

A photograph of four women and two children sitting on a light-colored, textured ground. The women are dressed in traditional Indian attire, including colorful saris and headscarves. One woman in the foreground is wearing a bright pink sweater. The children are also dressed in traditional clothing. The overall mood is warm and positive, with everyone smiling or looking towards the camera.

Biocon ESG Summary Report 2021

Unconditional
Equity



Unconditional Equity

At Biocon, we are driven by a humanitarian purpose to make healthcare affordable and accessible to even the poorest of patients. This philosophy resonates with our Environmental, Social and Governance (ESG) practices, which rest on a bedrock of purpose, ethics and equity.

Our philosophy of unconditional equity aims to ensure the well-being of our patients, people, partners, customers, shareholders, community and the ecosystem at large.

Over the years, we have built a strong, affordable innovation model, which has enabled us to lower the cost of life-saving therapies and bring them within the reach of people suffering from chronic diseases like diabetes, cancer, cardiovascular and autoimmune conditions.

While we pursue our purpose of using biotechnology to develop therapies that heal the world, we are equally concerned about the health of our planet and the depleting ecological balance. As a responsible corporate citizen, we have designed our operations to enable environmental sustainability with a low carbon footprint, maximum recycling of wastewater and use of green power.

Supporting environmental and health equity is our commitment to diversity and inclusion at the workplace. We have consistently endeavored to create a collaborative and empowering work culture, in pursuit of building businesses that make a meaningful social impact.

We have established globally benchmarked standards of governance to build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth and more inclusive societies.

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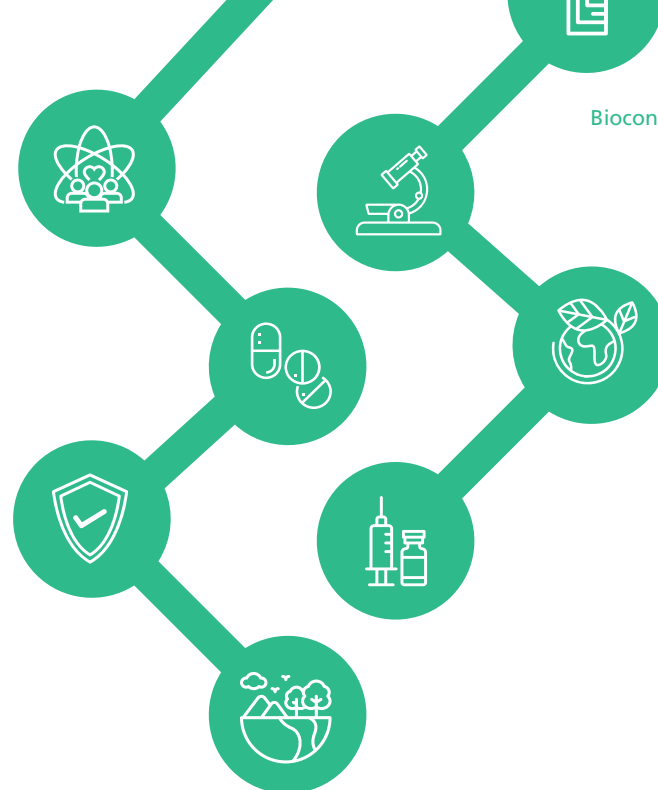


A Culture Of Purpose, Ethics & Equity

Message From Our Executive Chairperson

Biocon has built its business culture on a bedrock of purpose, ethics and equity. A purpose-driven business philosophy has provided us with a compelling *raison d'être* to embed social impact in all that we do. From our origins as a pioneering biotechnology enterprise that inculcated a research-driven strategy to address eco-friendly, enzyme-based solutions in industrial processing to our innovation-led healthcare solutions that provide affordable access to patients who battle cancer, diabetes and autoimmune diseases, we are propelled with a sense of business responsibility that has both ethics and equity at its core.

As a global corporate citizen, we have pursued business leadership on a platform of affordable access to essential and life-saving medicines, which encompass generic and biosimilar drugs. Affordability has always been a challenge to patients in low- and middle-income countries (LMICs), as well as, to those that cannot afford insurance in many high-income countries. We have, over the past two decades, provided equitable and affordable access to millions of patients across the world, be it life-sustaining immunosuppressants like Tacrolimus or breast cancer drugs like Trastuzumab to Insulin and Insulin analogs for people with diabetes. We have invested in creating state-of-the-art, global scale manufacturing facilities that produce high quality drugs with economies of scale. Operational excellence that



is rapidly adopting digital optimization is driving both product and capital efficiency.

As a research-led organization, we have created an ethos of co-creation and continual learning to develop both novel and advanced technologies aimed at delivering cost lowering solutions. The complexity of the innovation challenge has allowed us to form a multi-disciplinary ecosystem of scientists, engineers, clinicians and data analysts, who collectively drive innovation that provides therapeutic solutions for health equity.

Access to essential and life-saving medicines is an ethical issue. The COVID-19 pandemic has exposed both the inequity and the ethical and moral failure of the world's governance system. The unconscionable disparity between rich and poor nations in access to vaccines mirrors the enormous health inequity when it comes to medicines. Biocon is proud of its stated mission of impacting health equity through affordable access to essential and life-saving medicines. We have augmented our commitment to global health through several partnerships with health initiatives sponsored by UNAIDS, Clinton Health Access Initiative (CHAI) etc. Our '10 cents per day' insulin initiative is to enable access to diabetes patients in LMICs.

Underpinning our health equity initiatives is our commitment to an equitable and inclusive workplace. We aim to make Biocon an equal opportunity

enterprise, from recruitment to career and leadership development. We would like to get to a 50:50 gender ratio by 2030. We firmly believe that gender and diversity are the hallmarks of progressive businesses. Finally, our commitment to environmental sustainability is a given. From being a zero-effluent discharge company to a green energy-powered enterprise, we endeavor to benchmark our green codes across all dimensions of our business.

Our Corporate Social Responsibility reflects our ESG goals, from our environmental efforts in lake revival, our efforts in enabling employability through the Biocon Academy and investing in digital health initiatives through our eLAJ smart clinics in primary health.

Biocon's commitment to Environmental, Social and Governance is about health equity, purposeful employment and ethical business practices.

