







## Nurturing Inclusive Growth

### **Aligning with Sustainable Development Goals**

Sustainable Development Goals are the need of the hour. They are the universal call-to-action towards a more sustainable way of living through equitable development and environmental sustainability. This year, the theme for our Sustainability Report is 'Nurturing Inclusive Growth. Aligning with Sustainable Development Goals.' As a responsible company, we are leveraging the 17 SDGs to align our existing business model with global priorities. We are committed to support meaningful programs and partnerships that help achieve these necessary goals by building a better world for 2030 and beyond. This will gradually step up our sustainability initiatives from Millennium Development Goals to Sustainable Development Goals.

# REPORT PROFILE

The report has been compiled by the Corporate Sustainability team of Jubilant Life Sciences Limited (JLL). 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 are also no significant changes during the reporting period regarding size, structure, or ownership of the Company.

**Reporting period for this sustainability report– April 1, 2016 – March 31, 2017**

**Reporting cycle- Annual**

**Previous report- Corporate Sustainability Report FY 2015-16 'Integrating Sustainability with Productivity' released in September 2016 is available on the Company website**

**<http://www.jubl.com/sustainability/sustainability-report>**

**GRI G4 Guidelines in accordance 'Comprehensive' option**

# SCOPE AND BOUNDARY

## Businesses

Pharmaceuticals  
Life Science Ingredients  
Drug Discovery Solutions

## Geographies

India  
North America

## Offices & Locations

- Corporate Office, Noida
- R&D centers in Noida and Bengaluru
- 11 Manufacturing Facilities across the globe

*Includes Energy and water consumption data of employee residential colonies wherever they are located near our manufacturing locations. Excludes all marketing offices*

## Key Subsidiary Companies

This report includes subsidiaries of the Company which have a significant impact on the sustainability performance of the organisation

- Jubilant Pharma Limited
  - Jubilant HollisterStier LLC, Spokane, USA
  - Jubilant DraxImage Inc., Montreal, Canada
  - Jubilant Cadista Pharmaceuticals Inc., Salisbury, USA
  - Jubilant Generics Limited, India

- Jubilant Biosys Limited, India
- Jubilant Chemsys Limited, India
- Jubilant Infrastructure Limited, India

All Corporate Social Responsibility (CSR) programs of JLL are taken care of by Jubilant Bhartia Foundation (JBF) which is a “not for profit” organization established in 2007 by Jubilant Bhartia Group.

## Restatement

There is no restatement for FY 2016-17.

## Independent Assurance

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

### For queries, clarification or feedback related to the report, write to:

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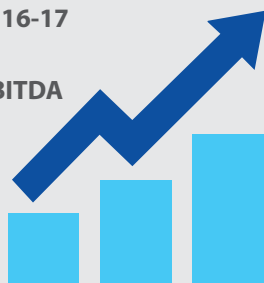
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# PERFORMANCE HIGHLIGHTS

## Economic Performance

- Revenue for FY 16-17  
₹ 60063 mn
- Highest-ever EBITDA  
of ₹ 13702 mn



## Partnerships

- GRI South Asia Consortium member from Chemical Sector
- Founding member of GRI's Sustainability and Transparency Consortium in the Chemical Sector
- One of the first Indian companies to have joined the organisational stakeholder program of GRI

## Certifications FY 2017

- RC 14001 certification for Responsible Care Management System at Gajraula Manufacturing Plant and Corporate Office
- ISO 50001 certification for Energy Management System at Bharuch Manufacturing Plant

## Sustainability



- Received EcoVadis gold rating which positions the company among global top 5% for sustainability performance.
- Nira Manufacturing Unit successfully audited as part of the "Together for Sustainability" (TfS) initiative.

## Suppliers & Vendors

Audited 17 external manufacturers and 121 vendors on environmental and social parameters

## Energy Consumption

7% reduction in total energy consumption

109 energy savings projects

leading to an estimated saving of 310 TJ equivalent of energy

and reduction in 28374 MT of CO<sub>2e</sub>

## Safety

216 transport service providers and drivers trained on Defensive Driving (Nischay)

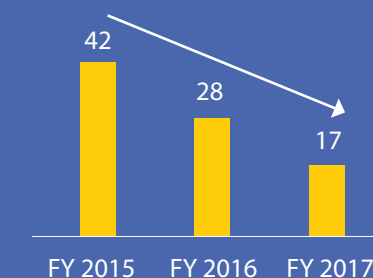
79485 man-hours spent on safety training

(Both permanent and contract employees)

Layers of Protection Analysis (LOPA) conducted for 25 critical storage areas at Gajraula Manufacturing Unit

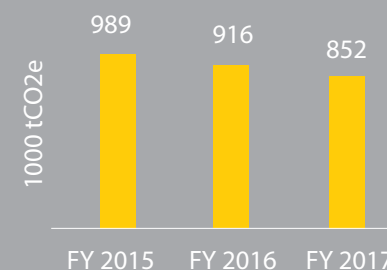
Risk assessment (HAZOP) studies conducted for Critical Process at 5 manufacturing sites supporting LSI business.

No. of lost time Injury (other than fatal)



## GHG Emissions

Total Greenhouse Gas Emissions







**Shyam S Bhartia**  
 Chairman

**Hari S Bhartia**  
 Co-Chairman and Managing Director

# CHAIRMEN'S MESSAGE

Dear Stakeholders,

## 15th Sustainability Report of Jubilant Life Sciences Ltd.

We take pleasure to write you about another successful year of journey of Jubilant Life Sciences Limited with its continuing focus and commitment to integrate sustainability principles into our innovation, operations, and business practices. This is our 15th sustainability report in consecutive years and 2nd one following the GRI G4 guidelines in accordance with the 'Comprehensive' option. Moreover this year for the first time we are co-relating our sustainability initiatives with Sustainable Development Goals (SDGs) set by UN and find another meaningful and visible purpose of doing business, purpose of becoming a partner in contributing to achieve global common goals, the SDGs. These SDGs will act as an impetus for our existing business and reinstate the foundation of our inclusive business model integrating sustainability principles.

## JLL crossed highest ever revenue of 60000 million INR

This year we are pleased to announce that the Company has reported highest ever revenue and EBITDA of ₹ 60063 million & ₹ 13702 million respectively. The differentiated business model focusing on Specialty Pharmaceuticals has enabled the Company to deliver exceptional results and build a strong base for growth in Pharma business. Pharmaceuticals revenue was up by 8%,

contributing 52% to the revenues led by 11% growth in Specialty Pharmaceuticals business while our international revenues contributing 71% to our overall revenue. We are also proud to inform you about ongoing business expansion taken up by the Company through acquisition of radio pharmacy business of Triad Isotopes, the second largest radio pharmacy network in the US. Jubilant has signed an Asset Purchase Agreement with Triad Isotopes Inc. and its parent, Isotope Holdings, Inc. ("Triad") to acquire substantially all of the assets which comprise the radio pharmacy business of Triad. The Company is also prepared for embracing ongoing economic inclusive and integration process taken up by Govt. of India towards long awaited implementation of GST (Goods and Services Tax) and make India more coherent with global market. The Company is also publishing its first BRR (Business Responsibility Report) along with annual report to meet SEBI latest mandate to Jubilant Life Sciences Ltd.

## Customer Satisfaction and Supply Chain Inclusiveness

Since there is increasing demand for ethical & sustainable products globally, our customers are also not exception to it. In response to the demand of our global customers Jubilant went through both site specific TFS audit by SGS at its Nira facility and on-line sustainability performance assessment of the Company by EcoVadis, an international CSR audit firm engaged by TFS. In both the assessment the Company performed extremely well to the satisfaction of our valued customers. While we scored 81% in TFS site audit, EcoVadis assessed Jubilant under Gold Category and among top 5% global companies assessed by EcoVadis so far. In continuation to our earlier effort this year also the Company has extended its co-operation to its suppliers and contract manufacturers to build in sustainability awareness as part of our inclusive business development agenda. In addition to regular vendor evaluation, this year the company once again communicated its green supply chain policy along with sustainability survey questionnaire to around 1200 suppliers.

## Climate Change Mitigation – Jubilant in Action

The Company is very much aware about the global deliberation towards reduction of GHG emission to reduce menace of climate change impact. The Company not only monitors its GHG emission on regular basis but also constantly searching opportunities to reduce its own carbon footprint through judicious use of energy and its mix incorporating all possible renewable energy sources fitting into our business process. In FY 17 our Business Excellence team of the Company, took up 109 energy saving projects which led to estimated savings of 310 TJ energy and reduction of 28374 tCO<sub>2</sub>e of GHG emission. The company also publicly declares its GHG emission performance through sustainability report and participation in CDP every year. Jubilant was one of the only 11 companies from India who participated in CDP in FY 17 voluntarily as SSC (Self Selected Company). The Company is in recognition of Govt. of 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. The management has also internally reviewed its implication on the Company in case the Government allocate its commitment among industries and set sector specific emission reduction target.

## Improved EHS management system implementation

The Company is always sensitive to overall improvement of its EHS performance. To excel in this direction the Company has for the first time implemented and certified its largest manufacturing site at Gajraula and Corporate Office under RC 14001 based Responsible Care Management System following American Chemistry Council (ACC) standard. This remarkable achievement will help the Company to improve its EHS performance further. The Company has also gone through

implementation and Certification of ISO 50001 based Energy Managements System at its Bharuch facility. The collaborative effort of both the employees and the management has helped the company to improve its safety performance this year against last year in terms of both total lost time accidents & lost man-days. This year the Company spent more than 79000 man-hours of training on safety (about 44% higher than FY 2016) in Indian operations involving both permanent and contract employees. The Company is also mindful about the safety of the communities surrounding its operations and played a key role in successfully conducting offsite emergency mock drill involving its largest manufacturing plant at Gajraula and surrounding community with the help of local administration and industries.

## Recognition

Like every year this year also the Company received several awards for its commendable achievement in different areas of operational excellence. However the one received from FICCI, in recognition of its commendable CSR program involving community health, is itself a sign of our inclusive growth following path of sustainable development.

As we look forward to our next sustainability reporting, we will work to ensure that our sustainability focus has a direct link to our strategic priorities and the SDGs with relevance to our business. 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**  
Chairman

**Hari S Bhartia**  
Co-Chairman & Managing Director

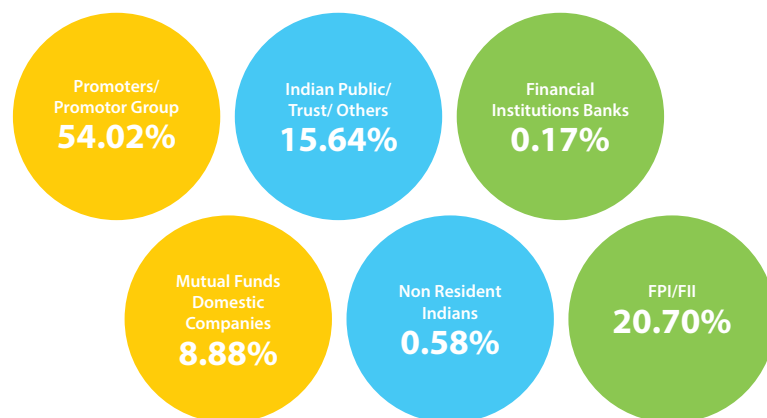


# COMPANY PROFILE & ECONOMIC PERFORMANCE

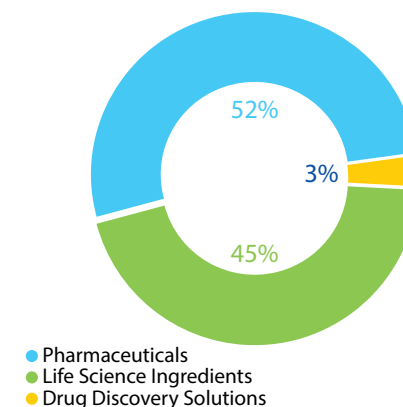
## An integrated global pharmaceutical and life sciences company.

Jubilant Life Sciences Limited is an integrated global pharmaceutical and life sciences company engaged in Pharmaceuticals, Life Science Ingredients and Drug Discovery Solutions. The Pharmaceuticals segment, through its wholly owned subsidiary Jubilant Pharma Limited, is engaged in manufacture and supply of APIs, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products and Contract Manufacturing of Sterile and Non-sterile products through 6 US FDA approved manufacturing facilities in India, USA and Canada. The Life Science Ingredients segment, is engaged in Specialty Intermediates, Nutritional Products and Life Science Chemicals through 5 manufacturing facilities in India. The Drug Discovery Solutions segment, provides proprietary in-house innovation & collaborative research and partnership for out-licensing through state-of-the-art research centres in India and USA. Jubilant Life Sciences Limited has a team of around 6,700 multicultural people across the globe and is committed to deliver value to its customers across over 100 countries. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally.

