



Innovating for
affordable healthcare



ENVIRONMENTAL SUSTAINABILITY POLICY

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Environmental Sustainability Policy

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Environmental Sustainability Policy

Introduction:

At SHILPA PHARMA LIFESCIENCES LTD, we are dedicated to safeguarding the environment through sustainable practices that integrate innovation and responsibility. Our commitment spans critical focus areas such as optimizing energy consumption, reducing greenhouse gas emissions, managing waste and solvents responsibly, and protecting biodiversity. By promoting sustainable product use and end-of-life management, we ensure customer health and safety while fostering a culture of Environmental Sustainability. This policy underscores our resolve to minimize environmental impacts and contribute to a healthier, sustainable future.

Scope:

This policy applies to all operations at SHILPA PHARMA LIFESCIENCES LTD,

Sr.No.	Locations
1.	Registered address of SHILPA PHARMA LIFESCIENCES LIMITED Plot No. 12-6-214/A-1, Shilpa House, Hyderabad Road, Raichur 584135. Karnataka, India.
2.	Shilpa Pharma Lifesciences Ltd - Unit-1 Plot No.1A & 1A P,1B,2,2A, 2B,3A to 3E ,4A,5A,4B & 5B,Deosugur Industrial Area, Raichur 584170, Karnataka, India.
3.	Shilpa Pharma Lifesciences Ltd 100% EOU – Unit II and R & D Centre Plot No.33, 33A & 40-47, Raichur Industrial Growth Centre, Wadloor Road, Chicksugur Post, Raichur 584134. Karnataka, India.

It encompasses all employees, contractors, suppliers, and stakeholders involved in our manufacturing and operational activities.

Policy Statement:

SHILPA PHARMA LIFESCIENCES LTD is committed to minimizing our environmental impact through sustainable practices across all operations. We prioritize energy efficiency, GHG reduction, water conservation, waste minimization, and responsible chemical management. By ensuring sustainable material sourcing, product design, and end-of-life management, we aim to protect biodiversity, promote customer health and safety, and lead by example in Environmental Sustainability.



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Key Focus Areas:

1. **Energy Consumption:** Optimize energy usage across operations by adopting energy-efficient technologies and renewable energy sources.
2. **GHG Emissions:** Reduce greenhouse gas emissions through energy efficiency, cleaner energy solutions and carbon offset initiatives.
3. **Spill Management:** Prevent spillages by managing waste responsibly and ensuring the safe disposal of hazardous materials.
4. **Water Management:** Implement water conservation measures and recycling systems to minimize water consumption and waste.
5. **Biodiversity Protection:** Protect local ecosystems by minimizing environmental impacts and supporting biodiversity through sustainable practices.
6. **Air Pollution Control:** Reduce air pollution by adopting clean technologies and controlling emissions (GHG & Non-GHG) across all manufacturing processes.
7. **Materials, Chemicals, and Waste Management:** Safeguard the environment by ensuring the safe handling, use, and disposal of chemicals, while promoting eco-friendly alternatives and waste reduction.
8. **Solvent Management:** Manage solvents responsibly to reduce environmental impact through recycling and safe disposal.
9. **Product Use:** Design and manufacture products with a focus on sustainability, ensuring minimal environmental impact during use.
10. **Product End-of-Life Management:** Promote product recycling, reuse, and responsible disposal to minimize environmental impact at the end of the product lifecycle.
11. **Customer Health and Safety:** Ensure that all products meet health and safety standards, promoting well-being and eco-compliance for customers.
12. **Promotion of Sustainable Consumption:** Encourage sustainable consumption practices by designing eco-friendly products and promoting responsible usage and disposal.
13. **Control Discharge of APIs to Environment:** Avoid and minimise discharge of APIs to environment from our operations to meet the prescribed industry norms.

