

SUSTAINABILITY REPORT

TRUST, INNOVATION, RESPONSIBILITY AND PROGRESS
FY 2024-25



Company Overview & Products

Company Overview

Established in 1984, Morepen Laboratories Limited has evolved into a prominent and trusted name in the global pharmaceutical and healthcare industry. Morepen operates across several strategic verticals including Active Pharmaceutical Ingredients (APIs), Finished Dosage Forms, Medical Devices and Diagnostics, with a significant export presence in over 80 countries. The company's API manufacturing infrastructure is certified by United States Food & Drugs Administration (USFDA), Pharmaceuticals Medical Devices Agency (PMDA) and Agência Nacional de Vigilância Sanitária (ANVISA). In addition, all formulation units are certified to Good Manufacturing Practice (GMP). These manufacturing facilities are situated at Baddi, Masulkhana and Parwanoo in Himachal Pradesh, India. These facilities are equipped with advanced technologies for continuous manufacturing processes, green chemistry adoption and closed-loop solvent recovery systems, thereby, illustrating Morepen's commitment to minimize its ecological footprint.

In FY 2024–25, Morepen reported an increase in production of APIs, driven by automation, process intensification and implementation of eco-friendly practices. Compliance with global benchmarks such as ICH Q7, EU-GMP and WHO-GMP standards ensures the integration of quality control and environmental safeguards at every stage of production. The company continues to invest in green chemistry routes, solvent recovery and Zero-Liquid Discharge (ZLD) systems to align with its commitment to sustainable industrial practices. From a social standpoint, Morepen emphasizes inclusive growth and workforce development. With a diverse team of employees, the company prioritizes employee health and safety, learning and development and equal opportunity policies. In addition, the company also emphasizes on product safety and customer health & safety.

Products

Morepen Laboratories has established a robust global presence, exporting its pharmaceutical products. The formulations business delivers WHO-GMP backed, affordable medicines comprising antibiotics, probiotics, cardiology, hepatology, gastroenterology and nutrition, inclusive of recent Indian launches including Ticapen (ticagrelor), UdoFix (ursodeoxycholic acid), LycoMore (lycopene syrup) and Acifix Raft (acid reflux suspension). The Dr. Morepen consumer range includes glucometers, BP monitors, nebulizers, thermometers, pregnancy tests, OTC Over-The-Counter (OTC)/Fast Moving Health Goods (FMHG) remedies and supplements (including Burnol and categories like weight management, sexual wellness and gym nutrition), distributed pan-India and online.



FY 24-25	
Net Turnover	₹ 15,46,94,35,000

Our Company's Mission And Vision



Mission : To provide affordable, high-quality healthcare by offering accessible and advanced pharmaceutical and medical technology products that promote health and well-being of consumers, while also innovating to improve the overall quality of their life, globally.

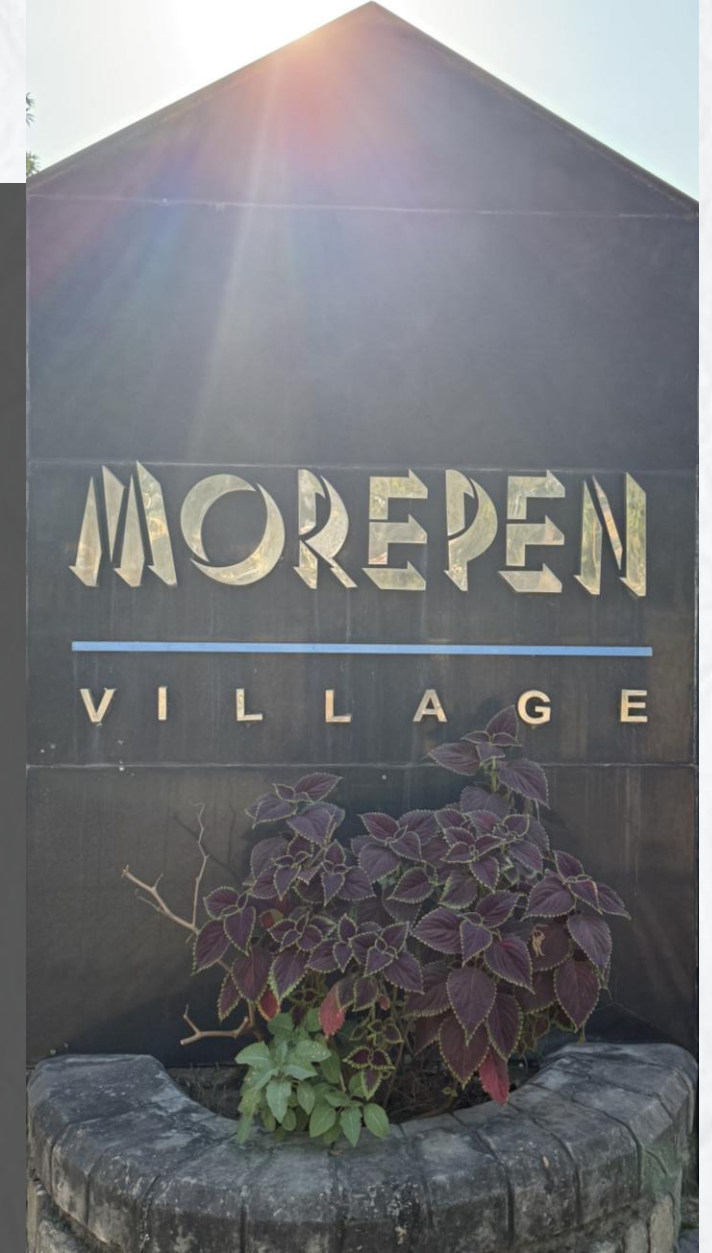


Vision : To achieve global accessibility by delivering healthcare solutions worldwide, while striving for excellence across all aspects of the pharmaceutical and healthcare industry through continuous improvement in manufacturing, products, distribution and customer service and empowering lives by making a positive impact through innovation and a steadfast commitment to quality.

Our Global Presence

Morepen is a market leader in six active pharmaceutical ingredients (APIs) and has seen significant export-driven growth, with significant volume of its business now coming from international markets. Morepen's exports are primarily to high-value, hard currency markets in Europe, Asia and other developed regions, rather than to third-world countries. On the international front, Morepen Laboratories exports its products to over 80 countries, catering to the needs of a vast and diverse clientele. Its core competencies lie in the production of Active Pharmaceutical Ingredients (APIs), making it one of the growing bulk drug API manufacturing company. This global reach is supported by a wide range of self-care products and over-the-counter (OTC) offerings, with trusted brands such as Dr. Morepen, etc. which are serving more than 100 million domestic consumers, while trying to gain the confidence of international consumers too.

In addition to APIs, Morepen's product portfolio includes more than 400 OTC items, such as BP monitors, glucose monitors and flagship products like Burnol, ensuring comprehensive coverage for various therapies and healthcare needs. The company's standardized modern facilities facilitate the production and distribution of these products, enabling Morepen Laboratories to maintain a seamless and efficient global operation. Morepen continues to expand its reach by launching new products in countries such as Thailand, Qatar and Oman and has ongoing plans to enter additional markets, including the United States. This global strategy is supported by strong relationships with international partners and a commitment to quality and innovation, thereby making Morepen a recognized name in the worldwide pharmaceutical industry.



Our Mission & Vision For Sustainability



Mission : The core mission of Morepen Laboratories Limited is "Empowering Health Everywhere," which is central to our organizational purpose. We are deeply committed to providing affordable, high-quality pharmaceutical and medical technology products globally. Our sustainability mission represents our operational commitment to this endeavour. We endeavour to minimize our environmental footprint, actively champion social equity within our value chain and uphold the highest ethical governance for the collective well-being of our planet, our people and our valued partners.



Vision : To be a global catalyst for sustainable development and recognized as a leader in innovative healthcare, delivering affordable and accessible high-quality medicines and medical instruments that empower healthier lives worldwide. We envision a world where our pioneering innovations and responsible practices shall not only empower healthier lives and uplift communities but shall also foster environmental stewardship, social equity, collective prosperity and sustainable growth for all stakeholders, through our effective governance, responsible and ethical practices that are guided by our passion for excellence, innovation and impactful action.

Sustainability Policy

1. Purpose and Adherence for Commitment with Global and National Sustainability Frameworks and Objective of the Policy

❖ **The Purpose of the Policy :** The purpose of the policy is to detail the guiding principles, governance, commitment and actions of the company towards its sustainability initiatives and practices. This policy applies to all the business operations of the company.

❖ **Adherence for Commitment with Global and National Sustainability Frameworks :** This policy is designed to be in adherence with and committed to the following global and national sustainability frameworks:

- Global Reporting Initiative (GRI)
- National Guidelines on Responsible Business Conduct (NGRBC)
- Securities Exchange Board of India's Business Responsibility and Sustainability Reporting
- ISO 26000 - Guidance on Social Responsibility
- Corporate Green House Gas (GHG) Accounting Protocol
- Net Zero as per Science Based Target Initiative (SBTi)
- Sustainability Accounting Standards Board
- United Nations' Global Compact (UNGC) Principles
- UN's Sustainable Development Goals (SDGs)
- Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management
- Environmental Management System as per ISO 14001
- Occupational Health and Safety Management System as per ISO 45001
- Energy Management System as per ISO 50001
- Social Accountability as per SA 8000

❖ **Broad Objectives of the Policy**

- Align the company's operations with national and international sustainability standards.
- Minimize adverse impacts created by the company, while promoting good practices.
- Foster a safe, inclusive and responsible workplace.
- Ensure ethical governance and transparency in decision-making.
- Engage with local communities for sustainable development.
- Subject the sustainability framework developed by us to effective implementation, monitoring and periodic evaluation.

2. Ensuring Environmental Commitments

2.1 Climate Action

Gradual transition to renewable energy in our business operations and adopt energy-efficient technologies to reduce our dependence on fossil fuels; mitigate climate change wherever practicable and capitalize on opportunities, wherever available. Monitor, report and reduce greenhouse gas (GHG) emissions and support the national commitment of Net Zero.

2.2 Resource Efficiency

Implement sustainable procurement practices, favouring eco-friendly materials and responsible suppliers. Promote waste reduction through the 3Rs (Reduce, Reuse, Recycle). Reduce water withdrawal through recycling, rainwater harvesting and process optimization. Implement water stewardship plans in water-stressed regions and prevent pharmaceutical discharge into waterways. Optimize water consumption, adopt water-saving technologies and ensure responsible wastewater disposal.

2.3 Biodiversity and Ecosystem Protection

Conduct environmental & social impact assessments for all projects, as felt necessary. Conduct environmental impact assessments for all sites and integrate biodiversity conservation into land-use planning, wherever practicable. Support and contribute to biodiversity conservation programs that boost forest conservation and wildlife protection.

Sustainability Policy

3. Meeting Social Commitments

3.1 Addressing Needs of Internal Stakeholders

Implement effective health and safety practices to ensure zero workplace injuries. Provide safety training, protective equipment and emergency response plans for all employees and contractors and promoting safe practices to mitigate risks and minimize the occurrence of incidents and eliminate accidents. Support employees with work-life balance programs and mental health initiatives. Ensure fair employment opportunities, work force diversity and gender pay parity. Enforce zero tolerance policies against discrimination, child labour and forced labour.

3.3 Addressing Needs of External Stakeholders

Collaborate and engage with relevant stakeholders to strengthen sustainability efforts, with a focus on local communities through various initiatives to understand and address their concerns and expectations. Allocate funds for CSR initiatives aligned with beneficiaries' needs and expectations, primarily in projects and geographies of India, where development really matters, as well as create economic opportunities wherever practicable. Consider reasonable requirements and priorities of project affected people, with special mention to indigenous people. Ensure resettlement and or provide fair compensation to displaced communities during site expansions. Implement appropriate grievance mechanisms, wherein the community members can report their concerns and expectations, which will be appropriately addressed by the company.

3.3 Investing in Research and Development

Allocate appropriate amount in research and development for sustainable technologies, as well as partner with relevant medical associations, laboratories, academic institutions and other relevant agencies for furthering the advancement of healthcare goals.

4. Ensuring Appropriate Governance

4.1 Effective Governance

Enforce anti-bribery, anti-corruption and fraud prevention policies across all business activities. Maintain transparent reporting on sustainability performance. Identify and mitigate sustainability specific related risks, as well as capitalise on sustainability specific opportunities. Ensure being in compliance with the applicable sustainability specific laws and standards that are relevant for our business operations. Conduct periodic internal and external reviews to assess the effectiveness of the sustainability policy and reviewing and revising the same, as and when felt appropriate.

4.2 Creation of Sustainability Governance Structure

- Board level Sustainability Committee: Oversees the implementation of the sustainability policy and ensures alignment with corporate strategy.
- Management level Sustainability Steering Committee: Responsible for the operational implementation of Sustainability initiatives.
- Sustainability Working Groups: Focus on specific areas such as environment, social and governance.

5. Communication of the Sustainability Policy

The sustainability policy will be accessible on our website in languages that will be understood by the interested stakeholders. This policy shall be made available to any stakeholder on request and displayed in practicable locations wherever felt appropriate.

6. Implementation and Reporting

Ensure continual improvement of the sustainability policy framework, followed by periodic review of the sustainability strategies and ensure alignment with best known practices and evolving requirements for further improvement. Ensure reporting and alignment with focussed global and national sustainability frameworks. Ensure appropriate training of this sustainability policy is provided to relevant stakeholders for its effective implementation in all of the company's business operations. Publish an annual sustainability report that shall include sustainability contents accompanied by a third-party assured report, disclosing key sustainability performance metrics, challenges and progress made thereunder.

7. Our Commitment:

The company is committed to implementing this sustainability policy and making it a core part of our business strategy. We believe that by working together, we can create a more sustainable and equitable future for all.

We also commit ourselves to take measures in respect to the objectives that are defined in the policy, in the form of relevant targets within a specified timeframe for performance parameters that are relevant to the company, with an emphasis on matters that are material to the organization. The company has also established and implemented various policies in respect to Economic, Environmental, Social and Governance domains. Each of the policies prepared under these four domains are supported by qualitative objectives and quantitative targets. These qualitative objectives and quantitative targets taken against the corresponding policies have been mentioned in Annex 1. This Annex-1 shall be reviewed and revised on a need basis.

Sustainability Performance Parameters Agreed with HODs

Environment Commitment Towards A Better Future

Sustainability Performance Parameters	UoM	Commitment Year <i>(on year-on-year basis)</i>						Reference Policies	
		Short Term Commitment		Mid-Term Commitment			Long Term Commitment		
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	Beyond FY 2029/30		
Energy									
Increase in renewable energy	In %	Implementation off 1122 KW solar Power Plant		250	30	5	5	5 on YoY basis	▪ IMS Policy
Reduction of specific energy consumption over revenue generated in API manufacturing facilities	In %	0.25	0.5	0.75	1	1.25	1.25 on YoY basis	▪ IMS Policy	
Green House Gas (GHG)									
Achievement of Net Zero	Full achievement							Achieve Net Zero by FY 2045/46	▪ IMS Policy
Reduction of Scope 1 and 2 GHG emission intensity over revenue generated	In %	0.25	0.5	0.75	1	1.25	1.25 on YoY basis	▪ IMS Policy	
Reduction of Scope 3 GHG emission intensity over revenue generated	In %			0.125	0.25	0.75	1	1.25 on YoY basis	▪ IMS Policy
Trees to be planted	In numbers	600	600	800	800	1000	1000 on YoY basis	▪ IMS Policy ▪ Biodiversity Policy	
Water									
Reduction in water intake & withdrawal intensity over revenue generated	In %	0.5	1	1.5	1.75	2	2.25 on YoY basis	▪ IMS Policy	
Establishing Zero Liquid Discharge (ZLD) provisions at the API facility in Baddi	Full achievement	MEE Installation		Achieve ZLD					▪ IMS Policy
Achieve water surplus	Full achievement							Achieve Water Surplus by FY 2034/35	▪ IMS Policy

Sustainability Performance Parameters Agreed with HODs

Environment Commitment Towards A Better Future

Sustainability Performance Parameters	UoM	Commitment Year <i>(on year-on-year basis)</i>						Reference Policies
		Short Term Commitment		Mid-Term Commitment			Long Term Commitment	
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	Beyond FY 2029/30	
Emission other than GHG								
Reduction of SOx emission intensity over revenue generated	In %		0.25	0.5	0.75	1	1.5 on YoY basis	▪ IMS Policy
Reduction of NOx emission intensity over revenue generated	In %		0.25	0.5	0.75	1	1.5 on YoY basis	▪ IMS Policy
Reduction of PM emission intensity over revenue generated	In %		0.25	0.5	0.75	1	1.5 on YoY basis	▪ IMS Policy
Circularity								
Recycling of plastic consumed in production	In %		40	50	60	70	70 on YoY basis	▪ IMS Policy
Recovery of solvent	In %	0.25	0.50	0.50	0.75	0.75	0.5 on YoY basis	▪ IMS Policy
Landfill diversion	In %	0.25	0.5	0.5	0.75	0.75	0.5 on YoY basis	▪ IMS Policy
Coverage of communicating the safe disposal of the used packaging products to our end consumers	In %	50	55	60	65	70	75 on YoY basis	▪ IMS Policy ▪ Responsible Product Use Policy
Disclosures and Rating Frameworks								
Submit for Carbon Disclosure Project rating			Submit CDP					
Submit for Morgan Stanley Capital International (MSCI) rating				Submit MSCI				

Sustainability Performance Parameters Agreed with HODs

Social Commitment Towards A Better Future

Sustainability Performance Parameters	UoM	Commitment Year <i>(on year-on-year basis)</i>						Reference Policies
		Short Term Commitment		Mid-Term Commitment			Long Term Commitment	
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	Beyond FY 2029/30	
Workplace Health and Safety								
Achieve Lost Time Injury Frequency Rate (LTIFR)	In ratio	< 1	< 0.75	< 0.5	< 0.25	0	0 on YoY basis	<ul style="list-style-type: none"> IMS Policy Occupation Health and Safety
Plants and offices to be regularly assessed externally for environmental, health, safety, energy and related compliance matters	In %	100	100	100	100	100	100 on YoY basis	<ul style="list-style-type: none"> Employee Well being
Employee Training and Development								
Coverage of workforce in respect to EHS, Social, POSH, Ethics, Human Rights, Discrimination, Equal Opportunity, and Compliance training	In %	80	95	100	100	100	100 on YoY basis	<ul style="list-style-type: none"> IMS Policy Occupation Health and Safety HR Policy POSH Policy Code of Conduct Anti-Corruption, Anti-Bribery and Anti-Money Laundering policy Equal Opportunity policy Social Accountability Policy
Coverage of workforce for upgradation of skill	In %	75	75	75	75	75	75 on YoY basis	<ul style="list-style-type: none"> Skill Development Policy Equal Opportunity policy

Sustainability Performance Parameters Agreed with HODs

Social Commitment Towards A Better Future

Sustainability Performance Parameters	UoM	Commitment Year <i>(on year-on-year basis)</i>						Reference Policies
		Short Term Commitment		Mid-Term Commitment			Long Term Commitment	
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	Beyond FY 2029/30	
Diversity, Equity, and Inclusion								
Increase in percentage of women in senior role (above AM)	In %	0.25	0.25	0.5	0.5	0.5	0.5 on YoY basis	• Equal Opportunity policy
Tolerance to discrimination cases	In %	0	0	0	0	0	0	• HR Policy • Child Labour • Young Worker
Tolerance to harassment cases	In %	0	0	0	0	0	0	• HR Policy • Child Labour • Young Worker
Employee Welfare and Benefits								
Percentage of workers covered under medical insurance	In %	100	100	100	100	100	100 on YoY basis	• Employee Well being
Coverage of payment of living wages to workers	In %	100	100	100	100	100	100 on YoY basis	• Skill Development Policy • Equal Opportunity policy
Human Rights and Fair Labour Practices								
Tolerance to forced labour	In %	0	0	0	0	0	0 on YoY basis	• HR Policy • Child Labour • Young Worker
Verification of age of candidates during hiring to ensure legal working age for all workforce	In %	100	100	100	100	100	100 on YoY basis	• HR Policy • Child Labour • Young Worker
Tolerance to child labor below the legal age	In %	0	0	0	0	0	0 on YoY basis	• HR Policy • Child Labour • Young Worker

Sustainability Performance Parameters Agreed with HODs

Social Commitment Towards A Better Future

Sustainability Performance Parameters	UoM	Commitment Year <i>(on year-on-year basis)</i>						Reference Policies
		Short Term Commitment		Mid-Term Commitment			Long Term Commitment	
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	Beyond FY 2029/30	
Grievance Redressal								
Number of grievance cases resolved over total number of active grievance cases	In %	95	95	95	95	95	95 on YoY basis	<ul style="list-style-type: none"> Human Rights policy Prevention of Sexual Harassment (POSH) Policy Human Rights Due Diligence Framework Social Accountability Policy Company Union Policy
Supplier Assessment								
Assessment of key suppliers on environmental practices	In %	80	85	85	90	90	100 on YoY basis	<ul style="list-style-type: none"> Sustainable Procurement Policy
Assessment of key suppliers on social practices	In %	80	85	85	90	100	100 on YoY basis	<ul style="list-style-type: none"> Sustainable Procurement Policy
Supplier Selection								
Selection of key suppliers based on their environmental and social performance	In %	50	60	80	100	100	100 on YoY basis	<ul style="list-style-type: none"> Sustainable Procurement Policy
Provision on Incentivization on key suppliers based on their environmental and social performance	In %	100	100	100	100	100	100 on YoY basis	Sustainable Procurement Policy

Sustainability Performance Parameters Agreed with HODs

Governance Commitment Towards A Better Future

Sustainability Performance Parameters	UoM	Commitment Year <i>(on year-on-year basis)</i>						Reference Policies
		Short Term Commitment		Mid-Term Commitment			Long Term Commitment	
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	Beyond FY 2029/30	
Corporate Governance and Compliance								
Reportable cases of fraud or fraudulent activity by employees	In numbers	0	0	0	0	0	0 on YoY basis	<ul style="list-style-type: none"> Code of Conduct Policy
Training of workforce on fraud prevention and ethical business practices	In %	80	95	100	100	100	100 on YoY basis	<ul style="list-style-type: none"> Code of Conduct Policy
Reportable incidents of data breach, misuse, or unauthorized disclosure of information	In numbers	0	0	0	0	0	0 on YoY basis	<ul style="list-style-type: none"> IT Policy Asset Management Policy
Training of workforce on responsible information management and data protection practices	In %	80	95	100	100	100	100 on YoY basis	<ul style="list-style-type: none"> IT Policy
Completion of corruption risk-based due diligence for all new and high-risk third-party engagements	In %	100	100	100	100	100	100 on YoY basis	<ul style="list-style-type: none"> Supplier Code of Conduct
Reportable incidents of corruption identified through third-party due diligence assessments	In numbers	0	0	0	0	0	0 on YoY basis	<ul style="list-style-type: none"> Supplier Code of Conduct HRDD framework

Sustainability Performance Parameters Agreed with HODs

Governance Commitment Towards A Better Future

Sustainability Performance Parameters	UoM	Commitment Year <i>(on year-on-year basis)</i>						Reference Policies
		Short Term Commitment		Mid-Term Commitment			Long Term Commitment	
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	Beyond FY 2029/30	
Ethical Conduct and Integrity								
Coverage of training of workforce on anti-corruption, anti-bribery, anti-money laundering.	In %	80	95	100	100	100	100 on YoY basis	▪ Anti-Discrimination, Anti-Corruption and Anti-Money laundering Policy
Coverage of training of suppliers on anti-corruption, anti-bribery and anti-money laundering.	In %	Annually 100% of top 5% key suppliers	Annually 100% of top 10% key suppliers	Annually 100% of top 15% key suppliers	Annually 100% of top 20% key suppliers	Annually 100% of top 25% key suppliers	Annually 100% of top 50% key suppliers on YoY basis	▪ Anti-Discrimination, Anti-Corruption and Anti-Money laundering Policy
Reportable cases of fraud or fraudulent activity by employees	In numbers	0	0	0	0	0	0 on YoY basis	▪ Code of Conduct Policy
Training of workforce on fraud prevention and ethical business practices	In %	80	95	100	100	100	100 on YoY basis	▪ Code of Conduct Policy
Reportable cases of corruption, bribery, or money laundering	In numbers	0	0	0	0	0	0 on YoY basis	▪ Anti-Discrimination, Anti-Corruption and Anti-Moneylaundering Policy
Workforce coverage under corruption and bribery prevention training programs	In %	100	100	100	100	100	100 on YoY basis	▪ Anti-Discrimination, Anti-Corruption and Anti-Money laundering Policy
Reportable cases of corruption or bribery identified post-training period	In numbers	0	0	0	0	0	0 on YoY basis	▪ Anti-Discrimination, Anti-Corruption and Anti-Money laundering Policy

Sustainability Performance Parameters Agreed with HODs

Governance Commitment Towards A Better Future

Sustainability Performance Parameters	UoM	Commitment Year <i>(on year-on-year basis)</i>						Reference Policies
		Short Term Commitment		Mid-Term Commitment			Long Term Commitment	
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	Beyond FY 2029/30	
Responsible Business and Customer Stewardship								
Reduction in customer complaints	In %	10	10	10	10	10	10 on YoY basis	▪ Responsible Product Use Policy
Coverage of customers who have been given MSDS for products manufactured by us	In %	100	100	100	100	100	100 on YoY basis	▪ Responsible Product Use Policy
Coverage of products for which product stability testing has been conducted	In %	100	100	100	100	100	100 on YoY basis	▪ Responsible Product Use Policy
Complaints specific to customer's health and safety for use of our products	In numbers	0	0	0	0	0	0 on YoY basis	▪ IMS Policy ▪ Responsible Product Use Policy

