



Sustainability Report  
2019-20



In pursuit  
of excellence





In a rapidly evolving world, we are focused on strengthening the all-round ability of Laurus Labs to respond to and thrive on emerging shifts.

Our twin focus on delivering sustainable value for our stakeholders and being a force for good in the world positions us for longterm success.



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**About  
Sustainability  
Report**

## Introduction

The second edition of our sustainability report focuses on our continued commitment to overall excellence. As a company that is focused on the long-term, we want to build a strong and sustainable foundation for future growth. The same ambition that characterises our business strategy extends into our sustainability goals. We want to make great progress every year on socio-economic and environmental sustainability fronts. FY 2019-20 has been a great year, where we made big strides in our sustainability journey. Our economic sustainability is ensured through a comprehensive corporate governance and risk management framework. The multitude of corporate social responsibility initiatives we have executed move the needle on social sustainability. Finally, we achieved measurable progress on environmental sustainability through our year-long focus on green initiatives, water and energy conservation.

Laurus Labs also formalized efforts with inspiration from latest GRI guidelines and by keeping in sight the 17 United Nations Sustainable Development Goals (SDGs). A Standard Operating Procedure (SOP) for Corporate Sustainability has been drafted to lay down a procedure to set organizational goals for corporate sustainability which can help organization to measure, understand and communicate its economic, social and environmental performances.

Corporate Sustainability SOP has been drafted to lay down a procedure to set organizational goals for corporate sustainability which can help organization to measure, understand and communicate its economic, social and environmental performances.

### About the Report

In the second edition of the report, we present our sustainability philosophy and also include standard disclosures from the GRI guidelines (Core Option) on our sustainability efforts thus far. The scope of this report encompasses our sustainability efforts across our offices and the R&D center in Hyderabad, along with multiple manufacturing units in Visakhapatnam. The data for Energy, Waste Management, Materials, Environmental Impact etc. comes from different internal systems, as well as plant locations—mostly from two of our biggest units in terms of product volumes – Unit 1 & 3 (located at Visakhapatnam, India). The goal is to provide clear, verifiable and unbiased information on our sustainability performance.

The GRI Content Index is provided at the end of this report and suitable references have been provided to relevant sections in this report as well as to other sources like our Annual Financial Report 2019-20, wherever applicable.



While providing innovative and high-quality drugs at affordable prices, Laurus has never taken its sight off its responsibility towards building a sustainable business that maximises value for all stakeholders.

# Foreword



At Laurus, we are committed to building the organisation for long-term success. To create a strong foundation for growth, we integrate sustainability into every aspect of our business. We also adopt holistic approaches towards sustainable manufacturing. In the second edition of our Sustainability Report, we seek to share the numbers and stories on how our sustainability investments are yielding results.

Since inception in 2005, Laurus Labs has provided a broad and integrated portfolio of research driven manufacturing services spanning the entire drug development continuum to the global pharmaceutical industry. While providing innovative and high-quality drugs at affordable prices, Laurus has never taken its sight off its responsibility towards building a sustainable business that maximises value for all stakeholders.

## **Employees & Contract Personnel**

We attract, hire and engage the best talent in the pharma industry with meaningful opportunities to realise their potential and advance the growth of the company. Laurus also invests in the continuous development of its employees and contract personnel through top-notch learning and development programs spanning the whole gamut of technical, managerial and leadership competencies.

## **Investors and Shareholders**

Robust risk management framework, high levels of corporate governance policies, research driven manufacturing practices with strong internal controls combine to create sustained value for investors and shareholders. The company implements all special protection rights such as the whistle blower mechanism and minority shareholders' rights etc. Laurus has put in place all the Corporate Governance Practices with the highest standards.

## Communities

Laurus Labs has always been a frontrunner in CSR. We seek to focus on areas where we are uniquely qualified to make a lasting positive impact. We strive to enhance community wellbeing with socio-economic and education development programs. With a total direct spending of INR 45.28 million on community development activities in the fiscal year 2019-20, Laurus Labs focused on promoting education, health and sanitation. The company also collaborated with leading universities for providing practical training to students.

## Suppliers

We have a robust, global network of suppliers for our key starting materials, raw materials, solvents, packaging materials, as well as, capital equipment. We have a reliable supplier cohort for services like equipment maintenance, annual maintenance contracts, manpower agencies etc. We hold both ourselves and our suppliers to the highest standards of quality, compliance and ethics.

## Customers

Our products serve over 200 customers across 56+ countries—nine of the top 10 leading generic pharmaceutical companies are our customers. We create value for customers by adhering to the most stringent quality standards and compliance with global and local statutory and regulatory requirements at competitive prices.

## Government and Regulators

Laurus Labs strictly adheres to all the local, state and central government regulations that are applicable. We have periodic regulatory audits for compliance from USFDA, WHO, CDSCO, European Agencies to name a few.

With ever-shrinking natural resources, contrasted with the need for rapid developments across industries, we seek to make sustainability a key pillar of our overall excellence. Care is one of the five fundamental values of Laurus Labs—care for people, environment and community—and we are committed to being a force for good.





“We spent the last fiscal further integrating all the aspects that make Laurus a formidable company and channelling them in pursuit of our offerings. As a result, we are a resilient company that can withstand the rapid shifts that characterise our world—and emerge stronger from them. Our triple bottom line approach is enabling us to create a sustainable company that remains a force for good.”



## CEO Message

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Dear stakeholders,

Welcome to the 2019 Sustainability Report of Laurus Labs.

We have always focused on building Laurus for the long-term. Our investments and efforts in building an integrated, research-led pharmaceutical company delivered great results last fiscal. Our Formulations business has started adding significantly to our revenues. When we juxtapose these numbers with robust performance in the API space, they point to rapid & sustainable growth for the company.

This strong financial performance in the last fiscal serves us well as we enter an uncertain period, with the world battling a health crisis of unprecedented scale. This also reinforces our belief that our strategy should always be guided by socio-economic and environmental sustainability indicators, instead of focusing on financial performance alone.

Given that our products advance human health, innovation remains central to everything we do. We have been in operation for more than a decade. Yet, we keep the start-up spirit alive across the board. From R&D to manufacturing, we seek to deliver new breakthroughs that raise the bar—for us and for the industry as a whole. Our ability to innovate on all fronts has helped us stake out leadership positions in fast-growing segments like oncology drugs and antiretrovirals.

As a science-led company, talent remains our key asset. We hire, develop and meaningfully engage the brightest talent in a collaborative culture to achieve ambitious goals. We pride ourselves on being an inclusive workplace that respects diverse perspectives—a true idea meritocracy. It is therefore no surprise that we have been certified as a Great Place to Work for the second consecutive time in FY2020. Laureates are positively energised by our empowering work culture and that shows in their work.

**480,000  
doses of  
HCQ tablets  
donated**

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**₹45 million  
in total  
contributions**

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As Covid-19 ravaged the world, Laurus was among the first to respond. We donated 480,000 doses of Hydroxychloroquine (HCQ) tablets to the governments of Telangana and Andhra Pradesh, in addition to a financial contribution of ₹5 million to each state. We supplied provisions and sanitisers to the police, the health workers and people in the villages around our facilities. We have also made donations to the Kerala government. All through the year, we have invested in the communities in which we operate to improve infrastructure at government schools, inculcate an early interest in science and to improve access to primary healthcare. Our total contributions to help the government respond to Covid-19 exceeded ₹45 million (with some contributions made in April and May 2020).

Right from the start, we sought to embed workplace safety as a key measure of our overall performance. We believe that we have an obligation to protect the health and safety of our employees. Our safety performance is among the best in the industry, but that does not make us complacent. We believe that not letting the guard down is the best insurance we have against safety accidents. We continue to invest all the necessary resources to ensure Laurus remains a zero-harm workplace.

At Laurus, we actively minimise the environmental impact from our operations. We ensure that all effluents are treated properly before being released into the environment. Our operational efficiency allows us to use resources conservatively and minimise waste. We also track our energy and water use closely and are working towards cutting down on both over time. As far as our environmental performance is concerned, we believe that small improvements add up to significant results over time and our numbers indicate that.

In FY2020, we sought to integrate all the aspects that make Laurus a formidable company—integrate them in pursuit of a purpose. This helped us become a stronger and resilient company that can thrive on the stresses of the rapidly evolving world—not merely withstand them. Our governance and risk processes are primed to keep us informed and prepared for the risks that we face. As we navigate a world that is battling the greatest healthcare crisis in living memory, we are prepared to play a key role in shaping the world's response to it and to emerge from it stronger still.

I hope you will approve of what you read in this report.

Sincerely,

Dr. Satyanarayana Chava  
Founder & CEO



**LAURUS Labs**

**Solid Foundation.  
Sound Strategy.**

# About Laurus

## Solid Foundation. Sound Strategy.



Laurus Labs is a leading research-driven pharmaceutical company, with globally benchmarked capabilities in the development and manufacture of generic Active Pharmaceutical Ingredients (APIs). Innovation in process chemistry and manufacturing efficiencies remain distinctive characteristics of its operations. Apart from manufacturing APIs, Laurus develops and manufactures oral solid formulations, provides CRAMS services to other global pharmaceutical companies, and also produces specialty ingredients for nutraceuticals, dietary supplements, and cosmeceuticals.

Laurus is making the most of opportunities in formulation manufacturing to serve all leading markets of North America, Europe and Low Middle-Income Countries (LMIC). Our broad innovation spectrum, manufacturing capabilities, talent pool and clients are our major focus areas. We offer a broad and integrated portfolio of products and services to the global pharmaceutical industry. We continue to build on our experience and expertise to help our clients reach relevant markets quicker; and contribute towards improving access to quality and affordable healthcare worldwide.

## Vision & Mission



### Vision

To become a leading player in offering integrated solutions to global pharmaceutical needs in creating a healthier world.



### Mission

We constantly strive for innovation to enhance quality and to provide affordable, integrated pharmaceutical solutions to facilitate wellness and well-being across the globe.



## Values

### Knowledge

Learn continuously to stand out from the crowd

### Innovation

Strike out on new paths to go farther

### Excellence

Scale new peaks in everything we do

### Integrity

Stand up always for what is right

### Care

Be diligent, safe and sensible

## Business Areas

Laurus has four business units covering a wide range of therapeutic applications across the product value chain

### Generic APIs



- Working with 9 of the top 10 large global generic pharma companies
- **ARV** – Sustained demand for existing products and expansion in second line treatments indicates continued growth in ARV portfolio
- **Oncology** - Leadership in select oncology APIs, new products added to support commercial launches on patent expiry. Backward integration completed for a key API
- **Other APIs** - Strong opportunity in the wider API space on account of diversified products in the anti-diabetic, CVS, CNS and PPI space.

