

Integrating **Sustainability** with Productivity





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Chairmen's Message



Shyam S Bhartia
Chairman & Managing Director

Hari S Bhartia
Co-Chairman & Managing Director

Our largest manufacturing site at Gajraula was awarded gold category for its sustainability performance

Dear Stakeholders,

Jubilant Life Sciences' continued focus on sustainability of business aims at improving stakeholder value through improved eco efficient use of capital and natural resources. Our Promise of Caring, Sharing, Growing is the essence of our activities that are directed towards sustainable growth. Jubilant's approach to sustainable development focuses on the triple bottom line of Economics, Environment and Social performance. We are committed and working on various areas for energy conservation and climate change mitigation. Our sustainability efforts have been reported through Corporate Sustainability Report since 2003 and this report has been receiving GRI G3.1 A+ level & GRI Check, since 2007 from Global Reporting Initiative (GRI). This reflects our commitment towards sustainable development and continued efforts directed towards protecting the environment wherever we operate.

In continuation to our efforts in adherence to the principle of transparency, we have prepared this report in line with latest GRI G4 guidelines with higher emphasis in reporting on materiality assessment and sustainable procurement practices.

This year Jubilant's sustainability performance was assessed by its key international customers. Our largest manufacturing site at Gajraula was awarded gold category for its sustainability performance and rated among the top 5% global performers as evaluated by EcoVadis during its latest evaluation. EcoVadis, a global partner of TfS

(Together for Sustainability) for CSR assessment, was engaged by our customers to assess Jubilant Life Sciences' sustainability performance.

Being a responsible corporate citizen, Jubilant has already put in place systems and measures to reduce its impact on climate change in line with its climate change mitigation policy. As part of ongoing activities our Business Excellence (BE) team took up 170 new resource saving projects, out of which 88 were related to energy saving projects, helping to reduce our carbon footprint. We are mindful about global concerns on climate change and India's intention on reduction of Greenhouse Gases (GHG) emission as communicated in its INDC (Intended Nationally Determined Contribution) during COP21(21st Conference of the Parties) and its latest National Tariff Policy 2016. In continuation to our earlier efforts, this year Jubilant has, for the first time, implemented a total of 105 KW capacity solar power projects in its office buildings as an another new renewable energy source, in addition to its exiting renewable energy portfolio comprising of biomass, biogas and bio-diesel. We have also reported our climate change performance this year through Carbon Disclosure Project (CDP), world's largest climate change database representing 822 signatory investors globally.

We continuously monitor our environmental performance and have invested significantly in environment protection technologies at our manufacturing plants. Most of our plants are ISO 14001 certified. RC 14001 (Responsible



We also organised 'Social Entrepreneur of the Year Award-India', a joint initiative between Jubilant Bhartia Foundation and Schwab Foundation

Care) and ISO 50001 based energy management systems are in a matured state of implementation at our manufacturing sites at Gajraula and Bharuch respectively.

As a responsible and employee friendly organisation, we ensure complete workplace safety of our employees, with more emphasis on safety at our manufacturing facilities. Our constant endeavour is to improve safety awareness among our employees through regular training at sites, and this year we have been able to significantly increase our safety trainings against last year. We have also extended our safety awareness training to our suppliers - the transport service providers. To further improve our workplace safety, we have rolled out asset integrity test in our 5 Life Science Ingredients (LSI) sites along with ongoing Quantitative Risk Assessment (QRA) and Layers of Protection Analysis (LOPA) studies at different sites.

Engaging with communities around and partnering with their social activities is our long time practice. However Jubilant has realigned its community activities in compliance to the latest guidelines embedded in Company's Act 2013. Formulation of latest CSR policy and Sustainability & CSR committee at board level is culmination of this. This year we worked on four prime areas of intervention - improvement in elementary education, enhancing health indices through innovative services, escalating employability and supporting community infrastructure. We also organised 'Social Entrepreneur of the Year Award-

India', a joint initiative between Jubilant Bhartia Foundation (not for profit organization established by Jubilant Bhartia Group) and Schwab Foundation for Social Entrepreneurship (a sister organization of the World Economic Forum). The award is given with an objective of recognizing promising and successful social entrepreneurs, with excellence in large-scale, system change models. The social entrepreneurs are one of the key enablers of inclusive growth who implement practical and sustainable solutions to address challenges in numerous areas including health, education, and environment, access to technology and job creation.

As we look forward to the 15th year of our sustainability reporting, we work to ensure that our sustainability focus has a direct link to our strategic priorities. We present our performance and the challenges that lie ahead through this report and look forward to your ideas and feedback that would help us improve our sustainability performance.

Shyam S Bhartia

Shyam S Bhartia
Chairman

Hari S Bhartia

Hari S Bhartia
Co-Chairman & Managing Director



2 Company Profile

We have structured program for continuous improvement of products and processes to enhance the quality of products and cost competitiveness in order to build value for our customers.

Jubilant Life Sciences Limited, is an integrated global pharmaceutical and life sciences company engaged in manufacturing and supply of APIs, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products, Advance Intermediates, Fine Ingredients, Crop Science Ingredients, Life Science Chemicals and Nutritional Products. It also provides services in Contract Manufacturing of Sterile Injectables and Drug Discovery Solutions.

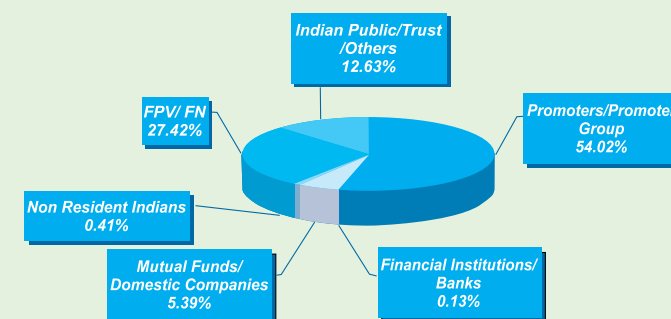
We have structured program for continuous improvement of products and processes to enhance the quality of products and cost competitiveness in order to build value for our customers. Jubilant Life Sciences serves its customers globally with sales to over 100 countries and ground presence in India, North America, Europe and China. We are well recognised as a 'Partner of Choice' by leading life sciences companies worldwide. Jubilant has relationship with 19 of top 20 pharmaceutical companies and 6 amongst top 10 agrochemical companies across the globe.

Over the years, Jubilant Life Sciences has extended its footprint beyond India in USA, Canada, Europe, and other countries across the globe. We have also expanded the business by building capabilities internally, through strategic expansions and acquisitions. This resulted in a network of 7 world class manufacturing facilities in India and 4 in North America and a team of around 6200 multicultural people across the

globe around 1300 in North America and 1000 in R&D.

Jubilant Life Sciences' progress in diverse businesses has been made possible through the contribution of R&D which is focussed on products development and cost reduction through process innovation without infringing patents. Innovation at Jubilant is backed by strong chemistry, bio science expertise and the knowledge bank created over the years. We have harnessed our strengths – a strong R&D team, modern R&D facilities, command over cost effective technologies and economies of scale into a synergistic organic entity, continuously creating and nurturing high quality products and technologies.

We are committed to leverage innovation and scale of operations at every step of the value chain to deliver value to our stakeholders.



Global operations in following countries:



Our Corporate Office:

Jubilant Life Sciences Limited

Plot 1A, Sector 16A, Noida-201301,
Uttar Pradesh, India

Our Manufacturing facilities:

Kirkland, Canada

US FDA approved facility for contract
manufacturing of Sterile Injectables,
Radiopharmaceuticals.

Spokane, USA

US FDA approved facility for contract
manufacturing of Sterile Injectable and Allergy
Therapy Products.

Salisbury, USA

US FDA approved facility for Generics (Tablets &
Capsules)

Nira, Maharashtra, India

Life Science Chemicals

Samlaya, Gujarat, India

Animal Nutrition Products

Bharuch, Gujarat, India

Facility for Vitamins and Crop Science
located in the Special Economic
Zone (SEZ)

Nanjangud, Karnataka, India

Active Pharmaceutical Ingredients facility
approved by US FDA, AFSSAPS France & PMDA
Japan

Ambernath, Maharashtra, India

Facility for Exclusive Synthesis - Pyridine
derivatives

Roorkee, Uttarakhand, India

Solid Dosage formulation (tablets & capsules)
facility approved by US FDA, UK MHRA, ANVISA
Brazil and PMDA Japan

Gajraula, Uttar Pradesh, India

Largest integrated Pyridine & its derivatives
facility in the world

3 Report Profile



The report has been compiled by the Corporate Sustainability team of Jubilant Life Sciences. Key sustainability data and information published in this report has been compiled using the sustainability software 'SoFi', which was implemented this year. In addition to SoFi, the manufacturing facilities utilize Enterprise Resource Planning (ERP) software 'BAAN' for financial accounting, reporting and PeopleSoft Human Resource Information System (HRIS) for human resource data accounting. The data presented in the report is verified through systematic internal

& external audits. There are no changes in the scope, boundary and measurement methods for this year's report. There is no re-statement in the report. There are also no significant changes during the reporting period regarding size, structure, or ownership of the Company.

The information published in the report corresponds to the operations of the Company within India and North America including its Corporate Office, R&D centers in Noida and 11 Manufacturing Facilities across the globe. This report also includes subsidiaries of the Company which have a significant impact on the sustainability performance of the organisation. Energy and water consumption data of employee residential colonies are included wherever they are near our manufacturing locations. All marketing offices are out of the scope of this report.

The key subsidiary companies of Jubilant Life Sciences covered in the report are as follows:

1. Jubilant Pharma Ltd. (JPL)
 - Jubilant HollisterStier LLC, Spokane, USA
 - Jubilant DraxImage Inc., Kirkland, Montreal, Canada
 - Jubilant Cadista Pharmaceuticals Inc., Salisbury, USA
 - Jubilant Generics Limited, India

2. Jubilant Biosys Limited, India
3. Jubilant Chemsys Limited, India
4. Jubilant Infrastructure Limited, India

In case of queries, clarifications, or feedback related to the report, write to:

Mr. Vimal Kulshrestha
Chief Sustainability Officer.
Jubilant Life Sciences Limited,
1-A, Sector 16A, Noida -201301
Uttar Pradesh, India.
Phone: +91-120-4361203
Email: sustainability@jubl.com

The previous Corporate Sustainability Report FY 2014-15 titled 'Waves of Change', was released in August 2015 and is available on the Company website www.jubl.com.

Restatement

In last year's report it was mentioned about total 10 manufacturing sites at 10 locations, however the same has been corrected this year to total 11 manufacturing sites. It is because of 2 businesses at Kirkland site.

Independent Assurance

M/s Ernst & Young LLP has conducted independent assurance for this report and their Assurance Statement is a part of this report.

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Key Impacts, Risks, and Opportunities



Environment Health
and Safety (EHS) Risk
assessment is conducted
by the Corporate
Sustainability Team for all
the facilities.

The Sustainability Policy of Jubilant Life Sciences sets the overall direction for the way of doing business following a sustainable business strategy. To maintain inclusive growth, the Company constantly evolves and revisits its business strategy by continuously assessing expectations of both internal and external stakeholders on a regular basis. The risks and opportunities identified during these stakeholder engagements are assessed, prioritized and integrated in overall business strategy of the Company. Company's senior management sets the business strategy for the coming year in the Business Strategy Meet conducted every year.

With ever-increasing stakeholder expectations and public scrutiny, organisations around the world need to be more thoughtful in managing the business risks arising from environmental and social impacts. These challenges not only bring reputational threats but also direct risks in the form of society and consumer backlash. In order to bring emphasis on these issues, Environment Health and Safety (EHS) Risk assessment is conducted by the Corporate Sustainability Team for all the facilities. The methodology covers identification of Key EHS issues and preparing materiality matrix based on their probability of occurrence and scale of impact. The Company draws out appropriate mitigation plans for all these identified risks which appear to be material to the Company. For the detailed review of these, please refer to Internal Control Systems and Risk Management in the

Management Discussion & Analysis of the Annual Report FY 2015-16.

Internal Control Systems and Risk Management

It is important for a company that the risks are properly managed and controlled, so that the Company can achieve its objectives effectively and efficiently.

Internal Financial Control Framework

Section 134(5)(e) of the Companies Act, 2013 requires a company to lay down Internal Financial Controls system (IFC) and to ensure that these are adequate and operating effectively. Internal financial controls, here, means the policy and procedure adopted by the company for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The above requirement has the following elements:

1. Orderly and efficient conduct of business
2. Safeguarding of its assets
3. Adherence to company's policies
4. Prevention and detection of frauds and errors
5. Accuracy and completeness of the accounting records and timely preparation of reliable financial information

At Jubilant Life Sciences Limited, the internal financial controls system is in place and incorporates all the five elements as mentioned above. In addition, the Company has a transparent framework for periodic evaluation of the internal financial controls in the form of internal audit exercise carried out through the year and online controls self-assessment through Controls Manager Software, thereby reinforcing the commitment to adopt best corporate governance practices.

Policy and procedure adopted by Jubilant Life Sciences to adhere to IFC elements is given below:

Orderly and Efficient Conduct of Business

The Company has a well laid down organisational structure which defines the authority-responsibility relationship. The Company has a formal financial planning and budgeting system in place encompassing short term as well as long term planning. In order to ensure that decisions are made and action taken at an appropriate level, the Board of Directors of the Company has formulated the Delegation of Authority which has been designed to ensure that there is judicious balance of authority and responsibility. The adherence to Delegation of Authority is part of Internal Audit Plan. The Company also has the risk management framework in place which has been discussed under the heading "Our Vision on Risk Management".

Compliance with respect to various statutes, rules and regulations applicable to the Company is managed by Secretarial Department. Status of

compliance is governed through an intranet based application 'Statutory Compliance Reporting System' (SCRS). Respective control owners certify the compliances on a quarterly basis in SCRS and a compliance report is prepared through SCRS. The objective of the SCRS certification is to ensure that the compliances are effectively managed and controlled and that they support the Company's business objectives and corporate policy requirements.

Safeguarding of its Assets

The Company has taken an all industrial risk policy for all of its plants as well as corporate office to safeguard its assets. The Company also carries out a physical verification of its assets.

Adherence to the Company Policies

The Company has two tier policies and procedures viz. Entity Level Controls and Process Level Controls. The entity level controls include a comprehensive Code of Conduct and Code of Ethics. The Company also has a Whistle Blower Policy in place and any employee of the Company can directly write to the Ombudsman's office. We also have process level controls which cover a wide range of key operating financial and compliance related areas like Accounting, Order to Cash, Procurement to Payment, Inventory and Production, Treasury, Legal, Forex, Fixed Assets, Direct and Indirect Tax, R&D, ITGC etc.

Self-assessment certification of controls is being done by the Control Owners through a verifiable

and transparent process and such certification is reinforced by Activity and Location Owners, as they give in-principle approval to the self-assessment by the Control Owners. Result of Controls Manager certification is prepared and presented to the audit committee every quarter by the CFO for exception review.

Controls certification is also being validated by the in-house team through review of the assertions certified by the Control Owners on sample basis regularly across business units, plants, branches and corporate office and validation results of Controls Manager certification are prepared and presented annually to the audit committee.

The above policies are periodically reviewed and refreshed in line with the changes in business and regulatory requirements.

The Audit Committee, on a quarterly and annual basis, reviews the adequacy and effectiveness of the internal controls being exercised by various business and support functions.

Prevention and Detection of Frauds and Errors

Due to the presence of strong Code of Ethics and Whistle Blower Policy, it is generally expected that serious frauds will not take place. In order to prevent and detect frauds and errors, perpetual internal audit activity is carried out by Ernst & Young LLP. Action points and suggestions made by them are discussed in Sub-Audit Committee meeting before presenting the same to the Audit Committee. Subsequently, follow-up audits are

also carried out by in-house internal audit team to ensure implementation of the suggestions. In addition, special audits are carried out by the in-house audit team in areas that may be vulnerable to fraud.

Accuracy and Completeness of the Accounting Records and Timely Preparation of Reliable Financial Information

The Company has a very well documented and updated Accounting Manual based on the existing Indian Generally Accepted Accounting Principles. The Accounting Manual contains detailed guidelines on all aspects of accounting applicable to the Company and has been prepared in line with all applicable accounting standards, guidance notes and expert opinions. This helps in ensuring that the accounts and finance team is well updated on the applicable accounting requirements. Financial consolidation is carried out through an Enterprise Resource Planning system called Hyperion thereby minimising the chances of manual errors. The financial information is verified by the statutory auditors on a periodic basis as per the requirements of Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), ICAI guidelines, etc. The Company provides structured training to the accounts and finance team on a wide range of topics covering Indian GAAP (Generally Accepted Accounting Principles), Ind AS (Indian Accounting Standards), IFRS (International Financial Reporting Standards), Companies Act,

2013, Direct & Indirect taxes, etc. through in-house & outside experts.