Our Commitments

Baseline year: FY 2022-23

➤ **Energy Consumption:**



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- Integrate energy management systems that continuously monitor and optimize energy use across all production processes, ensuring compliance with ISO 14001 & ISO 50001 standards.
 - Promote energy-saving initiatives across departments, encouraging staff to reduce energy waste through awareness and training programs.
 - Implement energy-efficient systems and transition to renewable fuel and renewable electrical energy sources to reduce Scope 1 and Scope 2 emissions from fuel and electricity consumptions.
 - Ensure that energy-efficient technologies are prioritized during new facility design and infrastructure upgrades.
- **GHG Emissions:**
- Develop strategies to reduce Scope 1 emissions by adopting low-emission technologies and optimizing on-site manufacturing processes.
 - Implement strategies to reduce emissions from transportation and logistics involved in pharmaceutical product distribution.
 - Develop strategies to minimize Scope 3 emissions by collaborating with suppliers on sustainable sourcing and operational practices.
 - Promote the use of alternative, less carbon-intensive raw materials in production to minimize emissions associated with material sourcing.
- **Spill Management:**
- Minimizing spillages by ensuring proper handling, storage, and disposal of hazardous materials used in manufacturing.
 - Implement regular inspections of production sites to identify and mitigate any potential risks of spillage.
 - Ensure that any potential spills or leaks from chemical substances are immediately contained and cleaned up using best practices.
 - Engage with local authorities and stakeholders to monitor and report on environmental impacts, ensuring regulatory compliance.
- **Water Management:**
- Implement water-saving practices across all manufacturing stages, focusing on reducing water usage in production processes.
 - Promote the use of water recycling and treatment systems within the plant to reclaim water for non-production uses.
 - Invest in state-of-the-art water filtration technologies to ensure that water used in production meets environmental safety standards before discharge.



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- Conduct regular water usage audits to identify inefficiencies and areas for improvement in resource consumption.
- Engage employees in water conservation efforts through training and awareness campaigns to reduce overall water consumption.

➤ **Biodiversity Protection:**

- Reduce the environmental impact on local ecosystems surrounding manufacturing sites by integrating sustainable land management practices.
- Incorporate biodiversity assessments in the design and expansion of manufacturing facilities to avoid disrupting natural habitats.
- Ensure that production processes are designed to minimize any negative impact on surrounding flora and fauna, prioritizing sustainable sourcing practices.
- Promote employee engagement in biodiversity awareness programs to foster a deeper understanding of the company's ecological responsibilities.
- Integrate biodiversity considerations into environmental planning, operational activities, and expansion projects to minimize ecological impacts.
- Conduct periodic assessments to identify potential impacts of operations on surrounding habitats, flora, and fauna and implement suitable mitigation measures.
- Promote conservation of native vegetation through tree plantation, greenbelt development, and habitat enhancement initiatives around operational facilities.
- Prevent contamination of land, water, and surrounding ecosystems by maintaining effective pollution prevention and environmental management practices.

➤ **Air Pollution Control:**

- Implement air quality monitoring systems across all manufacturing sites to detect and control emissions from production activities.
- Reduce airborne pollutants through the installation of advanced filtration and emission control systems.
- Promote the adoption of cleaner technologies that minimize air pollution from volatile organic compounds (VOCs) and other harmful emissions.
- Educate employees on air quality standards and practices to encourage a proactive approach to reducing air pollution.
- Collaborate with regulatory bodies and environmental organizations to ensure compliance with national and international air quality standards.



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➤ **Materials, Chemicals, and Waste Management:**

- Ensure that all chemicals used in production are handled and disposed of in a way that minimizes environmental impact and aligns with industry best practices.
- Promote the use of non-toxic, biodegradable chemicals in the manufacturing of pharmaceutical products.
- Reduce overall waste generation by optimizing the use of raw materials in production processes and minimizing by-products.
- Implement a robust waste segregation and recycling system to ensure that all recyclable materials are appropriately processed.

➤ **Solvent Management:**

- Adopt best practices in solvent use and management to ensure minimal environmental impact during pharmaceutical production.
- Implement solvent recovery and recycling systems to reduce the need for new solvents and minimize waste.
- Regularly assess solvent usage to identify opportunities for substituting harmful solvents with eco-friendly alternatives.
- Ensure compliance with all regulatory requirements regarding solvent use, storage, and disposal.

➤ **Product Use:**

- Focus on designing products that have minimal environmental impact during their use phase, including the reduction of toxic residues.
- Promote the use of eco-friendly materials and sustainable packaging in the manufacturing of pharmaceutical products.
- Collaborate with stakeholders to ensure that the products comply with the highest environmental and safety standards.
- Provide customers with clear guidelines on the responsible use and disposal of pharmaceutical products to reduce environmental harm.
- Ensure that all products are subjected to environmental impact assessments before they are brought to market.

