance training.</p> | <p><b>Negative:</b></p> <p>In the case of poor product quality, Biocon can face reputational as well as operational damage. This may also lead to a decrease in customer satisfaction and trust.</p> |
| 2      | Research and Development  | Opportunity                                | R&D investment has a positive impact on green innovation ie: technologies which are developed to reduce the environmental impact and ESG performance of an enterprise. Therefore, strategically investing in R&D and disclosing publicly on its investments allows internal and external stakeholders to understand the approach and scale taken by an organization. | At Biocon, a key area of focus is 'Green Chemistry' and we have implemented several initiatives for the same. These include transitioning from solvent based reactions to water based reactions, using harmless, greener solvents instead of hazardous solvents, enhancing our solvent recovery capabilities and overall, improving our processes to maximize the incorporation of all materials used.   | <p><b>Positive:</b></p> <p>Cutting edge technological innovations can place Biocon at the forefront of industry-leading discoveries and open new avenues for business growth.</p>                    |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications)   |
|--------|---------------------------|--|---|---|--|
| 3      | Access & affordability    | Opportunity                                | Responsible pricing for innovative and generic medicines which take affordable access, positive cost-benefit ratio, and overall healthcare costs into consideration, have a high chance of impacting Biocon's reach and favor amongst patients, as compared to competitors.                             | At Biocon, our aim is to achieve health equity and believe that everyone, across the globe, has the right to access affordable and quality medicines. Through our generics, biosimilars and novel biologics businesses, we consistently work towards enhancing our value proposition and deliver best-in-class solutions to our patients.   | <b>Positive:</b><br>Enabling access to affordable drugs and other services can support the reach and growth of Biocon, providing a competitive edge                        |
| 4      | Environmental performance | Risk                                       | Biocon's commitment towards protecting the natural environment and conserving resources has been embedded in our value system.<br>Upholding these principles and complying with applicable regulatory requirements can affect the overall performance and enhance Biocon's image with the stakeholders. | To limit the environmental impact of the operations, Biocon continuously strives to reduce the carbon footprint, recycle resources, transition to renewable energy, adopt responsible sourcing practices, drive productivity across the value chain and adopt digital solutions that reduce inefficiencies<br><br>For more details on the initiatives undertaken, please refer to: please refer to the chapter - "Responsible Action towards Environment" | <b>Negative:</b><br>In the case of non-compliance with environmental norms and regulations, Biocon can face reputational damage as well as adverse financial repercussions |



| S. No. | Material issue identified   | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications)   |
|--------|-----------------------------|--|--|---|--|
| 5      | Safe & empowering workplace | Risk                                       | <p>As a responsible employer, it is our duty to create a safe and healthy workplace that is free of injuries, fatalities and illness.</p> <p>In addition to this, it is imperative to foster a conducive workplace that attracts and retains talent by enabling empowerment, growth, flexibility, remuneration and purpose.</p>        | <p>Biocon implements robust procedures and continuous process safety improvements at all the sites to show commitment towards a zero-incident safety culture. There are employee training and protocols for preventing, reporting and addressing behavior that is not in line with the Business Principles and standards, including sexual, discriminatory or other misconduct.</p> <p>For more details on the initiatives undertaken, please refer to 'Employee Health and Safety'.</p> <p>To inculcate an empowering workplace, we have developed stringent processes which focus on enabling our employees to achieve their personal aspirations as well as their professional goals.</p> <p>For more information please refer to the chapter - Transforming our workplace</p> | <p><b>Negative:</b></p> <p>The absence of a safe and empowering workplace could result in adverse financial consequences such as fines and penalties. Additionally, it could lead to operational and reputational damage</p> |
| 6      | Digitization                | Opportunity                                | <p>Utilization of digital technology to improve efficiency in operations and quality management in the Pharmaceutical Industry is a clear opportunity for Biocon.</p> <p>This includes deploying digital initiatives to fully integrate supply chains and improve operational processes, making them more adaptive and responsive.</p> | <p>Biocon is investing in building a robust digital architecture that will support data platforms networks across all functions.</p> <p>ESG is at the core of Biocon's digital transformation where the aim is to enhance quality and compliance, augment productivity through enhanced operational excellence and enable data integrity through technology-led data transparency.</p> <p>More information on the initiatives can be found across the ESG Report for FY21-22</p>  | <p><b>Positive:</b></p> <p>Digitization can lead to improved sale and efficiency across operations which can impact Biocon's performance as compared to peers.</p>   |

| S. No. | Material issue identified   | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications)  |
|--------|-----------------------------|--|---|---|---|
| 7      | Supply chain sustainability | Risk                                       | <p>In the Pharmaceutical Industry, it is extremely imperative to ensure a stable supply chain to ensure business continuity.</p> <p>Initiatives must be undertaken to anticipate, prevent and mitigate any concerns that cause disruptions.</p> | <p>The integrated supply chain ensures uninterrupted medicine availability to the customers, patients, partners and healthcare systems globally.</p> <p>Biocon relies on cost-effective and sustainable logistics and supply chain rationalisation to increase access, right from the stage of procurement of raw materials to the last-mile delivery of products to patients.</p> <p>Biocon enforces a mandatory minimum level of adherence towards environmental compliance for our critical vendors through periodic site audits.</p> <p>Additionally, a Supplier Code of Conduct to guide the value chain partners on applicable laws, regulations, policies and procedures, as well as, the behavioral and ethical standards has been developed.</p> <p>For more information, please refer to the chapter – ‘Partnerships in Action’</p> | <p><b>Negative:</b></p> <p>Disruption across Biocon’s value chain can adversely impact the operations, thus hampering the supply of products and increasing costs</p>                         |
| 8      | Community engagement        | Opportunity                                | <p>It is crucial that Biocon engages with the communities we operate in to increase trust and foster harmony.</p>   | <p>The Biocon Foundation is the principal channel for the corporate philanthropy undertaken by the Company.</p> <p>The aim of this Foundation is to build resilient solutions that enable underserved communities to live better, every day.</p> <p>The core areas of intervention are:</p> <ul style="list-style-type: none"> <li>• Primary Healthcare</li> <li>• Environmental Sustainability</li> <li>• Rural Development</li> <li>• COVID-19 Relief</li> </ul> <p>For more details on the initiatives undertaken, please refer to the chapter – Transforming our Communities</p>  | <p><b>Positive:</b></p> <p>By empowering and uplifting our surrounding communities, we can mitigate future grievances or concerns, thus safeguarding the business from any adverse events</p> |

