



# Assurance Statement

## Lepro Herbals Private Limited Assurance Statement: AA 1000AS v3

URS Verification Pvt. Ltd. (URS), commissioned by Lepro Herbals Private Limited, has performed the independent assurance of their corporate sustainability report for the financial year 2024-25 in its printed format, against the National Guidelines Responsible Business Conduct (NGRBC). The assurance process has been conducted in accordance with AA1000AS v3.

### Intended Users

The intended users of this assurance statement are the readers of the Lepro Herbals's Sustainability Communication 2024-25.

### Responsibility of Reporting Organization and Assurance Provider

The management of Lepro Herbals is responsible for engagement with stakeholders, identification of material issues, collection, analysing and reporting of all information provided in the Report. URS was not involved in the drafting of the report. Our sole responsibility is to provide independent assurance on the accuracy and reliability of information included, and on the underlying systems and processes established to collect, analysis and reporting.

The assurance engagement is based on the assumption that the data and information provided to us is complete and true. URS expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance statement.

### Assurance Standard

URS has been engaged to provide external assurance to the Lepro Herbals's sustainability communication for year 2024-25 in line with AA1000 Assurance Standard (AA1000AS v3). We are providing a **Type 1 Moderate Level** of assurance in accordance with AA1000AS v3 and NGRBC compliant.

### Scope of Assurance

URS has been engaged to provide external assurance to the Lepro Herbals's sustainability communication for year 2024-25 in line with AA1000 Assurance Standard (AA1000AS v3). We are providing a **Type 1 Moderate Level** of assurance in accordance with AA1000AS v3 and NGRBC compliant. The scope of the assurance includes the following:

- Evaluation of the disclosed information in the Report, including the systems and the processes Lepro Herbals has in place for adherence to the three Accountability Principles (Inclusivity, Materiality and Responsiveness) as required for a Type 1, moderate level of assurance, in accordance with AA1000AS v3.
- Evaluation of disclosed information in line with the National Guidelines Responsible Business Conduct (NGRBC).
- Evaluation of the additional principles of Completeness and Neutrality, as set out in URS's Protocol for Verification of Sustainability Reporting.



## Approach and Methodology

As part of the independent assurance, URS assurance team planned and carried out the assurance engagement based on on-site visit and document review conducted on 3<sup>rd</sup> June, 2025. The assurance team had a detailed Discussion with Mr. Sunil Malik (Vice President-Supply Chain Management) and Mr. Sandeep Kumar (Manager-EHS). URS team has visited all plant including plant premises, Boiler Area, Electrical Room, DG Area, Production area, Biomass Storage Yard, and Hazardous waste storage area. URS team interacted with the personal of HR, EHS and Supply Chain Management for verifying systems and processes established to collect, analyse and reporting. No external stakeholders were interviewed as part of this assurance engagement. The following activities were undertaken during assessment:

- Conducted desk review of documentary evidences such as Environmental Compliances of Plant, Grid Electricity & Fuel Consumption of the Plants, Incidence/Accident reporting System, Grievances Mechanism, CSR Expenses records, Labour and HR practices at plant and other relevant information and documentation made available by Lepro Herbals as requested by URS.
- Conducted interviews with the core team of the HR, EHS and Supply Chain Management involved in preparation of the Sustainability Communication Report.
- Assessment of information against National Guidelines Responsible Business Conduct (NGRBC) Disclosures.
- Performed sample-based reviews of the mechanisms for implementing the company's policies, as described in the report, and for determining material issues to be included in the Report.
- Review of Lepro Herbals's internal mechanisms for Sustainable Communication and Other policies, data and information systems for collection, aggregation, analysis and review at plant level.

The above mentioned scope of work was conducted in line with URS standard procedures and guidance for external Assurance of Sustainability Communications in line with NGRBC, based on current best practice in independent assurance. The work was planned and carried out to provide Type 1 Moderate Level of assurance and we believe it provides a reasonable basis for our conclusions.

