



UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS REPORT 2013-14

ABOUT REPORTING ORGANIZATION: JUBILANT LIFE SCIENCES LIMITED

Jubilant Life Sciences Limited ('the Company' or 'Jubilant'), a global Pharmaceutical and Life Sciences Company engaged in manufacture and supply of Active Pharmaceuticals Ingredients, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products and Life Sciences Ingredients. It also provides services in Contract Manufacturing of Sterile Injectables and Drug Discovery and Development.

The Company's strength lies in its unique offerings of Pharmaceutical and Life Sciences products and services across the value chain. With 10 world-class manufacturing facilities in India, US and Canada and a team of over 6,100 multicultural people across the globe, the Company is committed to deliver value to its customers spread across over 100 countries. The Company is well recognized as a "Partner of Choice" by leading pharmaceuticals and life sciences companies globally.

Jubilant's progress in diverse businesses has been made possible through the contribution of R&D; for quality, non-infringing process for product development and cost reduction through process innovation. Innovation at Jubilant is backed by strong chemistry, bio science expertise and the knowledge bank created over the years. Jubilant has harnessed its strengths – a strong R&D team, modern R&D facilities, command over cheap technologies and economies of scale into a synergistic organic entity, continuously creating and nurturing high quality products and technologies.

Jubilant has been recognised with several prestigious awards which bear testimony to its commitment towards operational excellence, innovation, corporate governance and social responsibility. Some of the recent awards are:

- '14th Annual Greentech Environment Award 2013' won by Gajraula plant, India;
- 3rd Annual Greentech CSR Award 2013 – won by Gajraula plant, India
- 'Certificate from CocaCola for compliance to Global Food Safety Initiative as per TCCC norms for the year 2013' presented to Gajraula plant, India;
- 'Amity Global Business School - CSR Award 2013' won by the Company in appreciation of outstanding work in the CSR domain;
- 'Shri Janeshwar Mishra Export Award' – Excellence Award for the Best Performance in the field of Export and First Award for performance in the field of Export under the category of Chemicals, Pharmaceuticals & Cosmetic Products;
- 'Annual Greentech Safety Award 2013' - Silver Award under chemical sector won by Gajraula plant, India;
- 'Express, Logistics & Supply Chain Leadership Award' under the category Excellence in Manufacturing Supply Chain in Chemical; and
- 'CII – National Award for Excellence in Energy Management 2013' won by Gajraula plant awarded as Energy Efficient Unit.

Sustainability is at the core of the Company's business. Jubilant believes that addressing the challenges of the future rests on the Triple bottom line of Sustainability. The Company understands that long term sustainability can be achieved by reducing environmental footprint and improving economic performance and community development initiatives.

At Jubilant, we uncompromisingly adopt an approach which defines sustainability as 'Business as usual'. Our promise of *Caring, Sharing, Growing* along with our stakeholders, is the essence of all our activities that are directed towards sustainable growth.

More than 12 years back, the Company began its journey of proactively taking efforts to integrate environment and society within its business decisions. The Company recognised the concept of Sustainability, when it had only begun to gain credit. The Company realised that Sustainability is central to its business and that it was intertwined with its promise of *Caring, Sharing, Growing*. The Company was also transparent and vocal about its efforts and performance; and subsequently joined the Global Reporting Initiative's Organizational Stakeholder Program and were amongst the first few organizations which began Sustainability Reporting in 2003. The Company was also the first Indian conglomerate to join the organizational stakeholder program of Global Reporting Initiative (GRI) when it was launched in India in 2005. This year in response to GRI's invitation we have become the Founding Member of GRI's Sustainability and Transparency Consortium in the Chemical Sector in India.

Jubilant is an Organisational Stakeholder of the Global Reporting Initiative (GRI), an international not-for-profit organisation which sets guidelines for sustainability reporting. The Company's first Corporate Sustainability Report was published in the year 2003. Since then, Sustainability Reports are released annually in accordance with the GRI Guidelines and are externally assured by Ernst & Young. In the year 2013, we also started voluntary reporting of sustainability performance in line with National Voluntary Guidelines (NVG). Jubilant also ensures to report community & social initiatives in line with United National Millennium Development Goals.

Community initiatives of the Company are conceptualized and implemented through Jubilant Bhartia Foundation (JBF), the corporate social responsibility wing of the Jubilant Bhartia Group, established in 2007 as a not-for-profit organisation. JBF works on 4P model (Public-Private-People-Partnership) for empowering communities and believes that for sustainable social intervention, participation of communities must be ensured in the Company's CSR projects/programmes. Jubilant's role is to act as a catalyst and facilitate the process.

JBF's objectives include various community development works, health care, culture & sports, environment preservation initiative, vocational training, women empowerment and educational activities. With these initiatives beginning to show results, Jubilant plans to continue to focus on the social initiatives of the Company and slowly spread its area of influence in terms of geography. A summary of the activities of JBF is provided on its website www.jubilantbhartiafoundation.com. Details of Sustainability initiatives are given in the **Corporate Sustainability Report**.

JBF releases a quarterly newsletter called *Community Linkages* covering the activities undertaken by it. This publication is available on JBF's website.

SCALE & PROFILE OF THE REPORTING ORGANIZATION

Jubilant Life Sciences Limited is a part of the 'Jubilant Bhartia Group', which is an Indian conglomerate with a presence in diverse sectors like pharmaceuticals and life sciences, agri products, performance polymers, retail, food, oil & gas exploration and production, services in aerospace and oilfield industries and automobile.

Jubilant has been ranked No. 6 amongst the Top 10 global contract manufacturing & services outsourcing players of the pharmaceutical industry (Source:UNCTAD,2011). Jubilant has relationship with 19 of Top 20 pharmaceutical companies and 6 amongst top 10 agrochemical companies across the globe.

