

# **Optimus Drugs Private Limited – Annual ESG Databook**

**FY 2023-24**

## **About this report**

### **About the Report**

This Environmental, Social, and Governance (ESG) Factsheet presents a comprehensive overview of Optimus Drugs Private Limited's sustainability initiatives, performance metrics, and strategic commitments for the fiscal year 2023-24. The report encapsulates the company's dedication to responsible business practices across all operational sites and reflects our unwavering commitment to creating a positive impact on society and the environment.

### **Scope and Boundary**

The factsheet covers all aspects of Optimus Drugs Private Limited's operations, including our manufacturing facilities, research and development centres, corporate offices, and supply chain activities. It encompasses data and insights from the beginning of FY23 to the end of FY24, providing stakeholders with a transparent view of our ESG performance during this period.

We are proud to affirm our steadfast commitment to the highest standards of corporate governance, environmental stewardship, occupational health and safety, business ethics, and respect for human rights. Our organization is dedicated to integrating these fundamental principles into the core of our business operations and corporate strategy. We believe that by upholding these values, we not only contribute positively to the well-being of our employees, partners, and the communities in which we operate, but also enhance the long-term sustainability and success of our business.

### **About Optimus Drugs**

Optimus is one of the fastest-growing pharmaceutical companies with 16 years of experience in providing the best quality of API, Intermediates & Finished formulations in Global markets. Our aim from day one has been to provide and ensure better healthcare across the globe through our research, Innovations, affordable products & manufacturing excellence.

Optimus is proud to offer a diverse range of therapeutic solutions, each meticulously designed to address the intricate needs of various medical conditions. Our key therapeutic areas include:

- Tackling complex hormonal and metabolic disorders with cutting-edge treatments.
- Pioneering solutions for heart health and metabolic functions.
- Innovating skincare and treatments for dermatological conditions.
- Advancing the understanding and management of neurological disorders.
- Combating infectious diseases with potent and effective medications.
- Specializing in the care of kidney health and urinary systems.

For more info please visit: [Home - Sekhmet Pharmaventures](#)

## Contents

1. Governance .....	4
1.1 Corporate Governance .....	4
1.2 Policies .....	5
1.3. Stakeholder Engagement and Materiality .....	7
1.4. Strategy and Goals .....	12
1.5. Sustainable Supply chain .....	13
1.6. Information Security .....	14
2. Environment.....	15
2.1 Environmental Management System .....	16
2.2 Energy .....	16
2.3 Emissions .....	18
2.4 Water management.....	19
2.5 Waste Management .....	22
2.6 Biodiversity.....	24
2.7 Air Pollution Management.....	24
2.8 Noise Pollution Management.....	24
2.9 Odour Management .....	25
2.10 Product Quality and Safety .....	25
3. Social .....	27
3.1 Introduction to Employee Welfare and Ethical Standards .....	27
3.2 Occupational Health and Safety.....	30
3.3 Training & Development .....	32
4. Progress towards the Sustainable Development Goals .....	33

# 1. Governance

## 1.1 Corporate Governance

### **a. Commitment to Ethical Practices, Guiding Values, and Principles**

At Optimus, our unwavering commitment to ethical practices is the bedrock upon which our corporate reputation and operational excellence are built. We believe that conducting business with integrity is not just a legal obligation but a moral imperative. Our guiding values and principles are deeply embedded in our corporate culture, ensuring that every decision and action aligns with our ethos of honesty, respect, and fairness.

Our Code of Conduct serves as a compass for our employees, outlining the standards of ethical behaviour we expect within our organization and in our interactions with clients, partners, and the community. We are dedicated to fostering an environment where ethical considerations are at the forefront of our business strategy, and where every employee feels empowered to uphold these standards.

### **b. Continuous Improvement**

Continuous improvement is a fundamental aspect of our sustainability journey. We recognize that the path to excellence is iterative and requires constant evaluation and adaptation. To this end, we have instituted a culture of ongoing learning and development, encouraging our teams to seek out opportunities for innovation and enhancement in all aspects of our operations.

We regularly review our practices and processes to identify areas where we can increase efficiency, reduce waste, and optimize resource use. By embracing a mindset of continuous improvement, we not only enhance our operational performance but also contribute positively to environmental stewardship and social responsibility.

### **c. Management Policies and Procedures**

Our management policies and procedures are designed to support our commitment to sustainability and ethical practices. They provide a clear framework for governance and accountability, ensuring that all levels of our organization operate with consistency and in compliance with regulatory requirements. We have established robust procedures for risk management, stakeholder engagement, and environmental management. These policies are regularly reviewed and updated to reflect the latest best practices and to address the evolving challenges and opportunities in our industry.

### **d. Board of Directors Oversight**

The Board of Directors at Optimus plays a crucial role in overseeing the company's adherence to its commitment to ethical practices and sustainability. The Board provides strategic direction and ensures that our sustainability objectives are integrated into the company's vision and operational strategies.

Our Board members bring diverse perspectives and expertise, contributing to a comprehensive approach to governance that encompasses not just financial performance but also environmental, social, and ethical considerations. They are actively involved in monitoring the company's progress towards its sustainability goals and in guiding the management team in areas of strategic importance.

Through rigorous oversight, the Board ensures that Optimus remains accountable to its stakeholders and true to its mission of delivering long-term, sustainable value. The Board's commitment to transparency and ethical leadership sets the tone for the entire organization, reinforcing our position as a responsible corporate citizen dedicated to making a positive impact on society and the planet.

## 1.2 Policies

Our company's foundational principles, articulating our commitment to the highest standards of corporate conduct. As an integral part of the healthcare industry, it is our fundamental responsibility to operate under robust, clear, and ethical policies. These policy guidelines aren't merely statements; instead, they serve as a compass guiding us in every aspect of our operations, helping us maintain our social, environmental, and governance responsibilities while serving our stakeholders effectively. In accordance with our Code of Conduct, we uphold a stringent Zero-tolerance policy towards bribery and corruption. We vigilantly monitor our entire business mechanisms to pre-empt and prevent any such malpractices. For the Fiscal Year 2023, we are proud to report that there have been no occurrences of bribery, corruption, or any anti-competitive, antitrust, or monopoly behaviour.

### **a. Code of Conduct:**

We believe in preserving the highest standards of ethical behaviour and regulatory adherence. Our Code of Conduct is applicable to all employees and members of Senior Management of the company. Our Code serves as a guiding light and underlines our deeply ingrained principles of not only delivering superior value to our customers but also nurturing a culture of respect and maintaining unyielding integrity. It is this Code that empowers each one of us to lead and act with conviction, within a framework that promotes and sustains ethical conduct across all levels of our operations.

### **b. Prevention of Sexual Harassment (PoSH) Policy:**

We believe that all our associates must be treated with dignity. The PoSH policy allows us to offer our associates a safe and inclusive workplace where they can work and express themselves without fear of prejudice, gender bias, and sexual harassment. Even beyond the workplace, any instances of sexual harassment involving associates is considered a grave and punishable offense. A committee has been constituted to redress complaints of sexual harassment through a structured and transparent process. Such committees may be set up by the Chairman and Managing Director as may be required to implement the provisions of the policy at the various locations of the company.

### **c. Human Rights Policy:**

Our Human Rights Policy is developed in accordance with the UN Guiding Principles on Business and Human Rights and applies to Optimus. It mandates adherence to human rights laws and guidelines of the International Bill of Human Rights. Our Human Rights Policy is based on 10 principles: Respect for Human Rights, Community and Stakeholder Engagement, Inclusion and Diversity, Anti-harassment and non-discrimination, Freedom of Association and Collective Bargaining, Safe and Healthy Workplace, Workplace Security, Modern Slavery and Human Trafficking, Child Labour, Work Hours, Wages and Benefits. We are focused on expanding the coverage of our human rights policy to the communities in which we operate.

**d. Whistle Blower Policy:**

The Whistle-blower Policy offers our associates, clients, and vendors a mechanism to report any instances of unethical behaviour, actual or suspected fraud, or violation of the company's Code of Conduct or policy, to the Ombudsperson/Chairman of the Audit Committee. It ensures that the complainants have adequate safeguards and are protected from reprisals or victimization for whistleblowing in good faith.

**e. Board Diversity Policy:**

This policy has been developed to ensure our Board has adequate diversity in terms of a broad spectrum of skills, academic backgrounds, geographical and industry expertise, backgrounds, genders etc., to oversee and guide Optimus's business conduct.

**f. CSR policy:**

This policy details the approaches, focus areas and impact goals to take forward our principle of Empowering Tomorrow Together through societal development and environmental protection activities. Our CSR programs focus on: Education & IT Literacy, Skill Development, Innovation & Infrastructure, Community Development & Environment, and Healthcare

**g. Supplier Code of Conduct:**

The Supplier Code of Conduct includes guidelines related to Human Rights, Environment, Business Ethics, and Management Systems.

Under Human Rights, suppliers are expected to avoid practices like forced labour, child labour, harsh working conditions, discrimination, or harassment to allow freedom of association and collective bargaining. They should respect occupational health and safety norms and ensure product safety.

For the Environment, suppliers must manage greenhouse gas emissions and energy use, prevent pollution, manage waste efficiently, conserve resources, and avoid deforestation or harm to biodiversity.

Regarding Business Ethics, they should practice anti-corruption, avoid conflicts of interest and anti-competitive behaviours. They must respect data privacy rights and provide systems for whistle-blowers. For Management Systems, suppliers are expected to practice risk management, offer necessary training, maintain proper documentation, and uphold the commitment and accountability towards the obligations outlined in the Code of Conduct

**h. Diversity and Inclusion Policy:**

Our FIRST principles of Fairness, Integrity, Respect, Sincerity, and Transparency drive our actions on deepening diversity and inclusion across our company. These values help foster a workplace where everyone is welcomed, irrespective of difference of age, background, gender, expertise or experience, physical and mental abilities, language, race, religion, or any other marker. The policy covers all our interactions with associates, customers, shareholders, and society. Such interactions include but are not limited to both policy and practices on recruitment, compensation, recognition, professional development, promotions, transfers, etc.