## 2019-20 Highlights

### Generic APIs

- Capacity expansion completed for Lamivudine
- Filed 257 patent applications and 116 patent granted as on March 31, 2020
- Unit 4 completed its maiden USFDA inspection–EIR received
- Unit 2 successfully completed USFDA Inspection–EIR received
- Units 1 and 3 completed USFDA inspection–Received 3 minor observations, EIR awaited

### Filings

- Commercialised 60+ products
- 59 DMFs filed

### Formulations



- Leveraging API synergies for forward integration
- Targeting various high-growth markets like LMIC, US, Canada and Europe
- Therapeutic focus areas remain the ARV, CVS, CNS, PPI and anti-diabetic space
- Current capacity of 5 billion tablets
- Capacity expansion to be operational from Sep. 2020 and further expansion planned by Dec. 2021

## Formulations

### 2019-20 Highlights

- Received approval under ERP for TLE400
- Dolutegravir Sodium tentative approval by USFDA under PEPFAR
- Pregabalin launched in July 2019 by our partner, and continues to enjoy double digit market share
- 2 product validation completed for formulation apart from filing of 26 ANDAs and NDAs
- 6 products received final approval and 5 products received tentative approval
- Unit 2 underwent successful USFDA inspection–received EIR

### Filings

- Filed 26 ANDAs with USFDA and 6 final approvals and 5 tentative approvals completed
- 2 products validation
- 10 in Canada, 6 in Europe, 8 with WHO, 2 in South Africa, 2 in India & 11 products filed in various ROW markets

## Synthesis & Ingredients



- Focus on supplies of key starting materials, intermediates and APIs for NCEs
- Completed several projects in various stages from pre-clinical to commercial scale
- Working with large global innovator pharmaceutical companies, mid-sized and small biotech companies
- Leverage process chemistry skills to strengthen presence in nutraceutical and cosmeceutical sectors as they adopt quality standards at par with pharma industry
- Incorporated a wholly owned subsidiary, Laurus Synthesis Pvt. Ltd.

## Synthesis & Ingredients

### 2019-20 Highlights

- State-of-the-art cGMP facilities to manufacture NCEs and intermediates
- Completed several projects in various phases from pre-clinical to commercial, with development and manufacturing
- New orders from existing CMO partners and business opportunities for manufacturing from several global companies
- Integrated projects across platforms as the molecule develops from pre-clinical to commercial supplies

### Filings

- Commenced commercial supplies from Unit 5
- Digoxin API validation completed

## Manufacturing Facilities

### *World-class and regulatory compliant facilities*

Built to world-class standards, our manufacturing facilities enable us to produce high-quality and affordable medicines.





## Manufacturing Facilities

Facility	Location	Commence -ment of operations	Key products /customers	Capacity	Remarks
<b>Kilo Lab</b>	Sharmirpet, Telangana	-	Pre-commercialisation activities for APIs, ingredients, custom synthesis and contract manufacturing	43 reactors and capacity of 4.3 KL	
<b>Unit 1</b>	Visakhapatnam	2007	API, includes capacity for ingredients, synthesis and contract manufacturing	319 reactors with 1,180 KL capacity	Almost fully utilised
<b>Unit 2</b>	APIIC, Achutapuram, Visakhapatnam (SEZ)	2017	FDF and API	FDF – 5 billion tablets/capsules API – 12 reactors with 83 KL	Scope for expansion - > 2x the current capacity of drug product and drug substance
<b>Unit 3</b>	Visakhapatnam	2015	API, includes capacity for ingredients, synthesis and contract manufacturing	227 reactors with 1,752 KL	Mainly API heavy, especially oncology APIs and Lamivudine, scope for minuscule expansion
<b>Unit 4</b>	APIIC, Achutapuram, Visakhapatnam (SEZ)	2018	API, includes capacity for ingredients, synthesis and contract manufacturing	32 reactors with 85 KL	Significant scope for expansion given only 20-30% capacity utilisation currently. New ARV APIs are being manufactured at this site
<b>Unit 5</b>	Visakhapatnam (SEZ)	2017	Dedicated hormone and steroid facility for Aspen	46 reactors with 125 KL	Capacity can be expanded by almost 100%
<b>Unit 6</b>	APIIC, Achutapuram, Visakhapatnam (SEZ)	2018	APIs (largely manufacturing intermediates for captive consumption)	45 reactors with 261 KL	Scope for expansion: >3x the current capacity

## 2019-20 Highlights

**256**  
Patents filed

**24**  
Abbreviated New Drug Application (ANDAs)/NDAs

**59**  
Drug Master File (DMFs)

**200+**  
Customers served

## Holistic Approach to Value Creation

The global pharmaceutical industry is at an inflection point where it must address certain inherent challenges to leverage future opportunities. To cope with the ever-changing business landscape, companies are re-evaluating business models to establish superior variants. Our strategy is designed to respond to this changing environment with speed in order to bring differentiated, high-quality and much-needed medicines to global markets.



## Integration Strategy Executed through Committed Talent

As a research-driven enterprise, our people are our fundamental differentiator. We are a growing team of 3,789 go-getters working towards a common purpose: develop and produce innovative medicines with an emphasis on affordability and quality. In everything we do, we share a strong commitment to uphold our core values: knowledge, innovation, excellence, care and integrity.

Over the years, we have continued to encourage our people to achieve their full potential by:

- Identifying skill gaps and offering support and guidance to overcome it
- Fostering a culture of diversity and inclusion through open communication and collaboration
- Reviewing and realigning our key functions and simplifying our structures
- Offering an environment of continual learning and sharing of knowledge and attracting, developing and retaining the right talent

## Talent Development

The success of our business depends on continuously aspiring for new boundaries. We are enthusiastic about providing opportunities that enable our employees to learn and take their careers to new heights.

## Diversity and Inclusion

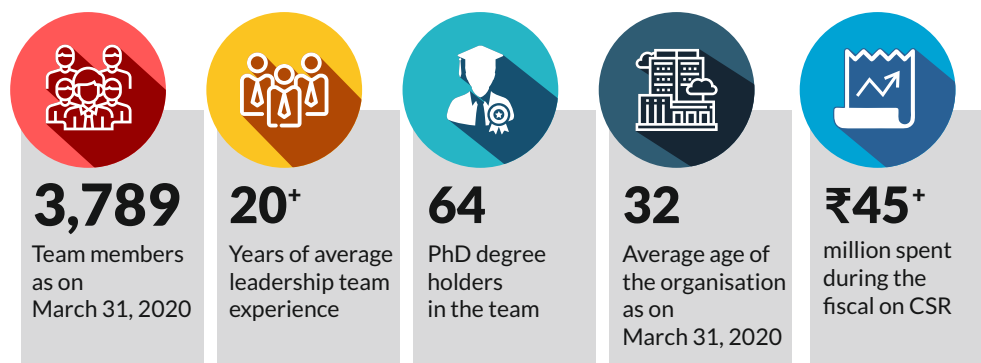
Our workforce is as diverse as the geographies we serve to deliver consistent innovation and better health outcomes. We foster an inclusive environment in which all employees are empowered to apply their unique capabilities.

## Occupational Health and Safety

We are committed to operating our business in a manner that protects the health and wellbeing of our employees and the communities we serve. Building trust with society begins with providing a healthy and safe workplace for our employees and partners.

- Provide tools, resources and programmes to support employees in making healthy lifestyle changes
- Embed Environment, Health and Safety (EHS) values in our culture through leadership involvement and accountability as well as by empowering employees to consider EHS in all aspects of work and to actively contribute to the reduction of EHS risks
- Ensure participation and consultation with employees and partners

## Board & Management Team



## Board of Directors

Strong Governance from a Diverse Board



### Dr. M. Venu Gopala Rao

Non-Executive Chairman and Independent Director

Dr. M. Venu Gopala Rao is a B.Sc. (Hons) in Chemical Engineering from the Andhra University, with a Post-Graduation in Pulp and Paper Technology from the Forest Research Institute, Dehradun. He received advanced training in Pulp and Paper Technology in the US and, subsequently, one year of intensive training in Rayon Grade Pulping at M/s. Snia Viscosa S.P.A. Italy, pioneers in manmade fibre industry. Dr. Rao was the past Chairman of Indian Paper Makers Association and is a Director on the Boards of various companies of Nava Bharat Group.



### Dr. Satyanarayana Chava

Executive Director and Chief Executive Officer (CEO)

Dr. Chava is the Founder and Chief Executive Officer of Laurus Labs. He is also Executive Director of the company. He holds a bachelor's and master's degree in Science from Andhra University and completed his Ph.D in 1992. He has received an honorary degree of Doctor of Science from the Gandhi Institute of Technology and Management (GITAM). He also holds a post-graduate diploma in quality management from the Worldwide Quality Certification and has completed the post-graduate programme in management for senior executives from the Indian School of Business (ISB). With over three decades of experience in the pharmaceutical industry, he has been steering the company towards growth, both in domestic and global markets. He has valuable experience in various domains of the industry such as research and development, and API process development. His stints with top pharmaceutical companies let him gather experience in other aspects of the business such as manufacturing and business development. He has more than 100 patents registered to his name, which helped him garner knowledge regarding intellectual property in the pharma sector.

## Board of Directors



**Mr. Ravi Kumar Venkata Vantaram**  
Executive Director and Chief Financial Officer (CFO)

Mr. Vantaram is an Executive Director at Laurus Labs since 2006. He holds bachelor's and master's degrees in Commerce from Andhra University and is a fellow member of the Institute of Cost Accountants of India (formerly ICWAI). With nearly three decades of experience in finance, information technology, HR and supply chain, he contributes significantly in formulating and executing core strategies for the company. His knowledge in dealing with mergers and acquisitions and joint venture management in the global context has helped Laurus Labs emerge as a global pharmaceutical player.



**Mr. Chandrakanth Chereddi**  
Non-Executive Director

Mr. Chereddi is an Executive Director of the company since August 9, 2016 and has been associated with Laurus Labs since February 10, 2012. He has over eight years of experience in project management. Before Laurus Labs, he worked with McKinsey & Company as a healthcare practice member in India. He holds a bachelor's degree in Engineering (Computer Science and Engineering) from Osmania University and a master's degree in Science in Electrical and Computer Engineering from University of Illinois. He has also completed the post-graduate program in Management from Indian School of Business, Hyderabad.



**Dr. Lakshmana Rao CV**  
Executive Director

Dr. Rao is an Executive Director of the company and one of the promoters of the company. He has been associated with the company for more than a decade and heads the quality function. He holds a master's degree in Science and a Ph.D. from Andhra University. Dr. Rao has over 24 years of experience in quality control, quality assurance and regulatory affairs. He has been involved in formulating and executing the core strategies of the company. Prior to joining Laurus Labs in February 2007, he was associated with Mayne Health Pty Ltd., Australia.



**Mr. Narendra Ostawal**  
Director

Mr. Ostawal is a Non-Executive Director of the company. He is the Managing Director at Warburg Pincus' India division and focuses on Warburg's investments in India. Previously, he worked as an Associate with 3i Group plc, and McKinsey and Company. He is a CA and holds an MBA from Indian Institute of Management, Bangalore.

## Board of Directors



**Mrs. Aruna Bhinge**  
Independent Director

Mrs. Bhinge is a Non-Executive, Independent Director of the company. She holds bachelor's and master's degrees in Science from University of Poona and University of Mumbai respectively. She also holds a master's degree in Management Studies from University of Mumbai. She has over 16 years of experience in food security and strategic planning. She was the head of food security agenda, APAC, at Syngenta India Limited.