The Company is a public limited company and is listed on NSE & BSE in India with Paid-up capital of Rs. 159.28 million.

As on March 31, 2014, the Company had 48 subsidiary companies out of which 10 are unlisted Indian subsidiaries.

VISION, VALUES AND PROMISE

Jubilant symbolizes positivity, dynamism, triumph and joy, all of which guide and shape the Group's collective experiences and efforts. Jubilant will always care for human needs, share its expertise to provide a better life and help upgrade the stakeholders' standard of living and sustainable growth by dynamizing the value chain within the Jubilant Bhartia Group.

Jubilant's vision is to be amongst the top 10 most admired companies to work for. The Company wants to maintain leadership position in its chosen area of business in India and to establish it globally. The Company will endeavour to create new opportunities for growth in its strategic businesses which give a 10 points higher rate of return than the cost of capital.

Jubilant's values determine its business path. Combined with our Promise and Vision, these values have determined what we have achieved and they continue to guide our future.

OUR VISION



OUR PROMISE



OUR VALUES



We will carefully select, train and develop our people to be creative and empower them to take decisions, so that they respond to all stakeholders with **agility, confidence and teamwork.**



We stretch ourselves to be **cost effective** and efficient in all aspects of our operations and focus on flawless delivery to create and provide the best value to our stakeholders.



By sharing our knowledge and learning from each other and from the markets we serve, we will continue to surprise our stakeholders with **innovative** solutions.

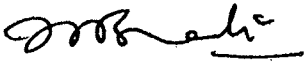


With utmost care for the **environment and safety**, we will always strive to excel in the quality of our processes, our products and our services.

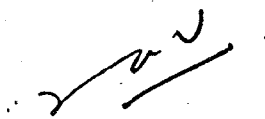
STATEMENT OF SUPPORT AND COMMITMENT OF THE CHAIRMAN & CO-CHAIRMAN

As a responsible corporate citizen, Jubilant believes that long-term Sustainability can be achieved by its performance on triple bottom line parameters. The concept of Sustainability has been built on the foundation of Our Promise i.e. *Caring for Environment, Sharing the Economic value and Growing with all Stakeholders*.

In year 2010, Jubilant became a member of the UN Global Compact ('UNGC') with the aim of internalizing the ten Global Compact Principles in the areas of human rights, labour, environment and anti corruption within the Company's strategies, policies and operations. Through our support to the UNGC, we also aim to undertake projects to advance the broader development goals of the United Nations particularly the Millennium Development Goals. Hence we have summarized the progress we have made against these principles and we will continue to follow them up in future as well.



Shyam S. Bhartia
Chairman & Managing Director



Hari S. Bhartia
Co-Chairman & Managing Director

Date: 18.08.2011

Contact:

Mr. Lalit Jain, Company Secretary
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United Nations Global Compact

UNGC AND JUBILANT

The twin goals of signing the UN Global Compact are:

- (i) Internalizing its Ten Principles within the Company's Strategies, Policies and Operations;
- and
- (ii) Undertaking Projects to advance the Broader Development Goals of the UN, particularly the Millennium Development Goals (MDGs).

while **Chapter One** offers a general overview of what the ten principles are and how Jubilant as a responsible corporate citizen with its best practices has tried to comply with them, **Chapter Two** deals with Jubilant's efforts towards achievement of UN's Millennium Development Goals (MDGs).

CHAPTER ONE

UNGC - The Ten Principles

The Global Compact asks its signatories to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption:

Principle	Statement
Principle 1	Businesses should Support and respect for Protection of Internationally Proclaimed Human Rights
Principle 2	Businesses should make sure that they are not complicit in Human Rights Abuses
Principle 3	Businesses should uphold the Freedom of Association and the effective recognition of the Right to Collective Bargaining
Principle 4	Businesses should uphold the Elimination of all forms of Forced and Compulsory Labour
Principle 5	Businesses should uphold the effective abolition of Child Labour
Principle 6	Businesses should uphold the elimination of discrimination in respect of Employment and Occupation
Principle 7	Businesses should support a precautionary approach to Environmental Challenges
Principle 8	Businesses should undertake initiatives to promote greater Environmental Responsibility
Principle 9	Businesses should encourage the Development and Diffusion of Environmentally Friendly Technologies
Principle 10	Businesses should work against Corruption in all its forms, including Extortion and Bribery

IMPLEMENTING THE PRINCIPLES OF THE UN GLOBAL COMPACT

The ten principles of the Global Compact are clustered around four issue areas including human rights (1-2), labour standards (3-6), the environment (7-9), and anti corruption (10). This section delineates examples of how Jubilant has imbibed each principle in its true spirit:

UNGC PRINCIPLE NO.	UNGC PRINCIPLE	JUBILANT'S ENDEAVORS
HUMAN RIGHTS		
PRINCIPLE 1	Business Should Support and Respect the Protection of Internationally Proclaimed Human Rights	<ul style="list-style-type: none"> • 'Human Rights' is an important aspect of today's civilized society. Thus, Jubilant has always respected and subscribed to the protection of internationally proclaimed human rights. • The Company extends its commitment in respect of ILO convention and country regulation on Human Rights (HR) issues. • The Company aims at the protection of human rights through the implementation of its policies and compliance to country regulation on human rights throughout its organisation. This year the Company rolled out an e-learning module on "Human Rights - Concept, Global and Indian Regulation & Framework at Jubilant", which was completed by a total of 1347 employees across the organization. The Company plans to go for a second round of the training next year to cover all employees. • Practices in Jubilant resonate with United Nations' guiding principles for business and human rights. • We aim at protection of human rights. We have formulated policies and systems to ensure protection of Human Rights of all concerned; these are defined in the 'Business Code of Conduct'. These policies cover issues of Child Labour, Forced & Compulsory Labour, Non Discrimination and Freedom of Association and Collective Bargaining. The Business Code of Conduct is available to all employees through intranet.

