

## Communication of Progress 2022

### Period covered by COP from July 2021 to July 2022

02 Sep 2022

To our stakeholders:

I am pleased to confirm that Sai Life Sciences Limited reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,  
Krishna Kanumuri  
CEO & MD

**Sai Life Sciences Limited** (CIN: U24110TG1999PLC030970)

#### **Corporate office**

# L4-06, SLN Terminus, Survey #133,  
Gachibowli Miyapur Road, Gachibowli,  
Hyderabad – 500032, Telangana, India.

#### **Registered office**

Plot No. DS-7, IKP Knowledge Park, Turkapally  
(V), Shameerpet Mandal, Medchal-Malkajgiri  
Dist-500078, Telangana, India.

#### **Contact us**

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## DESCRIPTION OF ACTIONS

### Human Rights

We believe in the individuality of a person and upholds the moral principles or norms that describe certain standards of human behaviour and are regularly protected as natural or legal rights in local and international laws. As an employer we are committed to principles of dignity, fairness, respect, and equality.

We have implemented policies and procedures to ensure that we uphold our commitment towards human rights.

- **Code of Business Conduct & Ethics policy** – Our CoC policy ensures that all employees shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement. Directors, Officers and employees shall be governed by the rules and regulations of the company as are made applicable to them from time to time. They shall also strive to promote honesty in conducting business.
- **Grievance Redressal policy** – The Purpose of this policy is to ensure that productive and conducive work environment is provided to all employees, where grievances are dealt fairly & promptly. The company is attempting to establish and maintain harmonious working relationships between all employees. Differences of opinion and potential conflicts are inevitable in the workplace. The purpose of this policy is to attempt to achieve equitable solutions to the problems which may arise from time to time affecting the employees.
- **Prevention of Sexual harassment policy** - The company is committed to provide a safe and conducive work environment to its employees and expects them to combine “Expertise with responsibility”. Towards this it is essential that each employee deals with their colleagues and third parties with full fairness and respect and realizes that his/her behavior will be attributed to the company and can affect its inward and outward reputation. Under the corporate compliance, harassment of any kind including sexual harassment is forbidden. Every employee has the right to be protected against harassment, regardless of whether the accused considers his or her own behavior to be normal or acceptable and of whether the harassed person has the opportunity to avoid the harassment. SLS is committed to providing a work environment free of sexual harassment. Sexual harassment is a form of workplace harassment of a sexual nature that affects the dignity of men and women at work.
- **Health, Safety & Environment policy** - Our HSE policy aim to protect our employees, contractors, customers, shareholders, neighbours, local communities, statutory authorities and interested parties from occupational injuries and ill health. Our policy clearly defines our commitment towards conducting our business in a safe, eco-friendly, and responsible manner. The policy underlines our commitment towards compliance obligations, safe work practices, risk assessment, protecting the environment and increasing awareness among all stakeholders.
- **Sustainable Procurement framework and Supplier code of conduct** - This framework and code sets forth the basic requirements that every Supplier of Sai is expected to respect and adhere to when conducting business with the company in the areas of ethics, labor & human

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rights, health safety & environment and anti-corruption. Periodic Trainings are provided on all policies to all associates.

- We are member of Pharmaceutical Supply Chain Initiatives (PSCI) which address five areas of responsible business practice: ethics, labor & human rights, health & safety, environment, and management systems. We utilize the requirements under these areas to improve our internal practices.

## Labour

We are committed to adherence of all the requirement of labor laws/regulation in areas wherever we operate. The health & safety of the employees working at our sites is of utmost priority to us and we continuously invest in implementation of all necessary systems.

- The company has Employment and Labour policy which clearly explains the rights of employees and company's commitment towards their welfare.
- Minimum Wages are maintained as per applicable Statutory laws.
- **Attendance policy** – The policy clearly defines the shift schedules, weekly offs, overtime and compensatory off clauses. Normal company working hours are limited to 48 per week. We do not have a weekly limit on overtime. The maximum allowed in a month is 40 hours.
- The company ensures to hire employees who meet the legal minimum age for employment ensuring that no child labor is employed at site. We have a reliable procedure to check the age of job applicants by birth certificate / other official forms of identification and educational qualifications.
- It is company policy to ensure that decisions concerning hiring, wages, promotion, training, discipline, retirement, and termination are based only on unbiased criteria, and are not linked to any of the discriminatory characteristics.
- The R&D and manufacturing site are certified for ISO 45001- Occupational Health and Safety management system. The procedures & practices in place at sites are in line with the requirement if ISO standards.
- Engineering controls are in place to ensure the operation are performed in a safe manner.
- Periodic hazard and risk assessment in line with ISO 45001 conducted to identify the high-risk areas and implement necessary controls.
- Daily health & safety control tours are conducted to identify the areas of unsafe condition and are communicated to respective in-charge with action plan.
- PPEs such as helmets, gloves and shoes are provided to all employees. Specialized PPEs such as Breathing apparatus etc. are placed at strategic locations for usage in case of any such scenario arises. Periodic training and awareness sessions are conducted for employees highlighting the importance of PPEs. Display of Dos and Don'ts and usage of PPEs are in place at strategic locations.
- Safety committee meetings are conducted to understand the health & safety issues faced by the employees/contractors.
- Training on safe handling of chemicals and operations are provided to all relevant employees.