Risk Management Strategy

The Company has a strong risk management framework in place that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. The Company has in place established processes and guidelines, along with a strong overview and monitoring system at the Board and senior management levels.

Our senior management team sets the overall tone and risk culture through defined and communicated corporate values, clearly assigned risk responsibilities and appropriately delegated authority. We have laid down procedures to inform Board members about the risk assessment and risk minimisation procedures. As an organisation, we promote strong ethical values and high levels of integrity in all our activities, which by itself significantly mitigates risk.

Risk Management Structure

Our risk management structure comprises the Board of Directors and Audit Committee at the Apex Level, supported by Executive Directors (EDs), Chief Executive Officers (CEOs), Business Chief Financial Officers (CFOs), Functional Heads, Business Unit Heads and Head of Management Assurance function. As risk owners, the Heads are entrusted with the responsibility of identification

and monitoring of risks. These are then discussed and deliberated at various review forums chaired by the Executive Directors & CEOs and actions are drawn upon. Progress against the risk management plan is periodically monitored.

The Audit Committee, Executive Directors, CEOs, CFOs and Head of Management Assurance act as a governing body to monitor the effectiveness of the Internal Financial Controls framework.

Risk Mitigation Methodology

The Company has a comprehensive internal audit plan and a robust Enterprise Risk Management (ERM) system which helps to identify risks at an early stage and take appropriate steps to mitigate the same.

Each SBU Head updates the risk register and identifies top 3 to 5 risks for the business. The CEOs then consolidate top 10 risks of the Life Science Ingredients segment and report the same on a periodic basis to the Board of Directors along with mitigation plan.

The Company has a quarterly certification process wherein, the concerned control/ process owners certify the correctness of entity level and process level controls. The certification process has been in operation for the last 10 years and covers about 2,000 controls. The process level controls cover a wide variety of key operating, financial and compliance related areas while entity level controls cover integrity and ethical values, adequacy of



audit and control mechanism and effectiveness of internal and external communication, thereby, strengthening the internal financial control systems and processes with clear documentation on key control points. This has made our internal controls and processes stronger and also serves as the basis for compliance with the provisions of the Listing Regulations.

Management's Assessment of Risk

The Company identifies and evaluates several risk factors and draws out appropriate mitigation plans associated with the same. Some of the key risks affecting its businesses are laid out below:

- Competition, Cost Competitiveness & Pricing
- Foreign Currency and Interest Rate Exposures
- Capacity Planning and Optimisation

- Manufacturing Operations
- R&D Effectiveness
- Human Resources – Acquire and Retain Talent
- Compliance and Regulatory
- Environment, Health and Safety (EHS)
- Protecting Intellectual Property Rights (IPR)
- Information technology (IT)

Since employee awareness is an integral part of managing information security risk, company provides structured training to the employees through internal & external training programmes. The Company also publishes monthly Information Security newsletter to create end user awareness about information security risks and mitigation strategies.

4

Governance



Jubilant Life Sciences is led by a team of eminent individuals who inspire, lead and contribute to the growth of this Company.

Highest Governance Body

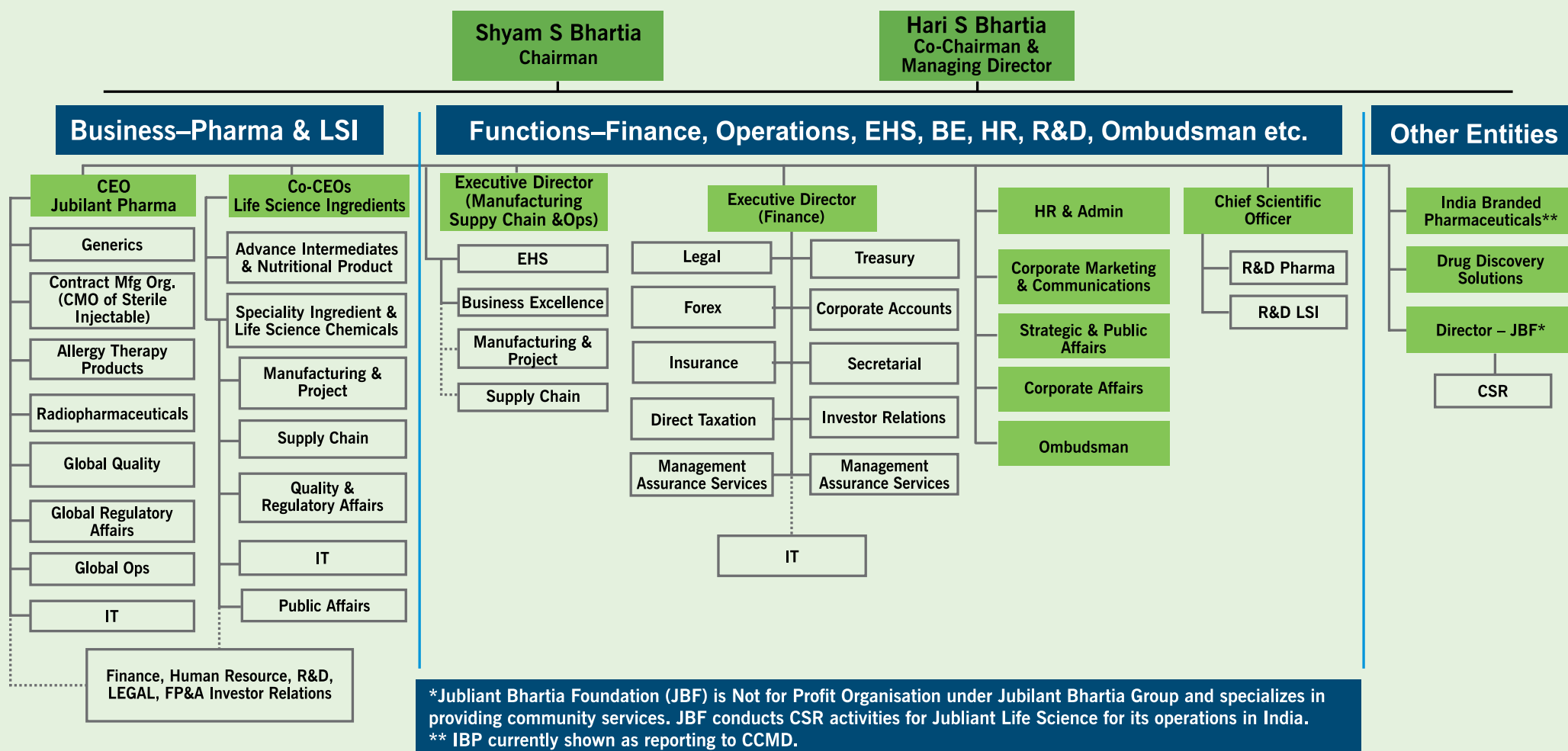
The Board of Directors ('Board') is the apex and highest governing body in Jubilant Life Sciences. The Board along with its Committees provides leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures. The Board's objective is to create sustainable value for all stakeholders, provide vision to the Company and oversee the implementation of the Board's decisions.

Jubilant Life Sciences is led by a team of eminent individuals who inspire, lead and contribute to the growth of this Company. Board of Directors of Jubilant has a judicial mix of executive, non-executive, independent and non-independent Directors. As on 31st March 2016, the Board comprised of 2 Executive Directors and 5 Non-Executive Directors. The Board had 4 Independent Directors including one woman Director. All members of the Board are well experienced and bring expertise in the fields of Life Sciences, Pharmaceuticals, Chemical Engineering, Banking, Accounts, Law, Administration, etc. to the table.

The Independent Directors constitute a majority of the Board, thus ensuring independence and transparency of the Board's decision-making process. The Independent Directors are not associated with the Company in any executive capacity. They do not have any material pecuniary relationship with the Company other than their remuneration. The Independent Directors, by furnishing a Certificate of Independence to the Board, affirm their independence on an annual basis.

Co-Chairman and Managing Director (CCMD) is the highest Executive Officer of the Company. He belongs to the promoter group and along with the Chairman has led the Company to its present growth and success. The Chief Executive Officers (CEOs) of various businesses are responsible for smooth functioning of their respective businesses and they are placed one level below the Board. This also includes the development of business strategies as well as due consideration of the interests of all the stakeholders. The business strategies and plans are reviewed during the Annual Strategy Meet by the Chairman, CCMD, Executive Directors and CEOs.

The Global Management Team of Jubilant is presented below:-



To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees with clearly defined terms of reference and scope. Committee members are appointed by the Board with the consent of individual Directors. The Committees meet as often as required. Minutes of the meetings of all Committees of the Board are placed at the subsequent Board meeting for noting. Major Committees are:

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee
- Sustainability & CSR Committee
- Finance Committee
- Capital Issue Committee
- Fund Raising Committee

The role, terms of reference and composition of these committees are available in detail in the Corporate Governance Report forming part of the Annual Report.

There are several codes and policies framed by the Board in compliance with the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'). Following are the key policies which provide broad guidelines for smooth and transparent functioning of the Board:

- Code of Conduct for Directors and Senior Management

- Code of Conduct for Prevention of Insider Trading
- Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions'
- Corporate Social Responsibility Policy
- Policy for Determining Materiality of Events and Information
- Policy on Board Diversity
- Succession Plan for Board Members and Senior Management
- Performance Evaluation Policy
- Appointment and Remuneration Policy
- Whistle Blower Policy
- Policy for Determining Material Subsidiaries

To measure and drive business performance on a continuous basis, various Executive Committees have been constituted. The Committees comprise of Chairman, Co-Chairman and Managing Director (CCMD), Executive Director – Manufacturing & Supply Chain, Executive Director-Finance and other Senior Executives of the Company. Meetings of these Committees are held periodically depending upon the business requirements.

Some of these committees are:

- Supply Chain Committee
- Purchase Committee
- Business Performance Review Committee: to review key revenue and profitability drivers on a continuous basis
- Capex Committee

- Credit Control Committee
- Functional Review Committee

OUR PROMISE

Caring, Sharing, Growing

We will, with utmost care for the environment and society, continue to enhance value for our customers by providing innovative products and economically efficient solutions; and for our stakeholders through growth, cost effectiveness and wise investment of resources

OUR VISION

- To acquire and maintain global leadership position in chosen areas of businesses
- To continuously create new opportunities for growth in our strategic businesses
- To be among the top 10 most admired companies to work for
- To continuously achieve a return on invested capital of at least 10 points higher than the cost of capital

At Jubilant Life Sciences, good governance is a tradition and a way of life and 'Our Promise' and 'Our Vision' set the overall direction on corporate governance of the Company.

The Vision, Values and Promise statements of the Company are adopted by businesses and all other functions in the Company. There are several internally developed policies and codes adopted

by the Company for good corporate governance. In addition to above mentioned policies framed by the Board there are several other policies adopted by the Company ensuring effective governance in regular operations. These include:

- Sustainability Policy
- Climate Change Mitigation Policy
- Environment, Occupational Health and Safety Policy
- Responsible Care Policy
- Green Supply Chain Policy
- Quality Policy
- Code of Conduct for Employees
- Child Labour Policy
- Policy on Forced and Compulsory Labour
- Bribery and Corruption Policy
- Freedom of Association Policy
- Policy on Prevention of Sexual Harassment
- Non Discrimination Policy

The Company's Corporate Governance philosophy is led by core principles of:

- Caring for the environment which includes caring for the society around us;
- Enhancement of stakeholders' value through

pursuit of excellence, efficiency of operations, quest for growth and continuous innovation;

- Transparency, promptness and fairness in disclosures to and communication with all stakeholders including shareholders, Government authorities, customers, suppliers, lenders, employees and the community at large;
- Complying with laws in letter as well as in spirit;

Compensation for the members of the highest governance body

The Company's Directors' Remuneration Policy aims at encouraging and rewarding good performance/contribution to its objectives. Non-Executive Directors are entitled to the following remuneration:

- Sitting fees for attending meetings of the Board of Directors and its Committees; and
- Commission, as decided by the Board and approved by the members, up to a maximum of Rs. 10,00,000 per Director in a financial year, subject to aggregate commission to Non-executive Directors not exceeding 1% of net profits computed pursuant to the provisions of the Companies Act, 2013.

The remuneration of Executive Directors is paid as recommended by the Nomination, Remuneration and Compensation Committee and approved by

the Board and Shareholders. Remuneration of Executive Directors consists of a fixed component (salary, allowances, perquisites, other benefits) and a variable component (variable pay or commission as approved by the shareholders). Further, Executive Directors are also given Stock Options. However, Managing Directors who belong to Promoter Group are not eligible for Stock Options. Remuneration Committee ensures that the levels of remuneration are sufficient to attract, retain and motivate Directors to run the Company successfully. During reporting period the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) was 138. And the ratio of percentage increase from last year in annual total compensation of the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) was 5.

Avoidance of Conflict of Interest

In terms of the Code of Conduct for Directors and Senior Management, Directors and Senior Management must promptly disclose (to the Board of Directors in case of Directors and to the CCMD in case of Senior Management) if their personal interest interferes with the interest of the Company. Further, in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Directors and Senior Management are also required to confirm



to CCMD on an annual basis, that they have not entered into material financial or commercial transaction, has been entered into by them which could have potential conflict with the interests of the Company at large; these affirmations are placed before the Board.

The Company has implemented a 'Code of Conduct for Prevention of Insider Trading' in the securities of the Company for observance by its Directors and Designated Persons. The said Code, inter alia, prohibits trading of securities of the Company by Directors and Designated Persons while in possession of the unpublished price sensitive information in relation to the Company.

Conflicts arising, if any, can be resolved through informal discussions. However, if any conflict is unresolved, the following approach is adopted by the Company:

- Analyse or review the situation of conflict;
- Organise meeting jointly with the concerned parties to know their perspective; and
- Reconcile through the involvement of senior executives.

In case, it is not possible to solve the conflicts, the matter is dealt by senior persons/outside reputed persons. However, no such cases occurred during the year.

Grievance Redressal

Jubilant Life Sciences has formulated a 'Whistle Blower Policy' to enable full-time employees and Directors to voice concerns anonymously without the fear of retaliation /victimization / discrimination which is a sine qua non for an ethical organisation. To further augment the Corporate Governance standards, an office of the Ombudsman for the Jubilant Bhartia Group has been established. Any issue or concern may be reported by e-mail to ombudsman@jubl.com or by logging on to www.cwiportal.com, an external web portal with whom Jubilant has tied up for processing issues/ concerns independently and confidentially.

Precautionary Approach

India is party to international protocols/ forums on precautionary approach and Indian laws & regulations are also based on these aspects. The Company has a system of Statutory Compliance Reporting System (SCRS) for managing compliances as a part of the precautionary approach to prevent any non-compliance. This system is web-based and is hosted on the Company's intranet and covers all Indian manufacturing locations of the Company. The status of statutory compliances is reviewed on a quarterly basis by the Executive Director and CEOs of the Company.

6

Stakeholder Engagement

Jubilant Life Sciences has diversified global business and is actively servicing its customers in more than 100 countries.



Stakeholder engagement is the foundation of every sustainable business model. Jubilant Life Sciences recognizes the essence and invests significant time and efforts in improving the mode of stakeholder engagement. The Company has always strived to continue an active dialogue with all its stakeholders. Stakeholder aspirations and concerns are important elements of Jubilant's decision-making process. The Company has a robust system for maintaining a progressive relationship with its stakeholders.

The key engagements this year include the following:

Customers:

Meeting customer requirements is essential for our inclusive growth. Recently, there has been a paradigm shift in customer expectation and the management is meticulously reaching out to customers for understanding their expectations & concerns and addressing them on time. Jubilant Life Sciences has diversified global business and is actively servicing its customers in more than 100 countries. The Company is engaged in continuous improvement of products and processes to enhance the quality of production and cost competitiveness in order to build value for customers. Jubilant is well recognised as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies worldwide. In the year 2014-15 the Company implemented Salesforce.com-Customer Relationship Management (CRM) software. Salesforce.com gives the Company an

effective digital platform to address customer queries more efficiently. Any customer can float a product query and dedicated business personnel responds to those queries online. The Company regularly participates in various national and international exhibitions to engage with existing and prospective customers. Further, customer satisfaction is assessed periodically for each business unit and initiatives to improve are taken accordingly.