		<ul style="list-style-type: none"> The operational responsibility of human rights is vested on the Human Resource (HR) Head at each manufacturing location reporting to the corporate HR Head. HR Head oversees the implementation of the human rights policies and takes responsibility of resolving any violations arising.
PRINCIPLE 2	Make sure that they are not Complicit in Human Rights Abuses	<ul style="list-style-type: none"> Our business principles commit us to proving our people with a safe working environment respecting their human rights; promoting their professional development; and creating an inclusive work environment. Key contributors to employee motivation are the policies and benefits extended by the Company. Human Resource policies and benefits have been articulated in the 'HR Policy Manual' available on the intranet. The manual defines eligibility, entitlements, terms & conditions and associated documentation, with each policy. Key HR policies and Codes are: <ul style="list-style-type: none"> ➤ Code of Conduct for Employees ➤ Code of Conduct for Directors and Senior Management ➤ 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 ➤ Whistle Blower Policy ➤ Employment Policy ➤ Compensation and Benefits Policy ➤ Travel & Transfer Policy ➤ Employee Assistance Policy ➤ Separation Policy With effective implementation of the above mentioned policies and codes, Jubilant ensures that it is not complicit in human rights abuses.

		<ul style="list-style-type: none"> • Jubilant is continually striving to ensure that there are no human rights abuses within its sphere of control. Jubilant does not procure any material from vendors who violate human rights and standards, as stipulated. This is scanned as per the Contract Agreement with the Company. This year, all contract agreements and purchase orders have been revised to incorporate clause to discourage child labour and forced labour. In order to review this, the suppliers are required to fill a self-declaration form which includes human rights aspects and they are audited on the basis of these forms. • To enable a high performance culture in a Matrix organization, In Jubilant, Performance Management System (PMS) has been implemented and designed in a manner to enable identification, assessment, reward good performance, encourage talent, and ensure motivation amongst the employees. The organizational goal setting begins with the Business Planning process every year. It derives its linkage with the business plan that is finalized in March for the subsequent financial year into business unit/ functional unit goal and so on. PMS is formulated on Balanced Scorecard providing a clear linkage between organizational and individual objectives. • Performance linked incentive system is in place to monitor the performance of employees at our manufacturing locations. • The Company has operations in various locations across India & North America. The Company supports local culture and heritage for the respective regions. • All new employees need to participate in induction training after joining the organization. Induction training module has been redesigned this year covering topics on the Company's policies and procedures on human rights, occupational health & safety, environment in addition to the Company's other business operations.
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		<ul style="list-style-type: none"> • The Company recognizes the contribution of its employees and continued to provide the following benefits exclusively to full time employees. These include: <ul style="list-style-type: none"> ➤ Maternity leave ➤ Disability and invalidity coverage as per the Industrial Dispute and Workmen's Compensation Act ➤ Group Medclaim Insurance for employees and their dependents • The Company provides certain benefits exclusive to full-time employees at manufacturing Units. Few of them are education and hostel fee reimbursement for certain employees' children; accommodation in the township; loan on nominal interest for the purchase of computer, vehicle and housing etc. • The full-time employees of the Company in North American Units have benefits different to that of Indian operations. Some select benefits are mentioned below: <ul style="list-style-type: none"> ➤ Short Term / Long Term Disability Insurance (Company paid) Benefits ➤ Health Club Reimbursement ➤ Jury Duty Leave / Court Appearances ➤ Military LOA (Leave) • All female employees in Indian units and all employees in North American units are entitled to Parental Leave. • Talent and Succession Planning process at Jubilant involves four key steps: <ul style="list-style-type: none"> ➤ Identification of organizational leadership needs based on the business and leadership challenges; ➤ Identification and Assessment of key human resources on the basis of potential and performance; ➤ Succession Planning for critical positions; and ➤ Identify focused development plan and retention plan for key resources and succession plan to manage Company's investment in these resources through appropriate
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		<p>actions.</p> <ul style="list-style-type: none"> • Jubilant has a Whistle Blower Policy in place to enable any full time employee to voice concerns without fear of retaliation/victimization/discrimination which is a sine qua non for an ethical organization. The Policy has been made in alignment with the over-arching Code of Conduct and the Company's commitment to ensuring open communication and best Corporate Governance Practices. • An independent office of the Ombudsman for the Jubilant Bhartia Group was established last year. A charter of the Ombudsman has also been prepared and made available on the intranet of the Company. This Charter allows all stakeholders, including employees, to voice their concerns and guide the Company to resolve issues efficiently and help conduct business in accordance with the Company's Values, Vision and policies. 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 for the ombudsman (ombudsman@jubl.com) which is directly accessed by the Ombudsman Office. The online portal (www.cwiportal.com) is another way of reporting concerns and maintaining complete anonymity of the whistleblower. • This year 43rd National Safety Week was celebrated at all manufacturing locations in India during 4 – 10 March, 2014. The celebrations involved employees, nearby communities and school children. 'Safety by All for All' was the theme for the celebration and programs like safety rally, mock drill, awareness training on workforce safety & safety at home, safety quiz, mock drill were conducted. The program focused to create awareness on 5 key areas which hazardous work activity, management of change, safety induction & training, incident investigation & corrective action and roles, responsibilities and accountability in behavioral based safety to enhance and maintain safety
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		<p>culture.</p> <ul style="list-style-type: none"> • Training on “Human Rights - Concept, Global and Indian Regulation & Framework at Jubilant” was conducted across all locations through e-learning module. A total of 1347 employees participated in this training.
LABOUR STANDARDS		
PRINCIPLE 3	<p>Businesses should uphold the Freedom of Association and the effective Recognition of the Right to Collective Bargaining</p>	<ul style="list-style-type: none"> • Jubilant continues to extend its support to its employees and contractors in their cooperative efforts to develop good relations and constructive bargaining practices. • Through Freedom of Association Policy, we respect the right of our employees to form association in accordance with the local laws applicable. At our locations we are engaging in open and continuous dialogue with the associations. Our employees have the right to join associations of their own choosing or to refrain from joining one, unless otherwise prohibited/necessitated by law”. • Jubilant respects the right of its employees to form an association in accordance with the local laws applicable. The employees have a right to join associations of their own choosing or to refrain from joining one, unless otherwise prohibited/necessitated by law. This has also been mentioned in the Business Code of Conduct which is available to all employees through intranet. • Trade Unions exist at three locations and Works Committee has been formed by the employees at one location. All arrangements with respect to collective bargaining and trade unions are as per applicable laws of the land. • The Company also has Wage Agreement at locations with trade unions and works committee.