**Dr. Rajesh Koshy Chandy**  
Independent Director

Dr. Chandy is a Non-Executive, Independent Director of the company. He holds a bachelor's degree in Engineering (Electronics and Communications) from Madurai Kamraj University, a master's degree in Business Administration from University of Oklahoma and a Ph.D in Business Administration from University of Southern California. He has been a professor of marketing at London Business School and has held the Tony and Maureen Wheeler Chair in Entrepreneurship at LBS.



**Dr. Ravindranath Kancherla**  
Independent Director

Dr. Kancherla is a Non-Executive Independent Director of the company. He is a world-renowned expert in surgical gastroenterology and laparoscopic surgery and is heading Global Hospitals Group. He developed India's most comprehensive hospital dedicated to gastroenterology and a centre to efficiently conduct the complicated procedure of organ transplantation. With extensive experience in surgeries, Dr. Ravindranath has become an authority in liver, pancreatic and bile duct resections, revision gastric surgeries and reconstructive coloproctology. He has trained over 700 surgeons in laparoscopic procedures.

## Management Team



**Dr. V Uma Maheswer Rao**  
Executive Vice President – Chemical R&D

Dr. Rao has been associated with the company since June 9, 2016. He holds a master's degree in Science and a Ph.D from Osmania University. He has several years of experience in the fields of process research and development and API manufacturing process. Prior to joining Laurus Labs, he was the executive director of Sriam Labs.



**Mr. Srinivasa Rao S**  
Executive Vice President - Manufacturing

Mr. Rao spearheads the company's manufacturing facility in Vizag. He is a postgraduate in Chemistry. He has over 25 years of experience working with various pharma companies in production planning, coordination and execution of the manufacturing processes.



**Mr. Krishna Chaitanya Chava**  
Executive Vice President – Head, Synthesis and Ingredients

Mr. Krishna Chaitanya spearheads the Synthesis and Ingredients divisions of the company and has rich work experience in strategy, skill workshops and marketing within the Indian pharma market. Mr. Krishna Chaitanya has completed PGP MFAB from Indian School of Business, Hyderabad, and has done a master's degree in Mechanical Engineering from North Carolina State University, USA, bachelor's degree in Mechanical Engineering from BITS Pilani Dubai. Before joining Laurus, he was associated with Dr. Reddys Laboratories Ltd.



**Mr. Martyn Oliver James Peck**  
Senior Vice President - Business Development

Mr. Peck handles business development of the generics API. He has over 21 years of experience in the industry and has performed various functions such as sourcing, purchasing, sales and market intelligence. He has served as the Global Head of API sourcing for Mayne Pharma. He is a BSc in Biological and Medicinal Chemistry.

## Management Team



**Dr. Prafulla Kumar Nandi**  
Senior Vice President – Global Regulatory Affairs

Dr. Nandi brings along 23 years of rich experience in global regulatory affairs and pharmaceutical research. He is actively involved in managing regulatory submissions and negotiating with regulators to obtain timely product approvals. He has extensive knowledge in global drug development for highly regulated markets like the US and Europe. He has strong background in providing responses to regulatory agencies regarding product information or issues. Before joining Laurus Labs, he was associated with Apotex India, Jubliant Generics and Sun Pharma Advanced Research Centre, among others.



**Mr. Thomas Versosky**  
President - FDF, North America

Mr. Versosky leads the commercial team bringing Finished Dosage Form products to the market in North America. He brings nearly 15 years of experience in leadership roles across the US generic pharmaceutical industry, with diverse experience in commercial operations including portfolio management and business development licensing and acquisitions. He launched over 100 products in the US from generics to 505(b)2 and NDA products.



**Rajaram Iyer**  
Senior Vice President – Portfolio Management

Rajaram has 22+ years of experience in strategic planning, business development, portfolio management and establishing new businesses. He leads the global portfolio management for Laurus. Before joining Laurus, he was associated with Mankind Pharma, Aurobindo Pharma, Dr. Reddys Laboratories and Torrent Pharmaceuticals. Mr Rajaram has a master's degree in Analytical Chemistry. He has also completed EGMP from IIM–Bangalore and an MBA in Operations Research.



## Financial Highlights at a Glance

### Highlights of 2019-20



Revenue

**₹28,317**  
million  
(y-o-y growth of  
**23.6%**)



EBITDA

**₹5,695**  
million  
(y-o-y growth of  
**53.4%**)



Profit After Tax

**₹2,553**  
million  
(y-o-y growth of  
**172.2%**)

Patents  
Granted

**60+**

R&D  
Expenditure

**₹1,602**  
million

Employees

**3,789**

CSR  
Expenditure

**₹45.28**  
million

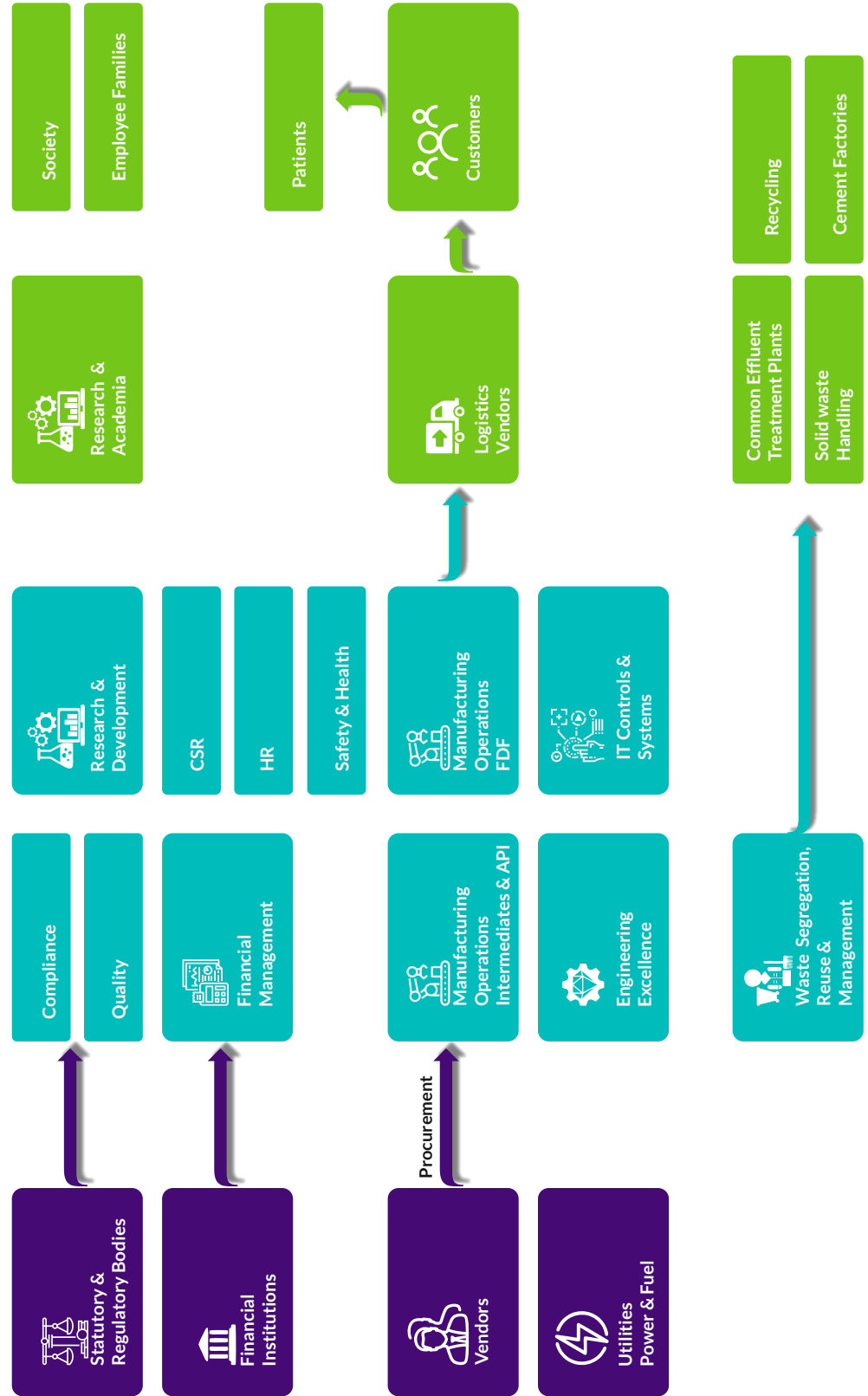
% of  
Independent  
Directors

**50%**

Products  
Commercialized  
since Inception

**60**

# Value Chain



Compliance	Use of software to monitor statutory compliance, and manage internal and external audits
Research & Development	Innovate continuously to improve processes in a sustainable manner throughout product lifecycle
Financial Management	Put in place a sound financial strategy with short- and long-term strategy, and management of external risks
Quality	Institutionalise a quality culture with internal & external audits; strict adherence to regulatory requirements
Manufacturing Operations	Drive operational excellence to adopt latest technologies and practices
Safety & Health	Adopt a non-negotiable attitude towards safety; drive behavioural change to make attention to safety a way of life in organization
Utilities & Engineering Excellence	Take up projects to reduce utility requirements, carbon footprint; implement clean technologies and prioritise recycling and reuse.
Waste Segregation & Management	Reduce, reuse, recycle, treat and dispose waste safely
HR	Create a family-like ethos where the Laurus values inform decisions and drive positive changes; nurture talent to stay competitive
CSR	Be a force for good by investing in improving the health, education and quality of life in the communities where we operate



# **Stakeholder Engagement & Materiality**

# Stakeholder Engagement



Stakeholder	Materiality	Management Approach	Topic Boundary
<b>Employees &amp; Workers</b>	Being a great place to work	<ul style="list-style-type: none"> <li>• Best health &amp; safety practices in industry</li> <li>• Continuous learning &amp; development; opportunities for career progression</li> <li>• Invest in employee &amp; family well-being</li> <li>• Creating an inspiring place to work</li> <li>• Establish a business code of conduct</li> <li>• Ensure equality in treatment &amp; opportunities</li> </ul>	All employees & workers
<b>Investors &amp; Shareholders</b>	Reliable organization to invest	<ul style="list-style-type: none"> <li>• Put in place a long-term strategy for growth</li> <li>• Rely on core strengths of R&amp;D to optimize processes</li> <li>• Ensure total transparency</li> <li>• Pursue cost reduction projects</li> <li>• Invest in new projects &amp; expansion</li> </ul>	Stock holders, debtors & investment firms

Stakeholder	Materiality	Management Approach	Topic Boundary
<b>Communities</b>	Environmental management	<ul style="list-style-type: none"> <li>• ISO 14001</li> <li>• Reduce per capita energy requirements</li> <li>• Invest in renewable energy maximization</li> </ul>	Society
	Caring for society	<ul style="list-style-type: none"> <li>• Organize CSR activities in the areas of water supply, education</li> </ul>	Communities around our manufacturing units
<b>Suppliers</b>	Being customer of choice	<ul style="list-style-type: none"> <li>• Transparent procurement practices &amp; assessment</li> </ul>	Vendors
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Safety, efficacy of our products</li> <li>• Adherence to the value committed to customers</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring quality-centricity in core operations</li> <li>• Transparent, ethical and fair communication with customers</li> <li>• Providing complete product safety information to customers</li> <li>• Imbibing integrity in employees</li> </ul>	All customers
<b>Government</b>	Law abiding corporate citizenship	<ul style="list-style-type: none"> <li>• Abide by all applicable laws of land</li> </ul>	Software for tracking all applicable laws & contractual obligations
<b>Regulators</b>	Quality products	<ul style="list-style-type: none"> <li>• Robust Quality Management System</li> </ul>	All regulators of countries where products are sold

## Human Capital

At Laurus Labs, we believe that our true competitive advantage lies in our committed workforce that drive our growth. We place great emphasis on employee engagement activities and talent development. We have built a free and empowering culture where all perspectives are respected. This enables us to create an idea meritocracy that helps us push the envelope on what's possible. All new Laureates—as our employees are called—go through an induction program to familiarize themselves with the organizational ethos. They are trained on the rules and policies that govern us all.

