

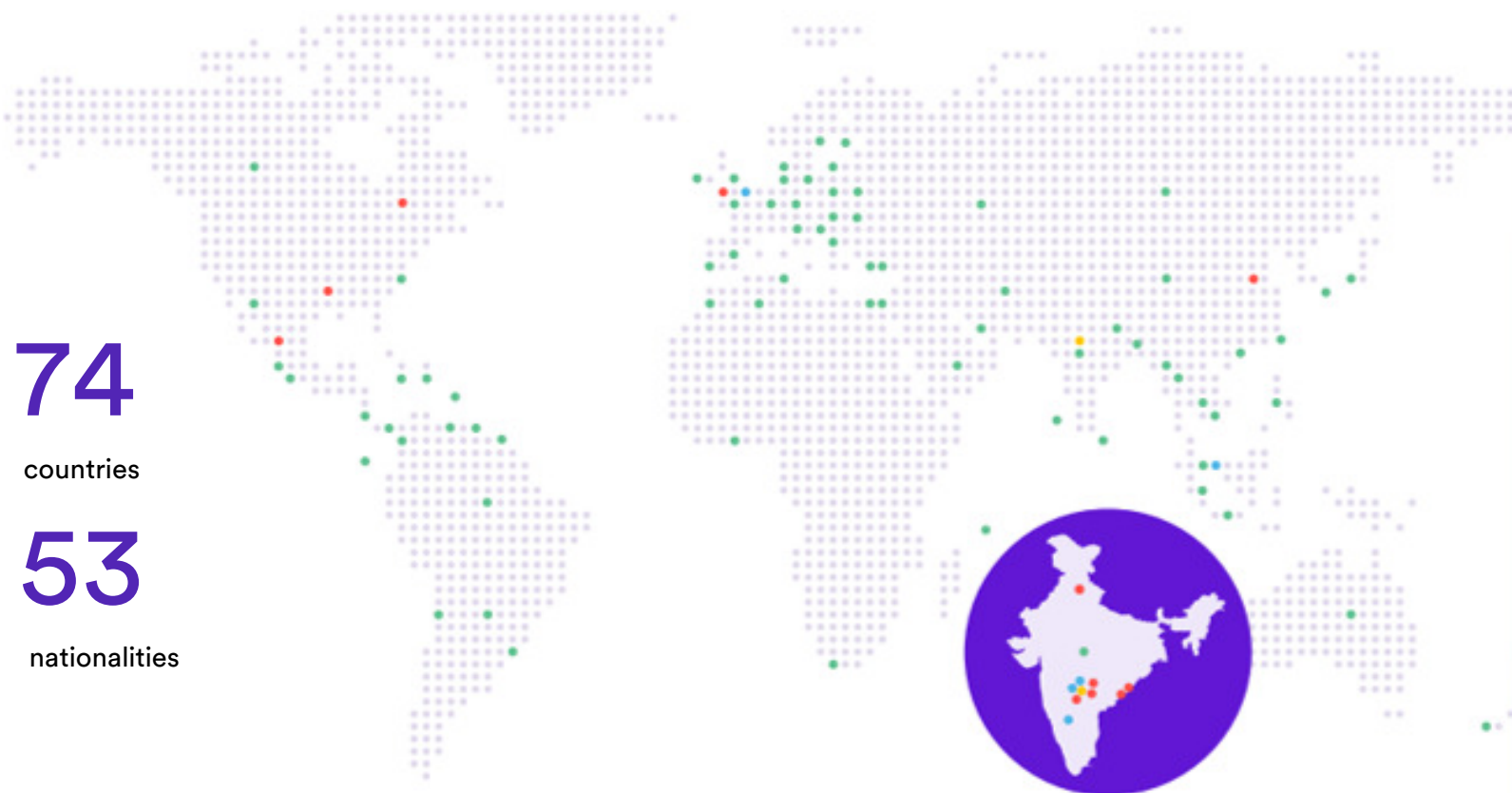
Best Practices on Sustainability

Ravi Chandra Chikatimalla
Head – Sustainability Operations
ChemPharma Summit 2024



At a glance

Our global operations



74

countries

53

nationalities

- Sales and Other Offices
- Manufacturing Facilities
- Research and Development Centres
- Headquarters

Note: The map is not to scale and is an artistic representation.