The distribution of the ESG Summary Report along with the Annual Report is an initial step. Later this year, we will publish our first Global Reporting Initiative (GRI) aligned Sustainability Report, which will provide comprehensive insights into our ESG performance over FY21.

Sd/-

Kiran Mazumdar-Shaw

Executive Chairperson

June 18, 2021

ESG Performance Snapshot



GOVERNANCE

Professional management teams and Independent Boards for Biocon Limited, Biocon Biologics Limited & Syngene International Limited

Strong **Quality Management System** supported by comprehensive procedures and protocols aligned with GxP that includes Good Manufacturing Practice (GMP), Good Storage and Distribution Practices and Good Pharmacovigilance Practices (GVP)

Robust and globally benchmarked governance policies, such as:

- Code of Conduct
- Whistle-Blower and Integrity
- Prevention of Insider Trading
- Data Privacy and Protection
- Gender Diversity & Inclusion
- Prevention Of Sexual Harassment
- CSR
- Communications & Social Media

Five Board committees to comply with **global corporate governance** norms:

- Audit Committee
- Risk Management Committee
- Stakeholder Relationship Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee

We have **zero tolerance for child labour** and have always ensured no children are employed in any of our operations



SOCIAL

Biocon Foundation Biocon Academy

₹ 96.8 million*

in CSR spending in FY21

~2,200

people screened for oral cancer
using mHealth app in FY21

100%

placement of Biocon
Academy students across
leading pharma, biotech and
life sciences companies

~61,000

patient visits recorded at
Biocon Foundation-run eLAJ
smart clinics in FY21

700+

biotech graduates have
been upskilled with higher
learning and practical training
at Biocon Academy since
November 2013

~1,400

consultations through 19
NCDs camps in FY21

500+

students will have access to
better learning due to well-
equipped new buildings at
Higher Primary Schools in
Huskuru, Anekal and Sira,
Tumkuru, Karnataka



Patients

3.1 million

patients reached globally
through our high-quality
biosimilars for diabetes and
cancer in FY21[§]

~2.75 billion

doses of rh-Insulin supplied to
people with diabetes globally
since 2004[^]

~2 Billion

Statin pills delivered for the
benefit of patients in the U.S.
in FY21

185,000

RT-PCR Tests for COVID-19
conducted in FY21

27,000+

COVID-19 patient lives
impacted through our
repurposed novel biologic
Itolizumab till May 2021

500

Customers supplied with our
APIs in over 60 countries
in FY21

[^]Patient reach numbers are Company estimates based on volumes supplied and standard dosage

[§]Estimated doses calculated on the basis of drug substance, drug product sales data

*Includes Biocon and Biocon Biologics; excludes ₹ 66 million CSR spend by Syngene



Fight Against COVID-19

Repurposed
Itolizumab, our
novel biologic, for treating
COVID-19 patients

Free **vaccination
drive** for employees and
family members

Safety kits
including masks, gloves, PPEs
distributed to all employees

Ensured deliveries of **670**
shipments of our life-saving
biosimilars to ~60
countries

Ensured deliveries of
3,650 shipments of our
Generic APIs and
Formulations to 60+ countries

Several thousand patients
benefitted through
our **COVID-19
portfolio** in India



Employees

Top 5
Ranked* among Top 20
global pharma and biotech
employers since 2012 (up
from No. 6 in 2019)

17%
women employed in the
workforce at Biocon*

257,214*
hours of learning in FY21*

28,000
man-hours of EHS training^

32
average annual learning hours
per employee*

Zero
reportable incidents across all
facilities^

*Biocon + Biocon Biologics, India + Biocon Biologics, Malaysia

^Biocon + Biocon Biologics, India



ENVIRONMENT

18%

reduction in absolute Scope 1 and Scope 2 emissions (vs FY20 baseline)^

53%

of our electricity came from green power in FY21^

17,092 tCO₂

reduction from switchover to natural gas from furnace oil for steam generation and other measures^

All Biocon and Biocon Biologics sites are **Zero Liquid Discharge** facilities^

400,000

liters of incremental water savings per day achieved through installation of a new ZLD effluent treatment plant^

100%

of wastewater is recycled and reused back in the process or in the utilities^

~5,500

tonnes of high-calorific waste sent for reuse as an auxiliary fuel to cement factories^

500

new saplings added to the Miyawaki mini forest planted in July 2020^

^Biocon + Biocon Biologics, India



Patient Equity

Global health today is characterized by deeply entrenched inequities in access. There is an unethical divide between the billion who have health security in the developed world and the other ~6.5 billion who are vulnerable to diseases and death because of little or no access to even basic healthcare at times. While rich countries, represented by the Organisation for Economic Co-operation and Development (OECD), spend ~9% of their GDP on healthcare^[1], lower middle-income countries spend ~4% on an average ^[2]. The disease burden is even more skewed. Non-communicable diseases (NCDs) are responsible for 72% of global mortality, and 78% of the NCD-related deaths occur in low- and middle-income countries (LMICs)^[3]. These deaths could have been prevented if only these countries had access to essential and life-saving medicines.

Having identified the challenge posed by NCDs early on, Biocon invested in cutting-edge science, key research partnerships and global manufacturing scale to develop products that address unmet patient needs and reduce health inequities.



Bringing Insulins Within Reach of People with Diabetes

In the early 2000s, India was the epicentre of the global diabetes epidemic. The country was solely dependent on expensive imported insulins, resulting in poor access to this essential diabetes management therapy. We leveraged our expertise in fermentation technology to indigenously develop and produce recombinant human Insulin (rh-Insulin). The launch of our rh-insulin at a disruptive price point in 2004 triggered a series of developments. International insulins makers lowered their prices for India, and the government gained the confidence to bring rh-Insulin under price control as it finally had a domestic alternative. Our product benefited a large pool of diabetes patients, both directly as well as indirectly, in India. With the advent of modern insulin analogs in India, we introduced

long-acting Insulin Glargine in 2009, expanding the pool of available quality insulins.

People with diabetes in many emerging and developed markets are benefiting through access to our more affordable rh-Insulin and biosimilar Glargine. For instance, through our biosimilar insulin analog portfolio, we have enabled the local healthcare system to save over 50% of its outlay on diabetes management in Malaysia. The Ministry of Health, Malaysia is deploying these savings in expanding insulin access to a larger patient population.