Periodic training programs, knowledge sharing sessions and offsite training programs/seminars help us ensure continuous learning for Laureates. The corporate intranet portal keeps them abreast of what is happening across locations and offices. We also conduct focused programs on concerns like Occupational Health & Safety, career development, workplace diversity and business ethics, both for full-time employees and contract personnel.

## Stakeholder Engagement

### Human Capital

The Laurus Family Day is an annual event where employees and their families—the larger Laurus family as we call it—come together for an evening of fun and togetherness. Held in Hyderabad and Visakhapatnam, these events enable everyone—from the CEO to a manufacturing worker—to get together, unwind and form strong relationships.



## Stakeholder Engagement

### Human Capital

In our endeavor to create an inclusive workplace, we place particular emphasis on gender diversity. Women are encouraged and promoted to leadership roles on merit. The annual Women's Day is a grand affair with women achievers from outside Laurus addressing Laureates on how they can balance the demands of work and life. There are clearly established grievance mechanisms to report sexual harassment and other forms of gender discrimination.



The major modes of employee engagement at Laurus are:

- Formal induction at the time of joining
- Technical and non-technical training programs
- Town hall meetings
- Operations review meetings
- Quarterly newsletters
- Intranet portal
- International Safety Day celebrations
- Laurus Family Day—an annual cultural extravaganza
- Annual sports meet
- Programs and competitions for employees and their families
- Grievance redressal mechanism

### Investors and shareholders

Laurus Labs is committed to conducting its business in a fair and transparent manner. Our disclosure standards are rigorous and comprehensive. We enable our investors to make informed investment decisions by disclosing all the necessary data. We also address concerns regarding future growth and emerging risks. A dedicated Investor Relations team coordinates with investors and shareholders.



## Stakeholder Engagement

### Investors and shareholders

Throughout the year, corporate meetings, seminars and conferences are arranged with investors, mutual fund entities and bankers that are attended by the top management along with Investor Relations representatives from Laurus Labs. We also publish news and quarterly result announcements in major newspapers. The CEO and the CFO participate in discussions on leading business television channels. The following events and reports help us share information regularly on our performance:

- Annual General Meeting for investors and shareholders
- Annual and quarterly financial reports
- Investor meets and industry forums presentations
- Television and print media interviews
- Annual bankers' meet
- Quarterly investor conference calls
- Regulatory and press announcements are on our website
- Email announcements

As a growth-focused organization, we keep an eye on the future. A dedicated strategy team is tasked with identifying and helping the management get a move on emerging opportunities. We continuously explore and pursue opportunities for portfolio and capacity expansion to boost revenue growth.

### Communities

No business entity can succeed in the fullest sense without making a positive impact on the wider community. At Laurus Labs, we believe we are an integral part of the communities in which we operate and we will only thrive together. We interact regularly with NGOs, local leaders and community representatives through formal and informal channels to apprise them of our activities and at the same time to find out how we can contribute better to the welfare of the community.



## Stakeholder Engagement

Laurus Spandana—a women-led group of employee spouses—conducts awareness programmes on sexual harassment & child abuse, free dental camps at government schools, umbrellas distribution programs at community level, sports infrastructure development at government schools to help underprivileged children. During the last fiscal, the team distributed essential food rations, PPEs, sanitizers worth ₹2 million to the needy families in the society.

Laurus also runs an innovative science-on-wheels programme to inculcate an early interest in science among school children. The company also sponsors an integrated M.Sc program at Gitam University, besides supporting students at other universities where it has MoUs with stipend. We go beyond the mandatory expenditure limits to invest on programs that improve education, hygiene, environment, living conditions and healthcare in underprivileged communities. Some of the ways in which we engage the local communities are:

- Direct meets with local representatives
- Science exhibitions & health camps
- Initiatives like community tree plantations, RO water facilities at public places, building community infrastructure, aid to government schools, hospitals and NGOs
- Collaboration with government/NGO organizations

### Suppliers

Suppliers and vendors are integral to our success. Our vendor management systems and processes help us continually engage with them at different levels. Raw material suppliers, packing material suppliers, capital and utility equipment suppliers, contract personnel suppliers, design consultants and transporters form the different categories of suppliers and service providers. Continuous communication with vendors is helping us align interests and build a sustainable supply chain.

There are vendor evaluation, qualification and registration criteria based upon which suppliers are selected, retained and rewarded for performance. There is a process of engaging major suppliers wherein our CEO meets them on a frequent basis. Regular supplier reviews and meets are helping us drive alignment in terms of EHS initiatives. Additionally, Global pharma events, seminars and symposiums serve as an interaction platform with vendors, where we articulate our requirements and evaluate how their offerings benefit us. Laurus has longstanding relationships with key suppliers. About 95% of our requirements are met from more than one source, while about 30% of our procurement is done from within India to ensure robustness of the supply chain, as well as to promote local industries. Suppliers are evaluated based on sustainability criteria which includes quality, environment and financial status.

## Stakeholder Engagement

### Customers

Our customers are at the heart of everything we do. We engage with both potential and existing customers continuously to understand the changing nature of market requirements and stay relevant. Therefore, we take to multiple avenues to have regular interactions with our customers. One of the most important and effective means of engagement is through customer audits at our sites. Customer representatives visit our manufacturing facilities to audit with respect to quality, safety and other compliance aspects and their feedback is duly noted and implemented. Aspen, Aurobindo, KRKA, Macleods, Merck, Mylan, Pfizer etc. are some of our major customers that have visited our manufacturing facilities and/or conducted audits during the last financial year. Our customers also benefit from our one-quality-for-all-markets approach.



### Government & Regulators

As a responsible pharmaceutical company, we follow the law of the land. Engaging with the lawmakers of the country, statutory bodies and industry regulators is a key aspect of conducting a sustainable business. We have to keep abreast of the current and imminent change in policies, as well as apprise them on our compliance to local laws, statutes and regulatory requirements. Global regulatory bodies like the USFDA, WHO, European agencies etc. conduct periodic audits of our facilities and their observations are given paramount importance and compliance is ensured. To better comply with all the applicable laws, we use software to help us keep track of local and global regulations.



# **Sustainability Strategy**

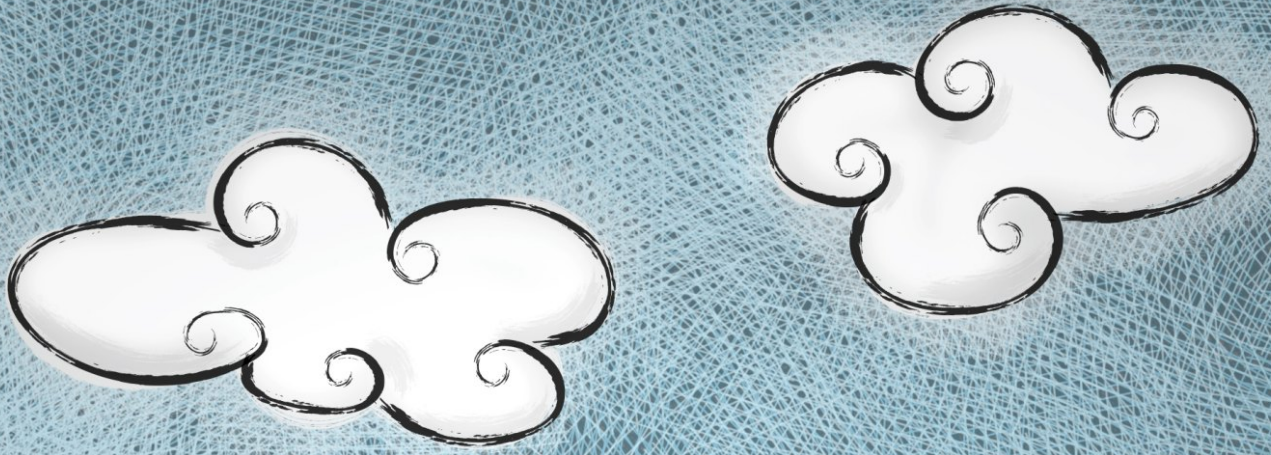
## Our Sustainability Strategy

Our sustainability strategy is informed by our firm belief that profitability and sustainability cannot be treated as separate areas. We believe that our sustainability efforts undergird continued revenue and profitability growth. At Laurus, business continuity and economic sustainability flow seamlessly from a centrally-driven strategy that covers all the socio-environmental material aspects. The Chief Executive Officer is the executive sponsor of sustainability

There are clearly established procedures that govern sustainability initiatives at Laurus Labs. We fine-tune our initiatives with observations, discussions and market research at the organizational and unit level. We actively assess, monitor and mitigate potential risks through a specialized cross-functional team that advises and appraises the board of the risks associated with our industry—be they regulatory, geopolitical or product related. Our manufacturing practices are designed to stay ahead of the curve in terms of emerging legislation, cGMP compliance and innovations in the sector.

Our sustainability initiatives take the following major criteria into account:

- Implementing a business strategy that considers every dimension of how the business operates—in the ethical, social, environmental, cultural and economic spheres
- Sustainability shall be guided by the core organisational values of Knowledge, Innovation, Excellence, Integrity and Care
- Evaluate business plans for each strategic decision with a focus on future growth and impact from risks
- Constantly incorporate inputs and learning experiences from senior leaders, industry experts and model sustainability champions
- Develop and continuously measure key sustainability indicators; optimize processes to mitigate the impact on society and environment while augmenting economic indicators



# Risk Management

# Risk Management

## Focused Approach to Mitigating Uncertainties

We have put in place a risk-management and internal controls framework to identify, assess, mitigate and monitor the risks and uncertainties facing our business, which enables us to create and protect value.

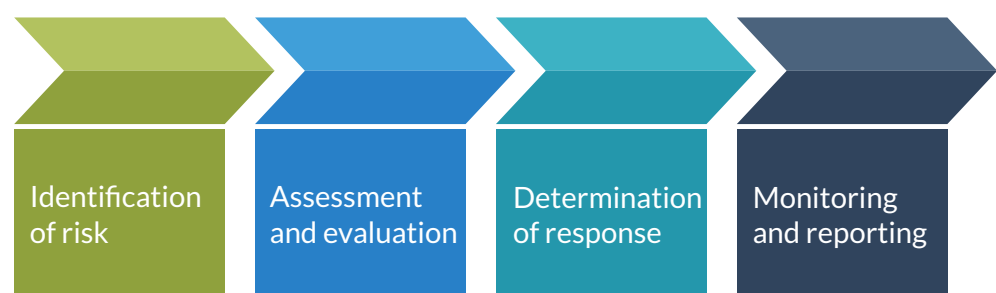
The effective management of risk enables us to:

- Deliver on our strategic objectives
- Improve our decision-making, planning and prioritisation
- Pursue opportunities while continuing to mitigate our risks in a rapidly changing external environment
- Implement controls to mitigate or prevent risks from materialising
- Consider risk and reward and implement controls in the areas that matter most to us
- Comply with corporate governance requirements



## Risk Management Framework and Process

The risk management framework incorporates both a top-down approach to identify the company's principal risks and a bottom-up approach to identify operational risks. The risk reviews are embedded within the relevant business and / or functional review to ensure that the risks and our response to them are considered in the context of our strategy, our values and our strategic objectives.