**i. Anti-Bribery and Anti-Corruption Policy:**

Optimus is committed to conducting business in an ethical, honest, and transparent manner. We have zero tolerance for bribery or corruption in any form. This includes, but is not limited to, the exchange of soft dollars, the offering or receiving of illegal gifts, and any form of illicit financial or other advantage, in all our business dealings and relationships. We believe in fair competition and are committed to upholding all laws related to anti-bribery and corruption. Optimus does not for any reason make contributions to political campaigns or parties. Our charitable contributions are made responsibly, ensuring that they are not used as a subterfuge for bribery or corruption. This policy applies to all individuals working for or on behalf of our company at all levels.

**j. Sustainability Policy:**

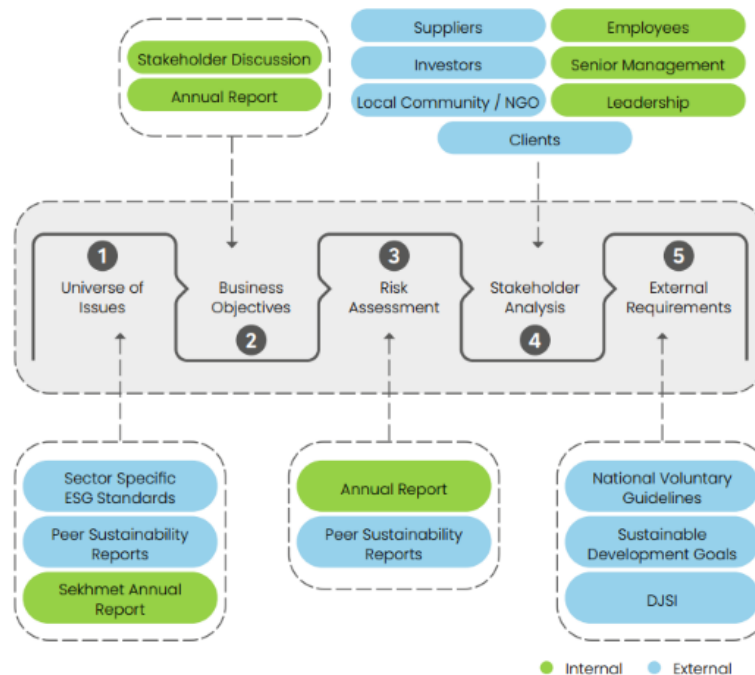
This Policy promotes environmental care, social responsibility, and ethical behaviour. It emphasizes environmental improvement, biodiversity conservation, and ecological impact reduction. It values employee well-being, equality, community interaction, and quality of pharmaceutical products. Ethical expectation and cybersecurity compliance are also enforced. The policy underscores the importance of sustainable and responsible actions for all Optimus associates.

Details of our policies can be found on [Home - Sekhmet Pharmaventures](#)

The commitment to ethical conduct and integrity remains unwavering within our organization. We are proud to report zero breaches in our Code of Conduct, reflecting our adherence to ethical standards and our dedication to upholding the highest levels of integrity in all facets of our operations. This underscores our continuous efforts to foster a culture of compliance, transparency, and responsible business practices, ensuring that our conduct aligns with the values and principles we espouse.

### 1.3. Stakeholder Engagement and Materiality

#### 1.3.1 Methodology



### 1.3.2 Materiality Assessment Methodology

#### a. Universe of Issues:

We began by compiling an exhaustive list of ESG issues that have relevance not only to our company but also to our industry. This step ensured that we considered a broad spectrum of factors that could impact our sustainability efforts.

#### b. Business Objectives Alignment:

Next, we assessed each issue against its potential influence on our ability to achieve key business objectives. This evaluation considered the impact on revenue growth, business continuity, cost management, brand reputation, and long-term strategic goals. This alignment helped us focus on issues that have the most direct bearing on our business success.

#### c. Risk Assessment:

To further refine our selection, we mapped the universe of issues against both internal and external risks. Issues were ranked based on their potential to affect our business and strategy, as well as our readiness to address and mitigate them. This risk assessment guided us in identifying the issues with the highest materiality.

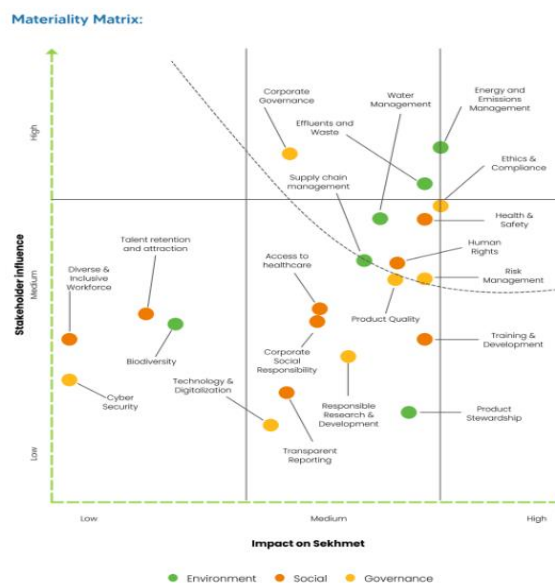
#### d. Stakeholder Engagement:

This step was crucial in securing valuable insights and opinions regarding the significance of the identified issues. Stakeholder feedback was weighted based on their influence on our seamless business operations, allowing us to prioritize the most critical concerns.

#### e. External Requirements Alignment:

Finally, the chosen issues were evaluated in alignment with external sustainability frameworks and guidelines, including the United Nations Sustainable Development Goals (SDGs), National Voluntary Guidelines (NVGs), and the Dow Jones Sustainability Index. This alignment ensured that our materiality assessment was not only internally consistent but also in harmony with global sustainability standards and expectations.

### Materiality Matrix





Material topics identified	ESG Classification	Business case	Mitigation Actions
Energy and Emissions Management	Environment	Energy consumption and emissions are important for Optimus to manage as they directly impact the cost of operations and our environmental footprint. Implementing energy-efficient practices and reducing emissions can result in cost savings, regulatory compliance, and improved brand reputation	We will implement energy-efficient practices across all our operations and reduce greenhouse gas emissions, contributing to combating climate change.
Effluents and Waste	Environment	Proper management of effluents and waste is crucial to prevent environmental pollution and comply with regulations. Effective waste management practices not only reduce the risk of contamination but also demonstrate responsible environmental stewardship, enhancing the company's reputation.	We will manage effluents and waste by implementing efficient technologies and waste management systems to minimize environmental impact.
Ethics and Compliance	Governance	Adhering to ethical standards and complying with legal requirements is fundamental for Optimus to maintain credibility and stakeholders' trust. Ethical practices contribute to the company's systemic sustainability, employee satisfaction, customer loyalty, and brand reputation	We will enforce stricter internal audit processes and maintain a transparent, open dialogue with all stakeholders to ensure high ethical standards and total compliance.
Health and Safety	Social	The health and safety of employees and stakeholders are critical concerns for Optimus. Providing a safe working environment not only protects individuals but also reduces legal risks, ensures employee well-being, fosters productivity, and strengthens corporate reputation	Dedication to creating a hazard-free workspace through regular safety drills and health programs will help maintain employees' well-being and productivity
Water Management	Environment	Effective water management is essential to ensure access to sufficient and clean water sources, especially for manufacturing processes. Proper water management practices can lead to cost savings, environmental conservation, and improved stakeholder trust.	Investment in water-efficient technologies and reusing treated wastewater, aiming for rational water use

Material topics identified	ESG Classification	Business case	Mitigation Actions
Human Rights	Social	Respecting human rights is crucial to create a fair and ethical working environment. Upholding human rights not only promotes employee well-being, diversity, and equality but also mitigates legal and reputational risks	Implementing practices that promote diversity and inclusivity will emphasize our commitment to human rights.
Supply Chain Management	Governance	Managing the supply chain is essential to ensuring the availability and quality of raw materials, mitigate reputation risks, maintain compliance with regulatory requirements, and support sustainable sourcing practices	We aim to work closely with our suppliers to ensure that they adhere to our sustainability standards.
Risk Management	Governance	It is vital to identify and manage risks in order to protect business operations, stakeholders, and reputation. Effective risk management practices ensure business continuity, prevent financial losses, and enhance resilience	Proactive identification and evaluation of potential risks should mitigate business disruptions
Product Quality	Governance	Ensuring product quality is paramount to maintain customer trust and safety. By delivering reliable and effective products, we reinforce customer loyalty, mitigate legal risks, and enhance our reputation	Through stringent quality control measures and regular audits, we aspire for excellence in our products
Training and Development	Social	Investing in training and development programs is important in order to enhance employee skills, knowledge, and performance. By nurturing a competent workforce, the company can drive innovation, increase productivity, and cultivate a positive work culture.	We will invest in skills development programs to ensure needed competencies and improvement in employee morale.
Corporate Social Responsibility	Social	Engaging in corporate social responsibility activities allows us to contribute positively to society and the environment. CSR initiatives can enhance brand reputation, attract and retain customers, and create long-term value for the business and communities.	We will focus on impactful community development projects conforming to local needs
Responsible Research	Governance	Conducting research responsibly is crucial for upholding ethical standards, maintaining data integrity, complying with regulations, and ensuring the safety and efficacy of our products.	By bolstering ethical guidelines for research, we can maintain the safety and efficacy of our products