➤ **Product End-of-Life Management:**

- Design pharmaceutical products with end-of-life management in mind, promoting recycling, reuse, or safe disposal methods.
- Implement take-back programs for unused or expired products to ensure proper recycling and disposal.



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- Educate customers on the importance of returning pharmaceutical products for proper disposal to minimize environmental contamination.
- Partner with recycling organizations to develop sustainable solutions for pharmaceutical product disposal.
- Monitor and report on the impact of product disposal practices to continuously improve end-of-life management strategies.

➤ **Customer Health and Safety:**

- Ensure all pharmaceutical products meet stringent safety and environmental standards to protect customer health.
- Provide customers with clear information on the proper use and disposal of products to minimize risks to both health and the environment.
- Continuously monitor product safety standards and enhance them through research and development of safer alternatives.
- Conduct regular safety audits to ensure compliance with environmental and health regulations across all products.
- Establish a customer feedback loop to address any health and safety concerns related to product use and impact.

➤ **Promotion of Sustainable Consumption:**

- Encourage customers to make informed decisions about the sustainable use of pharmaceutical products through educational campaigns.
- Focus on designing products that are efficient and require fewer resources for production, transportation, and disposal.
- Promote the reduction of single-use packaging and encourage the adoption of reusable or recyclable packaging.
- Collaborate with healthcare providers to integrate sustainable consumption practices into the pharmaceutical supply chain.
- Align product marketing and communication strategies to promote sustainable consumption and responsible usage among customers.

➤ **Control Discharge of APIs to Environment:**

- Support responsible manufacturing and guidance of PSCI, AMR Industry Alliance regarding Pharmaceuticals in Environment (PiE) as part of commitment to environmental sustainability.
- Commit to environmentally responsible, social conscious and sustainable water quality management for products lifecycle and along supply chain.
- Minimize potential impact of the PiE from our operations and our supply chain.



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- Control discharge of APIs to environment by periodic monitoring of Predicted Environmental Concentration (PEC) for our effluents in relation to the Predicted Non-Effect Concentration (PNEC) of the active pharmaceutical ingredients (APIs) we produce to ensure that they do not adversely affect the environment.

Our Targets

Baseline year: FY 2022-23

➤ **Energy Consumption:**

- Achieve a 10% reduction in overall energy consumption per unit of production by FY 2030-31.
- Increase the use of renewable energy sources in production from 88% to 95% by FY 2030-31.
- Achieve a 5% reduction in energy intensity (kWh per unit of product) by FY 2030-31.
- Reduce lighting energy consumption by 10% across all production sites by FY 2030-30.
- Implement energy-efficient HVAC systems in 80% of manufacturing facilities by FY 2030-31.

➤ **GHG Emissions:**

- Achieve a 12% reduction in greenhouse gas emissions per unit of production by FY 2030-31.
- Achieve a 10% reduction in GHG emissions from on-site fuel consumption in manufacturing operations by FY 2030-31.
- Decrease carbon emissions from transportation by 8% by FY 2030-31.
- Achieve a 15% reduction in emissions intensity (kg CO₂e per unit of production) from purchased energy by FY 2030-31.
- Reduce emissions from energy consumption by 10% by FY 2030-31.
- Decrease overall carbon footprint by 7% by FY 2030-31.
- Achieve 5% reduction in emissions from solvent usage by FY 2030-31.

➤ **Spill Management:**

- Reduce hazardous waste generated in production by 10% by FY 2030-31.
- Achieve zero soil contamination from chemical spills by FY 2030-31 through better containment systems.