## Risk Management

### Risk Management Framework and Process

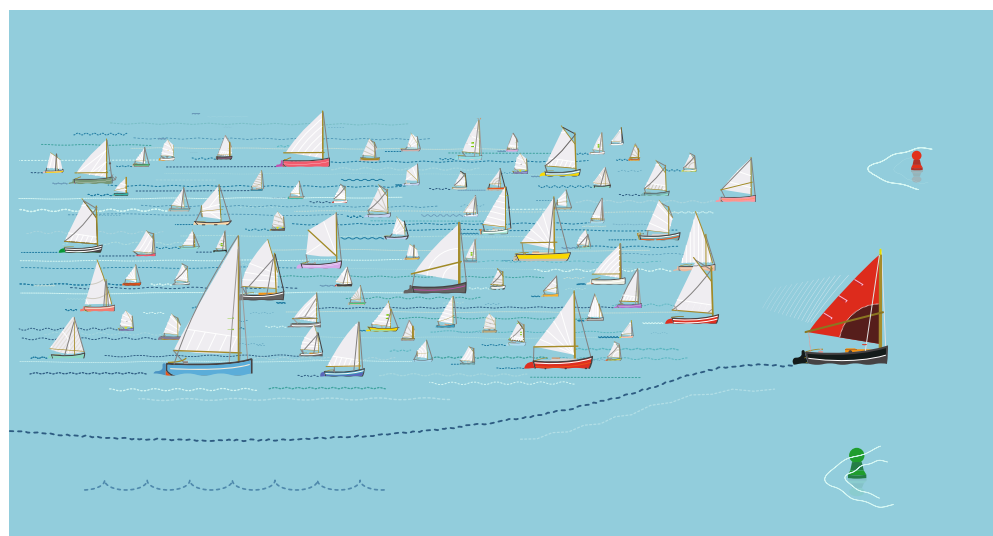
Nature of Risk	Definition and Impact	Mitigating Factors
Industry Risk	Downturn in the industry could adversely impact the company's performance	<ul style="list-style-type: none"> <li>• Laurus Labs is present across the world's major pharmaceutical markets</li> <li>• The company periodically evaluates various developments in these markets to identify the risk, if any, arising from them</li> </ul>
Competition Risk	Competition in domestic as well as international markets could affect market presence	<ul style="list-style-type: none"> <li>• Building economies of scale in manufacturing, distribution and procurement to maintain cost advantage</li> <li>• Strengthening long-term relationships with key customers by offering better quality and service know-how</li> <li>• Introducing cost-improvement initiatives and manufacturing efficiency expansion at plants</li> <li>• Undertaking R&amp;D initiatives, focusing on optimising raw material consumption and increasing manufacturing capability</li> </ul>
Regulatory Risk	Pharmaceutical business is highly regulated and is under continuous surveillance by various regulatory authorities. Inability to receive necessary approvals for manufacturing could affect business operations	<ul style="list-style-type: none"> <li>• -Stringent review systems to ensure compliance with the statutory guidelines and norms of the pharmaceuticals industry</li> </ul>
Innovation Risk	Lack of niche products and processes may negatively affect growth rate	<ul style="list-style-type: none"> <li>• -Strong R&amp;D capabilities</li> <li>• Proven track record in filing, approval and commercialisation of niche products and processes</li> <li>• Robust pipeline of products and processes under development</li> <li>• Strong chemistry know-how, efficient process optimisation and niche product portfolio have resulted in strong global presence and market leadership</li> </ul>
Operating Risk	Inability to manage vendor-cum-customer relationships could impact revenues	<ul style="list-style-type: none"> <li>• Laurus Labs has successfully retained vendor-and-customer relationships, leading to organisational stability and predictability, despite stringent business environment</li> <li>• We enjoy enduring relationships with major global and Indian pharma majors, ensuring revenue visibility</li> <li>• Efficient review mechanism to enhance operational efficiency</li> </ul>



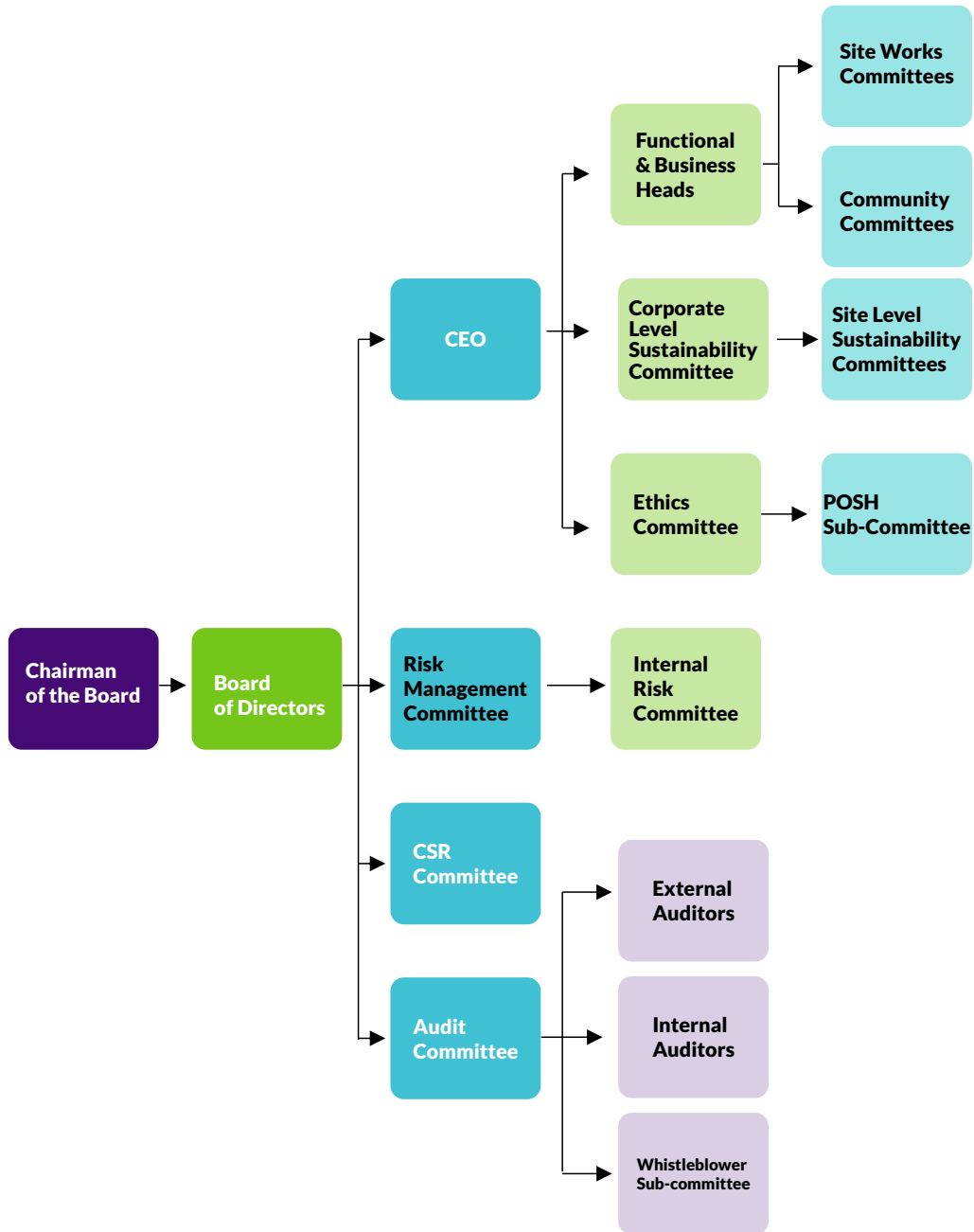
## Risk Management

### Risk Management Framework and Process

Nature of Risk	Definition and Impact	Mitigating Factors
Capacity Planning and Optimisation Risk	Inadequate capacity could jeopardise our capability to meet changing customer requirements, affecting margins	<ul style="list-style-type: none"> <li>• The business team frequently monitors product trends to ensure adequate capacity and meet the demand</li> <li>• Robust processes are in place to continuously examine plant capacities</li> <li>• We drive improvements associated with manufacturing practices such as preventive maintenance schedules and alterations to plant designs in case of frequent breakdowns</li> <li>• Project management processes are aligned to business goals</li> </ul>
Environment, Health and Safety	Our business operations are subject to a wide range of challenging health, safety and environmental laws, standards and regulations from government and non-governmental bodies around the world.	<ul style="list-style-type: none"> <li>• Conducting robust process safety audits on high risk sites to enhance and assure the work we do to make our manufacturing processes as safe as possible</li> <li>• Implement the safety culture programme and behavioural standards</li> <li>• Implement process safety programme</li> <li>• Determine the cause of incidents and accidents and develop remediation plans</li> <li>• Ensure, through ongoing investment, that equipment continues to be appropriate</li> <li>• Continued training and awareness activities</li> </ul>



# Governance Framework



# Awards



## Awards

### Porter Prize

Laurus Labs won the Porter Prize 2019 under the “Exploiting Tradeoffs” category. The Porter Prize celebrates the spirit and successes of the Indian corporate world by identifying and honouring outstanding achievements and inspirational endeavours of the enterprises. The award citation read: “For your outstanding performance in the industry and to recognise choices that made your strategy sustainable as they were not easy to match or neutralize due to which you were able to create barriers pertaining to emulation”.



# Awards

## National Safety Award

Laurus Labs (Unit 1 and Unit 3) won the prestigious National Safety Awards for the “Best Safety Performance for 2017” from DGFASLI, Ministry of Labour and Employment, Government of India. Laurus received the awards in September 2019.



## Awards

### Pharmexcil Award

Laurus Labs won the Pharmexcil Outstanding Export Performance Award 2018 – 2019. This award demonstrates the strength of our offerings and manufacturing prowess.

### Pharma Innovation: Innovation of the Year Award

Laurus Labs won the 5th India Pharma and Medical Device Award in the ‘India Pharma Innovation of the Year Award’ category. This award recognizes our commitment to innovation-led growth.



### Fortune 500 Company

Laurus Labs has consistently retained a place in India’s Fortune 500 list of companies since 2017—a testament to our efforts in building a world-class organization.

### Great Place to Work

Laurus Labs was certified as a ‘Great Place to Work’ for the second consecutive year in 2019. From the start, we wanted to build an inclusive and high-energy workplace where people deliver their best. This certification bears out our success in achieving our goal of creating a vibrant workplace.