### Shareholding Pattern



### Revenue split by Business



## GLOBAL FOOTPRINT

### Corporate Office

#### Jubilant Life Sciences Limited

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

### Manufacturing Facilities

#### Montreal, Quebec, Canada

US FDA approved and ISO 13485 Certified facility for Radiopharmaceuticals.

#### Montreal, Quebec, Canada

US FDA approved facility for Contract Manufacturing of Sterile Injectables.

#### Spokane, Washington, USA

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

#### Salisbury, Maryland, USA

US FDA approved facility for Generics (Tablets & Capsules)

#### Nanjangud, Karnataka, India

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

#### Roorkee, Uttarakhand, India

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

#### Gajraula, Uttar Pradesh, India

RC 14001 Certified Integrated Pyridine & its derivatives facility

#### Bharuch, Gujarat, India

ISO 50001 Certified facility for Vitamins, Fine Ingredients, and Crop Science & its derivatives located in the Special Economic Zone (SEZ)

#### Nira, Maharashtra, India

Life Science Chemicals

#### Samlaya, Gujarat, India

Animal Nutrition Products

#### Ambernath, Maharashtra, India

Facility for Fine Ingredients, Crop Sciences and Exclusive Synthesis - Pyridine derivatives





## Local 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, 21.18% of the material was sourced domestically whereas 78.82% was sourced from other countries for Indian operations in 2016-17.

Economic growth is the key backbone of every business without which no business model can become successful. At Jubilant Executive Director- Finance of the Company ensures internal controls through internal audit team. Every year 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 the Company.

The revenue for the FY 2016-17 was ₹ 60,063 million. The Company delivered strong and consistent performance throughout the year thereby achieving highest-ever EBITDA of ₹ 13,702 million in FY 2017. This growth has been led by its' Pharmaceuticals segment, specifically the Specialty Pharmaceuticals business. The international sales of the Company comprises of revenue from North America & Europe at 60%, China at 2.3%, others at 8.4% and India markets at 29.3% respectively. The Company paid net taxes of ₹ 2,251.24 million at the consolidated level (this amount mentioned, does not include deferred taxes and minimum alternate tax). This year the Company received export benefit of ₹ 304.95 million from Government. The paid up capital was ₹ 155.75 million and consolidated debt was ₹ 37,606.33 million.

During this year the production from Indian operations were 4,56,619 MT of bulk products and 1166 million capsules and tablets. Production from North American plants this year were 1,517 million units of tablets, vials and other products which

excludes production from Radiopharmaceuticals business. The Company has total assets of ₹ 90,406.47 million. For detail about company's annual financial performance, please refer our Annual Report 2016-17 available on the Company website: [jubl.com](http://jubl.com)

Economic Performance - In ₹ million	2015-16	2016-17
<b>Direct Economic Value generated</b>		
REVENUE	58933.13	60063.25
EBITDA	12603.15	13701.49
PAT	3868.23	5746.26
<b>Economic Value Distributed</b>		
Major operating costs	31,259.94	30613.34
Employee wages and benefits	11250.94	12309.30
Payments to providers of capital	575.12	575.12
CSR Investment around Indian Operations	25.90	25.1
Retained Earnings	29507.16	34204.7
Overall Social Investment (including donations)	74.81	136.57
<b>Company Contribution in Long term employee benefits</b>	<b>196</b>	<b>217</b>
PF Contribution	130	146
Pension Contribution	58	63.49
Superannuation Contribution	8	7.21

# KEY IMPACTS, RISKS AND OPPORTUNITIES



At Jubilant the sustainability policy along with other policies sets the overall tone for taking our business forward in a sustainable manner. However the company continuously engage with different stakeholders to understand their ever changing expectations and thus revisit the key business risks and opportunities involved with ongoing business.

Key business risks and opportunities identified during these stakeholder engagements are assessed, prioritized and integrated in overall business strategy of Jubilant Life Sciences. The overall business strategy is discussed and set by senior management for next year during business strategy meet conducted every year.

There is a growing demand for responsible business and emphasis on ethical products and to address these concerns the corporate world is taking non-financial matters such as the environment and social and governance issues seriously. Businesses today increasingly understands that unless we address these issues, there are very high costs and we miss out on opportunities as well. In response to this global demand for better environment and social justice, the Govt. of India is also proactively bringing regulatory and policy level changes on environment and social front. Jubilant's management is constantly keeping an eye on these changes. There are regular internal and external audits across plants, R&D Centers and Corporate Office covering EHS and social issues. Based on these findings key EHS issues are identified and materiality matrix based on their probability of occurrence and scale of impact is prepared along with corrective measures.

For further detail about key business risks & relevant mitigation plans, please refer to Internal Control Systems and Risk Management in the Management Discussion & Analysis of the Annual Report FY 2016-17.

## Internal Control Systems and Risk Management

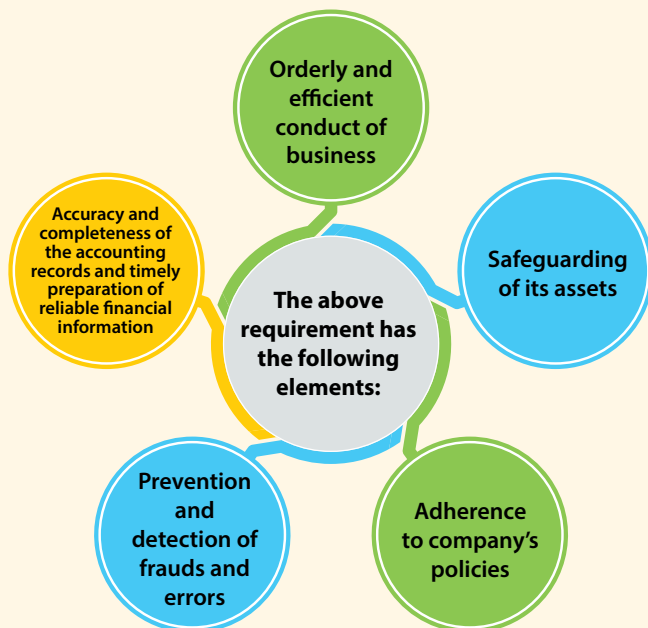
Risk-taking is an inherent trait of any enterprise. It is essential for growth or creation of value in a Company. At the same time, it is important that the risks are properly managed and controlled, so that the Company can achieve its objectives effectively and efficiently.

## 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.







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.

Policies and procedures adopted by the Company to adhere to IFC elements are given below:

### Orderly and Efficient Conduct of Business

The Company has a well laid down organizational structure which defines the authority-responsibility relationship. The Company has a formal financial planning and budgeting system

encompassing short term as well as long term planning. In order to ensure that decisions are made and actions 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 a risk management framework which has been discussed under "Our Vision on Risk Management" in Annual Report FY 2016-17.

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's 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. The Company also has a Whistle Blower Policy and any employee of the Company can directly write to the Ombudsman. 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 Conduct 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 well-documented Accounting Manual. The Accounting Manual contains detailed guidelines on all aspects of accounting this helps in ensuring that the accounts and finance team is well updated on the accounting requirements. Financial consolidation is carried out through an Enterprise Resource Planning system called Hyperion thereby minimizing 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 2013, 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 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 that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. The Company has 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 for risk minimisation culture through defined and communicated corporate values, clearly assigned risk mitigation 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, Strategic 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) exercise 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 more than 10 years and covers over 2,000 financial 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
- Dependence on Certain Key Products and Customers
- Foreign Currency and Interest Rate Exposures
- Capacity Planning and Optimization
- Manufacturing Operations
- Dependence on Single Manufacturing facility
- Research & Development (R&D) Effectiveness
- Supply Interruptions due to Single Source Supplier
- Limited Product Pipeline
- Failure to Supply to Customer
- Human Resources – Acquire and Retain Talent
- Compliance and Regulatory
- Environment, Health and Safety (EHS)
- Protecting Intellectual Property Rights (IPR)
- Information Technology (IT)
- Risk of changes in Tax Legislation
- Mergers & Acquisitions
- Political or Economic Instability or Acts of Terrorism
- Duties by Export Destination Countries
- Acceptance of Our Products in Market
- Policies regarding returns, allowances and chargebacks in the United States
- Labour Union
- Consolidation of Customer Base

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



# GOVERNANCE

## 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 March 31, 2017, the Board comprised of 2 Executive Directors and 4 Non-Executive Directors. The Board had 3 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, Co-Chairman and Managing Director, Executive Directors and CEOs.

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

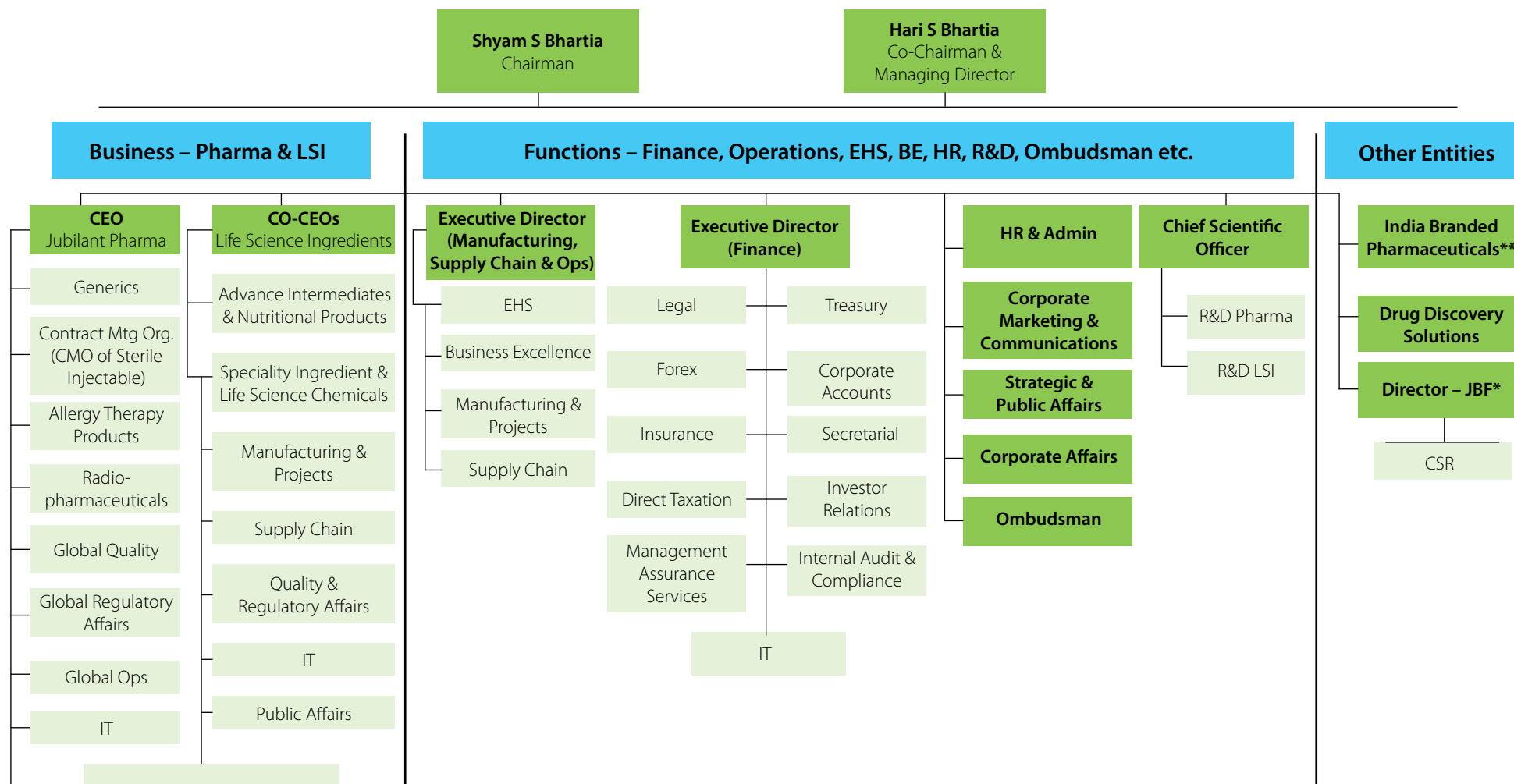
The role, terms of reference and composition of these committees are available in detail in the Corporate Governance Report forming part of the Annual Report.