Key events participated by Jubilant Life Sciences in 2015-16

CPHI Japan, Tokyo - April 2015

Chemspec Europe, Germany - June 2015

IFT '15 USA, Chicago – July 2015

Food Ingredients Asia, Thailand – Sep. 2015

CPHI Worldwide, Madrid (Spain) - Oct 2015

India Chem, Gujarat – Oct. 2015

Poultry India Expo, Hyderabad-November 2015

Food Ingredients Europe, Paris–December 2015

CPHI & PMEC India, Mumbai -December 2015

Jubilant Life Sciences Customer Meet, Hyderabad - March 2016



CPHI Japan



Food Ingredient Asia

Recently some of our global customers have started evaluating our sustainability performance on a regular basis. And since year 2013, EcoVadis has been assessing Jubilant Life Sciences' sustainability performance on behalf of several global customers like BASF, EMD, Johnson & Johnson and others. Latest assessment conducted by EcoVadis in March 2016 has rated sustainability performance of its largest manufacturing site at Gajraula under Gold Category and benchmarked Jubilant Life Sciences among top 5% global companies assessed by them so far.

EcoVadis operates collaborative platform providing Supplier Sustainability Ratings for global supply chains. With a focus on maintaining quality and integrity, EcoVadis has become a trusted partner for procurement organizations in more than 120 leading companies worldwide. Combining People, Process and Platform, EcoVadis' has developed the industry-leading team, innovative technology, and a unique CSR assessment methodology that covers 150 purchasing categories, 110 countries, and 21 CSR indicators. More than 20,000 companies use EcoVadis to reduce risk, drive innovation and foster transparency and trust between trading partners.

CSR Performance Improvement Trend Assesed by EcoVadis	The Company	The Company	Gajraula Facility	Trend Cerve
	Jul-13	Aug-15	Mar-16	
Environment Score	60	60	80	
Labour Pracities Score	60	70	70	
Fair Business Practices Score	60	60	70	
Sustainable Procurement Score	40	40	60	
Total	56	60	73	

CSR PERFORMANCE

Environment	ENV
Labor Practices	LAB
Fair Business Practicies	FBP
Sustainable Procurement	SUP

Elements of CSR Assessment

CSR Performance

	Outstanding
	Advanced
	Confirmed
	Partial
	None

Assessment Ratings

Shareholders:

Jubilant Life Sciences recognizes the contribution of its investors & shareholders and interacts with them on continuous basis to understand their concerns, expectations and also to improve the quality of service to them. Our shareholders are kept engaged and updated about the Company's performance, which helps them take informed investment decisions. The Company informs its shareholders through the Quarterly Financial Results, Annual Report, Corporate Sustainability Report periodically and Press Releases as and when appropriate. A dedicated email id investors@jubl.com has been set up to promptly and effectively handle multiple kinds of investor queries and issues. Apart from this, feedback forms are circulated on an annual basis and the same are also made available online through our website www.jubl.com. The shareholders also have an opportunity to share their valuable

suggestions with the Board of Directors during the Annual General Meeting. In addition, where the shareholders have expressed their opinion through e-mails to the Company Secretary, the same are forwarded to the concerned authorities for necessary action.

During 2015-16 the Annual General Meeting (AGM) for investors was held on 1st September, 2015 at Gajraula, India. Apart from this, 4 quarterly investor conference calls were conducted during the year attended by over 100 participants from leading brokerage houses, foreign and domestic institutional investors, banks, insurance & portfolio management companies and rating agencies. These quarterly calls are a platform to convey and discuss the Company's financial and operational performance. In addition there were over 250 regular investor meets and calls during 2015-16.

Employees

Jubilant Life Sciences believes that engaged and inspired employees are key asset. Hence the management drives, supports and periodically reviews its initiatives to enhance employee engagement. Human Resources team works towards greater involvement of employees leading to increased satisfaction and enhanced commitment levels.

To foster better employee engagement with senior management, the HR department has initiated several communication programs like Town Hall Meets, Skip Meeting, and Open House from this year. Other employee engagement initiatives driven by corporate HR team are Team Outbound, Sales Meet Interaction, Reward & Recognition program and Chairman's Awards program

Communication Forums

Forum	Agenda	Meeting Conducted in 2015-16
Town Hall Meets	Open platform for employees to interact with Co-CEOs	4
Skip Meeting	Interaction of COD/ Co-CEOs with N-1 employees	6
Open House	Platform for R&D employees to interact with CSO	1

Intervention	Agenda
Team Outbound	Program to develop stronger bond among employees with organisation and direct focus on organisations expectations
Sales Meet Interaction	HR interaction with all employees related to an SBU and update them on Key HR activities / motivation
Rewards & recognition Program	Re-launch the R&R program with new categories and efficient governance
Chairmen's Awards	Target Annual Chairmen Awards ceremony towards Dec'15

Employee engagement programs are also organised at all manufacturing facilities and offices on various occasions like National Safety Day, World Environment Day, Breast Cancer Awareness Day, Holi, Diwali and others occasions where employees meet and interact with each other.

Further, we believe regular employee communication is an important engagement tool. This is accomplished effectively through a bimonthly in-house e-newsletter 'Symphony'. Symphony covers business news, employee engagement activities and initiatives. Apart from this, there are department specific newsletters which are information sharing platforms circulated to all employees for creating awareness.



Includo workshop organized at corporate office to foster workplace diversity & inclusivity



World Environment Day Celebration



Nepal Disaster Relief:



PIP Meet, May 2015



Suppliers and Vendors

At Jubilant we treat our suppliers as our partners in our sustainability journey. Our suppliers, contract manufacturers & service providers are intrinsic to the business. We have processes and systems in place to engage with them on a continuous basis. The various categories of suppliers include raw material & packaging vendors, engineering item suppliers, transporters, contractors, and other service providers. Considering growing demand for a sustainable supply chain globally, Jubilant has already developed and communicated its Green Supply Chain policy to its suppliers. We also regularly update our suppliers on the latest sustainability procurement requirements. Supplier concerns are addressed through various interactions on a continual basis and through annual Partners in Progress (PIP) meet. During the reporting period, PIP meet was conducted on 13th May, 2015 and 75 suppliers participated in the event. The top management shared the financial and sustainability performance during the event. Selected suppliers were rewarded for their achievements. The PIP Meet serves as an effective platform for the suppliers to share their views for a long term relationship with the Company. We also introduced eJ-Buy- an e-procurement tool

for paperless buying, to increase efficiency & greater transparency in procurement process and systematic information flow.

To fulfil our Green Supply Chain commitments, the standard terms and conditions cover clauses on compliance to EHS, human rights and social requirements relevant laws of the land since 2014. Supplier Audits are conducted annually to cover critical vendors at least once in three years. During supplier's audit, whether new or existing, Jubilant's quality assurance (QA) teams assess supplier's performance against their environment, labour practice, human rights and social impact. Dedicated environment & social audit was conducted in 2015-16 for 10 (5 each in Pharmaceuticals and LSI business) external manufacturers out of total 35 manufacturers. However, in case of Life Science Ingredients business, 18 new and 47 existing vendors were audited in 2015-16 against environment, labour practices, human rights and social criteria along with standard quality, infrastructure and other applicable criteria. During these supplier audits no significant environment and social impact came to our auditor's notice and hence none of the new and existing vendor was either rejected or delisted during 2015-16.

	Unit	Total Existing suppliers	New suppliers audited	Existing supplier audited	Existing supplier delisted due to environment or social impact	Existing supplier delisted due to environment or social impact
Ingredient Business	No.	1089	18	47	0	0
External Manufacturer	No.	35	0	10	0	0
Total Supplier	No.	1124	18	57	0	0



Road Safety Training Program: 'Nischay'

The Company is always concerned about road safety during transportation of its products and raw materials. The road incidents due to third party transportation are analysed and actions are taken to avoid recurrence of such incidents. In order to improve transporter safety, 'Behavioral Safety Training with focus on Defensive Driving' was imparted to transport service providers. During 2015-16 two external trainings on Defensive Driving (Nischay) were conducted at our manufacturing locations in Gajraula on 18th September 2015 and Nira on 7th Jan. 2016. Both training programs were conducted by IDTR (Institute of Driving and Training Research) certified external faculty and total 92 transport service providers and drivers attended these external training. In addition to the above

mentioned external trainings, several internal trainings were conducted by in-house experts at Gajraula, Nira & Roorkee during the reporting period. During 2015-16 there were total 10 road incidents against 13 in 2014-15.

Government

The Company proactively interacts with government and regulatory authorities on an ongoing basis through various industry bodies and other related platforms. Jubilant strongly believes in being fully compliant with applicable laws and regulations.

Media

The Company adheres to all applicable laws, standards, and voluntary codes related to marketing communications. Regular media



engagement activities are undertaken with an objective to keep its stakeholders updated about the critical business developments. The Company issued 18 Press Releases during the year.

Community

Jubilant recognizes that it is extremely important for any organization to function in sync with the community it operates in. Jubilant Bhartia Foundation (JBF), the corporate social responsibility wing of the Company was established in 2007, strongly focussed on fulfilling 'Our Promise' of Caring, Sharing, Growing. JBF touches different areas of social development including primary education, basic healthcare and skill development for employability and self-sustenance.

JBF's regular interface with the local opinion leaders and community representatives provides adequate feedback which helps to evaluate the community requirements and measure impact of foundations social initiatives. This feedback helps to shape the community initiatives at the manufacturing facilities. CSR teams at various locations interact continuously with the community to address the local needs.

Two formal community engagements were conducted in Gajraula & Bharuch in 2015-16. During these community interfaces, the Company briefed, about the ongoing activities and community programs taken up by Jubilant and also noted the community feedback. Details of the

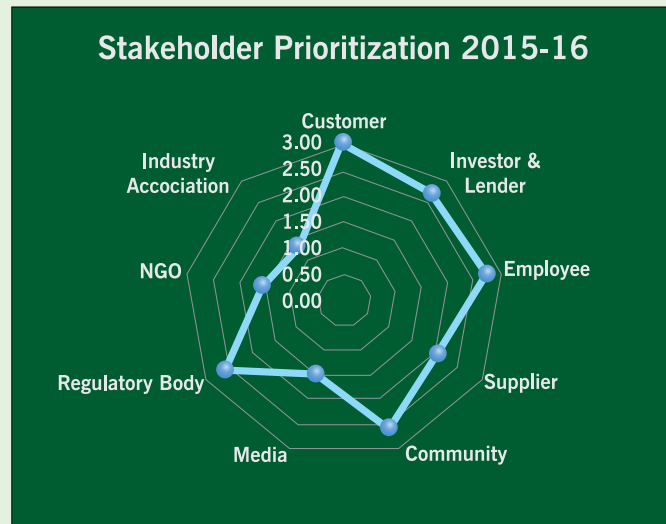
community development program and activities have been delineated under social section of this report. In addition to above planned activities in 2015-16, Jubilant Bhartia Foundation (JBF) also supported Corporate Disaster Resource Network (CDRN) in Nepal Quake Response by facilitating employee donations received across Jubilant Bhartia Group.

Stakeholder Prioritization and Materiality Assessment:

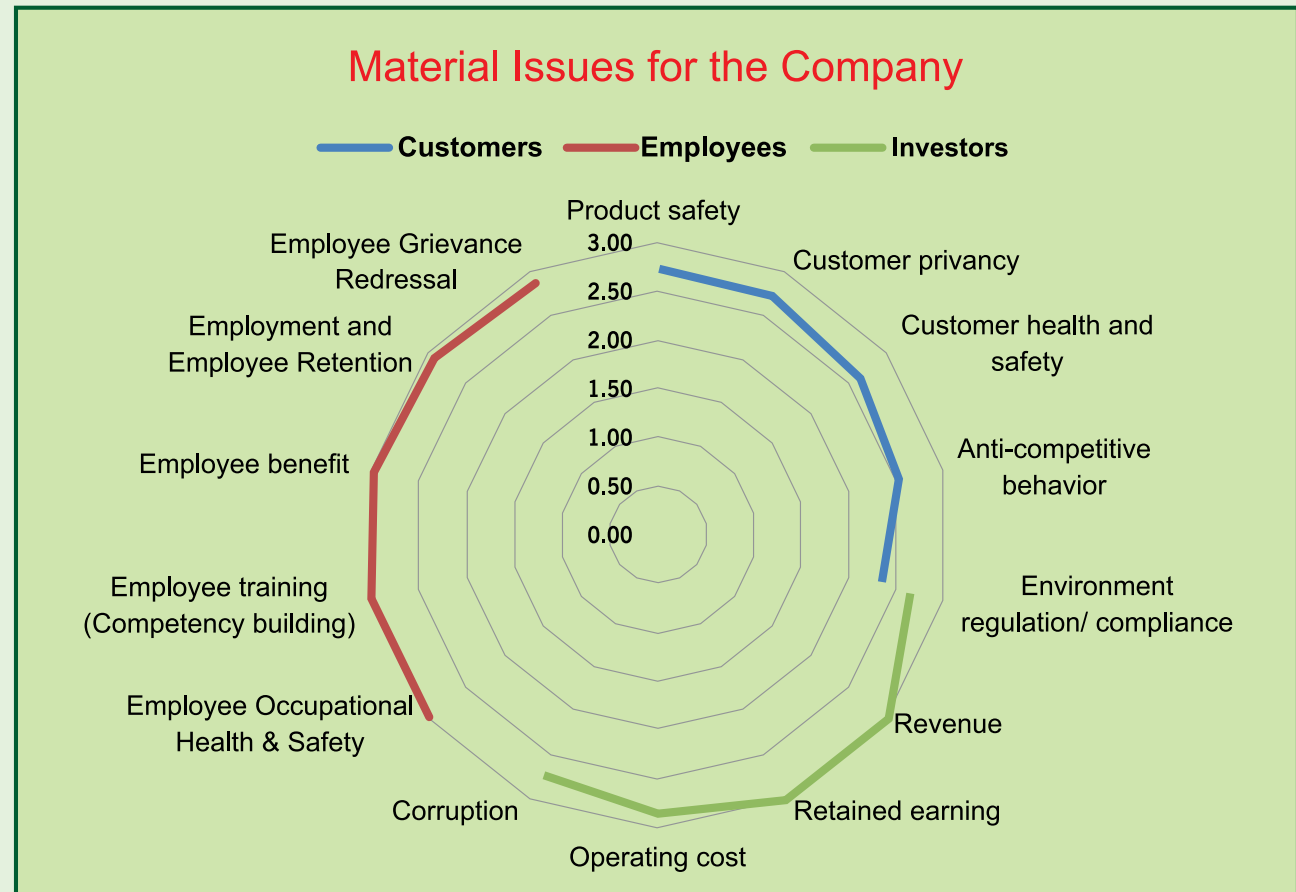
In continuation to the above mentioned detailed stakeholder engagement and interaction, the Company appreciates the need for formal & systematic approach towards stakeholder prioritization and materiality assessment for better understanding of the ever changing expectations of our stakeholders. In this regard a formal system was developed and introduced last year for Stakeholder Prioritisation & Materiality Assessment. In Phase I, the Stakeholder Prioritisation & Materiality Assessment Survey was conducted, internally engaging the senior leadership team to assess the Company's key stakeholders and key issues influencing decisions of stakeholders. A detailed survey questionnaire with list of stakeholders and list of economic, environment and social issues was sent to top management for their identification & prioritization of key-stakeholders and issues material to these key stakeholders. Details of the survey findings have been provided below. Based on the outcome of the survey, Phase II on stakeholder prioritisation

will be conducted covering external stakeholders. From this year onwards, materiality assessment will be conducted every four years involving key company stakeholders with an objective to assess if the Company's targets, initiatives and strategy are in line with the views of key stakeholders.

The results of the Stakeholder Prioritisation assessment provided the key stakeholders for the Company, as perceived by our top management, and these are depicted in following graph.



Materiality Assessment results including top 5 material issues for our top 3 stakeholders, as perceived by our top management, depicted in the graph below:





7 Economic Performance

The Company delivered strong and consistent performance through the year thereby achieving highest-ever EBITDA of INR 12914 million in FY2016.

As a responsible corporate citizen the Jubilant Life Sciences is constantly engaged in delivering value to its stakeholders through its promise of Caring, Sharing, Growing. Executive Director- Finance of the Company ensures internal controls through internal audit team. Finally, annual statutory audit is carried out by third party in line with country regulation and financial performance is assessed and publicly reported after approval by the Board of Jubilant Life Sciences Limited.