Material topics identified	ESG Classification	Business case	Mitigation Actions
Product Stewardship	Product Stewardship	Ensuring responsible product stewardship is important in order to minimize environmental impacts throughout the lifecycle of our products. This includes proper disposal, recycling, and implementing sustainable practices for packaging and waste reduction.	By focusing on the lifecycle of our products, we ensure responsible disposal and waste reduction
Transparent Reporting	Social	Transparent reporting enables us to build trust with stakeholders by providing accurate and accessible information on our financial, environmental, and social performance. Transparent reporting can enhance credibility, attract investors, and demonstrate commitment to accountability	We will continue to report our activities regularly and honestly to maintain stakeholder trust
Technology and digitalization	Social	Embracing technology and digitalization is crucial to enhance operational efficiency, innovation, and competitiveness. Adopting digital solutions can streamline processes, improve data management, and enable remote access to services, resulting in cost savings and improved customer satisfaction	We aim to deploy digital solutions to improve our services, efficiency, and customer satisfaction.
Corporate Governance	Governance	Strong corporate governance ensures accountability, ethical behaviour, and transparency. Effective governance practices can foster investor confidence, minimize legal and reputational risks, and promote long-term business sustainability.	We will focus on improving the effectiveness of our governance framework for greater accountability and transparency
Biodiversity	Environment	Preserving biodiversity is crucial to conserve ecosystems, protect rare species, and sustainably utilize natural resources. By integrating biodiversity considerations into our operations, the company can improve environmental performance, enhance brand reputation, and comply with regulatory requirements	We will actively engage in conservation efforts and implement biodiversity-friendly practices in our operations.
Talent attraction and retention	Social	Attracting and retaining top talent is pivotal to driving innovation, competitiveness, and business growth. By offering an attractive work environment, career development opportunities, and competitive salaries, we can attract and retain skilled and motivated employees	Implementing attractive work policies and development programs will enable us to attract and retain a talented workforce.
Diversity and Inclusion	Social	Embracing diversity and inclusion is essential to foster creativity, innovation, and	Strengthening our commitment to

Material topics identified	ESG Classification	Business case	Mitigation Actions
		social cohesion. By promoting diversity in the workforce and ensuring equal opportunities for all, we can tap into diverse perspectives, improve decision-making, and enhance our reputation.	inclusivity will bring forth diverse perspectives and enhance decision-making
Cybersecurity	Governance	Protecting the company's digital assets and ensuring data privacy is crucial. Implementing robust cybersecurity measures reduces the risk of data breaches, financial losses, reputational damages, and legal consequences.	We will invest in advanced cybersecurity solutions to prevent data breaches and maintain privacy.

## 1.4. Strategy and Goals

Discussions with our stakeholders have helped to shape our immediate and future sustainability goals, aligned with the six pillars of our sustainability framework. We have established 14 ambitious goals across the Environmental, Social, and Governance (ESG) aspects to shape our vision for 2030. Every goal has been formulated considering our key material issues, the external context we function within, and the potential business and social influence.

Pillar	Goal 2030
Sustainable Operations	<ul style="list-style-type: none"> <li>62% Reduction in emission intensity to baseline FY 23</li> <li>100% water neutrality across operations</li> <li>90% of waste diversion from Landfill</li> </ul>
Community	<ul style="list-style-type: none"> <li>Disclose the social value created through a study on Social Return on Investment</li> </ul>
People	<ul style="list-style-type: none"> <li>14% share of women among permanent employees</li> <li>Publish human rights report with third party assurance</li> <li>Zero reportable accidents</li> <li>40 hours of employee training hours each year</li> </ul>
Value Chain	<ul style="list-style-type: none"> <li>100% of tier 1 suppliers are to be assessed based on the Supplier Code of Conduct</li> <li>85% of raw materials to be sourced from local vendors</li> </ul>
Governance	<ul style="list-style-type: none"> <li>Maintain zero data security breaches</li> <li>Achieve gender parity across the board of directors</li> </ul>
Product	<ul style="list-style-type: none"> <li>Zero product recalls</li> <li>Conduct lifecycle assessment for all key products</li> </ul>

## 1.5. Sustainable Supply chain

At Optimus, we believe that fostering strong partnerships with our suppliers, guided by mutual respect and shared values, is integral to achieving our sustainability objectives. We recognize the critical role that suppliers play in our operations and acknowledge the influence they have on our environmental, social, and economic footprint. As part of our commitment to sustainability and ethical business practices, we prioritize a robust Supplier Management process to ensure that our supply chain aligns with our values and sustainability goals. We have established a robust network of approximately 250 suppliers, encompassing a diverse range of essential resources such as general raw materials, packaging materials, solvents, and excipients. Within this extensive supply chain, we have identified 50 critical suppliers who play a pivotal role in our operations.

### **a. Supplier Screening and Onboarding:**

At Optimus, we recognize the critical role that our suppliers play in upholding our environmental, social, and governance commitments. To this end, we have implemented a robust Supplier Screening process designed to collaborate exclusively with suppliers who are aligned with our dedication to sustainability. This meticulous screening process is anchored by our standardized Supplier Code of Conduct, which is a cornerstone document that outlines the expectations and responsibilities of our suppliers. This code covers a comprehensive range of criteria, including quality assurance, ethical practices, and relevance to our business objectives.

In addition to the Supplier Code of Conduct, we have established detailed Standard Operating Procedures (SOPs) that guide our interactions with suppliers. These SOPs ensure a consistent and fair evaluation of potential suppliers, considering their commitment to sustainability and their operational practices. To further reinforce our commitment to a sustainable supply chain, we have introduced a supplier questionnaire as a preliminary screening tool. This questionnaire allows us to gain insights into the suppliers' practices and their alignment with our sustainability goals. Only those suppliers who demonstrate a strong adherence to our standards and pass this initial screening are considered for a contractual relationship with Optimus.

Once a supplier has successfully navigated our evaluation process and meets the stringent requirements set forth in our SOPs, we formalize our partnership through contractual agreements. These agreements are not merely transactional; they signify a mutual commitment to uphold the values and standards that are integral to Optimus's mission. By requiring suppliers to abide by our Supplier Code of Conduct, we foster a supply chain that is not only efficient and reliable but also responsible and sustainable.

### **b. Supplier Performance evaluation:**

Optimus is committed to fostering strong relationships with its key vendors through regular engagement and performance evaluations. To this end, we have instituted a schedule of quarterly meetings that serve as a platform for in-depth discussions regarding vendor performance metrics and any supply chain constraints that may arise. These meetings are conducted in person, providing a conducive environment for transparent communication and collaborative problem-solving. We offer open training sessions aimed at enhancing the skills and knowledge of our vendors. These sessions are designed to be interactive and practical, ensuring that our partners are well-equipped to meet the evolving demands of the industry.

Looking ahead, Optimus is dedicated to achieving the Pharmaceutical Supply Chain Initiative (PSCI) certification. This certification is a testament to our unwavering commitment to ethical and responsible supply chain management, ensuring that our practices align with the highest standards of environmental,

social, and governance criteria. Optimus is excited to announce the impending launch of a unique incentive program in the following year. This initiative is tailored to recognize and reward outstanding performance among our vendors, encouraging a culture of excellence and continuous improvement.

### **c. Supply chain KPI's:**

A significant milestone in our journey towards sustainable procurement is the fact that 70% of our targeted suppliers have signed our supplier code of conduct. This demonstrates a shared commitment to ethical practices and sets a foundation for responsible supply chain partnerships. Moreover, we have successfully integrated environmental, labour, and human rights requirements into the contracts of 50% of our targeted suppliers. These clauses are vital for maintaining compliance with international standards and for promoting a culture of responsibility and accountability throughout our supply chain.

Understanding the importance of Environmental, Social, and Governance (ESG) factors, we have conducted ESG assessments, with an increased focus on social aspects such as labour conditions and community impact, for 40% of our targeted suppliers. These assessments, often initiated through comprehensive questionnaires, are instrumental in identifying areas for improvement and fostering transparency. In addition to assessments, we have also conducted on-site ESG audits for 40% of our targeted suppliers. These audits provide a deeper insight into the suppliers' operations and are essential for verifying compliance with our sustainability criteria.

To align our procurement practices with sustainable principles, we have facilitated a culture of continuous learning by conducting quarterly meetings for our buyers across all locations. During these gatherings, which serve as capacity-building huddles, 90% of our buyers engage in discussions about the integration of Environmental, Social, and Governance (ESG) aspects into procurement processes. This approach ensures that our buyers are well-informed and equipped to make decisions that reinforce our commitment to sustainability.

Lastly, we have engaged 60% of our assessed suppliers in corrective actions or capacity-building initiatives. This engagement is a testament to our proactive approach in addressing any issues uncovered during audits or assessments and reflects our dedication to continuous improvement within our supply chain. Overall, these statistics not only highlight our progress in sustainable supply chain management but also underscore our ongoing commitment to upholding high ethical standards and contributing to a more sustainable future.

## **1.6. Information Security**

In today's digital age, cybersecurity is of paramount importance, and our organization is committed to ensuring the safety and security of our information systems. We have information security policy to ensure and bolster our defences. Also, we have implemented a comprehensive training program accessible through our Intranet platform, Tech Genie, which provides user-friendly training modules on various cybersecurity topics. These modules are designed to empower our employees with the knowledge to identify and avoid potential phishing attacks, one of the most common cybersecurity threats. Moreover, we maintain a proactive approach to cybersecurity awareness by regularly disseminating informative sessions via email. These sessions are crucial in keeping our workforce abreast of the latest security protocols and best practices. Should there be any updates or new learning materials added to the Intranet, notifications are promptly shared with the entire organization through email broadcasts, ensuring that all employees have access to the latest information.

In addition to online resources, we have conducted physical training sessions to provide hands-on experience and to address any immediate questions or concerns. This blended approach to learning



ensures that our employees are well-equipped to handle cybersecurity challenges. We also encourage a culture of vigilance and responsibility through our whistleblower policy, which has been updated to include cybersecurity concerns. This policy allows employees to report any suspicious activities or security breaches without fear of reprisal, contributing to a secure and transparent work environment.

Proudly, our organization has maintained a record of zero breaches, a testament to the effectiveness of our cybersecurity measures. This achievement is further supported by our rigorous practices, including Vulnerability Assessment and Penetration Testing (VAPT) and internal audits, which are conducted to identify and mitigate potential security vulnerabilities. Together, through continuous training, awareness, and stringent security audits, we are committed to upholding the highest standards of cybersecurity to protect our organization and its stakeholders. In line with our unwavering commitment to cybersecurity, we are taking our efforts a step further by planning to achieve ISO 27001 certification in the coming years.