There are an estimated 420 million people living with diabetes in the world today, but almost half of them do not have access to insulin even 100 years after its discovery, according to WHO. As a leading global insulins company, we are committed to reach 'one in five' insulin-dependent people with

diabetes worldwide.

To unlock equitable access to insulin, we have designed a special program, 'Mission 10 cents,' to offer our rh-Insulin to governments in LMICs for less than 10 U.S. cents a day.

Patient Equity: Key Highlights: FY21

Introduced our bGlargine as an affordable alternative for over **30 million** Americans living with diabetes in the U.S.^[4]

Supplied **~2.75 billion** doses of rh-Insulin to people with diabetes globally since 2004

Signed pacts to **enable access to rh-Insulin** in Philippines, Tanzania under 'Mission 10 cents'

Associated with IDF to contribute to a stronger global voice for diabetes patients

^[1]OECD Health Statistics 2019, WHO

^[2]World Bank Data 2018

^[3]WHO

^[4]Centers for Disease Control and Prevention. National Diabetes Statistics Report, 2020

Crusading Against Cancer

Biocon entered the Oncology therapy space when the disease burden was posing a debilitating challenge for India, both socially and economically.

In the early 2000s, the treatment paradigm for cancer was moving from small molecule cytotoxic chemotherapies to targeted therapies based on monoclonal antibodies and combinations thereof. While India's generic industry had significantly brought down the cost of cytotoxic drugs, targeted drugs or biologics remained beyond the reach of most cancer patients in the country.

Of the more than 2 million new patients detected with breast cancer globally every year, an estimated 25% are diagnosed as HER2-positive^[5]. Biocon chose to use its science and expertise in novel biologics to develop an affordable targeted therapy for this aggressive form of cancer, which puts women at a much higher risk of death. We successfully developed and launched the world's first biosimilar Trastuzumab for patients of HER2-positive metastatic breast cancer in India in 2014. We were able to expand access to our high quality biosimilar product post 2017 as it became the first bTrastuzumab to be approved by the U.S. Food and Drug Administration (FDA). Today, patients in many parts of the world, including U.S., Europe, Canada, Australia, Brazil, Algeria, UAE etc., have access to an



affordable treatment option for breast and gastric cancer.

With bTrastuzumab, bPegfilgrastim and bBevacizumab, we are uniquely positioned to provide a broad range of treatment options for cancer

patients. We are working with our partners and healthcare systems across the globe to reduce costs, improve access to biologics therapy and advance the quality of care.

Patient Equity: Key Highlights: FY21

Benefitted **over 20,000** **HER2**-positive breast cancer patients globally with our bTrastuzumab[^]

Obtained WHO pre-qualification to serve cancer patients in **46** **LMIC** countries with our bTrastuzumab

Signed a pact with Clinton Health Access Initiative (CHAI) for our biosimilars for Cancer, would help us to enable affordable access in **over 30 countries** in Africa, Asia under the Cancer Access Partnership

[^]internal estimates

^[5]Global Cancer Statistics 2020

Increasing Access through High Quality Generics

Biocon leveraged its unique strength in fermentation technology to develop a differentiated portfolio of generic Active Pharmaceutical Ingredients (APIs). Instead of taking the more common chemical synthesis route,

we manufactured fermentation-based complex APIs across a variety of therapy areas, including cardiology, immunosuppressants, anti-diabetics, multiple sclerosis and cancer. Our global manufacturing scale and strict quality compliance made us a preferred partner for more than

1,000 generic drug makers in over 100 countries.

We also forward integrated our complex fermentation-based APIs into technology-intensive generic formulations to ensure that prohibitive pricing does not deter patients from accessing essential medicines in niche therapy spaces.

Patient Equity: Key Highlights: FY21

Ensured our key generic APIs reached **~500** customers in over **60 countries**

Obtained **14 DMF approvals**, and filed 33 DMFs for APIs in U.S., Europe and MoW markets

Shipped **~2 billion** statin pills for the benefit of patients with cardiovascular diseases in U.S.

Tied up partners to take our **affordable generic formulations** to patients in Singapore, Thailand and Brazil

Widened access to immunosuppressants formulations by launching **Tacrolimus capsules** for organ transplant patients in U.S.



Discovering Novel Drugs

We invested in innovative science to discover novel, 'best in class' therapies for chronic diseases. In 2006, Biocon introduced India's first indigenously developed novel monoclonal antibody,

Nimotuzumab, at an affordable price point. It provided an advanced treatment option for head & neck cancer, which largely afflicted poorer sections of India's population due to excessive use of chewing tobacco.

Our work on first-in-class drugs, including oral insulin (Insulin Tregopil) and an anti-CD6 antibody (Itolizumab), allowed us to push the boundaries of science to develop affordable therapies that can impact global health.



In 2020, we repurposed Itolizumab, whose unique mechanism of action helped prevent and treat CRS (cytokine release syndrome), which is a leading cause of death in patients suffering from acute lung inflammation due to COVID-19. Over 27,000 COVID-19 patients in India have benefited from Itolizumab up to the end of May 2021.

Supporting Innovation

In the early 1990s, we incorporated Syngene as a Custom Research Organisation (CRO) to provide efficient, high-quality, cost-effective research & development services in chemistry and biology to the global pharmaceutical industry. Today, our listed research services subsidiary offers 'end-to-end' integrated discovery and development services to

leading life sciences companies globally. Syngene is helping speed up time to market for life-changing therapeutics for patients worldwide. It is also supporting the pharmaceutical and biotechnology industry in addressing today's drug development challenges and helping them meet the global demand for innovative new treatment options for patients.



People Equity

Underpinning our health equity initiatives is our commitment to an equitable and inclusive workplace. We aim to make Biocon an equal opportunity enterprise, from recruitment to career and leadership development.

We promote a work culture that creates a sense of belonging and encourages ideation, collaboration and experimentation. This allows our employees to 'do things differently' and achieve their full potential while being fully aligned with the organization's mission, vision and values.