Alignment of Targets with National & Global Sustainability Frameworks

Environment Commitment Towards A Better Future

Key Material Issues Identified	UNSDGs	UNGC	GRI	NGRBC/BRS R
Energy				
Increase in renewable energy	✓	✓	✓	✓
Reduction of specific energy consumption over revenue generated in API manufacturing facilities	✓	✓	✓	✓
Green House Gas (GHG)				
Achievement of Net Zero	✓	✓	✓	✓
Reduction of Scope 1 and 2 GHG emission intensity over revenue generated	✓	✓	✓	✓
Reduction of Scope 3 GHG emission intensity over revenue generated	✓	✓	✓	✓
Tress to be planted	✓	✓	✓	✓
Water				
Reduction in water intake & withdrawal intensity over revenue generated	✓	✓	✓	✓
Establishing Zero Liquid Discharge (ZLD) provisions at the API facility in Baddi	✓	✓	✓	✓
Achieve water surplus	✓	✓	✓	✓
Emission other than GHG				
Reduction of SOx emission intensity over revenue generated	✓	✓	✓	✓
Reduction of NOx emission intensity over revenue generated	✓	✓	✓	✓
Reduction of PM emission intensity over revenue generated	✓	✓	✓	✓
Circularity				
Recycling of plastic consumed in production	✓	✓	✓	✓
Recovery of solvent	✓	✓	✓	✓
Landfill diversion	✓	✓	✓	✓
Coverage of communicating the safe disposal of the used packaging products to our end consumers	✓	✓	✓	✓

Alignment of Targets with National & Global Sustainability Frameworks

Key Material Issues Identified	UNSDGs	UNGC	GRI	NGRBC/BRS R
Disclosures and Rating Frameworks				
Submit for Carbon Disclosure Project rating	✓	✓	✓	✓
Submit for Morgan Stanley Capital International (MSCI) rating	✓	✓	✓	✓

Alignment of Targets with National & Global Sustainability Frameworks

Social Commitment Towards A Better Future

Key Material Issues Identified	UNSDGs	UNGC	GRI	NGRBC/BRSR
Workplace Health and Safety				
Achieve Lost Time Injury Frequency Rate (LTIFR)	✓	✓	✓	✓
Plants and offices to be regularly assessed externally for environmental, health, safety, energy and related compliance matters	✓	✓	✓	✓
Employee Training and Development				
Coverage of workforce in respect to EHS, Social, POSH, Ethics, Human Rights, Discrimination, Equal Opportunity, and Compliance training	✓	✓	✓	✓
Coverage of workforce for upgradation of skill	✓	✓	✓	✓
Diversity, Equity, and Inclusion				
Increase in percentage of women in senior role	✓	✓	✓	✓
Tolerance to discrimination cases	✓	✓	✓	✓
Tolerance to harassment cases	✓	✓	✓	✓
Employee Welfare and Benefits				
Percentage of workers covered under medical insurance	✓	✓	✓	✓
Coverage of payment of living wages to workers	✓	✓	✓	✓
Human Rights and Fair Labour Practices				
Tolerance to forced labour	✓	✓	✓	✓
Verification of age of candidates during hiring to ensure legal working age for all workforce	✓	✓	✓	✓
Tolerance to child labor below the legal age	✓	✓	✓	✓
Grievance Redressal				
Number of grievance cases resolved over total number of active grievance cases	✓	✓	✓	✓
Supplier Assessment				
Assessment of key suppliers on environmental practices	✓	✓	✓	✓
Assessment of key suppliers on social practices	✓	✓	✓	✓

Alignment of Targets with National & Global Sustainability Frameworks

Key Material Issues Identified	UNSDGs	UNGC	GRI	NGRBC/BRS R
Supplier Selection				
Selection of key suppliers based on their environmental and social performance	✓	✓	✓	✓
Provision on Incentivization on key suppliers based on their environmental and social performance	✓	✓	✓	✓

Social Commitment Towards A Better Future

Alignment of Targets with National & Global Sustainability Frameworks

Governance Commitment Towards A Better Future

Key Material Issues Identified	UNSDGs	UNGC	GRI	NGRBC/BRS R
Corporate Governance and Compliance				
Reportable cases of fraud or fraudulent activity by employees	✓	✓	✓	✓
Training of workforce on fraud prevention and ethical business practices	✓	✓	✓	✓
Reportable incidents of data breach, misuse, or unauthorized disclosure of information	✓	✓	✓	✓
Training of workforce on responsible information management and data protection practices	✓	✓	✓	✓
Completion of corruption risk-based due diligence for all new and high-risk third-party engagements	✓	✓	✓	✓
Reportable incidents of corruption identified through third-party due diligence assessments	✓	✓	✓	✓
Ethical Conduct and Integrity				
Coverage of training of workforce on anti-corruption, anti-bribery, anti-money laundering.	✓	✓	✓	✓
Coverage of training of suppliers on anti-corruption, anti-bribery and anti-money laundering.	✓	✓	✓	✓
Reportable cases of fraud or fraudulent activity by employees	✓	✓	✓	✓
Training of workforce on fraud prevention and ethical business practices	✓	✓	✓	✓
Reportable cases of corruption, bribery, or money laundering	✓	✓	✓	✓
Workforce coverage under corruption and bribery prevention training programs	✓	✓	✓	✓
Reportable cases of corruption or bribery identified post-training period	✓	✓	✓	✓
Responsible Business and Customer Stewardship				
Reduction in customer complaints	✓	✓	✓	✓
Coverage of customers who have been given MSDS for products manufactured by us	✓	✓	✓	✓
Coverage of products for which product stability testing has been conducted	✓	✓	✓	✓
Complaints specific to customer's health and safety for use of our products	✓	✓	✓	✓



Role In The Pharmaceutical Industry

Morepen Laboratories plays a pivotal role in the pharmaceutical industry by seamlessly integrating discovery, development, manufacturing and distribution to deliver high-quality medicines worldwide. As one of India's leading API and intermediates suppliers, Morepen leverages its robust Drug Master File (DMF) portfolio and multipurpose facilities to serve both regulated (US, EU, Japan) and emerging markets. Its end-to-end finished-dosage capabilities from granulation and tableting to sterile injectables are backed by WHO-GMP, US FDA, EU-GMP and Japan PMDA approvals, ensuring reliable supply to hospitals, retail pharmacies and government tenders.

Beyond volume manufacturing, Morepen offers contract development and manufacturing (CDMO) services, providing pilot-scale and small-batch production for clinical trials under stringent documentation and traceability standards. Its in-house R&D teams drive innovation in process chemistry, novel drug-delivery systems and green manufacturing, supported by strategic alliances with academic institutions and CROs and a growing patent portfolio.

An integrated Quality Management System (QMS) and real-time analytical laboratories foster a "right-first-time" culture, while AI-driven demand forecasting, cold-chain logistics and pan-India warehousing ensure uninterrupted product availability even in remote regions. Coupled with ambitious sustainability initiatives and community outreach programs, Morepen not only strengthens the generics and innovator drug supply backbone but also advances process innovation, environmental stewardship and equitable access to healthcare.

The Sustainability Pillars of Morepen



Trust: Morepen Laboratories establishes trust through transparent communication, ethical business practices, regulatory compliance and constantly improving the quality of pharmaceutical products.



Innovation: Driving Morepen's competitive advantage through research & development investments, cutting-edge manufacturing technologies, continuous process improvements and development of novel therapeutic solutions for healthcare challenges.



Responsibility: Morepen demonstrates responsibility through effective implementation of measures taken in Environmental, Social and Governance domains for further continual improvement.



Progress: Morepen is committed to sustainable growth, expanding market presence, investing in workforce development, adopting advanced technologies and achieving improvements in performance and stakeholder value.



MOREPEN

IN OUR QUEST FOR EXCELLENCE
IN SUSTAINABILITY

Striding Towards Sustainability

With a legacy spanning over four decades, the company has seamlessly integrated sustainability into its core business strategy, reaffirming its belief that long-term resilience, operational excellence and sustained stakeholder value are intrinsically linked to strong sustainability performance. This Sustainability Report provides a comprehensive account of Morepen Laboratories Limited's Environmental, Social and Governance (ESG) performance for FY 2024-2025. This report encompasses all material aspects of Morepen Laboratories' operations across manufacturing units, R&D centers and corporate offices for the period April 1, 2024, to March 31, 2025.

Through our sustainability pillars of Trust, Innovation, Responsibility and Progress, we are committed to deliver responsible care and growth through conscious and responsible actions, building trust and fostering transparency, while demonstrating the alignment with global sustainability benchmarks. The key contents of this report reflects our three core sustainability focus areas :

- **Environmental Stewardship:** Our efforts to improve efficiency, reduce environmental footprint and explore clean technologies for climate resilience.
- **Social Responsibility:** Initiatives fostering safe, inclusive work environments, including employee well-being, diversity and inclusion, occupational health and safety, training and development, community outreach, human rights protection and value chain sustainability alignment.
- **Governance Excellence:** Frameworks for ethical conduct, regulatory compliance, board oversight, risk management and stakeholder engagement to ensure accountability and strategic agility.

This sustainability report aligns and exhibits our performance on the above-mentioned core three sustainability focus areas. The report demonstrates our commitment to sustainable and responsible business practices across all operations. It serves as an effective tool for communicating with our multiple growing stakeholders, including investors, regulators, employees, customers and civil society organizations. This report offers transparent insight into our sustainability approach, risk management and integration of sustenance aspects in decision-making process.



Boundary of this Sustainability Report

This Sustainability Report for FY 2024–25 covers the sustainability performance and initiatives of Morepen Laboratories Limited, reflecting our commitment to transparency, accountability and continuous improvement in sustainability practices. The scope of this report includes the company’s key Indian manufacturing operations, with a primary focus on its major facilities located at Baddi, Masulkhana and Parwanoo in Himachal Pradesh, as well as the Corporate Office in Gurugram, Haryana. The address of the manufacturing facilities and the corporate office are presented in the

These operational sites form the cornerstone of Morepen’s business activities and are central to our Environmental, Social and Governance (ESG) efforts. The report highlights initiatives undertaken at these locations across multiple sustainability dimensions, including but not limited to waste management, energy efficiency, water conservation, occupational health and safety and employee well-being.

The selected boundary ensures that the report accurately represents areas where Morepen has significant operational control and where ESG policies and programs are most actively implemented. The performance data and narrations shared in this report primarily relate to these sites, offering insights into the company’s on-ground sustainability efforts.

Morepen is committed to gradually expanding the scope and depth of its sustainability disclosures in future reporting cycles. As part of our evolving sustainability strategy, we continue to assess material topics, engage stakeholders and align reporting practices with emerging national and international standards.

The Address of Manufacturing Facilities & Corporate Office (Annexure 1*)

Operations	Address
Manufacturing	Morepen Laboratories Ltd., Malkumajra, Baddi, Solan, Himachal Pradesh 173205, India
Manufacturing	Morepen Laboratories Ltd., Plot No. 12-B Sector-2, Parwanoo, Solan District, Himachal Pradesh, PIN - 173220, India
Manufacturing	Morepen Laboratories Ltd., Plot No. 12-C Sector-2, Parwanoo, Solan District, Himachal Pradesh, PIN - 173220, India
Manufacturing	Morepen Laboratories Ltd., Village Masulkhana, Kasuali Road, Parwanoo District, Solan, Himachal Pradesh, PIN - 173220, India
Corporate Office	Morepen Laboratories Ltd., 2nd Floor, Tower C, DLF Cyber Park, Udyog Vihar, Sector -20, Gurgaon, Haryana, PIN – 122016, India

*as mentioned in the assurance statement attached with this report



Human Rights Due Diligence Framework

Morepen Laboratories Limited has established a comprehensive Human Rights Due Diligence Framework (HRDDF) to protect and advance the dignity, wellbeing and fundamental human rights of all individuals/stakeholders who are connected with our business operations. The HRDDF has been developed on the basis of internationally recognized sustainability frameworks, which addresses human rights based matters, drawn out of Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), ILO Fundamental Conventions, UN Global Compact, Global Reporting Initiative Standards, United Nations Sustainable Development Goals (UNSDGs), National Guidelines on Responsible Business Conduct (NGRBC)/Business Responsibility and Sustainability Reporting (BRSR), Organisation for Economic Co-Operation Development (OECD) Guidelines for Responsible Business Conduct, Social Responsibility Guideline of ISO 26000 and Social Accountability (SA 8000). The HRDDF also emphasizes on applicable legal requirements. The framework aligns business objectives with national and global sustainability goals, ensuring ethical, legal and equitable treatment for all stakeholders.

The HRDDF is designed to systematically integrate human rights considerations across all aspects of business activities. The framework applies to every Morepen facility, including manufacturing sites, corporate headquarters, research centers and regional operations and governs all employees, contractors, business partners and external stakeholders. The framework focuses on the following commitments and principles:

- **Fair Labor Practices:** The framework prohibits all forms of child, forced, or bonded labor, ensures fair wages, decent working conditions and recognizes the rights to freedom of association and collective bargaining.
- **Safe and Inclusive Workplaces:** Morepen prioritizes workplace safety, health and hygiene, with comprehensive training and processes for hazard identification and mitigation. The company mandates non-discrimination, equitable opportunities and respect for privacy and cultural differences.
- **Diversity, Equity and Inclusion:** Commitment is made to gender parity, inclusion of persons with disabilities and unbiased access to opportunities and benefits.
- **Stakeholder Engagement:** The company guarantees mechanisms for grievance redressal, community consultation and regular stakeholder dialogue to address potential human rights impacts.
- **Governance and Accountability:** Clear roles and responsibilities have been assigned at all management levels from the Board, CSR and Sustainability Committee to the site supervisors to ensure rigorous implementation, monitoring and continuous improvement of human rights standards.
- **Due Diligence and Compliance:** The HRDDF follows a cyclical due diligence process: embedding policy in management systems, identifying and mitigating risks, tracking performance through indicators, communicating transparently and providing access to remedy where adverse impacts occur. This includes periodic audits, third-party verification and ongoing capacity-building across the value chain.

All the above focus areas have been addressed in separate questionnaires that are targeted for multiple type of stakeholders. The stakeholders would be subjected to a set of comprehensive questions for obtaining information in respect to violation of human rights, if any. In addition, the HRDDF also has established a mechanism to identify matters that are material from human rights perspective. All such mechanisms eventually converge to identification of human rights violation, if any. Accordingly, appropriate corrective measures wherever felt necessary shall be taken for improving the well-being of concerned stakeholders.



Supply Chain Assessment Framework

Morepen Laboratories Limited has developed a comprehensive Supply Chain Assessment Framework, which shall be applied for the assessment of the performance of their supply chain, inclusive of their sustainability performance to promote responsible sourcing and for enhancing sustainability performance. In respect to this, we have developed the Supplier Code of Conduct (SCoC). The SCoC is apprised and subjected to all suppliers, followed by which they are taken on board, post acceptance of the SCoC.

The supply chain assessment framework that has been developed comprises questionnaire that is in alignment with the global and national sustainability frameworks such as GRI, UNGC, UNGP, UNSDG and the NGRBC/BRSR. The assessment framework shall facilitate the evaluation of suppliers on environmental stewardship, labor and human rights practices, ethical business conduct and governance transparency. The questionnaire is built on different module for respective stage/category of suppliers as mentioned below:

- **All suppliers (entry level):** A set of basic sustainability-based questions
- **Key Suppliers:**
 - **Preliminary level:** A set of detailed questions in respect to performance assessment on sustainability-based matters specific to the industry
 - **Advance level:** A set of detailed questions in respect to compliance requirements of the supplier, with the focus on key requirements specific to applicable laws

We send the basic questionnaire to all our suppliers, based on which the suppliers are assessed prior to onboarding. The response against the basic questionnaire is obtained from the suppliers voluntarily. Post induction of the supplier, it is subjected to on-site audit, through third parties. The supplier shall be evaluated on the basis of sustainability performance scorecard to assess the degree of performance of the suppliers on ESG parameters. Accordingly, the suppliers would be trained to improve the areas of their operation in respect to sustainability parameters, apart from taking initiatives, to reduce the adverse impact and for capitalizing on the positive impacts. This framework integrates sustainability criteria in procurement decisions, fostering collaboration on climate action and social responsibility and in strengthening the resilience and accountability of Morepen's value chain, thereby ensuring responsible business practices and in supporting long-term value creation for stakeholders.





United Nations
Global Compact



Reporting Framework And Standards

Morepen Laboratories Limited is dedicated to transparent and comprehensive sustainability reporting, anchored in national and international standards. We have developed a comprehensive Sustainability Reporting Framework that embraces the requirements of multiple national and global sustainability standards and reporting guidelines.

The national and global sustainability standards and reporting guidelines that finds an application in our sustainability framework includes the following:

- Global Reporting Initiative (GRI)
- National Guidelines on Responsible Business Conduct (NGRBC)
- SEBI: Business Responsibility and Sustainability Reporting
- ISO 26000 - Guidance on Social Responsibility
- Corporate Green House Gas (GHG) Accounting Protocol
- Net Zero as per Science Based Target Initiative (SBTi)
- Sustainability Accounting Standards Board
- Social Accountability as per SA 8000
- United Nations' Global Compact (UNGC) Principles
- UN's Sustainable Development Goals (SDGs)
- Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management
- Environmental Management System as per ISO 14001
- Occupational Health and Safety Management System as per ISO 45001
- Energy Management System as per ISO 50001

The sustainability reporting framework demonstrates our commitment to sustainable and responsible business practices across all operations. It serves as a key communication tool for stakeholders including investors, regulators, employees, customers and civil society organizations offering transparent insights into our sustainability approach, risk management and sustainability integration in decision-making process. The reporting framework emphasizes on amongst others, ethical governance, employee welfare, fair stakeholder engagement, environmental responsibility, inclusive growth, value chain accountability, regulatory advocacy, customer-centric practices and sustainable value creation. These key focus areas ensure responsible and sustainable conduct throughout the organization. In addition, the sustainability framework enables comprehensive, comparable and reliable sustainability performance data that resonates with sustainability requirements of specific global stakeholders, apart from serving as a mechanism to compare our performance against global good sustainability practices. The sustainability framework also defines a process for conducting double materiality assessment to identify material issues that are imperative from sustenance perspective.

To institutionalize our sustainability commitments, we effectively implement and maintain international certifications as per various ISO and SAI standards, across multiple management disciplines. ISO 14001 ensures systematic control and improvement of environmental impacts. ISO 45001 establishes protocols for protecting employee and contractor health and safety across operational facilities. ISO 50001 facilitates management and optimization of energy consumption supporting operational efficiency and carbon footprint reduction. ISO 37301 provides a framework for managing compliance with applicable laws and ethical standards. SA 8000 demonstrates commitment to ethical labor practices, fair wages, safe working conditions and elimination of child labor throughout operations and supply chain.

The Sustainability Reporting Framework establishes a set of sustainability performance metrics which have been derived from multiple afore-mentioned national and global sustainability standards and reporting guidelines. These performance metrics enables in measuring the degree of performance of our company over a period of time.



FROM THE DESK OF



MR. SUSHIL SURI CHAIRMAN & MANAGING DIRECTOR

We have believed that true progress lies in creating value responsibly for planet, for the people and for the generations to come. But today, as we look around, nature's balance stands delicate. Our rivers, forests and air - the very lifelines of our existence are showing signs that they need love and care. It is a gentle reminder for all of us to act with thoughtfulness, empathy and purpose.

At Morepen, we see this responsibility as a human one, not just as corporate duty. Our journey has been guided by the belief that sustainable growth must heal communities, nurture ecosystems and restore what we have taken for granted. Sustainability for us, is not about ticking boxes, it is our moral and strategic compass shaping how we innovate, manufacture and give back to Mother Nature.

The world of tomorrow will belong to those who choose compassion over convenience and action over apathy. We are committed to being part of that change to protect, rejuvenate and reimagine the world we live in, because for us, sustainability is not just a destination, it is a promise to our planet, reassured every single day.

MR. SANJAY SURI WHOLE-TIME DIRECTOR

At Morepen, growth has always meant more than numbers. It reflects our commitment to creating value that is meaningful, lasting and responsible. As we continue to evolve, we remain focused on building a future where innovation and care coexist harmoniously. True progress to us, lies not only in what we achieve, but in how we achieve it with mindfulness, integrity and respect for the world around us.

Today, the balance between business and nature is more critical than ever. Every decision we make in how we work, produce and collaborate carries the potential to heal, nurture and give back. We recognize our responsibility to our people, our communities and the generations ahead to preserve the beauty and balance of the planet that sustains us.

For Morepen, sustainability is not a corporate obligation; it is a shared value that connects us as human beings. It means growing with empathy, leading with purpose and ensuring that every step forward contributes to the collective well-being of society. Together, we strive to build not only a successful organization, but a lasting legacy founded on trust, innovation, responsibility and progress, while ensuring care for the society, environment and the people we work with and serve.





MR. KUSHAL SURI PRESIDENT – INTERNATIONAL GROWTH

In today's interconnected world, responsible growth is not just a business objective it's a shared global responsibility. Every step we take as an organization must contribute to a more sustainable, transparent and equitable future. The way we innovate and expand must balance scientific progress with environmental stewardship and social impact, in conjunction with institutionalizing effective governance across the organization.

As we strengthen our global API footprint and deepen partnerships across regulated markets, we remain committed to advancing affordable and accessible healthcare while upholding the highest standards of quality, compliance and ethical governance. Our sustainability principles are embedded in every aspect of our strategy from energy-efficient manufacturing and responsible sourcing to fostering diversity, inclusion and community well-being.

For us, sustainability is about ensuring that our growth contributes to the planet's health as much as wellbeing of people we serve. It is a journey of purpose-driven progress, where science, integrity and care work together to create value that endures for our partners, our people and our planet.

MR. AJAY SHARMA CHIEF FINANCIAL OFFICER

In today's evolving global economy, financial performance and sustainability are no longer separate goals they are interdependent drivers of long-term value. At Morepen, we believe that true financial strength lies in the ability to grow responsibly, manage risks effectively and create enduring impact for all stakeholders.

Our approach integrates ESG principles into every layer of financial and operational decision-making ensuring that growth is not just profitable, but purposeful. We continue to invest in energy efficiency, ethical sourcing, digital transformation and compliance excellence, knowing that these efforts enhance both our resilience and our credibility in global markets.

As we expand our international business and API operations, our focus remains on balancing innovation with accountability strengthening governance, optimizing resources and building transparency into every transaction.

For us, sustainability is the most sound investment decision of all one that secures long-term value for our investors, trust for our partners and a healthier future for the world we serve.





MS. AMITA SHARMA CHIEF OPERATING OFFICER - API

At the heart of our business lies a simple philosophy excellence with responsibility. As we continue to strengthen Morepen's position as a trusted global API partner, our focus extends beyond operational efficiency to the greater purpose of sustainable value creation. Every process, every molecule and every partnership reflects our commitment to quality, safety and environmental stewardship.

Operational excellence for us means more than precision and productivity it means innovating with conscience, optimizing resources and minimizing our ecological footprint while maintaining uncompromising standards of compliance and integrity.

In an industry as dynamic as pharmaceuticals, we understand that our responsibility goes beyond business performance. It is about building a supply chain that is resilient, ethical and future-ready one that supports global healthcare while protecting the planet that sustains it.

Our vision is clear: to lead with science, act with purpose and deliver excellence that heals both people and the environment.

MR. VIVAN PRASHAR CHIEF SUSTAINABILITY OFFICER

At Morepen Laboratories, sustainability forms the foundation of our vision for responsible growth and long-term value creation. We are committed to operating with transparency, accountability, and respect for the environment and society. Our sustainability strategy integrates environmental stewardship, social responsibility, production quality, and strong governance into the core of our business decision-making.

During the year, we strengthened our focus on clean energy adoption, resource efficiency, emission reduction, waste minimization, and water management to advance towards a low-carbon and circular economy. Our continued alignment with global frameworks such as the UN Sustainable Development Goals, National Guidelines on Responsible Business Conduct, Business Responsibility and Sustainability Report and United Nations Global Compact reinforces our purpose of delivering healthcare solutions that are both innovative and sustainable.

Beyond environmental action, we take pride in empowering our workforce through diversity, safety, and well-being initiatives, while contributing to the communities around us through impactful CSR programs in health, education, and sustainable livelihoods.

As we move forward, we remain dedicated to building a resilient, inclusive, and sustainable organization that upholds the highest standards of quality and drives progress for people, planet, and prosperity together.





THE JOURNEY SO FAR



Late Shri K.B. Suri
Founder, Morepen Group

THE JOURNEY SO FAR ...

1985

MOREPEN
Company started by Founder Late Shri K. B. Suri
Started first API product Ampicillin

1992


IPO and listing on Stock Exchanges
R&D Lab for New Molecules


1999


USFDA Approval of Loratadine
Launched Diagnostic Division


2001


Launched OTC Brand
Dr. Morepen Acquired Brand Burnol

2003


Limca Book of World Record for OTC
Raised GDRs in the International market

2010


USFDA of Desloratadine
Launched Cardia Division for Diabetic and Cardiac products

2016


Started in-house manufacturing of Gluco Meters at Baddi
Make In India programme

2015


USFDA Approval Montelukast API

2019


DSIR
Launched APIs for many anti-diabetic molecules
Recognition of R&D centre at Baddi by Govt of India

2018


Gluco meters and BP Monitors ranked among top three brands in India
USFDA Approval of Atorvastatin API

2020


Launched over 20 products for Covid-19
Grant of ISO-13485 for Medical Devices manufacturing by BSI, UK

2021


Launched exclusive online range of Dr. Morepen products
Tied up with RDIF for Manufacture of Sputnik Vaccine in India

2022


Anvisa Brazil approval (Masulkhana)

2023


USFDA (Fexofenadine) and
PMDA JAPAN
PMDA (Loratadine) Approval

2024


Anvisa Brazil approval (Baddi)
Launch of 360 degree Weight Management - Lightlife
Launched CDMO business

2025

WHO approval for Masulkhana site.
CDSCO written confirmation for Masulkhana and Baddi plants



MORE

WELCOME

Ge

vent

Baddi)



ACCOLADES

Award For Excellence In Pharma Supply Chain Performance

In 2025, Morepen Laboratories Limited was ranked **No. 8 in the Mid-Firm category for Pharma Supply Chain Champions** by the Institute of Supply Chain Management (ISCM). This prestigious recognition underscores Morepen's commitment to operational excellence, supply chain resilience and strategic supply chain transformation.