We have taken a significant leap forward in commitment to sustainability and operational excellence by integrating advanced IT systems managed by Cloud Stake Company. Our collaboration with Cloud Stake ensures that our data and IT infrastructure are not only robust but also environmentally conscious. Cloud Stake's innovative use of Artificial Intelligence and Machine Learning (AI/ML) technologies streamlines our cybersecurity measures, providing an autonomous detection and response system that is both efficient and effective. This system vigilantly monitors our network for any potential threats, ensuring that any detected viruses are swiftly addressed—be it through cleaning, quarantining, or deletion—based on the threat's severity. This proactive approach minimizes the need for manual intervention, reducing the carbon footprint associated with traditional IT security management and contributing to our overall sustainability goals.

The incorporation of Cloud Stake's Falcon Complete Managed Detection and Response (MDR) service, known as IRP, into our security infrastructure offers comprehensive benefits. It not only enhances our cybersecurity posture but also aligns with our sustainability strategy by optimizing resource utilization. The Falcon Complete MDR's ability to automatically resolve threats in real-time means that our systems operate with minimal disruption, maintaining the integrity of our operations. This level of automation and precision in threat management allows Optimus to focus on its core mission of developing life-saving pharmaceuticals while entrusting our digital safety to Cloud Stake's expertise. Our partnership with Cloud Stake Company exemplifies our dedication to innovation, security, and sustainability, setting a new standard for responsible stewardship in the pharmaceutical industry.

## 2. Environment

Optimus maintains an unwavering commitment to environmental stewardship, ensuring that all aspects of our operations adhere to the highest standards of sustainability. We rigorously comply with emission standards and diligently maintain emissions within the legal boundaries, demonstrating our respect for the environment and the well-being of the communities in which we operate. Our operations are in strict conformity with all pertinent environmental legislation, regulations, and directives in the regions where we conduct business. This steadfast adherence to environmental laws is a cornerstone of our operational philosophy, reflecting our dedication to minimizing our ecological footprint. In the reporting period, we are proud to report that we have no outstanding environmental violations, a testament to our proactive and responsible approach to environmental management.

Our environmental compliance is further evidenced by our clean record in the reporting year, where we incurred no penalties associated with environmental matters. This achievement is not by chance but the result of our comprehensive environmental management system, which is designed to continuously monitor, evaluate, and improve our environmental performance. We believe that strict compliance with environmental regulations is not merely a legal obligation but also a moral one, as we strive to protect the planet for future generations. Our commitment to environmental excellence is integral to our business strategy, and we remain dedicated to upholding these principles as we advance in our mission to provide life-saving pharmaceuticals in an environmentally responsible manner.

## 2.1 Environmental Management System

All our Sites are certified with Environmental Management systems ISO 14001. We strictly adhere to the EMS implementation across the sites, and we provide continuous training on Energy and Emission Management, Water Stewardship and Waste Management to 100% of our employees.

Our dedicated environmental risk assessment teams have conducted thorough site-by-site analyses to identify and mitigate any potential risks to the surrounding ecosystems and communities. These assessments are part of our broader Environmental, Social, and Governance (ESG) strategy, which aims to integrate sustainable practices into every aspect of our business operations. By proactively managing environmental risks, Optimus Pharmaceuticals ensures that our facilities operate not only in compliance with all relevant environmental regulations but also go above and beyond to minimize our ecological footprint. This achievement reflects our unwavering commitment to environmental responsibility and our recognition of the critical role the pharmaceutical industry plays in safeguarding the planet for future generations.

We are committed to continuous improvement and will regularly review and update our environmental risk management processes to respond to evolving challenges and opportunities. Our goal is to lead by example within the pharmaceutical industry, demonstrating that operational excellence and environmental sustainability can go hand in hand.

## 2.2 Energy

At Optimus, energy management is a cornerstone of our operational strategy, reflecting our commitment to sustainability and cost-efficiency. Recognizing the significant influence of energy usage on greenhouse gas emissions and financial expenditures, we have placed a high emphasis on refining our energy management practices.

To achieve greater energy efficiency, Optimus has embarked on a series of process improvements and technological advancements. These measures are designed to streamline our operations and integrate technologies that contribute to more prudent energy use. By optimizing the energy consumption derived from traditional sources, we are not only minimizing our environmental impact but also enhancing our operational efficiency.



<b>Electricity Consumption – FY24</b>		
<b>#</b>	<b>Month</b>	<b>Total Units (kWh)</b>
1	April-2023	1859056
2	May-2023	1987173
3	June-2023	2239939
4	July-2023	2165550
5	August-2023	2360340
6	September-2023	2222602
7	October-2023	1984704
8	November-2023	1857115
9	December-2023	1754080
10	January-2024	1876616
11	February-2024	1874487
12	March-2024	2187593
<b>Total</b>		<b>24369255</b>

### 2.2.1 Energy efficiency initiatives

Optimus has embarked on a transformative journey towards sustainability, demonstrating an unwavering commitment to environmental stewardship through the implementation of various energy initiatives. The company has also introduced energy-efficient initiatives which reduce energy consumption and enhance the overall operational efficiency. These initiatives are complemented by a robust energy management system that leverages smart technology to monitor and analyse energy usage, enabling continuous improvement and fostering a culture of conservation among employees. Optimus's holistic approach to energy management exemplifies its dedication to innovation, responsibility, and the pursuit of a greener future.

<b>#</b>	<b>Initiative</b>	<b>Description of Initiative</b>	<b>Benefit</b>
1	Replacement of cooling tower	Replace the 300 TR cooling tower with existing stand by 500 TR cooling tower which will suffice the load of the 180 TR & 225 TR.	Saving of 273941 units /Year
2	Replacement of cooling tower fans	Replacing the current set of axial type fans with Aerodynamic FRP fans which is more effective and economic when compared to existing fans, by replacing these we can save up to 10% electrical energy consumption w.r.t cooling tower fans respectively.	Saving of 7705.68 units /Year
3	Automation of Boiler screw feeder	Automation for screw feeder adjustment based on that ID & FD also controlled with VFD's.	Saving of 37360.30 units /Year

#	Initiative	Description of Initiative	Benefit
4	Installation of energy efficient motors	Replacement of the new energy efficient motors in place of re-wound motors.	Saving of 12882 units /Year
5	Installation of lower capacity pumps	Replacement existing 30 HP-01 with capacity 180 M3/Hr pump to 20 HP-01 with capacity 120 M3/Hr to reduce power consumption	Saving of 34634.62 units /Year
6	Reducing the pulley size of blower	Reduction of the blower RPM from 1568 to 1397 by changing the blower pulley size from 9.5" to 11".	Saving of 55140 units /Year
7	Temperature adjustment of chilled water	Increasing the chilled water temperature from 7.2 °C to 12.2 °C by changing the setpoint	Saving of 128819 units /Year

## 2.3 Emissions

Optimus has placed a strong emphasis on emission management as a cornerstone of its sustainability strategy. Recognizing the critical role that emissions play in environmental impact and climate change, the company has adopted a proactive approach to reduce its carbon footprint. Initiatives such as the integration of renewable energy sources into its operations have been a key focus. By investing in solar power installations, Optimus is not only decreasing its reliance on fossil fuels but also contributing to the generation of clean energy. This transition to renewables is aligned with global sustainability goals and reflects Optimus's commitment to responsible environmental practices. The company's efforts in this area are expected to significantly lower greenhouse gas emissions, thereby enhancing its sustainability profile and setting a positive example within the pharmaceutical sector.

We have established a robust GHG management, underscored by a specialized management team whose sole mandate is to devise and implement effective GHG reduction strategies. This team is empowered by a dedicated budget, ensuring that financial resources are specifically allocated to support initiatives aimed at minimizing the company's carbon footprint. Through this strategic alignment of organizational structure and resources.

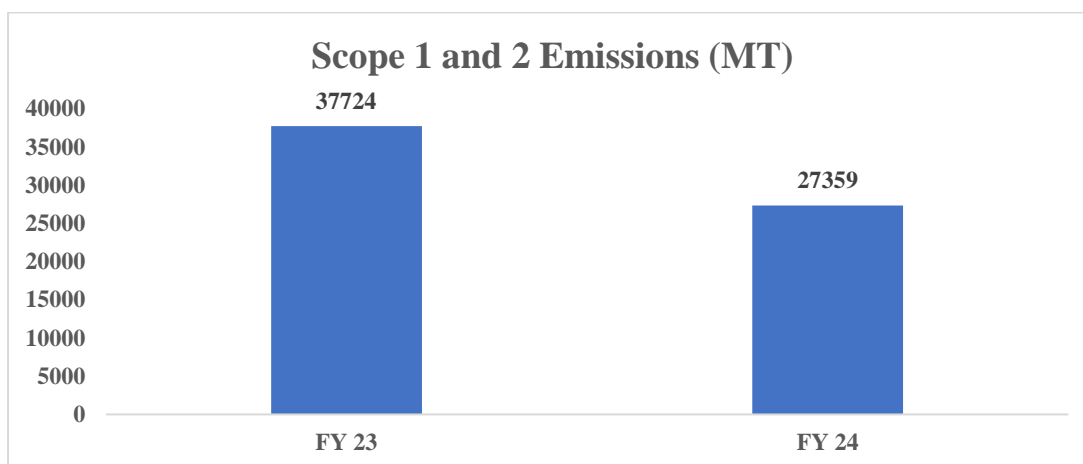
### 2.3.1 Boiler Fuel Switch from Coal to Biomass

In addition to renewable energy adoption, Optimus Drugs Private Limited has implemented a strategic fuel switch program, transitioning from high-carbon fuels to more environmentally friendly alternatives. By shifting to fuels with lower carbon content, such as Biomass, the company is actively reducing the intensity of its emissions. This fuel switch initiative is complemented by continuous improvements in energy efficiency across manufacturing processes, which further mitigates emission levels. These concerted efforts form an integral part of Optimus's emission management strategy, demonstrating the company's dedication to minimizing its environmental impact. The outcomes of these initiatives are meticulously documented and analysed, ensuring transparency and accountability in the company's sustainability report, and showcasing its ongoing journey towards a greener future.