Our success in building People Equity can be gauged by the fact that Biocon has consistently featured among the top global employers for eight consecutive years since our debut in 2012 on the prestigious U.S.-based Science magazine's Top 20 list. In 2020, the magazine ranked us among the Top 5 global pharma and biotech employers on three key attributes: 'innovative leader in the industry', 'is socially responsible' and 'has loyal employees'.

Diversity & Inclusion

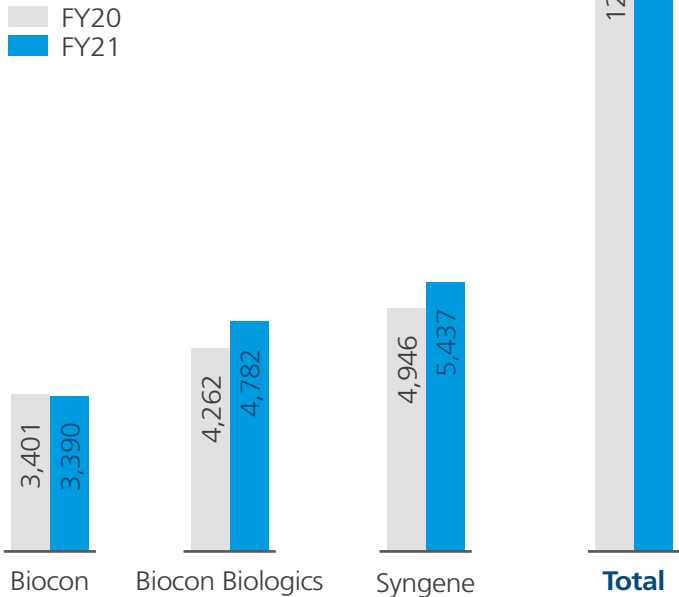
India’s women labour force participation rate has been falling for a decade and is now at a historic low of 21%, indicating that over three out of four women of working age remain out of the workforce ^[6]. At Biocon, we are working to counter this trend by improving working conditions, reducing wage gaps, increasing career opportunities for women and changing mindsets.

We have a strong merit-based culture and we practice ‘Equal Pay for Equal Work’ irrespective of the gender of the employee. We are making additional efforts to improve diversity ratios and business leaders ensure that women are well represented in every team. Targeted development programs are held to prepare women for managerial and leadership roles. We have also created BioWin, a unique forum, to enable and empower women. Our endeavor

is to build a cadre of empathetic women leaders who will excel in managing the future course of the business. We have extended maternity leave, introduced part-time

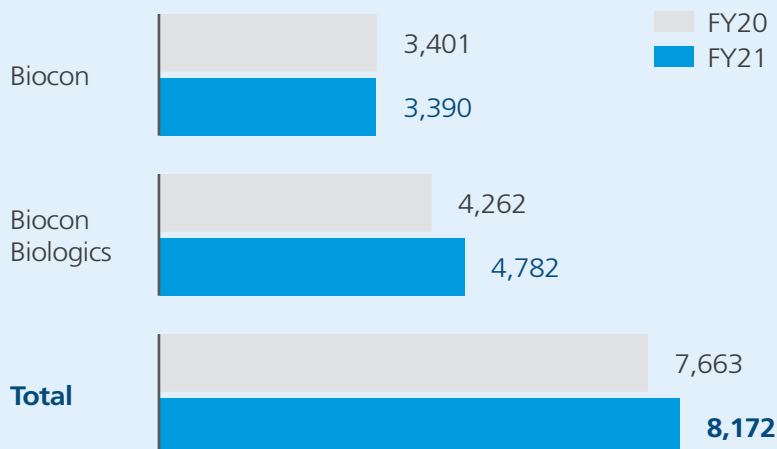
opportunities for women returning to work after a career break, and periodically conduct gender sensitization sessions for all employees.

Biocon Group Employee Base

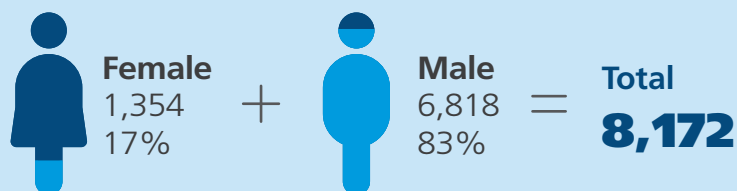


^[6] Working Group of Ministers (WGoM) Report 2020

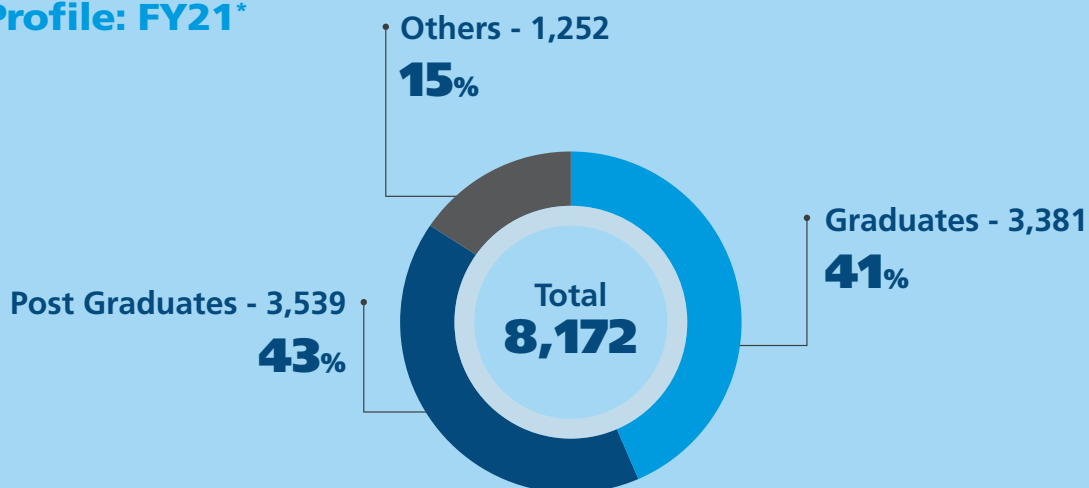
Our Employee Base*



Gender Diversity at Biocon: FY21*



Our Talent Profile: FY21*



*Biocon + Biocon Biologics, India + Biocon Biologics, Malaysia

People Equity: Key Highlights: FY21

17% women employed in the workforce at Biocon*

Biocon recognized among Top 100 in Avtar Women's lists of **'Best Companies for Mothers'** and **'Most Inclusive Companies'** for 2020

Biocon recognized for efforts to promote **gender diversity** by **UN Women**

Biocon recognized for **'Most Innovative Practices'** in women's leadership development; diversity policies; women returnee and learning & development programs at 2021 DivHERsity Awards by JobsforHer

*Biocon + Biocon Biologics, India + Biocon Biologics, Malaysia



Talent Development

We invest in training, upskilling and mentoring programs to enable our employees to perform to the best of their abilities. We also impart technical, leadership skills and soft skills to help accelerate their career growth.