The ISCM Supply Chain Ranking is based on a rigorous methodology that analyzes over 1,100 listed firms across robust quantitative and qualitative parameters. The evaluation encompasses key dimensions including supply chain intensity, digital maturity, network efficiency, sustainability integration and innovation in planning and execution strategies. Companies are assessed on their resilience mandate through effective Integrated Business Planning (IBP) and Sales & Operations Planning (S&OP) governance models, digital democratization across the end-to-end supply chain ecosystem and purpose-driven supply chain practices that integrate sustainability, equity and diversity.

This achievement reflects Morepen's dedication to collaboration, sustainability and operational excellence in building a resilient and efficient supply chain that drives growth while contributing to a sustainable future. The recognition highlights the company's strategic focus on procurement efficiency, supply chain agility and commitment to strengthening the local supply ecosystem while fostering global supplier relationships.





Award For Excellence In Supply Chain And Logistics Management

In 2025, Morepen Laboratories Limited was honored with a prestigious recognition as one of the **Top 50 Supply Chain and Logistics Leaders** by Elixia Inc. This award, presented at a distinguished ceremony, celebrates organizations that demonstrate exceptional innovation, operational excellence and industry leadership in supply chain and logistics management.

Elixia Inc, a leading supply chain technology company founded in 2011, recognizes organizations that deploy advanced technology to optimize supply chain processes, enhance operational efficiency and deliver superior logistics performance. The Top 50 Supply Chain and Logistics Leaders award specifically honors companies that have made significant contributions to setting industry benchmarks through strategic supply chain transformation, digital maturity and commitment to sustainable logistics practices.

This recognition underscores Morepen's dedication to building a resilient and efficient supply chain ecosystem that integrates cutting-edge technology, sustainable practices and collaborative partnerships across its pharmaceutical manufacturing and distribution network. The achievement reflects the company's strategic focus on supply chain agility, procurement efficiency and its commitment to delivering high-quality pharmaceutical products through optimized logistics operations.

Record-breaking Recognition For Advancing Gut Health Awareness

In 2024, Morepen Laboratories Limited achieved a remarkable milestone by earning dual recognition from both the Asia Book of Records and the India Book of Records for setting the record for the Maximum Number of Doctors Pledging to Help Indians Enjoy the Freedom of Good Gut Health. This historic initiative, conducted between August 12 and September 12, 2024, mobilized thousands of doctors across the nation to commit to educating patients about maintaining optimal gut health, addressing a critical public health challenge affecting over 70 million Indians.

The record-setting campaign was led by Morepen Rx, the company's dedicated prescription division, which engaged healthcare professionals nationwide to promote awareness about digestive wellness and its fundamental role in overall well-being. The achievement was officially recognized by Narvijay Yadav, the IBR Adjudicator from the Asian Book of Records, who emphasized the significance of collaborative efforts in advancing health promotion across India.

This recognition underscores Morepen's unwavering commitment to patient-centric healthcare solutions and community health education. The initiative included extensive distribution of educational materials designed to enhance patient awareness about gut health, complemented by targeted campaigns promoting healthy lifestyle choices, the benefits of probiotics and balanced nutrition. By mobilizing the medical community at scale, Morepen demonstrated its leadership in addressing the growing prevalence of gut-related conditions such as irritable bowel syndrome, constipation and other digestive disorders that significantly impact quality of life for millions of Indians.





Award For Leadership In Human Resources Technology Innovation

In 2024, Morepen Laboratories Limited was honored with the prestigious "Most Innovative Use of HR Technology" award at the India HR Summit & Awards 2024. The award ceremony, organized by Synnex Group and presented by Adrenalin Max, was held on June 13-14, 2024, at Vivanta by Taj, Dwarka, New Delhi.

The India HR Summit is the country's most prominent annual forum for HR professionals and business leaders, serving as a platform to exchange ideas, explore trends and collaborate on strategies shaping the future of human resources. The 2024 edition brought together industry thought leaders to discuss cutting-edge solutions and strategies for enhancing HR practices and workplace environments through advanced technology adoption.

This recognition celebrates Morepen's commitment to leveraging cutting-edge technology to transform HR practices and enhance employee experience. The award underscores the company's strategic focus on digital transformation in human resource management, including innovative approaches to talent development, performance management for a multi-generational hybrid workforce and the adoption of state-of-the-art HR technologies to drive operational excellence.

The achievement reflects Morepen's dedication to creating a people-centric workplace culture that embraces digital innovation to empower employees, streamline HR processes and foster continuous learning and development across the organization.

Certificate From PED Endocon 2024 For Healthcare Excellence In Pediatric Endocrinology

In 2024, Morepen Rx received a Certificate of Appreciation from PED Endocon 2024, the inaugural National Conference on Pediatric Endocrinology hosted by Muzaffarnagar Medical College in partnership with the Indian Academy of Pediatrics (IAP). This recognition acknowledges Morepen Rx's significant contribution to advancing pediatric healthcare and supporting medical education in the field of endocrinology.

PED Endocon 2024, held at Muzaffarnagar Medical College, represents a landmark conference dedicated to illuminating clinical knowledge on children's hormonal health and endocrine disorders. The conference convened pediatric endocrinologists, practitioners and healthcare professionals to discuss contemporary management approaches, share research findings and advance best practices in pediatric endocrinology.

The Indian Academy of Pediatrics (IAP), as the endorsing body, has long been instrumental in shaping pediatric specialty development across India since its inception in the 1940s. By extending recognition to Morepen Rx, the conference acknowledged the company's commitment to supporting pediatric healthcare initiatives and contributing to the dissemination of quality medical education among healthcare professionals.

This certification underscores Morepen Rx's dedication to advancing pediatric pharmaceutical innovation and its consistent support for medical education and professional development in specialized pediatric disciplines. The recognition aligns with Morepen's broader mission to deliver high-quality healthcare solutions that address critical health challenges affecting Indian populations, including pediatric metabolic and endocrine disorders.



Brand Icon of Year 2024

AWARDS
&
RECOGNITION



Award For Excellence In Pharmaceutical And Healthcare Brand Leadership

In 2024, Morepen Laboratories Limited achieved dual recognition at the prestigious Brand Icon of the Year Awards organized by Plugin PR & Marketing Group, receiving honors for "Best Pharma Company" under the Morepen brand and "Most Trusted Healthcare Brand in India" for Dr. Morepen.

The Brand Icon of the Year Awards celebrate outstanding brands that have redefined industry benchmarks through legacy, sustainability and exceptional performance in the Indian and global markets. Organized by Plugin PR & Marketing Group, these awards recognize companies and brands that have shaped India's economic growth and contributed meaningfully to their sectors while fulfilling the aspirations of millions of Indians.

The recognition as Best Pharma Company acknowledges Morepen's comprehensive excellence across its pharmaceutical operations, including Active Pharmaceutical Ingredients (APIs), formulations and healthcare products. With more than 800 products distributed across 82 countries and regulatory approvals from authorities including the US FDA and WHO GMP, Morepen has established itself as a trusted global pharmaceutical player.

The Most Trusted Healthcare Brand in India award for Dr. Morepen reflects the brand's strong consumer trust and market leadership in the medical devices and over-the-counter healthcare segment. Dr. Morepen has become synonymous with accessible, high-quality healthcare solutions including blood glucose monitors, blood pressure monitors, thermometers and a comprehensive range of wellness products. The brand's 35% year-on-year growth in the medical devices segment, reaching Rs 443 crores in FY24, demonstrates the deep trust and loyalty Indian consumers place in Dr. Morepen products.

Award for Community Health Leadership Through Blood Donation Initiative

In 2023, Morepen Laboratories Limited received recognition from the Blood Donor's Society, Parwanoo for achieving the 3rd highest number of blood donors at the 45th Blood Donation Camp. This honor celebrates Morepen's outstanding contribution to community health and its commitment to supporting life-saving blood donation initiatives in the Parwanoo industrial region.

The Blood Donor's Society, Parwanoo, in collaboration with the Parwanoo Industries Association and local healthcare institutions, regularly organizes blood donation camps to address critical blood shortages and support patients across Himachal Pradesh. These camps bring together industrial establishments, local communities and healthcare professionals to collect blood units for distribution to hospitals including IGMC Shimla, PGI Chandigarh and other regional medical facilities.

Morepen's active participation in the 45th Blood Donation Camp demonstrates the company's deep commitment to corporate social responsibility and community healthcare support. The significant participation of Morepen employees in blood donation reflects the organization's people-centric culture and its dedication to contributing meaningfully to society beyond its pharmaceutical and healthcare business operations.

This recognition aligns with Morepen's broader CSR philosophy of promoting healthcare including preventive healthcare and supporting community health initiatives in the regions where the company operates. Through sustained participation in blood donation camps and other community health programs, Morepen continues to demonstrate its commitment to making a tangible positive impact on public health while fostering a culture of social responsibility among its employees.





Recognition for Excellence in Workplace Culture and Employee Engagement

In 2023, Morepen Laboratories Limited received the prestigious "Best Company to Work For in 2023" award from TradeFlock, a leading business publication dedicated to highlighting organizations that excel in workplace excellence and employee engagement.

TradeFlock's annual "Best Companies to Work For" initiative identifies organizations that have distinguished themselves through exceptional workplace culture, employee-centric policies and commitment to employee development and well-being. The publication conducts rigorous evaluations focusing on company culture, people-centric policies, employee benefits, growth opportunities and the overall work environment that enables employees to achieve both professional and personal satisfaction.

Morepen's recognition reflects the company's comprehensive approach to building an exceptional workplace, encompassing multiple initiatives that foster employee engagement, professional development and organizational excellence. The company demonstrated excellence across several dimensions of workplace excellence including mentorship programs designed to develop essential skills and enhance employee engagement and productivity, innovative communication platforms and transparent leadership engagement.

The award specifically acknowledged Morepen's focus on maintaining business synergy and work culture through programs such as Bubble Chat, a live chat forum for transparent and engaging discussions with senior management, industry experts and mentors. Additionally, the company's Connect 360 initiative, an in-house program connecting internal team members through technology and one-on-one relationships and its emphasis on flexible work hours and robust employee engagement initiatives, demonstrated Morepen's commitment to creating a vibrant and collaborative workplace environment.

Certifications

Morepen Laboratories Limited has built a robust management system framework that is built on internationally recognized certifications that reflect our commitment and dedication to improve our workplace and protection of environment. The company has implemented an Integrated Management System (IMS) in alignment with global International Organization for Standardization (ISO) standards to ensure continuous improvement across key operational areas of the company. In this regard we target to take graded approach to adoption and implementation of various types of management systems for the improvement of our business performance.

To take a step forward, we have developed and implemented an Integrated Environmental, Occupational Health & Safety, Energy and Compliance Management System (IMS) certified as per ISO 14001, ISO 45001, ISO 50001 and ISO 37301 standards, which has been certified by an independent third-party organisation. These certifications demonstrate Morepen's systematic approach toward managing environmental performance, inclusive of improvising energy efficiency measures as well as reducing Green-House Gas (GHG) emissions, apart from ensuring safe and healthy work environment and promoting ethical compliance across its business operations. Further, to strengthen our social practices, we have developed a Social Accountability management system in alignment with the SA 8000 Social Accountability Standard, which is awaiting certification.

In addition to the aforementioned management systems, Morepen's manufacturing facilities are also certified to Good Manufacturing Practices (GMP) by independent bodies, as well as approved by global regulatory agencies such as, the United States Food and Drug Administration (USFDA), the Pharmaceutical and Medical Devices Agency (PMDA) of Japan and the Brazilian Health Regulatory Authority (ANVISA).

These certifications reaffirm the company's adherence to the highest standards of quality, safety and product integrity across its production facilities. Through the effective implementation of the above certifications, Morepen Laboratories demonstrates its enduring commitment to operational excellence, transparency and responsible business conduct, aligning its practices with the principles of sustainable development and best global practices.



Double Materiality Framework

Morepen Laboratories Limited, has developed a comprehensive Double Materiality Framework (DMF) to systematically identify, assess and manage sustainability-related risks and opportunities across all its business operations. The DMF represents Morepen's structured approach to environmental, social and governance (ESG) management, operating within a continuous improvement methodology based on the Plan-Do-Check-Act (PDCA) cycle.

The DMF combines two critical perspectives – (a) Financial Materiality that operates on an "Outside-In" basis, examining how sustainability issues affect the company's business performance, while (b) Impact Materiality operates on an "Inside-Out" basis, assessing how Morepen's operations, products and services impact the environment, society and broader stakeholders. This dual perspective ensures that the organization addresses both its own sustainability performance and its impact on communities, the environment and other stakeholders thereby, creating a holistic approach to responsible business operations.

The DMF is implemented through clearly defined organizational structures and responsibilities. The Chief Executive Officer (CEO) provides strategic direction, allocates resources and chairs the Sustainability Management Review Committee; the Chief Sustainability Officer (CSO) establishes and ensures effective DMF implementation, conducts audits and manages stakeholder engagement; and Sustainability Core Team Members, typically departmental heads, achieve ESG objectives, identify material issues and establish departmental KPIs. The framework employs a rigorous four-stage planning process: identifying and prioritizing stakeholders using a 1-5 priority scale; engaging stakeholders through direct consultations, meetings and feedback mechanisms to understand their concerns and expectations; conducting materiality assessments through three methodologies (stakeholder consultation, departmental self-assessment and benchmarking against peers); and mapping identified issues on sustainability charts to visualize their strategic importance.

For each identified material risk or opportunity, the framework establishes measurable, achievable objectives and targets. The framework utilizes eight primary forms and formats to standardize processes across the organization, including stakeholder identification and prioritization forms, stakeholder feedback mechanisms, materiality assessment templates and KPI tracking systems. Key Performance Indicators (KPIs) are established using SMART criteria (Specific, Measurable, Achievable, Relevant and Time-bound), supported by techno-economic feasibility analysis to assess the viability of proposed strategies and action plans. Standard Operating Procedures (SOPs) are developed with clearly defined roles and responsibilities for effective implementation, supported by comprehensive training and awareness programs to ensure all employees understand the sustainability policy and their individual implications.

The framework operates through the PDCA continuous improvement cycle, which structures the implementation, monitoring and refinement of sustainability initiatives. The implementation phase executes planned strategies through SOPs and resource allocation; the monitoring phase measures effectiveness through internal audits, quarterly reviews and performance analysis; and the improvement phase addresses nonconformities and identifies enhancement opportunities. Morepen's DMF represents a sophisticated, systematic approach that embeds sustainability considerations throughout the organization's operations while balancing organizational interests with stakeholder and environmental considerations, demonstrating the company's commitment to transparent, measurable and continuously improving sustainability performance across all business operations.

The PDCA Cycle



Key Stakeholders That We Consider Are Material to Our Business Operations

Stakeholders - Driving ESG in Morepen

Regulatory Bodies: Increasing national and global regulations require large public-interest entities and their supply chains to comprehensively disclose their ESG (Environmental, Social and Governance) information. These regulations impose stringent due diligence obligations, emphasizing accountability throughout global value chains. As a participant in such supply chains, Morepen is proactively getting prepared for such upcoming mandates to report its ESG performance in compliance with these evolving regulatory requirements, apart from ensuring compliance with applicable legal requirements.

Investors: Investors are increasingly seeking information on our material issues to know of risks, if any, as well as ESG ratings from their portfolio companies, prior to engaging in business or making investment decisions in us. Demonstrating strong ESG performance has therefore become a prerequisite for attracting investment and securing business relationships.

Financial Institutes: The global sustainable finance market is expanding rapidly, with financial institutions adopting sustainable finance strategies to support decarbonization and contribute to national sustainable development goals. Many financial institutions are now offering preferential lending rates to organizations that can demonstrate robust sustainable performance. We at Morepen, intend to take an advantage of such provisions that are made available by such financial institutes through our responsible actions.

Customers and Consumers: Customers and consumers are demanding products and services that align with high safety and health standards, inclusive of high sustainability standards, with a special mention to responsible environment friendly disposal of our end-of-life waste products, for minimizing their own ESG liabilities. Companies that can meet these expectations are better positioned to retain and attract such conscious customers. We at Morepen, therefore have taken a cognizance of such matters in our materiality assessment process.









Business Partners in Value Chain: Organizations that proactively adopt ESG principles and comply with relevant norms and regulatory requirements gain a competitive advantage in accessing global markets particularly in regions such as the EU, UK and US where sustainability is one of the key considerations for international investment. We feel the necessity to engage such business partners to ensure our liability in matters related to ESG are also kept minimum.

Board of Directors: By integrating sustainable practices and focusing on ESG factors, companies can enhance operational efficiency, mitigate risks, attract responsible capital and strengthen their competitive position in the market.

Workforce: Employees and workers are increasingly motivated to work for organizations that are ESG-compliant and responsible, deriving a sense of pride and satisfaction from contributing to a company committed to sustainability.

Local Communities: Local and global communities expect businesses to operate responsibly and contribute to social and environmental well-being. Companies that engage meaningfully with communities—through inclusive practices, transparency and shared value initiatives. We consider this a key requirement for us to continuously seek the social license to operate to ensure non-distractions in our operations.

ENGAGING WITH OUR STAKEHOLDERS

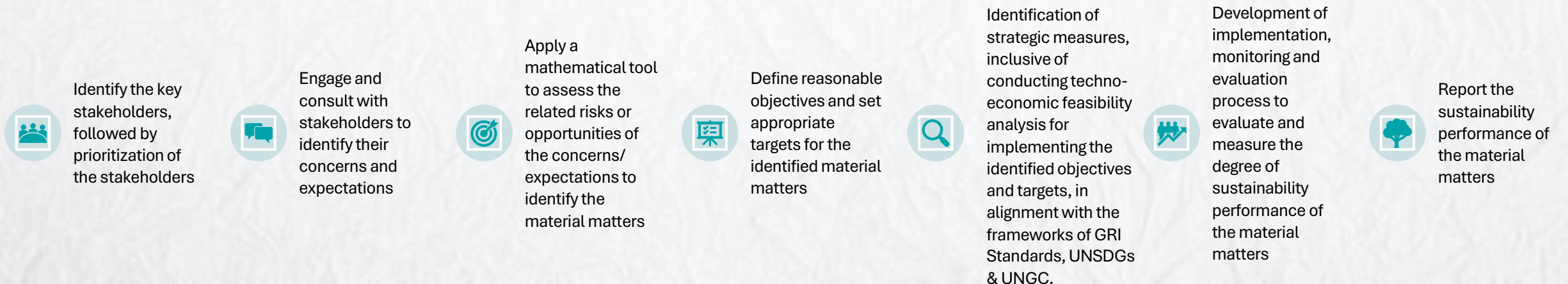
Stakeholder	Dialogue	Frequency of Engagement
 Employees and Workers	Email Newsletters Notice boards Websites Appraisal cycles Training programmes (on-site and in-house) Meetings Discussions, etc.	Quarterly, Event Based
 Shareholders, Investors, Financial Institution	Email Website Investor Presentations Annual/Quarterly Reports Earning calls	Quarterly, Event Based
 Users and Consumers	Email Website E-Commerce Platforms	Quarterly, Event Based
 Suppliers and Vendors	Email In person meetings Virtual meetings	Quarterly, Event Based
 Local Communities	Community Meetings Website directly or indirectly (through NGOs), personal meeting and etc.	Quarterly, Event Based
 Legal & Regulatory Authority	Email In person meetings Virtual meetings	Quarterly, Event Based
 Media	Email In person meetings Virtual meetings	Quarterly, Event Based
 BOD's	Email In person meetings Virtual meetings	Quarterly, Event Based

Methodology Applied For Identifying Material Sustainability Matters

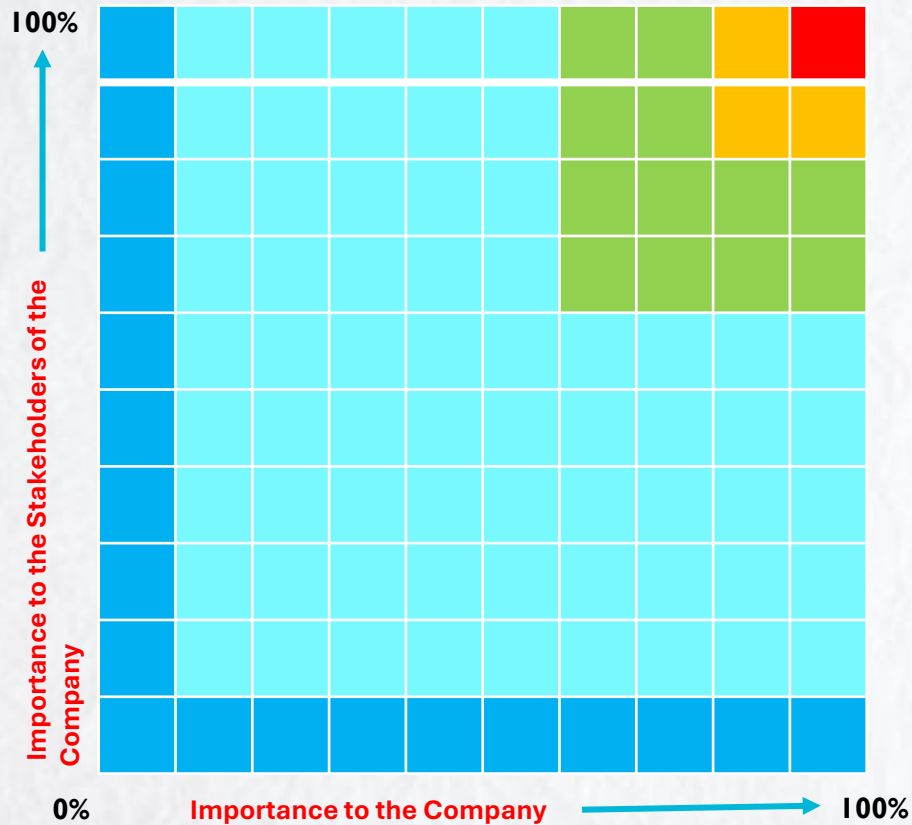
As a step forward in sustainability journey, Morepen identified and reached out to multiple stakeholders and conducted a fairly comprehensive materiality assessment exercise in FY 2024-2025 to identify its focus areas. With a long-term plan on sustainability and non-financial reporting, Morepen applies a **Double Materiality** assessment approach to systematically identify and prioritize its material matters based on concerns and expectations identified through engagement and consultation with the stakeholders. The process for consultation between stakeholders and the Board on economic, environmental and social topics is the **Stakeholder Engagement & Consultation and Sustainability based Materiality Assessment Framework (SEC & SMAF)**.

The process comprises of the following stages :

- Identification of Key stakeholder groups (internal and external) through appropriate weightage in terms of economic, social, environmental and governance impacts considering both impact of the stakeholder on business and the impact of the business on the stakeholder.
- Development and circulation of appropriate questionnaires amongst key stakeholder groups identified to identify issues/concerns material to the business, from stakeholder's perspective.
- Identification of material KPI's through Sustainability based Materiality Assessment framework (SMAF).
- Communication of the material KPIs identified and feedback received from the stakeholders to the Board.
- Morepen has a Stakeholder Engagement committee to consult with stakeholders and receive feedback from them and the feedback received is further communicated to the board.