Scope 1&2 Emissions FY 24			
#	Month	Scope-1 (MT Co2e)	Scope-2 (MT Co2e)
1	April-2023	867	1320
2	May-2023	723	1411
3	June-2023	774	1590
4	July-2023	1015	1538
5	August-2023	1068	1676
6	September-2023	1040	1578
7	October-2023	736	1409
8	November-2023	635	1319
9	December-2023	720	1245
10	January-2024	789	1332
11	February-2024	667	1331
12	March-2024	1022	1553
<b>Total</b>		<b>10057</b>	<b>17302</b>

### 2.3.2 Emission Monitoring Scope 1 and Scope 2

We have started monitoring and reporting our GHG emissions (Scope 1 and Scope 2) from FY 23 at corporate level in accordance with GHG protocol. We have set ambitious target of reduction of 62% of Emission intensity by 2030 to the baseline year 2023 and we report our emission data on yearly basis. Our latest review shows that we are on track regarding the emission targets.



## 2.4 Water management

Optimus commitment to sustainability, recognizing that water is a precious resource and critical to many of our production processes. To uphold our responsibility towards water conservation, Optimus has implemented Zero Liquid Discharge (ZLD) systems across our facilities. This advanced approach

ensures that all wastewater is treated and recycled. By doing so, we not only minimize our environmental impact but also enhance water security by reducing our dependency on external water supplies. In FY 24 we have recycled 41132 KL of water through our ZLD Facility which has reduced our freshwater withdrawal by 21%.

The ZLD plant operates on a comprehensive collection and treatment methodology that begins with the segregation of effluent streams. The treatment process involves a series of advanced filtration and separation techniques, including Biological Treatment, Reverse Osmosis, and Evaporation, to remove contaminants and recover water. A critical aspect of this process is the removal of Active Pharmaceutical Ingredients (APIs) from the wastewater, which is paramount to prevent the release of these potent compounds into the environment.

Optimus employs specialized treatment technologies to target and break down API's, ensuring that the treated water is free from the API substances. The reclaimed water is reused within the plant for various non-potable applications, thus reducing the company's freshwater footprint. Through these initiatives, Optimus not only demonstrates its commitment to environmental stewardship but also sets a benchmark for resource efficiency in the pharmaceutical industry.

In addition to our Zero Liquid Discharge (ZLD) systems, Optimus has adopted a holistic approach to water stewardship by integrating the reuse of treated water into our operations. This initiative allows us to repurpose high-quality recycled water for various non-potable applications.

#### 2.4.1 Rainwater Recycling and Reuse

Rainwater recycling and reuse represent a pivotal aspect of our commitment to sustainability and environmental stewardship. Despite the regulatory constraints that prohibit rainwater harvesting at API manufacturing sites, Optimus has ingeniously circumvented this challenge by implementing Zero Liquid Discharge (ZLD) system in the site. This innovative approach begins with the collection of the initial runoff known as the first cut rainwater, which is often laden with contaminants. The collected water is then channelled through the ZLD treatment facility. The result is a substantial volume of high-quality, treated water that is repurposed within the company's operations.

In FY 24 we have treated approximately 721 KL of first cut rainwater. This not only reflects Optimus's dedication to resource conservation but also showcases their ability to adapt and thrive within the stringent regulatory frameworks, all while contributing positively to the environment and setting a benchmark in the pharmaceutical industry for sustainable practices.

<b>Water Consumption FY 24</b>				
<b>#</b>	<b>Month</b>	<b>Total water Withdrawn (KL)</b>	<b>Total water Recycled (KL)</b>	<b>Total water Consumption (KL)</b>
1	April-2023	13902	3002	16904
2	May-2023	15262	2788	18050
3	June-2023	15517	3146	18663
4	July-2023	15237	3646	18883
5	August-2023	14289	3991	18280
6	September-2023	12867	3951	16818
7	October-2023	12338	3304	15642
8	November-2023	11689	3016	14705
9	December-2023	11549	2880	14429

10	January-2024	11298	4057	15355
11	February-2024	11579	3481	15060
12	March-2024	13039	3868	16907
<b>Total</b>		<b>158566</b>	<b>41132</b>	<b>199698</b>

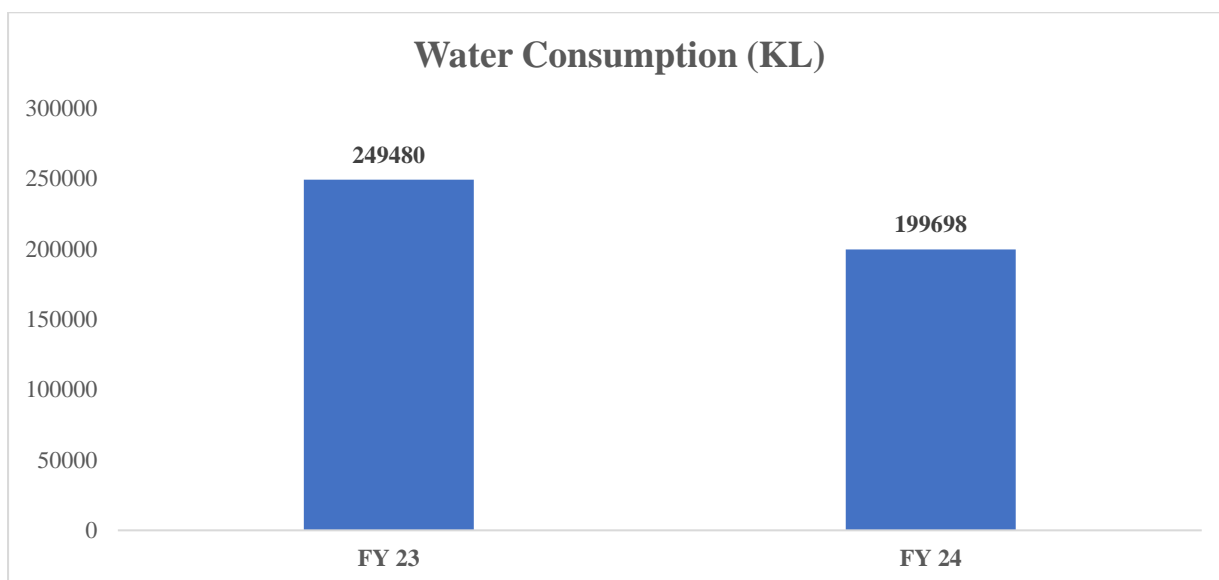
## 2.4.2 Water efficiency initiatives

Optimus is committed to sustainability and environmental stewardship, particularly in the critical area of water conservation. Recognizing the precious nature of this vital resource, we have implemented a comprehensive water-saving initiative across all our operations. Our facilities are now equipped with advanced water recycling systems that significantly reduce our freshwater footprint by treating and reusing water within our processes. In FY 24 our total water consumption has reduced by 20% compared to FY 23. We have also introduced smart water management practices, including the installation of low flow fixtures. Additionally, we have employee training programs designed to foster a culture of water conservation and 100% of our employees are trained in reporting water conservation initiatives.

In the pursuit of operational excellence and sustainability, our organization has embarked on a series of initiatives aimed at enhancing energy efficiency and reducing utility costs. The following initiatives have been carefully designed and implemented, resulting in significant net annualized value savings, expressed in crores, while contributing to substantial power and utility savings across various operational domains:

#	Initiative description	Net Annualized Value (In Crores)	Power / Utility savings
1	The adjustment of hot water temperature from 60°C to 50°C	0.03	Utility
2	By optimizing the fuel loading pattern in the boiler and reducing the operating steam pressure from 9 KG/cm <sup>2</sup> to 6 KG/cm <sup>2</sup>	0.15	Utility
3	Addressing steam loss in unused steam lines after the Pressure Reducing Valve (PRV) by closing the stop header valve during non-production periods in OSD and SSD areas	0.01	Utility
4	Operating a 10 CFM air compressor for the water system during non-production times	0.02	Power
5	Incrementing the chiller set point from 5°C to 8°C	0.2	Power
6	Reducing the frequency by 10-20 Hz for the CNC area Air Handling Units (AHUs)	0.03	Power
7	Consolidating materials into one quarantine area to allow for the shutdown of the quarantine area AHU during periods of low production	0.01	Power
8	The strategic use of a 90 TR chiller instead of a 300 TR chiller on nonworking days to maintain storage area temperature	0.04	Power

9	The optimization of the cooling system in ARND, FRND, QA, and QC areas through continuous monitoring and staff awareness	0.05	Power
10	The recycling of RO reject water for utilization in scrubbers, gardening, and cooling towers	0.044	Utility



## 2.5 Waste Management

Optimus has placed a strong emphasis on waste management as its sustainability agenda, recognizing the importance of responsible waste disposal and resource recovery in the pharmaceutical industry. The company has implemented a comprehensive recycling program that not only reduces the volume of waste sent to landfills. Optimus 's commitment to minimizing its environmental impact. By meticulously segregating recyclable waste at the source and partnering with certified recycling facilities, Optimus ensures that materials such as plastics, glass, and paper are efficiently processed and reused, thereby conserving natural resources and reducing the company's ecological footprint.

We have embraced the innovative practice of co-processing, which involves the use of pharmaceutical waste as an alternative fuel or raw material in industrial processes, such as cement manufacturing. Optimus 's co-processing efforts are part of a broader waste-to-energy strategy that supports the transition to a low-carbon economy. By investing in these waste management initiatives, In FY 24 we have diverted 69% of waste from landfilling which demonstrates its dedication to environmental protection and sustainable development, setting a precedent for responsible waste management practices.

Optimus is committed to fostering a culture of environmental responsibility among its employees, recognizing that waste reduction and proper sorting are critical components of sustainable operations. To raise awareness and promote best practices, the company has initiated a comprehensive training program designed to educate staff on the importance of minimizing waste and the benefits of recycling. Interactive workshops and seminars, led by environmental experts, provide employees with practical knowledge on how to reduce waste at the source, reuse materials whenever possible, and recycle effectively. The training sessions also include hands-on activities that demonstrate the correct way to sort waste, ensuring that recyclable and compostable materials are diverted from landfills.

In addition to formal training, Optimus has implemented an ongoing awareness campaign throughout the workplace. This includes informative posters and signage strategically placed near waste collection points, offering clear instructions on sorting waste and 100% of our employees are trained in waste reduction, sorting and disposal.