PRINCIPLE 4	Elimination of all forms of Forced and Compulsory Labour	<ul style="list-style-type: none"> • Jubilant respects the dignity of labour and denounces all forms of forced and compulsory labour. It is ensured that its terms of employment are transparent and voluntary. • Through its Policy on Forced and Compulsory Labor, the Company ensures elimination of all forms of forced and compulsory labour. • Jubilant never uses any form of forced or compulsory labour in any of its operations. • The employees are free to quit work at any time after serving the requisite notice period as stipulated in the terms of appointment. The minimum notice period is mentioned in the appointment letter of all permanent employees including workers. This is in accordance with the prevailing regional/country labour laws. • This year, all three types of contract agreements and purchase orders have been revised to incorporate clause to discourage forced labour. • No incident of forced or compulsory labour at the suppliers end came to Company's notice during this year.
PRINCIPLE 5	Effective Abolition of Child Labour	<ul style="list-style-type: none"> • Jubilant believes in protection of the young and the vulnerable. It is Company's policy not to employ any child labour. The Company's Child Labor Policy ensures that nobody is recruited without a proof of age as per the employment norms of the region. This is applicable to all employees including contract workmen hired. • In addition, there are regular internal and external audits to keep a check. • 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 policy. Self-Evaluation is filled by the suppliers of the

		<p>Company which delineates prohibition of Child Labour. The Company has Green Supply Chain Policy under which its suppliers are trained and educated to say no to child labour in their businesses.</p> <ul style="list-style-type: none"> • This year, all three types of contract agreements and purchase orders have been revised to incorporate clause to discourage child labour. • There were no cases of child labour reported within the organization or with our suppliers.
PRINCIPLE 6	Elimination of Discrimination in respect of Employment and Occupation	<ul style="list-style-type: none"> • Jubilant is committed to ensuring that workplaces are free from all forms of discrimination or harassment on the basis of age, caste, sex, religion or any other ground. • No discrimination, whatsoever, is practiced during the Human Resource processes of recruitment, employee development and rewarding performance. • Jubilant believes that human rights are the birthright of every person and everyone is entitled to enjoy their human rights regardless of discrimination of any kind. Therefore, it ensures that human rights are for all human beings, regardless of race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status. Non-discrimination protects individuals and groups against the denial and violation of their human rights. This is also mentioned in the Business Code of Conduct of the Company. • Jubilant is an Equal Opportunity Employer (EoE) as there is no consideration of gender or any other indicators of diversity. This is also mentioned on the Company's website www.jubl.com. • Members of the highest governing body, being Board of Directors, are also selected on merits.

		<ul style="list-style-type: none"> Jubilant 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. The Company follows the Principle of Equal Remuneration for Women and Men; hence, there is no disparity in the salary based on gender. It provides equal salary to men and women for same set of work. This is in line with the Equal Remuneration Act, 1976. There is no disparity in basic salary and remuneration between women and men employees in the Company. Two cases of discrimination were reported to the Ombudsman's Office during this year. In one case the person involved was rusticated and the other case is under investigation.
ENVIRONMENT PROTECTION		
PRINCIPLE 7	Businesses should support a Precautionary Approach to Environmental Challenges	<ul style="list-style-type: none"> To maintain and preserve environment is always a challenge to any chemical and pharmaceutical business and Jubilant has never thought twice before going for any extra mile to meet such challenges. To manage environment issues arising out of its operation is always at the focus of daily business activity. The management has adopted best available technologies to manage environmental issues arising out of its activities. The top management's clear emphasis flows through the Sustainability Committee at Board level which monitors the progress on triple bottom line parameters. The Sustainability committee comprises of CMD, CCMD, ED and an Independent Director. ED-Finance is a permanent invitee to all sustainability committee meetings. The Committee meets once in every six months. The Committee is apprised of the Company's sustainability performance covering environment, economic and social indicators on half yearly basis. The decisions taken during these meetings are