The revenue for the year 2015-16 was INR 58023 million. The Company delivered strong and consistent performance through the year thereby achieving highest-ever EBITDA of INR 12914 million in FY2016. This growth has been led by its' Pharmaceuticals segment, specifically the Specialty Pharmaceuticals (Sterile Products) business. The international sales of the Company comprises of revenue from North America & Europe at 61.3%,

China at 3.4%, others at 8.7% and India markets at 26.6% respectively. The Company paid net taxes of 1,680.27 million INR at the consolidated level (this amount mentioned, does not include deferred taxes and minimum alternate tax). This year the Company received export benefit of 393.48 million INR from Government. The paid up capital was INR 159.3 million and consolidated debt was INR 37721.76 million.

During this year the production from Indian operations were 441436 MT of bulk products and 753 million capsules and tablets. Production from North American plants this year were 1506 million nos. which excludes production from radio-pharmaceuticals business. The Company has total assets of INR 89470.24 million. For detail about company's annual financial performance, please refer our Annual Report 2015-16 available on the Company website:



Economic Performance	Units	2013-14	2014-15	2015-16
Direct Economic Value generated				
REVENUE	INR Million	58,033.63	58,262.47	58,023.20
EBITDA	INR Million	10,267	7,317.10	12,914.18
Normalized PAT	INR Million	3,235	(-) 96.6	4,140.20
Economic Value Distributed				
Major operating costs	INR Million	35,034.46	35,562.06	31,259.94
Employee wages and benefits	INR Million	11,051.68	10,902.76	11,267.28
Payments to providers of capital	INR Million	544.55	575.12	575.12
CSR Investment around Indian Operations	INR Million	21.19	21.6	25.90
Retained Earnings	INR Million	26,110.68	24,375.86	28,936.39
Overall Social Investment (including donations)	INR Million	72.33	102.48	74.81
Company Contribution in Long term employee benefits	INR Million	187	191	196
PF Contribution	INR Million	145	135	130
Pension Contribution	INR Million	30	47	58
Superannuation Contribution	INR Million	12	9	8

Market Presence

The Company recruits employees based on their skills and merit however, local employees are preferred while they meet the specific role set by the Company. Employee salaries are always higher than the minimum wages mandated by the local regulation. The prevailing law in North American manufacturing locations is very stringent

and any form of gender discrimination is prohibited. The Company sources its material, machinery, spares stores etc. from across the globe without compromising on quality and value. Preference is given to local suppliers if they satisfy the requisite specifications. In monetary terms, 26.14% of the material was sourced domestically whereas 73.86% was sourced from other countries for Indian operations in 2015-16.



8

Environmental Performance:

The Company has already started implementing RC 14001 in its largest manufacturing facility and corporate office in India.

The increasing stress on the finite natural resources has made businesses more conscious about the impact on environment due to their business activity. Jubilant Life Sciences is very much aware and careful about the environment in and around its manufacturing facilities and is continuously working towards reducing its environment footprint.

Environment Management

In response to its commitment towards better environment performance, Jubilant's top management has designed and implemented several policies and communicated the same to its employees and other stakeholders. Environment, Occupational Health & Safety (EHS) Policy and the Climate Change Mitigation Policy sets overall direction of the Company's aspiration towards achieving environment performance excellence. In addition the Company has also adopted and communicated Green Supply Chain Policy to its suppliers, expecting them to be sensitive towards environment. From year 2014 the Company has also adopted and communicated Responsible Care Policy, which depicts Company's commitment towards reducing environmental impact due to its business activities beyond the boundaries of its manufacturing facilities. The Company has already started implementing RC 14001 in its largest manufacturing facility and corporate office in India.

To achieve its commitment on environment, the Company sets environmental objectives &

discloses the same publically. The performance against these objectives is reported to the Board of Directors and presented in the Corporate Sustainability Report. Apart from this, specific EHS Goals are set and tracked under environment and safety management systems at respective manufacturing locations.

The Company has put in place dedicated EHS team, both at corporate and site level to take care of all environmental issues arising out of company activities. Chief Sustainability Officer is responsible for the Company's overall EHS performance. Environmental performance is reviewed regularly through internal and external audits. New projects are assessed for identifying any potential hazards related to environment, health and safety. The Executive Director and the Sustainability & CSR Committee review the EHS performance on a half yearly basis along with the entire sustainability performance. Sustainability related aspects are included in the induction training for all new employees. Employees are also provided technical training to support their work. During reporting period Key Result Areas (KRAs) on EHS indicators were prepared for company CEOs for better emphasis and focus on EHS issues of concern of the Company.

In order to track timely closure of environmental issues raised for continual improvement at our manufacturing facilities 'Jagriti' has been deployed. Jagriti is an in-house developed, e-enabled software for tracking environmental related observations and analysis to have preventive

actions for achieving higher level of environmental standards.

The Company invests significantly for environmental protection and management. During this year, the Company approved capital expenditure projects worth 77 million INR for environmental pollution control and management measures.

Management Systems

Most of the manufacturing units of Jubilant Life Sciences have implemented Environmental, Occupational Health & Safety Management systems following international standards like ISO 14001 and OHSAS 18001. ISO 14001:2004 has been instrumental towards development of practices encompassing environment management principles. OHSAS 18001:2007 is instrumental in setting up OHS System across units.

We are a signatory to Responsible Care, an initiative of global chemical industry that drives continuous improvement in environmental, health & safety (EHS) performance, together with open and transparent communication with stakeholders. The Company submits annual report against Key Performance Indicators (KPI) to Indian Chemical Council (ICC), which is a member of International Council of Chemical Associations (ICCA).

Key approvals and certifications of Indian facilities on Environment, Occupational Health & Safety, product safety and quality and others:

Existing	Gajraula	Bharuch	Nira	Samlaya	Ambernath	Nanjangud	Roorkee
ISO 9001							
ISO 14001							
OHSAS 18001							
ISO 22000							
cGMP							
FAMI-QS							
FSSC 22000							
HALAL							
KOSHER							
ISO 17025							
US FDA							
Ongoing							
RC 14001							
ISO 50001							

World Environment Day 2015

The Company celebrated World Environment Day on June 5th to sensitize the employees for the cause of environment conservation. In order to support the cause, awareness activities were organised at manufacturing plants and

the corporate office involving employees and their family members. Some of the activities like plantation drive, environmental oath, drawing, quiz, fancy dress etc. were performed across locations.



**Environment Day
celebration at
Corporate office**

On the road to 'Green Chemistry'

Jubilant manufactures Pyridine using alcohol produced from agricultural feedstock (molasses) instead of using alcohol produced by conventional petro route. As per the latest Life Cycle based carbon footprint study in 2011-12, it was evident that pyridine manufactured by Jubilant through ethanol (biogenic source) route has a much lesser carbon footprint than similar products which are manufactured through conventional petro route.

Bio-Diversity

No species listed in the International Union for Conservation of Nature (IUCN) Red List and National Conservation List was found to exist in or near the manufacturing operations of the Company. All our manufacturing facilities are located outside biodiversity sensitive or notified protected areas; therefore there is no such case of habitats significantly affected by discharges of water and runoff from Jubilant.

Material in Use

To remain cost competitive Jubilant Life Sciences always practices efficient use of quality material in its processes. The Company utilizes molasses as its key raw material which is biogenic in nature. Other



**Environment Day
celebration at
Nira Plant**

major raw materials are alcohol & process chemicals. Molasses and press mud (used for bio-fertiliser) are by-products and waste from sugar industries and are renewable in nature and constitute over 40% of the total major raw material consumption. Process chemicals like solvents are recovered and recycled wherever possible.

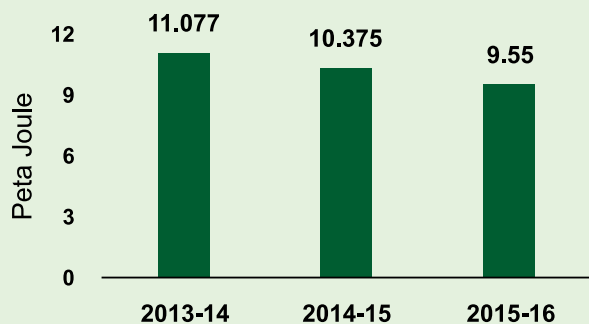
Energy Consumption & Conservation

Cost of energy and its linkage with climate change impact is a major business concern at Jubilant like any other industry. To optimise its energy consumption and decouple climate change impact from energy

We are founding member of GRI's Sustainability and Transparency Consortium in the Chemical Sector.

We are also the first Indian Company to have joined the organizational stakeholder program of Global Reporting Initiative (GRI), when it was launched in India in 2005.

Total Energy Consumption



usage the Company has decided to focus on improving process energy efficiency, find alternate sources of uninterrupted low cost energy and increasing the percentage of renewable energy in present energy mix. During current reporting period, Jubilant has



inducted solar energy in its present renewable energy mix of bio-gas, biodiesel and biomass. The Company has implemented roof top PV system at its corporate office (45 kWp) at Noida and at another office (60 kWp) at Greater Noida, India. Around 45000 kWh of solar power was generated and consumed replacing equivalent grid power this year. From August 2015 Nira site is purchasing power from open access route to reduce its energy cost and is under RPO obligation. However the Company has linked its RPO obligation to power purchase unit cost agreement made with M/s Global Energy Pvt. Ltd. and has complied with this obligation.

This year there was 8% reduction in total energy consumption. This was primarily due to reduction in total production in Life Science Ingredient business. This year out of total energy consumption 4.4% was sourced from renewable energy including solar energy. During reporting period the energy intensity of LSI & APIs business was calculated to 20 GJ/ MT and 526 GJ/ MT of finished goods produced, respectively.

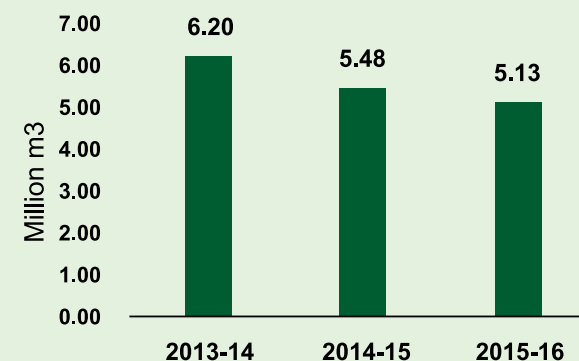
Similar to every year the Company took up several resource savings initiatives at its manufacturing facilities. During this reporting

period total 170 new projects were taken up by the Business Excellence team of the Company. All these new projects along with other 35 carry forward projects from previous year led to total savings of INR 884 million to the Company. There was total 88 energy savings projects which led to an estimated saving of 537 TJ equivalent of energy and reduction in 47000MT of CO₂e

Water and Waste Water Management

Jubilant Life Sciences is aware about growing conflict for water usage between industry and public at large across the globe. In its bid to become water sustainable, the Company is continuously striving to follow zero discharge strategy. Majority of its plants are already zero discharge and all the plants try to optimize water consumption and maximize effluent

Total Water Consumption



recycle and reuse. In addition to process modification, site management has also put in place best available effluent treatment technologies for its better recycling and reuse. Further, the Company has also implemented rainwater harvesting structures at several locations to support to water conservation. During this reporting period a new rain water harvesting structure was commissioned at our corporate office at Noida. An estimated quantity of 86000 kl of rain water was harvested through its rain water harvesting structures this year. Currently no water sources are affected due to withdrawal of water by the Company. There were no significant spills during this reporting period.

Waste Optimization

Managing wastes from chemical industry requires intensive use of environmentally sound technology for its handling and disposal. Waste minimization, waste recovery & reuse and scientific disposal of waste are the three approaches adopted by Jubilant for all type of wastes, whether hazardous or non-hazardous. The Company, while continuing the waste treatment is laying emphasis on waste minimization. At Jubilant, the non-hazardous wastes are either recycled or reused by the third parties. Fly ash, metal scrap, plastic



scrap, paper and wooden material scraps are a few major contributors of non-hazardous waste. Further, the products are packaged in bulk quantity which considerably reduces the Company's consumption of packaging materials. Certain products are transported in tankers thus eliminating the use of packaging material and some products are sent in drums & carboys, which are reused wherever feasible.

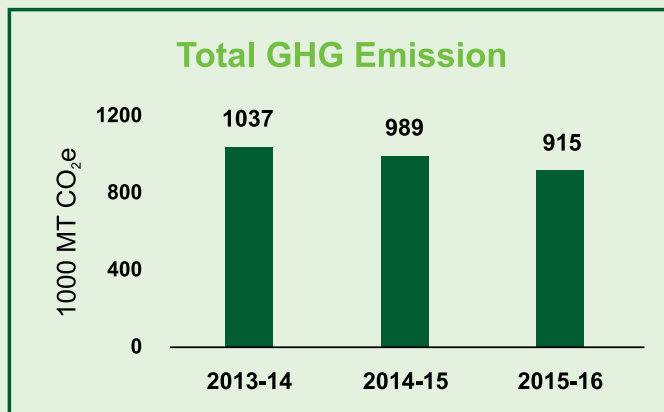
For hazardous waste generated at its facilities the Company follows the following methods for its proper disposal depending on their nature and local regulation:

- Recycle and reuse through authorised third party
- Co-processing at cement Kiln
- Secured land fill
- Incineration (both solid & liquid)

The company adopts a co-processing technique for scientific disposal of some of its hazardous waste. By adoption of this method, hazardous waste material which was earlier incinerated in-house is now sent to cement kilns for co-processing. This utilizes hazardous wastes as an alternative fuel for the cement industry.

Climate Change Mitigation and Response

Jubilant Life Sciences recognises the significance of climate change impact on its business and monitors business risks and opportunities arising out of national and international regulations and protocols related to climate change. The Company is continuously striving to reduce its energy consumption to reduce its carbon footprint. The Company has engaged dedicated team for identification & implementation of energy efficiency measures and cleaner technology to fulfil its commitment defined in its Climate Change Mitigation Policy. Bio-mass, biogas and bio-diesel are the key renewable energy sources in the overall energy mix of the Company. From this year, Jubilant has added solar energy to its renewable energy sources. It has invested significantly to generate energy from its distillery effluent in the form of Bio-gas, fired in the boiler. The Company is also monitoring and reporting its GHG emission



regularly. It is one of the few companies in India disclosing GHG emissions and taking voluntary reduction initiatives by participating in the Carbon Disclosure Project (CDP), which is holding the largest database of primary corporate climate change information in the world. During reporting period the GHG emission intensity of our LSI business was calculated to 1.89 tCO₂e/ MT of finished goods produced.

Transport Emission Reduction

For further reduction in its carbon footprint, Jubilant is progressively shifting its transportation of goods from road to rail. This has helped us to reduce 886 tCO₂e GHG emissions during current year.

Emissions other than GHG:

The Company understands that air pollution and climate change issues are linked to different types of emissions from its operations and has put in place necessary control measures & monitoring systems to check their performance against local regulations. While electrostatic precipitators, scrubbers, thermal oxidizers, and cyclones are used for air pollution control, initiatives like technology change, switching to renewable energy, improving energy efficiency are applied to reduce GHG emission at Jubilant.

The Company does not manufacture products containing Ozone Depleting Substances (ODS). All banned ODS have been phased out as per applicable regulations of the land. In Jubilant, emission of ozone depleting substances are primarily from ODS based refrigerants in air-conditioners and chilling plants. This year total ODS emission was 158 kg CFC 11 equivalent against 259 kg CFC 11 equivalent in 2014-15.

Compliance

During this reporting period there was case of violation of environmental regulation. However

in 2009, a group of villagers around Nira plant filed a Public Interest Litigation (PIL) against the Company on account of environment pollution in Bombay High Court. In January 2014 Mumbai High Court transferred this case to National Green Tribunal (NGT), Pune Bench. On hearing both sides NGT has given direction on May 16, 2014 and actions as per the same, are under implementation.





9 Product Responsibility

We, at Jubilant Life Sciences Limited are committed to REACH's aims of enhanced protection for human health and environment and diligently follow REACH guidelines of the European Chemical Agency.

For Jubilant Life Sciences, customers are one of the key stakeholders, directly impacting the sustainability of the Company. Customer satisfaction & safety is an area of utmost concern, being directly linked to business value. Details of customer engagement have been provided under stakeholder consultation section of this report.

Organisational Responsibility

Business Head and Functional Heads are responsible for addressing the issues related to product responsibility aspects of their respective business. They are supported by dedicated Sales and Marketing team, Research & Development (R&D), Quality Assurance(QA), Quality Control(QC) and Regulatory Affairs teams. The employees are trained on a continuous basis on customer satisfaction, both externally and internally based on the needs identified through annual performance management.