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
- Dividend Distribution Policy
- Policy for preservation of documents
- Archival Policy



## The Global Management Team of Jubilant is presented below:-



\*Jubilant Bhartia Foundation (JBF) is Not for Profit Organisation under Jubilant Bhartia Group and specializes in providing community services. JBF conducts CSR activities for Jubilant Life Sciences for its operations in India.

\*\*IBP currently shown as reporting CCMD

To measure and drive business performance on a continuous basis, various Executive Committees have been constituted. The Committees comprise of 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

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. The information is also available on company's website (<http://www.jubl.com/sustainability/policy/sustainability-policy>) however the list is given below:

- 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 143. 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 1.4.

### 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,
- 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 below:

✉ [ombudsman@jubl.com](mailto:ombudsman@jubl.com)

🏠 [www.cwportal.com](http://www.cwportal.com)

CW portal is 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.

# REACHING OUT TO OUR STAKEHOLDERS

In present times all successful sustainable business models emphasize upon more & more productive stakeholder engagement to unearth the key expectations and concerns of respective business stakeholders. Once proper analysis of such meaningful stakeholder engagement outcomes are conducted, the key business risks and opportunities unfold which ultimately help the business leaders to strategise their short and long term business goals at right perspective and make the business model more acceptable to majority of its stakeholders. Jubilant has always strived to continue an active dialogue with all its stakeholders and has a robust system for maintaining a progressive relationship with its stakeholders.

The key engagements this year include the following:

## Customers

Jubilant Life Sciences has diversified global business and is actively providing products and services to its customers in more than 100 countries. The Company determined to improve its products and processes to enhance the quality of production and cost competitiveness and is well recognised as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies worldwide. To provide an effective digital platform in addressing customer queries more efficiently, the Company implemented Salesforce.com-Customer Relationship Management (CRM) software in 2014-15. Any customer can float a product query and dedicated business personnel responds to those queries online. Customer satisfaction is assessed periodically for each business unit and initiatives to improve are taken accordingly. The Company also participates in various national and international exhibitions to engage with existing and prospective customers regularly.



*CPhI Japan*



*Food Ingredients Asia*

## Key events participated by Jubilant Life Sciences in 2016-17



- CPhI Japan, Tokyo, April 2016
- McKesson Sales Conference, May 2016
- Chemspec Europe, Switzerland, June 2016
- IFT USA, Chicago, July 2016
- Cardinal Health Retail Business Conference (RBC), July 2016
- NACDS Total Store Expo, August 2016
- Food Ingredients Asia, Indonesia, September 2016
- CPhI World Wide, Spain, October 2016
- CPhI India, Mumbai, November 2016
- American college of Allergy, Asthma & Immunology (ACAAI), San Francisco, November 2016
- American Academy of Allergy, Asthma & Immunology (AAAAI), Atlanta, March 2016

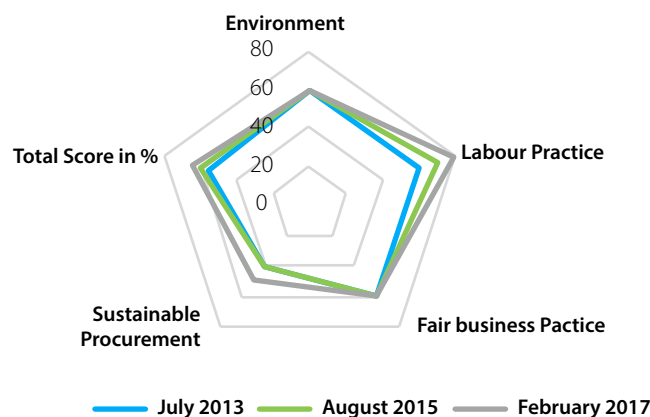




In recent time our global customers are not only content with our high quality products and services but also JLL's inclusive sustainability performance. Some of our global customers have started evaluating our sustainability performance on a regular basis. And since year 2013, EcoVadis is assessing Jubilant Life Sciences' sustainability performance on behalf of several global customers like BASF, EMD, Johnson & Johnson and others. Latest assessment conducted by EcoVadis in Feb 2017 has rated our sustainability performance under Gold Category and benchmarked Jubilant Life Sciences sustainability performance 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. More than 20,000 companies use EcoVadis to reduce risk, drive innovation and foster transparency and trust between trading partners.

## EcoVadis Assessment

### EcoVadis Assessment of JLL CSR Performance



CSR Performance Improvement Trend Assessed by EcoVadis	The Company	The Company	The Company	"Trend Curve"
	Jul-13	Aug-15	Feb-17	
Environment Score	60	60	60	—
Labour Practices Score	60	70	80	↗
Fair Business Practices Score	60	60	60	—
Sustainable Procurement Score	40	40	50	↗
<b>Total Score</b>	<b>56</b>	<b>60</b>	<b>65</b>	↗

### ELEMENTS OF CSR PERFORMANCE

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

### CSR PERFORMANCE

Outstanding	Dark Green
Advanced	Light Green
Confirmed	Yellow
Partial	Orange
None	Red



### TfS (TOGETHER FOR SUSTAINABILITY) CSR PERFORMANCE ASSESSMENT SCORE

In addition our Nira site went through TfS (Together for Sustainability) audit by SGS during September 2016. Our overall score during this audit 81%: This sustainability performance score could be accessed by any of our global customer upon their request to TfS.

<b>38</b>	<b>56</b>	<b>27</b>	<b>20</b>	<b>20</b>	<b>161</b>
[40]	[60]	[60]	[20]	[20]	[200]
Environment	Health & Safety	Labor & Human Rights	Management	Governance	Total Score

## Investors

Investors & Shareholders are considered as one of the key stakeholders of Jubilant and they 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, Annual Corporate Sustainability Report 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 annually and the same are also made available online through our website www.jubl.com. The shareholders can also share their valuable suggestions with the Board of Directors during the AGM (Annual General Meeting). Emails received by Company Secretary office from the shareholders are forwarded to concerned authorities for necessary action and response.

During 2016-17 the Annual General Meeting (AGM) for investors was held on 30th August, 2016 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 200 regular investor meets and calls during 2016-17.

## Employees

We believe the knowledge, capability, commitment and dedication of our employees is essential for the organisation's successful business operations and achievement of its goals for sustainability. Jubilant's Human Resources (HR) team drives, supports and periodically reviews its initiatives to enhance employee engagement. The HR team also works towards greater involvement of employees leading to increased satisfaction and enhanced commitment.

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

The Company also organizes employee engagement programs at all manufacturing units 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.

### COMMUNICATION FORUMS

Communication Forums	Purpose	No. of programs
Town Hall Meets	Open platform for employees to interact with Co-CEOs	7
Skip Meeting	Interaction of COD/Co-CEOs with N-1 employees	4
GPTW Action Plan	Cross functional employee brainstorming to bring out new opinion and initiatives those can be started	16

### EMPLOYEE ENGAGEMENT

Engagement	Purpose	No. of programs
Team Outbound	Program to develop stronger bond among employees & organization	4
Sales Meet	Discuss and define business specific strategy and roadmap	5
New Joiners Meet	Platform to understand the first experience of all new joiners (Conducted for new joiners between Sep'15 – Mar'16 of LSI at Corporate & Gajraula)	1
Chairmen's Awards	Employee motivation through recognition (May 2016)	1
Rewards & recognition	Employee motivation through recognition (Revised Applause Policy Launched )	1
Long Service Awards	Employee motivation and retention through recognition	On Annual Day celebration

Following are examples of similar programs conducted during FY 2017:

- **World Environment Day:** June 5, 2016 - Celebration involving Jubilant employees and their families across Corporate Office & units.
- **Rakshabandhan Celebration:** August 10, 2016- (Corporate Office) & August 12, 2017 (R&D) – Stall of handmade products prepared by inmates of Tihar Jail put up for sale.
- **Employee Picnics**
  - o September 10, 2016 - 85 employees of Gajraula Unit along with their family members visited Jim Corbett Park
  - o Trekking in Chamundi hill for Nanjangud Unit employees and their family members.
- **Vishwarkarma Pooja:** September 17, 2016- Celebration organized with different activities for employees of Gajraula unit along with their families.
- **Workshops:** September 20 & 21, 2016, CBWE (Central Board for Workers Education), Bareilly organized a two day workshop at Gajraula Unit. 13 employees along their spouses attended the program.
- **Food Drive for Urban Slums:** March 1&2, 2017, Jubilant Bhartia Foundation in association with India Food Banking Network organised a two day food drive at Corporate Office for the children at urban slums in Delhi and NCR.
- **Town Hall:** January 20, 2017 – Mr. Neichute Doulo of Entrepreneurs Associates addressed the employees at Corporate Office of Jubilant Life Sciences Ltd, Noida. He shared his inspirational story of mobilizing youth of Nagaland and Manipur towards entrepreneurship and skill development. Mr. Neichute Doulo was awarded by Jubilant Bhartia Foundation and Schwab Foundation in 2016 as “The Social Entrepreneur of the Year India” for his work in promoting entrepreneurship and peace building in north-eastern India.
- **Blood Donation Camp:** February 3, 2017- Organized by Jubilant Bhartia Foundation in association with Rotary Blood Bank. Over 100 employees donated 87 units of blood.

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.



World Environment Day Celebration



Sales Meet



Family Picnic



World Health Day Celebration



## Suppliers and Vendors

In today's globalization and open market economy, the performance of suppliers & vendors are considered as a key parameter to judge overall health of a company's business sustainability. In Jubilant 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. Considering growing demand for a sustainable supply chain globally, Jubilant has already developed and communicated its Green Supply Chain policy to its suppliers. Supplier concerns are addressed through various interactions on a continual basis and through annual Suppliers meet. During the reporting period, suppliers meet was conducted on February 17, 2016 and around 55 service providers participated in the event. The top management shared the financial and sustainability performance of JLL during the event. Selected suppliers were rewarded for their achievements. The Suppliers 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 2016-17 for 17 external manufacturers out of total 35 external manufacturers. However, during FY 2017 total 86 vendors of LSI (Life science Ingredient) business and 52 vendors of Jubilant Generics Ltd. (JGL) business were audited against environment, labour practices, human rights and social criteria along with standard quality, infrastructure and other applicable criteria.

	Unit	Total Existing suppliers	New suppliers audited	Existing supplier audited	New suppliers delisted due to environmental or social impact	Existing suppliers delisted due to environmental or social impact
Life Science Ingredient (LSI)	No.	1312	23	46	0	0
Jubilant Pharma Limited (JPL)*	No.	291	19	33	0	0
External Manufacturer	No.	22	0	17	0	0
Total Supplier	No.	1625	42	96	0	0

*\*Numbers against JPL covers sites under Jubilant Generics Ltd. (JGL) only*

## Road Safety Training Program: 'Nischay'

Site	Participants	Date	Type
Gajraula	38	21.04.16	External
Savli	22	26.07.16	External
Nira	50	19.09.16	External
Gajraula	36	10.11.16	External
Savli	26	22.12.16	External
Nira	44	24.03.17	External

All goods movement of the Company is outsourced and plays an important role in company's all round growth. Hence road safety during transportation of its products and raw materials is of prime concern to the Company. In order to improve transporter safety, 'Behavioural Safety Training with focus on Defensive Driving' is imparted to transport service providers. During FY 2016-17 several trainings on Defensive Driving (Nischay) were conducted at our manufacturing locations in Gajraula on April 21, 2016 & November 10, 2016; Nira on September 19, 2016 & March 24, 2017 and Savli on July 26, 2016 & December 22, 2016. Training programs were conducted by IDTR (Institute of Driving and Training Research) certified external faculty and total 216 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 2016-17 there were total 9 road incidents against 10 in 2015-16.

## Government

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

## 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 25 Press Releases during the year.

## Community

Jubilant recognises the importance of belongingness of any business to its community and honours the contribution of its neighbouring communities to the success of its business. Jubilant Bhartia Foundation (JBF), the Corporate Social

Responsibility wing of the Company established in 2007, takes up and shapes different social development programs which include 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 foundation's 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.

Three formal community engagements were conducted in Gajraula, Bharuch & Samlaya in 2016-17. In these community interfaces, the Company briefed, about the ongoing community activities & 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 2016-17, Jubilant Bhartia Foundation (JBF) also supported Food Banking Network for the children at Urban Slums in Delhi and NCR.





The results of the Stakeholder Prioritisation assessment as perceived by our top management 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:



## Stakeholder Prioritization and Materiality Assessment

Jubilant recognizes the need of focussed and structured approach for stakeholder engagement to bring out the issues material for long term sustainable business of the company. Identification, prioritization and consolidation of those material issues with overall business strategy is at core of present sustainable business model. Hence in continuation to above mentioned direct stakeholder engagement a formal system was developed and introduced during 2014-15 for a structured 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 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 aligned with the views & expectations of our key stakeholders.