		<p>implemented by the sustainability team.</p> <ul style="list-style-type: none"> • As reflected in its motto - <i>Caring, Sharing and Growing</i> - the Company has a strong focus on sustainability and inclusive growth. The Company adopted a Sustainability Mission signed by the top Management and Jubilant's Sustainability Journey is based on this mission. Sustainability Mission is applicable at all its locations and focused to address the environmental issues. • Jubilant has following effective policies: <ul style="list-style-type: none"> a. Climate Change Mitigation Policy b. Environment, Health and Safety Policy c. Green Supply Chain Policy d. Quality Policy • EHS Policy and the Climate Change Mitigation Policy set overall direction of the Company's aspiration towards achieving environment performance excellence. • The Company sets sustainability objectives every year and discloses the same publically. The performance against these objectives is reported to the Board of Directors and presented in the Corporate Sustainability Report. Apart from this, specific EHS Goals are set under environment and safety management systems at respective manufacturing locations, which are tracked through the same. • Further, the corporate sustainability team provides guidance and support to the Environment Health and Safety (EHS) teams at the manufacturing locations. Chief Sustainability officer is responsible for the Company's overall EHS performance. • Environment performance is reviewed regularly through internal and external audits. • New projects are assessed for identifying any potential hazards related to environment, health and safety and how to reduce the same at acceptable level.
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		<ul style="list-style-type: none"> • In order to track timely closure of environmental issues raised for continual improvement at our manufacturing facilities 'Jagriti' has been deployed. Jagriti is an in-house developed, e-enable software for tracking environmental related observations and analysis to have preventive actions for achieving higher level of environmental standards. • The Company invests significantly for environmental protection and management. An expenditure of about 578.29 million INR has been incurred during this year along with approval of capital expenditure projects worth 69.6 million INR for environmental pollution control and management measures. • The Company celebrated World Environment Day on June 5th to sensitize the employees for the cause of environment conservation. The theme for World Environment Day 2013 was "Think.Eat.Save"; an anti-food waste and food loss campaign. In order to support the cause, awareness activities were organised at the Company's corporate office which included plantation drive, environmental oath, drawing, quiz, fancy dress competition. Senior management including Executive Director, Head HR encouraged the participants with certificates during the event. • The Company's drive for green chemistry has led to the development of eco-friendly processes and use of renewable feedstock. This has triggered impulse for developing a new and more efficient catalytic process for production of Niacin. In this process, chemical conversion consisting of number of individual reaction steps are reduced to one by applying multifunctional catalyst. This makes the process much cleaner, greener and carbon efficient. Further, Jubilant manufactures Pyridine with agricultural feedstock (molasses). 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
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		<p>conventional petro route.</p> <ul style="list-style-type: none"> • In addition, we are a signatory to Responsible Care, an initiative of global chemical industry that drives continuous improvement in health, safety and environmental (HSE) 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). • We ensure adequate environment protection equipment at all our manufacturing facilities. We practice strict compliance to statutory environment protection requirements. Most of the manufacturing locations of Jubilant have implemented Environmental, Occupational Health & Safety Management systems following international standards like ISO 14001 and OHSAS 18001. In addition certain manufacturing locations are also certified by USFDA. ISO 14001:2004 has been instrumental towards development of standards and practices encompassing environment management principles. OHSAS 18001:2007 is instrumental in setting up OHS System across units. • We have continuous improvement programmes for energy efficiency and reduction on Greenhouse Gases (GHG) emissions with focus on revenue enhancement from green products. • Emissions from the Company vehicles are regularly checked in line with local regulation and the Pollution Under Control (PUC) certificates are maintained in-house. While transporting any hazardous chemical, Transport Emergency Management (TREM) card is provided to the drivers to deal with an emergency situation during transportation and thus minimizing any possible environmental impact. Jubilant is gradually shifting its transportation mode from road to rail in order to reduce the Company's carbon footprint.
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		<ul style="list-style-type: none"> 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.
PRINCIPLE 8	Undertake Initiatives to Promote Greater Environmental Responsibility	<ul style="list-style-type: none"> Environment, Climate Change and Green Supply Chain policies of the Company clearly reflects its commitment towards promoting greater environmental responsibility. The Company not only follow this in principle but also proactively takes up different programs in practice. The Company is continuously striving to reduce its energy consumption to reduce its carbon foot print. The Company has engaged dedicated team for identification & implementation of energy efficiency measures and cleaner technology to fulfil its commitment delineated in its Climate Change Mitigation Policy. Bio-mass, biogas and bio-diesel are the key renewable energy sources in the overall energy mix of the company. Further, the Company has invested significantly to generate energy from its distillery effluent in the form of Bio-gas and slop, fired in the boiler. The Company is also monitoring and reporting its GHG emission regularly. Growing cost of energy and its linkage with climate change impact is a major business concern at Jubilant like any other industry. To tackle this issue, 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 present energy mix. Fossil fuels like coal, light diesel oil, high speed diesel, furnace oil, natural gas and renewable fuel like bio-gas, bio-diesel and bio-mass are key sources of direct energy in Jubilant.

		<ul style="list-style-type: none"> • Similar to previous years Jubilant took up several resource savings initiatives at its manufacturing locations. During this year, total 130 new projects were taken up by Business Excellence team of the Company. These current projects led to a savings of 499 million INR. Out of these 13 key energy saving initiatives tracked for direct energy saving estimation showed savings of 0.160 Pj energy and 129.9 million INR. This is 1.4% of total energy consumed by the Company. • Environment & Sustainability Training & Awareness Seminars & Workshops are conducted regularly for all staff. All new joiners, irrespective of their levels are briefed about EHS and Sustainability related aspects of the organization during their induction process. In addition the management keep on attending different workshops and seminars organized by industry association and other national and international bodies and share its experience and performance in managing environmental issues and concerns. • Jubilant is one of the few companies in India disclosing GHG emissions and taking voluntary reduction initiatives by participating in the Carbon Disclosure Project (CDP) being executed by WWF and CII in India. CDP today holds the largest database of primary corporate climate change information in the world.
PRINCIPLE 9	Encourage the Development and Diffusion of Environmentally Friendly Technologies	<ul style="list-style-type: none"> • The Company always believes in a sustainable business growth model while caring for the environment. In practice all major new projects implemented are formally assessed for identifying any potential hazards related to environment, health and safety during its capex approval stage. • The Company's drive for green chemistry has led to the development of eco-friendly processes and use of renewable feedstock. This has triggered impulse for developing a new and more efficient catalytic process for production of Niacin. In this process, chemical conversion consisting of number of individual reaction steps