## URS Findings and Recommendations

Based on our review we have the following conclusions:

- Lepro Herbals has refined the principle-wise BR policies as per NGRBC against which they are reporting annually, drawing on a broader set of relevant best practice standards as well as current and evolving sustainability trends and regulatory frameworks for FY 2024-25.
- The organization has established appropriate systems for the collection, aggregation and analysis of relevant information as per NGRBC Governance, Economic, Social, Human resource, Labour and Environment disclosure requirements.
- The information and data included in the scope of our assurance are accurate, reliable and free from material mistake or misstatement. The information is presented in a clear, understandable and accessible manner and the report provides a fair and balanced representation of activities during the FY 2024-25.
- The Report properly reflects the organization's alignment to the implementation of the AA1000AS v3 and NGRBC principles of inclusivity, Materiality, Responsiveness and impact in its operations.
- The internal assurance system can be strengthened for specific and standard disclosures data related to material aspects on the information submitted by the power plants and regional offices.



- Lepro Herbals need to report an overview of sustainability performance and future plans. In terms of clear targets and objectives underpinning progress towards Lepro Herbals ambitions and the new focus. For continuity and visibility, a section integrating all new commitments and annual progress towards these could be made more visible in future reports.
- For future reporting of sustainability data-
  - ❖ Climate change data:
    - Expanded Scope 3 Greenhouse gas (GHG) emissions adds to the completeness of the GHG data. We recommend Lepro Herbals continue to work on improving the precision GHG emission.
  - ❖ CSR Reporting:
    - Lepro Herbals undertaken CSR activities and reported the work done and its expenditure in the Sustainability report. To increase the completeness of the data, CSR Beneficiaries (No. of Lives impacted with CSR activity) included in the report.

### Adherence to AA1000AS principle

Based on the work undertaken, nothing came to our attention to suggest that the Report does not properly describe the requirements of the National Guidelines Responsible Business Conduct (NGRBC) Disclosures. Without affecting our assurance opinion, we also provide the following observations. We have evaluated the Report's adherence to the following principle on a scale of 'Good', 'Acceptable' and 'Need Improvement'.

#### Inclusivity

The stakeholder engagement process is well established to identify sustainability challenges and concern of diverse stakeholder group considering Lepro Herbals operations and business. We have not come across any material evidences that would lead us to conclude that Lepro Herbals has not applied the principle of inclusivity in engaging their stakeholders. The material issues emerging from the stakeholder engagement were collected and prioritized, and the results are fairly reflected in the Report. In our view, the level at which the Report adheres to this principle is **"Good"**.

#### Materiality

Lepro Herbals has developed the structured process to identify significant material issues pertinent to its business and stakeholder's expectations. Lepro Herbals has not missed out any significant, known material issues/topic in the current Report. However, Scope 3 Greenhouse gas (GHG) emissions adds to the completeness of the GHG data, overall safety data such as incident at site and business travel incidents, CSR Beneficiaries and Tree plantation data need to enhance the scope for the company to incorporate the impact of its activities on its overall materiality matrix. In our view, the level at which the Report adheres to this principle is **"Acceptable"**.

#### Responsiveness

Based on our observation, interview and documentation we believe that Lepro Herbals has applied the principle of responsiveness with respect to its stakeholders. The report provides a comprehensive response to the issue and stakeholder concern relating to its activities. In our view, the level at which the Report adheres to this principle is **'Good'**.



### Impact

Lepro Herbals has established a regular monitoring system which help them to measure the impact of action taken. Lepro Herbals has initiated to assess the impact of its various initiative like CSR, Emission reductions. Based on discussion with internal stakeholder and surround stakeholders/villagers it was observed that impact is positive. Lepro Herbals intent to have detailed impact assessment and the same shall be reported in quantified manner from next ASR report. In our view, the level at which the Report adheres to this principle is 'Need Improvement'.

### Additional Parameters as per URS's Protocol

**Completeness:** The reporting boundary is limited to operational manufacturing plants. Within the reporting boundary, we do not believe that the Report omits relevant information that would influence stakeholder assessments or decisions. The level at which the Report adheres to this principle is 'Good'.