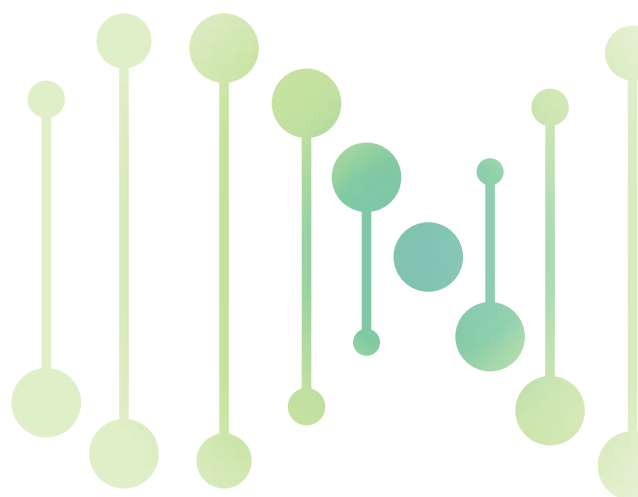


| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications)  |
|--------|---------------------------|--|---|---|---|
| 9      | Inclusion and diversity   | Opportunity                                | This aspect addresses a company's ability to ensure that its culture, hiring and promotion practices embrace representation from a diverse and inclusive workforce across all levels of the organization (board, senior, mid and junior levels).  | <p>Numerous steps have been undertaken to build a gender-inclusive workplace, which includes an extended maternity leave, part-time opportunities for returnees, gender sensitization sessions and women's health initiatives. The Company also has several distinct developmental programs in place, focused on the Company's female employees, geared towards preparing them for managerial and leadership roles.</p> <p>The Company has an 'Equal Pay for Equal Work' practice in place, where employees are compensated based on their merit, irrespective of the gender they identify with.</p> <p>More information can be found in the chapter – Transforming the Workplace</p> | <p><b>Positive:</b></p> <p>A pool of diverse workforce from different genders, ages and ethnic diversity, will enable Biocon to develop, expand and mitigate operational risks.</p>     |
| 10     | Ethical governance        | Risk                                       | To ensure the smooth functioning of the company, Biocon has implemented clear systems and defined roles and responsibilities of concerned personnel for managing topics related to ethics and integrity (e.g. anti-bribery and corruption, anti-money laundering, code of conduct, whistle blowing etc.). | <p>At Biocon, the principles of integrity, transparency, accountability and ethics resonate throughout the organization.</p> <p>Professional management teams and independent Boards for Biocon Limited, Biocon Biologics Limited and Syngene International Limited have been built to allow better governance across the Biocon Group.</p> <p>By implementing global best practices in corporate governance and risk management, we ensure that the Group consistently preserves and enhances value.</p> <p>For more details, please refer to the chapter – Governance in Action</p>   | <p><b>Negative:</b></p> <p>Absence of adherence with the policies of the Company on business conduct and ethical governance can lead to reputational as well as operational damage.</p> |

## Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| S. No. | Principle Description   |
|--------|---|
| P1     | Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable        |
| P2     | Businesses should provide goods and services in a manner that is sustainable and safe   |
| P3     | Businesses should respect and promote the well-being of all employees, including those in their value chains                        |
| P4     | Businesses should respect the interests of and be responsive to all its stakeholders  |
| P5     | Businesses should respect and promote human rights  |
| P6     | Businesses should respect and make efforts to protect and restore the environment   |
| P7     | Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent |
| P8     | Businesses should promote inclusive growth and equitable development  |
| P9     | Businesses should engage with and provide value to their consumers in a responsible manner  |



| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7* | P8 | P9 |
|----------------------|----|----|----|----|----|----|-----|----|----|
|----------------------|----|----|----|----|----|----|-----|----|----|

## 1. Policy and management processes

|   |   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|---|
| 1.1. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)   | Y   | Y | Y | Y | Y | Y | N | Y | Y |
| 1.2 Has the policy been approved by the Board? (Yes/No)   | Y   | Y | Y | Y | Y | Y | N | Y | Y |
| 1.3. Web Link of the Policies, if available   | Y   | Y | Y | Y | Y | Y | N | Y | Y |
| 1.4. Whether the entity has translated the policy into procedures. (Yes / No)   | Y   | Y | Y | Y | Y | Y | N | Y | Y |
| 1.5. Do the enlisted policies extend to your value chain partners? (Yes/No)   | Yes, the Company's Supplier Code of Conduct largely includes the above-mentioned principles, and the value chain partners are expected to adhere to the requirements outlined.  |   |   |   |   |   |   |   |   |
| 1.6. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle. ** | -   | - | - | - | - | - | - | - | - |
|   | Environmental Management System (ISO 14001)<br>Occupational Health & Safety Management System (ISO 45001)<br>Good Manufacturing Practice (GMP) compliance certification for the Company's facilities across Bengaluru, Hyderabad and Visakhapatnam in India, and Malaysia                     |   |   |   |   |   |   |   |   |
| 1.7. Specific commitments, goals and targets set by the entity with defined timelines, if any.  | Please refer to Chapters - 'Transforming patient lives', 'Partnership in action', 'Transforming the workplace', 'Responsible action towards environment' & 'Transforming our communities' for an in-depth description of our actions and commitments towards fulfilling the NGBRC principles. |   |   |   |   |   |   |   |   |
| 1.8. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.   | Please refer to chapters 'Transforming patient lives', 'Partnership in action', 'Transforming the workplace', 'Responsible action towards environment' & 'Transforming our communities' to get an overview of our performance against our efforts towards fulfilling the NGBRC principles.    |   |   |   |   |   |   |   |   |

## 2. Governance, leadership and oversight

### 2.1. Management's statement

Please refer to page numbers 10 - 19 for statements from our leadership.

### 2.2. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies

The Business Responsibility (BR) policies are broadly managed by the Board of Directors, Chief Executive Officer and the concerned departmental head(s).