		<p>are reduced to one by applying multi-functional catalyst. This makes the process much cleaner, greener and carbon efficient.</p> <ul style="list-style-type: none"> • Further, Jubilant manufactures Pyridine with agricultural feedstock (molasses). 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. • 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 product containing Ozone Depleting Substances (ODS). All banned ODS have been phased out as per applicable regulations. In Jubilant Life Sciences, emission of ozone depleting substances is primarily due to use of ODS based refrigerants in air-conditioners and chilling plants. • Jubilant is continuously optimizing water consumption through process modification and adoption of new technologies. • The Company strives to recycle back usable water from the effluents after treatment in order to reduce fresh water intake. The company has also implemented rain water harvesting facilities, which help to recharge ground water. • The Company has installed waste water treatment facilities at all major units and are zero discharge • The Company has developed a two-pronged strategy to deal with its waste generated, - 'recycling & recovery', and 'safe disposal'. Our 'Reduce Waste at Source' strategy is aimed at the following:
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		<ul style="list-style-type: none"> ➤ Prevention and reduction of waste generation at source ➤ Efficient use of raw materials and packaging materials ➤ Encouraging re-use, recycling, and recovery <ul style="list-style-type: none"> • The Company is moving away from the waste treatment to waste minimization mode. Such a move involves the sustainable recovery of resources by seeking optimal recovery of materials from wastes. • In Jubilant, the non-hazardous wastes are primarily either recycled or reused by third parties. Fly ash, metal scrap, plastic scrap, paper and wooden material scraps are the major contributor of non-hazardous waste. • Jubilant has also adopted co-processing technique for scientific disposal of some of its hazardous waste, in which hazardous waste material which was earlier incinerated in-house, is now sent to cement kilns for co-processing. This helps in utilising hazardous waste as alternative fuel for cement industry. Co-processing results in complete thermal destruction of such hazardous waste. • It is evident that without a sustainable supply chain base, Jubilant's vision towards acquiring and maintaining global leadership can never be achieved. With this in mind, the Company formulated Green Supply Chain Policy in 2010. Now the company is poised to create environmental awareness amongst its suppliers and customers, to ensure resource optimization across the value chain, develop long term partnerships and reduce GHG emissions throughout the supply chain. As a step towards this, the Company has initiated eJBuy, a unique paper-less e-procurement system that ensures greater transparency and accountability. • During this year, EHS audit was conducted for a total of 13 external manufacturers of India Pharma Business.
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		<ul style="list-style-type: none"> Suppliers are also made to declare a Supplier Self-Assessment Evaluation Questionnaire which includes information regarding sourcing, manufacturing process, packaging & labelling, quality assurance and control, and environment, health and safety measures adopted.
ANTI-CORRUPTION AND PREVENTION OF BRIBERY		
PRINCIPLE 10	Businesses should Work Against Corruption in all its forms, including Extortion and Bribery	<ul style="list-style-type: none"> Jubilant Life Sciences is committed in avoiding any form of corruption in any of its business dealing. Jubilant has a Policy on Bribery and Corruption which is stated in the Business Code of Conduct. The policy prohibits any personal payment or bribes by employees of the Company. The Company also covers this policy in a specific session during the induction of employees and communicates all updates to all employees regularly. Senior Management gives a declaration stating that they have not indulged in corruption or related activities. The Company has a Code of Conduct for Directors and Senior Management. The Directors and Senior Management Personnel are required to give an annual affirmation statement to the CMD and CCMD that they have been following the code of conduct for Senior Management. Based on these, a declaration is made by the CMD to the Board that all Directors and senior management personnel have affirmed compliance with the Code of Conduct of the Company. Apart from ensuring honest and ethical conduct, the said code also covers issues related to integrity, confidentiality, insider trading, dealings with outsiders, gifts & entertainment and penalty for breach/corruption. The details of the Code of Conduct can be accessed from the HR Policy manual and it is well covered in Employee handbook prepared for Senior and Middle Management and handed over to new joiners.

		<ul style="list-style-type: none"> • In compliance with the SEBI's Prohibition of Insider Trading Regulations, a code of conduct for prevention of insider trading namely Jubilant Life Sciences Limited - Insider Trading Code has been established with the objective of preventing possible circumstances of trading in securities of the Company by its officials based on possession of unpublished price sensitive information. Under the said Code, annual disclosures regarding securities held and other disclosures in respect of trading in securities of the Company are taken from the Directors and the Designated Persons (defined in the Code itself) from time to time. • Enterprise Risk Management is carried out by the organisation along with the internal audits at each manufacturing unit. All units are covered under this risk assessment and analysed for corruption and related issues. • No cases of corruption were reported to the Ombudsman's Office during the reporting period.
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SUSTAINABILITY MISSION

Jubilant Life Sciences Limited is committed to **Sustainability** and considers environmental protection, accountability, transparency and inclusiveness as the facets to Sustainable Development.