**Neutrality:** The Company has reported its sustainability aspects interims of content and presentation a neutral tone; in our view, the level at which the Report adheres to this principle is 'Good'

### Limitations and Exclusions

- Scope of assurance is limited to the boundary defined in the report and the period of 01/04/2024 to 31/03/2025 related to all National Guidelines Responsible Business Conduct (NGRBC) Disclosures. Direct GHG emissions from stationary combustion (burning of biomass in boiler) and Indirect GHG emissions from transportation outside the organizational boundaries are also excluded.
- The Assurance relied on the documentation maintained by the company.
- The scope of assurance does not cover the statements in the report that describe companies approach, strategy, aim, expectation, aspiration or beliefs or intentions.

### Statement of Independence, Impartiality and Competence

URS, is an Independent Auditing Agency in the field of Management Certifications, Social Audits, Water Audits, Energy Audit, Environmental Audit, Electrical Safety Audits, Comprehensive Safety Audits, Electrical Health Check-Up, Verification of GHG inventories under ISO 14064 standard, Sustainability Reporting as per GRI framework and Assurance to Sustainability Reports in line with AA1000AS and Water Footprint as per ISO 14046 standard, Third Party Inspections, Product Certification, etc. URS is having qualified team of Environment, Energy, Climate Change and Social professionals. The Assurance team has extensive experience in conducting verification and assurance over environmental, social, ethical and health and safety assessments. URS assurance team were not involved in the preparation of any statements or data included in the GHG Inventory except for this Assurance Statement. We have conducted this assurance independently, and there has been no conflict of interest. URS Maintain complete impartiality towards any people interviewed.



URS Verification Pvt. Ltd.

Rohit Dutt Paliwal

Scheme Manager-Energy and Sustainability Services

Noida, India

18/06/2025



**AA1000**  
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# ANNUAL SUSTAINABILITY COMMUNICATION (FY-2024-25)

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LEPRO HERBALS PRIVATE LIMITED



MAY 29, 2025

**Village Jhattipur, GT Road, Panipat-132101, Haryana, India**

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## INTRODUCTION:

Lepro Herbals Private Limited was incorporated on November 1991 and was set up on April 1992 in the field of Phytochemicals, Herbal Extracts, their purified derivatives, Active Pharmaceutical Ingredients and Nutraceutical to provide Safe Medicine in India located at village- Jhattipur, GT Road, Tehsil-Samalka, District Panipat, Haryana.

Changing climates & lifestyles of people globally is resulting in varied types of diseases and disorders which are affecting people globally. Throat infections, Asthma and lifestyle diseases like cholesterol, Heart ailments, constipation, and diabetes are very common phenomena. This site produces lifesaving drugs which help patients recover faster & results in no medicinal side effects Phyto APIs are preferred option for varied ailments as they are plant extracts and have no toxic effect and are regarded Safe. Lepro herbal is one of leading API manufacturing unit in India which helps fighting these types of diseases.

Lepro herbals Pvt. Ltd. has a corporate mission to enrich wellbeing and promote healthy, happy and self-reliant individuals by using the knowledge and the essence of Mother Nature to deliver the natural solutions as they travel through life. Company's strength lies in the trusted partner they live through. The Company has become the supplier of choice by many global pharmaceutical, cosmetic and nutraceutical brands with some of the collaborations spanning over three decades. In addition to the state-of-the-art manufacturing facilities, high level of quality control & quality assurance systems, the company also complies with the applicable statutes and provides best in class customer service.

Lepro has laid down a code of conduct which outlines the standards of personal and professional conduct that all employees must strive to uphold and behave in an ethical and professional manner at all times. It provides for maintaining a working environment that is positive, productive, enjoyable, safe and free from harassment and discrimination. The company's code of conduct includes a framework for appropriate behavior for all company employees. The code of conduct is established on the Organizational Values, Integrity, honesty, conscientiousness, compassion, courtesy, fairness and respect.

Lepro follows international standards for human rights across its facilities. The company has formulated and implemented a comprehensive human rights policy. The policy directs not to work with any supplier or contractor known to operate with

unacceptable labor practices such as the exploitation of children, physical punishment, sexual harassment, involuntary servitude or any other form of unacceptable behavior. Corporate social responsibility is an integral process at Lepro that enables company to evolve its relationships with stakeholders for the common good and demonstrate its social commitment by adoption of good governance and appropriate business processes and strategies. Since its inception in 1991 Lepro has been working towards betterment of society and the environment in which it operates. Lepro has taken several activities in the field of education, community development and providing safe and clean drinking water besides supporting government institutions.