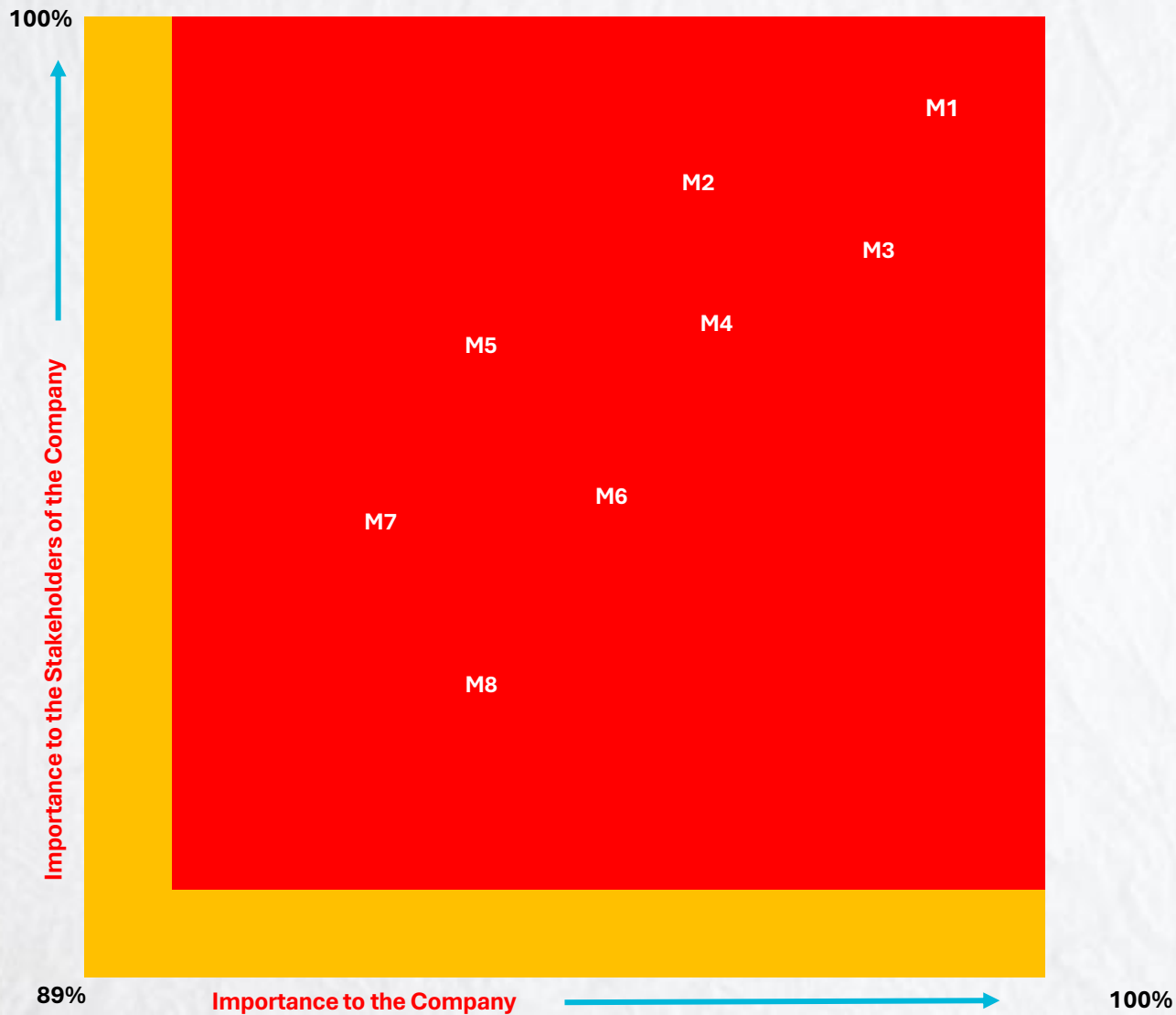


Methodology to Categorize Our Material Sustainability Matters



Colour Code	Description of Degree of Importance of Risk/Opportunity
Material Matters	<ul style="list-style-type: none"> These are matters which are usually of material importance to the top management and to the board of a company, as well as the stakeholders of the company. Such matters typically fall in the bracket of importance that ranges at 90% and beyond scored both by the Company & Stakeholder. Such matters encompass 1% of the total risks and opportunities of the company.
High Matters	<ul style="list-style-type: none"> These are matters which are usually of high importance to the top-management of a company and to some extent to the board of the company. Such matters typically fall in the bracket of importance that ranges between 80% and beyond scored both by the Company & Stakeholder but less than 90%. Such matters encompass 3% of the total risks and opportunities of the company.
Moderate Matters	<ul style="list-style-type: none"> These are matters which are usually of importance to the top-management and middle management of a company. Such matters typically fall in the bracket of importance that ranges between at 60% and beyond scored both by the Company & Stakeholder but less than 80% Such matters encompass 12% of the total risks and opportunities of the company.
Fairly Important Matters	<ul style="list-style-type: none"> These are matters which are usually of importance to the middle-management and junior management of a company. Such matters typically fall in the bracket of importance that ranges between at 10% and beyond scored both by the Company & Stakeholder but less than 60% Such matters encompass 65% of the total risks and opportunities of the company.
Low Important Matters	<ul style="list-style-type: none"> These are matters which are usually of importance to the junior-management and shop-floor/ground level employees of a company. Such matters typically fall in the bracket of importance that ranges less than 10% scored both by the Company & Stakeholder. Such matters encompass 19% of the total risks and opportunities of the company.

Our Stakeholders And Categorization Of Material Sustainability Matters (Contd.)



Material Matters	
Code	Concern/Expectation
M1	Delay in timely development of new molecules may impact the competitiveness and market position of the company
M2	Evolving geopolitical developments may introduce some complexity to raw material sourcing and product sales.
M3	Slackness in ensuring and managing product safety norms may affect the customer's health & safety, apart from impacting the brand of the company, as well as resulting in recall of products.
M4	Capacity expansion initiatives may lead to an increase in waste generation which may put a stress on environmental resources.
M5	Low ESG rating impacts investor sentiment.
M6	Departure from adherence with applicable legal requirements may lead to negative amplification, thereby impacting the brand/image of the company and investor sentiment.
M7	In areas of operations, wherein ground water level is indicated as over exploited may have long term sustenance impact on the company, in addition to exploitation of water withdrawal, even in water safe zones
M8	Workforce instability could impact operational continuity, employee engagement and productivity and optimization of costs related to onboarding and capability development

Material Matters and Broad Strategies For Mitigating and Capitalizing Material Matters

Code	Material Issue Identified (Risk/Opportunity)	Broad Strategy for Adapting to or Mitigating the Risk and for Capitalizing the Opportunity	Targets to be Achieved	Implications of the Risk/Opportunity
M1	Delay in timely development of new molecules may impact the competitiveness and market position of the company. (Risk)	<ul style="list-style-type: none"> Research & Development efforts are accelerated through focused project management, with regular progress reviews in place to ensure timelines are met and delays are minimized for timely development of new molecules in alignment with patent timelines. 	<ul style="list-style-type: none"> Maximize new molecule development projects within planned patent timeline every year 	<ul style="list-style-type: none"> Loss of share in key markets due to delayed product launch over aggressive competitors Potential non recovery of R&D investments or lower profit margin due to delayed product launch.
M2	Evolving geopolitical developments may introduce some complexity to raw material sourcing and product sales. (Risk)	<ul style="list-style-type: none"> Identify more vendors for procurement of key raw materials, while also keep on exploring and procuring from local vendors for ensuring business continuity. Strengthening supplier relationships and diversifying sourcing channels on a priority. Ensure appropriate inventory planning and alignment with production schedules to maintain consistent supply flow. Ensure timely order fulfillment and cost efficiency through proactive process optimizations and resource planning. 	<ul style="list-style-type: none"> Maintain consistently high levels of raw material supply continuity. Proactively manage operations to minimize production downtime from supply chain disruptions. 	<ul style="list-style-type: none"> Potential increases in labor and production costs, along with adjustments in working capital requirements, may arise due to commitment to deliver if non availability of materials from routine suppliers leads to sudden purchase from open market.
M3	Slackness in ensuring and managing product safety norms may affect the customer's health & safety, apart from impacting the brand of the company, as well as resulting in recall of products. (Risk)	<ul style="list-style-type: none"> Effectively implement product safety risk assessment framework, ensure appropriate safety labelling, ensure proactive pharmacovigilance, responsible recall protocols Maintaining of robust systems for monitoring, quality assurance and timely communication for product recalls or disposal of products, as and when necessary 	<ul style="list-style-type: none"> Strive for nil recall incidents for products Periodic review of product safety risk assessment Compliance as per legal requirements in respect to product labelling and safety 	<ul style="list-style-type: none"> Reduced incidents of patient harm and liability, thereby resulting in reduced societal externalities and remediation costs Stronger compliance

Material Matters and Broad Strategies For Mitigating and Capitalizing Material Matters (Contd.)

Code	Material Issue Identified (Risk/Opportunity)	Broad Strategy for Adapting to or Mitigating the Risk and for Capitalizing the Opportunity	Targets to be Achieved	Implications of the Risk/Opportunity
M4	Capacity expansion initiatives may lead to an increase in waste generation which may put a stress on environmental resources. (Risk)	<ul style="list-style-type: none"> • Explore measures continually to reduce waste generated from in-house sources, inclusive of identifying options to reduce consumption of fresh raw materials through improvisation in design of the product packaging • Identify measures to recycle waste at the end of the product lifecycle • Apprise customers and consumers for effective and responsible disposal of product on the completion of the shelf life of the products 	<ul style="list-style-type: none"> • Reduce consumption of raw materials fresh through improvised design of packaging materials • Recycle end of life plastic packaging material to the maximum extent • Educate wholesalers, retailers and warehouse stakeholders on the appropriate environment friendly disposal practices of waste/end of shelf-life products • Educate end-customers on the appropriate customer health & safety friendly disposal practices of waste/end of shelf-life products 	<ul style="list-style-type: none"> • Reduce environmental impact and liability • Reduced incidents of legal non compliances, as well as reputational risks • Enhanced circularity credentials via packaging recovery and recycling
M5	Low ESG rating impacts investor sentiment. (Risk)	<ul style="list-style-type: none"> • Improving the ESG ratings across multiple ESG rating frameworks, with a special mention to a few international ESG rating frameworks, as well. 	<ul style="list-style-type: none"> • Progressively enhance ESG disclosure coverage and alignment with key global and national sustainability frameworks, to facilitate improved ESG rating across multiple frameworks. • Prioritization of third-party assurance for continually strengthening transparency and improving credibility in the reporting process. 	<ul style="list-style-type: none"> • Improved ESG rating across multiple frameworks, facilitates in improving markets sentiment, as well as enhances brand reputation apart from facilitating in improved investors decision-making process. • It aids in attracting and retaining talent, mitigates long-term risks, and builds stakeholder trust.

Material Matters and Broad Strategies For Mitigating and Capitalizing Material Matters (Contd.)

Code	Material Issue Identified (Risk/Opportunity)	Broad Strategy for Adapting to or Mitigating the Risk and for Capitalizing the Opportunity	Targets to be Achieved	Implications of the Risk/Opportunity
M6	Departure from adherence with applicable legal requirements may lead to negative amplification, thereby impacting the brand/image of the company and investor sentiment. (Risk)	<ul style="list-style-type: none"> • Focused approach in ensuring compliance with all applicable legal requirements. • Improving the ESG ratings across multiple ESG rating frameworks, with a special mention to a few international ESG rating frameworks. 	<ul style="list-style-type: none"> • Progressively enhance ESG disclosure coverage and alignment with key global and national sustainability frameworks, to facilitate improved ESG rating across multiple frameworks. • Aim for no deviation from key legal requirements. • Prioritization of third-party assurance for continually strengthening transparency and improving credibility in the reporting process. 	<ul style="list-style-type: none"> • Strengthening ESG compliance supports regulatory adherence and helps avoid fines, apart from preventing any adverse impact on the image/brand of the company. • Improved ESG rating across multiple frameworks, facilitates in improving markets sentiment, as well as enhances brand reputation apart from facilitating in improved investors decision-making process. • It aids in attracting and retaining talent, mitigates long-term risks and builds stakeholder trust.
M7	In areas of operations, wherein ground water level is indicated as over exploited may have long term sustenance impact on the company, in addition to exploitation of water withdrawal, even in water safe zones. (Risk)	<ul style="list-style-type: none"> • Undertaken responsible water stewardship initiatives and invested in Zero Liquid Discharge (ZLD) provisions in the API manufacturing facilities, which will ensure 100% wastewater recycling. • Explore and promote options for water recharge initiatives through the support of local community in replenishing ground water, in the vicinity of areas where we operate or in water stressed geographies of India • Reuse of ZLD provisioned recycled water in the industrial operations, as well as for greenbelt development to reduce water intake quantity 	<ul style="list-style-type: none"> • Strive to minimize freshwater withdrawal for process needs by continuously enhancing water recycling practices • Implement ZLD provision in the API manufacturing plant of Baddi • Reuse of more ZLD provisioned recycled water in industrial operations, as well as for greenbelt development 	<ul style="list-style-type: none"> • Excessive withdrawal of groundwater from bore-wells, if not managed with care, has the potential to impact future water availability and long-term operational resilience due to gradual ground water depletion level. • There also remains a possibility of public outrage, should the ground water level be affected due to over exploitation in the vicinity where the company operates

Material Matters and Broad Strategies For Mitigating and Capitalizing Material Matters (Contd.)

Code	Material Issue Identified (Risk/Opportunity)	Broad Strategy for Adapting to or Mitigating the Risk and for Capitalizing the Opportunity	Targets to be Achieved	Implications of the Risk/Opportunity
M8	<p>Workforce instability could impact operational continuity, employee engagement and productivity and optimization of costs related to onboarding and capability development. (Risk)</p>	<ul style="list-style-type: none"> • Fostering team stability remains a focus through ongoing employee engagement initiatives, skill development programs and competitive benefits. • Emphasis is placed on proactive workforce planning, cross-functional training and maintaining a robust talent pipeline to support smooth onboarding and operational resilience. 	<ul style="list-style-type: none"> • Maintain annual workforce stability by targeting an acceptable employee attrition rate, which could ideally be below leading industry benchmarks • Strive to ensure filling up of critical positions within a minimum gap time from the departure of the lost talent • timely talent acquisition with average position fulfillment times optimized to organizational needs. 	<ul style="list-style-type: none"> • While workforce transitions may increase recruitment and training costs and require adaptation to maintain productivity and institutional knowledge • Fresh talented recruits can also bring new perspectives, foster innovation and enable agile responses to evolving business needs. • Proactive management of workforce dynamics helps in balancing operational continuity with the benefits of new talent and flexible staffing approaches.

Alignment Of Material Matters With National and Global Sustainability Frameworks

Code	Key Material Issues Identified	UNSDGs	UNGC	GRI	NGRBC/BRSR
M1	Delay in timely development of new molecules may impact the competitiveness and market position of the company				
M2	Evolving geopolitical developments may introduce some complexity to raw material sourcing and product sales			✓	✓
M3	Slackness in ensuring and managing product safety norms may affect the customer's health & safety, apart from impacting the brand of the company, as well as resulting in recall of products. .	✓	✓	✓	✓
M4	Capacity expansion initiatives may lead to an increase in waste generation which may put a stress on environmental resources	✓	✓	✓	✓
M5	Low ESG rating impacts investors sentiment	✓	✓	✓	✓
M6	Departure from adherence with applicable legal requirements may lead to negative amplification, thereby impacting the brand/image of the company and investor sentiment.	✓	✓	✓	✓
M7	In areas of operations, wherein ground water level is indicated as over exploited may have long term sustenance impact on the company, in addition to exploitation of water withdrawal, even in water safe zones	✓	✓	✓	✓
M8	Workforce instability could impact operational continuity, employee engagement and productivity and optimization of costs related to onboarding and capability development.	✓	✓	✓	✓



ENVIRONMENTAL PERFORMANCE
FY 24-25



MOREPEN



Managing Our Key Environmental Performance Metrics



Environmental management: Morepen remains committed to enhancing energy efficiency and systematically reducing environmental impacts across operations, recognizing sustainability as integral to long-term value creation and stakeholder well-being. During FY 2024–25, oversight, monitoring and transparent disclosure of key environmental KPIs were maintained in line with recognized reporting standards and applicable regulations.



Energy: A comprehensive energy management framework was implemented across Baddi, Parwanoo and Masulkhana in 2024, supported by advanced efficiency technologies and productivity programs. The company targets a 4% reduction in energy intensity per unit of turnover (GJ per million INR) despite higher production volumes, reflecting continuous improvement under established management disclosures for energy topics.



Water: Operational controls prioritize water-use efficiency, internal recycling and reuse, with site-level monitoring of withdrawal, discharge and consumption aligned to GRI 303 and relevant statutory requirements. Opportunities such as rainwater harvesting and progressing toward zero liquid discharge are being assessed to reduce freshwater dependency and strengthen resilience in water-stressed contexts.



Waste: Waste management focuses on source reduction and segregation to maximize recovery and recycling, with hazardous and non-hazardous streams governed by documented controls under GRI 306. Hazardous waste is handled through authorized vendors in accordance with legal norms, while non-hazardous fractions increasingly utilize co-processing and other responsible recovery routes to minimize landfill.



Air and GHG emissions: Emissions from boilers, DG sets and process vents are monitored against prescribed limits with appropriate control systems and cleaner-technology upgrades, in line with BRSR and GRI 305 expectations. The company advances carbon-footprint reduction through energy efficiency and a gradual shift to cleaner fuels and renewables, while maintaining transparent Scope 1 and Scope 2 accounting and pursuing relevant reduction projects.

WATER MANAGEMENT

Our water management approach is based on the principle of the 4Rs:

Reduce, Reuse, Recycle and Recharge

Water Stewardship Approach

Morepen Laboratories Limited manages water through an Integrated Management System encompassing environment, occupational health and safety, energy and compliance, ensuring systematic identification, control and continual improvement of water-related aspects across operations. The company's commitments include improving water-use efficiency and reducing water intensity on defined timelines, governed through board oversight, an IMS steering committee and site-level implementation, with targets transparently codified in the company's IMS Policy and supporting disclosures

Total amount of water recycled and reused in FY 24/25

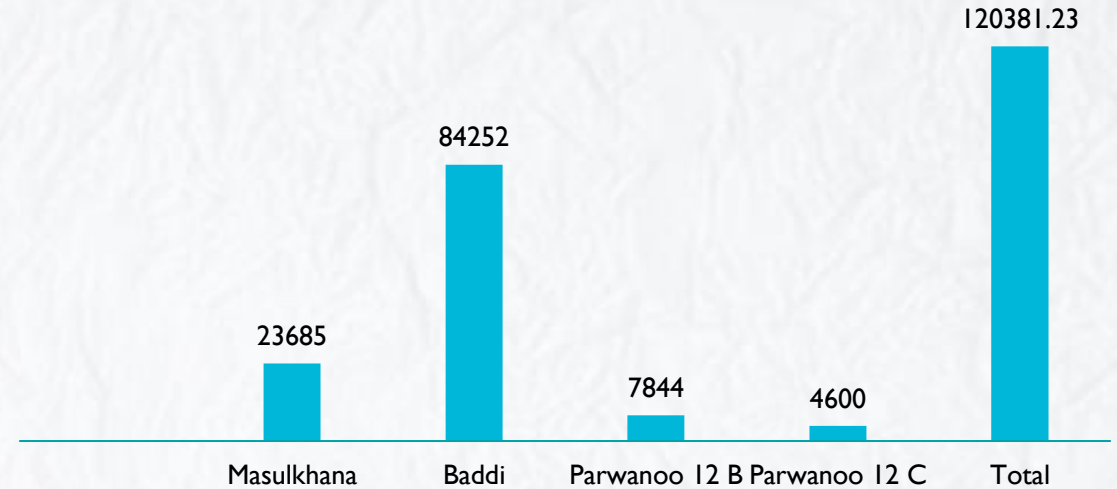
In Masulkhana, Reverse Osmosis (RO) technology is in application. The total quantity of RO permeate that was reused is 10,098 Kl. Further, a quantity of 3680 Kl of treated domestic wastewater was reused for greenbelt development. A total of 13778 Kl was reused/recycled in Masulkhana. In Baddi, a quantity of 10,382 Kl of treated domestic wastewater was reused for greenbelt development. Hence, the company has reused and recycled a total quantity of 24,159 Kl in the Financial Year (FY) 24-25.

Strategies implemented

- Achieve and expand ZLD at API plants with prioritized reuse in cooling towers and utilities to drive near-elimination of liquid discharge and reduction of freshwater intake.
- Institutionalize assured disclosure of water metrics with recognized assurance standards transitioning toward ISSA 5000, enhancing credibility of FY 2024/25 reporting and future cycles.
- Use CGWA district-level risk insights to set site-specific reduction targets and water-positive initiatives in stressed areas, including recharge and harvesting to augment aquifers.
- Maintain rigorous wastewater quality monitoring aligned with CPCB reuse guidance and State norms, including online monitoring and third-party testing to verify compliance.

Implement condensate recovery programs and operational SOPs to embed circular water use across boilers and auxiliary systems for sustained efficiency gains.

Total Water Consumption in Kl



Source	FY 24-25
Third-party (Kl)	21599
Groundwater (Kl)	96154
Total water withdrawal (Kl)	117753
Total Water consumed (Kl)	77813
Water Discharged (Kl)	40098

WATER MANAGEMENT

Water Withdrawal

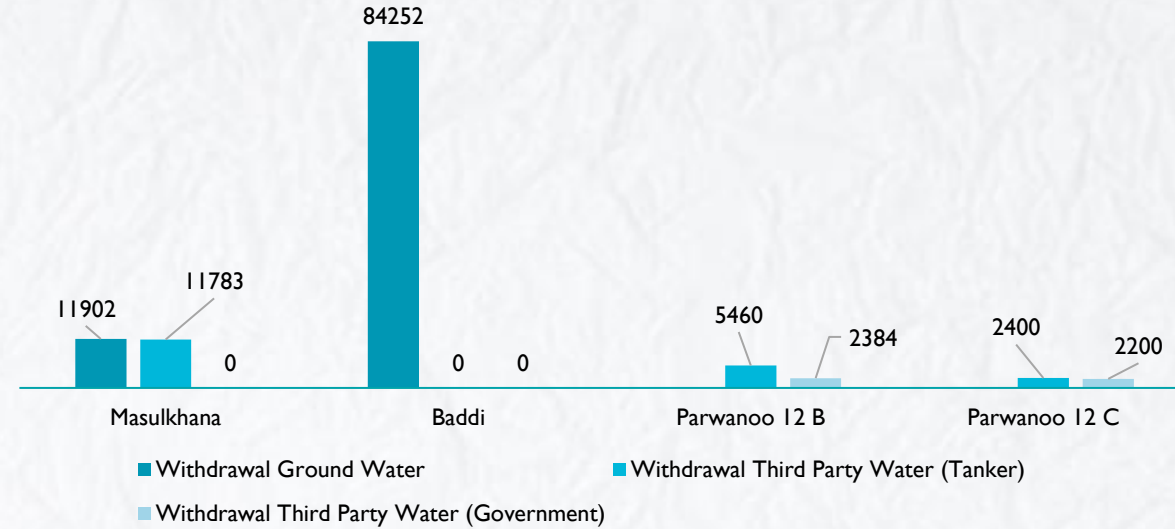
In Solan district (Baddi, Parwanoo, Masulkhana), categorized as “safe” in the 2024 Dynamic Ground Water Resources of India assessment, withdrawals operate under applicable permits/NOCs and consent conditions; at our Gurgaon corporate office, located in an “over-exploited” district, we preferentially rely on municipal supply and implement efficiency measures to avoid any new groundwater abstraction. We have identified water as a material issue for Morepen Laboratories Limited (MLL), hence we manage water withdrawal through metering, source-wise accounting (groundwater and municipal/third-party) and ISO 14001-aligned objectives to minimize freshwater intake by maximizing internal reuse. ZLD is operational at Masulkhana and being implemented at Baddi by FY 2027/28, enabling reuse for utilities and green-belt irrigation and materially lowering net withdrawal. We complement demand reduction with rainwater harvesting and planned recharge projects to progress toward becoming water surplus by FY 2029/30, with governance and performance disclosures covered under our Integrated Management System.

Water discharge

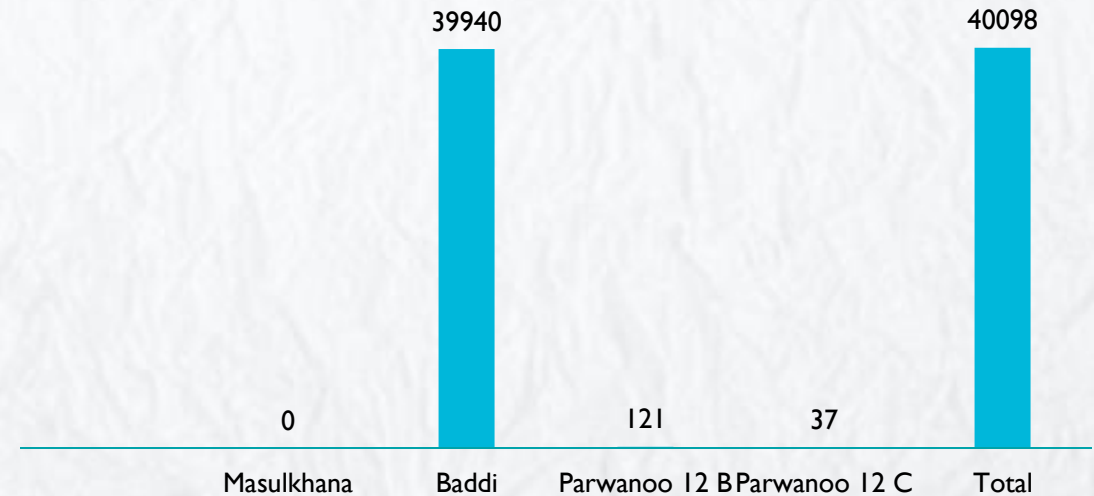
The company follows a hierarchy of wastewater prevention, treatment and circular reuse, with Zero Liquid Discharge (ZLD) implemented at the Masulkhana API site and a defined roadmap to commission ZLD at the Baddi API plant within the announced time frame for full compliance across API operations. Treated effluent and treated sewage are reused internally such as for green-belt development to reduce freshwater dependence, with historical outlet analysis certificates made available for transparency and compliance tracking. Operational controls and monitoring under ISO 14001 are reinforced by periodic testing and public reporting, supporting continual improvement in effluent quality and discharge minimization across facilities.



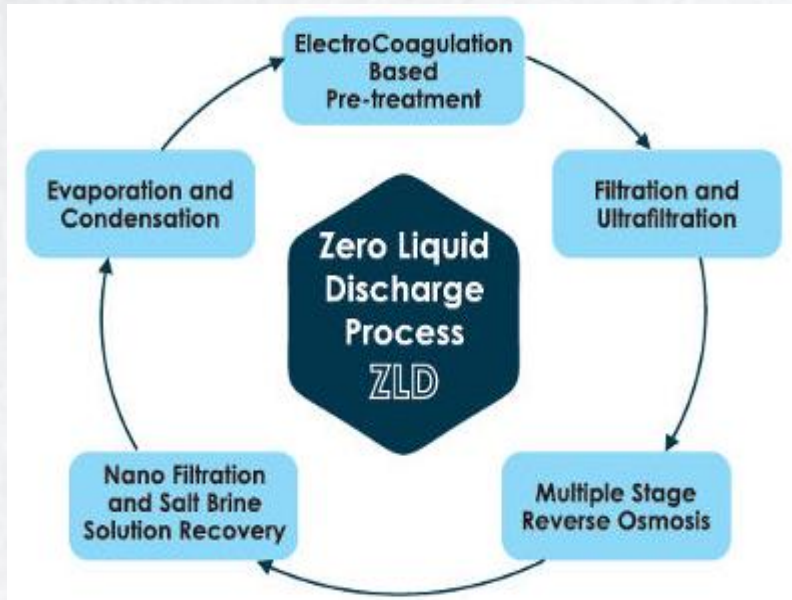
Total Water Withdrawal in KI



Total Water Discharge



WATER MANAGEMENT



Technologies and practices to recycle or reuse water

We operate a comprehensive water circularity program centered on ZLD at API facilities and the high-grade reuse of treated effluents and condensates to minimize freshwater intake.