### 2.3. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Please refer to page number 14 of the Report for information on Board Committees on ESG

\*The Company plays a strong role in public policy advocacy through regular engagement with specific external stakeholders including industry associations, government bodies and regulatory departments. However, the Company does not have a formal advocacy policy

\*\*Link to the Company's ISO 14001 & ISO 45001 certifications: [http://www.biocon.com/biocon\\_aboutus\\_eshpolicy.asp](http://www.biocon.com/biocon_aboutus_eshpolicy.asp)

## 2.4. Details of Review of NGRBCs by the Company:

| Subject for Review  | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee   | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) |
|---|--|--|
| Performance against above policies and follow up action   | The Corporate Social Responsibility Committee of the Board assesses the Business Responsibility (BR) performance of the Company on a half yearly basis and reports to the Board. The Board assesses the report on BR on an annual basis.           |  |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances   | The Business Responsibility report is being published annually as part of the Company's annual report in compliance with the provisions of SEBI Listing Regulations, which can be accessed at <a href="http://www.biocon.com">www.biocon.com</a> . |  |
| Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. | No, the Company does not conduct an independent assessment by external agencies. But all Company policies are regularly monitored and reviewed by respective policy owners   |  |

## 2.5. If answer to question (1.1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

|   |  |
|---|--|
| The entity does not consider the Principles material to its business (Yes/No)   | The Company considers all the principles material to the business. It does not currently conduct independent third-party assessments of its policies.  |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | No   |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         | No   |
| It is planned to be done in the next financial year (Yes/No)  | No   |
| Any other reason (please specify)   | Note on P7: While the Corporation may share its expertise to help in the formulation of public policy, it does not directly engage in lobbying or advocacy activities and hence, does not have a specific policy for this purpose. |

## Section C: Principle Wise Performance Disclosure

### Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment                            | Total number of training and awareness programmes held                  | Topics / principles covered under the training and its impact   | Percent of persons in respective category covered by the awareness programmes |
|------------------------------------|---|---|---|
| Board of Directors                 | 13  | Business model and overview of business units, Technical specification, building strategy and Regulatory policies and updates   | 100%  |
| Key Managerial Personnel           | 1 (BL)<br>1 (BBL)   | Talent Assessment for customized development journey (BL)<br>Trainings cover topics including BBL values, vision and Company culture.   | 82% (BL)<br>90% (BBL)   |
| Employees other than BoD and KMPs* | 29 (BL)<br>135 (BBL)  | The topics covered under training include Talent Assessment, mandatory & Functional SOP Training, Interpersonal skills & Leadership development and Business specific functional training (such as Lean 6 Sigma, Quality Refresher, CRE, etc.) (BL) | 93% (BL)<br>90% (BBL)   |
| Workers                            | The company does not categorize any employee under the worker category. |   |   |

\*Data for employees excludes BBL Malaysia numbers





**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format:**

| <b>Monetary</b> |                        |  |                        |                          |   |
|-----------------|------------------------|--|------------------------|--------------------------|---|
|                 | <b>NGRBC Principle</b> | <b>Name of the regulatory/ Enforcement agencies/ judicial institutions</b> | <b>Amount (In INR)</b> | <b>Brief of the Case</b> | <b>Has an appeal been preferred? (Yes/No)</b> |

Penalty/ Fine

Settlement Nil

Compounding fee

| <b>Non-Monetary</b> |                        |  |                          |   |
|---------------------|------------------------|--|--------------------------|---|
|                     | <b>NGRBC Principle</b> | <b>Name of the regulatory/ enforcement agencies/ judicial institutions</b> | <b>Brief of the Case</b> | <b>Has an appeal been preferred? (Yes/No)</b> |

Imprisonment

Punishment Nil

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Nil.

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

The Company has a Code of Conduct which further highlights the Company's commitment to do business with integrity and its zero-tolerance approach towards bribery and corruption. It is applicable to all operations, regardless of local business practices (<https://www.biocon.com/code-of-conduct/>)

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

|           | <b>FY 2021-22</b> | <b>FY 2020-21</b> |
|-----------|-------------------|-------------------|
| Directors | Nil               | Nil               |
| KMPs      |                   |                   |
| Employees |                   |                   |
| Workers   |                   |                   |

## 6. Details of complaints with regard to conflict of interest:

|  | FY 2021-22 | FY 2020-21 |
|--|------------|------------|
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil        | Nil        |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      |            |            |

## 7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable.

## Leadership Indicators

### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held  | Topics / principles covered under the training  | %age of value chain partners covered under the awareness programmes                          |
|--|---|--|
| The Company has a 'Supplier Code of Conduct' (SCoC) that provides guidance to value chain partners. The SCoC contains critical information on applicable laws, regulations, policies and procedures. It also provides direction on the behavioral and ethical standards to be met. | The SCoC provides necessary guidance on topics of training to be undertaken.<br>The Biocon's Good practices covers information related to Sustainability, management of Greenhouse gas, natural resources and waste management. | The Biocon's good practices document has been shared with all key KSM/ intermediate vendors. |

### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Please refer to page numbers 30 - 36 of the report for details on the processes set in place for conflicting management.

## Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

| Biocon Limited (Amount in Mn INR)   |            |            | Details of improvements in environmental and social impacts   |
|-------------------------------------|------------|------------|---|
|                                     | FY 2021-22 | FY 2020-21 |   |
| R&D                                 | 906        | 1,223      | For details on environmental and social benefits driven by the Company, please refer to Chapters - ('Responsible action towards the environment') and - ('Transforming patient lives'). |
| Capex                               | 2,852      | 1,312      |   |
| Biocon Biologics (Amount in Mn INR) |            |            |   |
| R&D                                 | 5,863      | 4,383      |   |
| Capex                               | 8,183      | 10,399     |   |

**2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?**

Please refer to page numbers 40 - 44 and 79 for overview of our procedures in place for ensuring responsible and local sourcing. We also have set systems in place to periodically evaluate our suppliers, which are mentioned in these pages.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Please refer to page number 58-65 and 73-76 of the Report for details on the Company's waste management processes.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Our waste collection and management plan in our manufacturing facilities is in line with applicable central and state regulations. The Company does not have a formal EPR system in place. Steps taken to responsibly collect and dispose of the various types of waste generated via its operations have been detailed in response to Q.3 above.

## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| Name of Product/Service | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link. |
|-------------------------|--|---|--|
| Vlidagliptin            | Cradle to gate   | No  | No   |
| Mycophenolate mofetil   | Cradle to gate   | No  | No   |
| Lenalidomide            | Cradle to gate   | No  | No   |
| Rosuvastatin            | Cradle to gate   | No  | No   |

The Company has a Life Cycle Assessment concept in place for our key products considering consecutive and interlinked stages of a product (or service) system, from raw material acquisition or generation from natural resources to final disposal.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of Product / Service | Description of the risk / concern | Action Taken |
|---------------------------|-----------------------------------|--------------|
| Vlidagliptin              | Nil                               | NA           |
| Mycophenolate mofetil     | Nil                               | NA           |
| Lenalidomide              | Nil                               | NA           |
| Rosuvastatin              | Nil                               | NA           |

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or reused input material to total material* |            |
|-------------------------|--|------------|
|                         | FY 2021-22   | FY 2020-21 |
| Process Solvents        | 70%  | 52.5%      |

\*Use of recycled/reused material to total material is not tracked at Biocon Biologics.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed.

Please refer to page numbers 58-65 for details on waste management through reuse, recycle and other forms of disposal undertaken by the Company.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

The Company's waste collection and management plan in its manufacturing facilities is in line with the applicable central and state regulations. The Company is also currently evaluating EPR applicability in its business value chain.

## Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

### Essential Indicators

#### 1. Employees

a. Details of measures for the well-being of employees.

Please refer to page numbers 46-53 of the Report for details on employee benefits provided by the Company

b. Details of measures for the well-being of workers:

The Company does not have any 'Workers' as defined in the guidance note on BRSR.

#### 2. Details of retirement benefits\*:

| Benefits               | FY 2021-22   |  |  | FY 2020-21   |  |  |
|------------------------|--|--|--|--|--|--|
|                        | No. of employees covered as a % of total employees                     | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees                     | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                     | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| Gratuity               | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| ESI                    | 100% for applicable employees (whose gross is less than 21k per month) | 100%   | Y  | 100% for applicable employees (whose gross is less than 21k per month) | 100%   | Y  |
| Others- please specify | -  | -  | -  | -  | -  | -  |

\*Please note the data coverage includes India employees.

#### 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes

#### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company has a Code of Conduct which covers equal opportunity for all employees <https://www.biocon.com/docs/Code-of-conduct-2021.pdf>

#### 5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Please refer to page number 78 of the Report for details on the Company's Return to work and Retention rate.

#### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers?

Yes, the Company has a mechanism to receive and redress grievances.



If yes, give details of the mechanism in brief.

| Category of employees and workers | Mechanism for grievance redressal  |
|-----------------------------------|--|
| Permanent Workers                 | <p>The mechanism comprises of the following steps:</p> <ul style="list-style-type: none"> <li>• The Integrity Committee determines whether the concern or complaint actually pertains to an unethical/non-compliant activity.</li> <li>• If the enquiry indicates further action, it is carried out by the Investigation Committee nominated by the Integrity Committee.</li> <li>• The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt.</li> <li>• Depending on the seriousness of the matter, the Integrity Committee may refer the matter to the Audit Committee with the proposed disciplinary action/counter measure.</li> <li>• The Audit Committee may decide the matter as it deems fit. In such cases, Integrity Committee shall ensure direct access for Whistleblower to the Chairperson of the Audit Committee.</li> <li>• In case of dissatisfying solution by the Integrity Committee, employee may reach out to the Chairman of the Audit Committee.</li> </ul> |
| Other than Permanent Workers      |  |
| Permanent Employees               |  |
| Other than Permanent Employees    |  |

#### 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The Company is not associated with any associations or Unions.

#### 8. Details of training given to employees and workers:

|                  | FY 2021-22 |                               |           |                      |           | FY 2020-21 |                               |           |                      |           |
|------------------|------------|-------------------------------|-----------|----------------------|-----------|------------|-------------------------------|-----------|----------------------|-----------|
| Category         | Total (A)  | On Health and safety measures |           | On Skill upgradation |           | Total (D)  | On Health and safety measures |           | On Skill upgradation |           |
|                  |            | No. (B)                       | % (B / A) | No. (C)              | % (C / A) |            | No. (E)                       | % (E / D) | No.(F)               | % (F / D) |
| <b>Employees</b> |            |                               |           |                      |           |            |                               |           |                      |           |
| Male             | 7,250      | 6,281                         | 87%       | 5,565                | 77%       | 6,782      | 5,222                         | 77%       | 3,377                | 50%       |
| Female           | 1,541      | 1,260                         | 82%       | 953                  | 62%       | 1,359      | 1,036                         | 76%       | 489                  | 36%       |
| Total            | 8,791      | 7,541                         | 86%       | 6,518                | 74%       | 8,141      | 6,258                         | 77%       | 3,866                | 47%       |

\*Data excludes BBL Malaysia figures

## 9. Details of performance and career development reviews of employees and worker\*

|                  | FY 2021-22 |         |           | FY 2020-21 |         |           |
|------------------|------------|---------|-----------|------------|---------|-----------|
| Category         | Total (A)  | No. (B) | % (B / A) | Total (C)  | No. (D) | % (D / C) |
| <b>Employees</b> |            |         |           |            |         |           |
| Male             | 7,100      | 5,748   | 81%       | 6,673      | 5,375   | 81%       |
| Female           | 1,499      | 1,138   | 76%       | 1,288      | 990     | 77%       |
| Total            | 8,599      | 6,886   | 80%       | 7,961      | 6,365   | 80%       |

\*The company does not categorize any employee under the worker category.

For more details on our Talent and Organization Development Strategy, please refer to page nos 46-56 of the Report.

## 10. Health and safety management system

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).

Yes, the Company has a well-established occupational health and safety management system in place, detailed on pages 55-57 of the Report.

#### If yes, what is the coverage of such a system?

The system has 100% coverage. All internal and external stakeholders of the Company Group, including personnel associated with its Joint Ventures, suppliers, contractors and other stakeholders like NGO, are covered as part of the Company health and safety system.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

For details on the Company's risk management identification and control process, please refer to page numbers 55-57 of the Report.