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

Shyam S Bhartia
Chairman & Managing Director

Hari S Bhartia
Co-Chairman & Managing Director

October 4, 2010



ENVIRONMENT, HEALTH AND SAFETY POLICY

Jubilant Life Sciences Limited is an integrated pharma & life sciences Company serving its customers globally with recognised strengths in innovation, manufacturing and support services. Jubilant endeavors to go beyond compliance with regulatory standards, to achieve excellence in Environmental, Health and Safety (EHS) management practices.

We shall achieve this by:

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

The policy will be available in public domain and it is applicable to all Indian operations.

Shyam Bang
Executive Director

October 14, 2010



CLIMATE CHANGE MITIGATION POLICY

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

Join hands with the employees, families & community to create awareness

Undertake energy conservation measures

Benchmark all activities for optimum use of resources

Involve suppliers to reduce emissions through Greening of Supply Chain

Limit Greenhouse Gas emission by process optimization and pollution prevention

Adopt advanced information technology to reduce travel related emission

Nourish the plantation in the units and the vicinity for carbon sequestration

Transform above initiatives into actions

We shall abide by this policy to mitigate the risk of Climate Change at **JUBILANT**.

Shyam S Bhartia
Chairman & Managing Director

Hari S Bhartia
Co-Chairman & Managing Director

October 10, 2010



GREEN SUPPLY CHAIN POLICY

At Jubilant Life Sciences Limited, we are committed to protect the Environment by striving for the Greening of Supply Chain in collaboration with Partners in Progress for long term Sustainability.

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

Protect the environment by creating awareness

Adhere to environment, health & safety compliance

Reduce, reuse and recycle resources

Train and educate to say no to child labour

Nourish plantation and greenery in vicinity

Encourage saving of water and electricity

Reduce Greenhouse Gas emissions

Strive for sustainable partnership

Shyam Bang
Executive Director

November 9, 2010



Millennium Development Goals

CHAPTER TWO

The eight Millennium Development Goals (MDGs) – which range from halving extreme poverty rates to halting the spread of HIV/AIDS and providing universal primary education, all by the target date of 2015 – form a blueprint agreed to by all the world's countries and all the world's leading development institutions. They have galvanized unprecedented efforts to meet the needs of the world's poorest.

The Company's vision is to bring progressive social change through strategic multi-stakeholder partnership and involving knowledge generation & sharing, experiential learning and entrepreneurial ecosystem. The Company relentlessly works with the neighbouring community which is one of its key stakeholders. Our community initiatives are aligned to the United Nations Millennium Development Goals (MDGs).

Jubilant Bhartia Foundation (JBF) implements corporate social responsibility programs of Jubilant Bhartia Group. JBF engages with the communities around Jubilant's manufacturing locations to bring progressive social change through different community development programs.

Baseline surveys are conducted to identify critical community development areas where JBF's intervention is required. During the year a study was conducted to assess the impact on community savings due to JBF's health program around Gajraula. A baseline survey for malnutrition in 11 villages around Gajraula was also carried out this year. JBF also engaged with Schools across the locations for assessment of the quality of education & learning imparted.

JBF believes that entrepreneurship is the most important tool for not only economic growth but also an instrument to present solutions to prevalent social problems. Taking the agenda forward, a collaboration has been forged between Jubilant Bhartia Foundation and Schwab Foundation for Social Entrepreneurship, sister organisation of the World Economic Forum to award Social entrepreneurs. The social entrepreneurs who implement practical and sustainable solutions to address challenges in numerous areas including health, education, and environment, access to technology and job creation are one of the key enablers of inclusive growth. While the approach is towards addressing the concerns of the stakeholders, yet all efforts are attuned to the MDGs.

The Millennium Development Goals are:



Eradicate Extreme Hunger and Poverty



Achieve Universal Primary Education



Promote Gender Equality and Empower Women



Reduce Child Mortality



Improve Maternal Health



Combat HIV AIDS, Malaria & other Diseases



Ensure Environment Sustainability



Develop a Global Partnership for Development

JUBILANT'S SUSTAINABILITY INITIATIVES ALIGNING WITH THE MDGS

Given below is the summary of initiatives taken by JBF towards each MDG during the year 2013-14:

Goal 1: Eradicate Extreme Poverty and Hunger

The Company addresses this goal through its programs for Enhancing Employability and Combating Malnutrition. The Company understands that skill development needs to be part of a strategy for growth that improves the lives of all. The mismatch between education and labour market requirements is fulfilled with vocational training. Jubilant in association with a social enterprise, Labournet, is providing vocational training at three locations including Nanjangud, Gajraula and Nira. The customised training programs include trades like tailoring, retail management, soft skill development, electricians and beautician courses.

Malnutrition of children is a major problem in India, especially in the rural areas and in the poorer communities. It results in stunted development and death in extreme cases. Although nutritional supplements are available at very affordable prices, these are not accessible by the communities that need them the most. This is the case because of lack of awareness among the community as well as poor supply-chain of such supplements. JBF has proposed to help in improving the nutritional intake and status of children under the age of 5 through focused expansion of home fortification and promotion of breastfeeding with improved behaviour change among the intended village communities in target areas. The project is proposed as a pilot in Gajraula location. This project will ensure to bring about and sustain the positive behaviour of using supplementary food through strengthened Community Based Distribution Network (CBD); ensuring reach of quality product at the house hold level in the project villages supported by comprehensive local media based IEC (Information Education and Communication) programme and a fully developed vendor network.

Goal 2: Achieve Universal Primary Education

Project Muskaan was introduced by the Company in 2007 to support the Government initiatives in primary education. It primarily aims at improving the learning environment and the quality of education in the select rural government primary schools so that students are motivated to attending school and ultimately cutting down the dropout rate. To increase and improve the learning abilities of children JBF has set a routine of monthly activities for the whole annual calendar year in the project schools. The small steps of month-wise Muskaan activities would reach the bigger goal of bringing change in reading, writing and speaking abilities of children.