- Zero Liquid Discharge at Masulkhana: Fully implemented to ensure complete treatment, recovery and internal reuse of all wastewater, eliminating any liquid effluent discharge to the environment.
- Zero Liquid Discharge at Baddi: Implementation is in progress and targeted for completion by FY 2027–28, with a multi-stage treatment train comprising pre-treatment, ultrafiltration, reverse osmosis, evaporation and crystallization to produce reusable-quality water for utilities such as cooling towers.
- STP treated water reuse: Treated sewage is reused for green belt development, offsetting non-process water demand and reducing freshwater abstraction.
- RO permeate reuse: RO-treated water is reused internally across utilities and selected processes to reduce make-up water requirements.
- Boiler condensate recovery: Boiler condensate is captured and returned as feedwater, lowering thermal energy and water demand for steam generation.
- Compliance alignment: Consent-to-Operate conditions from the local pollution control authority mandate recycle/reuse of treated wastewater, supported by ZLD design documentation, equipment procurement records and operational logs
- Steam condensate recovery with traps, pumps and return systems is deployed to recycle high-quality water back to boiler feed, reducing freshwater demand while improving thermal efficiency as recognized in industrial water-energy integration literature and practice.
- These reuse measures complement ZLD and rainwater harvesting to collectively lower withdrawals and strengthen water security in alignment with national groundwater sustainability objectives.



WATER MANAGEMENT



Water risk assessments : Site-specific water risk context has been derived from the national Dynamic Ground Water Resources of India 2024 compilation, with Solan district (covering Baddi, Parwanoo & Masulkhana) categorized as safe and Gurgaon categorized as over-exploited in the CGWB dataset. The risk evaluation informs a double materiality approach and reduction targets, consistent with national emphasis on over-exploited areas and broader groundwater management programs referenced by Government sources.

Rainwater harvesting : Recharge pits harvest rooftop runoff at API sites to percolate stormwater and augment local aquifers, a measure aligned with national guidance promoting artificial recharge and reuse to strengthen groundwater resources. Quantification of harvested volumes is supported by rainfall-linked assessments, consistent with CGWB's recharge-augmentation frameworks referenced in national compilations. Total **1112 KL** of rainwater was harvested in the FY 24-25 from both sites Baddi (768 KL) & Masulkhana (344 KL).

Integrated Wastewater and Groundwater Protection Measures : Continuous online monitoring and periodic laboratory testing of key wastewater parameters, including BOD, COD, TSS, pH and TDS, are conducted to ensure compliance with CPCB and State regulations prior to internal reuse or authorized third-party treatment, in alignment with national treated water reuse guidelines. The facility is progressing toward achieving Zero Liquid Discharge (ZLD) status, maintaining compliant interim disposal pathways and documenting performance through regulatory reporting systems managed by pollution control authorities. ZLD systems, which mandate recycle and reuse, function as both engineering and regulatory safeguards to prevent off-site liquid discharges and protect groundwater, consistent with CPCB guidance for pharmaceutical operations. The EHS management plan formalizes the operation of effluent and sewage treatment assets, online monitoring and third-party verification, thereby strengthening compliance assurance. Advanced ZLD configurations employing reverse osmosis and thermal concentration are utilized to remove high-COD and pharmaceutical constituents from wastewater prior to reuse. At the Baddi facility, until full ZLD implementation is completed, interim control is maintained through authorized centralized treatment and regulatory sampling to mitigate pharmaceutical load discharge into the environment.

Greenhouse Gas Management

Direct Emission (Scope 1)

- In the FY 24/25, total scope 1 emission arising from operations of Morepen from the 4 manufacturing facilities and Head Office for the FY 24/25 is 5941 MT of CO₂ eqv. accounting to a total of 10% of Total emissions.

In-Direct Emissions (Scope 2)

- Total indirect emissions of Morepen for the FY 24/25 is 19956 MT of CO₂ eqv. accounting to a total of 32% of Total emissions.

Emission Scope 3

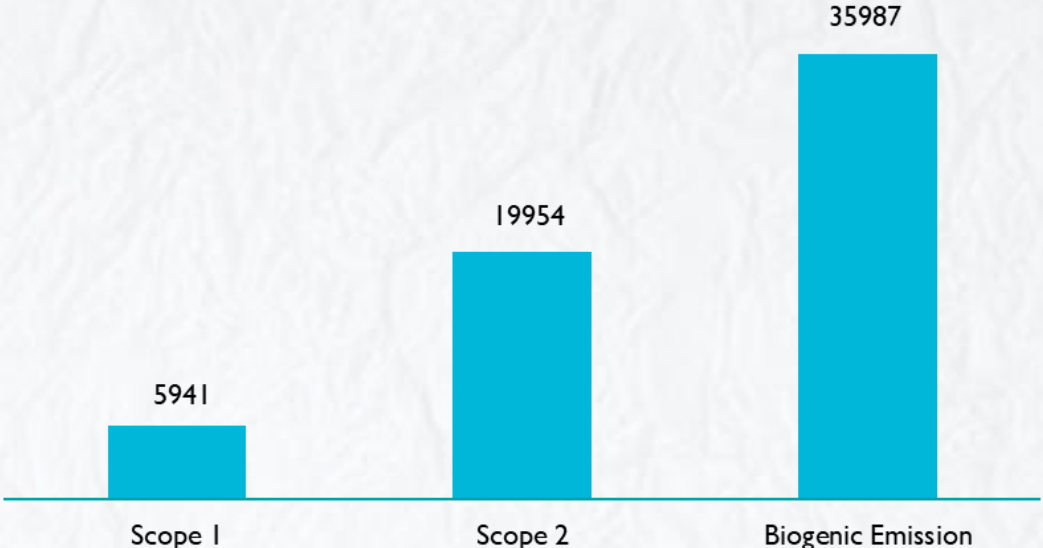
- In FY 24/25 total scope 3 emissions of the category 1, 2, 3 and 5 (Purchase goods and services, capital goods, fuel and energy related activities not including scope 1 and 2, and waste) arising are 73306 MT of CO₂ eqv.

Biogenic Emissions

- Total indirect emissions of Morepen for the FY 24/25 is 35987 MT of CO₂ eqv. accounting to a total of 58% of Total emissions.

Emissions	FY 24-25
Scope 1	5941
Scope 2	19954
Biogenic Emissions	35987
Scope 3 GHG emission (category 1, 2, 3 and 5)	73306

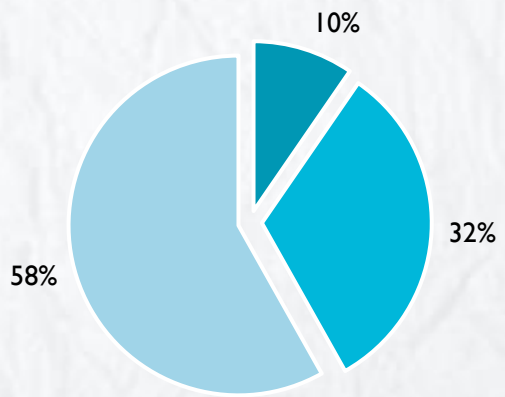
Total Emissions (MT CO₂ eq.)



GHG Emission Scope 3



Emissions (%)



■ Scope 1 ■ Scope 2 ■ Biogenic Emission

Greenhouse Gas Management

Direct Emission (Scope 1)

- Total emission arising from consumption of diesel is 846 MT of CO₂ eqv.
- Total emission arising from consumption of LPG is 17 MT of CO₂ eqv.
- Total emission arising from consumption of LSHS is 4981 MT of CO₂ eqv.
- Total emission arising from consumption of petrol is 97 MT of CO₂ eqv.

In-Direct Emissions (Scope 2)

- Total indirect emissions of Morepen for the FY 24/25 is 19953 MT of CO₂ eqv.

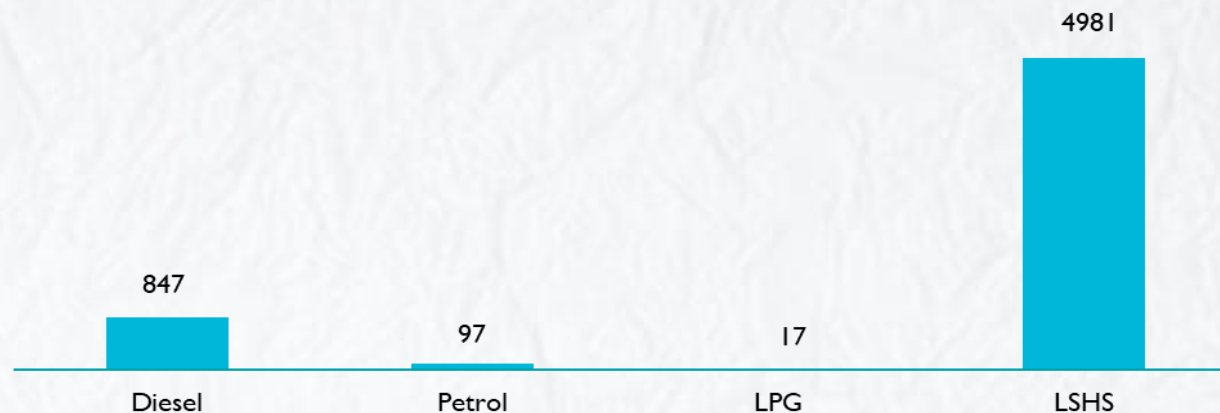
Biogenic Emissions

- Total indirect emissions of Morepen for the FY 24/25 is 35987 MT of CO₂ eqv.

Air Emission Management : Air emissions, though not categorized as a material issue, are actively managed under our IMS framework. Our policies address air quality, emissions monitoring and continuous improvement initiatives aligned with ISO 14001 requirements. Our objectives and targets include reduction of air pollutant intensity (SOx, NOx, PM) by at least 0.5% per annum relative to revenue until FY 2029–30.



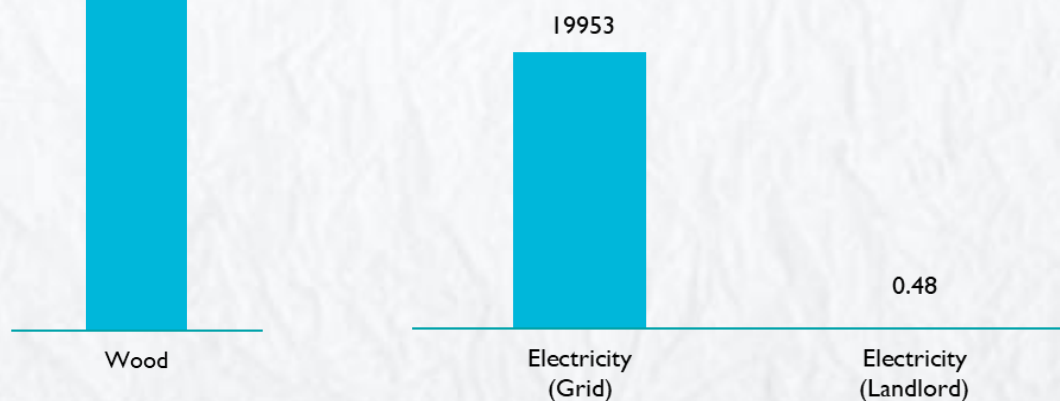
Scope 1 Emission (MT CO₂ eq.)



Biogenic Emission (MT CO₂ eq.)

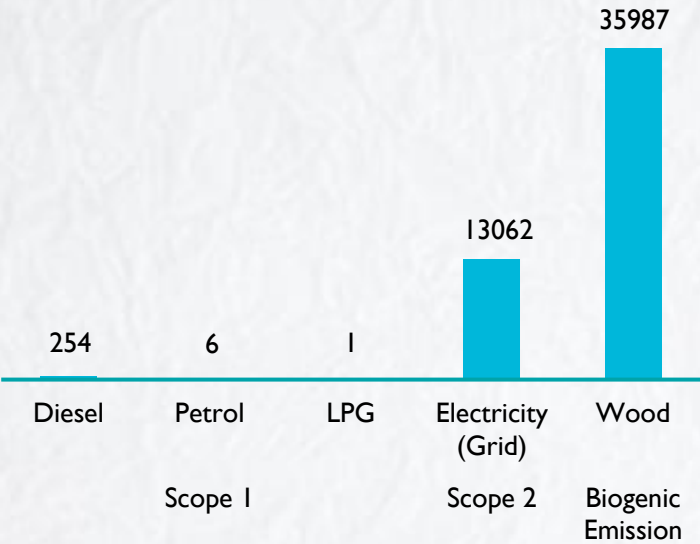


Scope 2 Emission (MT CO₂ eq.)



Greenhouse Gas Management

Baddi Emissions (MT CO2 eq.)



In-Direct Emissions include (Scope 2) - Baddi

- Indirect emission arising from electricity purchases of 17967034 kWh during FY 2024-25 was 13062 MT of CO₂ eqv.

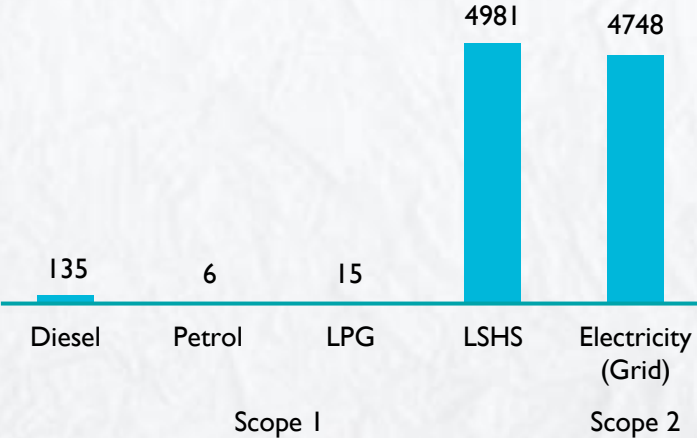
Biogenic Emission

- Emission arising from wood consumption of 16735499 Kg during FY 2024 was 35987 MT of CO₂ eqv.

Direct Emission (Scope 1) – Baddi/

- The manufacturing facility of MLL in Baddi consumed diesel, in its Diesel Generator sets that is owned and operated by Morepen. Apart from the above, the manufacturing facility consumed Liquified Petroleum Gas (LPG) fuels and Petrol in the FY 2024/25.
- Combustion of all such fuels eventually contributes to the release of GHG emission. Based on the quantity consumed by all the above fuels, following is the emission:
 - The diesel consumption of 86282 litres resulting in GHG emissions of 254 Metric Tonnes of CO₂ equivalent (MT of CO₂ eq.).
 - LPG consumption of 513 Kg resulting in 1 (MT of CO₂ eq. emissions).
 - Petrol consumption of 2389 litres resulting in 6 (MT of CO₂ eq. emissions).

Masulkhana Emissions (MT CO2 eq.)



Direct Emission (Scope 1) - Masulkhana

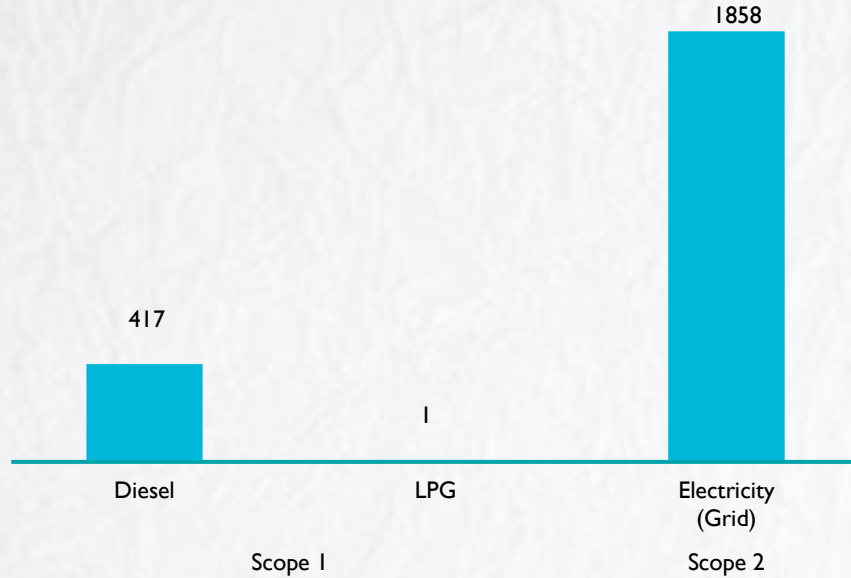
- The manufacturing facility of Morepen in Masulkhana consumed diesel that is owned and operated by Morepen Laboratories. Apart from the above, the manufacturing facility consumed Low Sulphur Heavy Stock (LSHS), Liquified Petroleum Gas (LPG) and Petrol in the FY 2024/25.
- Combustion of all such fuels eventually contributes to the release of GHG emission. Based on the quantity consumed by all the above fuels, following is the emission:
 - The diesel consumption amounted to 46,043 liters, which resulted in GHG emissions of 135.29 Metric Tonnes of CO₂ equivalent (MT of CO₂ eq.).
 - LSHS consumption was 1,61,3972 liters, resulting in 4981 MT of CO₂ eq. emissions.
 - LPG consumption was 9,348 kgs, resulting in 15 MT of CO₂ eq. emissions.
 - Petrol consumption of 2,388 litres resulting in 6 (MT of CO₂ eq. emissions).

In-Direct Emissions include (Scope 2) - Masulkhana

- Indirect emission for unit 1 arising from electricity purchases of 38,68,760 kWh during FY 2024 was 2812 MT of CO₂ eqv.
- Indirect emission arising for unit 2 from electricity purchases of 2662083 kWh during FY 2024 was 1935 MT of CO₂ eqv.

Details Of GHG Emission

Parwanoo Emissions (MT CO2 eq.)



Direct Emission (Scope 1) – Parwanoo

- The manufacturing facility of Morepen in Parwanoo 12B and 12C consumed diesel that is owned and operated by Morepen Laboratories. Apart from the above, the manufacturing facility consumed Liquefied Petroleum Gas (LPG) and Petrol in the FY 2024/25.
- Combustion of all such fuels eventually contributes to the release of GHG emission. Based on the quantity consumed by all the above fuels, following is the emission:
 - The diesel consumption amounted to 141,877 liters, which resulted in GHG emissions of 417 Metric Tonnes of CO₂ equivalent (MT of CO₂ eq.).
 - LPG consumption was 593 kgs, resulting in 0.94 MT of CO₂ eq. emissions.

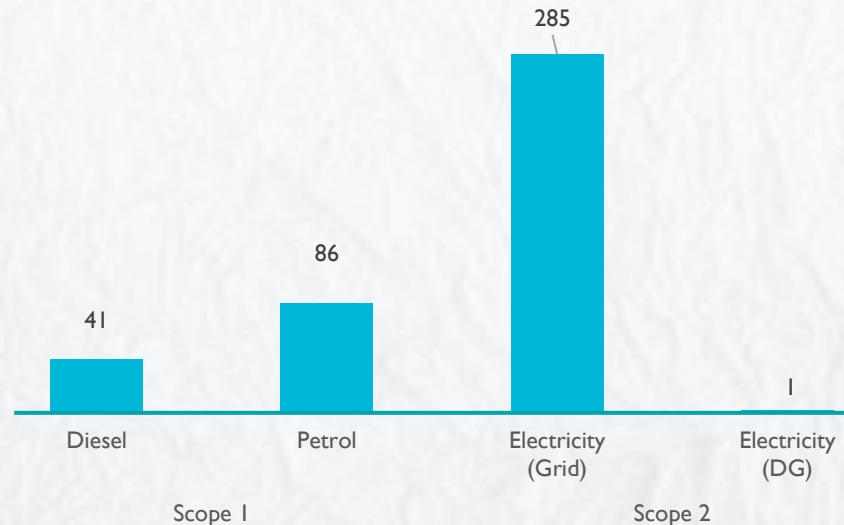
Direct Emission (Scope 1) – Corporate Office

- The manufacturing facility of Morepen in Head Office consumed diesel that is owned and operated by Morepen Laboratories. Apart from the above, the manufacturing facility consumed Petrol in the FY 2024/25.
- Combustion of all such fuels eventually contributes to the release of GHG emission. Based on the quantity consumed by all the above fuels, following is the emission:
 - The diesel consumption amounted to 13,987 liters, which resulted in GHG emissions of 41 Metric Tonnes of CO₂ equivalent (MT of CO₂ eq.).
 - Petrol consumption of 36,714 litres resulting in 86 (MT of CO₂ eq. emissions).

In-Direct Emissions include (Scope 2) - Parwanoo

- Indirect emission for unit 12B arising from electricity purchases of 1,550,503 kWh during FY 2024 was 1127 MT of CO₂ eqv.
- Indirect emission arising for unit 12C from electricity purchases of 1,005,774 kWh during FY 2024 was 731 MT of CO₂ eqv.
- The total indirect (Scope 2) emissions from electricity purchases for Units 12B and 12C during FY 2024 amounted to 1858 MT of CO₂ eqv

Head Office Emissions (MT CO2 eq.)



In-Direct Emissions include (Scope 2) – Corporate Office

- Indirect emission for grid arising from electricity purchases of 392,078 kWh during FY 2024 was 285 MT of CO₂ eqv.
- Indirect emission arising from DG set from electricity generation of 1777 kWh during FY 2024 was 1 MT of CO₂ eqv.

Biodiversity

Although biodiversity has not been identified as a material issue, MLL upholds its commitment to environmental stewardship through the implementation of a dedicated Biodiversity Policy. The policy emphasizes sustainable land use, conservation practices and ecosystem balance around our operational sites.

Biodiversity Conservation and Management

Morepen Laboratories recognizes biodiversity as a strategic pillar of sustainable pharmaceutical operations, mainstreaming conservation considerations across the entire value chain from raw material sourcing to manufacturing and beyond. Aligned with the Convention on Biological Diversity (CBD) and India's National Biodiversity Action Plan (NBAP), we apply a precautionary approach to protect ecosystems in and around all business units while maintaining rigorous compliance with environmental, forest, wildlife, coastal zone and green cover regulations. Governance is embedded within our institutional framework, with clear accountability spanning the Chairman & Managing Director and cross-functional teams including Environment, Engineering, Sustainable Development and Risk Management, enabling systematic performance review, transparent reporting and corrective action mechanisms. Comprehensive biodiversity studies are conducted for all projects to identify protected and unprotected areas, inform site selection and design mitigation strategies that target no net loss and, wherever feasible, achieve net positive outcomes through compensatory measures and site-specific Biodiversity Management Plans prioritizing rare, endangered, medicinal and culturally significant species.

Our biodiversity commitments are operationalized through measurable targets that exceed statutory requirements, regular monitoring and reporting of conservation outcomes and systematic habitat restoration initiatives both within and beyond operational boundaries to enhance ecosystem resilience and ecological connectivity. We invest in building biodiversity awareness and competence across our workforce, supply chain partners and local communities through targeted trainings delivered by subject-matter experts, while collaborative partnerships with communities, regulatory authorities, NGOs and reputable national and international research institutions strengthen the scientific rigor of our conservation initiatives, unlock co-benefits and foster shared stewardship across landscapes. This integrated approach ensures accountability, transparency and evidence-based decision-making that drives continual improvement in biodiversity performance while contributing to landscape-level conservation objectives and sustainable development.



Parameter	FY 24-25	FY 25-26
Trees Planted	530	Target 600+

Our Five principles direct implementation:	
Integrate	Integrate biodiversity in decisions from planning through closure
Minimize	Minimize adverse impacts using best practices and technologies
Go	Go beyond compliance with a continual improvement mindset;
Ensure	Ensure accountability and systems to correct aberrations;
Build	Build capacity through inclusive, regular knowledge sharing with stakeholders.

Energy Management

Energy management

Energy management is embedded through ISO 14001 and ISO 50001 across all operational sites and the corporate office, supported by documented initial environmental reviews and aspect–impact identification for each department and location. These practices reinforce systematic environmental management, continual improvement and regulatory compliance as the foundation for energy performance management.

Employee training coverage

Company-wide training covers specific environmental topics including energy saving, waste handling and disposal, ISO 14001 (Environmental Management System) and ISO 50001 (Energy Management System) to strengthen practical application in day-to-day operations. Detailed training records are maintained as part of environmental program implementation and formal training reports to demonstrate coverage across functions and sites **with an overall employee coverage of 85%**.

Site risk assessment coverage

All operational sites underwent initial environmental review using ISO 14001 aspect–impact identification to determine environment-based risks relevant to energy and broader environmental performance, resulting in **100%** assessment coverage. This comprehensive assessment underscores the organization’s commitment to systematic risk management, continuous improvement and compliance across manufacturing plants and the corporate office.

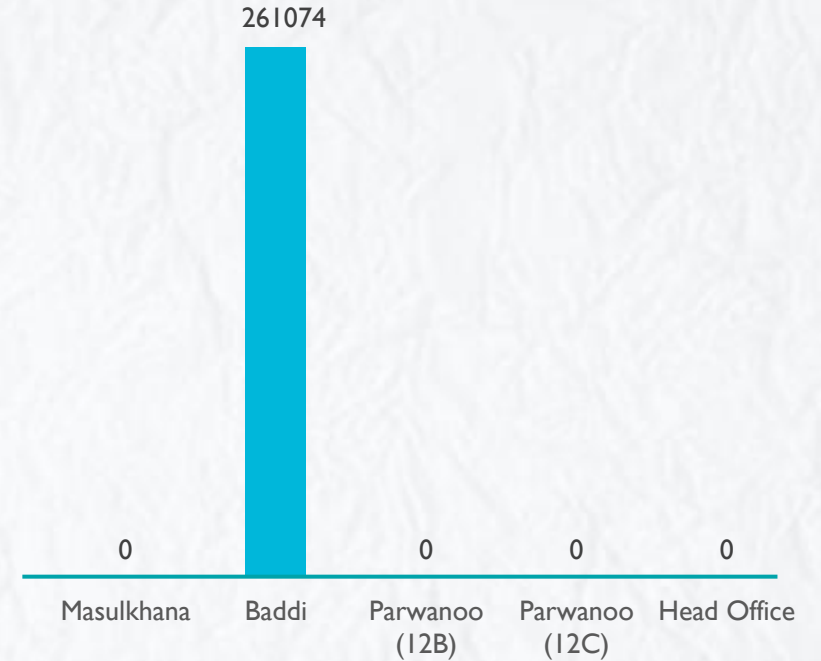
Certifications and operational scope

All operational sites Parwanoo, Mashulkhana and Baddi manufacturing facilities and the Gurugram corporate office are certified to ISO 14001 and ISO 50001, covering **100%** of operations. These certifications evidence the enterprise-wide application of environmental and energy management systems across production and corporate functions.