People Equity: Key Highlights: FY21

257,214 hours of learning in FY21*

Over 300 senior leaders underwent Clifton Strengths talent assessment and now have access to their unique fingerprint of strengths that defines their DNA®

Designed a **comprehensive career architecture** for employees, which will allow them to explore various career paths within the organization to realize their professional aspirations

*Biocon + Biocon Biologics, India + Biocon Biologics, Malaysia

© Biocon Biologics, India + Biocon Biologics, Malaysia



Biocare: Special Access Program for Employees

As a 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 raise a request for Biocon's critical, life-saving medicines for themselves and their immediate family members.

Employee Well-Being

Health and safety are integral parts of a broader environment and the core of our leadership decision-making process focuses on providing a safe and healthy work environment at Biocon. Robust procedures and continuous process safety improvements at all our sites show our commitment to

a zero-incident safety culture. We also have robust employee training and protocols for preventing, reporting and addressing behavior that is not in line with our Business Principles and standards, including sexual, discriminatory or other misconduct. We prioritize the mental health of our people as much as their physical health,

offering employees online counseling services.

Our people-centric approach is reflected in our wellness initiative 'BioPulse,' under which we rolled out various programs to maximize the physical, social, environmental and emotional well-being of our employees.



Emotional Well-being

- Unlimited access to counsellor via chat, email, call
- Emotional wellbeing awareness sessions
- Good health and lifestyle sessions
- Guided sessions to prevent burnout
- Wellness Corner portal and mobile application to promote holistic well-being



Environmental Well-being

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



Physical Well-being

- Annual health check-ups
- Medical benefits and insurance
- Occupational health center
- Access to doctors and specialists
- Gym facility
- Yoga camps
- Zumba camps
- Aerobic and cardio sessions



Social Well-being

- Monthly preventive awareness sessions
- Access to dieticians for a healthy lifestyle
- Voluntary participation by employees in CSR activities



COVID-19: People Safety, Our Priority

As an organization that counts the well-being and safety of its people among its top priorities, we implemented several protocols to protect them from COVID-19 during the year.

- Initiated proactive onsite RT-PCR testing of our employees to identify positive COVID -19 cases and offered necessary quarantine & medical support.
- Introduced 'zoning' as an additional safety measure at our facilities to restrict movement of people and ensure physical distancing.
- Offered immunization against COVID-19 to employees as well as their families through Syngene's vaccination center; 10,000+ employees & family members vaccinated by the first week of June 2021.
- Incorporated hybrid ways of working by higher utilization of communication and technology tools to stay connected while ensuring minimum physical contact.
- Signed up multiple indigenous vendors to procure gloves, masks, personal protective equipment (PPE) suits etc. and produced hand sanitizers in-house to protect the workforce.
- Increased the frequency of facility cleaning, ensuring regular sanitization of high-touch surfaces like door handles, elevator buttons, lockers and touch screens.
- Temperature monitoring, screening at Occupational Health Center, sanitization and PPE distribution conducted regularly.
- Introduced safety protocols in buses to ensure physical distancing; fumigated and sanitized buses multiple times in a day.
- Organized accommodation for employees involved in critical functions in close proximity to our facilities to ensure their health and safety and easy commute.
- Introduced flexible working, including remote working, for relevant work groups by quickly equipping them with laptops.
- Extended additional benefits to families of Biocon Group employees who succumbed to the pandemic to enable them to rebuild their lives.
- Introduced Management Information System, COVID-19 trend reports and impact assessment for leadership review.
- Moved large events such as employee townhalls and our annual shareholders meeting online.
- Transitioned to virtual job interviews and orientation for new recruits.



Social Equity

At Biocon, we believe that investing in the growth of people is the best kind of investment. Biocon Foundation is integral to our commitment to improving people's lives. The Foundation is the principal channel for our corporate philanthropy to build resilient solutions that enable underserved communities to live better, every day. We envision a future where everyone prospers in a secure environment with equal access to healthcare, education and sustainable livelihoods.

Focus Areas For Our CSR Activities



Primary Healthcare



Environmental Sustainability



Rural Development



COVID-19 Relief

Healthcare

There is an urgent need for India to deploy technology to leapfrog the traditional linear model and take healthcare to the next level. Recognizing this, the Indian government launched the National Digital Health Mission on August 15, 2020, wherein every Indian will be eligible to voluntarily sign up for a HealthID that can serve as a unified interface for all the healthcare records of an individual. The Foundation has continually invested in ICT-enabled process innovations in order to build sustainable primary healthcare systems. The eLAJ Smart Clinic platform that was developed in-house, is designed to meet this need. 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.

The eLAJ Smart Clinics operating at the 20 government-run primary health centers (PHCs) and three Biocon Foundation-operated health centers continued to provide outpatient services across seven districts of Karnataka in FY21. Despite pandemic-related challenges, Foundation staff coordinated testing, tracking and vaccinations for COVID-19 in these districts.

India accounts for almost a third of the global burden of oral cancer, a situation worsened by the inability to afford care. The Foundation has built extensive field experience in early oral cancer screening, strengthening the initiative through a mobile health-based (mHealth) approach that equips staff with

smartphones to examine people in low-resource settings. The Foundation is also implementing programs under the guidance of an independent Oral Cancer Task Force, comprising international and national specialists who came together in 2018 to develop a strategy to downstage oral pre-malignant disorders in India over the next decade.

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

The Foundation's specialist clinics provided diagnostic, curative and counseling services on women & child health, nutrition and non-communicable diseases (NCDs).