<b>Waste Management FY 24</b>				
<b>#</b>	<b>Month</b>	<b>Total Hazardous Waste Generated in (MT)</b>	<b>Total Non-Hazardous Waste Generated in (MT)</b>	<b>Total waste Sent for Recycling (MT)</b>
1	April-2023	146	8	8
2	May-2023	155	6	6
3	June-2023	150	18	18
4	July-2023	225	10	10
5	August-2023	237	4	4
6	September-2023	260	2	2
7	October-2023	298	11	11
8	November-2023	130	13	13
9	December-2023	243	9	9
10	January-2024	211	14	14
11	February-2024	187	12	12
12	March-2024	181	16	16
<b>Total</b>		<b>2422</b>	<b>124</b>	<b>124</b>

### **2.5.1 Management of Expired/Unused Medicine**

We are committed to the responsible management and disposal of expired or unused medications, ensuring that we uphold the highest environmental and safety standards. In alignment with our sustainability goals and regulatory compliance, we have established a robust partnership with authorized co-processing facilities. By meticulously segregating expired products and channelling them through a controlled and transparent disposal process, we not only adhere to stringent waste management protocols but also contribute to minimizing our ecological footprint. Optimus remains dedicated to continuous improvement in our waste management practices, reinforcing our pledge to safeguard the planet while delivering healthcare solutions. In FY 24 We have sent 0.266 MT of Expired medicine to Co-processing facility which accounts 0.03% of our products sold.

### **2.5.2 Solvent Recovery System**

We have demonstrated a strong commitment to sustainability and cost-efficiency through the implementation of solvent recovery system. This initiative enables the precise separation of mixed solvents into their pure components. By leveraging on this technology, Optimus has significantly reduced its environmental footprint by recycling solvents that would otherwise be discarded. The recovered solvents are meticulously tested for purity and then reintegrated into the manufacturing process, thereby diminishing the need for fresh solvent procurement. This not only conserves valuable resources but also translates into substantial cost savings for the company. Furthermore, the solvent recovery system aligns with Optimus Pharma's broader environmental goals, showcasing their proactive approach in minimizing waste and promoting a circular economy within the pharmaceutical industry.

Through these efforts, Optimus Drugs continues to set industry benchmarks for both ecological stewardship and operational excellence. In FY 24 We have reused 6243 MT of recovered solvent in the process which helped in minimizing the usage of fresh solvent for manufacturing.

## 2.6 Biodiversity

Biodiversity is a key focus area in our sustainability efforts at Sekhmet. We recognize that biodiversity is essential for the health and resilience of ecosystems, and as a responsible company, we are committed to protecting and promoting biodiversity in all aspects of our operations. Therefore, we actively monitor and manage our operations to ensure that they are in line with environmental regulations and best practices. This includes implementing habitat restoration projects, promoting biodiversity-friendly land management practices, and minimizing pollution and waste generation. We also actively collaborate with local communities and local regulatory bodies to promote the biodiversity initiatives. So far, more than 15000 trees have been successfully planted, and we target to plant 5000 more in the next five years. Moreover, none of our operations are located near biodiversity sensitive areas.

## 2.7 Air Pollution Management

Optimus is committed to environmental stewardship and recognizes the critical importance of mitigating air pollution as part of its corporate social responsibility. In our continuous effort to minimize our ecological footprint, we have Boilers with Bag filters in our manufacturing facilities. These sophisticated filtration systems are designed to capture particulate matter and pollutants that are generated during the combustion process, ensuring that emissions are significantly cleaner before being released into the atmosphere. By integrating these advanced bag filters, Optimus not only complies with stringent environmental regulations but also contributes to the improvement of air quality, safeguarding the health of the communities we serve and the environment at large.

In addition to our efforts to filter particulates, Optimus has taken a proactive approach to reducing Volatile Organic Compounds (VOCs) emissions through the adoption of Double Stage Condensing Systems. These systems are engineered to condense and recover VOCs from our production processes, thereby drastically reducing the number of harmful compounds released into the air. The double stage design enhances the efficiency of VOC recovery, ensuring that our operations are not only more sustainable but also more cost-effective manner.

<b>Air Pollution Data</b>				
<b>Year</b>	<b>PM<sub>10</sub> (In MT)</b>	<b>SOX (In MT)</b>	<b>NOX (In MT)</b>	<b>Total Pollutants (In MT)</b>
<b>FY 24</b>	4	6	6	16

## 2.8 Noise Pollution Management

Optimus recognizes the importance of mitigating noise pollution as an integral part of its corporate social responsibility. In our pursuit of creating a harmonious balance between industrial progress and ecological sustainability, we have implemented a robust program for periodical monitoring of noise levels across all our facilities. This initiative involves the use of state-of-the-art sound level meters and vibration analysis tools to continuously assess the acoustic environment. By conducting regular audits, we ensure that our operations do not exceed the noise thresholds set by regulatory bodies, thereby minimizing the auditory impact on our employees and the surrounding communities. Our proactive



approach not only helps in maintaining a quieter atmosphere but also aids in the early detection of potential machinery malfunctions, leading to a safer and more efficient work environment.

In addition to our monitoring efforts, Optimus has taken significant steps to enhance the acoustic infrastructure at our sites. We have invested in the provision of advanced acoustical solutions, such as sound-absorbing panels and noise barriers, to effectively dampen industrial noise for DG sets. By incorporating these acoustical enhancements, we are able to significantly reduce noise propagation, thus contributing to a more peaceful and productive atmosphere. Our commitment to reducing noise pollution extends beyond compliance; it reflects our dedication to the well-being of our employees, the community, and the environment.

## 2.9 Odour Management

At Optimus, we recognize that effective odour management is a critical component of our environmental stewardship and community relations. As part of our ongoing commitment to sustainability and in response to the concerns of our stakeholders, we have implemented a series of initiatives aimed at mitigating odour emissions from our operations. Central to these efforts are our state-of-the-art scrubber systems and vent condensers, which have been strategically installed at key points within our facilities.

The scrubber systems are designed to capture and neutralize odorous compounds through chemical or physical absorption, ensuring that emissions meet both regulatory standards and our own stringent internal benchmarks. In parallel, our vent condensers play a vital role in condensing and recovering volatile organic compounds (VOCs), which not only reduces odours but also allows us to recycle these compounds, thereby minimizing waste and contributing to our circular economy goals. These technologies, along with our comprehensive odour monitoring protocols, have resulted in a marked improvement in odour management. We have seen a significant reduction in odour complaints from the surrounding communities, reflecting the effectiveness of our approach. At Optimus, we are dedicated to continuous improvement and innovation in all aspects of our environmental performance, and our investment in odour management systems exemplifies this commitment.

## 2.10 Product Quality and Safety

At Optimus, we prioritize the health and well-being of our customers, upholding an unwavering commitment to product quality and safety. Our robust quality control processes, aligned with Good Manufacturing Practices (GMP), ensure that every product we manufacture surpasses industry standards. We engage in rigorous testing throughout the production cycle to affirm the consistency, stability, and potency of our pharmaceuticals. Our comprehensive quality assurance program, featuring regular audits and continuous process improvement, is a testament to our dedication to excellence.

In line with our dedication to transparency and accountability, we have undertaken extensive internal analyses, spearheaded by our multidisciplinary teams, to evaluate the health impacts of our products and services. These evaluations are critical in identifying and mitigating any potential risks, ensuring compliance with industry standards and regulatory requirements. Our precautionary approach to risk management involves immediate action when necessary, enhancing product safety and consumer education. To maintain the highest standards in production and service delivery, we have instituted stringent quality control protocols and regular health and safety training for our employees. We extend our commitment to safety to our customers by providing comprehensive information on the proper use of our products, including potential health impacts and safety guidelines. Our proactive engagement with stakeholders ensures an open dialogue and allows us to adapt our practices to the evolving landscape of health and safety in our industry.

Our customer-centric approach is further exemplified by our awareness program, which equips consumers with the knowledge they need to use our products safely and responsibly. We offer a variety of informational materials, conduct expert-led workshops and webinars, and maintain a responsive customer service team to address any health and safety inquiries. This initiative not only fosters trust but also promotes a culture of safety that is integral to our sustainability goals.

We also pride ourselves on having a robust feedback mechanism that allows customers to report health or safety incidents, driving continuous improvement and effective risk management. It is with pride that we report zero product recalls in the reporting year, reflecting our relentless pursuit of safeguarding customer health and safety. Our holistic approach to health and safety is a cornerstone of our business ethos, underscoring our resolve to deliver products and services that contribute positively to the well-being of society.

### **2.10.1 Responsible Product Use**

At Optimus Drugs, we are dedicated to ensuring the responsible use of our products. We achieve this by adhering to stringent quality control standards and providing comprehensive information that guides the safe handling, storage, and application of our pharmaceuticals.

We are steadfastly committed to ensuring the health and safety of our customers. To uphold this commitment, we have instituted a rigorous and formalized process for assessing and documenting risks associated with customer health and safety. This process is meticulously applied during the initiation of new operations, any changes to existing procedures, and through regular reviews of ongoing activities. Our multidisciplinary risk assessment teams work collaboratively to identify potential hazards, evaluate the likelihood and impact of these risks, and implement robust mitigation strategies. Documentation is a critical component of our process, providing a detailed record that supports transparency and continuous improvement. By proactively managing risks, Optimus Drugs not only complies with regulatory requirements but also reinforces our dedication to delivering safe, high-quality products to the market.

Our commitment extends beyond compliance with regulatory requirements; we actively educate healthcare professionals and end-users on the best practices for product use through detailed labelling, clear instructions, and accessible customer support services. This approach underscores our responsibility to safeguard the health and well-being of our customers and the integrity of our products throughout their lifecycle.

### **2.10.2 Product End-life Management**

At Optimus Drugs, we recognize the critical importance of environmental stewardship, particularly in the context of the pharmaceutical industry. Our approach to sustainability extends beyond the manufacturing process to encompass the entire lifecycle of our products, including their end-of-life management. We are deeply committed to minimizing the environmental footprint of our products and have established a comprehensive strategy to ensure their safe and environmentally responsible disposal.