# ENVIRONMENTAL PERFORMANCE

**Creating sustainable business requires proactive environmental management. Jubilant has been committed towards operational excellence integrated with environmental consideration.**

## Environment Management

Environment, Occupational Health & Safety (EHS) Policy, Responsible Care Policy and the Climate Change Mitigation Policy sets overall direction of the Company's commitment 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. During this year our largest manufacturing site at Gajraula and corporate office has been certified by DNV for successful implementation of RC 14001 based Responsible Care Management System following American Chemistry Council (ACC) standard. The Company has already rolled out implementation of this across all other Life Science Ingredient (LSI) business plants in India and our Bharuch site is in advanced stage of implementation.

The Company sets environmental targets to monitor its environmental performance ongoing basis. The performance against these targets are reported to the Board of Directors and presented in the Corporate Sustainability Report. Apart from this, site specific EHS Goals are set and tracked under environment and safety management systems at respective manufacturing locations.

There is dedicated EHS team, both at corporate and site level to take care of all day to day 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 CEOs, Executive Director and the Sustainability & CSR Committee review the EHS performance on a half yearly basis covering 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. EHS related Key



Result Areas (KRAs) are also there for company CEOs for better emphasis and focus on EHS issues of concern of the Company.

'Jagriti' an in-house developed software has been deployed for timely tracking of environmental related observations & analysis and to have preventive actions for achieving higher level of environmental standards.

The Company does not hesitate to invest for environmental protection and management. During this year, the Company made capital expenditure projects worth ₹ 119.3 million 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. During FY 2017 our Bharuch site has been certified under ISO 50001 based energy management system and our other plants in India has planned to implement the same very soon. Plantwise list of Certifications is provided under "Certifications" section on page 56.

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). This year we have applied for ICC Responsible Care Logo for our 5 plants under Life Science Ingredient business. ICC personnel has already completed site audits and we expect ICC to issue us Responsible Care logo very soon.

In addition to above mentioned certification Jubilant has received FSSAI (Food Safety and Standards Authority of India) license for its Nira, Savli & Gajraula sites and applied for Bharuch sites.

## Training and Awareness - Environment

To improve the environmental awareness amongst employees, a separate session on EHS and sustainability is incorporated in the induction training module and all new joinee are supposed to undergo induction training as soon as they join the organization. Also the Company celebrated World Environment Day on June 5, 2017 to sensitize the employees for the cause of

environment conservation. Awareness building 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.

## 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.

## Raw Material and Other Consumables 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 major raw materials are alcohol & process chemicals. Molasses (by-products from sugar industries) and corn cob are renewable in nature and constitute over 36% of the total major raw material consumption. Process chemicals like solvents are recovered and recycled wherever possible.



## Energy Consumption & Conservation

Industry can play a key role in achieving global goal (SDG) of 'Affordable & Clean Energy' for all through judicious selection and use of its energy demand. To optimise its energy consumption and decouple climate change impact from energy usage Jubilant 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 its overall energy portfolio. Solar, bio-gas, biodiesel and biomass are the direct renewable energy sources used by the Company at present. The Company implemented roof top PV solar power system at its corporate office (45 kWp) at Noida and at another office (60 kWp) at Greater Noida, India during FY 16. During current reporting period total 0.133 million Kwh solar power was consumed against 0.045 million kWh last year replacing equivalent grid power. 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. The company through its Business Excellence team has been able to implement several energy saving projects which have directly contributed towards reduction of energy consumption. This year there was 7% reduction in total energy

consumption through energy saving projects and due to change in product mix. This year, out of total direct energy consumption, 4.48% was sourced from renewable energy including solar energy. During reporting period the energy intensity of LSI & APIs business was calculated to 18 GJ/ MT and 509 GJ/ MT of finished goods produced, respectively. For Dosage the energy intensity in FY17 was 131 GJ/ Million units of products.

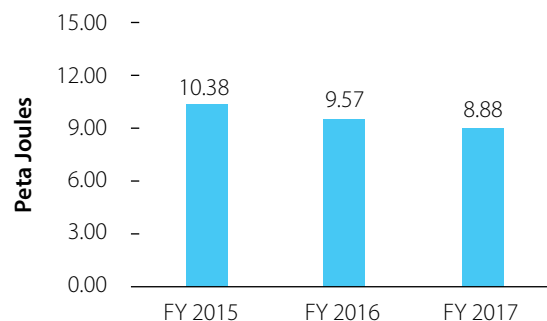
Similar to every year the Company took up several resource savings initiatives at its manufacturing facilities. During this reporting period total 165 new projects were taken up by the Business Excellence team of the Company. All these new projects along with other 105 carry forward projects from previous year led to total savings of ₹ 809 million to the Company. There was total 109 energy savings projects which led to an estimated saving of 310 TJ equivalent of energy and reduction in 28374 tCO<sub>2</sub>e.

## Water and Waste Water Management

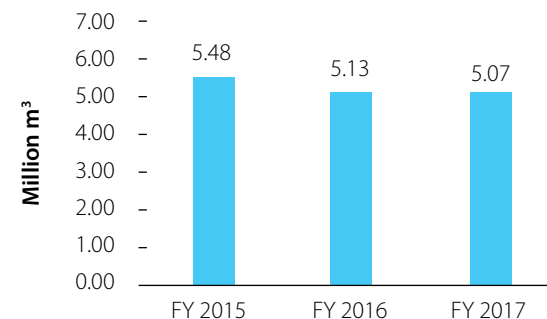
Global demand for water will exceed supply by 40% by 2030. Business will be subjected to water shortage, water quality decline and water price volatility. Jubilant is aware about this growing conflict for water usage between industry and public at large across the globe. In its bid to become water sustainable, 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 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 the company has reduced its total fresh water usage by around 60000m<sup>3</sup> against previous year through judicious water usage and increase in total treated effluent recycle reuse volume (0.9 million m<sup>3</sup>) against last year. In future Jubilant wish to work more comprehensively in its bid to contribute to the Global Goal on efficient water management (SDG 6). Currently no water sources are affected due to



### Total Energy Consumption



### Total Water Consumption





withdrawal of water by the Company. There were no significant spills during this reporting period.

## Waste Optimization

Being in chemical sector managing of wastes 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. However in Jubilant the focus is always 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

Climate change is a global challenge that does not respect national borders. The Company 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 GHG footprint. The Company has engaged dedicated Business Excellence team for identification & implementation of energy efficient measures and cleaner technology to fulfil its commitment defined in its Climate

Change Mitigation Policy. Bio-mass, biogas, bio-diesel and solar are the key renewable energy sources in the overall energy mix of the Company. It has invested significantly to generate energy from its distillery effluent in the form of Bio-gas, fired in the process furnaces. 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 1.69 tCO<sub>2</sub>e/MT of finished goods produced.

## Transport Emission Reduction

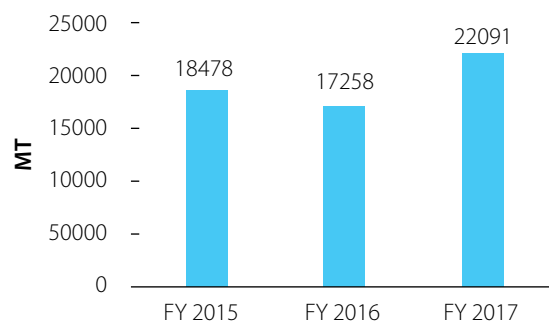
From current year we have started to capture scope 3 GHG emission, in absolute term, arising out of our raw material and goods transportation. To start with we have calculated total GHG from complete domestic logistics (Inbound & Outbound) of Life Science Ingredient (LSI) business. Total GHG emission from on road and rail transportation was 12981 tCO<sub>2</sub>e in FY 2017 against 12732 during FY 2016. However the specific emission improved from 0.041 kg CO<sub>2</sub>e / Tonne km during FY 16 to 0.040 kg CO<sub>2</sub>e/ Tonne km during FY 17.

## Emissions other than GHG

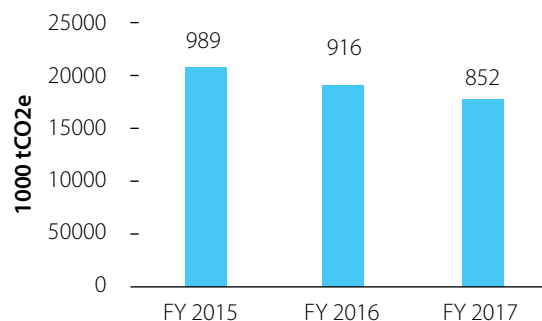
Every type of air pollution has either direct or indirect impact on human health and or on natural resources. Jubilant recognizes that air pollution and climate change issues are linked to different types of emissions from its operations and has put in place necessary control measures & monitoring systems to check and measure 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

### Total Hazardous Waste Disposed



### Total Greenhouse Gas Emissions





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 114 kg CFC 11 equivalent against 158 kg CFC 11 equivalent in 2015-16.

## Compliance

There was an ongoing National Green Tribunal (NGT) case against the Additional Ambernath Maharashtra Industrial Development Corporation (MIDC) Common Effluent Treatment Plant (CETP) operator for discharging treated effluent beyond stipulated, norms resulting in pollution in nearby river. Owing to the operators continued non-compliance, the MPCB had issued closure notice to the CETP. However since the CETP operator did not comply with the closure directions the MPCB therefore issued closure directions to all industrial units in Additional Ambernath MIDC who were sending effluent to this MIDC CETP. Our Ambernath site being one of those located in MIDC and using this CETP closed its operation from August 5 to 24, 2016, owing to the closure notice.

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

Also our plant at Salisbury recorded a non-compliance due to violation against Resource Conservation & Recovery Act (RCRA) for improper storage of hazardous waste in drums. The site had already taken all corrective measures to comply with US EPA site visit observations. However a penalty of \$ 35000 was issued to the site to settle & resolve this enforcement action.

## PRODUCT RESPONSIBILITY

Jubilant always considers its customer as one of its most important business stakeholder and are constantly working towards improving its product and service performance. Being in chemical and pharmaceutical business, the Company is highly concerned about safety issues involved with its product manufacturing, storage, transportation, delivery and even during usage by its customers. Implementation and certification of RC 14001 based Responsible Care Management system this year is one step forward to this direction.

### Organisational Responsibility

Respective 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. Jubilant has received FSSAI license for its manufacturing sites at Nira and Savli and applied for our Bharuch site too.



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 Regulatory Affairs Team continuously updates the product health and safety information in the form of Safety Data Sheet (SDS) and Labels and the same is provided to the customers and also available on company's website for accessibility of all



stakeholders. Jubilant is also uploading its product safety information on Global Product Strategy (GPS) portal of International Council of Chemical Associations (ICCA). 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 Agence Francaise de Produits Safety Agency (AFSSAPS), GMP approvals for certain products, approval Pharmaceuticals and Medical Devices Agency, Japan (PMDA) for exporting to Japanese market, Korea Food and Drug Administration (KFDA) 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 (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' data and privacy. There have been no known incidences of breach of customer privacy and loss of customer data.

## Compliance

There have been no material 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 many of its products.

# SOCIAL PERFORMANCE

## Employees. Our Assets

**Motivated and satisfied employees are real agent of change and can help a company to achieve its business vision. This commence from recruiting qualified professionals, designed on boarding & regular training, periodic performance discussions and rewarding meritocracy. Our Business Principles and policies 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

Jubilant always reward good performance, encourage talent, and ensure motivation amongst the employees. PMS (Performance Management System) 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.

The Company has put in place several employee benefit schemes both statutory and beyond to improve employee satisfaction and their retention. These include maternity leave for female employees, disability and invalidity coverage as per the Industrial Dispute and Workers Compensation Act and Group Medclaim 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 with the exception of one who is still on maternity leave.

### Long term employee benefits

Jubilant recognizes the importance of long term employee benefits and has introduced Pension, Provident Fund, Super-annuation and Gratuity in its long term employee benefit portfolio. 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.