Dr.Reddy's

USD 2.99bn Revenue

29.7% EBITDA

24,832 Employees Globally

FILINGS FY23

GENERIC FILINGS

12 ANDA Filings

As of 31st March 2023, cumulatively 86 filings are pending for approval (81 ANDAs and 5 NDAs). Of these, 45 are Para IVs, and we believe 18 have 'First to File' status.

DMF FILINGS

12 DMFs filed in the US

LAUNCHES 163

35 Europe

25 NAG

9 India

94 Emerging Markets

All information as of FY'23

Our distinctive strengths



Access

- . Global presence in 74 countries
- . Strong pipeline across markets
- . World class expertise in R&D



Affordability

- . Vertically Integrated
- . Agile supply chain
- . Robust manufacturing operations
- . Productivity & execution excellence



Patient-centric innovation

- . Patient-centric innovation to address unmet needs
- . Preferred partner for innovation

DEEP SCIENCE | ROBUST GOVERNANCE | PROGRESSIVE PEOPLE PRACTICES



Sustainability

Sustainability is deeply embedded in our purpose and forms the core of our organisation



ESG Journey



Our ESG goals

Transforming to build a sustainable future

Being committed to environmental stewardship

Reducing carbon emissions

- **100% renewable power** by 2030
- **Carbon neutrality** in our direct operations (Scope 1 and Scope 2 emissions) by 2030
- **12.5% reduction in** indirect carbon emissions across our supply chain (Scope 3 emissions) by 2030

Water positivity

- Be **water positive** by 2025

Making our products accessible and affordable for patients

Access

- Serve **1.5 billion patients** by 2030

Affordability

- **25% of our new-launches** to be **first-to-market** by 2027

Innovation

- 3 innovative solutions to **improve the standard of treatment every year** from 2027

Contributing to a fairer and more socially inclusive world

Equity, diversity and inclusion

- **At least 35% women in senior leadership** by 2030
- **Gender parity** by 2035
- Include at least **3% persons with disabilities (PwD)** in our workforce by 2030
- **100% living wages** for our on-premise extended workforce by 2025

Enhancing trust with our stakeholders

Compliance, Ethics, Corporate Governance

- Meet the highest standards on **compliance** and **ethics** backed by **robust corporate governance**

ESG disclosures

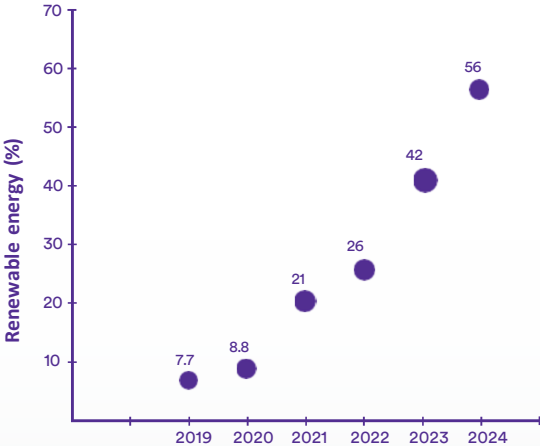
- Enhance disclosure on our ESG progress to **reach top quartile by 2025**