Customer Health & Safety

Jubilant Life Sciences complies with national and international product safety standards such as EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), China REACH and GHS, Feed Additives and Premixtures Quality System (FAMI-QS), KOSHER and other notification obligation of countries like Turkey, Taiwan, Australia, New Zealand, Japan etc. The Carbon Dioxide manufacturing facility at Gajraula has been certified for Food Safety System Certification (FSSC) 22000:2012

At Jubilant, a two-pronged approach is established for Customer Health and Safety, where in, R&D and Regulatory Affairs teams constantly work

to upgrade product safety information, QA & QC Teams ensure that product quality, packaging and labelling of the products are strictly in accordance with the customer specifications, applicable international guidelines and regulatory requirements as applicable.

Depending on the type of product and end customers, systems are in place to ensure customer health and safety during transportation, handling and use of its product. Corporate QA Team continuously updates the product health and safety information in the form of Safety Data Sheet (SDS) and the same is provided to the customers. All the plants under animal nutrition business are FAMI-QS certified, which ensures safety, quality and regulatory compliance of specialty feed ingredients and their mixtures for animal nutrition. Some of the products are used in the food industry and the facilities involved in manufacturing these products are KOSHER certified. This is to assure the customer that none of the products contain any ingredients of animal origin.

At Jubilant, the Regulatory Affairs Team prepares labels as per the applicable regulations of the region. In case of any changes required in the existing labels based on customer needs or changes in regulation, the regulatory team raises the change control form, makes necessary changes with a justification and forwards the same to the Corporate Quality Assurance Team for approval.

In addition to the above systems, Jubilant Life Sciences also has AFSSAPS (Agence Francaise de Products Safety Agency), GMP approvals for certain products, PMDA approval (Pharmaceuticals and Medical Devices Agency, Japan) for exporting to

Japanese market, KFDA (Korea Food and Drug Administration) for exporting to Korean market, COFEPRIS approval for exporting to Mexican market, ANVISA, Brazil approval for exporting to Brazil market and TGA, Australia approval for exporting certain products to Australia.

During this reporting period, there was no non-compliance with regulations resulting in a fine or penalty with regard to safety impacts of Jubilant's products and services during their life cycle.

Product & Service Labelling

The products are packed with proper labelling and bar-coding, wherever applicable. In its bid to be more inclusive, the Company also uses Braille Code for the products meant for end consumers in Europe.

For communication of hazards, international labelling guidelines are followed depending on the requirements of the target customer. For the customers in Europe, CLP (Classification, Labelling and Packaging) is followed, whereas for Chinese customers - China GHS (Global Harmonised System), for Korean customers - Korea GHS and for USA and rest of the world GHS is followed for classification and labelling of chemicals. Labels are also continuously updated as per the changes and updates in the required regulation.

To reduce hazards arising from emergency situations during transportation, Transport Emergency Management (TREM) cards are provided to the vehicle driver with necessary information for quick control of the situation. The Company adheres to the transport labels which

are governed by the guidelines of the International Air Transport Association (IATA), for shipments by Air, and International Maritime Dangerous Goods (IMDG), for shipments by the Sea, and ADR (European Agreement concerning the International Carriage of Dangerous Goods by Road), for road transport.

There was no incidence of non-compliance with regulations or voluntary codes concerning product & service information and labelling in this year.

Customer feedback is taken both in formal and informal ways depending upon the type of business and products. A standard customer feedback form has been prepared under the already existing customer feedback system. Feedback forms are sent to all customers and feedback is taken at least once a year. Based on the feedback received, customer satisfaction index is calculated at the end of the year. This customer satisfaction index paves the way forward for respective businesses and gives direction to the sales and marketing team to improve customer satisfaction.

Marketing Communications

The Company adheres to all applicable laws, standards, and voluntary codes related to marketing communications. The Company does not engage in sale of any banned or disputed products. Professional sales training is also conducted at National Sales Meeting for all sales team members.

Customer Privacy

The Company pays special attention to protecting its customers' intellectual rights and privacy. There

have been no incidences of breach of customer privacy and loss of customer data.

Compliance

There have been no incidences of non-compliance with regulations and voluntary codes concerning marketing communications during this reporting period. Similarly, there have been no fine of significant monetary value for non-compliance with laws and regulations concerning the provision and use of products and services during this reporting period.

REACH Compliance

Compliance and commitment to product safety are central to Jubilant's business philosophy. We, at Jubilant Life Sciences Limited are committed to REACH's aims of enhanced protection for human health and environment and diligently follow REACH guidelines of the European Chemical Agency.

Jubilant has already successfully registered all first tier (deadline Nov. 2010) and second tier chemicals (deadline May 2013). Registration of third tier chemicals are ongoing.

Jubilant has pre-registered all the substances in its current portfolio for which it has responsibilities and obligations to do so under REACH. It has also taken up the lead registrant role in some of its products.

The Company also successfully passed the REACH and CLP inspection carried out by the National Enforcement Authority of the EU member state.



10 Social Performance

Our Business Principles commit us to provide our people with a safe working environment respecting their human rights; promoting their professional development; and creating an inclusive work environment.

Employees..... Our Assets

Engaged and committed workforce is key to our success. It onsets from recruiting qualified professionals, designed on boarding & regular training, periodic performance discussions and rewarding meritocracy. Our Business Principles commit us to provide our people with a safe working environment respecting their human rights; promoting their professional development; and creating an inclusive work environment.

Human Resource Policies and benefits have been articulated in the 'HR Policy Manual' available on the Intranet. The manual defines eligibility, entitlement, terms & conditions and associated documentation, with each policy.

Performance Management System:

In Jubilant, Performance Management System (PMS) has been implemented and designed in a manner to enable identification, assessment, reward good performance, encourage talent, and ensure motivation amongst the employees. PMS is formulated on Balanced Scorecard providing a clear linkage between organisational and individual objectives. A Performance Linked Incentive System is in place to monitor the performance

of the employees at our manufacturing locations. The Company also has wage agreement at manufacturing locations with trade unions and works committee.

To improve employee satisfaction and retention, the Company has put in place several employee benefit schemes both statutory and beyond. These include maternity leave for female employees, disability and invalidity coverage as per the Industrial Dispute and Workers Compensation Act and Group Mediciclaim Insurance for employees and their dependents. All female employees in Indian units and all employees in North American units are entitled to parental leave, all the employees availing the leave returned to work during this period.

Long term employee benefits

Long term employee benefits include Pension, Provident Fund, Super-annuation and Gratuity. These constitute the key elements of employee's post-retirement benefits in India. International subsidiaries of the Company make contribution to various social security plans and insurance schemes as per local requirements and generally accepted practices in their respective country of incorporation.

Table: Total workforce (Figures as reported for March 31, 2016)

Location/Company – JLL	Executives	Workmen	Total	Temp & Labour Supply	Job Contracts/ Projects	Over All
Corp office/ Branches	844	0	844	85	0	929
Gajraula	591	259	850	565	531	1946
Samlaya	57	29	86	79	49	214
Nira	153	105	258	135	120	513
Ambernath	143	25	168	88	55	311
Bharuch	149	21	170	141	170	481
(A)	1937	439	2376	1093	925	4394
Indian subsidiaries						
Jubilant Generics						
*R&D Noida	361	0	361	43	85	489
*Nanjangud	595	216	811	45	245	1101
*Roorkee	318	229	547	65	86	698
Jubilant Biosys	245	0	245	66	29	340
Jubilant Chemsys	357	0	357	85	19	461
Jubilant Clinsys	18	0	18	1	0	19
Jubilant Infrastructure	83	66	149	90	100	339
Total (B)	1977	511	2488	395	564	3447
International subsidiaries						
JLL China	10	0	10	0	0	10
JLL USA	3	0	3	0	0	3
JDS US	9	0	9	9	0	18
Jubilant Cadista	96	183	279	56	0	335
Jubilant Clinsys Inc	5	0	5	0	0	5

Location/Company – JLL	Executives	Workmen	Total	Temp & Labour Supply	Job Contracts/ Projects	Over All
Jubilant Pharmaceuticals NV	6	0	6	0	0	6
Jubilant LifeSciences NV	2	0	2	0	0	2
Jubilant HollisterStier	233	326	559	34	0	593
Jubilant DraxImage	265	189	454	0	23	477
Total (C)	629	698	1327	99	23	1449
Grand Total (A+B+C)	4543	1648	6191	1587	1512	9290
* These locations, earlier direct under Jubilant Life Sciences Ltd. (JLL), are now held by Jubilant Generics Ltd. (JGL), a 100% owned step down susidiary of JLL.						

Headcount Age breakup (All Indian and North American Plants+ R&D Noida+ Corporate Office+ Branch offices)

Age in years	Headcount Numbers		
	Executive	Workmen	Grand Total
< 30	1116	259	1375
30-50	2272	947	3219
> 50	417	376	793
Grand Total	3805	1582	5387

Labour Management & Labour Relations

Jubilant Life Sciences encourages its employees, both permanent and contract, in their efforts to develop good relations and constructive bargaining

Headcount Gender breakup (All Indian and North American Plants+ R&D Noida+ Corporate Office+ Branch offices)

Gender	Headcount Numbers		
	Executive	Worker	Grand Total
Female	459	294	753
Male	3346	1288	4634
Grand Total	3805	1582	5387

practices with the management. Local human resource personnel takes care of employee relations and interacts with the employees and contractors about various services, measures and initiatives to assist them in creating and maintaining a workplace that is conducive for work.

Trade Unions exist at three locations and Works Committee has been formed by the employees at one location. All arrangements with respect to collective bargaining and trade unions are as per applicable laws of the land. The entire workforce at Jubilant Life Sciences is represented in formal joint management- worker health and safety committees. Health & safety topics are also included in the local formal agreements of the manufacturing facilities of the Company with trade unions. In India 609 employees are covered by collective bargaining agreements with trade unions & worker committee. At the Montreal Unit of the Company, as of March 31, 2016, 182 employees were covered by Trade Unions/ Collective Bargaining Agreements.

Minimum Notice period

While the minimum notice period varies for management staffs depending on their position in the organisation, the minimum notice period followed for termination of permanent worker is 30 days and the same is mentioned in their appointment letter. In case of significant operational change that could substantially affect employment, the notice period and or VRS are determined as per the local regulation and direction by local regulatory body.

Voluntary Attrition rate break up of all Indian & NA Plants, R&D, Corporate Office and Branch Offices

Attrition	Manpower As On 31st March 2016			Attrition Ytd			Attrition % (Ytd)		
Location	Executive	Workmen	Total	Executive	Workmen	Total	Executive	Workmen	Total
Corporate Office	433	0	433	90	0	90	20.8%	0.0%	20.8%
Branches	411	0	411	151	0	151	36.7%	0.0%	36.7%
Ambernath	143	25	168	36	1	37	25.2%	4.0%	22.0%
Bharuch	149	21	170	99	8	107	66.4%	38.1%	62.9%
Gajraula	591	259	850	53	3	56	9.0%	1.2%	6.6%
Nira	153	105	258	14	0	14	9.2%	0.0%	5.4%
Samlaya	57	29	86	5	1	6	8.8%	3.4%	7.0%
R & D Noida	361	0	361	88	0	88	24.4%	0.0%	24.4%
Roorkee	318	229	547	103	45	148	32.4%	19.7%	27.1%
Nanjangud	595	216	811	176	2	178	29.6%	0.9%	21.9%
Jubilant Cadista	96	183	279	22	21	43	22.9%	11.5%	15.4%
Jubilant Hollisterstier	233	326	559	54	43	97	23.2%	13.2%	17.4%
Jubilant Draximage	265	189	454	37	8	45	14.0%	4.2%	9.9%
Over All	3805	1582	5387	928	132	1060	24.4%	8.3%	19.7%

Voluntary Attrition & New Joinee Age breakup (All Indian and North American Plants+ R&D Noida+ Corporate Office+ Branch offices)

Age In Years	Attrition			New Joinee		
	Executive	Workmen	Grand Total	Executive	Workmen	Grand Total
< 30	466	61	527	539	77	616
30-50	424	47	471	343	75	418
> 50	38	24	62	21	5	26
Grand Total	928	132	1060	903	157	1060

Voluntary Attrition & New Joinee Gender breakup (All Indian and North American Plants+ R&D Noida+ Corporate Office+ Branch offices)

Gender	Attrition			New Joinee		
	Executive	Workmen	Grand Total	Executive	Workmen	Grand Total
Female	84	38	122	92	27	119
Male	844	94	938	811	130	941
Grand Total	928	132	1060	903	157	1060

Employee Engagement... Overall Development

Imparting regular quality training to employees is fundamental to improve existing talent pool of the company. As part of learning and development opportunities the Company organises various internal and external trainings on regular basis. Key capability development programs include leadership development programs, strategic initiatives programs, self-development programs, and customised programs. There is dedicated learning and development team who continuously works for identification of training need, preparing training calendars and conduct trainings. All new employees need to participate in induction training after joining the organization.

Training Data: All Indian & NA Plants, R&D, Corporate Office and Branch Offices

Manufacturing Location	Executive	Workmen	TOTAL	T. Hours	man-days	Avg. man-days per head per annum
HOBR (Corp+ Branches)	844	0	844	8664	1083	1.3
Ambernath	143	25	168	5706	713	4.2
Bharuch	149	21	170	4945	618	3.6
Gajraula	591	259	850	15819	1977	2.3
Nira	153	105	258	2616	327	1.3
Samlaya	57	29	86	471	59	0.7
R&D	361	0	361	1195	149	0.4
Roorkee	318	229	547	12527	1566	2.9
Nanjangud	595	216	811	24244	3030	3.7

Training Break up: All Indian & NA Plants, R&D, Corporate Office and Branch Offices

Category	Headcount	Training Man-days	Avg. Training / Employee
Executive	3805	10209	2.7
Worker	1582	6654	4.21
Total	5387	16863	3.1

Training Break up: All Indian Plants & R&D, Corporate Office and Branch Offices

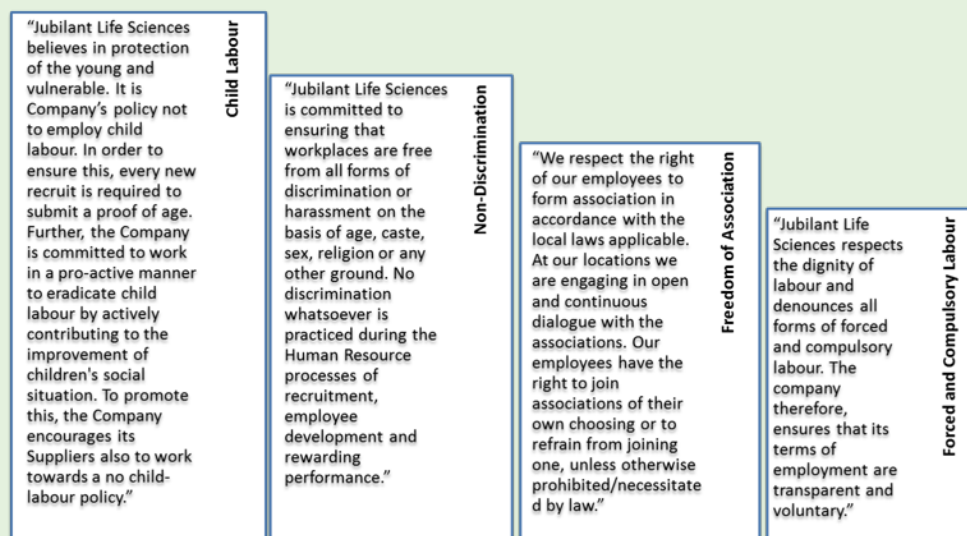
Gender	Headcount	Training Man-days	Avg. Training / Employee
Female	179	342	1.9
Male	3916	9181	2.3
Total	4095	9523	2.3

Manufacturing Location	Executive	Workmen	TOTAL	T. Hours	man-days	Avg. man-days per head per annum
JUBILANT CADISTA	96	183	279	13130	1641	5.9
JUBILANT HOLLISTERSTIER	233	326	559	22560	2820	5.0
JUBILANT DRAXIMAGE	265	189	454	23031	2879	6.3
Grand Total	3805	1582	5387	134905	16863	3.1

Human Rights... Our Conduct & Practices

Jubilant Life Sciences recognises and promotes universal respect for and observance of human rights and fundamental freedom. At Jubilant, we are committed to our Sustainability Mission and signatory to the UNGC Principles with human rights commitments. We have formulated policies and systems to ensure protection of Human Rights of all concerned; these are defined in the Business Code of Conduct. These policies cover issues of Child Labour, Forced & Compulsory Labour, Non Discrimination, Bribery & Corruption and Freedom of Association & Collective Bargaining. The Company has made the Business Code of Conduct available to all employees through intranet.