**Talent**

## Talent

### Great Place to Work

Laureates—as we call our employees—are our most-prized asset. We are a science-led company with a twin focus on innovation and quality. The quality of our team determines how well we succeed in our mission to become a world-class pharmaceutical company. Not only do we hire the best, we would like to keep them that way with continuous development programs. We are also committed to giving them meaningful opportunities for realising their potential and to pursue professional growth.



Laurus Labs Limited has been certified as a Great Place to Work for the second consecutive time in a study conducted by the Great Places to Work Institute. We endeavor to create an environment where people are treated as equal, regardless of their level in the hierarchy. Employees are free to express and exchange opinions and ideas which we believe promote teamwork and give employees the opportunity to shape the future of the organization. There are various forums like Town Hall meetings and platforms like the Intranet portal that help employees express their views and exchange ideas. The team consists of employees with diverse cultures, perspectives, skills and expertise. Despite this diversity, we collectively conduct ourselves as one team in a manner that best represents our culture of openness, teamwork and pursuit of excellence.





## Talent

### Opportunities

We are a true meritocracy. We believe that all our employees should be given equal opportunities. There shall be equity and fairness in recruitment, placement, training & development, career development and compensation. Merit and performance are what determine how well one succeeds at Laurus. The company does not discriminate against or in favour of any individual on the grounds of race, colour, religion, sex, nationality, age or disability. At Laurus, we have a strong bias towards nurturing and growing talent internally. Over the years, we have been able to promote several of our bright employees to managerial and leadership roles. We also hire a lot of freshers from campuses every year and promote them aggressively based on merit, because we believe that it is far more effective to inculcate the Laurus spirit and values in people with impressionable minds.

New hires at our manufacturing facilities				
Year	Experience	Freshers		Total
		Male	Female	
2019-20	158	291	28	477
2020-21	33	77	18	128
Total				605

### Nurturing Talent



For any knowledge-based organisation, it is important to ensure that its employees remain ahead of the curve in terms of expertise and skills. We have comprehensive mechanisms to identify high-potential talent who can rise through the ranks and rise up to meet the evolving challenges of their roles through a combination of self and sponsored learning. Laurus has adopted a competency-based tiered approach to building the leadership pipeline and succession planning, with tier-I comprising people who are ready to lead the business now; tier-II with people who can be nurtured to take on leadership positions in the next 3 – 5 years; and tier-III includes people with the potential to be in leadership roles in another seven years.



## Talent

### Code of Conduct

All our employees adhere to the following code of conduct:

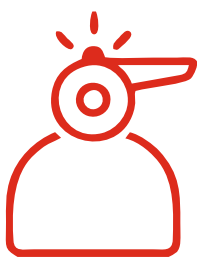
- Obey all applicable laws, regulations and professional standards that govern our business
- Recognize and value professionalism
- Maintain an environment of honesty, trust and integrity
- Respect the organization and colleagues
- Protect the property and interests of the organization

### Anti-Sexual Harassment Policy



Laurus Labs is committed to a work environment in which all individuals are treated with respect and dignity. Every individual has the right to work in a professional environment, free of violence, harassment, exploitation and intimidation. This includes all forms of gender violence, sexual harassment and discrimination on the basis of sex. Every employee is aware that while Laurus Labs encourages freedom of expression and association, it strongly supports gender equality and opposes any form of gender discrimination and violence. Therefore, we expect that all relationships at the workplace are business-like and free of bias, prejudice and harassment. There is a clearly established grievance redressal mechanism for handling sexual harassment complaints.

### Whistle Blower Policy



We are committed to complying with the laws that apply to us, and particularly to assuring that business is conducted with integrity and that the company's financial information is accurate. If potential violations of company policies or applicable laws are not recognized and addressed promptly, both the company and those working for or with the company could face governmental investigation, prosecution, fines and other penalties that can be costly. To promote the highest ethical standards, the company facilitates mechanisms to report potential violations of company policies and applicable laws. Employees and Directors must be able to raise concerns regarding such violations easily and free of any fear of retaliation. Our Whistle Blower Policy affords this opportunity to everyone in the organization to raise their concerns or bring violations to the management's notice.

### Health Care & Medical Insurance



All employees undergo periodic medical checkups arranged by the company. We are committed to promoting the health and wellbeing of our employees. The company extends hospitalization cover to its employees, their spouses, dependent parents and two children. Employees are also covered under the Group Personal Accident Scheme to the extent of 100 times their monthly gross salaries. The employees who need to travel abroad on business needs are covered under the Travel Insurance Policy.

## Talent

Our comprehensive performance appraisal system forms the basis of performance management, career management and management development efforts. While the system enables the setting of objectives and facilitates the review of performance against these objectives, it is also useful in building customer focus and encouraging competitiveness. Through the annual appraisal process, we seek to not only assess the performance of employees over the past year and reward them suitably, but also to help them advance their careers by aligning with the interests of the organization.

### Training and Development

We believe that continuous development of employees helps us stay competitive. We have targeted programs to develop and nurture talent across the company. We provide training to meet the Operational, Regulatory, Role, Managerial & Leadership challenges and to augment existing capabilities to meet future requirements.



The main objectives of our Training & Development programs are:

- Training and developing personnel in skillsets required for their current and future jobs
- Developing awareness about the evolving pharma environment
- Improving functional and interpersonal competencies of employees
- To equip the personnel with the relevant training that strengthens the company's performance and competitive advantage

All our training programs are designed after conducting a comprehensive training needs' assessment across the company. Broadly, we conduct the following types of training programs, facilitated either by internal resources or professional training partners:

- Functional/technical training based on SOPs (standard operation procedures):
- The QA team and the departments are responsible for imparting training to all employees emphasizing process adherence and maintaining SOP documentation.

# Talent

## Training and Development



- On-the-job training, where an employee is made to learn a job by actually doing it. Generally, this is done by using the “coaching/supervision” methodology, where an experienced supervisor trains employees during the course of the work.
- The Safety department is responsible for imparting training programs to all employees emphasizing the importance of safety measures on the shop floor and their proper usage during emergencies.
- Behavioral Competency Development interventions meant to develop individuals’ or family’s behavioral competencies (as per the competency framework/business needs) and/or to address individual development plans for the purpose of performance management, improving business effectiveness, talent development and employees’ career growth.
- Management Development Plan (MDP): This program is basically aimed at providing the participants with all that is needed to understand their strengths and acquire the skills required to manage & lead teams. These programs are designed to be interactive and participative. The participants are selected from a pool of identified potential leaders from the middle management. These daylong sessions take place once a month over a 10-month duration.
- Leadership Development Program (LDP): As any growth-focused company, we are keen on building a strong leadership pipeline. We identify high-potential leaders and train them for senior management roles.

## Statutory Benefits

All the employees on our rolls are covered under statutory benefits like Provident Fund, Employees’ State Insurance and Gratuity. We fully comply with all employment related statutes like the Prohibition of Child Labor and Payment of Minimum Wages etc.

## Facilities at site

There is a base kitchen at our Unit 3 manufacturing location that prepares food for our employees at all the manufacturing units. For our corporate office and R&D center, the food is procured from trusted caterers and provided free of cost to all employees. Bicycles have been procured for manufacturing locations to allow pollution-free mobility to our employees. There is a crèche and a gym with modern exercise equipment at our Unit 1 manufacturing facility.

## Talent

### Employee events & knowledge sharing programmes

#### Sammelan on Anaemia and Cancer

They say that he who has health has hope, and he who has hope has everything. Awareness on health issues helps individuals keep themselves away from the common diseases that reduce the quality of life. In a Sannelan—a knowledge-sharing session—held on the topic of anaemia and cancer by Dr. Rajesh Bollam, Consultant Medical Oncologist & Hemato-Oncologist, Yashoda Hospitals, Laureates learned about the causes of anaemia and its treatment. Dr. Rajesh also explained about various types and stages of cancers. He said that early diagnosis, which most neglect, would have an overall positive effect on treatment success. The session sensitized employees and created awareness on the two health conditions.



#### Sammelan on the contribution of Laurus Labs in Drug Development & Pharmaceutical Industry

A Sannelan was organized on November 16, 2019 on the contribution of Laurus Labs in drug development and pharmaceutical industry. Dr. Mani Bhushan, Sr. General Manager, PD Synthesis, was invited as a guest speaker. Dr. Mani Bhushan took the audience through the core services of the Synthesis division, key achievements, complex molecules that were handled, the pre-clinical trials that Laurus Labs supports and other important topics. The session gave participants in-depth knowledge about the Synthesis offerings of Laurus Labs.



## Talent

### Sammelan on Patents & Patent Licensing

A Sammelan session on patents and patent licensing was organized on October 19, 2019. Mr. C H V Raman Rao, Vice-President, IPM, Laurus Labs addressed the session. Mr. Rao has covered the basic definition of patents, what can be patented, the criteria to get a patent, what cannot be patented, section 3(d) in the Patents Act 1970, the contents in the patent document and licensing, licensing benefits, benefits for licensor, license agreement, grant, nature of grant, exclusive and non-exclusive license and breach of contract. The session gave employees a solid understanding of how patenting works.

### Sammelan on the Journey to Perfection

Perfection is not attainable, but if we chase perfection, we can catch excellence. On September 21, 2019, a Sammelan was organised on "The Journey to Perfection". This time it was our internal talent, Mr. Srinivas V, deputy manager, Finance, who guided Laureates through the journey of perfection and the various areas that an individual can improve on.

Mr. Srinivas sensitized the audience through wonderful examples on the importance of dedication. The session covered various topics like leadership, responsibility and ownership, recognition and appreciation, talent and opportunity, acceptance, values and empathy. The session was appreciated by the Laureates.

### Bathukamma Celebrated with Fervour in Laurus Labs

Bathukamma—Telangana's floral festival—was celebrated with fervour at Laurus Labs Corporate Office and R&D Center on October 5, 2019. Women employees decorated Bathukamma with Celosia, Senna, Marigold and other flowers before performing the Bathukamma song-and-dance ritual.



A close-up photograph of two bright yellow daisy-like flowers. The flower in the foreground is in sharp focus, showing its numerous petals and central disk. The second flower is slightly behind and to the right, also in focus. The background is a soft, out-of-focus green, suggesting a field of similar flowers. The text "Environment, Health & Safety" is overlaid in white, bold, sans-serif font on the right side of the image.

**Environment,  
Health & Safety**

## Environment, Health & Safety

We are in the business of improving the quality of life for millions. We believe it is only right that we do it in a manner that does not harm our employees or people in the communities in which we operate. More broadly, our core value “Care” inspires us to act responsibly in order to safeguard the safety of people and environment. Safety principles are embedded into all our standard operating procedures (SOPs). Periodic review of working conditions, regular trainings and awareness programs, and cGMP manufacturing practices enable us to maintain and improve on our EHS performance. A host of National Safety Awards from the government stand as a testament to our commitment to safety.

We adopt a high-watermark approach to EHS compliance. Firstly, we comply with all the local EHS laws and regulations, the Pharmaceutical Supply Chain Initiative (PSCI) principles and Generally Accepted Industry Practices (GAIP). In addition to this, we go beyond these frameworks to meet and exceed industry benchmarks in creating a safe working culture. Read below some of the important initiatives focused on improving our EHS performance and our commitment to the continual improvement approach of ISO management systems.