Strategic suppliers

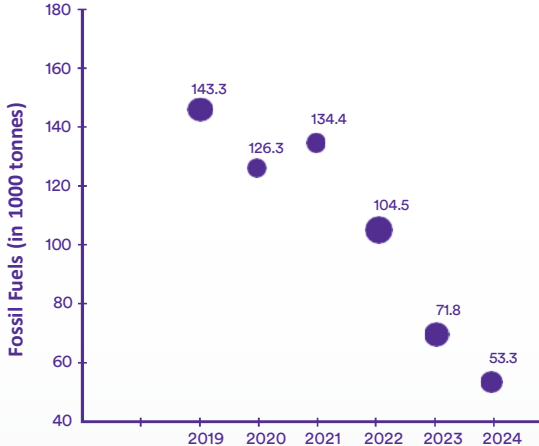
- **100% strategic suppliers** to be compliant with our **chosen ESG framework by 2030**

Best Practices – Case Study

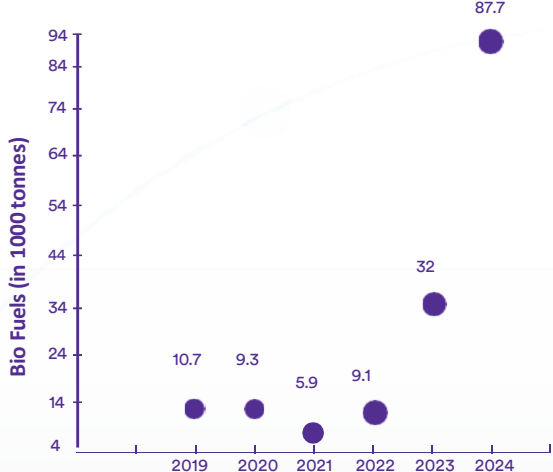
Case Study 1 - Decarbonization



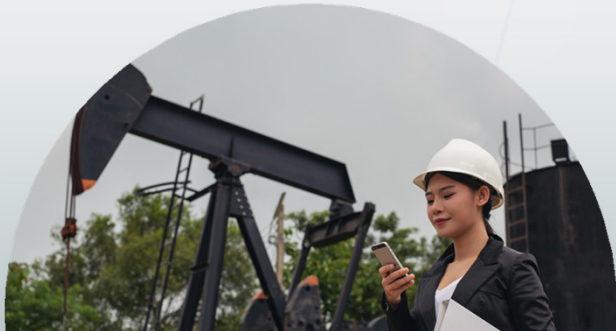
Our Renewable Energy Journey



Our Fossil Fuel (Coal & FO) Journey



Our Bio Fuel (Briquette & Rice Husk) Journey



Case Study 2 - Alternate Water Project Initiatives Within the fence

Replaced
35,216 KL -
Freshwater
in FY24

1



Treated Water Facility,
Pranav Antilia
Residential Society



2



Rainwater Harvesting including
Catch the Rain facility at
FTO-3



Replaced
1,02,582 KL
Freshwater
in FY24

Case Study 3 - HHO gas in boiler (hydrogen gas)

Current Scenario :-

All the boilers use solid, liquid and gas(Coal, biomass, Rice husk, FO, PNG, CNG etc) fuels. In most of the cases there is some portion of unburnt fuel present in the combustion chamber.

Proposed Technology (Generation of air from water):

HHO gas is nothing but hydrogen gas, By adding HHO gas to the air mixture for combustion with any solid, liquid or gas fuel, the burning process is faster and more complete. This results in increased fuel combustion and reduces unburnt particles. Improves fuel efficiency by 8% to 22% depending on volume of gas / type of fuel used.

Benefits:


Produced on demand without storage 1,866 litres of gas from 1litre of water.

Works with any fossil fuel coal, oil, diesel, natural gas or bio-fuel, or wood.

Minimizes atmospheric emissions.

Easy retrofit to existing boiler.