For all workplace hazards, the Company conducts routine process safety risk assessments. It has the requisite permits in place for undertaking non-routine work-related hazards. Integrated process safety management systems ensure all existing processes and new developments are assessed for risk. Process safety studies such as Process Hazard Analysis, Equipment Safety Study through techniques including HAZOP, What-if and Risk Matrix are conducted by cross functional teams. Detailed risk-based assessments are conducted regularly along with extensive audits to evaluate our health and safety performance at the site level.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks?

Several channels are in place for the Company's workers to report concerns related to health and safety at the workplace. These include:

- Making use of the Whistleblower policy to report any kind of harmful condition in the workplace.
- Raising concerns during the periodic departmental level safety meetings. Based on the concern/s raised an action plan, with a strict timeline and a dedicated responsible person, is identified to ensure timely resolution.
- Following the Standard Operating Procedure on 'Incident reporting and investigation'
- In the event of an incident at the site, the workers are required to immediately make a report to the plant head. The event is analysed by the Investigating team, consisting of cross functional departments, which is responsible for taking appropriate action

The Company has also implemented the Hazard Identification and Risk Assessment (HIRA) system to identify work-related hazards followed by routine risk assessment. We organize regular safety committee meetings to provide a forum for management, employees and contract workmen to come together to identify and resolve health and safety problems. The committee meets once every three months and consists of members who represent employees from all units and departments.

**d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?**

Yes, the Company's employees have access to non-occupational medical and healthcare services. Additionally, the company has well established occupational health centers in its facilities with a competent team of paramedics and doctors. Periodical examinations of employees are conducted to detect the initial stage of any occupational disease. Workers' access to non-occupational medical and healthcare services are facilitated through various initiatives driven by the HR and EHS team.

**11. Details of safety related incidents, in the following format:**

For details on the Company's health and safety track record over the past year, please refer to page number 79 of the Report.

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Please refer to page numbers 55-57 of the Report for details on the measures set in place by the Company to ensure a safe working environment for all its employees.

**13. Number of complaints on the following made by employees and workers**

|                    | FY 2021-22            |                                       |         | FY 2020-21            |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Health & Safety    | 0                     | 0                                     | -       | 0                     | 0                                     | -       |

**14. Assessments for the year**

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100%  |
| Working Conditions          | 100%  |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Hazard identification and risk assessment (HIRA) is employed to identify work-related hazards and assess risks on a routine and non-routine basis. These processes are periodically subject to internal and external audits as part of EHS Management systems. As part of the audit, competency of persons is also checked to see if he/she is aware of the standard operating procedure and trained in HIRA. As an outcome of HIRA, for unacceptable risks, remediation actions are defined by proposing implementation of controls as per hierarchy of controls.

## Leadership Indicators

### 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company provides Group Term Life Insurance and other applicable benefits to their employees.

### 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

All statutory compliances related to MSME vendors have been instituted. The Company procures raw materials from approved vendors, both national and international. Additionally, a periodical audit is also conducted of all critical suppliers on business sustainability parameters. The company has also instituted a checks and balances system that ensures that the company's business partners adhere to national codes on EHS and labor practices.

### 3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

No employee or worker has suffered high consequence work related injury/ill-health or fatality during the reporting period.

### 4. Details on assessment of value chain partners:

|                              | % of value chain partners (by value of business done with such partners) that were assessed                     |
|------------------------------|---|
| Health and safety conditions | 100%: All business partners of the Company are trained to adhere and comply with EHS norms and labor practices. |
| Working conditions           |   |



## Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

### Essential Indicators

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

Please refer to page number 36 of the Report for the process followed by the Company to identify and interact with its key stakeholders.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

| Stakeholder Group                     | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication  | Frequency of engagement        | Purpose and scope of engagement including key topics and concerns raised during such engagement  |
|---------------------------------------|--|--|--------------------------------|--|
| Government and regulatory authorities | No   | By Email, through phone, In person, through meetings (visual and/or face to face)                                      | Event driven and as need basis | Regarding ANDA/ DMF/Query response submissions, GDUFA & BLA compliance activities, clarification on guidelines and advice on technical/regulatory points, controlled correspondence, Pre-ANDA meeting, CARES ACT, Marketing Application submissions, Follow ups, Discussions, Query response submissions for regulatory approvals/ permissions, Post approval variation submissions/ Fee payment correspondence, Scientific advice |
| NGOs                                  | No   | Direct Engagement at the project site, CSR activities and project team engagement, visit to NGO facilities and offices | Event driven and as need basis | Provide support to NGOs for social upliftment<br><br>Ensure communities we operate in are supported through a network of NGOs<br><br>Creating shared value   |



| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication   | Frequency of engagement           | Purpose and scope of engagement including key topics and concerns raised during such engagement  |
|-------------------|--|---|-----------------------------------|--|
| Academia          | No   | Meetings, thought leadership events, campus events  | Event driven and as need basis    | Transfer of knowledge through engagement with students and universities  |
| Employees         | No   | Townhalls, emails, employee engagement surveys, grievance mechanisms, training activities, and appraisals | Regular and on a continuous basis | Recruitment and hiring of freshers<br>Providing employees with adequate training and development for career progression<br>Ensuring employees are aligned with organizational values and code of conduct<br>Addressing employee grievances<br>Instilling health and safety practices in the organization |
| Customers         | Yes, based on predefined criteria such as income, gender, etc. | Customer feedback forms, emails, telephone calls  | Regular and on a continuous basis | Ensuring customer satisfaction and needs are met<br>Resolving customer grievances<br>Providing affordable and accessible healthcare  |
| Suppliers         | No   | Audits, meetings, emails, initial screening   | Regular and on a continuous basis | Ensuring business ethics and alignment with organizational values<br>Ensure quality of material is met<br>Integration of ESG aspects into supplier operations  |