## Total workforce (Figures as reported for March 31, 2017)

Location/Company – JLL	Executives	Workmen	Total	Temp & Labour Supply	Job Contracts/ Projects	Over All
Corp office/ Branches	972	0	972	89	0	1061
Gajraula	619	234	853	527	737	2117
Samlaya	56	30	86	130	14	230
Nira	154	99	253	131	127	511
Ambernath	143	25	168	70	65	303
Bharuch	148	21	169	84	277	530
<b>( A )</b>	<b>2092</b>	<b>409</b>	<b>2501</b>	<b>1031</b>	<b>1220</b>	<b>4752</b>
<b>Indian subsidiaries</b>						
Jubilant Generics						
*R&D Noida	402	0	402	48	89	539
*Nanjangud	704	214	918	293	155	1366
*Roorkee	358	284	642	80	202	924
Jubilant Biosys	260	0	260	65	30	355
Jubilant Chemsys	414	0	414	85	20	519
Clinsys	9	0	9	0	0	9
Jubilant Infrastructure	77	66	143	29	88	260
<b>Total ( B )</b>	<b>2224</b>	<b>564</b>	<b>2788</b>	<b>600</b>	<b>584</b>	<b>3972</b>
<b>International subsidiaries</b>						
JOL China	8	0	8	0	0	8
JOL USA	6	0	6	0	0	6
JDS US	7	0	7	0	0	7
Cadista	101	198	299	54	1	354
Clinsys Inc (Branch Office Germany)	3	0	3	0	0	3
Jubilant Pharma NV	5	0	5	0	0	5
Jubilant Life Sciences NV	2	0	2	0	0	2
HollisterStier	226	320	546	43	0	589
Draximage & Montreal CMO	298	186	484	0	23	507
Jubilant Pharma Holding Inc. (Yardley)	15	0	15	0	0	15
Jubilant DraxImage USA Inc (Spokane)	10	0	10	0	0	10
<b>Total ( C )</b>	<b>681</b>	<b>704</b>	<b>1385</b>	<b>97</b>	<b>24</b>	<b>1506</b>
<b>Grand Total (A+B+C)</b>	<b>4997</b>	<b>1677</b>	<b>6674</b>	<b>1728</b>	<b>1828</b>	<b>10230</b>

\* These locations, earlier direct under Jubilant Life Sciences Ltd. (JLL), are now held by Jubilant Generics Ltd. (JGL), a 100% owned step down subsidiary of JLL.

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

Age in years	Headcount Numbers		
	EXECUTIVE	WORKMEN	Grand Total
< 30	1524	311	1835
30-50	2943	969	3912
> 50	474	397	871
<b>Grand Total</b>	<b>4941</b>	<b>1677</b>	<b>6618</b>

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

Gender	Headcount Numbers		
	EXECUTIVE	WORKMEN	Grand Total
Female	620	289	909
Male	4321	1388	5709
<b>Grand Total</b>	<b>4941</b>	<b>1677</b>	<b>6618</b>

### Labour Management & Labour Relations

Jubilant recognises role of decent work environment in creating economic growth of our business. Our company not only generate employment through its economic activities but also is sincere in nurturing conducive work environment to realise maximum human resource potential lying amongst its employees. Jubilant Life Sciences encourages its employees, both permanent and contract, to maintain good relations and constructive bargaining 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 sound work environment.

Trade Unions exist at three locations and Works Committee has been formed by the employees at one location in India. 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 598 employees are covered by collective bargaining agreements with trade unions & worker committee. At the Montreal Unit of the Company, as of March 31, 2017, 186 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 details of all Indian & NA units, R&D, Corporate Office, Branch Offices and Indian Subsidiaries

ATTRITION	MANPOWER AS ON 31ST MARCH 2017			ATTRITION FY 2017			ATTRITION FY 2017		
LOCATION	EXECUTIVE	WORKER	TOTAL	EXECUTIVE	WORKER	TOTAL	EXECUTIVE	WORKER	TOTAL
Corporate Office	480	0	480	82	0	82	17.08%	0	17.08%
Branches	492	0	492	273	0	273	55.49%	0	55.49%
Ambarnath	143	25	168	30	0	30	20.98%	0	17.86%
Bharuch	148	21	169	41	3	44	27.70%	14.29%	26.04%
Gajraula	619	234	853	44	4	48	7.11%	1.71%	5.63%
Nira	154	99	253	9	6	15	5.84%	6.06%	5.93%
Samlaya	56	30	86	6	0	6	10.71%	0	6.98%
R & D Noida	402	0	402	82	0	82	20.40%	0	20.40%
Roorkee	358	284	642	97	37	134	27.09%	13.03%	20.87%
Nanjangud	704	214	918	107	1	108	15.20%	0.47%	11.76%
Jubilant Cadista	101	198	299	16	40	56	15.84%	20.20%	18.73%
Jubilant Hollisterstier	226	320	546	30	30	60	13.27%	9.38%	10.99%
Draximage & Montreal CMO	298	186	484	59	25	84	19.80%	13.44%	17.36%
Jubilant Infrastructure	77	66	143	17	7	24	22.08%	10.61%	16.78%
Jubilant Biosys	260	0	260	41	0	41	15.77%	0	15.77%
Jubilant Chemsys	414	0	414	107	0	107	25.85%	0	25.85%
Jubilant Clinsys	9	0	9	8	0	8	88.89%	0	88.89%
<b>Over All</b>	<b>4941</b>	<b>1677</b>	<b>6618</b>	<b>1049</b>	<b>153</b>	<b>1202</b>	<b>21.23%</b>	<b>9.12%</b>	<b>18.16%</b>

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

Age in years	ATTRITION			NEW JOINEE		
	EXECUTIVE	WORKER	GRAND TOTAL	EXECUTIVE	WORKER	GRAND TOTAL
< 30	483	38	521	730	108	838
30-50	487	67	554	448	65	513
> 50	79	48	127	40	22	62
<b>Grand Total</b>	<b>1049</b>	<b>153</b>	<b>1202</b>	<b>1218</b>	<b>195</b>	<b>1413</b>

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

Gender	ATTRITION			NEW JOINEE		
	EXECUTIVE	WORKER	GRAND TOTAL	EXECUTIVE	WORKER	GRAND TOTAL
Female	113	41	154	131	32	163
Male	936	112	1048	1087	163	1250
<b>Grand Total</b>	<b>1049</b>	<b>153</b>	<b>1202</b>	<b>1218</b>	<b>195</b>	<b>1413</b>





## EMPLOYEE ENGAGEMENT... OVERALL DEVELOPMENT

Organizations with creative, motivated and committed human resources can only sustain in today's highly competitive open economy. And in Jubilant imparting regular quality training to employees is fundamental to improve its existing talent pool. To materialise this concept 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 rigorously works for identification of training need, preparing training calendars, conduct trainings and monitor the outcome. Induction training is conducted at regular interval for all new employees joining the Company.



#### Training Data: All Indian & NA units, 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)	972	0	972	8462	1058	1.1
Ambarnath	143	25	168	6185	773	4.6
Bharuch	148	21	169	3335	417	2.5
Gajraula	619	234	853	21893	2737	3.2
Nira	154	99	253	2024	253	1.0
Samlaya	56	30	86	2367	296	3.4
R&D	402	0	402	6587	823	2.0
Roorkee	358	284	642	16287	2036	3.2
Nanjangud	704	214	918	27906	3488	3.8
Jubilant Cadista	101	198	299	4228	529	1.8
Jubilant HollisterStier	226	320	546	22560	2820	5.2
Draximage & Montreal CMO	298	186	484	15945	1993	4.1
<b>Grand Total</b>	<b>4181</b>	<b>1611</b>	<b>5792</b>	<b>137779</b>	<b>17222</b>	<b>3.0</b>

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

Category	Headcount	Training Man-days	Avg. Training / Employee
Executive	3556	10203	2.87
Worker	907	1678	1.85
<b>Total</b>	<b>4463</b>	<b>11881</b>	<b>2.66</b>

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

Gender	Headcount	Training Man-days	Avg. Training / Employee
Female	189	485	2.6
Male	4274	11396	2.7
<b>Total</b>	<b>4463</b>	<b>11881</b>	<b>2.7</b>

## HUMAN RIGHTS... OUR CONDUCT & PRACTICES

Jubilant respect and follow universal declaration of human rights and fundamental freedom. The Company also comply with all human rights related regulatory requirements of the land of incorporation of its business across the world. These fundamental principles of human rights embedded in Jubilant's Code of Conduct and all employees are required to respect and follow these strictly. The Company, is committed to its Sustainability Mission and signatory to the UNGC Principles with human rights commitments. The Company has formulated policies and systems to ensure protection of Human Rights of all concerned and these are defined in the Code of Conduct of Jubilant Life Sciences. These policies cover issues of Child Labour, Forced & Compulsory Labour, Non Discrimination, Bribery & Corruption. The Company has made the Code of Conduct available to all employees through intranet and conducted training to improve awareness & implementation on ground. 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. Similar to every year this year also online training was carried out across JLL India. Total 2048 nos. of employees have participated in this training till date.

### Human Rights Policy Under Code of Conduct

It is a Code not to employ child labour. In order to ensure this, in certain jurisdictions, every applicant is required to submit a proof of age. Further, the Company is committed to work in a pro-active manner to eradicate child labour by actively contributing to the improvement of children's social situation. To promote this, the Company encourages its Suppliers also to work towards a no child-labour Code."

Child Labour

The Company is committed to ensuring that the workplace is free from all forms of discrimination. The Company Code prohibits harassment of any kind on the basis of age, nationality, race, caste, creed, religion or gender and has a zero tolerance Code against sexual harassment.

Non-Discrimination

The Company 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. The Company encourages its suppliers and service providers to adhere to a no forced and compulsory labour code.

Forced and Compulsory Labour

## Operational Responsibility and Ombudsman

At Jubilant implementation and monitoring of aforesaid Human Rights policies and Code of conduct lies 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.

Jubilant has Whistle-blower Policy and a dedicated Ombudsman office for addressing employee grievances in neutral and unbiased manner. A charter of the Ombudsman has been prepared and made available on the Company intranet. 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](http://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.

## Non-Discrimination

Jubilant prohibits any form of discrimination or harassment on the basis of age, caste, sex, religion or any other ground at workplace. 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.



During FY 2017 no case of discrimination was reported to the Ombudsman's Office.

## Freedom of Association and Collective Bargaining

The Company never prohibits its employees to form an association in accordance with the local laws applicable. The Company engages in open and continuous dialogue with the employee associations at its manufacturing sites. There are no operations where the right to exercise freedom of association and collective bargaining are at significant risk. Also no case of violation of human rights regulation by our suppliers came to our notice during this reporting period.



**Child Labour**

Jubilant 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 during FY 2017.

**Forced and Compulsory Labour**

The Company 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. The Company encourages its suppliers and service providers to adhere to a no forced and compulsory labour Code. 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 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.

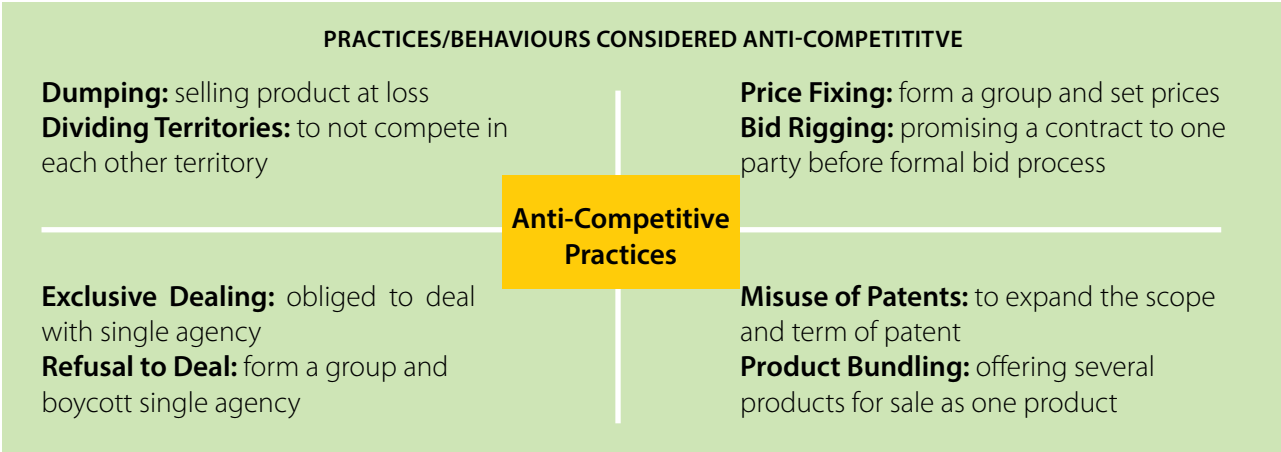
**Anti-Competitive Behaviour**

According to Jubilant code for dealing with competitors any contract or association with competitors including membership of a trade association etc. should be limited to legitimate purpose. Engaging or using an association for the purpose of stealing/ seeking business information, gaining employee

information, planning price cartels or market strategies etc. is prohibited. Employees, particularly in sales and marketing, when interacting with competitors or participating in a trade association meetings or trade shows, should refrain from discussions on prices, or any other agreements to control prices, boycott, territory allocation, or gathering competitive information, etc. as these actions can be considered as violation of competition laws. The Company adheres to respective anti-competitive regulation of the land of incorporation of its business. Considering the growing global importance of following anti-competitive behaviour, this year the company rolled out on-line training on anticompetitive behaviour across JLL India. Total 135 employees from sales & marketing and senior management in business development team were invited for participation in this on-line training. 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

**Employee and work place safety ensure uninterrupted plant and other operations leading to sustain growth of every manufacturing business. At Jubilant providing safe working condition and ensuring accident free workplace to our employees is of prime concern to our top management. The same has been reflected in the Company's occupational health & safety policy.**

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 Limited 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 79485 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 total 25483 observations were reported and out of which 86% were closed. There was 81% increase in reporting in 'Sanchetna' against last year. This indicates increase in safety awareness amongst its employees.