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- Increase the use of eco-friendly solvents by 12% by FY 2030-31 to reduce soil contamination risks.
- **Water Management:**
 - Achieve a 7% reduction in water consumption per unit of production by FY 2030-31.
 - Recycle 25% of wastewater in production processes by FY 2030-31.
 - Reduce water usage in non-production processes by 10% by FY 2030-31.
 - Install water-saving technologies in 80% of production lines by FY 2030-31.
 - Reduce water waste from manufacturing processes by 12% by FY 2030-31.
- **Biodiversity Protection:**
 - Achieve zero net loss of biodiversity in operational areas by FY 2030-31.
 - Conduct biodiversity assessments at 100% of operational sites by FY 2030-31.
 - Reduce environmental impact on local habitats by 8% by FY 2030-31.
 - Collaborate with at least three local biodiversity conservation organizations by FY 2030-31.
 - Maintain no significant adverse impact on biodiversity resulting from operational activities by FY 2030-31.
 - Increase greenbelt and native plantation coverage around operational facilities by 15% by FY 2030-31.
- **Air Pollution Control:**
 - Achieve a 10% reduction in volatile organic compound (VOC) emissions by FY 2030-31.
 - Install air filtration systems in 90% of production facilities by FY 2030-31.
 - Reduce particulate matter emissions from production processes by 5% by FY 2030-31.
 - Achieve a 7% reduction in air pollution from logistics operations by FY 2030-31.
 - Maintain compliance with national air quality standards at all production sites by FY 2030-31.
- **Materials, Chemicals, and Waste Management:**
 - Reduce hazardous chemical usage by 8% by FY 2030-31.
 - Achieve a 15% reduction in waste sent to landfills by FY 2030-31.
 - Recycle 25% of pharmaceutical waste by FY 2030-31.
 - Reduce raw material waste in production by 10% by FY 2030-31.
 - Increase the use of recyclable materials in packaging by 12% by FY 2030-31.



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➤ **Solvent Management:**

- Achieve a 10% reduction in solvent usage by FY 2030-31.
- Recycle 50% of used solvents in production by FY 2030-31.
- Replace 15% of high-impact solvents with eco-friendly alternatives by FY 2030-31.
- Achieve 100% compliance with solvent disposal regulations by FY 2030-31.
- Reduce solvent waste by 8% by FY 2030-31 through better inventory management and usage controls.

➤ **Product Use:**

- Ensure that 25% of new products are designed with sustainability features by FY 2028-29.
- Reduce the environmental impact of product packaging by 10% by FY 2030-31.
- Increase the use of eco-friendly materials in products by 15% by FY 2030-31.
- Ensure 100% of products comply with eco-certification programs by FY 2030-31.
- Reduce customer-related product safety incidents by 10% by FY 2030-31.

➤ **Product End-of-Life Management:**

- Increase product take-back programs by 10% by FY 2030-31.
- Achieve a 15% reduction in product end-of-life waste by FY 2030-31.
- Ensure 25% of products are recyclable by FY 2030-31.
- Reduce the environmental impact of product disposal by 12% by FY 2030-31.
- Achieve 10% reduction in packaging waste from product end-of-life by FY 2030-31.

➤ **Customer Health and Safety:**

- Achieve 100% compliance with product safety regulations by FY 2030-31.
- Reduce product-related customer safety incidents by 15% by FY 2030-31.
- Ensure 90% of products meet eco-compliance standards by FY 2030-31.
- Provide sustainability information on 100% of product labels by FY 2030-31.
- Ensure 100% of customer-facing products pass eco-certification programs by FY 2030-31.

➤ **Promotion of Sustainable Consumption:**

- Reduce packaging waste by 15% by FY 2030-31.
- Eliminate single-use plastics from packaging by FY 2030-31.
- Increase the use of sustainable materials in packaging by 20% by FY 2030-31.



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- Achieve a 25% reduction in product packaging weight by FY 2030-31.
- Educate 80% of customers on sustainable consumption practices by FY 2030-31.

➤ **Control Discharge of APIs to Environment:**

- Periodic monitoring of the Predicted Environmental Concentration (PEC) for 100% of APIs we produce by FY 2030-31.
- Control any discharge of APIs in the environment within the specified limit for 100% of APIs we produce by FY 2030-31.

Governance and Allocation of Responsibilities

The governance structure at SHILPA PHARMA LIFESCIENCES LTD ensures clear accountability in achieving Environmental Sustainability objectives, with a focus on manufacturing operations.

Board of Directors

- Set and oversee the company's environmental vision and sustainability goals.
- Approve policies and initiatives related to environmental performance.
- Ensure alignment of sustainability goals with overall operations.

Environmental Compliance Manager

- Lead the implementation of the Environmental Sustainability Policy.
- Monitor compliance with environmental regulations.
- Report on environmental performance and progress towards targets.