Renewable energy transition and performance

- Total renewable fuel procured for combustion in FY 2024/25 was **261,074 GJ** to reduce reliance on non-renewable sources.
- Renewable energy accounted for 59.6% of total energy consumption for the year, reflecting significant progress toward a cleaner energy mix.

Renewable Energy Consumption (GJ)



Segment	Coverage
Employees Trained on Environmental Issues	85%
Total Operational Sites assessed for Environmental Risk	100 %

Waste Management

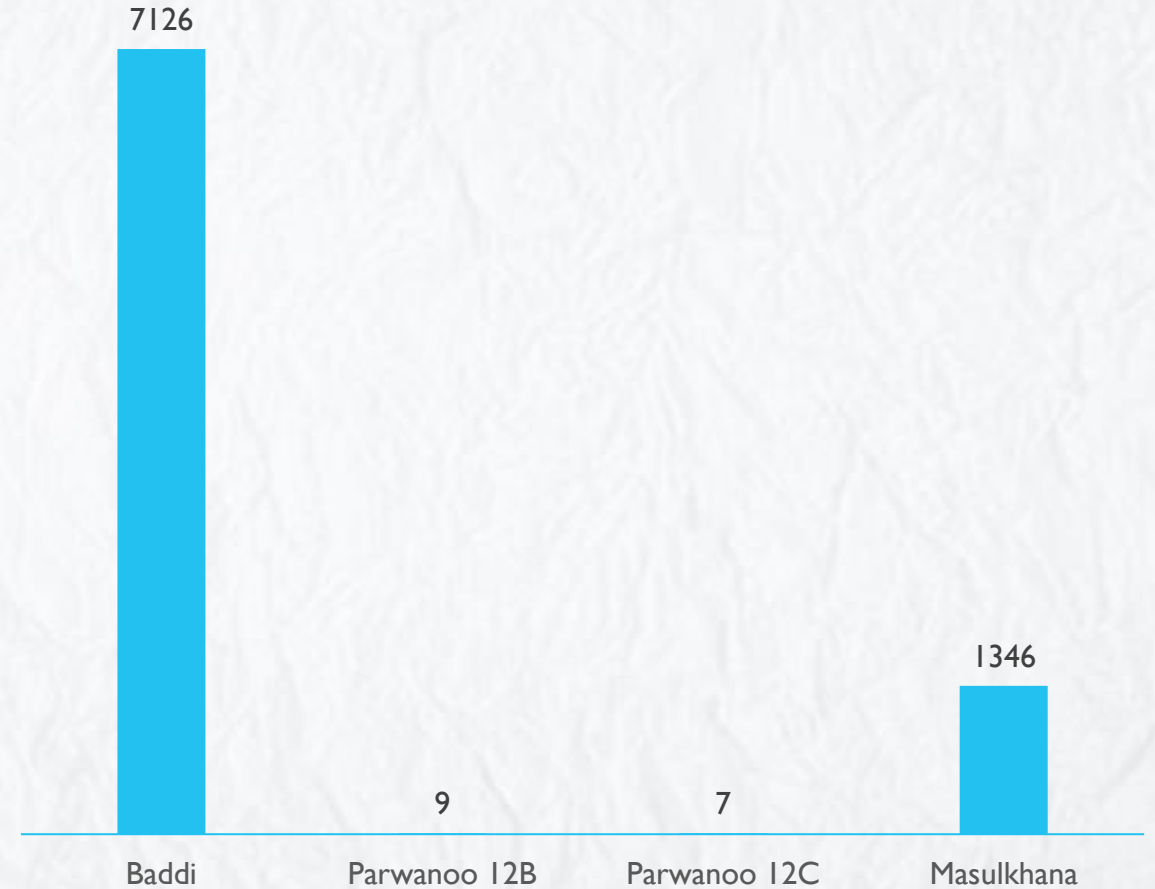
Materials, Chemicals and Waste Management

Waste generation and management have been identified as key material concerns for MLL. Our strategy emphasizes waste reduction, segregation, recovery, reuse and environmentally sound disposal methods. Morepen Laboratories ensures that the disposal of process-related waste strictly complies with regulatory guidelines established by the respective State Pollution Control Board (SPCB). All waste management activities are conducted in accordance with the terms and conditions of the Combined Consent, Consent to Operate (CTO) and Hazardous Waste Authorization granted by the competent authorities.

- **Hazardous Waste Management:** Hazardous waste is carefully collected, stored and disposed of through SPCB-approved recyclers or reclaimers, ensuring full regulatory compliance.
- **Environmental Stewardship:** Environmental responsibility is central to our waste disposal practices. We implement targeted interventions to minimize the generation of process waste.
- **Phasing Out Hazardous Materials:** The use of lead-based chemlock is being systematically phased out and replaced with an environmentally benign alternative recommended by product manufacturers.



Total Hazardous Waste Generated (MT)



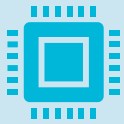
Actions To Reduce Environmental Impacts At Product End-of-life



Collaboration with Stakeholders: The company actively collaborates with the regulatory authorities, the wholesalers, retailers, warehouses, authorized recyclers & waste management entities and customers to ensure safe collection and recovery of packaging materials at their end-of-life. These partnerships help enhance circular material flow across our value chain and promote responsible end-of-life practices.



Promoting Proper Disposal and Circular Material Flow: Information regarding correct disposal methods for products and packaging is disseminated through our supply partners and distribution channels. This initiative aims to foster a circular economy and ensure that materials re-enter productive use streams rather than contribute to environmental burden.



Packaging Optimization Initiatives: To enhance resource efficiency, the company has implemented packaging optimization measures for several API product Atorvastatin. For the same product, the packing weight for equivalent size was revised from 15 kg to 16 kg (Atorvastatin). This optimizations have led to significant reduction of approximately 1.84 % i.e. 2,236 Kg in overall packaging material consumption. Consequently, materials such as paper, polybags, tack locks, labels and accompanying documentation have also experienced notable reductions, decreasing both environmental impact and resource dependency. Supporting SOPs and EHS records provide detailed evidence of these improvements through before-and-after packaging lists maintained at the site.



Demand Estimation to Prevent Overproduction: The company applies data-driven forecasting models to estimate product demand accurately, enabling efficient production planning. This approach helps prevent overproduction and minimizes the risk of surplus inventory that could otherwise become waste or require disposal. Such planning supports environmental stewardship while maintaining operational efficiency.



Additional Measures for End-of-Life Management: Beyond process optimization and collaboration, the company continues to explore eco-design improvements, recyclable material options and developments in packaging reduction technologies. Continuous review of product lifecycle stages ensures that environmental impacts are minimized at every step, aligning with our broader sustainability commitments and circular economy goals.

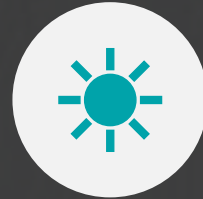


Sustainability Initiatives At Baddi



Fuel Switch in Boilers: Transition from Wood to Parali (Biomass)

The plant is moving away from traditional wood-based fuel in its boiler systems to Parali (agricultural biomass residue), which is a more sustainable and circular fuel source. This shift helps reduce deforestation pressures, promotes agricultural waste reuse and minimizes greenhouse gas emissions, aligning with circular economy principles and air quality improvement goals.



Installation of a 1100 kWp Solar Power Plant :

In alignment with Morepen's commitment to transition toward clean energy sources, a 1100 kWp rooftop solar plant is being installed at the Baddi facility during FY 2025–26. This initiative is expected to significantly reduce the plant's dependence on conventional grid electricity, resulting in a projected annual carbon emission reduction of approximately 1,090,500 kg metric ton of CO₂. This shift not only lowers the environmental footprint but also contributes to long-term operational sustainability.



Solvent Recovery Plant: We have Solvent Recovery Plant (SRP) in our API manufacturing plant of Baddi. These SRP efficiently recover solvents used during the manufacturing processes, achieved an overall recovery efficiency of **65%** in Baddi.

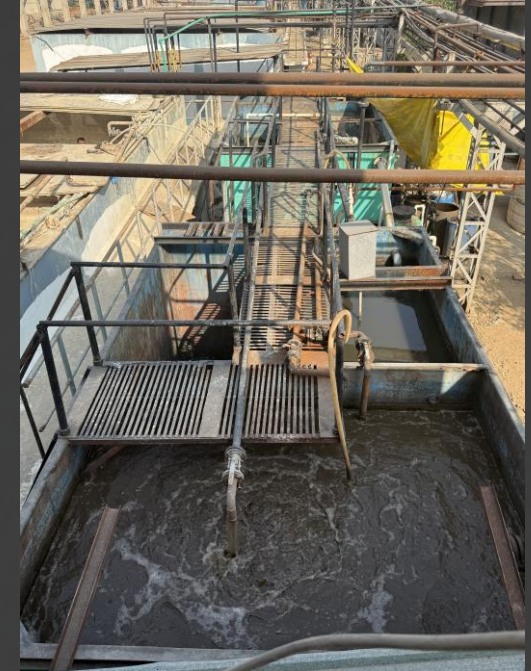
Sustainability Initiatives At Baddi



Deployment of Energy-Efficient Aero Vertex Cooling Tower Fans: The Baddi facility is also upgrading its utility infrastructure with the installation of high-efficiency Aero Vertex energy-saving fans in the cooling towers. These fans are designed to optimize airflow dynamics, reduce energy consumption and enhance overall equipment efficiency while supporting continuous plant operations.



Adoption of Non-Clogging German Design Fills in Cooling Towers : To further enhance energy efficiency, non-clogging fills based on advanced German design are being incorporated into the cooling towers. These innovative fills improve heat transfer efficiency, prevent biofouling and clogging and reduce power consumption across cooling operations, contributing to improved thermal performance with minimal maintenance.



Planning for Zero Liquid Discharge (ZLD) Implementation : A Zero Liquid Discharge (ZLD) system is being planned for the Baddi plant to ensure that all wastewater generated is treated and recycled within the facility. Once implemented, ZLD will prevent any liquid effluent discharge into the environment, supporting water stewardship goals and compliance with stringent environmental norms.



Sustainability Initiatives At Masulkhana



At the Masulkhana manufacturing facility, MLL is proactively driving a series of sustainability-focused process optimizations aimed at substantially reducing the plant's greenhouse gas emissions and overall environmental impact. A cornerstone of these efforts is the strategic replacement of Light Straight Hydrocarbon Solvent (LSHS) with Liquefied Petroleum Gas (LPG) as the primary fuel source. This fuel transition is projected to result in a significant reduction of approximately 2,710 metric tons of Scope 1 emissions annually, demonstrating Morepen's commitment to adopting cleaner energy alternatives that align with global carbon mitigation goals.



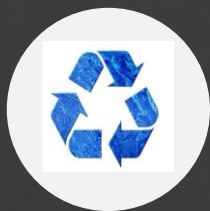
In tandem, the plant is undertaking a key refrigerant upgrade by phasing out the ozone-depleting refrigerant R22 in favor of R404A, an estimated value of 300 kg of consumption of R22 will be reduced leading to a reduction of approximately 588 MT CO₂e which is greatly diminishing the environmental footprint associated with cooling and refrigeration systems. This initiative not only reflects compliance with evolving environmental regulations but also underscores Morepen's foresight in embracing more sustainable refrigerant technologies



Morepen is optimizing its cryogenic gas usage by transitioning from externally procured liquid nitrogen to internally installed new 65-degree brine chiller within the facility. This initiative is expected to reduce transportation related emission and improve resource efficiency by installing brine chiller. Thus, reducing the dependency on third-party supplier, cut down logistical carbon emission and foster greater control over energy consumption contributing to the overall decrease in plant's Carbon footprint.



Sustainability Initiatives At Masulkhana



We have a ZLD provision at Masulkhana plant. The R.O Permeate is reused in the industrial utilities and STP treated water is reused in the plantation/ greenbelt development. The quantity of water reused in industrial utilities is **10097.83 KI** and STP treated water reused is **3679.71 KI** at Masulkhana plant. Therefore, the total **24159.04KI** water is reused within our API manufacturing sites.



We have Solvent Recovery Plant (SRP) in our API manufacturing plant of Masulkhana. These SRP efficiently recover solvents used during the manufacturing processes, achieved an overall recovery efficiency of 70% in Masulkhana .



Sustainability Initiatives At Parwanoo

At the Parwanoo facility, Morepen Laboratories Limited is actively advancing its sustainability agenda through targeted initiatives focused on reducing greenhouse gas emissions and enhancing energy efficiency. One significant achievement has been the reduction of diesel consumption in the facility's boilers by approximately 12,000 liters per year, which has directly contributed to a meaningful decrease in the plant's overall GHG emissions. This reduction not only reflects improved fuel efficiency but also aligns with Morepen's commitment to minimizing its carbon footprint through responsible resource management. These proactive measures at the Parwanoo plant exemplify Morepen's holistic approach to sustainability balancing operational excellence with environmental responsibility to create long-term value for stakeholders.



The Environmental Based Sustainability Performance Parameters (SPP)

Select list of key Sustainability Performance Parameters (SPPs)

Subject Matter of Sustainability Performance Parameter (SPP)	Unit of Measurement (UoM)	Subject Matter Information of SPP	Alignment of SPP with Global/National Sustainability Frameworks			
			GRI	BRSR/ NGRBC	UNGC	UNSDG
Air Emissions (other than GHG)						
Air Emissions other than GHG (NOx)	MT	45.33	✓	✓	✓	✓
Air Emissions other than GHG (SOx)	MT	21.84	✓	✓	✓	✓
Air Emissions other than GHG (PM)	MT	43.84	✓	✓	✓	✓
Waste						
Total Waste Generated (Bio-Medical)	MT	0.09	✓	✓	✓	✓
Total Waste Generated (Non-hazardous)	MT	200.01	✓	✓	✓	✓
Waste intensity per rupee of turnover	Kg / L INR	28.40	✓	✓	✓	✓
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Kg (PPP adjusted)/L INR	580.31	✓	✓	✓	✓
Total Waste Recovered	MT	2,580.48	✓	✓	✓	✓
Total Waste Disposed (Incineration)	MT	0.09	✓	✓	✓	✓
Total Waste Disposed (Landfilling)	MT	1,197.99	✓	✓	✓	✓
Total Waste Disposed (Other than Landfilling & Incineration)	MT	578.93	✓	✓	✓	✓

The Environmental Based Sustainability Performance Parameters (SPP)

Select list of key Sustainability Performance Parameters (SPPs) (Annexure 2*)

Subject Matter of Sustainability Performance Parameter (SPP)*	Unit of Measurement (UoM)*	Subject Matter Information of SPP*	Alignment of SPP with Global/National Sustainability Frameworks			
			GRI	BRSR/ NGRBC	UNGC	UNSDG
Energy						
Renewable fuel procured for combustion	GJ	261073.78	✓	✓	✓	✓
Energy generated from non-renewable fuel sources	GJ	77854.72	✓	✓	✓	✓
Energy generated from non-renewable based electricity source	GJ	98812.84	✓	✓	✓	✓
Total energy generated from non-renewable sources (i.e. non-renewable fuel and electricity)	GJ	176667.56	✓	✓	✓	✓
Non-renewable energy intensity (i.e. total non-renewable energy / revenue from operations) non-renewable fuel and electricity	GJ/ Crore INR	114.20	✓	✓	✓	✓
Non-renewable energy intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total non-renewable energy consumed / revenue from operations adjusted for PPP) non-renewable fuel and electricity	GJ/ Crore USD	2359.46	✓	✓	✓	✓
Water						
Water intake and withdrawal	Kl	120381.22	✓	✓	✓	✓
Water intake and withdrawal intensity (i.e. total water intake and withdrawal / revenue from operations)	Kl/Crore INR	77.82	✓	✓	✓	✓
Water intake and withdrawal intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total water intake and withdrawal / revenue from operations adjusted for PPP)	Kl/Crore USD	1607.74	✓	✓	✓	✓
Water consumed by manufacturing plants	Kl	120381.22	✓	✓	✓	✓
Water consumption intensity (i.e. total water consumed / revenue from operations)	Kl/Crore INR	77.82	✓	✓	✓	✓
Water consumption intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total water consumed / revenue from operations adjusted for PPP)	Kl/Crore USD	1607.74	✓	✓	✓	✓

* Independent third party assured parameters

The Environmental Based Sustainability Performance Parameters (SPP)

Select list of key Sustainability Performance Parameters (SPPs) (Annexure 2*)

Subject Matter of Sustainability Performance Parameter (SPP)*	Unit of Measurement (UoM)*	Subject Matter Information of SPP*	Alignment of SPP with Global/National Sustainability Frameworks			
			GRI	BRSR/ NGRBC	UNGC	UNSDG
Waste Water						
Waste-water discharged outside the manufacturing plant premises	Kl	40097.60	✓	✓	✓	✓
Waste-water discharged outside the manufacturing plant premises intensity (i.e. total waste-water discharged outside the manufacturing plant premises / revenue from operations)	Kl/Crore INR	25.92	✓	✓	✓	✓
Waste-water discharged outside the manufacturing plant premises intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total waste-water discharged outside the manufacturing plant premises / revenue from operations adjusted for PPP)	Kl/Crore USD	535.52	✓	✓	✓	✓
Hazardous Waste						
Hazardous waste generated by the manufacturing plants	MT	8487.60	✓	✓	✓	✓
Hazardous wastes generated by the manufacturing plants intensity (i.e. total hazardous wastes generated by the manufacturing plant / revenue from operations)	MT/Crore INR	5.49	✓	✓	✓	✓
Hazardous wastes generated by the manufacturing plants intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total hazardous waste generated by the manufacturing plant/ revenue from operations adjusted for PPP)	MT/Crore USD	113.36	✓	✓	✓	✓
Hazardous waste disposed by the manufacturing plants outside the plant premises	MT	3839.97	✓	✓	✓	✓
Hazardous wastes disposed by the manufacturing plants intensity per rupee of turnover (i.e. total hazardous wastes disposed outside the manufacturing plant premises / revenue from operations)	MT/Crore INR	2.48	✓	✓	✓	✓
Hazardous wastes disposed by the manufacturing plants intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total hazardous wastes disposed outside the manufacturing plant premises / revenue from operations adjusted for PPP)	MT/Crore USD	51.28	✓	✓	✓	✓

* Independent third party assured parameters

The Environmental Based Sustainability Performance Parameters (SPP)

Select list of key Sustainability Performance Parameters (SPPs) (Annexure 2*)

Subject Matter of Sustainability Performance Parameter (SPP)*	Unit of Measurement (UoM)*	Subject Matter Information of SPP*	Alignment of SPP with Global/National Sustainability Frameworks			
			GRI	BRSR/ NGRBC	UNGC	UNSDG
GHG Emission						
Scope 1 GHG emission	MT of CO2 eq.	5941.30	✓	✓	✓	✓
Scope 2 GHG emission	MT of CO2 eq.	19953.89	✓	✓	✓	✓
Scope 1 and 2 GHG emission	MT of CO2 eq.	25895.19	✓	✓	✓	✓
Scope 1 and Scope 2 GHG emission intensity (i.e. total of Scope 1 & Scope 2 GHG emission /revenue from operations)	MT of CO2 eq./Crore INR	16.74	✓	✓	✓	✓
Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total of Scope 1 & Scope 2 GHG emission / revenue from operations adjusted for PPP)	MT of CO2 eq./Crore USD	345.84	✓	✓	✓	✓
Scope 3 GHG emission (category 1)	MT of CO2 eq.	70625.14	✓	✓	✓	✓
Scope 3 GHG emission (category 2)	MT of CO2 eq.	68.17	✓	✓	✓	✓
Scope 3 GHG emission (category 3)	MT of CO2 eq.	1959.53	✓	✓	✓	✓
Scope 3 GHG emission (category 5)	MT of CO2 eq.	653.46	✓	✓	✓	✓
Scope 3 GHG emission (category 1,2,3 and 5)	MT of CO2 eq	73306.31	✓	✓	✓	✓
Scope 3 GHG emission intensity (i.e. Scope 3 GHG emitted/revenue of operations)	MT of CO2 eq./Crore INR	47.39	✓	✓	✓	✓
Scope 3 GHG emission intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Scope 3 GHG emitted / revenue from operations adjusted for PPP)	MT of CO2 eq./Crore USD	979.03	✓	✓	✓	✓

* Independent third party assured parameters



GUBB

Grooming

PERSONAL GROOMING



5 yrs
Discrepan
HAPPINESS

SOCIAL PERFORMANCE

Employee Well-being

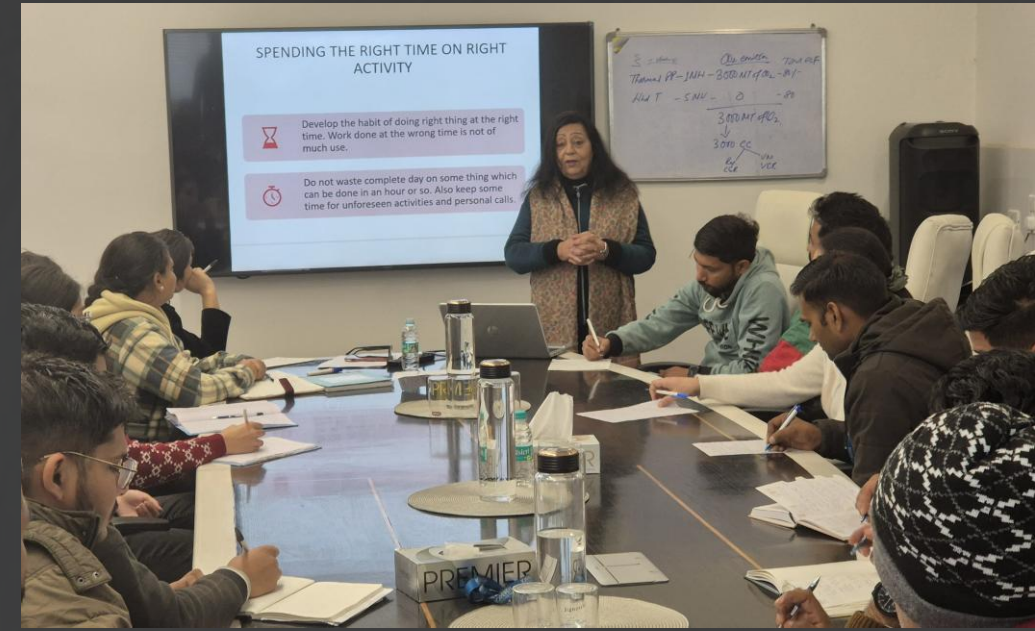
Working Conditions: We believe our employees deserve a safe, fair and supportive work environment. Our approach to working conditions covers several important areas:

- **Workplace Safety:** We implement systems and practices that minimize physical strain and injury
- **Employee Rights:** All workers have access to their fundamental rights and protections
- **Fair Working Hours:** We ensure compliance with regulations regarding work hours and adequate rest periods
- **Competitive Compensation:** We maintain wage standards that support our employees' wellbeing
- **Continuous Development:** We provide ongoing training and skill-building opportunities

We actively monitor and review our working conditions to ensure we're meeting our commitments and adapting to our employees' evolving needs.

Fair Working Conditions and Leaves: We have also developed policies on working conditions, overtime practices and leave entitlements that reflect the company's concern for employee well-being and work-life balance. These policies are shared across the organization and discussed with the Works Committee to ensure they address employee needs and remain aligned with regulatory requirements. Employee input on working conditions is welcomed through the Charter of Demand, a collaborative forum where committee members contribute to discussions that inform fair and transparent workplace standards.

Equitable Wages and Benefits: MLL is committed to fair compensation and engages with employee representatives to discuss wage matters through the Charter of Demand process. Performance-based incentives further recognize employee achievements and support motivation across the workforce.



Social Dialogue

Social Dialogue and Employee Engagement

We value open communication with our workforce and believe that meaningful dialogue strengthens our organization. We fully support workers' rights to organize if they choose to do so.

How We Listen to Our Employees

- We've established a Works Committee that brings together employees and management to discuss concerns, resolve disputes and work collaboratively on workplace issues. This gives our workforce a structured channel to have their voices heard and concerns addressed fairly.
- Beyond formal mechanisms, we regularly conduct engagement surveys with both permanent and contractual workers to understand their perspectives, concerns and satisfaction levels. The insights from these surveys are shared with our board, ensuring that employee feedback reaches the highest levels of leadership and influences our organizational direction.

Creating a Culture of Dialogue

- We conduct regular consultations with our stakeholders including employees from different levels and departments to identify concerns and understand what matters most to them. This process helps us stay connected to our workforce and responsive to their needs, creating an environment where people feel valued and heard.



Skill Upgradation

Career Management and Training

We're committed to helping our employees grow and advance in their careers. We believe that when people develop new skills and capabilities, they become more engaged and contribute more meaningfully to our organization.

Building Skills and Capabilities: Our approach to training and development focuses on:

- **Technical and Regulatory Skills:** Training aligned with Good Manufacturing Practices, environmental management, health and safety and compliance standards
- **Soft Skills Development:** Building communication, leadership and interpersonal capabilities
- **Equal Opportunity:** Ensuring all employees have fair access to training and development opportunities
- **Career Progression:** Linking skill development directly to advancement opportunities and career growth

Identifying and Meeting Training Needs: We assess training needs regularly through our annual appraisal process, which helps us understand skill gaps and identify priority areas for development. This structured approach ensures we're investing in training that matters to our employees and supports our organizational goals.