Human rights policy under business code of conduct



Operational Responsibility and Ombudsman

The operational responsibility of human rights is vested on the Human Resource (HR) Head at each manufacturing location reporting to the corporate HR Head. HR Head oversees the implementation of the human rights policies and takes responsibility of resolving any violations arising. From FY 2014, the Company is conducting online training using an e-learning module on Human Rights - Concept, Global and Indian Regulation & Framework' at Jubilant. During 2015-16 total 210 employees have participated in this training, leading to a cumulative 2032 nos. of participation till date.

The Company has Whistle-blower Policy and a dedicated Ombudsman team for addressing the grievances reported by the employees. A charter of the Ombudsman has also been prepared and made available on the intranet of the Company. This Charter allows stakeholders, including employees, to voice their concerns and guide the Company to resolve issues efficiently. Under this policy the employees can report any information which they believe reflects serious malpractice, impropriety, abuse or violation of code of conduct in relation to the Company's functioning. The Company has a dedicated email id which can only be accessed by the Ombudsman Office, for anonymous reporting. The online portal (www.cwiportal.com) is another way of reporting concerns and maintaining complete anonymity of the whistle-blower. No cases of human rights violation and corruption were reported to the Ombudsman's Office during the reporting period.

E-mail:
ombudsman@jubl.com

Portal:
www.cwiportal.com

OMBUDSMAN

Non-Discrimination

The Company is against any form of discrimination or harassment on the basis of age, caste, sex, religion or any other ground. Equal remuneration is provided to the male and female members of the workforce for the similar set of work. Jubilant Life Sciences is a signatory to the CII Code of Conduct on Affirmative Action that reconfirms the Company's commitment to equal opportunity in employment for all sections of society. No case of discrimination was reported to the Ombudsman's Office during this reporting period.

Freedom of Association and Collective Bargaining

Jubilant respects the right of its employees to form an association in accordance with the local laws applicable. At its locations, the Company engages in open and continuous dialogue with the employee associations. There are no operations where the right to exercise freedom of association and collective bargaining are at significant risk. No case of violation of human rights regulation by our suppliers came to our notice during this year.

Child Labour

The Company prohibits child labour in its business activities. In order to ensure this, every prospective employee is required to submit a proof of age including contract employees. In addition there are regular internal and external audits. The Company

also encourages its Suppliers to work towards a no child-labour policy. Self-Evaluation is filled by the suppliers of the Company which delineates prohibition of Child Labour. There were no cases of child labour reported within the organisation or came to Company's notice involving its suppliers.

Forced and Compulsory Labour

Jubilant Life Sciences respects the dignity of labour and denounces all forms of forced and compulsory labour. The Company therefore, ensures that its terms of employment are transparent and voluntary. No incident of forced or compulsory labour at the suppliers end came to Company's notice during this reporting period.

Security Practices

All security personnel are briefed about relevant policies of the Company which lay the foundation for them to function effectively. They are also trained in first responder and fire security at all manufacturing locations. The security personnel are given behavioural trainings on body language, dealing with visitors and employees and other related trainings for escalation of issues.

Indigenous Rights

The Company has operations in various locations across India & North America. The Company supports local culture and heritage for the respective regions. There have been no violations involving rights of indigenous people or those related to human rights in Jubilant during this reporting period.

Prevent Corruption

Jubilant Life Sciences is committed to avoiding any form of corruption in any of its business dealings. Jubilant has a Policy on Bribery and Corruption which is stated in the Business Code of Conduct. The policy prohibits any personal payment or bribes by employees of the Company.

Public policy

The Company engages with a variety of stakeholders like government, regulatory agencies, NGOs, and industry associations. Through its interactions with these stakeholders the Company participates in identifying and framing public policy matters. The Company also uses industry association forums to voice its views about policies. There have been no financial and in-kind contribution to political parties, politicians and related institutions.

Anti-Competitive Behaviour

Jubilant, adheres to the Government of India Competition Policy which protects the interests of consumers and producers by promoting and sustaining a fair competition. There have been no legal actions on anti-competitive behaviour, antitrust and monopoly practices on the Company.

Compliance

There have been no fines or non-monetary sanctions for non-compliance pertaining to human rights, corruption, labour practices during this reporting period.

Occupational Health and Safety:

Providing safe working condition and ensuring accident free workplace to our employees is of utmost concern to our top management. The same has been reflected in the Company's occupational health & safety policy. Jubilant's management never compromises in adopting best occupational health and safety management systems at its manufacturing facilities. In order to ensure highest standards of Occupational Health and Safety practices, the Company's major units have implemented OSHAS 18001 based occupational health and safety management system and are certified. It has also dedicated safety officers at all manufacturing units and Occupational Health Centre at all major units. Site specific occupational health and safety information is regularly shared with corporate EHS team and the same is compiled and reviewed at both site and corporate level at regular interval. The board is updated on significant occupational health safety issue, if any, on quarterly basis. The Sustainability and CSR committee at board level also review safety performance of the Company on half yearly basis. In addition regular internal and external safety audits are conducted to identify and close the gaps on priority.

The entire workforce at Jubilant Life Sciences is represented in formal joint management- worker Health and Safety Committees. Health & Safety topics are also included in the local formal agreements of the manufacturing facilities of

the Company with trade unions. Finally, OHS Training and Awareness workshops/ talks are conducted regularly covering both permanent and contract employees, to avoid and reduce unsafe acts and situations within the location premises. This year total 55258 man-hours were spent on safety training covering both permanent and contract employees. To make safety everybody's responsibility, safety targets have been made a part of the Key Performance Indicators (KPI) of all HODs and the Senior Leadership team from last year. The Behaviour Based Safety (BBS) campaign rolled out in 2013-14 for the first time is still on going across our manufacturing locations in India and it is showing positive results already. 'Sanchetna' a software to capture unsafe act and unsafe conditions is accessible to all employees and during reporting period there was 25% increase in reporting in Sanchetna against last year. This indicates increase in safety awareness amongst its employees.

As a preventive measure Layers of Protection Analysis (LOPA) was conducted for critical storage last year at Gajraula with the help of external Subject Matter Expert (SME). Simultaneously asset integrity test has been initiated in all 5 manufacturing sites under LSI business. QRA study started for Nira and Roorkee during 2014-15 was completed in this reporting period. The Company has initiated the process for Ambernath and Samlaya plant also. In addition to half yearly, one cycle of cross site EHS audit conducted at all LSI manufacturing

sites, external safety audit was also conducted at Nira, Ambernath, Bharuch and Samlaya facilities. HAZOP (Hazard & Operability) study is a regular activity in all the plants particularly for hazardous operation and processes. At Gajraula site HAZOP study was conducted through external experts for some critical processes.

Medical check-up

The Company adopted a system of pre-employment and periodical medical examination for employees to ensure good health and to prevent occupational diseases. The health record of each employee is maintained at each manufacturing location. From last year compulsory periodical medical check-up started for all contract employees in Indian plants along with earlier practice of compulsory pre-employment medical check-up.

Safety Week celebration:

45th National Safety Day (NSD) campaign 2016, commencing on 4th March was celebrated with great enthusiasm by employees at all Indian manufacturing facilities in India. At Gajraula safety fortnight was celebrated this year. During this period various events like spot painting competition involving children from plant colony & neighbouring community schools, safety quiz competition involving employees, fire-fighting competition & training, slogan, essay & poster competition, colony evacuation drill, safety rally etc. were organized inside the factory premises, company township and neighbouring community.



**Safety Training
for Contract
workers**



**Safety training
to house wives**



**Township
evacuation
drill**



Safety Rally

Community we belong:

Corporate Social Responsibility is an integral part of how Jubilant Life Sciences conducts business and the efforts are directed towards community development through emphasis on primary education, basic healthcare service, and livelihood generation programs focused on improving the employability of women and local youth.

We engage with communities with the objective of bringing progressive social change through our community development programs. Jubilant Bhartia Foundation (JBF) is a “not for profit” organization established in 2007 by Jubilant Bhartia Group to implement its Corporate Social Responsibility programs.

The new amendment in the Company's Act 2013, Sec-135, Schedule VII is applicable on our Company and accordingly we have re-aligned our efforts to create a positive social impact. The Company has formulated its Corporate Social Responsibility Policy and renamed its previous Sustainability Committee at board level as 'Sustainability and CSR Committee'. The Committee accorded its approval to implement its CSR activities through 'Jubilant Bhartia Foundation' which is a Section 25 Company (Sec 8 as per new Act) in line with the provisions of the Act. The Company continues to focus on the communities around its manufacturing locations in India for its CSR projects. The CSR activities at Jubilant are in line with the provisions of Schedule VII, Sec-135

of Company's Act 2013 and the Board approved CSR policy is available on the Company's website (www.jubl.com). JBF has structured most of its community programs considering the expectations of the surrounding community and the direction defined in our CSR policy. Major community projects implemented by the foundation during this reporting period are as under:

- Project Arogya and Swasthya Prahari: Improving health indices through innovative services and promoting health seeking behavior;
- Project Muskaan: Universalizing elementary education and improving quality parameters for primary education through community involvement;
- Nayee Disha: Enhancing employability through vocational training;
- Rural development: Supporting the community infrastructure as and when identified in the project area.

Our community initiatives are aligned to the United Nations Millennium Development Goals (MDGS):

Goal 1: Eradicate Extreme Poverty and Hunger

The Company understands that health, hygiene, nutrition and education are contributors to the social development of children and the community at large. Jubilant is targeting its efforts towards these at all the stages of a child's growth to ensure children survive and thrive. As a nutrition-business company elimination of malnutrition has been included as one of its core objectives.

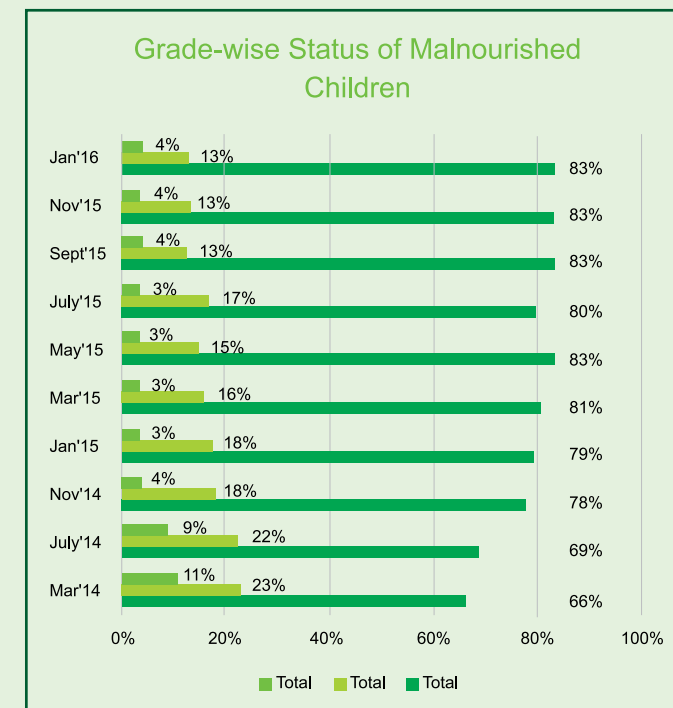
The Company continued its integrated malnutrition project towards improving the nutritional status of children under the age of 5 years in project controlled areas of Jubilant Bhartia Foundation. The project focuses on behavior change communication and creating a supporting environment. Jubilant has also signed Statement of Commitments with SUN network- Scaling Up Nutrition. The project is implemented in 10 villages around Gajraula site as a pilot. JBF focuses on improving the nutritional intake and status of mothers and children, right from pre natal stage till their growing years along with promotion of breast feeding.

Baseline survey conducted during the year 2014 revealed that 34% of the children surveyed were malnourished, with 11% being severely malnourished and needed immediate medical attention. Malnourishment was more prominent among girls as compared to boys. The survey pointed out, that the root cause of this malnutrition in the area is lack of awareness among the community, which the Company is now targeting.

The Swasthya Prahari (The select health guards identified by JBF) regularly monitors the weight of all children in target villages below the age of five. These children are then graded according to their weight and are categorized accordingly. Children in the first two grades are advised on improvement of diet and nutrition. Children in the third grade are referred to a physician or the CHC (Community Health Center).

Project villages: Sultanther, Tigariya Khadar,

Various channels of communication used for awareness generation



Vocational Training

Jubilant continued its vocational training programs at communities around Gajraula, Nanjangud and Nira sites where it provides training to local youth and women of the community to enhance their market skills. The training includes courses on vehicle repairing, tailoring, stitching, retail management, beautification and soft skills development etc. JBF is running vocational training centers at the above mentioned three locations in partnership with a social enterprise (LabourNet).

Location	Youths trained in 2015-16
Gajraula	308
Nira	532
Nanjangud	548



Goal 2: Achieve Universal Primary Education

JBF through Project Muskaan continued its initiative of strengthening Rural Government Primary Education System. Project Muskaan focuses on monthly extra-curricular activities in select project schools where students are motivated to participate in various stipulated competitions. Activities like mass sapling plantation, drawing competition, storytelling competition, crafts day, essay completion and street play competitions engage students in class, sustaining their interest in attending the school regularly.

At JBF it is believed that socio economic problems are caused due to poor education, therefore education is one of the prime focus areas of intervention. The project aims at filling in the quality gaps in the existing education system. The table below shows the activities carried out at different locations and the number of student participants in the program.

Activity	Total No. of Schools	Total No. of Students	Location Covered
Teachers Day Celebration	11	1016	Nira, Samlaya
Sports competition	25	989	Nanjangud, Nira, Samlaya, Bharuch
New Joiner Felicitation	4	135	Samlaya
Senior Citizen felicitation program	8	946	Nira
Prabhat Pheri	2	175	Nira
Parents & Teachers meeting	18	-	Nira
Math e maze	23	2466	NNJ, Nira, Bharuch, Roorkee
Jubilant Pratibha Puraskar	22	220	Gaj, NNJ
International Literacy day	13	1479	NNJ, Samlaya, Roorkee
Har Aangan Mein Ped	25	2708	Gajraula, NNJ, Bharuch, Samlaya, Roorkee
G.K.Quiz	40	3800	Gajraula, NNJ, Roorkee, Bharuch, Samlaya, Roorkee, Nira
Drawing Competition on WED activity	10	828	NNJ
Celebration of World Environment day	14	1555	NNJ, Nira
Birth day Celebration	12	1114	Bharuch

Activity	Total No. of Schools	Total No. of Students	Location Covered
Annual Day Celebration	13	1506	Gajraula
Essay Writing	30	2536	Gajraula, NNJ, Roorkee, Bharuch, Roorkee
Story Telling	32	2687	Gajraula, NNJ, Bharuch, Roorkee



Goal 3: Promote Gender Equality and Empower Women

The social projects of Jubilant are modelled in a way to provide equal access to education, health and skill development. The Company also has a policy of non-discrimination and supports equal access to health care, quality education

at all levels, career and vocational guidance, employment, equal remuneration, occupational health and safety and social security etc.

The Swasthya Prahari project of the Company involves identifying potential women health workers from select villages, providing them necessary training on maternal child health. This year, 15 Swasthya Praharis have been provided with daily utility products that they can sell from their homes like sanitary napkins, baby products, protein supplements, first aid etc., along with these items they have also been provided with display cases to display their products at home. This has been done in an effort to make the Swasthya Praharis more self-reliant and develop entrepreneurial skills in them. They have also been trained on book-keeping so that they can learn the nuances of business. They are being provided back-end support by a streamlined supply chain and have also been connected with local wholesale dealers from where they can purchase items of their choice.

With the infrastructure support from Jubilant, the stitching centre at Nanjangud (operated by SHG) is also running successfully from past four years.