### Yield-Improvement Programs

We had a sharp focus on operational excellence from the start. We seek to cut costs, minimize waste and improve efficiency in all our manufacturing processes. In FY 2019-20, we were able to reduce raw material consumption and effluents by about 10% in two of our key products through focused yield-improvement programs. These initiatives have long-term cost and ecological benefits.

### Recovery of solvents



After use in the production of APIs, solvents need to be processed before they can be reused or released. Without adequate processing, they could contribute to pollution and increase oxygen demand in the effluent. We have an in-house unit to optimize on solvent recoveries. The in-house unit helps us cut down on transport costs. In FY 2019-20, we have increased our solvent recovery by about 4–8% which is equivalent to about 500,000 litres of recovered solvents. Given that our production processes are designed to reuse recovered solvents, which otherwise are disposed as spent solvents, this is a net benefit as far as our cost and environmental performance are concerned.

In one product, the recovery of the product from disposable mother liquors has increased yields by about 15%. This has not only reduced the effluent, it has also helped us in conserving the energy required to produce the recovered material.

Meanwhile, solvent requirement reductions through practices like thorough cleaning enabled us to reduce solvent consumptions in cleaning by about 80%.



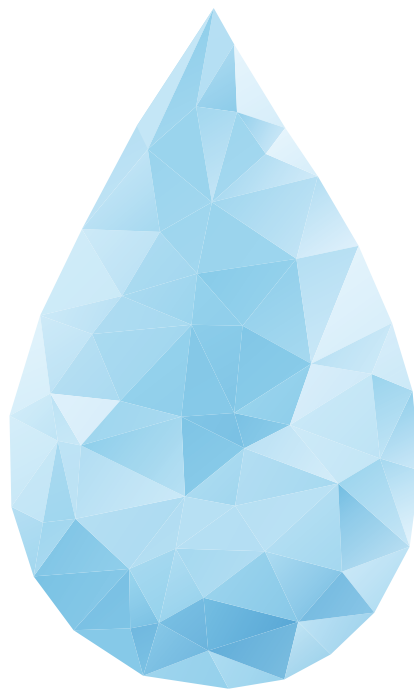
## Environment, Health & Safety

### Minimise Testing Requirements

By adopting robust manufacturing processes, we have been able to minimize the requirement for in-process testing for select products without compromising on their quality. This has greatly reduced chemical and energy consumption on the Quality Control laboratory. Around 50 different types of analyses were avoided during the last fiscal due to our innovative manufacturing processes.

### Water

We adopt a holistic view of environmental sustainability. Conservative use of water has always ranked high on our list of environmental sustainability goals, given the fact that we are a water-stressed planet. We reduce, recycle and reuse the highly-pure water we need for our manufacturing processes. This helps us reduce our energy emissions too. Rainwater harvesting is also done in non-production areas such as administrative buildings and cafeterias.



### Energy



Of all our environmental sustainability goals, energy consumption has the most direct bearing on our operational performance. Therefore, we have always looked at energy consumption as a key factor in designing our manufacturing processes. The energy mix also matters. We have consciously sought to shift a greater part of our energy consumption towards renewable and clean energy sources. All our facilities use energy-efficient LED lighting. We have also introduced energy-efficient machinery like agitators into the manufacturing process.

# Environment, Health & Safety

## Emissions, Effluent & Waste



We comply with all the local and national regulations, in addition to adopting global standards in safe-handling and disposal of emissions and effluents. In addition to direct emissions, we also focus on indirect emissions like pollution from employees commuting to office etc. Free bus transportation and car pooling help us reduce carbon emissions compared to individual employees travelling on their personal vehicles. Food waste is minimized in our cafeterias and whatever little gets wasted is processed for use as compost for plantations at our manufacturing facilities. Our manufacturing facilities are certified under Occupational Health and Assessment Series (OHSAS 18001: 2007) and Environmental Management System (ISO 14001:2015). Wastewater is segregated into HTDS & LTDS water before being sent to the common effluent treatment plant (CETP) where the water is further treated and disposed as per statutory guidelines.

## Safety



We adopt a non-negotiable approach to safety compliance. We also recognize that ensuring a safe working environment for everyone is an ongoing process of topmost priority. With skill-based and behavioural safety training, we ensure that everyone is trained on the basics of workplace safety. The manufacturing staff undergoes advanced training by external agencies. Continuous communication from the top management is helping us create a safety-first culture across the organization. We do not see safety merely as a value or priority—we see it as an integral part of our work culture.

We place special emphasis on chemical safety—especially in handling small volumes of solvents which are a major source of hazards. We have established—and trained our employees on—safety procedures to be followed when handling solvents. For 90% of our products, we have redesigned our manufacturing processes to charge solids before solvent charging is done to considerably reduce safety risks. We have also implemented Operational Control Procedures for all critical operations. There have been no Lost Time Injuries (LTIs) for the reporting period. Hazardous activities are classified and specific operational control procedures including checklists are put in place. All new processes undergo Hazop studies and Activity Based Risk Assessments (ABRA) as part of the change management system.

Safety Performance Measurement - Reportable Accidents Computation			
	2017-18	2018-19	2019-20
Frequency Rate (FR)	00	00	00
Severity Rate (SR)	00	00	00
Incident Rate (IR)	00	00	00

## Sustainability Indicators (Unit 1 & Unit 3)

INDICATORS	UoM	2018-19	2019-20
<b>ECONOMIC PERFORMANCE</b>			
Revenue	Rs. Million	22,919	28,317
Employee Compensation	Rs. Million	2,697	3,240
Payments to provider of capital	Rs. Million	159	320
Payment to Govt. (tax)	Rs. Million	262	374
Community Investment	Rs. Million	46	45
Economic value retained (PAT)	Rs. Million	938	2,553
Financial assistance received from Government**	Rs. Million	-	-
<b>ENERGY USE AND EFFICIENCY *</b>			
Fuel consumption: non-renewable sources	GJ	7,45,155	10,14,822
Fuel consumption: renewable sources	GJ	87,079	21,915
Direct energy consumption	GJ	4,30,962	6,17,037
Indirect energy consumption	GJ	4,01,272	4,19,699
<b>MATERIAL *</b>			
Total RM consumed (KSMs)	MT	3,883	4,982
<b>GHG EMISSIONS *</b>			
Total emissions	t CO2-e	2,18,408	2,67,117
Direct emissions	%	21%	23%
Indirect emissions	%	79%	77%
<b>WATER *</b>			
Total water withdrawal	KL	5,94,811	7,29,441
Municipality	%	0%	0%
Surface water	%	100%	100%
Groundwater	%	0%	0%
Total water recycled	%	20%	20%
<b>WASTE *</b>			
Hazardous waste generated	MT/ MT of FG	0.73	1.21
Hazardous waste disposed (to landfill/ TSDF/ incineration )	MT/ MT of FG	0.22	0.40
Hazardous waste reused/ recycled (to cement plants and others)	MT/ MT of FG	0.47	0.75
Non-hazardous waste generated (Eg: food waste, PPE waste etc.)	MT/ MT of FG	0.07	0.09
<b>AIR QUALITY *</b>			
Suspended particulate matter	MT/ MT of FG	0.03	0.04
NOx	MT/ MT of FG	0.04	0.04
SOx	MT/ MT of FG	0.11	0.15
<b>ENVIRONMENTAL EXPENDITURE *</b>			
Environmental expenditure	Rs. Million	173	243

## Sustainability Indicators (Unit 1 &amp; Unit 3)

INDICATORS	UoM	2018-19	2019-20
<b>TOTAL WORKFORCE- GENDER TYPE *</b>			
Male	%	95%	95%
Female	%	5%	5%
<b>TOTAL WORKFORCE- AGE TYPE (FULL TIME) *</b>			
<30	%	48%	44%
30-50	%	50%	50%
>50	%	2%	6%
<b>TOTAL WORKFORCE- EMPLOYMENT TYPE *</b>			
Management	Numbers	104	87
Workers & technicians	Numbers	1640	1673
Contractual	Numbers	1388	1498
<b>TOTAL WORKFORCE (MANAGERIAL) – GENDER TYPE</b>			
Male	%	97%	97%
Female	%	3%	3%
<b>NEW EMPLOYEE HIRE- GENDER TYPE *</b>			
Male	Numbers	192	263
Female	Numbers	12	24
<b>NEW EMPLOYEE HIRE- AGE WISE *</b>			
<30	Numbers	155	267
30-50	Numbers	47	16
>50	Numbers	2	4
<b>EMPLOYEE TURNOVER RATE *</b>			
Employee turnover	%	11.65%	15.5%
<b>PARENTAL LEAVE *</b>			
Employees availing parental leave- Male	Numbers	137	170
Employees availing parental leave- Female	Numbers	3	6
Employees returning to work after parental leave	%	100%	100%
<b>SAFETY PERFORMANCE *</b>			
Reportable injuries (employees) (LTI+MTI+RWI)	Numbers	0	0
Lost days (Employees)	Numbers	0	0
Fatalities (Employees)	Numbers	0	0
Reportable injuries (contractual workforce) (LTI+MTI+RWI)	Numbers	0	0
Lost days (contractual workforce)	Numbers	0	0
Fatalities (contractual workforce)	Numbers	0	0
Total reportable injury frequency rate (employee+ contractual)	Numbers	0	0
Occupational disease rate (employee+ contractual)	Numbers	0	0
<b>TOTAL HOURS OF TRAINING *</b>			
Total Hours of Training	Man Hours	51,753	64,752

\* Only unit-1 & unit-3 manufacturing facilities which contribute to most of our revenue are considered for the reporting period.

# **Corporate Social Responsibility Activities**



## CSR Activities

At Laurus, we bring the same rigor that we apply elsewhere in our business to corporate social responsibility (CSR) initiatives. We work in areas that align with our expertise to create a lasting impact. Our work in inculcating an early interest in science, improving infrastructure at schools and enhancing the quality of life in communities are intended to produce measurable results.

Laurus runs several social development initiatives with active involvement of employees across locations. Our CSR spend is far above the mandatory spend set for the company. We take up ambitious initiatives to improve the wellness and invest in skill development of people in the communities in which we operate. Investing in education initiatives has long been a key focus area.

Laurus Labs spent over ₹43 million in 2019 on community development activities as part of its CSR commitments in various areas including social welfare, women empowerment, poverty & hunger alleviation, safe drinking water, green initiatives and rural development.

### Helping Governments Battle Covid-19

As Covid-19 ravaged the world, Laurus was among the first to respond. We donated 450,000 doses of Hydroxychloroquine (HCQ) tablets to the governments of Telangana, Andhra Pradesh and Kerala in India, in addition to a financial contribution of ₹5 million to each state. We supplied provisions and sanitizers to the police, the health workers and people in the villages around our facilities. We have also made donations to the Kerala government. All through the year, we have invested in the communities in which we operate to improve infrastructure at government schools, inculcate an early interest in science and to improve access to primary healthcare. The total value of our contributions to help governments respond to Covid-19 exceeded ₹45 million between January 2020 and May 2020.