Biocon Academy

Through Biocon Academy we are committed to building the ecosystem for biotech related skills in India. We help create an enabling environment that moulds individuals 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 Academy, and all of them have earned placements in some of the top biotech companies in India.

Lake Rejuvenation

As a company that has worked on cleaner and greener biotechnologies based on enzymes, we have taken a novel approach to revive Bengaluru's polluted lakes. We have implemented a three-step bioremediation process using technology, which is unique and cost effective in comparison to conventional draining and cleaning processes and successfully restored the ecosystem of the dying 35-acre Hebbagodi Lake, located on the outskirts of Bengaluru, in 2018. We are continuing to support maintenance of the lake. Our efforts have led to a decrease in the chemical oxygen demand (COD) and biological oxygen demand (BOD), as well as, decline in the levels of acidity, total dissolved solids (TDS) and nitrates, indicating improvement in water quality.

Reviving Hebbagodi Lake: Key Highlights

Investment in Hebbagodi Lake Rejuvenation Project: ~ ₹ 82 million	300% decrease in COD between 2017 and 2020	1,400% decrease in BOD between 2017 and 2020
75% decrease in TDS between 2017 and 2020	DO level has increased to 5 mg/l from nil	pH of water maintained at appropriate level of 6.5-8.5



Social Equity: Key Highlights: FY21

~**61,000** patient visits recorded at Biocon Foundation-run eLAJ smart clinics

~**2,200** individuals screened for oral cancer using mHealth technology; 27% of cases diagnosed with oral potentially malignant disorders

~**1,400** consultations through 19 NCDs camps

Provided dry ration kits to daily wagers and the underprivileged impacted by the COVID-19 pandemic and lockdown

~**1,000** people screened through special dental camps; 11% treated for common dental diseases

Completed the first phase of the project to beautify Minsk Square in Bengaluru

500+ students will have access to better learning due to well-equipped new buildings of Higher Primary Schools in Huskuru, Anekal and Sira, Tumkuru

₹ **650 million** committed by Biocon Group towards funding the construction of the proposed Hebbagodi Metro Station on Hosur Road

650 consultations through 10 geriatric camps.

94 students graduated from Biocon Academy in FY21



Environmental Equity

Pharmaceutical manufacturing is a resource intensive industry, as drug production requires large amounts of water and power. The manufacturing processes lead to significant greenhouse gas emissions, sizable effluent discharge and considerable waste generation.

To limit our environmental impact, we continuously strive to reduce our carbon footprint, recycle resources, transition to renewable energy, adopt responsible sourcing practices, drive

productivity across our value chain and adopt digital solutions that reduce inefficiencies. All our manufacturing sites are zero liquid discharge (ZLD) facilities, which means we undertake 100% recycling of waste water.

Biocon has been building

environmental equity since inception when as an enzymes-led biotechnology enterprise we helped companies switch to eco-friendly, industrial bioenzymes from polluting chemical technologies. We see a natural alignment between our mission of achieving health

equity and safeguarding the environment.

As an environmentally responsible company, we go beyond statutory compliances to create responsible business practices with a focus on judicious use of natural resources.

Environmental Governance

Biocon Group has a combined Environment, Occupational Health & Safety, and Sustainability (EHSS) Policy aimed at minimizing safety incidents and achieving zero incidents, zero harm to people and zero damage to the environment. Our EHSS systems and processes have received ISO 14001:2015 & ISO 45001:2018 certifications

from M/s TUV Nord (a globally recognized independent auditor). Targets, objectives, priorities and performance goals are set for key environmental aspects such as energy, waste, water and effluent management. To ensure effective implementation, we conduct internal audits every six months to validate compliance with environmental management procedures and protocols.

Waste Reduction

Waste management processes across our operations and supply chain are guided by the 3R principle: reduce, reuse, and recycle. Monthly reports track and categorize waste generated. All waste generated during the production process is handled, stored, disposed and recycled in compliance with applicable environmental laws and regulations.

We strive to maximize opportunities to enhance circular use of our resources.

At Biocon, we convert high-calorific inert fermentation waste to fuel for use in cement factories as part of our co-processing initiative. This method encompasses both material recycling and energy recovery, and is much more environment friendly and sustainable compared to waste disposal through landfill and incineration. By allowing 100% of the waste input to be recycled or recovered without producing any additional waste residue, this method supports the circular economy principle.



Moreover, used solvents are distilled, recovered and reused internally to reduce fresh solvent consumption. Our food waste is treated onsite through composting for use in the greenbelt area.

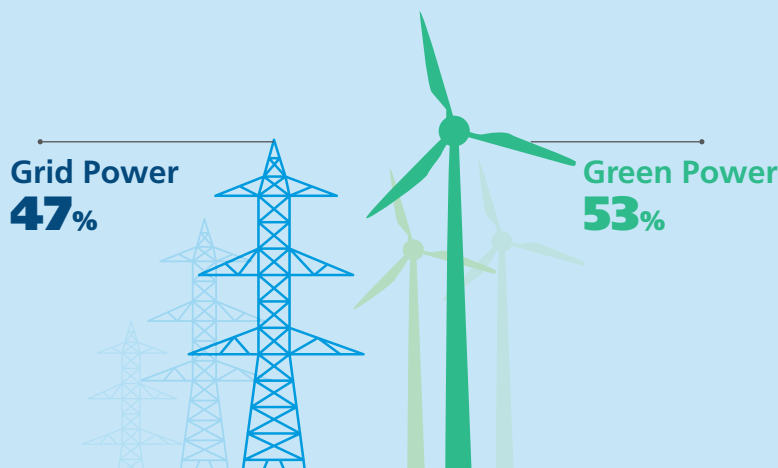
To promote plastic free campuses, we have initiated

a phased approach to eliminating single-use plastics, adopted refillable bottles and replaced plastic stirrers with biodegradable alternatives.

Our initiative to optimize containers has halved the quantity of plastic drums and also reduced sampling, thereby

reducing use of chemicals. Consequently, this has also reduced plastic waste and transportation impact on greenhouse gas (GHG) emissions. Switching to biodegradable wooden pallets from plastic pallets has significantly reduced plastic demand.