| Stakeholder Group  | Whether identified as Vulnerable & Marginalized Group (Yes/No)   | Channels of communication   | Frequency of engagement                        | Purpose and scope of engagement including key topics and concerns raised during such engagement   |
|--|--|---|--|---|
| 1. Local community<br>2. Local NGOs<br>3. Panchayat<br>4. City Municipal Council<br>5. Local Education officials<br>6. Local Health officials<br>7. Front-line Healthcare workers<br>8. Civil Society Institutions<br>9. Local environmentalists<br>10. Residents Welfare Associations | Not all stakeholder groups are considered vulnerable.<br><br>(In the local community, the company work with the lower socio-economic section of society) | Pamphlets / Community Meetings  | Fortnightly/ Monthly meetings                  | Topics of engagement:<br><br>1. Building awareness towards health services<br>2. Sensitization workshops on preventive health<br>3. Lake management updates<br>4. Civic issues<br>5. Capacity Building on relevant topics in health / education |
| Local community  | Yes, based on predefined criteria such as income, gender, etc.   | CSR activities, local community visits  | Regular and on a continuous basis              | Ensuring community growth and development with regards to employment, education, healthcare, etc.<br><br>Enhancing reputation.  |
| Investors  | No   | - Calls/In Person Meetings (one on one/group)<br>- Annual General Meeting<br>- Through Press Releases and website<br>- Publishing Annual Report<br>- Investor Presentations | Quarterly/Annually, Event based and need based | To discuss about business performance and outlook, details of the announced events and to discuss about concerns/issues (if any)  |
| Shareholders   | No   | Shareholder meets, annual and sustainability reports, communication of financial results through emails, media and news   | Annual, Quarterly, Need Basis                  | To discuss about business performance and outlook, details of the announced events and to discuss about concerns/issues (if any)<br><br>Ensure transparency and accountability  |

## Principle 5: Businesses should respect and promote human rights

### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category             | FY 2021-22 |                              |           | FY 2020-21 |                              |           |
|----------------------|------------|------------------------------|-----------|------------|------------------------------|-----------|
| Employees*           | Total (A)  | No. of employees covered (B) | % (B / A) | Total (C)  | No. of employees covered (D) | % (D / C) |
| Permanent            | 6,839      | 6,298                        | 92%       | 6,731      | 6,417                        | 95%       |
| Other than permanent | 1,846      | 1,785                        | 97%       | 1,741      | 1,660                        | 95%       |
| Total employees      | 8,685      | 8,083                        | 93%       | 8,472      | 8,077                        | 95%       |

\*Data excludes BBL Malaysia numbers

2. Details of minimum wages paid to employees and workers, in the following format:

| Category             | FY 2021-22 |                       |           |                        |           | FY 2020-21 |                       |           |                        |           |
|----------------------|------------|-----------------------|-----------|------------------------|-----------|------------|-----------------------|-----------|------------------------|-----------|
| Employees*           | Total (A)  | Equal to minimum wage |           | More than minimum wage |           | Total (D)  | Equal to minimum wage |           | More than minimum wage |           |
|                      |            | No. (B)               | % (B / A) | No. (C)                | % (C / A) |            | No. (E)               | % (E / D) | No. (F)                | % (F / D) |
| Permanent            | 7,503      | 3,560                 | 47%       | 3,943                  | 53%       | 6,406      | 3,394                 | 53%       | 3,012                  | 47%       |
| Male                 | 6,340      | 2,948                 | 47%       | 3,392                  | 53%       | 5,644      | 3,018                 | 53%       | 2,626                  | 47%       |
| Female               | 1,163      | 612                   | 53%       | 551                    | 47%       | 762        | 376                   | 49%       | 386                    | 51%       |
| Other than permanent | 1,846      | 990                   | 54%       | 856                    | 46%       | 1,741      | 606                   | 35%       | 1,135                  | 65%       |
| Male                 | 1,433      | 814                   | 57%       | 619                    | 43%       | 1,329      | 450                   | 34%       | 879                    | 66%       |
| Female               | 413        | 176                   | 43%       | 237                    | 57%       | 412        | 156                   | 38%       | 256                    | 62%       |

\*Data excludes BBL Malaysia numbers.

### 3. Details of remuneration/salary/wages (Amount in Mn INR), in the following format:

| Biocon Limited:                          |        |  |        |  |
|--|--------|--|--------|--|
|  | Male   |  |        | Female   |
|  | Number | Median remuneration/ salary/wages of respective category | Number | Median remuneration/ salary/wages of respective category |
| Board of Directors (BoD):                |        |  |        |  |
| Executive Directors                      | 1      | 42.20  | 1      | 24.60  |
| Non-Executive, Non-Independent Directors | 1      | 4.20   | -      | -  |
| Non-Executive, Independent Directors     | 4      | 4.87   | 1      | 4.68   |
| Key Managerial Personnel                 | 2      | 7.10   | 0      | NA   |
| Employees other than BoD and KMP         | 2,819  | 0.59   | 380    | 0.61   |

\*Mr. John Shaw stepped down effective from July 22, 2021 and Mr. Eric Mazumdar was appointed effective from November 1, 2021, hence the details for both of them are not covered.

| Biocon Biologics Limited                 |        |  |        |  |
|--|--------|--|--------|--|
|  | Male   |  |        | Female   |
|  | Number | Median remuneration/ salary/wages of respective category | Number | Median remuneration/ salary/wages of respective category |
| Board of Directors (BoD):                |        |  |        |  |
| Executive Directors                      | 1      | 47.50  | 1      | 25   |
| Non-Executive, Non-Independent Directors | *1     | 2.70   | -      | -  |
| Non-Executive, Independent Directors     | 4      | 6.07   | 1      | 5.54   |
| Key Managerial Personnel                 | 2      | 27.5   | -      | -  |
| Employees other than BoD and KMP         | 3,516  | 0.73   | 782    | 0.6  |

\*Mr. Thomas Jason Roberts was appointed effective from November 15, 2021

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, there is a Compliance Officer who looks after all human right related grievances.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Integrity committee is made available to address such issues consisting of CEO, CFO and Head HR who delegate the investigation to relevant stakeholders.

The Company has a set procedure to address all complaints and grievances received:

- The Company's Integrity Committee determines whether the concern or complaint received pertains to an unethical/non-compliant activity.
- If the enquiry indicates further action, it is carried out by the Investigation Committee nominated by the Integrity Committee, which consist of the CEO, CFO and Head HR.
- The investigation is conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt.
- Depending on the seriousness of the matter, the Integrity Committee may refer the matter to the Audit Committee with the proposed disciplinary action/counter measure.
- The Audit Committee may decide the matter as it deems fit. In such cases, the Integrity Committee shall ensure direct access for Whistleblower to the Chairperson of the Audit Committee.
- In case of dissatisfying solutions by the Integrity Committee, employees may reach out to the Chairman of the Audit Committee.