Company's contribution to environmental sustainability is based on the Product Life Cycle approach which involves their partners from farm (pharmaceutical raw material sourcing) to customer and beyond. Specific to the herbal business the company's focus is on the conservation of water, natural resources efficiency, air emissions reduction, climate change adaptation, and achieving zero waste. The Company' has a policy of "environmental sustainability" that includes; research and development, sourcing of raw materials, manufacturing, packaging, distribution, corporate communication, human resources, regulation and environment, health & Safety.

The purpose with which Lepro has been working since the last 3 decades emphasizes on using knowledge and the essence of Mother Nature to deliver natural solutions that enriches wellbeing and promotes healthy, happy and self-reliant individuals as they travel through life. Building further on this understanding company has initiated accounting for its Scope-1 and Scope-2 GHG emissions.

We understand that a healthy and happy life is not possible without curbing global GHG emissions within the 1.5 degree C scientific limit. Therefore, going further on our commitment towards environmental sustainability we have recently committed to the goal of limiting global warming below 1.5 degree centigrade. Lepro has signed the business ambition of 1.5 degree C under Science Based Targets Initiative (SBTi). As a result of this association, we will be preparing and getting our SBTi targets approved in the next 24 months.

Further Lepro has committed and pleased to confirm that it supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. However, as MSME business entity it has not formally endorsed the

communication with UNGC. Further Lepro commits to contribute to sustainable goals particularly focusing on,

- i) Good health and wellbeing,
- ii) Quality education,
- iii) Gender equality,
- iv) Clean water and sanitation,
- v) Responsible consumption and production,
- vi) Climate change and sustainability.

Stakeholders' inclusiveness is an integral part of a successful sustainability strategy for any organization. Given that we are taking many ambitious steps in this area we would like to communicate our efforts to all our stakeholders and ensure their inclusiveness in our sustainability journey.

Lepro Herbal Pvt Ltd is pleased to present its first sustainability communication to all its stakeholders. This communication has been prepared taking reference to principles as outlined in National Guidelines for Responsible Business Conduct, Global Reporting Initiative (GRI) standard and United Nations Global Compact (UNGC) (e.g. sections related to stakeholder's inclusiveness, materiality and relevance, principles on human rights, labor, environment, anti-corruption)

Present report covers and reports the business responsibility (BR) data for Lepro Herbal private limited for the financial year 2024-25.

## **VISION**

Lepro herbals Private Limited and its subsidiaries are committed to provide quality health care to the world through its product range. We beliefs in total quality transfer to our customers across the globe. Lepro herbals aspires to be globally accepted as a quality producer, meeting all international regulations of governance and doing its business in the most ethical and honest ways.

## **OUR VALUES AND BELIEFS**

**ADAPTABILITY–INTEGRITY–DECISIVENESS –EXCELLENC** the core values that drive our business reflect the constantly changing nature of the markets we operate in.

**ADAPTABILITY** as a key driver that popels our growth. We strive to harness the

opportunities brought about by changing circumstances. Our thoughts, deeds and actions define our relationships with our employees, customers and partners

**INTEGRITY** as fundamental to building collaborations that last a life time and beyond. Grasping opportunities requires

**DECISIVENESS** of thought and action to turn possibility into reality. Lepro herbals Pvt. Ltd. acts where others hesitate. Our commitment towards quality and service is central to our company philosophy, continually raising the bar **EXCELLENCE** without compromise.

### Our Purpose

To use our knowledge and the essence of Mother Nature to deliver natural solutions that enriches wellbeing and promotes healthy, happy and self-reliant individuals as they travel through life.