Our responsible product end-of-life management strategy is built on a foundation of rigorous evaluation and adherence to best industry practices. We collaborate with waste management experts to facilitate the proper disposal of pharmaceuticals, thereby preventing contamination of water sources and soil. We also engage in public awareness campaigns to educate customers on the significance of appropriate medication disposal and provide clear instructions on how to do so safely. Our packaging includes environmentally friendly disposal information.

Internally, we continuously review and refine our disposal practices to stay abreast of evolving regulations and emerging technologies that can further reduce environmental impact. Our research and development teams are dedicated to designing products and packaging that are not only effective but also environmentally conscious, reducing waste and facilitating recycling wherever possible. Through these concerted efforts, Optimus Drugs demonstrates an unwavering commitment to environmental sustainability and responsible product stewardship. We believe that by proactively managing the end-of-life of our products, we contribute positively to the well-being of our planet and set a standard for responsible conduct within the pharmaceutical industry.

## 3. Social

### 3.1 Introduction to Employee Welfare and Ethical Standards

At Optimus, we are dedicated to fostering a workplace that upholds the highest standards of employee welfare and ethical practices. Our comprehensive approach to employee benefits, fair compensation, training, and development, as well as our staunch opposition to any form of labour exploitation, reflects our commitment to our workforce and the principles of corporate responsibility. This section of our sustainability report outlines the various initiatives and policies we have implemented to ensure the well-being of our employees and the integrity of our operations.

#### 3.1.1 Fair Compensation and Benefits

We ensure that all employees receive remuneration that meets or exceeds the minimum wage requirements set by the state labour department. We regularly review and adjust pay scales for contract workers to align with changes in minimum wages and to maintain market parity based on experience and skill levels. Our remuneration policies are transparent, with detailed salary slips provided to employees, indicating various earnings and deductions in compliance with the Payment of Wages Act, 1936.

In addition to fair wages, we offer a robust benefits package, including the Group Mediclaim Policy and Group Personal Accident Policy, as part of our employee health insurance scheme. We also provide retirement plans through the mandatory Employee Provident Fund (EPF) scheme, ensuring financial security for our employees in their post-retirement life.

We present a key metric that reflects the distribution of remuneration within our organization. Specifically, in our operations at Optimus, we have calculated the ratio of the annual total compensation received by the highest-paid individual in comparison to the median annual total compensation of all our employees. This ratio stands at 54:1. This balance underscores our belief in equitable growth and the shared prosperity of our entire team, as we continue to work towards our mission and uphold our values.

In our ongoing commitment to transparency and sustainability, we acknowledge the existence of an unadjusted gender pay gap of 34.95% within our organization. This figure reflects the average earnings difference between men and women across all roles and levels without adjusting for position, tenure, or hours worked. We recognize that addressing this gap is not only a matter of fairness but also an essential component of our broader commitment to equality and sustainability. As such, we are actively developing and implementing strategies to reduce this gap, ensuring that our workplace is equitable and inclusive for all employees.

Two-way communication is a cornerstone of our sustainability efforts, fostering an inclusive and transparent culture within our organization. We prioritize open dialogue through various platforms, ensuring that every voice is heard and valued. Our regular town hall meetings serve as a conduit for top-down communication, where leadership shares strategic visions and sustainability progress, while also inviting feedback and insights from all levels of the company. Similarly, bottom-up communication is encouraged through team meetings and suggestion forums, empowering employees to contribute innovative ideas and express concerns directly to decision-makers. This bidirectional exchange not only enhances our sustainability initiatives but also strengthens the collective commitment to our environmental, social, and governance goals.

### **3.1.2 Work-Life Balance and Professional Development**

Recognizing the importance of work-life balance, corporate employees at Optimus enjoy flexible working hours and a five-day workweek for corporate employees. We have a structured onboarding process that guides new hires through company-specific policies and job functions, ensuring a smooth integration into our organization. Training and development are integral to our operations, with programs tailored to each employee's technical or behavioural skills, standard operating procedures (SOPs), and Good Manufacturing Practice (GMP) awareness. Our performance management system, which includes regular employee engagement surveys and performance assessments, promotes a pay-for-performance culture and supports career development.

### **3.1.3 Assessing Performance and advancing Career Development**

Within our company, the performance appraisal system consists of several elements aimed at evaluating and enhancing individual performance. The framework encompasses Management by Objectives (MBO) and Key Performance Indicators (KPIs), both of which serve as tools for assessing and measuring individual achievements and contributions. MBO, a method used within our appraisal process, involves setting specific objectives for each employee, aligning their goals with the broader organizational objectives. Additionally, KPIs are established to evaluate and monitor the accomplishment of these objectives, ensuring a comprehensive review of individual performance. At our organization, we are proud to affirm that 100% of our employees have undergone comprehensive performance appraisals. These evaluations are part of an ongoing process where managers maintain an open dialogue with each team member, focusing on their current performance, career progression, and skill enhancement. During these appraisal meetings, constructive discussions are held to outline future steps, identify areas for improvement, and provide personalized guidance aimed at fostering both individual and organizational growth. This approach ensures that our employees are consistently supported in their development journey, aligning their personal ambitions with the strategic objectives of our company.

### **3.1.4 Human Rights and Ethical Labour Practices**

In our commitment to uphold ethical practices and ensure the well-being of our workforce, we have conducted rigorous internal audits specifically designed to mitigate any risks of child and forced labour within our operations. We maintain a robust human rights policy, strictly adhering to local regulations regarding minimum working age and vehemently opposing any form of child labour or forced labour. We conduct thorough age verification checks and require legal documentation for all employees. Furthermore, we have implemented comprehensive training programs for all our employees to deepen their understanding of human rights issues. Our organization maintains stringent policies that strictly prohibit child labour, reflecting our unwavering dedication to fostering a responsible and sustainable work environment.

Our organization recognizes the importance of respecting and upholding human rights not only within our company but also in our interactions with external stakeholders. To this end, we have implemented specialized awareness training programs that focus on the human rights of those we engage with outside our immediate business operations. These trainings are designed to educate our employees on the critical issues surrounding human rights, equipping them with the knowledge and sensitivity required to conduct business ethically and responsibly. Through role-playing scenarios, case studies, and interactive discussions, our workforce gains a deep understanding of the potential human rights impacts of our business activities and learns how to address and mitigate these risks. This commitment to human rights education underscores our dedication to being a socially responsible entity that prioritizes the dignity, and rights of all individuals affected by our business.

In a comprehensive internal assessment of business ethics across all sites, several ethical issues have been highlighted, each reflecting the complex nature of maintaining integrity and ethical conduct in a corporate environment. One such issue is the adherence to fair labour practices, which encompasses not only the equitable treatment of employees but also the assurance of safe working conditions and the prohibition of any form of discrimination or harassment. Another ethical concern is the transparency in financial reporting and the avoidance of fraudulent activities, which is paramount to uphold the trust of stakeholders and to ensure the long-term sustainability of the business. Additionally, the ethical use of data and the protection of customer privacy have emerged as critical issues, especially in an era where information is an asset, necessitating stringent measures to prevent data breaches and unauthorized access. These issues, among others, form the bedrock of ethical challenges that organizations must navigate to foster an ethical culture and to secure their reputation in the business community. We have established a robust remediation procedure to address any violations of external stakeholders' human rights that may arise during our business operations. This procedure is a testament to our commitment to accountability and ethical conduct. It involves a thorough investigation of reported incidents, transparent communication with the affected parties, and the implementation of corrective actions to rectify any harm caused. We also ensure that lessons learned from these incidents are integrated into our policies and practices to prevent future occurrences. Our approach to remediation is centred on fairness, promptness, and respect for the rights and dignity of all individuals, demonstrating our resolve to maintain the highest standards of human rights compliance and to reinforce trust with our stakeholders.

In alignment with our commitment to ethical business practices and sustainability, we have engaged in proactive stakeholder consultations with potentially affected groups and non-governmental organizations (NGOs) that specialize in human rights and labour issues. These consultations aim to identify and address any concerns related to child labour, forced labour, and human trafficking within our supply chain and operations. Although our company does not have unions, we ensure that all voices are heard and that we maintain open channels of communication with our employees and external stakeholders. Our approach is rooted in transparency, accountability, and continuous improvement to uphold the dignity and rights of every individual associated with our business.

Our robust whistleblower policy and grievance redressal system are in place to ensure swift reporting and resolution of any infractions. We take pride in our commitment to maintaining a secure and health-conscious workplace, a commitment that is validated by our ISO 45001 certification. Our occupational health and safety policy sets forth clear guidelines for both employees and contractors, and we provide comprehensive training on a range of topics including health and safety, harassment, discrimination, corruption, anti-competitive behaviour, diversity, and human rights and ethics. In the reporting year, every employee participated in these training sessions, underscoring our dedication to a well-informed workforce. We are also pleased to report that there were no occurrences of child labour, forced labour, or human trafficking in our operations throughout the reporting period.

### 3.1.5 Freedom of Association

In the spirit of fostering an open and respectful workplace, we acknowledge that while there are currently no formal work unions within our organization, we fully support and will not oppose the right of our employees to freedom of association. We recognize the importance of our team members having the opportunity to join or form unions should they choose to do so. Our organization appreciates and respects the collective voice of our employees, understanding that freedom of association is a fundamental human right and an essential component of a sustainable and positive work environment.

### 3.1.6 Diversity and Inclusion

Our organization is deeply committed to fostering an inclusive environment where every employee, including those with disabilities, feels valued and empowered. We have taken proactive steps to ensure that our workplace is not only accessible but also conducive to the professional growth and personal well-being of employees with disabilities. This includes implementing adaptive technologies, providing flexible work arrangements, and offering continuous support through specialized training programs for staff and management. We believe that by embracing diversity and promoting inclusivity, we create a stronger, more innovative, and compassionate workforce. Our actions reflect our unwavering dedication to building a culture where the unique talents and perspectives of employees with disabilities are celebrated and leveraged for collective success.

As part of our commitment to transparency and sustainability, we are pleased to disclose our workforce composition as of the current reporting period.