**6. Number of Complaints on the following made by employees and workers:**

Please refer to page number 73 of the Report for information related to Human Rights related cases/complaints.





## 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The company have Whistle Blower policy & Code of Conduct elaborating formation of committee to address cases related to discrimination. Additionally, a POSH committee to address harassment related cases. Apart from this, the code of conduct details the process to be followed in case any such instance happens.

The company has an Integrity and Whistleblower policy which covers measures to protect the complainant:

- If any Whistleblower feels that he/she is experiencing any kind of retaliation, victimization or discrimination in nature of intimidation, pressure to withdraw the complaint or threats for reporting, testifying or otherwise participating in the investigation proceedings, he/she should report the matter to the Integrity Committee.
- As with complaints of unethical/non-compliant activities, such actions of retaliation, victimization or discrimination too will be treated as misconduct and upon notification and the Integrity Committee will immediately take appropriate action to prevent/rectify the retaliation, including. For more details, please refer to the Company's policy - [https://www.biocon.com/docs/Biocon-Integrity-and-Whistle-Blower-Policy\\_2020.pdf](https://www.biocon.com/docs/Biocon-Integrity-and-Whistle-Blower-Policy_2020.pdf)
- The Company also has a POSH committee which addresses harassment related cases.
- Apart from this, the Company's Code of Conduct details the process to be followed in case of any discrimination or harassment cases.

## 8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

## 9. Assessments of the year

| % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |  |
|---|--|
| Child labour  | Assessment has been done atleast once in all entities by the independent internal auditor.<br>All the compliances are tracked on an ongoing basis using a workflow, which covers all the sites/entities. |
| Forced/<br>involuntary<br>labour  |  |
| Sexual<br>harassment  |  |
| Discrimination at<br>workplace  |  |
| Wages   |  |
| Others – please<br>specify  |  |

## 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant gaps identified as part of the reviews carried out. The company has a process to track the closure of non-critical observations (If any) identified as a part of such reviews.

## Leadership Indicators

### 1. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

### 2. Details on assessment of value chain partners.

100%: All business partners of the company are trained to adhere and comply with EHS norms and labor practices.

## Principle 6: Businesses should respect and make efforts to protect and restore the environment

### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Please refer to page number 74 of the Report for details on the Company's energy consumption.

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

#### 3. Provide details of the following disclosures related to water, in the following format:

Please refer to page number 75 of the Report for details on the Company's water consumption.

#### 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has a zero liquid discharge system consisting of Multiple Effect Evaporation (MEE) and Vertical Thin Film Dryer (VTDF). Water is treated in a biological treatment system, followed by a three-stage reverse osmosis system. All water is then recycled for non-process purposes. The system has 100% coverage (only within the Indian operations of the Company).

#### 5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Please refer to page number 75 of the Report for details on the Company's air emissions.

#### 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Please refer to page number 74 of the Report for details on the Company's GHG emissions.

#### 7. Does the entity have any project related to reducing Greenhouse Gas emission? If Yes, then provide details.

Yes, the Company has several initiatives in place to reduce its GHG emissions. It has switched to natural gas, instead of using furnace oil, to produce steam. The Company is also committed to increasing its share of renewable energy in its energy mix, via purchase of green energy from the grid as well as installing onsite solar technologies and procurement of wind energy.

Additionally, implementation of energy-efficient boilers have led to a reduction in fuel consumption. Some examples for energy efficient measures adopted by the Company include:

- Installation of energy efficient centrifugal air compressors;
- Installation of LED lighting to replace fluorescent lamps;
- Power Trading through Indian Energy Exchange;
- Installation of energy efficient air blower motors;
- Installation of solar powered lighting;
- Installation of waste steam recovery system;
- Partial usage of Biomass briquettes as an alternative to coal

For more information, please refer to the chapter “Responsible action towards environment”.

**8. Provide details related to waste management by the entity:**

Please refer to page number 75, 76 of the Report for details on the Company’s waste generation and management processes.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Please refer to page numbers 62-65 of the Report for details on the Company’s waste management practices.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format.**

No Company offices are located in/around ecologically sensitive areas.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Nil

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

The company is compliant with all national and state regulations.



## Leadership Indicators

### 1. Provide break-up of the total energy consumed from renewable and non-renewable sources.

Please refer to page number 74 of the Report for details on the Company's break-up of total energy consumed

### 2. Provide the following details related to water discharged:

Please refer to page number 75 of the Report for details on the water discharged.

### 3. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Please refer to page numbers 58-65 of the Report for initiatives/interventions undertaken by the Company to improve resource efficiency, reduce emissions/effluent discharge/waste generated.

### 4. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company's Disaster Management system covers both natural disasters such as earthquakes and floods as well as manmade disasters such as bomb attacks among others with key mitigation measures in place. The authority to implement mitigation manners lies with the Site Controller, Incident Controller, Central Utility In charge and Shift Engineer in a structured manner. In case of a bomb threat, control measures as per the On Site Emergency Plan will be initiated by the Site Controller.

The Company's Information Technology (IT) team has implemented a Disaster Recovery capability which helps the organization to regain use of critical systems and IT infrastructure instantly in emergency situations and minimize the impact on business operations.

### 5. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

We identify and evaluate the actual or potential aspects and impacts to the environment and climate change related, whether adverse or beneficial, from its activities, services and facilities through aspect impact assessment which is a part of our EHS Management Systems. During the evaluation process, significant impacts to the environment are determined which in turn addresses climate change impacts as well. We constantly check on existing or future regulations, among others on climate-related issues (e.g. emission trading schemes, energy efficiency requirements, reporting requirements, climate-related taxes etc.). Based on this, the businesses are informed on new developments and possible risks.

## Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. - 11

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations                 | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1      | Federation of Indian Export Organisation (FIEO)                       | -   |
| 2      | Service Export Promotion Council (SEPC)                               | -   |
| 3      | Export Promotion Council EOU'S and SEZ's (EPCES)                      | -   |
| 4      | Bangalore Commerce & Industry Chambers (BCIC)                         | State   |
| 5      | Confederation of Indian Industry (CII)                                | -   |
| 6      | Hyderabad Management Association (HMA)                                | State   |
| 7      | The Federation of Telangana Chambers of Commerce and Industry (FTCCI) | -   |
| 8      | Bulk Drug Manufacturers Association (BDMA)                            | -   |
| 9      | FICCI (Federation of Indian Chamber of Commerce and Industry)         | -   |
| 10     | USIBC Global Board of Directors                                       | -   |
| 11     | Association of Biotechnology Led Enterprises (ABLE)                   | -   |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Nil



## Principle 8: Businesses Should Promote Inclusive Growth and Equitable Development

### Essential Indicators

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

While the Company does not have a mandatory requirement of conducting SIA of its projects, it conducts internal assessments and identifies the impacts achieved. The details of the assessments are further shared during the CSR meetings.

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.

Not Applicable.

#### 3. Describe the mechanisms to receive and redress grievances of the community. Sources of Adverse event information/ Complaints/ Medical Information queries:

The Company has set up mechanisms to address the grievances, contextualized for specific community programs. The strategy to address this is through structured monitoring and evaluation of all programs, with assessment of stakeholder perceptions, either through regular surveys by the Company's Foundation team or third-party impact assessment.

The main grievance of the life sciences student community is the lack of adequate practical skills that is required in the industry. Biocon Academy plays an active role in reducing the existing skill deficit and is working on transforming students into industry-ready professionals.

#### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers\*:

|   | FY 2021-22 | FY 2020-21 |
|---|------------|------------|
| Directly sourced from MSMEs/ small producers                        | 25%        | 15%        |
| Sourced directly from within the district and neighboring districts | 25%        | 15%        |

\*Data is not captured within BL. Above information is only for BBL.

### Leadership Indicators

#### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

The Company is not mandated to conduct SIA through a third-party. However, internal assessments are done for the projects implemented. During recent assessments, the Company has identified potential areas where negative impact could occur (e.g, Lake management, staff concerns in eLaj clinics, etc,) and necessary steps have been taken to rectify the impact. In the year under consideration, no negative has been identified.

#### 2. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The Company has always strived to work alongside and develop the small and medium enterprises around its area of operation. The Company procures a considerable part of its goods and avails services from local and small vendors, particularly those located around its manufacturing locations. 15-20% of its total supplier base are small and medium enterprises. There is also a strong corporate directive to develop sourcing capabilities locally. This enables the Company to achieve multiple benefits like:

- a) Shorter turn-around times for delivery.
- b) Promoting Vendor-Managed Inventory, closer to our facilities.
- c) Quicker resolution of issues pertaining to material quality.
- d) Contribute to the local economy, thereby enhancing sustainability of our operations. Additionally, we aid the long-term capacity planning for such vendors by sharing forecasts for up to 12 months.

### 3. Details of beneficiaries of CSR Projects:

Please refer to page number 66-71 of the Report for details on the Company's CSR projects.

## Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Sources of Adverse event information/ Complaints/ Medical Information queries:

- We receive queries via various methods like telephone calls received on Biocon's toll free no., emails received at Drug Safety mailbox (drugsafety.smv@biocon.com), Fax, any postal mails received at Biocon offices e.g. MedWatch forms received from US FDA etc.
- All AE/ PQC/ MI collection modalities are periodically tested. Further required reconciliation is performed on a periodic basis.
- MICC call handlers managing the toll free numbers send the information to Drugsafety Mailbox or to the PQC department depending on their assessment of the type of report.
- All MedWatch forms received as postal mail at 485 US HIGHWAY 1 S Suite B305 ISELIN NJ 08830 are managed by a designated employee at the US office and these are converted into a scanned pdf and sent to the Drugsafety mailbox.
- All kinds of information received via different methods in the Drugsafety mailbox are tracked & monitored on all business days.

#### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

|   | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product |                                   |
| Safe and responsible usage                                  | 100%                              |
| Recycling and/or safe disposal                              |                                   |

**3. Number of consumer complaints in respect of the following:**

|                                | FY 2021-22               |                                   | Remarks | FY 2020-21               |                                   | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                | Received during the year | Pending resolution at end of year |         | Received during the year | Pending resolution at end of year |         |
| Data privacy                   | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Advertising                    | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Cyber-security                 | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Delivery of essential services | 16                       | 5                                 | -       | 10                       | 0                                 | -       |
| Restrictive Trade Practices    | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Unfair Trade Practices         | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Other                          | 0                        | 0                                 | -       | 0                        | 0                                 | -       |

**4. Details of instances of product recalls on account of safety issues:**

|                   | Number | Reasons for Recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 1      | -                  |
| Forced recalls    | Nil    | -                  |

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

The Company respects the privacy of all individuals and confidentiality of the personal information it holds about them. Identified as a progressively critical risk, due to the increased adoption of the remote working model over the course of the COVID-19 pandemic, key mitigation measures were put in place to support business continuity and ensure safety of operations.

The Company's IT infrastructure and information security management system is certified to ISO 27001:2013 and has undergone external third-party audits. This is supplemented with third-party vulnerability analyses including stimulated hacker attacks.

The manner in which the Company collects, uses, protects or otherwise has been provided in detail in the Company Privacy policy (Privacy policy). In collecting, using or storing personal data, each employee must comply with the following:

- Data is obtained from the individual with level of consent required by local laws or internal policies including where personal data is obtained from third parties
- Data collected is adequate, relevant and used solely for the purpose for which it is collected
- Personal data is used in accordance with relevant published Privacy laws
- Personal data is kept confidential and secure

All employees of the Company undergo annual awareness training on information security/cyber security. Special sessions are also conducted over the course of the year on critical focus areas. A clear escalation matrix has been established for employees to report suspicious activities in a timely manner. Information security/ cyber security are also included as a parameter for employee performance evaluation.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

We take proactive steps in case any issue arises pertaining to any one of these categories. Corrective actions are also taken to prevent recurrences of similar instance.

**Disclaimer**

The contents of this report are intended to provide accurate and authoritative information in relation to the subject matter covered. Information regarding medical products or devices mentioned in the report is not intended to endorse, advertise, recommend or even act as an alternative to consulting qualified doctors or healthcare professionals. Nothing contained herein should be construed as an endorsement or be relied upon as the basis for making a decision without consulting a healthcare professional.







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