Case Study - Scholarship Programme

In India, every year, almost 62% of children drop out of Secondary School Education including the bright and talented ones. Lack of financial aid is one of the reasons turning these talents into lost opportunities for the nation. Jubilant Pratibha Puraskaar is an initiative at Gajraula launched to gift a deprived but deserving child, a bright future through a monthly scholarship of Rs 500/-. This year the scholarship was provided to 10 students selected through a Common Eligibility Test conducted by JBF. The programme also involves select Jubilant Senior Employees who will provide guidance to these 10 students as mentors.

Goal 3: Promote Gender Equality and Empower Women

The Company understands that equal opportunity and women empowerment would come through equal access to health care, quality education at all levels, career and vocational guidance, employment, equal remuneration, occupational health and safety and social security etc. The Company has the policy of non-discrimination and it stringently follows it. The projects of the JBF are also modelled in a way where women can have access to good health, learn gainful skills and become self-dependent. The Self-Help Group (SHG) Project provides an opportunity to women to become economically independent. Under this framework, JBF trains the women to form SHGs (Self-Help Groups) and link them to bank. Women are also motivated to open a micro enterprise to add to the total income of their family. With the infrastructure support from Jubilant, the stitching centre at Nanjangud (operated by SHG) is also running successfully from past three years.

Case Study

Rahisha, a 48 years old women residing in Makhanpur village of Roorkee always nurtured a dream of starting her own business. Rahisha wanted to support her husband, a barber by profession and the single earning member of the family, in ensuring a meaningful life to their 3 daughters and a differently-able son. The Self Help Group (SHG) initiative of JBF under livelihood program helped her in realizing her dreams. Rahisha became a part of Fatma SHG, initiated by JBF. With the credit support from SHG, she started making toys at home and along with her husband sells them to the local market. Gradually, she is also repaying the loan money to the SHG which is increasing the savings of the SHG with the interest paid by her.

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

Child and mother mortality is a sensitive indicator of a country's development. Jubilant has been operating a Project 'Swasthya Prahari' at Gajraula which promotes Planning and monitoring birth rate, Monitoring and reducing Infant Mortality Ratio (IMR), Monitoring and increasing Institutional delivery to reduce Maternal Mortality Ratio (MMR). The Swasthya Praharis are the women Health Guards responsible to make home contact; motivate people for visiting health institutions and promote institutional child birth. Also, provide counselling to expecting & lactating mothers, provide information on nutrition of children and mothers. There has been a significant increase in the institutional delivery after the inception of the project curbing IMR and MMR.

A MoU was signed between JBF and Family Health International (FHI360) / Improving Healthy Behaviour Program (IHBP) to work on improving health behaviour of women in Gajraula location including children through mass campaigns, counselling and trainings. IHBP is part of the Health Partnership Program Agreement (HPPA) between USAID and the Government of India. The project collaborates closely with the Ministry of Health & Family Welfare (MOHFW), the Ministry of Women and Child Development (MWCD), and their agencies and counterparts at the state and district levels. The agreement will help JBF in improving the health statistics in Gajraula. IHBP would provide the communication and training materials (without any charge) for a year to create awareness on family planning/reproductive health, tuberculosis, HIV/AIDS, and maternal and child health to the target population in Gajraula.

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

The Company has been working since long towards HIV/AIDS awareness. We have registered Integrated Counselling & Testing Centre (ICTC) which caters in identification of HIV infected

people and their proper counselling. World AIDS Day observed on 1 December is dedicated to raising awareness of the AIDS pandemic caused by the spread of HIV infection. The 2013 theme for World AIDS Day was “Shared Responsibility: Strengthening Results for an AIDS-Free Generation. The day was observed at all units including corporate office. Also, JBF regularly organizes several awareness campaigns and since its inception has generated mass awareness through promotional material, rallies and distribution of contraceptives. Jubilant also operates a DOTS centre for TB treatment at Gajraula unit for diagnostic and counselling services. Apart from this, various other regular health camps are organised in the community around manufacturing locations.

Goal 7: Ensure Environmental Sustainability

World Environment Day is observed every year on June 5, at various locations of the Company. The trend was continued this year and World Environment Day was celebrated along with families of Jubilant’s employees on June 1, 2013 at the Corporate Office, Noida. The event included drawing competition, slogan writing, fancy dress, poem recitation and quiz on the theme of environmental awareness. The importance of environmental conservation and leading a lifestyle of low ecological footprint was discussed. An online quiz was also organised on the same day. *Har Aangan Me Ped* activity comprising sapling plantation by the project Muskaan students was held at various locations to generate awareness on environment.

Goal 8: Develop a Global Partnership for Development

The Company is partnering several local and global organisations. This year Jubilant’s major partners under its various programs were:

1. World Economic Forum (WEF)
2. Schwab Foundation for Social Entrepreneurship
3. Confederation of Indian Industry (CII)
4. Pratham
5. Labour net
6. Indian Food Bank Network
7. Aid Matrix
8. US AIDS
9. Goonj

Employee Volunteering

Jubilant encourages workplace volunteering and employee contribution to the society. The Company organizes various programs where the employees have come forward to show their benevolence. Jubilant provides various opportunities to employees to engage in and support social activities. This year the employees came forward to support following activities:

- Book donation to ‘Muskaan’ school students through ‘Joy of Reading Program’
- Flood relief for Uttarkashi cloud burst
- Blood donation camps
- Donating to Food Banking Network (IFBN)
- Supporting the noble cause of bringing a positive change in the lives of Tihar jail inmates by buying Rakhi, bags, and cosmetics made by them.