ESG Committee

- Oversee daily environmental practices in manufacturing operations.
- Work with manufacturing operations teams to implement resource-efficient practices.
- Recommend improvements to reduce water, energy, waste, and emissions.

Production Heads

- Integrate sustainability objectives in manufacturing operations.
- Monitor and optimize resource usage (water, energy, materials).
- Ensure compliance with sustainability policies in manufacturing operations.

All Employees

- Adhere to environmental practices in manufacturing operations.



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- Actively participate in waste reduction, water conservation, and energy-saving initiatives.
- Report environmental hazards or non-compliance incidents.

Reporting and Communication Framework

The Reporting and Communication Framework for the Environmental Sustainability Policy of SHILPA PHARMA LIFESCIENCES LTD ensures transparency, accountability, and engagement with all stakeholders, including employees, customers, regulatory bodies, and the local community.

1. Environmental Performance Metrics

- **Annual Evaluations:** Assess environmental indicators like energy use, water consumption, waste generation, and emissions (GHG & Non-GHG).
- **Monitoring Tools:** Use real-time tracking systems to measure energy, water, and waste data.
- **Monthly Reviews:** Compare performance against baselines and policy targets.
- **Purpose:** Drive continuous improvement and reduce environmental impact.

2. Progress Reporting to Management

- **Quarterly Updates:** Report on environmental initiatives and progress to management.
- **KPIs:** Highlight key performance metrics such as energy efficiency and emissions reduction.
- **Corrective Actions:** Address gaps and implement corrective measures.
- **Purpose:** Ensure accountability and focus on sustainability goals.

3. Environmental Incident Reporting

- **Incident Management:** Establish a system for reporting and managing environmental incidents (e.g., spills, emissions).
- **Incident Summaries:** Provide monthly summaries with analyses and preventive actions.
- **Employee Training:** Train employees to identify and report incidents promptly.
- **Purpose:** Mitigate environmental risks and foster proactive incident management.



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4. Stakeholder and Customer Engagement

- **Customer Updates:** Share updates on eco-friendly practices and sustainable initiatives.
- **Stakeholder Feedback:** Collect feedback to improve environmental practices.
- **Partnerships:** Collaborate with stakeholders on sustainability projects.
- **Purpose:** Build trust and align efforts with stakeholders.

5. Employee Engagement and Internal Communication

- **Workshops & Training:** Conduct regular training on environmental best practices.
- **Recognition Programs:** Acknowledge employees contributing to sustainability goals.
- **Internal Bulletins:** Share updates on achievements and ongoing initiatives.
- **Purpose:** Create a culture of environmental responsibility within the company.

SDG Alignment



Review Mechanism

The Environmental Compliance Manager at SHILPA PHARMA LIFESCIENCES LTD will oversee the review of the Environmental Sustainability Policy annually and additionally, as and when required, to ensure its effectiveness and alignment with the company's sustainability goals. The review will assess progress against targets, incorporate stakeholder feedback, ensure regulatory compliance, and adapt to advancements in



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sustainable practices. Any updates or changes will be communicated promptly to all stakeholders to maintain transparency and accountability.

Sr. No.	Date of Revision	Revision History
1.	01/07/2023	Updated roles and responsibilities section to clearly define accountability for environmental performance across departments.
2.	01/02/2024	Added new environmental issues and aspects.
3.	01/10/2024	Revised policy content to reflect changes in national and international environmental regulations and compliance requirements.
4.	01/04/2026	Added new environmental commitments and Targets.

Next Review Date: 01/04/2027

Approved By: K.SHARATH REDDY
(Director)

Signature of Approver:



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Employee Acknowledgement

I hereby acknowledge that I have read and understood the Environmental Sustainability Policy of SHILPA PHARMA LIFESCIENCES LTD. I recognize the importance of this policy in minimizing environmental impact and promoting sustainable practices throughout our operations. I commit to adhering to its principles, implementing environmentally responsible practices in my role, and supporting the company's sustainability goals. I also understand my responsibility to report any environmental concerns and contribute to continuous improvement in our environmental performance.

Name: R. Elangovan

Designation: DGM - EHS

Signature: R. Elangovan

Date: 09/04/2026