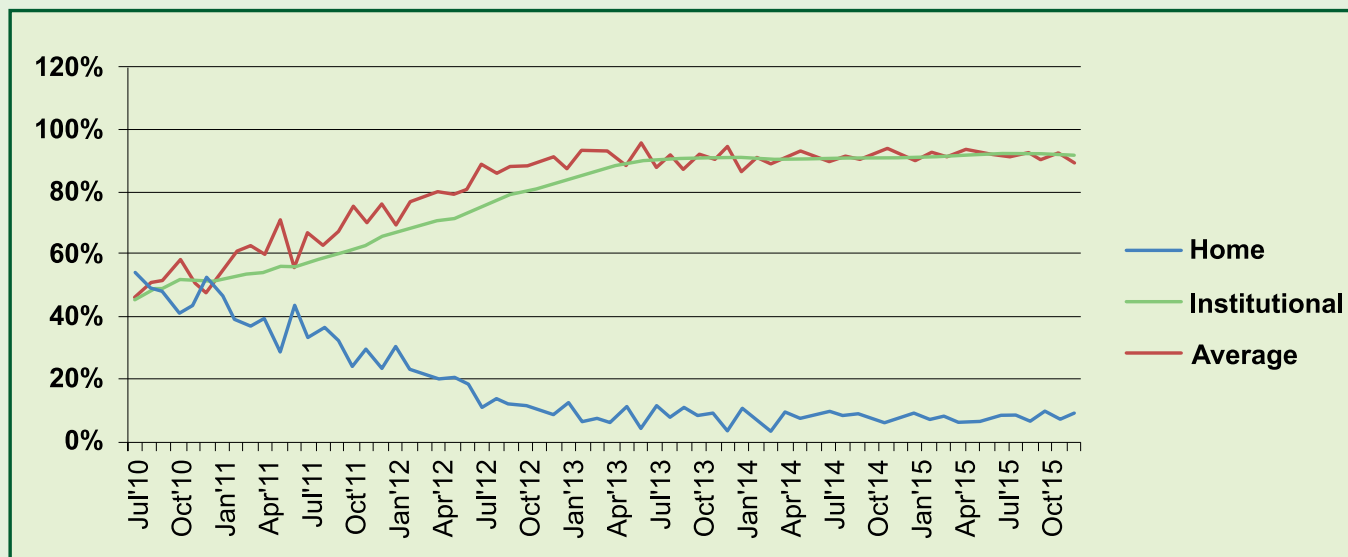
Goal 4 & 5: Reduce Child Mortality & Improve Maternal Health

The concept of healthy mother and healthy baby is an important aspect of reproductive healthcare programme. In a developing country like India, poverty, illiteracy and multiple pregnancies take their toll on mother's health and that of the breast-fed infant. Though the Government has set up Community Health Centres and Primary Health Centres to cover the entire population of the country, facilities at these centres are highly stretched. Adequate resources are generally not available at these centres, to cater to the needs of the people. While private entrepreneurs do set up various types of healthcare facilities in urban areas, there are major gaps in rural and semi urban areas, where industry CSR programs can contribute. The healthcare interventions of the Foundation are aimed to fill these gaps.

Jubilant Bhartia Foundation through its Swasthya Prahari project keeps a close watch on Birth Rate, Infant Mortality Ratio (IMR) and institutional delivery in project villages of Gajraula location in Uttar Pradesh covering 34 villages and reaching out to a population of 1 lakh. The project is implemented through women health guards who

promote institutional delivery and regular immunisation along with providing counselling to expecting & lactating mothers, provide information on nutrition of children and mothers.

Because of their hard work and dedication, institutional deliveries stand at 90% as compared to 44% when the project was started in 2010.



Goal 6: Combat HIV/AIDS, malaria and other diseases

Every year the Company observes the 'World AIDS DAY' on 1st December. Various awareness sessions on the topic of HIV/AIDS are organized. Also, the Company's registered Integrated Counselling & Testing Centre (ICTC) at Gajraula identify HIV infected people and provides proper counselling to them. A DOTS centre for TB treatment for diagnostic and counselling services is located at Gajraula unit. Various other regular health camps are organised in the community around manufacturing locations.

Goal 7: Ensure Environmental Sustainability

World Environment Day (WED), the United Nation's program for encouraging worldwide awareness and action for the environment is observed every year on June 5. Jubilant also supports the initiative by organising environmental awareness program for the employees and their family. Continuing the trend, this year a 'Family Day' was organised on June 6, 2015 at the Corporate Office, Noida.

The event included drawing competition, photography competition, theme dress, collage making and face painting on the theme of

environmental awareness. There were around 80 participants including employees, their children and other family members. Certificate of appreciation were given to all the participants along with special prize to the winners. Environment related activities are also organised at other locations.

'Har Aangan Me Ped' activity was organised in Muskaan schools in Gajraula, Nanjangud, Bharuch, Samlaya, and Roorkee. The activity involves sapling plantation by the students. More than 2500 saplings were distributed amongst the local school students.





The India Social Entrepreneur of the Year Award in India

Jubilant Bhartia Foundation (JBF) joined hands with the Schwab Foundation in 2010 for Social Entrepreneurship to launch the Social Entrepreneur of the Year (SEYO) Award in India. The Schwab Foundation for Social Entrepreneurship and the Jubilant Bhartia Foundation are dedicated to promoting social innovation in India in recognizing social entrepreneurs who address the needs of under-served communities in both scalable and sustainable ways.

The Social Entrepreneur of the Year Award recognizes mature-stage social entrepreneurs and their organizations who implement innovative, sustainable and large-scale solutions to address poverty, indignity and the lack of basic services and resources in 'Bottom of the Pyramid' and ultra-poor communities. These organizations cover social issues as diverse as health, education, job creation, water, clean energy and building identity and entitlements and access to information and technology. Whether they set up social businesses, hybrid social ventures or not-for-profit organizations, the primary focus of social entrepreneurs is large-scale, transformational impact.

Poonam Bir Kasturi of Daily Dump, was recognized as the winner of the Social Entrepreneur of the Year- India 2015 Awards on 3rd November, 2015 in New Delhi. The awards were conferred in New Delhi at a high-level celebration, in the presence of Mr. Piyush Goyal, Minister of State for Power, Coal, New & Renewable Energy, Government of India, and over 250 participants. Over 150 applicants entered the sixth annual Social Entrepreneur of the Year selection process for India, and four finalists emerged after several stages of rigorous assessment. An independent panel of preeminent judges met on 3rd November to select the winner.



Goal 8: Develop a Global Partnership for Development

The Company is partnering several local and global organisations. This year Jubilant's major partners under its various programs were World Economic Forum (WEF); Schwab Foundation for Social Entrepreneurship; Confederation of Indian Industry (CII); Pratham; Labour net; Aid Matrix; US AIDS; Daily Dump; SUN network; Panasonic; Vectus Industries Ltd; Start-up; ZMQ software systems; Ogaan Cancer Foundation; Rotary Club; ICICI Foundation



11. Sustainability Performance – Year at a Glance

During current reporting period, Jubilant has inducted solar energy in its present renewable energy mix of bio-gas, biodiesel and biomass.

GRI G4	Environmental Performance	Units	2013-14 JLSL	2014-15 JLSL	2015-16 JLSL	JPL
G4- EN1	Major Raw Material Consumption		753	680	625	13
G4- EN2	Renewable Material	1000 MT	346	281	251	0
	Non-Renewable Material	1000 MT	407	399	374	13
G4- EN3	Direct Energy Consumption					
	Non renewable energy sources					
	Coal	MT	470625	453489	422563.91	0
	Energy from Coal	Peta Joules	8.95	8.39	7.56	0
	LDO	MT	29.7	166.5	828	0
	Energy from LDO	Peta Joules	0.001	0.007	0.03	0
	RFO	MT	205	0	34.66	0
	Energy from RFO	Peta Joules	0.01	0	0.001	0
	HSD	MT	2921	2541	2634.48	614
	Energy from HSD	Peta Joules	0.13	0.11	0.11	0.03
	FO	MT	773	1388	2117.12	553.56
	Energy from FO	Peta Joules	0.03	0.05	0.08	0.02
	Energy from Natural gas	Peta Joules	0.33	0.33	0.30	0.13
	Total direct energy consumption from Non renewable energy sources	Peta Joules	9.44	8.9	8.08	0.17
	Renewable energy sources					
	Bio-gas	1000Nm3	26309	21505	18327.72	0
	Energy from Bio-gas	Peta Joules	0.47	0.385	0.33	0
	Bio-diesel	MT	2634	468	363.05	363.05
	Energy from Biodiesel	Peta Joules	0.1	0.018	0.01	0.01

	Solar Energy	Peta Joules	0	0	0.0001	0
	Total direct energy consumption from Renewable energy sources other than biomass	Peta Joules	0.57	0.403	0.34	0.01
	Biomass as energy source					
	Biomass	MT	10744	2902	2939.82	0
	Energy from Biomass	Peta Joules	0.12	0.03	0.03	0
	Total Direct Energy	Peta Joules	10.137	9.33	8.46	0.19
G4-EN4	Indirect Energy Consumption					
	Electricity purchased	1000 KWH	176,160	170,194	174367	87226
	Steam purchased	MT	96,424	140493	149224	77761
	Energy equivalent	Peta Joules	0.94	1.045	1.088	0.529
G4-EN8	Water Consumption					
	Ground Water	Million m3	4.1	3.384953	3.08	0.13
	Surface Water	Million m3	1	0.972129	1.52	0.00
	Municipal Water	Million m3	1.1	1.123675	0.53	0.43
	Total Water Consumption	Million m3	6.2	5.480757	5.13	0.57
G4-EN10	Water Recycled and Re-used					
	Water Recycled and Re-used	Million m3	0.973824	0.957906	0.81	0.09
G4-EN23	Flyash Generation & Disposal					
	Land filling	1000 MT	58	64	45	0
	Reuse in Cement & Brick Kiln	1000 MT	61	40	77	0
	Generation	1000 MT	119	103	112	0

G4-EN23	Non-hazardous waste sold to third party	MT	1981	2193	1946	462
G4-EN23	Hazardous Waste Disposal	MT	19096	18478	17258	5942
	Liquid Waste Incineration	MT	9025	6108	5638	637
	Co-processing in Cement Kiln	MT	786	1200	1031	1031
	To Authorised Agency	MT	1668	2256	2553	1635
	Secure Landfill	MT	5991	7563	6605	2595
	Solid Waste Incineration	MT	1626	1350	1430	44
G4-EN22	Treated Effluent Discharge	1000 m3	321	337	373	253
G4-EN21	Air Emissions					
	Particulate Matter	MT	308	237	192	2.34
	SO2	MT	788	783	436	1.27
	Nox	MT	332	321	272	7.28
G4-EN20	Ozone Depleting Substances (ODS) Emission	Kg CFC11 eqv.	223	259	158	54
	Total GHG Emissions	1000 MT CO2e	1037	988.56	914.8	76.9
G4-EN15	Total Direct GHG Emissions	1000 MT CO2e		853.69	774.7	11.6
G4-EN16	Total Indirect GHG Emissions	1000 MT CO2e		134.865	140.1	68.7
	Social Performance					
G4-LA6	Safety Performance Statistics					
	No. of Fatal accidents		2	0	1	0

	No. of lost time Injury (other than fatal)		29	42	28	11
	Total Lost days		12000+ 331	853	6000*+ 726	165
	No. of First aid cases		627	323	160	80
	Lost Time Frequency Rate		1.48	2.43	1.67	1.53
	Lost Time Severity Rate		589.4	49.45	387	23
G4-10	Employee Headcount					
	Indian Operations		3947	2389	2376	0
	Indian subsidiaries		742	2364	2488	1719
	International subsidiaries		1496	1313	1327	1292
	Total Jubilant Life Sciences		6185	6066	6191	3011

Notes:

* 6000 on the account of 1 fatality.

LTIFR: No. of accidents per million man-hours worked

LTISR: No. of lost man-days/million man-hours worked

Jubilant Pharma Limited (JPL) is a fully owned subsidiary of Jubilant Life Sciences (JLSL) and its data has been showed separately for the compliance to Financial Stakeholders. It includes manufacturing facilities at Nanjangud (India), Roorkee (India), Kirkland (Canada), Spoken (USA), Salisbury (USA) and R&D Centers at Noida (India). JLSL data includes JPL data.

12

Sustainability Achievements against 2020 Targets



The Company takes pride in sharing this year achievements against the targets set for Water, Safety and CSR, for 2020, based on 2012-13.

Table 21

Baseline 2012-13		Targets 2020	Achievements 2015-16	Targets 2020	Achievements 2015-16
PILLARS	TARGETS	LS		JPL	
WATER	Reduce Specific Water consumption	12%	10%	12%	33% (API) 38% (Dosage)
ENERGY	Reduce Specific Energy consumption	12%	6%	12%	17% (API) 28% (Dosage)
CLIMATE CHANGE	Reduce Specific GHG emissions	12%	4%	12%	6% (API) 17% (Dosage)
MANAGEMENT SYSTEM	Responsible Care Certification	All Plants	RCMS under implementation for Gajraula & Corporate Office	All Plants	Not yet started
SAFETY	Reduce total number of Manhours lost	30%	45%	60%	100% (API) 31% (Dosage)
CORPORATE SOCIAL RESPONSIBILITY	Companies Act 2013	Comply with provisions on CSR	Complied Will Comply		Complied
	Swasthya Prahari: Reduce mal-nutrition ratio amongst children below 5 years in 10 identified villages (Baseline 35%) in next 3 years	20%	On going	20%	On going
		Renovate Existing community health centre to improve infrastructure and services with the aim to extend affordable basic health care to the local community.			Completed

A. United Nations Global Compact

Jubilant became a member of the UN Global Compact (UNGC) in 2010 with the aim of internalising the 10 Global Compact Principles in the areas of human rights, labour, environment and anti-corruption within its strategies, policies and operations. Through our support to UNGC, we aim to undertake projects to advance the broader development goals of the United Nations, particularly the Millennium Development Goals. From 2010 onwards, the Company is submitting its Communication on Progress (COP); these communications are available on the UNGC website.

Table 23

UNGC "THE TEN PRINCIPLES"			
Area	Principle	Statement	Page No.
Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	16, 21, 40
	Principle 2	Businesses should make sure that they are not complicit in human rights abuses	40-41
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	37, 41
	Principle 4	The elimination of all forms of forced and compulsory labour	41
	Principle 5	The effective abolition of child labour; and	21, 41
	Principle 6	The elimination of discrimination in respect of employment and occupation	16, 41
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges	16
	Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility; and	27-32
	Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies	27, 31
Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	15, 41

Policies & Procedures



B Policies



SUSTAINABILITY POLICY

Jubilant Life Sciences Limited and its subsidiaries are committed to **Sustainability** and consider environmental protection, accountability, transparency and inclusiveness as the facets to Sustainable Development.

As a responsible corporate citizen the company is constantly engaged in delivering value to its stakeholders through its promise of **Caring, Sharing & Growing**.

The nature of our activities defines resource efficiency, environmental protection, occupational health and safety, and transportation safety as significant components for long term sustainability of our business and we stand committed to these.

We are a part of the society and acknowledge our responsibility as a good corporate citizen. We endeavor to have an open dialogue with all our stakeholders and adopt structured plans to bring **Progressive Social Change** through strategic multi-stakeholder partnerships.

We intend to be a noteworthy force in integrating Sustainability across our business.

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director

June 30, 2015



GREEN SUPPLY CHAIN POLICY

Jubilant Life Sciences Limited and its subsidiaries are committed to protect the Environment by striving for the Greening of Supply Chain in collaboration with our stakeholders for long term Sustainability.

Jubilant is committed to maintain & expand its Green Supply Chain and will work with PARTNERS to:

Protect the environment by creating awareness

Adhere to environment, health & safety compliance

Reduce, reuse and recycle resources

Train and educate to say no to child labour

Nourish plantation and greenery in vicinity

Encourage saving of water and electricity

Reduce Greenhouse Gas emissions

Strive for sustainable partnership

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director

June 30, 2015



ENVIRONMENT, OCCUPATIONAL HEALTH AND SAFETY POLICY

Jubilant Life Sciences Limited and its subsidiaries are committed to proactively manage and achieve excellence in Environmental, Occupational Health and Safety (EHS) practices.

We shall achieve this by:

- Complying with country-specific regulatory standards on Environment, Occupational Health and Safety
- Optimizing resource utilization for pollution prevention, energy & water conservation and reduction of wastes & emissions
- Identifying EHS hazards at the design stage of the processes & services and build appropriate measures to mitigate risks
- Penetrate Workplace Safety as an individual responsibility for all employees
- Ensure providing safe & healthy work environment with necessary infrastructure and systems
- Reviewing EHS performance for continual improvement
- Promoting EHS awareness among key stakeholders
- Imparting training to operating personnel

The Company shall design and develop, manufacture, handle, store and distribute its products in a manner that minimizes the risk to human beings and environment to go beyond compliance in all aspects of EHS.