Focus On Green Power: FY21



Biocon's mAbs facility receives ISPE Award

We are ensuring that all new facilities constructed on our campuses are designed to be energy-efficient with green building design features. Multiple sustainability elements were built into the design of our new 340,000-sq. ft. monoclonal antibodies (mAbs) manufacturing facility (B3) to ensure minimal environmental impact despite the large size of the facility in Bengaluru. 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.

Water Conservation

Globally, 2.2 billion people still don't have access to clean drinking water.^[7] We have deployed best-in-class water management practices to appropriately treat and reuse wastewater within our operations and facilities, eliminating discharges into local water bodies.

Besides recycling, efforts to optimize fresh water consumption at our manufacturing facilities, rainwater harvesting systems, and implementing catchment based interventions to promote aquifer recharge in the communities around our operations are also helping conserve water.

We have made substantial capital investments to upgrade to the latest advancements in wastewater treatment. A new 600 KLD capacity zero liquid discharge, effluent treatment plant, based on advanced membrane bioreactor technology, was installed in Bengaluru for an investment of ₹ 80 million in FY21.

^[6] Working Group of Ministers (WGoM) Report 2020



Addressing the Climate Emergency

We are committed to climate change mitigation, including actions to limit global warming and its related effects. As part of our unceasing efforts to lower GHG emissions over the long term, we use every opportunity to increase renewable energy across our operations through onsite solar installations and by sourcing wind energy to offset grid supply.

These efforts led to an increase in the share of 'green power' to over half of our total energy

consumption for the year across Biocon and Biocon Biologics in India.

Our disclosures to CDP, a voluntary reporting system for measuring and understanding environmental impact, have consistently been positive and we are committed to improving our scores.

To further reduce our carbon footprint, consistent efforts were made to optimize energy consumption across our production processes and utilities. We also focused on optimizing electrical equipment

and adopted various energy savings measures by installing centrifugal air compressors and water chillers; energy efficient blow motors; variable refrigerant volume systems; steam condensate recovery measures; and high energy LED fixtures.

Additionally, shifting from air to sea freight, which is a comparatively less carbon intensive mode of transport, has helped reduce emissions associated with logistics. More than 70% of Biocon's supply chain logistics are through shipping.

Environmental Equity: Key Highlights: FY21

102,592 tCO₂

reductions achieved on an annual basis[^]

₹ 80 million

invested in installing a new 600 KLD capacity ZLD effluent treatment plant in Bengaluru

400,000 liters

of incremental water savings per day achieved through installation of new ZLD effluent treatment plant[^]

~5,500 tonnes

of high-calorific waste sent for reuse as an auxiliary fuel to cement factories[^]

500

new saplings added to the Miyawaki mini forest planted in July 2020

100%

of wastewater is recycled and reused back in the process or in utilities[^]

[^]Biocon + Biocon Biologics, India

Air Quality Management

Emission levels from our operations are significantly lower than the limits prescribed by regional pollution control boards and monitored every quarter to ensure compliance. We have installed Continuous Ambient Air Quality Monitoring Station (CAAQMS) at our Bengaluru facilities to measure real-time ambient air quality for better air quality management.

Encouraging Local Sourcing

Biocon prefers to work alongside and develop small and medium enterprises around its area of operations as local sourcing reduces carbon footprint from freight and cargo and increases local employment. Small and medium enterprises comprise 15-20% of our total supplier base.

Encouraging Use of Reusable Insulin Pens

As global concerns over environmental sustainability grow, more and more patients will demand eco-friendly products and packaging. As a responsible company, Biocon has taken the initiative to introduce reusable pens for insulin products in several markets, which helps reduce plastic waste. In India, we introduced a reusable insulin pen in 2011.

Responsible Sourcing

We procure our raw materials from approved vendors, both



local and international, and audit our critical suppliers periodically on business sustainability parameters. Sourcing operations for all plants have been consolidated at our Bengaluru Headquarters to keep transactions to a minimum, plan better and negotiate effectively. We have made tremendous strides in moving from an animal-origin to a recombinant supply base for some of our key product portfolios, including insulins.

The sourcing team at Biocon focuses on the use of non-petrochemicals based 'green

solvents' such as ethanol for a majority of our business units, thereby reducing the dependency on non-renewable forms of energy.

We enforce a mandatory minimum level of adherence towards environmental compliance for our critical vendors through periodic site audits. We conduct monthly reviews for each supply chain function.



Stakeholder Equity

At Biocon, the principles of integrity, transparency, accountability and ethics resonate throughout the organization and reinforce the equity we enjoy with our various stakeholders.

We have built professional management teams and independent Boards for Biocon Limited, Biocon Biologics Limited and Syngene International Limited. This allows better governance across the Biocon Group. By implementing global best practices in corporate governance and risk management, we ensure that the Group consistently preserves and enhances value.



Board Oversight and Governance

Biocon's Board of Directors serve as a source of advice and counsel in ensuring the highest levels of corporate governance through risk control and regulatory compliance. They also act as mentors for the management in value creation and value enhancement, while upholding our firm commitment to ethics and values. We have five Board Committees looking into various aspects of governance.

Our Board's diversity, in terms of gender, age, experience, ethnicity, geography and industry expertise contributes significantly to enriching the quality of the Company's decision-making process.

This diverse and multidisciplinary group of knowledgeable and experienced professionals provide the necessary know-how and guidance in our

journey of making a significant impact on global healthcare by increasing patient access through affordable innovation.

Ensuring Ethics and Integrity

Our corporate governance framework ensures that we hold ourselves to the highest standards of ethics, transparency and accountability.

We have implemented a robust and globally benchmarked set of policies, including Code of Conduct, Whistle-Blower and Integrity Policy, Prevention of Insider Trading Policy, Data Privacy and Protection Policy, Gender Diversity & Inclusion Policy, Prevention Of Sexual Harassment Policy, CSR Policy etc.

Our Code of Conduct, which came into effect in 2009 and is applicable to all employees, subsidiaries, directors as well as business partners, is reviewed

and amended periodically.

The Code provides direction on behavioral and ethical standards to cultivate a positive work culture and align all the stakeholders with the expectations of the Company. It covers aspects such as compliance with applicable laws and policies, values and performance management, assets and financial records, countering corruption as well as workplace and ethical conduct.