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- Incident management tool is in place to report any incidents at site. All employees have access to this tool to report any incidents. Investigation is conducted involving the concerned departments and CAPA plan is defined
- **Code of Business Conduct & Ethics policy** – Our CoC policy ensures that all employees shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement. Directors, Officers and employees shall be governed by the rules and regulations of the company as are made applicable to them from time to time. They shall also strive to promote honesty in conducting business.
- **Grievance Redressal policy** – The Purpose of this policy is to ensure that productive and conducive work environment is provided to all employees, where grievances are dealt fairly & promptly. The company is attempting to establish and maintain harmonious working relationships between all employees. Differences of opinion and potential conflicts are inevitable in the workplace. The purpose of this policy is to attempt to achieve equitable solutions to the problems which may arise from time to time affecting the employees.

## Environment

We are committed to protecting the environment and actively seek to identify means of minimizing water use, energy use, greenhouse gas emissions & waste generation. Our best-in-class environment standards and practices helps in reducing any negative impact on environment and society.

- Our HSE policy aim at protection of environment including prevention of pollution (air, water, soil pollution), sustainable use of resources (water, energy etc.), mitigation of climate change (GHG emissions), protection of biodiversity and ecosystems.
- The R&D and manufacturing sites are certified for ISO 14001 – Environment management system standards. The procedures & practices in place at sites are in line with the requirement if ISO standards.
- The manufacturing site is certified for ISO 50001 – Energy management standards ensuring our commitment towards energy management and conservation.
- We have entered into agreement with third party Renewable energy generator to purchase renewable power for consumption at our manufacturing facility.
- The risk assessment is carried out in line with the requirement of ISO 14001 to assess the risk associated with the activities and necessary controls are identified.
- The manufacturing facility is equipped with Zero Liquid Discharge System wherein the process effluent is treated and reused for utilities. This system ensures no effluent is discharged to the external environment.
- ~ 85% of the hazardous waste generated at sites are sent to coprocessing units or cement industry for usage as an alternate fuel. This avoids waste ending up in landfills.
- Green chemistry principles adopted in our development process to reduce resource consumption (water, solvent etc.), improve yield and reduce waste generation.
- Monitoring of air emissions are carried out on regular basis through pollution control board approved third party.
- Onsite emergency plan in place to manage any incidents of emergency including the accidental spills.

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- We conduct evaluation of vendor based on the HSE criteria.
- **Sustainable Procurement framework and Supplier code of conduct** - This framework and code sets forth the basic requirements that every Supplier of Sai is expected to respect and adhere to when conducting business with the company in the areas of ethics, labor & human rights, health safety & environment and anti-corruption.

#### Anti-Corruption

- The company has a Code of Conduct and Ethics policy, which clearly defines the dos and don'ts related to corruption.
- Vigil Mechanism policy defines a process where-in employees can safely report suspicion of corruption related cases and the same are systematically addressed.
- The company has assigned different individuals or departments to be responsible for handling contracts, placing orders, receiving goods, processing invoices, and making payments. Procurement team is responsible for awarding the contract. Receiving goods is responsibility of warehouse. Finance is responsible for payments.
- We have regular internal audits conducted by third party, and the reports are presented to the board.
- "Anti-corruption" and/or "Ethical behaviour" clause is covered in the Sustainable procurement framework and supplier Code of Conduct.

## MEASUREMENT OF OUTCOMES

1. Sai Life Sciences tracks, monitors, and reports safety incidents information such as Near Miss incidents, First aid cases, Lost Time incidents, Lost Time frequency rate & Lost Time severity rate
2. Sai Life Sciences measures its environmental footprint such as water, energy, Greenhouse gas emissions, hazardous waste and focusses on resource conservation and management
3. We impart regular trainings to our workforce on labour, health & safety policies, and procedures.
4. Sai Life Sciences collects and monitors the demographic of employees and management broken down by age group, gender, region.
5. Regular rewards and recognition program is in place to recognize the work done by the employees.
6. We conduct structured rating methodology for our employees based on their performances.
7. Vendor evaluation is carried out based on the criteria of labor, health, safety & environment.
8. Renewable energy procurement is done at our manufacturing facility to reduce the usage of power generated from fossil fuel. This also ensures that we reduce our GHG emissions.

The above data can be checked in our annual sustainability report. The link for latest Sustainability report - <https://www.sailife.com/sustainability-report/2021/>

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