As a proactive measure the Company continuously carry out different mode of risk assessment, both internally and through external SMEs (subject matter experts) to safe guard its employees and assets. During this reporting period Layers of Protection Analysis (LOPA) was conducted for 25 critical storage at Gajraula with the help of external SME. Risk assessment (HAZOP) studies were conducted for Critical Process at all 5 manufacturing sites under LSI business. At Gajraula site HAZOP study was conducted through external experts for some critical processes. During this reporting period QRA study was conducted at Savli and the same process has been initiated at Ambernath and Samlaya plant also. During FY 17 there was total 5 corporate safety audit conducted in each of the Life Science Ingredient Business plants in India.

## Medical check-up

In its bid to prevent any form of occupation health hazard or disease, Jubilant has adopted regular pre-employment and periodical medical examination of its employees. The health record of each employee is maintained at each manufacturing location. From FY 15 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

46th National Safety Day (NSD) campaign 2017, 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



*Safety Training for Contract workers*

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 to house wives*



*Township evacuation drill*



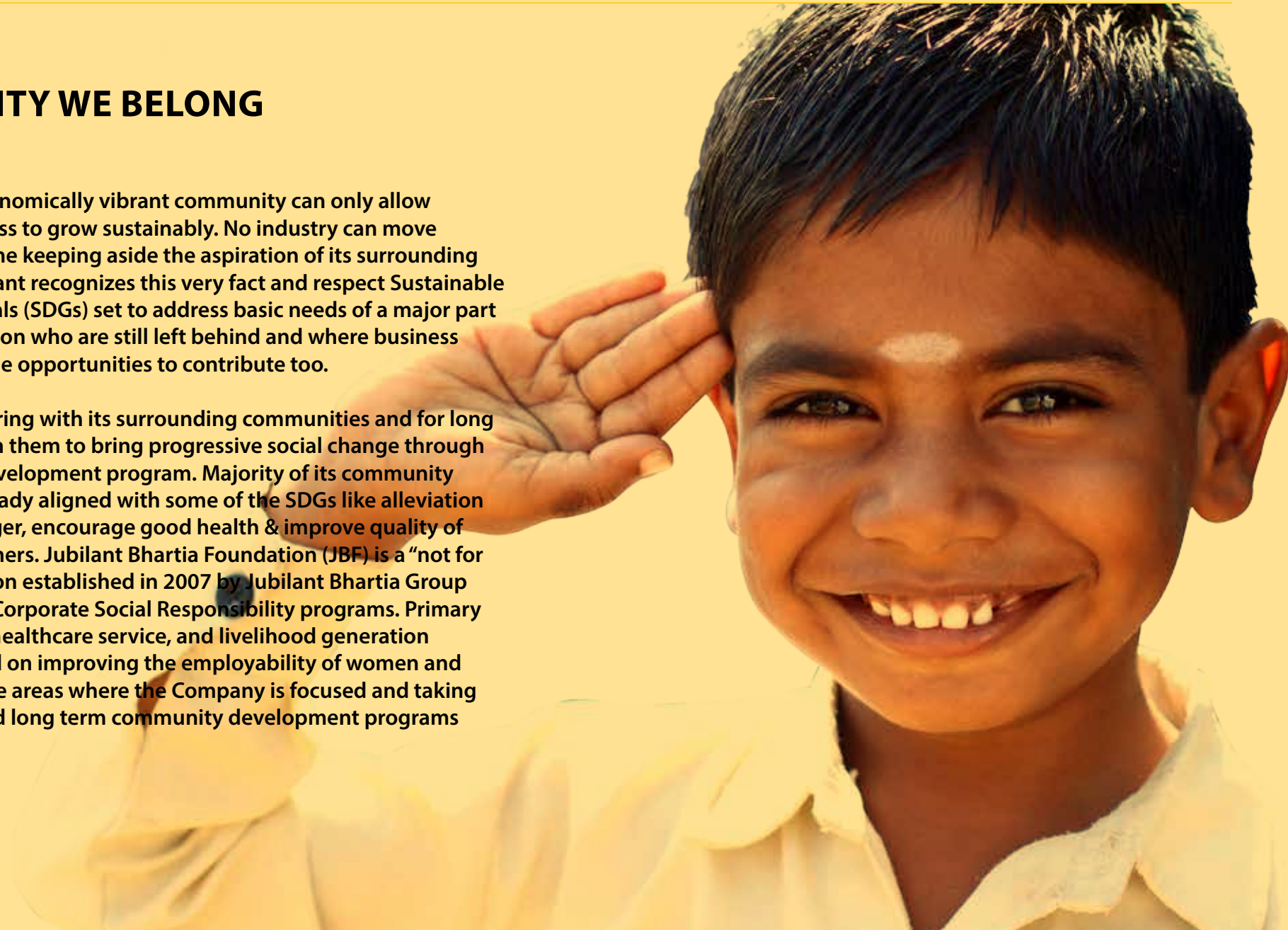
*Safety Rally*



## COMMUNITY WE BELONG

A socially and economically vibrant community can only allow and help a business to grow sustainably. No industry can move forward standalone keeping aside the aspiration of its surrounding community. Jubilant recognizes this very fact and respect Sustainable Development Goals (SDGs) set to address basic needs of a major part of global population who are still left behind and where business houses have ample opportunities to contribute too.

Jubilant is partnering with its surrounding communities and for long time working with them to bring progressive social change through its community development program. Majority of its community programs are already aligned with some of the SDGs like alleviation of poverty & hunger, encourage good health & improve quality of education and others. Jubilant Bhartia Foundation (JBF) is a “not for profit” organization established in 2007 by Jubilant Bhartia Group to implement its Corporate Social Responsibility programs. Primary education, basic healthcare service, and livelihood generation programs focused on improving the employability of women and local youth are the areas where the Company is focused and taking up well-structured long term community development programs through JBF.







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](http://www.jubl.com)). The Company has a 'Sustainability and CSR Committee' which has awaited its approval to implement its CSR activities through 'Jubilant Bhartia Foundation' which is a Section 25 Company (See 8 as per new Act) and is in line with the provisions of the Act. The social initiatives are implemented in the

realm of Education, Health and Livelihood. The major projects being implemented by the foundation during the 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.

In addition to above focused and structured community development work by JBF, our individual unit heads at the international locations take care of the social activities performed in their domain. The Senior Management reviews the CSR activities from time to time. The JBF program officers/field officers at each location work in tandem with the Unit Heads for effective implementation of CSR projects.

## Approach

In India, the CSR activities are primarily designed to benefit the community around the manufacturing locations of the organisation. The program/field officers at various locations ensures regular community meetings & interaction to understand their needs and attain their feedback on already running projects. These interactions bring important leaders of the society like Sarpanch, Panchayat members, Head Masters, Teachers and other opinion leaders on board and get their insights. The CSR projects involve the community directly and indirectly during its implementation. The projects are monitored regularly and checked for any deliverable gaps immediately.

Corporate social responsibility (CSR) is deeply imbibed in the Company's approach towards sustainable development. Jubilant considers 'community as one of its apex stakeholders and believes in inclusive growth. The Sustainable Development Goals (SDGs) set by UN, otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Jubilant as a responsible corporate works in the line of these SDGs with a strong focus on social performance indicated in the CSR projects of the organization. Considering our surrounding community need, local regulation and company's CSR policy, JBF in India has aligned its community programs towards selected SDGs. These are SDG 1 (No Poverty); SDG 2 (Zero Hunger), SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 6 (Clean Water and Sanitation), SDG 11 (Sustainable Communities) and SDG 17 (Partnerships for the Goals)

## CSR Programs



According to UN SDGs, poverty is more than lack of income or resources and it includes lack of basic services, such as education, hunger, social discrimination and exclusion, and lack of participation in decision making. The Company also seconds this and understands that root cause of poverty would be addressed by increasing the employability and livelihood opportunity of the community through their skill development.

Jubilant conducts skill development programs at the Vocational Training Centres (VTC) developed at two of its locations in the surrounding community of its operation in India. These VTCs are aimed at helping the trainees find 'vocation for life' on successful completion. 1002 youths were trained in the surrounding community of Nanjangud plant in India.

During the reporting year the VTCs were restructured and MoU was signed with IL&FS SKILLS to implement vocational training programs at a centre provided near Gajraula Unit. Under this partnership, more than 60 youths have received training under different categories.



Further, under the Pradhan Mantri Garib Kalyan Yojana (PMGKY) scheme, the company through JBF has supported VTC by arranging sewing machines and actively promoted the training programme at the Gajraula location. Presently 60 students have been enrolled under this program.



**End hunger, achieve food security and improved nutrition and promote sustainable agriculture** is the objective of this goal (SDG2). And as we know that poor nutrition is one of the major cause of death of children under five. In response to this major social problem Jubilant has also taken up CSR program

on 'combating malnutrition' in communities surrounding our Gajraula site.

This year the Company extended its integrated malnutrition project from 10 villages to 31 villages near our Gajraula site. The project aims towards improving the nutritional status of children under the age of 5 years at select areas. The project focuses on bringing behavioral change, awareness building and creating a supporting environment to fight malnutrition. Jubilant has also signed Statement of Commitments with SUN Business Network.

The project works 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.

The Swasthya Praharis regularly monitor the children in their villages below the age of five. Post monitoring the children are advised on improvement of diet & nutrition and are referred to a physician or the CHC depending on this regular monitoring outcome.



The SDGs look at ensuring healthy lives and promote well-being for all at all ages. The Company is pro in providing basic healthcare facility to the community around its manufacturing locations. There are different health projects running at all locations. The basic healthcare services are rendered to the community through

mobile health unit at Nanjangud. Also, Uttarakhand USACS/TSU has signed MOU with JBF for our Roorkee site under Employer Led Model. PO ELM has started providing technical support to JBF and accomplished activities on regular basis in following areas:

- Adoption of HIV/AIDS policy
- Display of HIV/AIDS Policy in company premises
- Regular awareness activities in company premises

**Swasthya Prahari** – Child and mother mortality is a sensitive indicator of a country's development. The 'Swasthya Prahari' project at Gajraula promotes monitoring birth rate, reducing Infant Mortality Ratio (IMR) and increasing Institutional delivery to reduce Maternal Mortality Ratio (MMR).



**Community Health Services** - The basic healthcare services are rendered to the community through a static medical clinic at Gajraula location. The clinic provides various services to the patients as Outpatient Department (OPD), Day Care, Lab Tests, and Directly Observed Treatment, Short course (DOTS) for Tuberculosis, Integrated Counselling and Testing Centre (ICTC), X-Ray etc. At other locations the basic healthcare services are provided to the inmates through mobile health units

**Integrated Counseling and Testing Centre (ICTC) for HIV& DOTS** - An Integrated Counseling and Testing Centre (ICTC) for HIV/AIDS has been set-up in association with UP State AIDS Control Society (UPSACS) at Gajraula. It has a tie up with the Anti-Retroviral Treatment Centre at the Medical College in nearby town of Meerut, where the patients found positive are referred. Qualified Doctor, counsellors and Laboratory technicians operate this centre.