Level	Female	Male	Grand Total
Top Management		1	1
Senior Management		21	21
Middle Management	4	104	108
Junior Management	105	1136	1241
<b>Grand Total</b>	<b>109</b>	<b>1262</b>	<b>1371</b>

## 3.2 Occupational Health and Safety

Employee health and safety are paramount concerns at Optimus, and we are committed to ensuring a safe and healthy work environment for all our employees. Recognizing the integral role our workforce plays in our success, we have implemented a comprehensive health and safety program that adheres to the highest standards and best practices in the industry. Our initiatives include regular safety training sessions, ergonomic assessments, and the provision of personal protective equipment tailored to specific job functions. We have also established a Health and Safety Committee that actively engages with employees to address concerns, conduct risk assessments, and promote a culture of safety awareness throughout the organization.

In our pursuit of continuous improvement in health and safety, Optimus has introduced innovative measures such as the integration of health and wellness programs that support not only the physical but

also the mental well-being of our employees. These programs include stress management workshops, fitness challenges, and access to counselling services.

### **3.2.1 Health and Safety Policy**

At Optimus, we are committed to maintaining the highest standards of health and safety for all our stakeholders, including employees, contractors, suppliers, and customers. Our Health and Safety Policy is designed to ensure a safe and healthy work environment by adhering to rigorous safety protocols, ongoing training, and a culture of continuous improvement. We recognize that the well-being of our people is fundamental to our success, and we are dedicated to implementing proactive measures to prevent accidents and occupational hazards. Compliance with all relevant legislation and industry standards is not just a legal obligation for us, but a moral one, as we strive to not only meet but exceed these requirements. We encourage open communication and expect all stakeholders to take personal responsibility for their own safety and the safety of those around them, fostering a collaborative approach to risk management. Our policy is regularly reviewed and updated to reflect the latest in safety practices and technological advancements.

### **3.2.2 Health and Safety Management Systems**

Optimus, with its unwavering commitment to ensuring a safe and healthy work environment, has achieved ISO 45001 certification across all its sites. This accomplishment underscores the company's dedication to implementing robust workplace safety protocols that not only comply with but also exceed regulatory requirements.

Conducting a comprehensive risk assessment for all Optimus sites is a critical step in ensuring the safety and continuity of operations. Our approach is designed to achieve 100% coverage, meticulously evaluating every aspect of the sites' activities, including new changes and developments. This assessment will encompass a thorough examination of operational processes, physical infrastructure, and environmental factors. By identifying potential hazards, vulnerabilities, and threats, we aim to implement robust risk mitigation strategies. Our methodology will integrate the latest industry standards and best practices. By involving cross-functional teams and leveraging advanced analytical tools, we perform detailed risk assessment for each site that captures the complexity and interdependencies of all operations. This proactive stance not only safeguards against unforeseen events but also ensures compliance with regulatory requirements and enhances the resilience of Optimus 's operations.

All our production sites are fortified with a comprehensive onsite emergency strategy that encompasses readiness for any crisis, with the aim of maintaining uninterrupted business operations. This strategy is meticulously reviewed on a periodical basis to ensure it encompasses all plausible emergency scenarios. Our commitment to safety is further demonstrated through regular practice drills, including simulations of full-site evacuations for events such as fires and hazardous material spills. In compliance with legal mandates, we submit the latest version of our emergency plan to the factory inspector.

### **3.2.3 Health & Safety KPIs**

Our commitment to safety is reflected in our Fatality, Number of days lost due to work injury and Lost Time Injury Frequency Rate (LTIFR) metrics, calculated per 1 million work hours. The table provided showcases the trends and data regarding fatalities, Number of days lost due to work injury and our LTIFR over the reporting period. KPIs w.r.t to Health and Safety are mentioned below:

KPI	FY 23-24
Number of man hours worked during the year	31,96,764
Fatalities	0
Number of days lost due to work injury	0
Lost Time Injury Frequency Rate	0

### 3.3 Training & Development

In our continuous pursuit of excellence, we prioritize training and development as vital components of our pharmaceutical company's sustainable growth. Over the reporting period, we devoted an average of 20 hours per employee to comprehensive training programs, which encompassed various aspects, including human resources, health, and safety and skill development programs. These initiatives reflect our commitment to fostering a skilled, knowledgeable, and safe workforce. We recognize the importance of enhancing our employees' capabilities and knowledge base to not only meet industry standards but to exceed them, thereby contributing to our long-term success.

By pairing emerging female talent with seasoned leaders, we create a nurturing environment that encourages knowledge sharing, skill enhancement, and leadership development. Our sponsorship programs further ensure that women are not only prepared for but are also actively recommended for higher-level roles and critical projects. This strategic approach to fostering female talent underscores our commitment to creating a balanced and equitable workplace where women's contributions are recognized and their career growth is accelerated, thereby enhancing our overall organizational sustainability.

Type of Training	Average man hours trained/employee
Code of conduct	01
Human Rights	01
Skill Development	10
POSH	02
Health and Safety	04
Environment Management	02
Average training hrs provided to all employees	20

#### 3.3.1 Employee Support Programs

At Optimus, we prioritize the well-being and satisfaction of our employees. To this end, we have instituted a variety of programs and policies that thoroughly cater to their well-being.

**a. Employee Welfare:** Optimus offers a robust selection of benefits designed to nurture the overall welfare of our team members. These benefits encompass health insurance, retirement savings plans, and additional perks that foster financial stability and comfort.

**b. Stress Reduction Initiatives:** Recognizing the critical need for a relaxed work atmosphere, Optimus has introduced measures and activities that support mental well-being and stress reduction.

**c. Health and Fitness Programs:** We at Optimus are advocates for the significant impact of a healthy lifestyle on employee efficiency and contentment. We organize sports competitions and other fitness-related events to motivate our staff to engage in regular physical exercise and maintain an energetic way of life.



**d. Support for Families:** Optimus acknowledges the importance of assisting our employees during major life milestones, such as the growth of their families. We grant paid parental leave of 26 weeks to the primary caregiver, allowing our employees to forge strong bonds with their newborns without financial worries.

Through these supportive measures, Optimus demonstrates a deep commitment to the happiness, balance, and well-being of our employees. We are dedicated to regularly evaluating and enhancing these initiatives to align with the changing needs and aspirations of our staff, thereby cultivating a positive and nurturing workplace for everyone.

### 3.3.2 Key Performance Indicators (KPIs)


Our commitment to employee welfare and ethical practices is reflected in our key performance indicators:











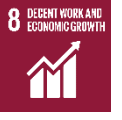
- 100% of the workforce across all locations receives regular performance and career development reviews.
- 100% of the workforce receives training on health and safety, harassment, discrimination, corruption, anti-competitive practices, diversity, and human rights.
- The employee satisfaction score stands at 80%.
- There have been zero fatalities and zero total recordable injury frequency rate, zero reports related to the whistleblower procedure, zero confirmed corruption incidents, and zero confirmed information security incidents during the reporting year.



## 4. Progress towards the Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) are a set of 17 interconnected goals adopted in 2015 as part of the 2030 Agenda for Sustainable Development. These goals address a broad spectrum of global challenges, including poverty, inequality, health, education, clean water, and climate action. The SDGs aim to foster a more sustainable, equitable, and prosperous world by promoting social inclusion, economic growth, and environmental protection. Their importance lies in providing a universal framework for countries to work collaboratively towards a better future, ensuring that all people can enjoy peace and prosperity while protecting the planet for future generations.

We have identified and focused on the specific SDGs where we can contribute and create the most tangible impact, as outlined below:

#	CSR Initiative	Progress	SDG Linked
1	Medical Equipment Contribution to Army	The company has demonstrated its commitment to healthcare and the welfare of military personnel by contributing ₹10,70,720.00 towards medical equipment for the Army Department. This initiative not only supports the armed forces but also contributes to the improvement of health services.	

#	CSR Initiative	Progress	SDG Linked
2	Awareness Program on Biodegradable Sanitary Napkins	In collaboration with The Girls Foundation, the company has funded an awareness program on the distribution of biodegradable sanitary napkins with an amount of ₹68,897.00. This program aims to promote menstrual hygiene and environmental sustainability.	 
3	Electrical Infrastructure at Jiblakpally Village	With an investment of ₹5,43,030.00, the company has provided electrical lines, poles, and a transformer for streetlights at Jiblakpally village, enhancing the infrastructure and safety of the local community.	 
4	Vidya Volunteer Appointment	The company has appointed a Vidya Volunteer at the Jiblakpally Government School, committing ₹1,44,000.00 for a year's salary. This step ensures that children in the village have access to quality education.	
5	Drinking Water Facilities	An amount of ₹1,47,091.00 has been spent to provide drinking water facilities at Unit III, ensuring access to clean water for the community.	
6	Mobile Medical Unit by Jubilant Bhartia Foundation	The company has contributed ₹19,50,000.00 towards a Mobile Medical Unit operated by the Jubilant Bhartia Foundation, which brings essential healthcare services to remote areas.	
7	Medical Equipment Supply to AMR Dist. Hospital	A significant contribution of ₹10,90,000.00 has been made for the supply of medical equipment to the AMR District Hospital in Bhuvanagiri District, enhancing the healthcare infrastructure.	
8	Ambulance Purchase	The company has allocated ₹23,00,000.00 for the purchase of an ambulance, improving emergency medical response capabilities.	
9	Skill Development Initiatives	The company has approved proposals for skill development programs with Yuva Bharat and Lok Bharathi, spending ₹8,00,000.00 and ₹8,19,000.00 respectively. These programs aim to enhance vocational skills and employability in the BFSI & Retail sectors.	 

#	CSR Initiative	Progress	SDG Linked
10	Habitat India Housing Project	The company has committed ₹2,01,36,500.00 to Habitat India for a housing project, with ₹75,00,000.00 already paid. The project focuses on providing sustainable housing solutions.	
11	Maintenance Charges for Ambulance	An amount of ₹26,00,000.00 has been paid for the maintenance of the ambulance purchased, ensuring its operational readiness and reliability.	
12	Dhyan Foundation - Animal Welfare	The company has shown its commitment to animal welfare by donating ₹5,00,000.00 to the Dhyan Foundation, supporting the care and protection of animals.	