**₹45 million  
in total  
contributions**



## CSR Activities



### Adopting Government Schools



Giving back to society is one of our core sustainability goals. As a responsible corporate citizen, Laurus Labs has invested in initiatives that systematically improve the quality of life, education and health through its CSR programs. In FY 2019-20, Laurus signed a Memorandum of Understanding (MoU) with the state of Andhra Pradesh in December 2019 to adopt 359 schools under Connect Andhra program. Under the MoU, Laurus handed over a contribution of INR 7.5 million to the program. Through this program, Laurus Labs will develop these adopted schools with better infrastructure facilities. The schools will be transformed into model English medium schools. In another initiative, Laurus Labs contributed three ambulances to improve access to emergency care.

### Employees' Blood Donation



Employees of Laurus Labs participated in a blood donation camp on the eve of the Police Commemoration Day in Vizag on October 20, 2019.

## CSR Activities

### Promoting an Interest in Science

Laurus Labs entered into MOUs with the Gitam University and the Krishna University, both located in Andhra Pradesh, to give a fillip to industry-academic collaboration and improve employability of students. The company also collaborated with the Indian School of Business (ISB), Hyderabad, to fund a high-quality professor while teaching their MBA equivalent program. The company promotes scientific temperament and curiosity among school children, encouraging them to take up science courses while graduating to higher studies. The company initiated various activities to improve awareness among employees and society about the environment. Through the association with the Krishna University, Gitam University and the ISB, Laurus aims to bridge the industry and academia skill gap.



### MoU with Krishna University



Laurus has an MoU with the Krishna University, where the students undergo theoretical training in the first three semesters at the university and pursue internship at Laurus Labs as part of their fourth semester. They earn a monthly stipend of ₹5000. Upon completion of the Masters in Science (M.Sc.) degree, Laurus offers fulltime employment for good performers. The intern can either join Laurus or pursue a career elsewhere. Laurus is among the few companies in the industry that do not execute legal bonds with fresh graduates or collect original educational certificates as a security deposit.

### MoU with Gitam University



Laurus signed an MoU with the Gitam University to develop a five-year integrated M.Sc. program, which combines classroom learning accounting for 75% of the duration with an internship at Laurus Labs that contributes another 25% learning. The company reimburses tuition fee to Gitam and also pays a monthly stipend of ₹5000 to students all through the program. In other words, we spend ₹5 lacs on each student during the five-year period. At the end of the program, based on their performance, the students may be offered fulltime employment at Laurus. The selected student may join Laurus or pursue a career outside.



## CSR Activities

### Science on Wheels

Laurus organizes several interactive activities at schools to impart scientific knowledge in practical ways. Our initiatives outside the classroom include ‘Science on Wheels’—a mobile laboratory that contains equipment to teach students science in fun ways with experiments. We also conduct science fairs for students in government schools located in and around Visakhapatnam. In collaboration with the Agastya International Foundation, the company works towards transforming the critical and much-neglected area of primary and secondary education in rural Andhra Pradesh. Around 12 schools, with a total strength of 3249 students have been identified for this program. Students from the 6th grade to 10th grade are taught by experienced instructors with the help of live models in the mobile van.



### Impact Assessment Study Report

Laurus Labs has partnered with Innovative Financial Advisors (Finovation) for conducting a comprehensive assessment of the Mobile Science Labs project, since it setup operations in Parawada, Visakhapatnam. The report features an analytical representation, helping it review the positives as well as the challenges hindering the successful implementation of the project. This helps accelerating the necessary course correction to make the project a success.

The study captures views, opinions and perceptions of all the relevant stakeholders. This study has aided in evaluating the design and planning of the program, on-ground implementation and internal controls. The study found several positive outcomes that resulted from the initiative like increased interest and curiosity in science. Further, marks in science were positively impacted. Moreover, it has helped in reducing fear and anxiety of students and in inculcating an interest in science.

## CSR Activities

### Safe drinking water plants

Laurus installed safe drinking water plants in Munnaluru village in Krishna district and Dibbapalem village in Visakhapatnam district, both in Andhra Pradesh, with capacities of 2000 litres/hour and 4000 litres/hour respectively. The plants provide safe drinking water for a population of 1000 in Munnaluru and 500 in Dibbapalem. The facility at Dibbapalem also caters to 15000 people located in Atchutapuram SEZ. Our other endeavors include planting saplings at every house, putting up street lights, installing RO plants and internet connectivity in Munnaluru. The RO water plants at Atchutapuram are maintained by Laurus.

### Ganesh Idol Distribution

On the occasion of “Ganesh Chaturthi”, about 20,000 eco-friendly idols were distributed to employees and the community.

### Laurus Sankalp

Laurus employees contributed through the employee service trust and employee funds towards several causes. For example, every month, HIV/AIDS-affected children are provided with free medicines and nutritional food with these funds.

### Tree plantation

Laurus Labs has long been working on increasing the green cover by planting trees. We plant trees best known for purifying the atmosphere and providing clean and healthy air to breathe. Around 25,000 saplings were planted at the Jawaharlal Nehru Pharma City, Parawada.



## CSR Activities

### Blood Donation Camps

Every year, blood donation camps are organized at our R&D facility, Hyderabad, where employees volunteer to donate blood. The practice has been going on since inception. It is conducted on the 28th of June to mark birthday of our Founder and CEO, Dr. Satyanarayana Chava. Every year, we provide around 200 bottles of blood.

### Camp Office for Police

Laurus Labs volunteered to construct a camp office in the administrative building of the Commissioner of Police (CP) office in Visakhapatnam. The facility is used to conduct meetings and knowledge-sharing sessions.

### Women Empowerment

Laurus Spandana was launched on March 8, 2018 with the core aim of serving the needy and the underprivileged. The Spandana team constitutes women employees and the spouses of Laurus' employees who are committed to making a social impact. The group also supports women empowerment and drives it as the principal agenda. Spandana identifies and engages with the deprived sections of the society to address their concerns and needs. While Laurus as a responsible corporate citizen extends financial support to the activities, Spandana translates that commitment into timely and impactful action. Spandana works with various governments, schools, orphanages and old age homes etc.



## CSR Activities

### Women Empowerment

In FY 2018-19, the Spandana team collected unused clothes, books and blankets at the stalls set up at our manufacturing facilities. The group later distributed the collection among orphanages, special child homes and old-age homes. Another goal for FY 2019-20 was to replace plastic bags with jute or cloth bags. To meet this commitment, the team put up stalls at strategic road junctions and collected plastic material. These plastic items were exchanged for cotton and jute bags free of cost. Later, around 1000 kg of plastic was handed over to Greater Visakhapatnam Municipal Corporation (GVMC). The group's eco-friendly initiative was well-appreciated and applauded in the local news dailies.

Laurus Spandana has a special focus on childcare and protection. Our activities in these areas specifically concentrate on government-run schools where we organize awareness and sensitization campaigns on child abuse and sexual harassment. Personal hygiene sessions for girls are held and sanitary pads are distributed. Laurus Spandana also conducts dental camps at government schools. During the current Covid-19 pandemic, Spandana undertook several programmes to help the poor and the needy. The group cooked and distributed food to the poor on the streets and the policemen on duty.



### COVID-19 Initiatives

The world is currently witnessing a massive explosion of the Covid-19 pandemic. Laurus Labs has been on the frontlines of extending support to the society reeling under the crisis. It has taken up many initiatives not only to help check the spread, but also to ensure safety and wellbeing of people. Food rations, sufficient for four members in a family for 21 days, were distributed. Food cooked by the Spandana group was distributed to the poor and needy. Sanitizers, masks, PPEs and hand gloves were distributed to the police.



Initiative	Beneficiary	Total Amount
Donated 480,000 HCQ tablets	AP Government (100,000 tablets) Telangana Government (100,000 tablets) Kerala Government (250,000 tablets) Police Department (30,000 tablets)	₹ 26,40,000/-
Donated PPE kits to support Covid-19 relief measures	AP Government	₹ 1,50,00,000/-
Donated to CM Relief Fund to contain Covid-19	AP Government Telangana Government	₹ 1,00,00,000/-
Donated towards police staff welfare	Commissioner of Police	₹ 25,00,000/-
Donated towards measures to contain Covid-19	District Collector	₹ 25,00,000/-
Donated towards measures to contain Covid-19	GVMC Commissioner	₹ 10,00,000/-
Donated grocery kits sufficient for 25 days to the needy and poor families in Vizag and Hyderabad	<b>Visakhapatnam:</b> JNPC Pharmacy Rehabilitation Colony, Tadi, Tanam, Boddapuvanipalem, Parawada, E.Bonangi, <b>Hyderabad:</b> Turkapalli village, Shameerpet Police Station, slum areas, Sri Satya Sai Vidhya Mandir	₹ 72,97,500/-
Donated grocery kits	Paderu, Chintapalli Agency areas, Below Poverty Line (BPL) families through Police department	₹ 5,68,000/-
Donated grocery kits	APSEZ Rehabilitation Colony	₹ 9,33,000/-
Donated vegetable kits to the poor and needy families	SEZ Colony: Ellamanchilli, Rambilli, Atchutapuram	₹ 10,50,000/-
Donated masks and sanitization bottles to needy and essential services people	Police department, APEPDCL, GVMC	₹ 50,000/-
Donated grocery kits to orphanages and old age homes in Visakhapatnam	1. Gnanapuram- Nirmal Hriday , Mother Teresa Home 2. Vikalangula Pathashala, Atchuthapuram Spoorthi Home. Gajuwaka 3. Hrudaya Shanti Old Age Home, Anakapalli 4. Jyanananda Ramananda Ashramam, Venkojipalem 5. Daya Children Home, Anakapalli 6. Aaradhana Children Home, Narava 7. Generation Yuva, Birla Junction	₹ 1,15,240/-
Sponsorship for the project on the study of effectiveness of PVP-I gargles and intra nasal application in reducing the transmission of disease in Corona virus patients	Sakaar Sahyog Charitable Trust, Guntur, AP	₹ 15,00,000/-
<b>Total Amount</b>		<b>₹ 4,36,53,740/-</b>

## CSR Activities

### Connect to Andhra

This is an initiative proposed by the Government of Andhra Pradesh, where we have adopted 222 schools in four districts under the “Naadu Needu” program. Laurus will look into the requirements of the schools and fulfill them under the CSR initiative. We have signed the MoU and are close to launching the first phase.

### Laurus Foundation

The Laurus Foundation Trust, formerly known as the Laurus Employees Trust, was formed. The objective of the Trust will be to support, volunteer and take up projects in the following areas:

- a. Promoting education including special education/higher education; employment to the needy and deserving students; enhancing vocational skills among children, woman, elderly and the differently-abled as part of the livelihood enhancement projects
- b. Support for infrastructure development in government schools and educational institutions in rural areas; promoting interest in science with Science on Wheels, upgrade of laboratories etc.
- c. Eradicating hunger, poverty and malnutrition, promoting healthcare and sanitation; making safe drinking water available
- d. Financial assistance for medical ailments, exigencies and to clinical laboratories performing similar activities
- e. Promoting gender equality and empowering women, setting up old-age homes, day-care centres and such other facilities for senior citizens, and measures for reducing inequalities faced by socially and economically backward sections
- f. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
- g. Conduct social work, community development, environmental development and related services
- h. Support and encourage sports and games at schools and in society at large
- i. Such other activities or for any other purpose, as decided by the Trustees, in accordance with the objects of the Trust.

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