This goal talks about inclusive and equitable quality education and promote lifelong learning opportunities for all. Jubilant is already implementing Project Muskaan working towards strengthening Rural Government Primary Education System. Project Muskaan focuses



Activities	Gajraula		Nanjangud		Bharuch		Nira		Samlaya		Roorkee	
	No. of schools Participated	No. of Students Participated	No. of schools Participated	No. of Students Participated	No. of schools Participated	No. of Students Participated	No. of schools Participated	No. of Students Participated	No. of schools Participated	No. of Students Participated	No. of schools Participated	No. of Students Participated
Pratibha Puraskar	123	441	18	112	4	84	8	834	–	–	–	–
Mathemaze	30	2882	10	944	–	–	8	867	3	432	1	142
Speech Reading Writing	30	2679	9	848	4	351	8	735	3	459	1	143
Essay writing	30	2830	9	848	4	389	8	734	3	459	1	164
Har Aangan mein Ped	5	453	9	507	4	675	–	–	3	520	1	50
Annual Day	10	150	1	79	4	84	2	74	–	–	–	–
GK Quiz	–	–	9	845	4	384	8	921	3	395	1	159
Crafts Day	–	–	9	497	4	675	–	–	3	497	–	–
Drawing Competition	–	–	9	485	4	548	5	548	3	495	1	132
Story Telling	–	–	9	874	4	675	8	857	3	486	1	130



enhancing quality of education by introducing monthly extra-curricular activities in the selected project schools. The activity involves events like mass sapling plantation, Drawing competition, storytelling competition, crafts day, essay competition and street playing competition etc. The project aims at filling in the quality gaps in the already existing education system.



Jubilant firmly believed in this goal of SDGs to achieve gender equality and empower all women and girls. At Jubilant it is ensured to provide equal opportunity to all through a policy of non-discrimination and 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. With the infrastructure support from Jubilant, the stitching centre at Nanjangud (operated by all women Self Help Group - SHG) is running successfully from past five years.

Also, to strengthen the network of Swasthya Prahari's (incentive based women volunteers) at Gajraula location, they are enrolled in the program of combating anaemia (an initiative at Gajraula for few villages) for identification and treatment of cases, counselling, and other services through intensive training and behaviour change methods.



This goal deliberates on **availability and sustainable management of water and sanitation for all**. Jubilant is also working for the same in some of its project location. Potable drinking water facility has been made available at community surrounding our Nanjangud site in India. Similarly under this community development program more than 100 hand pumps have been installed at Gajraula location for enhancing the availability of potable clean water at various places. In addition to above we have also helped and facilitated for getting sanction from government water authority to establish water distribution system at villages near our sites at Nira, Samlaya and Bharuch locations.



The SDGs have talked about making human settlements inclusive and sustainable. The Company through JBF is implementing the projects which are sustainable and inclusive. The company believes in sustainable development, which we interpret as growing our business while meeting the legitimate concerns of our stakeholders. Jubilant takes a proactive role in empowering local communities to improve their quality of life so as to achieve the goal of inclusive growth. The Company's CSR projects/programmes are designed in such a way where the community is involved from the planning to impact assessment level. The community shares human capital as well as various other resources in terms of land and cost of additional infrastructure development.

Since the selected community programs are based near our manufacturing locations our involvement in the community initiatives will be for a long tenure. However, we have a focused approach of developing the projects in self sustainable model.







Jubilant plays the role of the catalyst in the implementation of all the projects. The community involvement and monitoring mechanism to track improvements also helps towards long term sustenance of all initiatives.

Jubilant Bhartia Foundation (JBF) joined hands with the Schwab Foundation in 2010 for Social Entrepreneurship to launch the Social Entrepreneur of the Year (SEOY) 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.

The Company is also partnering with several local and global organisations to make its Community programs more meaningful with significant positive impact in our society. 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)
- IL&FS Skills Development Corporation Limited
- Panasonic
- Start-up
- Response net Development Services
- Ogaan Cancer Foundation
- Rotary Blood Bank
- HP

# SUSTAINABILITY PERFORMANCE – YEAR AT A GLANCE

GRI G4	Environmental Performance	Units	2014-15	2015-16	2016-17	
			JLL	JLL	JLL	JPL
G4-EN1	<b>Raw Material and Other Consumables</b>	1000 MT	680	625	814	15
G4-EN2	Renewable Material	1000 MT	285	256	294	0
	Non-Renewable Material	1000 MT	395	369	520	15
G4-EN3	<b>Direct Energy Consumption</b>					
	Non renewable energy sources					
	Coal	MT	453489	422564	401339	0
	Energy from Coal	Peta Joules	8.39	7.56	6.89	0
	LDO	MT	167	828	132	0
	Energy from LDO	Peta Joules	0.007	0.03	0.005	0
	RFO	MT	0	35	15	0
	Energy from RFO	Peta Joules	0	0.001	0.001	0
	HSD	MT	2541	2635	2447	655
	Energy from HSD	Peta Joules	0.11	0.11	0.104	0.03
	FO	MT	1388	2117	5081	710
	Energy from FO	Peta Joules	0.05	0.08	0.20	0.03
	Energy from Natural gas	Peta Joules	0.34	0.31	0.26	0.14
	Total direct energy consumption from Non renewable energy sources	Peta Joules	8.9	8.1	7.5	0.2

GRI G4	Environmental Performance	Units	2014-15	2015-16	2016-17	
			JLL	JLL	JLL	JPL
	<b>Renewable energy sources</b>					
	Bio-gas	1000Nm3	21505	18328	18581	0
	Energy from Bio-gas	Peta Joules	0.39	0.33	0.33	0
	Bio-diesel	MT	468	363	320	320
	Energy from Biodiesel	Peta Joules	0.01	0.01	0.012	0.012
	Solar Energy	Peta Joules	0	0.0001	0.0002	0
	Total direct energy consumption from Renewable energy sources other than biomass	Peta Joules	0.40	0.34	0.35	0.01
	<b>Biomass as energy source</b>					
	Biomass	MT	2902	2940	1055	0
	Energy from Biomass	Peta Joules	0.03	0.03	0.01	0
	Total Direct Energy	Peta Joules	9.34	8.48	7.83	0.20
G4-EN4	<b>Indirect Energy Consumption</b>					
	Electricity purchased	1000 KWH	170194	174367	169721	87874
	Steam purchased	MT	140493	149224	143185	80431
	Energy equivalent	Peta Joules	1.045	1.088	1.049	0.539

GRI G4	Environmental Performance	Units	2014-15	2015-16	2016-17	
			JLL	JLL	JLL	JPL
G4-EN8	<b>Water Consumption</b>					
	Ground Water	Million m <sup>3</sup>	3.39	3.08	3.02	0.13
	Surface Water	Million m <sup>3</sup>	0.97	1.52	1.46	0.00
	Municipal Water	Million m <sup>3</sup>	1.12	0.53	0.58	0.49
	Total Water Consumption	Million m <sup>3</sup>	5.48	5.13	5.07	0.62
G4-EN10	<b>Water Recycled and Re-used</b>					
	Water Recycled and Re-used	Million m <sup>3</sup>	0.96	0.81	0.87	0.09
G4-EN23	<b>Flyash Generation &amp; Disposal</b>					
	Land filling	1000 MT	64	46	54	0
	Reuse in Cement & Brick Kiln	1000 MT	40	75	74	0
	Generation	1000 MT	103	112	124	0
G4-EN23	<b>Non-hazardous waste sold to third party</b>	MT	2193	1946	3981	463
G4-EN23	<b>Hazardous Waste Disposal</b>	MT	18478	17258	22091	6949
	Liquid Waste Incineration	MT	6108	5638	6330	966
	Co-processing in Cement Kiln	MT	1200	1031	1355	1080
	To Authorised Agency	MT	2256	2553	2494	2163
	Secure Landfill	MT	7563	6605	9277	2643
	Solid Waste Incineration	MT	1350	1430	2636	97
G4-EN22	<b>Treated Effluent Discharge</b>	1000 m <sup>3</sup>	337	373	451	241
G4-EN21	<b>Air Emissions</b>					
	Particulate Matter	MT	237	192	203	3.94
	SO <sub>2</sub>	MT	783	436	375	1.86
	Nox	MT	321	272	276	4.29

GRI G4	Environmental Performance	Units	2014-15	2015-16	2016-17	
			JLL	JLL	JLL	JPL
G4-EN20	<b>Ozone Depleting Substances (ODS) Emission</b>	Kg CFC11 eqv.	259	158	114.12	42
	<b>Total GHG Emissions</b>	1000 MT CO <sub>2</sub> e	989	916	852	81
G4-EN15	Total Direct GHG Emissions	1000 MT CO <sub>2</sub> e	854	776	718	13
G4-EN16	<b>Total Indirect GHG Emissions</b>	1000 MT CO <sub>2</sub> e	135	140	135	68
	<b>Social Performance</b>					
G4-LA6	<b>Safety Performance Statistics</b>					
	No. of Fatal accidents		0	1	0	0
	No. of lost time Injury (other than fatal)		42	28	17	13
	Total Lost days		853	6000*+726	358	274
	No. of First aid cases		323	160	208	94
	Lost Time Frequency Rate		2.43	1.67	0.89	1.52
	Lost Time Severity Rate		49.45	387	18.78	31.98
G4-10	<b>Employee Headcount</b>					
	Indian Operations		2389	2376	2501	0
	Indian subsidiaries		2364	2488	2788	1962
	International subsidiaries		1313	1327	1385	1369
	Total Jubilant Life Sciences		6066	6191	6674	3331

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 (JLL) 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). JLL data includes JPL data.

# OUR COMMITMENTS (2020 TARGETS)

The Company's FY 2017 Performance Status against the targets set for Water, Energy, Climate Change, Safety and CSR, for 2020, based on 2012-13.

Baseline 2012-13		Targets 2020	Performance Status 2016-17	Targets 2020	Performance Status 2016-17
PILLARS	TARGETS	LSI*		JPL**	
WATER	Reduce Specific Water consumption	12%	15%	12%	35% (API) 39% (Dosage***)
ENERGY	Reduce Specific Energy consumption	12%	16%	12%	20% (API) 35% (Dosage)
CLIMATE CHANGE	Reduce Specific GHG emissions	12%	15%	12%	12% (API) 24% (Dosage)
MANAGEMENT SYSTEM	Responsible Care Certification	All Plants	Implemented & certified for Gajraula & Corporate Office, Ongoing in remaining plants.	All Plants	Not yet started
SAFETY	Reduce total number of Manhours lost	30%	99%	60%	Under achieved (API) 7% (Dosage)
CORPORATE SOCIAL RESPONSIBILITY	Companies Act 2013	Comply with provisions on CSR	Complied	Comply with provisions on CSR	Complied
	Swasthya Prahari: Reduce mal-nutrition ratio amongst children below 5 years in 31 identified villages (Baseline 35%)	< 20%	29%		
	Establish basic health care institution to provided services to local community at Gajraula at affordable price.		Completed		

\*LSI - Life Science Ingredients

\*\*JPL - Jubilant Pharma Limited

\*\*\*Other than API plant all other Pharma plants data clubbed under 'Dosage'. Only total 'Dosage' production figure excludes Radiopharma production.



# 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	40-42
	Principle 2	Businesses should make sure that they are not complicit in human rights abuses	40-42
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	41
	Principle 4	The elimination of all forms of forced and compulsory labour	42
	Principle 5	The effective abolition of child labour; and	42
	Principle 6	The elimination of discrimination in respect of employment and occupation	41
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges	18
	Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility; and	27-31
	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	42

# JUBILANT'S COMMITMENT TOWARDS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

SDGs (Sustainable Development Goals)	Page No.	GRI G4 Indicator
<b>Goal 1: No Poverty:</b> End poverty in all its forms everywhere	47	G4-SO2, G4-EC8, G4-EC5,
<b>Goal 2: Zero Hunger:</b> End hunger, achieve food security and improved nutrition and promote sustainable agriculture	47	G4-SO2, G4-EC1, G4-EC7, G4-EC8
<b>Goal 3: Good Health and Well-Being:</b> Ensure healthy lives and promote well-being for all at all ages	48	G4-EC8, G4-EN15, G4-EN16, G4-EN17, G4-EN20, G4-EN21, G4-EN23, G4-EN24, G4-EN25, G4-LA6, G4-LA7,
<b>Goal 4: Quality Education:</b> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	48-49	G4-43, G4-LA9
<b>Goal 5: Gender Equality:</b> Achieve gender equality and empower all women and girls	49	G4-DMA-b, G4-EC1, G4-EC5, G4-EC7, G4-LA1, G4-LA3, G4-LA9, G4-LA11, G4-LA12, G4-LA13, G4-LA14, G4-LA15, G4-HR3, G4-38, G4-40,
<b>Goal 6: Clean Water and Sanitation:</b> Ensure availability and sustainable management of water and sanitation for all	49	G4-EN8, G4-EN9, G4-EN10, G4-EN13, G4-EN14, G4-EN11, G4-EN12, G4-EN22, G4-EN23, G3-EN24, G4-EN26, G4-EN27
<b>Goal 7: Affordable and Clean Energy:</b> Ensure access to affordable, reliable, sustainable and modern energy for all	28-29	G4-EC1, G4-EC7, G4-EN3, G4-EN4, G4-EN5, G4-EN6, G4-EN7, G4-EN31
<b>Goal 8: Decent Work and Economic Growth:</b> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	36, 40-42	G4-HR3, G4-HR4, G4-HR5, G4-HR6, G4-EC8, G4-LA12, G4-LA1, G4-LA2, G4-LA3, G4-LA4, G4-LA5, G4-LA6, G4-LA7, G4-LA8, G4-LA9, G4-LA10, G4-LA11, G4-LA13, G4-LA14, G4-LA15, G4-EC1, G4-EC5, G4-EC6, G4-DMA-b, G4-10, G4-11, G4-EN1, G4-EN2, G4-EN3, G4-EN4, G4-EN5, G4-EN6, G4-EN7, G4-EN10, G4-EN27, G4-EN28
<b>Goal 9: Industry, Innovation and Infrastructure:</b> Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	11, 27-28, 45-47	G4-EC1, G4-EC7, G4-EN31