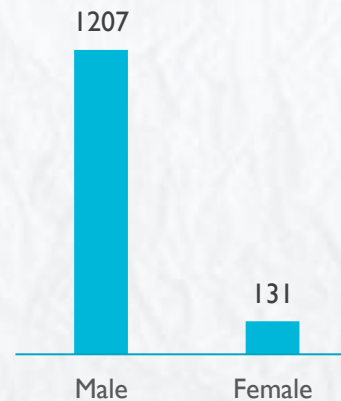
Regular Assessment of Individual Performance: Our Performance Management System anchors fair and consistent evaluations through goal and KPI setting at the start of each year, mid-course feedback and year-end reviews. Performance is assessed quantitatively and qualitatively against KPIs, culminating in a structured career dialogue between an employee and their HOD to recognize achievements and define development actions.

Individual Development and Career Plans: All employees receive individualized development plans integrated with the PMS cycle. These plans capture strengths, development areas, role-specific competencies and targeted learning interventions, ensuring continuous improvement and aligned career growth. Career dialogues formalize feedback, calibrate expectations and sequence development actions across the performance year

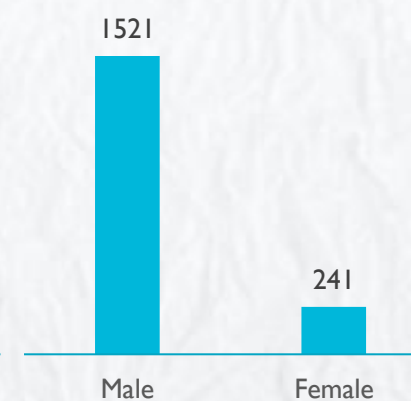
Actions to Promote Internal Mobility: We promote internal mobility as a lever for engagement and capability building. Through our Internal Job Transfer policy, employees can pursue vertical progression via promotions and pay advancement, as well as horizontal or transversal moves to broaden experience across roles, departments, projects and locations. Geographical transfers are supported based on performance, potential and business needs to optimize both employee growth and operational efficiency.

Particulars	Total (A)	Male		Female	
		(B)	% (B/A)	(C)	% (C/A)
Employees					
Permanent (D)	1248	1120	90%	128	10%
Other than permanent (E)	96	90	94%	6	6%
Total Employee (D+E)	1344	1210	90 %	134	10 %
Workers					
Permanent (F)	566	527	93%	39	6 %
Other than permanent (G)	1215	1013	83%	202	16 %
Total Workers (F+G)	1781	1540	86 %	241	13 %

Career Development Review (Employees)



Career Development Review (Workers)



Training	FY 24-25
Number of Employees	
Skill Upgradation	984
Number of Workers	
Skill Upgradation	1649

Equal Opportunity

Diversity and Equal Opportunity:

The company's total workforce stands at 3125 employees and workers, including 1 differently abled individual. Women's participation, inclusion and representation form a strategic priority, with females accounting for 8% of the total workforce. During the reporting period, the turnover rate for permanent employees and workers was 12.85% and 0.91% respectively and the return to work and retention rates after parental leave reached 94.59% and 100% for permanent employees and the return to work and retention rates after parental leave reached 100% and 100% for permanent workers.

The company remains committed to workplace accessibility for all, assessing compliance with the Rights of Persons with Disabilities Act, 2016. Where gaps exist, corrective steps are being implemented. Workforce engagement in recognized employee associations or unions ensures inclusive representation. Comprehensive HR due diligence covers labor rights, and the organization operates under a zero-tolerance policy towards child and forced labor. Remuneration policy details are transparent and communicated to all employees, ensuring alignment with equal pay and fair treatment.

Employee Category	<30 years	30-50 years	>50 years	Male	Female
BODs	0	1	5	5	1
KMPs	0	1	3	4	0
Employees (Other than BODs and KMPs)	529	685	126	1206	134
Workers	872	732	177	1540	241

Particulars (Disabled)	Total (A)	Male		Female	
		(B)	% (B/A)	(C)	% (C/A)
Employees					
Permanent (D)	0	0	0 %	0	0 %
Other than permanent (E)	0	0	0 %	0	0 %
Total Employee (D+E)	0	0	0 %	0	0 %
Workers					
Permanent (F)	0	0	0 %	0	0 %
Other than permanent (G)	1	1	100 %	0	0 %
Total Workers (F+G)	1	1	100 %	0	0 %



Anti-Discrimination

Non-Discrimination and Harassment Prevention

We're committed to creating a workplace where every person is treated with respect and dignity, regardless of their background or circumstances. We believe that diversity strengthens our organization and that everyone deserves to feel valued and safe at work.

Our Approach to Inclusion: Our Human Rights Policy prohibits discrimination based on age, gender, religion, marital status, disability, race, sexual orientation and other protected characteristics. We've also developed complementary policies that reinforce our commitment to:

- **Equal Opportunity:** Fair access to employment, advancement and workplace benefits for all
- **Workplace Dignity:** Creating a culture where respect and inclusivity are practiced daily
- **Harassment Prevention:** Clear procedures for reporting and addressing any instances of harassment or disrespect
- **Support for Vulnerable Groups:** Providing targeted protections for employees who may face additional vulnerabilities

Putting Values into Practice: These commitments aren't just words they're embedded in our Employee Handbook and reinforced through our daily practices and interactions. We actively work to create an environment where people from all backgrounds feel they belong, can contribute their best work and are protected from discrimination and harassment.



Health and Safety

Occupational Health and Safety: Our organization recognizes that a safe and healthy workplace is essential for our employees and workers to thrive. We maintain an Occupational Health and Safety Management System certified to ISO 45001, which reflects our commitment to managing health and safety risks systematically. Beyond this, we've integrated our environmental, health, safety and energy management systems to ensure a comprehensive approach that protects both permanent and contractual staff.

- **Our Health and Safety Commitment:** We've established clear objectives and targets for health and safety that guide our daily operations. These include:
 - **Zero Harm:** We aim for zero injuries, illnesses, or spills across all our operations
 - **Fair and Safe Work:** Ensuring all workers receive fair compensation through living wage standards and are free from discrimination
 - **Lost Time Injury Frequency (LTIFR) Target:** We're targeting an LTIFR zero by 2030

These targets help us track progress and remain accountable to our workforce for continuous improvement in safety performance.

Employee Representation Through Works and Safety Committee: Our organization has established a Works Committee and a Safety Committee to facilitate constructive communication between employees and management. Works Committee members are elected by the workforce and participate in discussions to address employee concerns, including grievances and workplace matters, through open dialogue and fair resolution processes. The Safety Committee provides a forum for employees to share safety observations and suggestions. Additionally, a Suggestion Scheme invites all workforce members to contribute ideas and feedback, which are carefully considered in committee discussions to support ongoing refinement of workplace practices.



Health and Safety

Health and Safety Through Employee Participation: Our company values employee input on health and safety matters and engages the workforce through the Works Committee, Safety Committee and Suggestion Scheme. Employees are encouraged to share concerns and observations, whether directly or through their elected representatives. These contributions are thoughtfully reviewed and inform the company's approach to workplace safety enhancements and risk management. Management communicates developments and improvements to ensure employees understand how their feedback shapes the company's commitment to a safe and healthy workplace.

Prevention of Child Labour, Forced Labour and Human Trafficking

We maintain a zero-tolerance approach to child labour, forced labour and human trafficking across all our operations. This isn't just a compliance requirement—it reflects our fundamental belief in protecting vulnerable populations and ensuring ethical employment practices.

How We Prevent These Practices: Our prevention approach includes:

- **Verification During Recruitment:** We verify age documentation during hiring to ensure we're not employing children.
- **Regular Audits:** We conduct ongoing audits to monitor compliance and identify any potential risks
- **Swift Action:** If we identify any concerns, we investigate immediately and take corrective action
- **Community Engagement:** We work with local welfare organizations to address root causes and support affected individuals

By maintaining these safeguards, we ensure that our workforce is protected and that our operations reflect our values.



Product Safety For Customer Health And Safety

Ensuring customer safety and promoting health protection are integral aspects of Morepen Laboratories Limited's business operations. We uphold strict standards in product development, communication, labeling and regulatory compliance to guarantee that all our products are safe for their intended use. We consider customer safety as a material issue for our company and take comprehensive actions to protect consumer health and wellbeing throughout the product lifecycle

Our commitments include:

- Integration of customer health and safety requirements within the IMS policy as per ISO 45001.
- Target to maintain zero health and safety complaints annually.
- Continued focus on safe distribution, handling and disposal processes for all pharmaceutical products.

Training	FY 2024-25
Number of Employees	
Health & Safety	840
Number of Workers	
Health & Safety	1550



Provision of Safety Data Sheets (SDS): We provide Safety Data Sheets (SDS) that detail safe handling, storage and disposal practices for all our products. These documents are vital tools for traders and customers to understand potential hazards and implement appropriate safety controls. They complement our labeling strategy and serve as our primary instrument for communicating safety practices, supporting the protection of customer health and safety.



Awareness Programs and Health & Safety Information: We organize targeted awareness programs and provide detailed information to our customers and traders regarding the health and safety aspects associated with our products. Material Safety Data Sheets (MSDS) are shared with customers purchasing our Active Pharmaceutical Ingredients (APIs), ensuring they are informed about proper handling, potential hazards and safe use. Additionally, product safety information is printed on product labels and included in informational leaflets where applicable. These resources promote correct product application and storage to minimize health-related risks.



Customer Health and Safety Risk Assessments: Customer safety is integrated into our risk management framework. Through our double materiality assessment, the safe use of products has been identified as a material topic. We conduct product-level risk assessments for all API and formulation products as per our dedicated SOP on risk management. These assessments help identify potential health and safety risks and guide the implementation of suitable mitigation strategies.



Provision of Information on Product Composition: We maintain transparency in our product composition to support the safe and correct use of our products. The route of synthesis is communicated to customers purchasing our API products, while MSDS documents for formulation products include complete compositional details. Furthermore, product labels highlight the main components to aid consumer understanding and safe use.



Emergency Preparedness and Product Recall Procedures: MLL has a comprehensive Standard Operating Procedure (SOP) in place for emergency preparedness, including product recalls. The SOP defines recall initiation triggers (voluntary, statutory, or forced grounds) and prescribes appropriate actions during emergencies. We also conduct mock recalls periodically to verify the effectiveness of our system and ensure our teams are prepared for quick and compliant responses.



Health and Safety Information on Product Labels: Our labeling practices emphasize consumer health and safety. Labels communicate essential safety parameters such as storage conditions, temperature, chemical composition, advisories for physician consultation and cautions like "Keep away from children." This ensures customers have direct access to critical safety information at the point of use. The same parameters are detailed within our MSDS for bulk clients and manufacturers.



Assessment of Emerging Technologies: MLL currently does not employ nanotechnologies or other emerging technologies in its manufacturing processes. Therefore, assessment of potential adverse impacts related to such technologies is not applicable to our operations.

Living A Decent Life

Living Wage Commitment

We have developed a comprehensive Living Wage Policy that demonstrates our commitment to ensuring fair and adequate compensation for all workers beyond legal minimum wages. This policy aligns with local cost-of-living indicators and reflects our dedication to providing dignified livelihoods throughout our workforce. The Living Wage Policy has been publicly announced and integrated into our sustainability framework, showcasing our proactive approach to fair labor practices.

Targets and Timelines : We have established a time-bound quantitative target to achieve 100% payment of living wages to all workers by the financial year 2030/31. This commitment has been formally documented in Annex 1 of our Sustainability Policy. Our approach involves a phased implementation strategy, ensuring gradual coverage expansion across the workforce until complete achievement of the target deadline.

Living Wage Benchmark Analysis: We have conducted a thorough analysis of employee wage levels against an internally established living wage benchmark. Our benchmark methodology is derived from comprehensive assessments of essential family needs, including:

- Food and nutrition requirements
- Housing and accommodation costs
- Education expenses
- Medical and healthcare costs
- Other basic living expenses

The benchmark calculations account for average family size and the number of earning members per household, ensuring accuracy and relevance to local conditions.

Wage Gap Assessment : Our detailed wage gap assessment has yielded positive results. The analysis confirms that current wages paid to direct employees, inclusive of performance incentives and allowances, exceed the calculated living wage requirement. Specifically, we compared the lowest salary provided to direct employees against the minimum living wage benchmark and the results demonstrate that even our entry-level compensation surpasses the established living wage threshold.

Coverage Status : Based on our comprehensive analysis:-

- Percentage of direct employees paid below living wage: 0%
- Average wage gap for direct employees: No gap identified, as all direct employees receive compensation above the living wage benchmark



Supply Chain

Responsible Sourcing and Sustainable Procurement

Recognizing the pivotal role of procurement in influencing environmental and social outcomes, we have established a robust Sustainable Procurement Policy. This policy is designed to integrate key environmental, social, and governance (ESG) factors across the entire procurement lifecycle from initial supplier identification to long-term engagement ensuring our sourcing practices drive ethical conduct and sustainable growth. The policy is firmly integrated within our company's Integrated Management System (IMS), aligning with ISO 14001 standards to monitor compliance, minimize environmental impact, and continuously encourage resource efficiency and waste reduction among our partners.

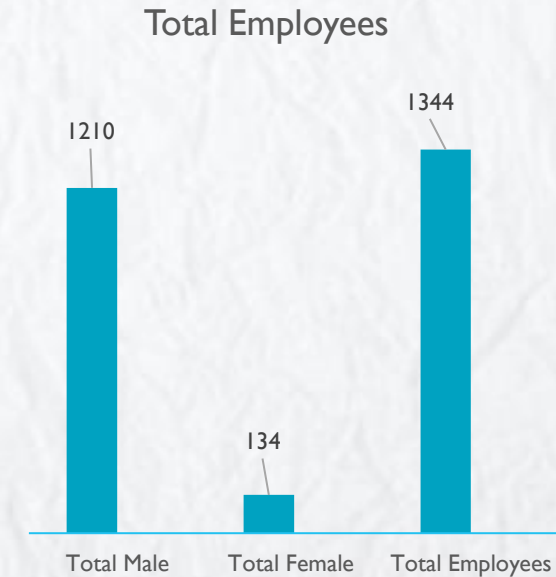
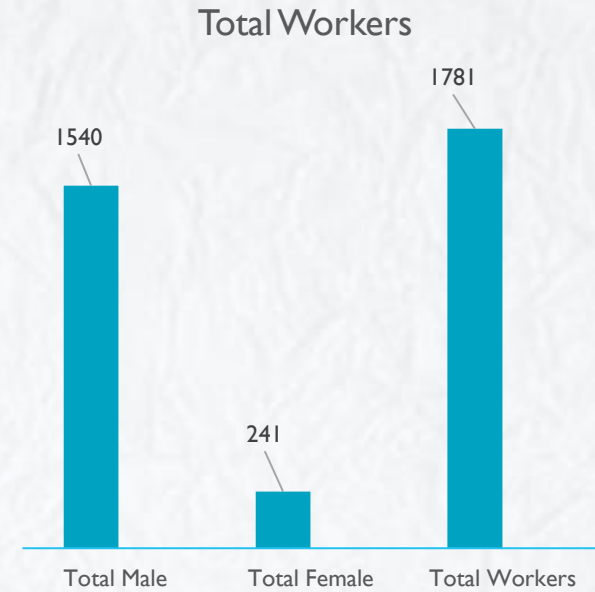
To maintain our responsible sourcing commitments, we utilize a detailed supplier assessment and due diligence framework. This process starts with a structured questionnaire covering environmental management, labor conditions and ethical governance, followed by periodic, evidence-based on-site audits for key suppliers. This rigorous evaluation allows us to proactively identify and address potential risks, including non-compliance with human rights and labor laws, thereby ensuring an ethical and resilient supply chain. When gaps are identified, we collaborate with suppliers on corrective actions and targeted capacity-building initiatives.

Our approach is guided by a double materiality assessment and strong governance, which ensures that our short, medium and long-term procurement objectives align with our overall corporate sustainability commitments. As we look ahead, we have set future objectives to enhance data traceability, increase supplier engagement, and accelerate performance reassessment, cementing procurement as a powerful driver toward low-carbon and inclusive supply chains.



Our Social Performance And Progress

Key Point Indicator (KPI)	UoM	KPI information	Alignment of SPP with Global/National Sustainability Frameworks			
			GRI	BRSR/ NGRBC	UNGC	UNSDG
Board of Directors (Male)	In number	5	✓	✓	✓	✓
Board of Directors (Female)	In number	1	✓	✓	✓	✓
Key Management Personnel (Total)	In number	4*	✓	✓	✓	✓
Total Employees	In number	1344	✓	✓	✓	✓
Total Workers	In number	1781	✓	✓	✓	✓
Turnover Rate of Permanent Employees	In percentage	12.85%	✓	✓	✓	✓
Turnover Rate of Permanent Workers	In percentage	0.91%	✓	✓	✓	✓
Employees Covered by Maternity Benefits	In percentage	100%	✓	✓	✓	✓
Workers Covered by Maternity Benefits	In percentage	100%	✓	✓	✓	✓
Performance and Career Development Reviews (Employees)	In number	1338	✓	✓	✓	✓
Performance and Career Development Reviews (Workers)	In number	1762	✓	✓	✓	✓
Employees Covered by Accident Insurance	In number	1285	✓	✓	✓	✓
Workers Covered by Accident Insurance	In number	1781	✓	✓	✓	✓
Employees Covered by Health Insurance	In number	555	✓	✓	✓	✓
Workers Covered by Health Insurance	In number	1379	✓	✓	✓	✓
More than minimum Wage Compliance - Total Employees	In number	1307	✓	✓	✓	✓
More than minimum Wage Compliance - Total Workers	In number	1421	✓	✓	✓	✓



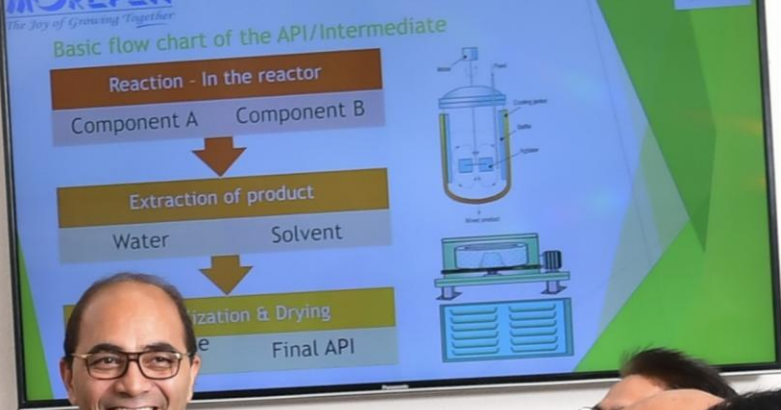
*Two of the KMPs are part of the BODs

Our Social Performance And Progress

Key Point Indicator (KPI)	UoM	KPI information	Alignment of SPP with Global/National Sustainability Frameworks			
			GRI	BRSR/ NGRBC	UNGC	UNSDG
Complaints received from Employees and Workers	In number	13	✓	✓	✓	✓
Complaints received from Customers	In number	16	✓	✓	✓	✓
Recall Cases	In number	0	✓	✓	✓	✓
Percentage of employees covered by formally elected employees representatives or collective agreements	In %	100	✓	✓	✓	✓
Percentage of employees who got received regular performance and career development reviews	In %	99.5	✓	✓	✓	✓
Percentage of employees who received skill related training	In %	90	✓	✓	✓	✓
Percentage of employee trained on POSH	In %	100	✓	✓	✓	✓
Percentage of employee trained on discrimination	In %	70	✓	✓	✓	✓
Percentage of operational sites for assessed human rights impact	In %	100	✓	✓	✓	✓
Percentage of operational sites with ISO 45001	In %	100	✓	✓	✓	✓
Percentage of employees covered under living wage	In %	100	✓	✓	✓	✓
Percentage of employees receiving living wage	In %	100	✓	✓	✓	✓
Total number of hours worked by the workforce	In number	6234692	✓	✓	✓	✓
Number of work-related accident	In number	4	✓	✓	✓	✓
Number of days lost due to injuries	In number	0	✓	✓	✓	✓
Average hours of training per employee	In number	10	✓	✓	✓	✓
Percentage of women employed in whole organization	In %	8	✓	✓	✓	✓

Our Social Performance And Progress

Key Point Indicator (KPI)	UoM	KPI information	Alignment of SPP with Global/National Sustainability Frameworks			
			GRI	BRSR/ NGRBC	UNGC	UNSDGE
Percentage of women within the organization board	In %	12	✓	✓	✓	✓
Ration of annual compensation of the highest paid individuals to the median annual total compensation for all employees	Ratio	20.9	✓	✓	✓	✓
Percentage of women at top management level	In %	5.13	✓	✓	✓	✓
Coverage of training for employee health and safety	In %	62.5	✓	✓	✓	✓
Coverage of training for workforce health and safety	In %	87.03	✓	✓	✓	✓
Number of child or forced labor incidents reported	In Number	0	✓	✓	✓	✓
Average unadjusted gender pay gap	In number	109876	✓	✓	✓	✓
Number of identified discrimination or harassment incidents	In number	0	✓	✓	✓	✓



CORPORATE GOVERNANCE

Corporate Governance Framework

Morepen Laboratories is governed by a well-defined framework that reinforces accountability, transparency and ethical stewardship. At its core is a diverse and experienced Board of Directors, charged with setting strategic direction and safeguarding the interests of shareholders and stakeholders alike.

Composition and Expertise : Our Board comprises seasoned professionals from varied backgrounds—industry veterans, financial experts, legal advisors and sustainability practitioners. This breadth of expertise ensures that every major decision benefits from a rounded perspective.

Independent Leadership : A majority of our directors are independent, strengthening objective oversight of management actions and minimizing potential conflicts of interest.

Committees and Oversight : To enhance focus on key governance areas, the Board delegates authority to specialized committees, including:

- **Audit & Risk Committee** – Oversees financial reporting, internal controls and enterprise risk management.
- **Nomination & Remuneration Committee** – Manages board appointments, succession planning and executive compensation.
- **Sustainability & Ethics Committee** – Guides ESG strategy, reviews ethics policies and tracks progress on sustainability goals.

Regular Evaluation : We conduct annual board assessments—covering collective performance, individual contributions and committee effectiveness—to drive continuous improvement in governance practices.

Engagement and Succession Planning : Through ongoing dialogue with senior management and external advisors, the Board stays closely connected to operational realities and emerging market trends. A structured succession process ensures leadership continuity and prepares the company for long-term success.





Morepen's Corporate Governance

The Board of Directors is central to establishing management oversight, accountability and strategic direction. The board consists of (8) members, with independent directors comprising (50%) and (12.25%) female representation, underscoring a commitment to diversity. Board and committee meetings including the AGM are held regularly, with an attendance rate of (100%). The company separates the functions of oversight and execution through a dedicated executive officer system, supported by board-level ESG/Risk committees. Board performance is evaluated annually and special emphasis is placed on regular training and the communication of anti-corruption policies of governance body members and employees.

Strategic Supervision by the Board of Directors and Senior Leadership Team:

Name	Designation
Mr. Sushil Suri	Chairman and Managing Director
Mr. Sanjay Suri	Executive Director
Mr. Praveen Kumar Dutt	Independent Director
Mrs. (Dr.) Savita	Independent Director
Mr. Sharad Jain	Independent Director
Ranjit Khattar	Independent Director
Ajay Sharma	Chief Financial Officer (KMP)
Vipul Kumar Srivastava	Company Secretary & Compliance Officer (KMP)

Efficient Corporate Management



Objective : At Morepen, exemplary corporate governance represents the linchpin of sustainable enterprise performance. We have instituted a forward-looking governance model that transcends mere regulatory compliance, creating a comprehensive framework designed to anticipate and address emerging economic, environmental and social imperatives.

Effective stewardship of the corporation is central to our long-term resilience—ensuring that operational effectiveness is achieved while embedding the highest standards of transparency, integrity and accountability, as upheld by both the Board of Directors and our executive leadership. Our rigorously defined organizational structures and governance policies serve as catalysts for driving performance and generating value in a principled and responsible manner.

These governance mechanisms constitute the foundation of our sustainability agenda, integrating environmental, social and governance considerations into strategic decision-making and enhancing overall institutional efficacy. We aspire to foster positive societal impact alongside robust financial outcomes. By maintaining streamlined and adaptable management processes, we reinforce sustainable practices and position Morepen to capitalize on future opportunities.

Our Corporate Governance Principles, the Code of Conduct and the charters governing each Board committee codify our governance ethos and are published on our corporate website. By embedding these elevated standards of corporate behavior throughout the organization, we effectively manage risk and uphold the conditions for sustained growth and success.

Business Ethics



Corruption: MLL upholds a zero-tolerance approach toward bribery, corruption, and money laundering through its Anti-Bribery, Anti-Corruption and Anti-Money Laundering Policy, which promotes ethical business conduct and accountability at all levels.

Conflict of Interest: The company's Conflict of Interest Policy provides clear guidance to employees, directors, and key management personnel to ensure that personal interests do not interfere with organizational responsibilities.

Frauds: MLL implements a robust Fraud Prevention and Ethical Business Conduct Policy to maintain transparency and prevent any form of deceptive or unethical practices within its operations.

Money Laundering: In alignment with international governance standards, MLL enforces strict anti-money laundering measures designed to prevent illicit financial activities and ensure compliance with all applicable legal requirements.

Responsible Information Management: MLL is deeply committed to ensuring data integrity, confidentiality and responsible handling of information through its Information Security and Data Management Policy.

Parameter	Anti-bribery/corruption*
Directors	0
KMPs	0
Employees	0
Workers	0

**Number of instances recorded*

Parameter	Conflict of Interest*
Directors	0
KMPs	0
Employees	0

**Number of instances recorded*

Parameter	Fraud Cases*
Directors	0
KMPs	0
Employees	0
Workers	0

**Number of instances recorded*

Parameter	Money Laundering*
Directors	0
KMPs	0
Employees	0
Workers	0

**Number of instances recorded*

Parameter	Data breach
Number of instances recorded	0

Whistle-blower Mechanism

MLL's Whistleblower Procedure enables secure, confidential and anonymous reporting of suspected bribery, corruption, fraud and unethical conduct.