We have developed innovative training material and programs to educate our employees on the importance of ethics and compliance.

During the year, we appointed a team of 120 Local Ethics Officers (LEOs) to ensure compliance to the Code of Conduct.

We have put in place appropriate structures and reporting systems to ensure timely and accurate

disclosures that provide a fair reflection of our financial and non-financial performance, and the management performance of the Company.

We will be publishing our first GRI-aligned ESG Report, later this year, which will provide comprehensive insights into our Environmental, Social and Governance performance over FY21.

Stakeholder Equity: Key Highlights: FY21

Appointed a team of **120 Local Ethics Officers (LEOs)** to ensure compliance to Code of Conduct

ESG Report Summary distributed along with Annual Report 2021

Aiming for **first GRI-aligned ESG Report** for enhanced sustainability disclosures on non-financial performance



Quality Manufacturing and Patient Safety

As an organization that cares for the well-being and safety of patients among its top priorities, Quality and Compliance are integral to our value system. Our Quality Management System (QMS) is implemented and monitored by over 2,000 well-trained quality professionals, ensuring that every product leaving our gates are of the highest international standards of quality, efficacy and safety for our patients. Our QMS is supported by

comprehensive procedures and protocols aligned with Good Manufacturing Practice (GMP), Good Storage Practice (GSP), Good Distribution Practice (GDP), Good Documentation Practices and Good Pharmacovigilance Practices (GVP) where relevant.

Our various technology platforms and high-end processes meet the global benchmarks and comply with the guidelines of global regulatory agencies including the U.S. Food and Drug Administration (U.S. FDA), European Medicines Agency (EMA), Pharmaceuticals and

Medical Devices Agency Japan, (PMDA) among others. We have received over 50 cGMP approvals from international regulatory agencies, cumulatively, for our manufacturing facilities across Bengaluru, Telangana and Visakhapatnam in India, and Johor in Malaysia. As a part of our commitment to quality excellence, we have been consistently investing in augmenting our Quality Management Systems and upgrading the infrastructure with latest technology and digital tools to enhance compliance and efficiency.

Ensuring Efficient & Secure Medicine Supplies

We have a duty to ensure that our patients get a quality-ascertained, safe and efficacious product right up to the point of administration. Most biologic products require a specific storage condition to maintain the safety, purity and potency of the drug. We maintain an efficient and seamless cold chain that prevents denaturation of our biological therapies due to heat. We have processes in place to maintain traceability throughout our supply chain, both in the upstream and downstream value chains, from raw materials procurement to the last-mile delivery of our products to patients.

We are developing a Supplier Code of Conduct to guide our value chain partners on applicable laws, regulations, policies and procedures, as well as, the expected behavioral and ethical



standards we expect from them. This will be rolled out soon.

We have zero tolerance for child labour and have always ensured no children are employed in any of our operations. During the year, there were no reportable incidents of child labour from any of our vendors.

Pharmacovigilance

Patient safety is a priority and we have a robust system in

place for collecting information about patients' experiences with our products, including adverse events. We have a highly committed and vigilant team dedicated for pharmacovigilance and stakeholders can report complaints or adverse events on a purpose-built web portal. We proactively investigate all complaints and adverse events and ensure that timely action is taken where necessary.

Stakeholder Equity: Key Highlights: FY21

Zero tolerance for child labor;

No children are employed by the Company and no reportable incidents of child labor from any of our vendors

All employees at our Biosimilars business underwent the annual **mandatory pharmacovigilance** training

Continued digitalization initiatives to strengthen the **Quality Management System**

Quality and compliance training

and refresher programs for all relevant functions supported by e-learning modules.

Digital Governance – The Way Forward

Biocon is investing in building a robust digital architecture that will support data platforms and data networks across organizational functions. ESG is at the core of Biocon's digital transformation wherein we aim to enhance quality and compliance, augment productivity through enhanced operational excellence and enable data integrity through technology-led data transparency. Digitization, we firmly believe, has the ability to build higher standards of governance and deliver greater levels of trust to all stakeholders.

Glimpses Of Keeping People Safe



Conclusion

The COVID-19 pandemic has exposed how inequality remains embedded in the world's political, social and economic systems. In exposing these gaps, it has made a compelling proposition for a shift to a more equitable and just world.

We are committed to enable India meet its targets under the United Nations Sustainable Development Goals. From preserving the environment to reducing our carbon footprint and promoting the well-being of the communities, employees and other stakeholders, our business practices go beyond compliance, thus contributing to the larger goal of sustainable development.

As we move forward, ESG is redefining our boardroom conversations and we are committed to purposefully embrace ESG aspects in our strategy and everyday decision-making processes to drive transformational impact.

Concept

Unconditional Equity

In pursuing our purpose of using biotechnology to develop therapies that heal the world, Biocon remains dedicated to advancing the health of our patients, our planet and our business. Our responsible business practices, which embed social impact in all that we do, includes effectively managing environmental, social and governance (ESG) matters. We believe business has a key role to play in solving social challenges, and we work to do so by widening affordable access to essential and life-saving medicines, supporting and developing the skills of our employees, and investing in our communities to help more people share in the benefits of economic growth. While the principles of ESG -- operating responsibly and sustainably and caring for people and communities -- have been ingrained in our Company's DNA since inception, we are proud to present our first ESG Summary Report. This report presents efforts made and progress achieved by the Company in delivering on its commitments and seeks to address the growing interest and expectations of our global stakeholders across ESG domains. We will follow up the ESG Summary Report with the publication of our first GRI aligned ESG Report, which will provide comprehensive insights into our Environmental, Social and Governance performance during FY21.

Please Note:

This ESG Summary Report is released along with Annual Report 2021.

We believe all metrics in this summary report to be a fair representation of our operations.

These will be further verified prior to the publication of a detailed ESG report later this year.

Reports are available on our website www.biocon.com

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Scan the QR code to download
the ESG Summary Report

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In an effort to realize our vision of a cleaner, greener future, we have printed a very small number of this report. We encourage people to access and share digital versions of the 2021 ESG Summary Report. The digital report along with Biocon's 2021 Annual Report can be downloaded from www.biocon.com or by scanning the QR codes given on the back cover.



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