SDGs (Sustainable Development Goals)	Page No.	GRI G4 Indicator
<b>Goal 10: Reduced Inequalities:</b> Reduce inequality within and among countries	41, 49	G4-EC8, G4-LA13
<b>Goal 11: Sustainable Cities and Communities:</b> Make cities and human settlements inclusive, safe, resilient and sustainable	49	G4-EC7, G4-EN30
<b>Goal 12: Responsible Consumption and Production:</b> Ensure sustainable consumption and production pattern	27-31	G4-EN1, G4-EN2, G4-EN3, G4-EN4, G4-EN5, G4-EN6, G4-EN7, G4-EN10, G4-EN15, G4-EN16, G4-EN17, G4-EN20, G4-EN21, G4-EN22, G4-EN23, G4-EN24, G4-EN25, G4-EN27, G4-EN28, G4-EN30, G4-EN31, G4-EC9, G4-PR3
<b>Goal 13: Climate Action:</b> Take urgent action to combat climate change and its impacts	28-31	G4-EN3, G4-EN4, G4-EN5, G4-EN6, G4-EN7, G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN19, G4-EN27, G4-EN30, G4-EN31, G4-EC2
<b>Goal 14: Life Below Water:</b> Conserve and sustainably use the oceans, seas and marine resources for sustainable development	29	G4-EN11, G4-EN12, G4-EN13, G4-EN14, G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN19, G4-EN21, G4-EN22, G4-EN24, G4-EN26, G4-EN27
<b>Goal 15: Life on Land:</b> Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	28	G4-EN11, G4-EN12, G4-EN13, G4-EN14, G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN19, G4-EN21, G4-EN24, G4-EN26, G4-EN27, G4-EN31
<b>Goal 16: Peace, Justice and Strong Institutions:</b> Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	15-17	G4-37, G4-38, G4-39, G4-40, G4-41, G4-45, G4-53, G4-56, G4-57, G4-58, G4-SO3, G4-SO4, G4-SO5, G4-SO6, G4-SO7, G4-SO8, G4-SO11, G4-HR3, G4-HR5, G4-HR7, G4-HR12, G4-EN29, G4-EN34, G4-PR2, G4-PR4, G4-PR7, G4-PR8, G4-PR9, G4-LA14, G4-LA15, G4-LA16,
<b>Goal 17: Partnerships for the Goals:</b> Strengthen the means of implementation and revitalize the global partnership for sustainable development	50	G4-EC8, G4-EN31

# CERTIFICATIONS

**Plantwise key approvals and certifications on Environment, Occupational Health & Safety, Product Safety, Quality and others**

Existing	Gajraula	Bharuch	Nira	Samlaya	Ambernath	Nanjangud	Roorkee	Montreal
ISO 9001								
ISO 14001								
OHSAS 18001								
ISO 22000								
cGMP								
FAMI-QS								
FSSC 22000								
HALAL								
KOSHER								
ISO 17025								
RC 14001								
ISO 50001								
ISO 13485								



# AWARDS & ACCOLADES

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



**CII 17th National Award for Excellence in Energy Management 2016 – Received by Gajraula unit in Sep 2016**

**ICC Certificate of Merit Award for water resources management in chemical Industries – Received by Gajraula unit in Sep 2016**

**Safety Innovation Award 2016 by The Institution of Engineers (India) – Received by Nanjangud in Sep. 2016**

**Safety Award 2015 by National Safety Council – Received by Nira in April. 2016**

**Green Tech Environment Award 2017 - Received by Nanjangud in Mar. 2017**

**Best Green Process in “Chemical Sector” by FICCI (Chemicals & Petrochemicals Awards), 2016**



**FICCI CSR Award 2015-16 for Health, Water and Sanitation – Received by JLL in December 2016**



**Ankleshwar Chapter Convention on Quality Concepts 2016 (ACCQC) Award organised by Quality Circle Forum of India (QCFI) - Bharuch Unit 1 received Gold and Unit II received Silver Category award in Sep. 2016**



# MEMBERSHIPS IN ASSOCIATIONS

NAME OF THE ASSOCIATION/COMMITTEE	MEMBERSHIP TYPE
<b>INDIA</b>	
All India Distillers' Association	Corporate
All India Industrial Gases Manufacturers' Association	Corporate
All India Management Association (AIMA)	Corporate
American Chemical Society	Corporate
AAMA (Additional Ambernath Manufacturer's Association)	Corporate
Allergy Products Manufactures' Association	Corporate
American Society of Nuclear Cardiology (ASNC)	Corporate
Brookings India	Corporate
Catalysis Society of India	Corporate
Confederation of Indian Industry (CII)	Corporate
Canadian Association of Nuclear Medicine (CANM)	Corporate
Council on Radionuclides and Radiopharmaceuticals (CORAR)	Corporate
Employers' Federation of India	Corporate
European Petrochemicals Association	Corporate
Federation of Indian Chambers of Commerce & Industries (FICCI)	Corporate
Gujarat Employers' Organisation	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

NAME OF THE ASSOCIATION/COMMITTEE	MEMBERSHIP TYPE
Karnataka Drugs and Pharmaceuticals Manufacturers' Association (KDPMA)	Corporate
l'Association des médecins spécialistes en médecine nucléaire du Québec (AMSNMQ)	Corporate
Lucknow Management Association	Corporate
Mysore Chamber of Commerce & Industry	Corporate
Medical Imaging Technology Association (MITA)	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
Society of Nuclear Medicine and Molecular Imaging (SNMMI)	Corporate
US-India Business Council (USIBC)	Corporate
Uttar Pradesh Alcohol based Industries Association (UPABIDA)	Corporate
UP Distillery Association	Corporate
World Economic Forum	Corporate
<b>NORTH AMERICA OPERATIONS</b>	
<b>Spokane:</b>	
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
<b>Salisbury:</b>	
Salisbury Chamber of Commerce, Maryland	Unit
NACDS	Unit

# LIST OF ABBREVIATIONS

<b>AFSSAPS</b>	Agence Francaise de Products Safety Agency	<b>GHG</b>	Green House Gases	<b>ODS</b>	Ozone Depleting Substances
<b>AGM</b>	Annual General Meeting	<b>GHS</b>	Global Harmonised System	<b>OHS</b>	Occupational Health & Safety
<b>AIDS</b>	Acquired Immuno Deficiency Syndrome	<b>GRI</b>	Global Reporting Initiative	<b>PIL</b>	Public Interest Litigation
<b>API</b>	Active Pharmaceutical Ingredients	<b>HAZOP</b>	Hazard & Operability	<b>PIP</b>	Partners in Progress
<b>B2B</b>	Business to Business	<b>HIV</b>	Human Immunodeficiency Virus	<b>PMDA</b>	Pharmaceuticals and Medical Devices Agency,
<b>BBS</b>	Behaviour Based Safety	<b>IATA</b>	International Air Transport Association	<b>PMS</b>	Performance Management System
<b>BE</b>	Business Excellence	<b>ICC</b>	Indian Chemical Council	<b>QA</b>	Quality Assurance
<b>CCMD</b>	Co-Chairman & Managing Director	<b>ICCA</b>	International Council of Chemical Associations	<b>QRA</b>	Quantitative Risk Assessment
<b>CDP</b>	Carbon Disclosure Project	<b>ICTC</b>	Integrated Counselling & Testing Centre	<b>REACH</b>	Registration, Evaluation, Authorization and restriction of Chemicals
<b>CDRN</b>	Corporate Disaster Resource Network	<b>IFC</b>	Internal Financial Controls	<b>ROW</b>	Rest of World
<b>CEO</b>	Chief Executive Officer	<b>IFRS</b>	International Financial Reporting Standards	<b>SCRS</b>	Statutory Compliance Reporting System
<b>CFO</b>	Chief Financial Officer,	<b>IMDG</b>	International Maritime Dangerous Goods	<b>SDS</b>	Safety Data Sheet
<b>CHC</b>	Community Health Centre	<b>IMR</b>	Infant Mortality Rate	<b>SEBI</b>	Securities and Exchange Board of India
<b>CII</b>	Confederation of Indian Industry	<b>Ind AS</b>	Indian Accounting Standards	<b>SEOY</b>	Social Entrepreneur of the Year
<b>CLP</b>	Classification, Labelling and Packaging	<b>INDC</b>	Intended Nationally Determined Contribution	<b>SHG</b>	Self Help Group
<b>CMO</b>	Contract Manufacturing Outsourcing	<b>IPR</b>	Intellectual Property Rights	<b>SME</b>	subject matter expert
<b>COP</b>	Communication on Progress	<b>IUCN</b>	International Union for Conservation of Nature	<b>SO2</b>	Sulphur Dioxide
<b>CRM</b>	Customer Relationship Management	<b>JBF</b>	Jubilant Bhartia Foundation	<b>TFS</b>	Together for Sustainability
<b>CSR</b>	Corporate Social Responsibility	<b>KFDA</b>	Korea Food and Drug Administration	<b>TGA</b>	Therapeutic Goods Administration
<b>DMSO</b>	Dimethyl Sulfoxide	<b>KPI</b>	Key Performance Indicators	<b>TREM</b>	Transport Emergency Management
<b>EHS</b>	Environment Health & Safety	<b>KRA</b>	Key Result Areas	<b>UNGC</b>	United Nations Global Compact
<b>ERM</b>	Enterprise Risk Management	<b>LOPA</b>	Layers of Protection Analysis	<b>WEF</b>	World Economic Forum
<b>ERP</b>	Enterprise Resource Planning	<b>LOPA</b>	Layers of Protection Analysis		
<b>FAMI – QS</b>	Feed Additives and Premixtures Quality System	<b>LSI</b>	Life Sciences Ingredients		
<b>FSSC</b>	Food Safety System Certification	<b>MT</b>	Metric Tonnes		
<b>GAAP</b>	Generally accepted accounting principles	<b>NSD</b>	National Safety Day		

# ASSURANCE STATEMENT



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**The Management and Board of Directors**  
 Jubilant Life Sciences Limited  
 1-A, Sector 16-A  
 NOIDA 201301  
 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 2016-17 (the 'Report') covering the Company's sustainability performance during the period 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017.

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 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017. 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 unit/locations:
  - Gurgaon (Uttar Pradesh)
  - Narjagud (Karnataka)
  - Ambemath (Maharashtra)
  - 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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**Limitations of our engagement**

The assurance scope excludes:

- Data and information outside the defined reporting period (1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017);
- 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 and opportunities for improvement**  
 During our review process, we observed that:

- The Company has compiled the Report as per the 'in accordance' comprehensive criteria of GRI G4 Sustainability Reporting Guidelines;
- The Company has demonstrated a structured approach towards data management for sustainability performance reporting in line with GRI G4 Guidelines. However, going forward data compilation practices may be improved.

**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 the identified sustainability issues materially significant to its business and its stakeholders.

**Ernst & Young LLP**



**Chaitanya Kalia**  
 Partner

**Dated: 4 August 2017**  
**Place: Mumbai, India**

# GRI G4 CONTENT INDEX

Our Consolidated annual report 2016-17 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 Initiatives' G4 Guidelines for sustainability reporting in accordance 'Comprehensive' option.



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G4-EN25	-	Not applicable since the Company did not involve any trans boundary movement of hazardous waste during this reporting period.	
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G4-DMA	40-41		Page No. 60
G4-HR1	There was no greenfield project or new acquisition during the reporting year		
G4-HR2	40		
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Material Aspect: Customer Privacy			
G4-DMA	32-33		Page No. 60
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