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director

June 30, 2015



CLIMATE CHANGE MITIGATION POLICY

Jubilant Life Sciences Limited and its subsidiaries recognize the risk of **Climate Change** and are committed to mitigate its impact. Our initiatives to reduce carbon emissions are, to:

- Join hands with the employees, families & community to create awareness
- Undertake energy conservation measures
- Benchmark all activities for optimum use of resources
- Involve suppliers to reduce emissions through Greening of Supply Chain
- Limit Greenhouse Gas emission by process optimization and pollution prevention
- Adopt advanced information technology to reduce travel related emission
- Nourish the plantation in the units and the vicinity for carbon sequestration
- Transform above initiatives into actions

We shall endeavor to implement this policy to mitigate the risk of Climate Change at **JUBILANT**.

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director

June 30, 2015



RESPONSIBLE CARE POLICY

Jubilant Life Sciences Limited and its subsidiaries are committed to excellence and continual improvement in Health, Safety, Security and Environment [HSSE] performance at its manufacturing units, research & development centers and offices; by leveraging our promise of Caring, Sharing, Growing.

The leadership is committed to implement Responsible Care Management System [RCMS] to promote sustainability across value chain. We shall endeavor to comply with all applicable national and international HSSE regulations and other requirements pertaining to HSSE as identified from time to time.

Jubilant shall design and develop, manufacture, handle, store and distribute its products in a manner that minimizes the risk to human beings and environment, while satisfying the stakeholders' needs.

At Jubilant, every employee has an important role in implementing RCMS through establishment, periodic review and achieving its objectives and targets. We shall timely engage with stakeholders to communicate our Responsible Care performance and inspire them to adopt Responsible Care guiding principles.

We intend to be a noteworthy force in helping to create a more sustainable world.

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director

May 23, 2016

C Awards & Accolades:



We appreciate the recognition given by our stakeholders and will continue our efforts in the future. Some of the recent awards are:

- **Golden Peacock National Quality Award** 2015 organized by Institute of Directors – Jubilant Life Sciences awarded in April 2015
- **CIO 100 Innovation Architect Special Awards** 2015 & The Versatile 100 Award organized by CIO Magazine - Jubilant Life Sciences was awarded at the 10th Annual CIO 100 awards held in Sep. 2015
- **Ankleshwar Chapter Convention on Quality Concepts 2015 (ACCQC) Award** organised by Quality Circle Forum of India (QCFI) - Bharuch plant received Gold Award in Sep. 2015
- **Certificate of Merit by National Safety Council** – Received by Nira on September 2015.
- **Safety Innovation Award** 2015 by The Institution of Engineers (India) – Received by Nanjangud in Sep. 2015
- **Utthama Suraksha Puraskara Award** by National Safety Council – Received by Nanjangud in Sep. 2015

- **16th Annual Greentech Environment Award** 2015 (Gold Category), conferred under “Chemicals and Pharmaceutical sector” – Received by Gajraula plant, in January 2016
- **CHEMEXCIL Export Awards-** Trishul Export Award & Gold Export Award – Received by Jubilant Life Sciences in Feb. 2016



D. Memberships in Associations:

NAME OF THE ASSOCIATION/COMMITTEE	MEMBERSHIP TYPE
Indian Operations	
All India Distillers' Association	Corporate
All India Industrial Gases Manufacturers' Association	Corporate
All India Management Association (AIMA)	Corporate
American Chemical Society	Corporate
Brookings India- Founders Circle	Corporate
Catalysis Society of India	Corporate
Chemexil	Corporate
Confederation of Indian Industry (CII)	Corporate
Employers' Federation of India	Corporate
European Petrochemicals Association	Corporate
Federation of Indian Chambers of Commerce & Industries (FICCI)	Corporate
Indo-Canadian Business Chamber (ICBC)	Corporate
Indian Chemical Council (ICC)	Corporate
Indian Chemical Society	Corporate
Indian Pharmaceutical Association	Corporate
International Society of Pharmaceutical Engineering (ISPE)	Corporate
Indian Speciality Chemical Manufacturers' Association (ISCMA)	Corporate
Indian Captive Power Producers Association (ICPPA)	Corporate
Global Reporting Initiative (GRI)	Corporate
Karnataka Drugs and Pharmaceuticals Manufacturers' Association (KDPMA)	Corporate
Lucknow Management Association	Corporate
Mysore Chamber of Commerce & Industry	Corporate
Nanjangud Industries Association	Corporate
Pharmaceuticals Export Promotion Council (Pharmexil)	Corporate
PHD Chamber of Commerce and Industry	Corporate
Public Affairs Forum of India (PAFI)	Corporate
The Institution of Engineers (India)	Corporate

US-India Business Council (USIBC)	Corporate
Uttar Pradesh Alcohol based Industries Association (UPABIDA)	Corporate
UP DISTILLERS ASSOCIATION	Corporate
World Economic Forum	Corporate
North America Operations	
Spoken:	
Washington Biotech/Biomedical Association (WBBA)	Unit
Employer Resources Northwest (ERNW)	Unit
Associated Industries of Spokane (AI)	Unit
Members of the American Society of Safety Engineers (ASSE)	Unit
Cadista:	
Salisbury Chamber of Commerce, Maryland	Unit
NACDS	Unit

E. List of Abbreviations:

AFSSAPS	Agence Francaise de Products Safety Agency	IMDG	International Maritime Dangerous Goods
AGM	Annual General Meeting	IMR	Infant Mortality Rate
AIDS	Acquired Immuno Deficiency Syndrome	Ind AS	Indian Accounting Standards
API	Active Pharmaceutical Ingredients	INDC	Intended Nationally Determined Contribution
B2B	Business to Business	IPR	Intellectual Property Rights
BBS	Behaviour Based Safety	IUCN	International Union for Conservation of Nature
BE	Business Excellence	JBF	Jubilant Bhartia Foundation
CCMD	Co-Chairman & Managing Director	KFDA	Korea Food and Drug Administration
CDP	Carbon Disclosure Project	KPI	Key Performance Indicators
CDRN	Corporate Disaster Resource Network	KRA	Key Result Areas
CEO	Chief Executive Officer	LOPA	Layers of Protection Analysis
CFO	Chief Financial Officer,	LOPA	Layers of Protection Analysis
CHC	Community Health Centre	LSI	Life Sciences Ingredients
CII	Confederation of Indian Industry	MT	Metric Tonnes

CLP	Classification, Labelling and Packaging	NSD	National Safety Day
CMO	Contract Manufacturing Outsourcing	ODS	Ozone Depleting Substances
COP	Communication on Progress	OHS	Occupational Health & Safety
CRM	Customer Relationship Management	PIL	Public Interest Litigation
CSR	Corporate Social Responsibility	PIP	Partners in Progress
DMSO	Dimethyl Sulfoxide	PMDA	Pharmaceuticals and Medical Devices Agency,
EHS	Environment Health & Safety	PMS	Performance Management System
ERM	Enterprise Risk Management	QA	Quality Assurance
ERP	Enterprise Resource Planning	QRA	Quantitative Risk Assessment
FAMI - QS	Feed Additives and Premixtures Quality System	REACH	Registration, Evaluation, Authorization and restriction of Chemicals
FSSC	Food Safety System Certification	ROW	Rest of World
GAAP	Generally accepted accounting principles	SCRS	Statutory Compliance Reporting System
GHG	Green House Gases	SDS	Safety Data Sheet
GHS	Global Harmonised System	SEBI	Securities and Exchange Board of India
GRI	Global Reporting Initiative	SEOY	Social Entrepreneur of the Year
HAZOP	Hazard & Operability	SHG	Self Help Group
HIV	Human Immunodeficiency Virus	SME	subject matter expert
IATA	International Air Transport Association	SO2	Sulphur Dioxide
ICC	Indian Chemical Council	TFS	Together for Sustainability
ICCA	International Council of Chemical Associations	TGA	Therapeutic Goods Administration
ICTC	Integrated Counselling & Testing Centre	TREM	Transport Emergency Management
IFC	Internal Financial Controls	UNGC	United Nations Global Compact
IFRS	International Financial Reporting Standards	WEF	World Economic Forum

F. Assurance Statement



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Uttar Pradesh, India

Independent Assurance Statement

Ernst & Young LLP (EY) was engaged by Jubilant Life Sciences Limited (the 'Company') to provide independent assurance of its Corporate Sustainability Report 2015-16 (the 'Report') covering the Company's sustainability performance during the period 1st April 2015 to 31st March 2016.

The development of the Report based on the Global Reporting Initiative (GRI) G4 Guidelines, its content, and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Assurance standard

Our assurance is in accordance with International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), and our conclusions are for 'limited' assurance as set out in ISAE 3000.

Scope of assurance and methodology

The scope of our work for this assurance engagement was limited to review of information pertaining to environment, health & safety (EHS) and social performance for the period 1st April 2015 to 31st March 2016. We conducted, on a sample basis, review and verification of data collection/ measurement methodology and general review of the logic of inclusion/ omission of necessary relevant information/ data and this was limited to:

- Review of consistency of data/information within the report as well as between the report and the source;
- Verification of sample data and information reported at the following units/locations:
 - Gajraula (Uttar Pradesh)
 - Roorkee (Uttarakhand)
 - Bharuch (Gujarat)
 - Corporate office at Noida (Uttar Pradesh)
- Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes.
- Review of the Company's plans, policies and practices, pertaining to their social, environment and sustainable development, so as to be able to make comments on the fairness of sustainability reporting.

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EY refers to the global organization, and/or one or more of the independent member firms of Ernst & Young Global Limited.



Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2015 to 31st March 2016);
- Review of the 'economic performance indicators' included in the Report;
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- Data, statements and claims already available in the public domain through Annual Report, Corporate Social Responsibility reports, or other sources available in the public domain.

Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, was drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various Indian and international companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

Observations

During our review, we observed that the Company has compiled the Report as per the 'in accordance' comprehensive criteria of GRI G4 Sustainability Reporting Guidelines. The Company may further strengthen its system for sustainability data management.

Conclusion

On the basis of our procedures for this limited assurance, nothing has come to our attention that causes us not to believe that the Company has reported on sustainability issues materially significant to its business and its stakeholders.

Ernst & Young LLP

Sudipta Das
Partner
Dated: 02-09-2016
Place: New Delhi, India

EY refers to the global organization, and/or one or more of the independent member firms of Ernst & Young Global Limited.



G GRI G4 Content Index:

Our Consolidated annual report 2015-16 and our sustainability report is available on our website <http://www.jubl.com/sustainability/sustainability-report> Our Sustainability Report, is aligned with the Global Reporting Initiative's G4 (Comprehensive) sustainability reporting guidelines.

GENERAL STANDARD DISCLOSURES			
General Standard Disclosures	Page Number	Omission	External Assurance
STRATEGY AND ANALYSIS			
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G4-2	8 - 11		
ORGANIZATIONAL PROFILE			
G4-3	5		Page No. 62
G4-4	5		
G4-5	6		
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G4-7	5		
G4-8	5		
G4-9	5,6,9		
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G4-12	21-22		
G4-13	7		
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G4-16	59		

GENERAL STANDARD DISCLOSURES			
General Standard Disclosures	Page Number	Omission	External Assurance
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REPORT PROFILE			
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G4-33	7		

GENERAL STANDARD DISCLOSURES			
General Standard Disclosures	Page Number	Omission	External Assurance
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G4-54	15		
G4-55	15		
ETHICS AND INTEGRITY			
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G4-58	16, 40		

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DMA and Indicators	Page Number	Omission	External Assurance
Category: Economic			
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G4-EC3	26, 35		
G4-EC4	25		
Material Aspect: Indirect Economic Impacts			
G4-DMA	25		Page No. 62
G4-EC7	26, 43		
G4-EC8	26		
Material Aspect: Procurement Practices			
G4-DMA	26		Page No. 62
G4-EC9	26		
Category: Environmental			
Material Aspect: Materials			
G4-DMA	27-32		Page No. 62
G4-EN1	29, 49		
G4-EN2	29		
Material Aspect: Energy			
G4-DMA	27, 29		Page No. 62
G4-EN3	49		
G4-EN4	50		
G4-EN5	30		
G4-EN6	30		

SPECIFIC STANDARD DISCLOSURES			
DMA and Indicators	Page Number	Omission	External Assurance
G4-EN7	-	Not applicable since the Company is not in the business of selling energy requiring products & services.	Page No. 62
Material Aspect: Water			
G4-DMA	27, 30		Page No. 62
G4-EN8	50		
G4-EN9	31		
G4-EN10	30, 50		
Material Aspect: Biodiversity			
G4-DMA	29		Page No. 62
G4-EN11	29		
G4-EN12	29		
G4-EN13	29		
G4-EN14	29		
Material Aspect: Emissions			
G4-DMA	27, 31-32		Page No. 62
G4-EN15	51		
G4-EN16	51		
G4-EN17	32		
G4-EN18	32		
G4-EN19	30		
G4-EN20	32, 51		
G4-EN21	51		

SPECIFIC STANDARD DISCLOSURES			
DMA and Indicators	Page Number	Omission	External Assurance
Material Aspect: Effluents and Waste			
G4-DMA	27, 30-31		Page No. 62
G4-EN22	51		
G4-EN23	50, 51		
G4-EN24	31		
G4-EN25	-	Not applicable since the Company did not involve any transboundary movement of hazardous waste during this reporting period.	
G4-EN26	29		
Material Aspect: Products and Services			
G4-DMA	33-34		Page No. 62
G4-EN27	33-34		
G4-EN28	31		
Material Aspect: Compliance			
G4-DMA	9, 16, 27-28, 32		Page No. 62
G4-EN29	32		
Material Aspect: Transport			
G4-DMA	21-22, 34		Page No. 62
G4-EN30	22, 32, 34		

SPECIFIC STANDARD DISCLOSURES			
DMA and Indicators	Page Number	Omission	External Assurance
Category: Social			
Sub-Category: Labor Practices And Decent Work			
Material Aspect: Employment			
G4-DMA	19-20, 35-37		Page No. 62
G4-LA1	38-39		
G4-LA2	35		
G4-LA3	35		
Material Aspect: Labor/Management Relations			
G4-DMA	19-20, 37		Page No. 62
G4-LA4	37		
Material Aspect: Occupational Health and Safety			
G4-DMA	42		Page No. 62
G4-LA5	37		
G4-LA6	51		
G4-LA7	42		
G4-LA8	37		
Material Aspect: Training and Education			
G4-DMA	11,39,42		Page No. 62
G4-LA9	39		
G4-LA10	39, 42		
G4-LA11	35		
Material Aspect: Diversity and Equal Opportunity			
G4-DMA	35		Page No. 62
G4-LA12	12, 37		

SPECIFIC STANDARD DISCLOSURES			
DMA and Indicators	Page Number	Omission	External Assurance
Sub-Category: Human Rights			
Material Aspect: Non-Discrimination			
G4-DMA	40-41		Page No. 62
G4-HR3	41		
Material Aspect: Freedom of Association and Collective Bargaining			
G4-DMA	37, 41		Page No. 62
G4-HR4	21-22, 41		
Material Aspect: Child Labor			
G4-DMA	40-41		Page No. 62
G4-HR5	41		
Material Aspect: Forced or Compulsory Labor			
G4-DMA	40-41		Page No. 62
G4-HR6	41		
Sub-Category: Society			
Material Aspect: Local Communities			
G4-DMA	23, 43-48		Page No. 62
G4-SO1	23		
G4-SO2	23, 32		
Material Aspect: Anti-Corruption			
G4-DMA	40, 41		Page No. 62
G4-SO3	41		
G4-SO4	40		
G4-SO5	40		
Material Aspect: Public Policy			
G4-DMA	41		Page No. 62
G4-SO6	41		

SPECIFIC STANDARD DISCLOSURES			
DMA and Indicators	Page Number	Omission	External Assurance
Material Aspect: Anti-Competitive Behavior			
G4-DMA	41		Page No. 62
G4-SO7	41		
Material Aspect: Compliance			
G4-DMA	9, 41		Page No. 62
G4-SO8	41		
Sub-Category: Product Responsibility			
Material Aspect: Customer Health and Safety			
G4-DMA	33-34		Page No. 62
G4-PR1	33-34		
G4-PR2	34		
Material Aspect: Product and Service Labelling			
G4-DMA	34		Page No. 62
G4-PR3	34		
G4-PR4	34		
G4-PR5	28, 34		
Material Aspect: Marketing Communications			
G4-DMA	34		Page No. 62
G4-PR6	34		
G4-PR7	34		
Material Aspect: Customer Privacy			
G4-DMA	34		Page No. 62
G4-PR8	34		
Material Aspect: Compliance			
G4-DMA	9, 34		Page No. 62
G4-PR9	34		



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