- Multiple channels are available: whistleblower@morepen.com, a toll-free anonymous hotline managed by an independent provider and an online portal on the company website.
- Reports are acknowledged within three business days, investigated impartially by the Whistleblower Committee and typically closed within 30 calendar days with corrective actions implemented where required.
- The company enforces strict non-retaliation protections for good-faith reporters, with disciplinary action against any retaliatory behavior.
- Sensitive transactions approval

MLL applies formal pre-approval controls to sensitive transactions that may provide personal benefit alongside business benefit.

- Covered categories include gifts, hospitality, travel, sponsorships, donations and appreciation-related expenses.
- Clear approval thresholds and hierarchies apply based on value, nature and recipient, with written justification and supporting documentation required prior to commitment.
- Registers for gifts and hospitality are maintained; exceptions require escalation and documented rationale.
- Periodic reviews assess adherence to thresholds, patterns of spend and potential conflicts.

Oversight and monitoring

The Ethics Officer and Ethics Committee oversee policy implementation, investigations and continuous improvement. Key metrics training coverage, third-party screening completion, case closure timelines and policy exceptions are reported to senior management and the Board/Audit Committee. Insights inform updates to policies, SOPs and controls.



Parameter	Whistle Blowing
Number of instances recorded	0





Code of Conduct

Our Code of Conduct outlines the ethical framework that guides the professional behavior of our workforce, leadership and board members. It reflects our unwavering dedication to integrity and responsible business conduct.

Upholding Ethical Standards : We expect all individuals within the organization to demonstrate integrity, transparency and fairness in every business dealing. The Code provides clear guidance on critical issues including managing conflicts of interest, safeguarding confidential information and adhering strictly to all relevant laws and policies.

Education and Engagement : To promote a culture of integrity, we provide continuous education on the Code through structured training programs and regular awareness initiatives. Specialized training modules cover areas such as anti-bribery, data privacy and the protection of human rights.

Responsibility and Enforcement : Any breach of the Code is treated with utmost seriousness and may lead to disciplinary measures, including dismissal where appropriate. We maintain a robust whistle-blower system to empower employees to raise concerns confidentially, reinforcing a culture of accountability and ethical compliance.



Anti-corruption, Anti-bribery and Money Laundering Commitment Stance

Morepen Laboratories Limited (MLL) maintains a zero-tolerance policy towards corruption, bribery, and money laundering, ensuring adherence to the highest ethical standards and compliance with global regulations such as FERA, the Foreign Corrupt Practices Act (FCPA), and relevant Anti-Money Laundering (AML) laws. This policy applies to all employees, officers, directors, contractors, consultants, and any representatives acting on behalf of the company.

MLL strictly prohibits any form of bribery—offering, giving, receiving, or soliciting—either directly or through intermediaries, regardless of whether the parties involved are public officials or private individuals. Facilitation payments are expressly banned.

The company implements a comprehensive anti-money laundering framework that mandates transparent, documented transactions, rigorous due diligence and continuous monitoring to detect and prevent illicit financial activities. Risk assessments and enhanced due diligence are conducted for high-risk third parties and transactions, with all approvals and compliance records maintained centrally to ensure traceability and audit readiness.

Employees undergo mandatory regular training on anti-bribery, anti-corruption, and AML policies covering legal standards, conflict of interest recognition, gifts and hospitality guidelines and reporting mechanisms to raise concerns without fear of retaliation. Violations of policies lead to strict disciplinary actions, including termination and potential legal consequences.

MLL fosters a culture of integrity and accountability, led by oversight from the Ethics Officer, Ethics Committee and senior management, demonstrating its commitment to ethical business conduct across all operations and the value chain





Ethics And Compliance

Morepen is committed to conducting business with uncompromising integrity and full compliance with all legal and ethical standards. Our comprehensive framework ensures we meet regulatory obligations and foster a culture of principled behavior.

Regulatory Adherence

- We honor every law and regulation applicable to our operations around the globe.
- A specialized compliance team continuously tracks legislative changes and updates our internal policies to maintain full alignment with the evolving legal landscape.

Education and Awareness

- All employees participate in regular training programs covering key areas such as data privacy, anti-money laundering and human rights.
- These sessions equip our teams with the knowledge and tools necessary to identify and navigate compliance risks effectively.

Incident Reporting and Resolution

- We operate a secure, confidential whistle-blower system that empowers employees to report any suspected breaches of law or company policy.
- Each report undergoes a rigorous, unbiased investigation. When issues are confirmed, we take swift corrective action to address root causes and prevent recurrence.

Our Ethics Performance

Key Point Indicator (KPI)	UoM	KPI information	Alignment of SPP with Global/National Sustainability Frameworks			
			GRI	BRSR/ NGRBC	UNGC	UNSDGE
Number of reports related to whistle blower procedure	In Number	0	✓	✓	✓	✓
Number of confirmed corruptions incidents	In number	0	✓	✓	✓	✓
Number of confirmed information security incidents	In number	0	✓	✓	✓	✓
Percentage of employees trained on business ethics	In number	70	✓	✓	✓	✓
Percentage of risky training partners covered by a due diligence process on corruption or information security	In %	0	✓	✓	✓	✓
Percentage of all sites assessed or audited internally on a specific business ethics issue	In %	100	✓	✓	✓	✓

Alignment Of Policies With Framework & International Standards

Policies	National & International Framework				International Standards					
	UNSDGs	UNGC	NGRBC/BRSR	GRI	ISO 9001	ISO 14001	ISO 37301	ISO 45001	ISO 50001	SA 8000
Anti Money Laundering Policy	✓	✓	✓	✓	✓	-	✓	-	-	-
Anti-Bribery Policy	✓	✓	✓	✓	✓	-	✓	-	-	-
Anti-Corruption Policy	✓	✓	✓	✓	✓	-	✓	-	-	-
Anti-Discrimination Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Biodiversity Policy	✓	✓	✓	✓	-	✓	✓	-	-	-
BRSR Policy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Child Labour, Human Trafficking, Forced Labour Policy	✓	✓	✓	✓	✓	-	✓	✓		✓
Code of Conduct	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Flexi Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Equal Opportunities Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Human Rights Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
IMS Policy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Information Security (IT) Policy	✓	-	✓	✓	✓	-	✓		-	-
Internal Job Transfer Policy	✓	✓	✓	✓	✓	-	✓	✓	-	-
Living Wage Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Over Time Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
POSH (Prevention of Sexual Harassment) Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Responsible Product Use Policy	✓	✓	✓	✓	✓	✓	✓		-	-
Skill Development Policy	✓	✓	✓	✓	✓	-	✓	✓	-	-
Social Accountability Policy	✓	✓	✓	✓	✓		✓	✓	-	✓
Sustainability Policy	✓	✓	✓	✓	✓	✓	✓		✓	
Union Workers Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Whistle blower and Mechanism Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Working Conditions Policy	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Young Work	✓	✓	✓	✓	✓	-	✓	✓	-	✓

Abbreviations

Acronym	Abbreviation
ANVISA	Agência Nacional de Vigilância Sanitária
API	Active Pharmaceutical Ingredients
BP	Blood Pressure
BoD	Board of Directors
BRSR	Business Responsibility and Sustainability Reporting
CBD	Convention on Biological Diversity
CCA	Combined Consent and Authorization
CDMO	Contract Development and Manufacturing Organization
CGWB	Central Ground Water Board
CoC	Code of Conduct
CPCB	Central Pollution Control Board
CSR	Corporate Social Responsibility
CTO	Consent to Operate
DG	Diesel Generator
DMF	Double Materiality Framework
Dr.	Doctor
EU	European Union
FMHG	Fast Moving Health Goods
FY	Financial Year
GHG	Green House Gas
GJ	Gigajoule
GMP	Good Manufacturing Practice

Acronym	Abbreviation
GRI	Global Reporting Initiative
HR	Human Resource
HRDDF	Human Rights Due Diligence Framework
IAP	Indian Academy of Pediatrics
IBP	Integrated Business Planning
ICH	The International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use
ILO	International Labour Organization
IMS	Integrated Management System
INR	Indian Rupee
ISCM	Institute of Supply Chain Management
ISO	International Organization for Standardization
KL	Kiloliters
KMP	Key Management Personnel
KPI	Key Performance Indicator
LPG	Liquified Petroleum Gas
LSHS	Low Sulphur Heavy Stock
LTIFR	Lost Time Injury Frequency
MLL	Morepen Laboratories Limited
MSDS	Material Safety Data Sheets
MT	Metric Tonnes
NGRBC	National Guidelines on Responsible Business Conduct

Abbreviations

Acronym	Abbreviation
NOC	No Objection Certificate
OECD	Organization for Economic Co-Operation Development
OTC	Over The Counter
PDCA	Plan-Do-Check-Act
PMDA	Pharmaceuticals and Medical Devices Agency
PR	Public Relations
PSCI	Pharmaceutical Supply Chain Initiative
PSCI	Pharmaceutical Supply Chain Initiative
QMS	Quality Management System
R&D	Research & Development
RO	Reverse Osmosis
S&OP	Sales & Operations Planning
SA	Social Accountability
SAI	Social Accountability International
SBTi	Science Based Targets initiative
SCoC	Supplier Code of Conduct
SEBI	Securities and Exchange Board of India
SEC	Stakeholder Engagement & Consultation
SMAF	Sustainability based Materiality Assessment Framework
SOP	Standard Operating Procedure
SPCB	State Pollution Control Board
SRP	Solvent Recovery Plant

Acronym	Abbreviation
UDHR	Universal Declaration of Human Rights
UK	United Kingdom
UNGC	United Nations Global Compact
UNGP	United Nations Guiding Principles on Business and Human Rights
UNSDG	United Nations Sustainable Development Goals
UoM	Unit of Measurement
US	United States
USD	United States Dollar
USFDA	United States Food and Drug Administration
WHO	World Health Organization
ZLD	Zero Liquid Discharge

Independent Practitioner's Limited Assurance Report on Developed Sustainability Processes and Identified Sustainability Information of Morepen Laboratories Limited's Sustainability Report for the Financial Year 2024/25

To,
The Board of Directors,
Morepen Laboratories Limited
Malkumajra, Nalagarh Road,
Near Baddi, Distt, Solan,
Himachal Pradesh - 173205

The Assurance Engagement

We have been requested by the Board of Directors (hereinafter as 'BoDs') of Morepen Laboratories Limited (hereinafter, as 'the company') to provide an independent limited assurance statement to the company on the following, which have been reported in their Sustainability Report that is titled 'From Care to Conscious Action: Morepen's Commitment to Responsible Growth', for the Indian Financial Year (FY) 2024/25, in accordance with the criteria that are mentioned in this assurance statement, which have resulted from its business operations, i.e. the manufacturing facilities and corporate office which are mentioned in Annexure 1:

- 'Select list of Sustainability Performance Parameters (SPPs)' that are mentioned in Annexure 2, inclusive of performances specific to Green-House Gas (GHG) emissions of Scope 1, 2 and 3,
- Process of human rights assessment and implementation framework developed by the company,
- Process of sustainability and social responsibility framework developed by the company for disclosure of sustainability and social responsibility performance,
- Materiality assessment framework developed by the company for assessment of its material issues and thereby, its related quantitative and qualitative performance for the purpose of reporting.

This assurance statement is made solely to the BoDs of the company, in accordance with the terms of our engagement. The scope of work for the SPPs has been undertaken by us in accordance with the terms and conditions of our engagement letter that have been agreed with the company. Our work has been undertaken so that we might state to the company those matters that we are required to state to them in this assurance statement, as per the terms of our agreement and for no other purpose. The formation, analysis, conclusion and contents of this statement presented by us for the processes developed and the SPPs are on the basis of the site visits conducted by us, as well as documents and information provided to us by the company, in conjunction with our understanding of the various sustainability frameworks at the time of our engagement with the company. We have completely relied on the documentation and information provided to arrive at the conclusive opinion. We are not accountable nor responsible for any information or documentation that has not been brought before our

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attention or has been misinformed or misrepresented or declared to us by the company and its personnel.

Criteria Applied

The company has applied the criteria of World Business Council for Sustainable Development and World Resources Institute based Green-House-Gas Protocol Corporate Accounting and Reporting Standard to prepare some of its SPPs.

For many other SPPs, the company has developed specific criteria for the same.

Restrictions and Limitations of Use

We do not accept or assume any responsibility or duty of care and/or any liability or obligation to any person and/or organization or any other party, other than the company, for any use or non-use, or evaluation, or inquiry, or analysis of the contents of this assurance statement. We neither accept nor assume any responsibility or duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come. We are neither liable nor accountable to respond to, explain or clarify any statement, query or any kind of communication made or sought by and or on behalf of any individual or organization or on behalf of the company, in respect to this assurance statement, other than to the BoDs of the company.

Responsibility of the Company

The company is responsible for the identification, preparation and presentation of information of the SPPs, inclusive of the responsibility of establishing and maintaining relevant and appropriate processes, procedures and performance management systems and internal control framework to facilitate the identification, collection, calculation, aggregation, analysis, and validation of the data in respect to the SPPs and for the implementation of various processes that have been developed by the company, with an objective to gradually improve its sustainability performance.

The company's management is also responsible for preparation of the processes and for selecting or establishing suitable criteria for preparation of the information relevant to the SPPs, related to reporting of information of the SPPs, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the identified SPPs in accordance with the criteria.

The Scope of Work

Our scope of work, as agreed with the company, is to plan and perform the engagement to provide limited assurance statement about whether:

- The assured SPPs are free from material misstatement, whether due to fraud or error.
- The processes/frameworks developed by the company are appropriate.

Based on the procedures to be performed and conduct of review of the SPPs, our scope of work is to conclude based on our review, whether the reviewed SPPs are in accordance with the evidence and information that have been produced by the company, as well as whether the processes/frameworks developed by the company are appropriate, followed by expressing a limited assurance opinion to the company for the 'Select list of SPPs' that are mentioned in Annexure 2, as well as on the processes/frameworks that have been developed by the company and reported by the company in the sustainability report for the Indian Financial Year 2024/25.

We have performed the assurance engagement in accordance with the following assurance standards:

- International Standard on Assurance Engagement ('ISAE') 3000 that has been issued by the International Federation of Accountants ('IFAC'),
- International Standard on Assurance Engagements ('ISAE') 3410, Assurance Engagements on Greenhouse Gas Statements that has been issued by the International Federation of Accountants ('IFAC'),
- Sustainability Standard on Assurance Engagement ('SSAE') 3000 that has been issued by the Sustainability Reporting Standards Board of Institute of Chartered Accountants of India ('ICAI') and
- Standard on Assurance Engagements ('SAE') 3410, Assurance Engagements on Greenhouse Gas Statements that has been issued by the Sustainability Reporting Standards Board of Institute of Chartered Accountants of India ('ICAI').

The following matters do not come under the purview of our scope of work, in respect to this assurance engagement:

- Assessment of the design, capacity, efficiency, efficacy and any other engineering matters of any of the utilities of the company, in respect to the SPPs for which we have provided an opinion in this assurance statement,
- Assessment of the financial performance parameters, for which, we have relied on the management representatives that have been furnished by the company, as well as the audited financial statement of the company for the FY 2024/25, wherever relevant.

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure extra-financial information allows for different but acceptable measures and measurement techniques and can affect comparability between entities.

Our Approach and Methodology

The review of the performance of the SPPs was initiated by us, primarily through an understanding of the SPPs and its related disclosures; understanding of the assessment criteria and their suitability for the evaluation and /or measurements of the identified SPPs; review of the relevant processes and controls for recording; review of the process of generation, collation, analysis, completeness and reporting of the data of the SPPs from the source level to the reporting level; review of relevant documentations, inclusive of documentations received in an electronic form; conducting analytical procedures; conducting site review at all the company sites; and discussion with relevant stakeholders, as felt necessary, either through in-person visits to the sites, as well as virtual meetings, for conducting test of the performance of the SPPs on a sample basis, to an extent that was deemed appropriate.

In addition to the above, we have performed procedures in the assurance engagement that were based on our professional judgement and included inquiries; understanding of the processes, observation and review of processes performed; evaluation of the appropriateness of quantification methods and reporting policies; and agreeing or reconciling with underlying records.

We have also obtained management representatives/declarations that have been provided by the company for some SPPs, for arriving at a conclusion for such SPPs. We take no responsibility, should any deviation be identified in any such management representative/declaration, at a later date post issuance of the assurance statement.

Further, the review of the processes/frameworks that were conducted by us, were primarily based on our understanding of the following key sustainability frameworks:

- Global Reporting Initiative Standards, issued by the Global Sustainability Standards Board,
- The National Guidelines on Responsible Business Conduct (NGRBC), issued by the Ministry of Corporate Affairs, Govt. of India,
- Ten Universal Principles of United Nation's Global Compact that are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption, and
- United Nation's Sustainable Development Goals, issued by the United Nations General

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Assembly.

We have relied on the assessments that were carried out by us during the site reviews, discussions that were held with the relevant stakeholders, books and records and various other documentations and sustainability frameworks that were reviewed by us, inclusive of management representatives/declarations and that were made available to us by the company.

Our Conclusion

We believe our work provides an appropriate basis for the submission of our limited assurance conclusion. Based on the assessments carried out by us during the site reviews; review of the documents, records and sustainability frameworks, inclusive of management representatives/declarations, which have been provided by the company and subjected to examination by us; the analysis carried out by us, and thereby, the inferences made by us; explanation that have been provided to us by the company representatives; and various procedures that have been performed by us, we hereby conclude that nothing has come to our attention that causes us to believe that the following have not been prepared, in all material respects, in accordance with the criteria:

- The subject matter and its information that are presented for the 'Select list of SPPs' that have been mentioned in Annexure 2,
- The process of human rights assessment and implementation framework that has been developed by the company,
- The process of sustainability and social responsibility framework that has been developed by the company for disclosure of sustainability and social responsibility performance,
- The materiality assessment framework that has been developed by the company for assessment of its material issues and thereby, its related quantitative and qualitative performance for the purpose of reporting.

Our Independence and Competencies in Providing Assurance

This engagement was conducted by a multidisciplinary team inclusive of assurance practitioners and subject matter experts. Our team consisted of professionals having suitable experience in estimation and providing assurance on the scope of work that are mentioned in this assurance engagement. We have complied with our firm's independence policies, which address the requirements of the IFAC's Code of Ethics and ICAI's Code of Ethics in our role as independent auditors. We also confirm that the professionals engaged in the assurance engagement have maintained their independence in the engagement and there were no events or prohibited services related to the assurance engagement which could impair its independence.

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NANGIA & CO LLP

CHARTERED ACCOUNTANTS

The firm applies Standard on Quality Control (SQC) 1, “Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements”, and International Standard on Quality Management (ISQM) 1, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

For Nangia & Co. LLP

Chartered Accountants

(Firm’s Registration No. 002391C/N500069)

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NANGIA Date: 2025.10.08
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Mr. Chirag Nangia

Partner

Partner Membership No. 534390

UDIN – 25534390BPUANI2753

Date: The 8th of October 2025

Place: Noida

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**Annexure 1:
Address of Manufacturing Sites and Corporate Office that were Covered in the Assurance
Engagement**

Sl. #	Nature of the Facility	Address of the Facility
1	Manufacturing Facility	Morepen Laboratories Ltd., Malkumajra, Baddi, Solan, Himachal Pradesh 173205, India
2	Manufacturing Facility	Morepen Laboratories Ltd., Plot No. 12-B Sector-2, Parwanoo, Solan District, Himachal Pradesh, PIN - 173220, India
3	Manufacturing Facility	Morepen Laboratories Ltd., Plot No. 12-C, Sector-2, Parwanoo, Solan District, Himachal Pradesh, PIN - 173220, India
4	Manufacturing Facility	Morepen Laboratories Ltd., Village Masulkhana, Kasuali Road, Parwanoo District, Solan, Himachal Pradesh, PIN - 173220, India
5	Corporate Office	Morepen Laboratories Ltd., 2nd Floor, Tower C, DLF Cyber Park, Udyog Vihar, Sector -20, Gurgaon, Haryana, PIN – 122016, India

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Annexure 2: Information on the 'Select List of SPPs' for FY 2024/25

Subject Matter of the SPPs	Unit of Measurement of the SPPs	Subject Matter Information of the SPPs
Renewable fuel procured for combustion	GJ	261073.78
Energy generated from non-renewable fuel sources	GJ	77854.72
Energy generated from non-renewable based electricity source	GJ	98812.84
Total energy generated from non-renewable sources (i.e. non-renewable fuel and electricity)	GJ	176667.56
Non-renewable* energy intensity (i.e. total non-renewable energy* / revenue from operations) <i>*non-renewable fuel and electricity</i>	GJ/Crore INR	114.20
Non-renewable energy* intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total non-renewable energy* consumed / revenue from operations adjusted for PPP) <i>*non-renewable fuel and electricity</i>	GJ/Crore USD	2359.46
Water intake and withdrawal ^{Note 1}	KL	120381.22
Water intake and withdrawal intensity (i.e. total water intake and withdrawal / revenue from operations) ^{Note 1}	KL/Crore INR	77.82
Water intake and withdrawal intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total water intake and withdrawal / revenue from operations adjusted for PPP) ^{Note 1}	KL/Crore USD	1607.74
Water consumed by manufacturing plants ^{Note 2}	KL	120381.22
Water consumption intensity (i.e. total water consumed / revenue from operations) ^{Note 2}	KL/Crore INR	77.82
Water consumption intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total water consumed / revenue from operations adjusted for PPP) ^{Note 2}	KL/Crore USD	1607.74
Waste-water discharged outside the manufacturing plant premises ^{Note 3}	KL	40097.60
Waste-water discharged outside the manufacturing plant premises intensity (i.e. total waste-water discharged outside the manufacturing plant premises / revenue from operations) ^{Note 3}	KL/Crore INR	25.92
Waste-water discharged outside the manufacturing plant premises intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total waste-water discharged outside the manufacturing plant premises / revenue from operations adjusted for PPP) ^{Note 3}	KL/Crore USD	535.52
Hazardous waste generated by the manufacturing plants ^{Note 4}	MT	8487.60
Hazardous wastes generated by the manufacturing plants intensity (i.e. total hazardous wastes generated by the manufacturing plant / revenue from operations) ^{Note 4}	MT/Crore INR	5.49
Hazardous wastes generated by the manufacturing plants	MT/Crore	113.36

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Subject Matter of the SPPs	Unit of Measurement of the SPPs	Subject Matter Information of the SPPs
intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total hazardous waste generated by the manufacturing plant/ revenue from operations adjusted for PPP) ^{Note 4}	USD	
Hazardous waste disposed by the manufacturing plants outside the plant premises ^{Note 4}	MT	3839.97
Hazardous wastes disposed by the manufacturing plants intensity per rupee of turnover (i.e. total hazardous wastes disposed outside the manufacturing plant premises / revenue from operations) ^{Note 4}	MT/Crore INR	2.48
Hazardous wastes disposed by the manufacturing plants intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total hazardous wastes disposed outside the manufacturing plant premises / revenue from operations adjusted for PPP) ^{Note 4}	MT/Crore USD	51.28
Scope 1 GHG emission ^{Note 5}	MT of CO2 eq.	5941.30
Scope 2 GHG emission ^{Note 6 & 6A}	MT of CO2 eq.	19953.89
Scope 1 and 2 GHG emission ^{Note 7}	MT of CO2 eq.	25895.19
Scope 1 and Scope 2 GHG emission intensity (i.e. total of Scope 1 & Scope 2 GHG emission /revenue from operations) ^{Note 7}	MT of CO2 eq./Crore INR	16.74
Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for purchasing power parity (PPP) (total of Scope 1 & Scope 2 GHG emission / revenue from operations adjusted for PPP) ^{Note 7}	MT of CO2 eq./Crore USD	345.84
Scope 3 GHG emission (category 1) ^{Note 8}	MT of CO2 eq.	70625.14
Scope 3 GHG emission (category 2) ^{Note 9}	MT of CO2 eq.	68.17
Scope 3 GHG emission (category 3) ^{Note 10}	MT of CO2 eq.	1959.53
Scope 3 GHG emission (category 5)	MT of CO2 eq.	653.46
Scope 3 GHG emission (categories 1, 2, 3 and 5) ^{Note 11}	MT of CO2 eq.	73306.31
Scope 3 GHG emission intensity (i.e. Scope 3 GHG emitted* / revenue from operations) ^{Note 11} *Scope 3, categories 1, 2, 3 and 5	MT of CO2 eq./Crore INR	47.39
Scope 3 GHG emission intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Scope 3 GHG	MT of CO2 eq./Crore	979.03

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Subject Matter of the SPPs	Unit of Measurement of the SPPs	Subject Matter Information of the SPPs
emitted* / revenue from operations adjusted for PPP) ^{Note 11} *Scope 3, categories 1, 2, 3 and 5	USD	

Notes:

Note 1: Does not include the water intake and withdrawal figure of Head Office

Note 2: Does not include the water consumption figure of Head Office

Note 3: Does not include the waste-water discharge figure of Head Office

Note 4: Only manufacturing facilities have been considered

Note 5: Use of refrigerant and CO2 based fire extinguisher have not been included in Scope 1

Note 6: Use of refrigerant has not been included in Scope 2

Note 6A: GHG emission factor for grid electricity has been considered in the form of CO2, as per GHG emission factor provided by Central Electricity Authority

Note 7: Application of Note 5 and Note 6

Note 8: GHG emission is on account of materials that are brought inside the stores in all the manufacturing facilities and corporate office only, as well as services in all manufacturing facilities and offices. The purchased goods considered are consumable item, packaging material, raw materials and services. In respect to services, administrative facility support, legal, securities, advertisement, laboratories, testing, computer and telecommunication services have only been considered.

Note 9: GHG emission of manufacturing facilities have only been considered in this case, comprising of electronic devices, IT hardware, motor pump, compressors, DG sets, power driven hand tools, large electrical machine and components.

Note 10: Only fuel is considered. WTT for fuel purchased has been considered

Note 11: Application of Note 8, 9, 10 and of Scope 3, Category 5 GHG emissions

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SUSTAINABILITY REPORT

FY 2024-25