Payback: ~1.5 years

Data Sheet				
ITEM	PHOTO	SPECIFICATION		
BG HHO CLEAN ENERGY GENERATOR 10000 L/hr			Remark	
		Input Voltage	380 ±10%,50/60Hz,three phases	option 220 three phase
		Rated Capacity (KVA)	38	
		Working Gas Pressure (Mpa)	≤0.2	
		Relative Humidity (%)	90	
		Rated Gas Production (L/h)	10000 ±10%	
		Water Consumption (L/h)	5.8	
		Water Feed	auto	
		Cooling Mode	Air Cool	
		The Insulation Level	F	
		Power Supply Protection Grade	IP21S	
		Flame Temperature (°C)	Adjustable 800-3200	
		Working Medium	Filtered water or deionized water or soft water	
		Working Method	Continuous	
		Environment Temperature (°C)	0-40	
	Outline Dimensions - L*W*H (mm)	1500*930*1940		
	Gross Weight (kg)	610		
	Ventilation Space Requirement (mm)	400 in each direction		

Case Study 4 - Closed Circuit RO

Current Scenario (Multiple stage RO) :

To handle the ETP effluent and provide the portable water quality water to utilities, Multiple RO in series are being used which is of energy, man power and chemical intensive.

Alternative Technology (Closed circuit RO):

Installing Closed circuit RO (single skid) to handle the complete effluent of ETP and to provide the required quantum of portable water to utilities with 50% lesser environment footprint.

Benefits:

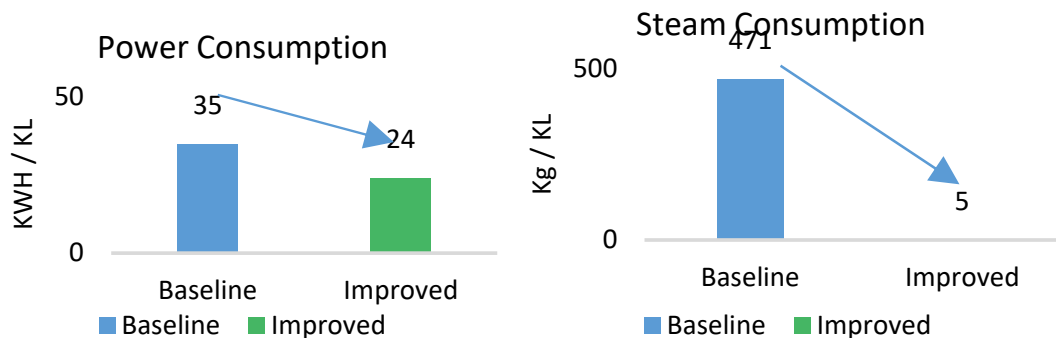
- **Minimum power consumption required – 70% less than the existing conventional RO**
- **Less chemical consumption – 50% less** than the conventional RO
- **Maintenance and R & M cost will be reduced by 50%**
- **Compact and minimal foot print** required.

Payback: <3 years



Case Study 5 – Low Temperature Evaporator (LTE)

- Minimum Steam is required for initial startup of LTE
- The system will be **operated at 60 deg C** which reduces Scaling on the surface – aids in **ease of process**.
- Complete recycling of heat energy aids in **elimination of Cooling Tower**.
- **Reduced footprint area** as a compared to conventional MEE.
- Condensate utilization for Utilities without any additional treatment.



Cost Savings: 150 Lacs / Annum

- Reduces 98% of Steam consumption when compared with MEE
- Reduction in energy consumption by 30%
- 5,110 Tons of CO2 emissions per annum has been reduced

Awards & Recognitions



Received **Gold Medal** status from Ecovadis in 2023



Recognised as one of the **Top 20 Employers** among pharma/biotech globally for the second year in a row in 2023



First Indian pharma company to be included in the **Dow Jones Sustainability World Index 2023**



Included in **S&P Global's Sustainability Yearbook 2024** in the Top 10% category



Awarded Excellence in Rural Health Initiative award at the - **2023 Economic Times India Pharmaworld Awards**



CDP- rated A in Supplier Engagement and A- in Water Security and Climate Change

Thank You

Good
Health
Can't
Wait.