## SECTION A: GENERAL DISCLOSURES

The general details of the organization are as follows:

**Table 1- Company Details**

1. Name of the Company:	Lepro Herbals Private Limited.
2. Year of registration	1991
3. Corporate Identity Number (CIN) of the Company:	U74899DL1991PTC045667
4. Corporate Address, telephone, email and website	Village Jhattipur, GT Road, Panipat-132101, Haryana, India  <a href="https://www.leproherbals.com">https://www.leproherbals.com</a>
5. Reporting Period	FY2024-25
6. Sector(s) that the Company is engaged in (industrial activity code-wise):	
The Company is engaged in activities as grouped below:	
Name and Description of main products / services	
Pharmaceutical Actives	
Cosmeceutical Actives	
Nutraceutical Actives	
7. Goods manufactured/services provided (top three by revenue):	
Pharmaceutical Actives	
Cosmeceutical Actives	

Nutraceutical Actives

8. Total number of national and international locations and markets served: India, Asia, Europe, Latin America, USA, China

9. Report Boundary-As its first sustainability communication from the company, following boundary has been selected based on the availability of appropriate data:  
  
General Information and Stakeholder Consultation: India operation  
Specific Sustainability Disclosures (for essential indicators): Panipat Plant  
  
Company has extended the scope of essential indicators reporting to all India plants from current reporting cycle either as corporate reporting or reporting for each plant as stand alone

10. Number of Permanent Employees: 87

11. Contractual Employees	48
12. Temporary employees	NA
13. Percentage of Women, round off	

14.CSR Expenditure Details for FY 24-25: Lepro herbal Private limited does not fall under the criteria of company which requires mandatory CSR expenditure hence this is not applicable to Lepro herbal. However, we do undertake expenditure on account of social welfare which shall be included here in the table below:

Location	Details of Work Done	Amount Spent (INR)	Relevance to Schedule VII of Section 135 of the Companies Act
Village Jattipur	Eye camp	107250	Not Applicable
Village Jhattipur-	Medical Camp	54650	Not Applicable
Village Jhattipur-	School Bags distribution	88500	Not Applicable
Village Jhattipur-	Renovation of Government Primary School	700000	Not Applicable

Note:INR 950400 was total expenditure for CSR activity details of activity as summarized in table above.

Note: CRS is not mandatory for Lepro herbals Pvt ltd above was voluntary expenditure.

15. Contact details of Nodal Officer for this report:

Name:	Sunil Malik
Designation	Vice President-Supply Chain Management

Email id:	<a href="mailto:sunil.malik@alcheminternational.com">sunil.malik@alcheminternational.com</a>
Phone:	+91-129-4266082
Financial Year reported:	FY 2024-25

## SECTION B: CORPORATE GOVERNANCE

Corporate governance at Lepro Herbals Pvt. Ltd. ensures the application of best management practices, compliance of applicable regulations and adherence to the high level of manufacturing standards to achieve the corporate objectives of the company while providing a safe working environment to its employees and ensuring judicious use and protection of environmental resources. It also emphasizes on enhancing stakeholders' inclusiveness and commitment towards corporate social responsibility. Lepro's core values are based on integrity, honesty, product quality, transparency and fair business practices while dealing with all stakeholders. Company has prepared and implemented a code of conduct which is applicable to all its employees. The code of conduct of the company is about maintaining high levels of ethics, transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

**Table 2- Governance of Business Responsibility (BR)**

Details of Director/Senior Management responsible for Sustainability Governance OR Business Responsibility:	
Details of the Director/Senior Management responsible for implementation of the BR policy / policies	
Name	Designation
Mr. MAHESHA NAND KOTNALA	Director
Mr. GOPESH KUMAR AGARWAL	SR. GENERAL MANAGER
Mr. RAHUL MALHOTRA	SR. GENERAL MANAGER
Details of the BR Head	
Name	Sunil Malik
Designation	Vice-President
Telephone number	+91-129-4266082
e-mail id	<a href="mailto:sunil.malik@alcheminternational.com">sunil.malik@alcheminternational.com</a>





**A Snap of BR Review Meeting**



**Key Managers Responsible for Business Review under Meeting**

Principle-wise BR policies as per NGRBC:

The Company has formulated and implemented policies for various management systems adhering to the national and international standards. The policies implemented also satisfy the requirements of following business responsibility as defined under The National Guidelines for Responsible Business Conduct, 2022 (NGRBC) and other international standards like GRI.

**Principle 1:** Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable. [P1]

**Principle 2:** Businesses should provide goods and services in a manner that is sustainable and safe. [P2]

**Principle 3:** Businesses should respect and promote the well-being of all employees, including those in their value chains. [P3]

**Principle 4:** Businesses should respect the interests of and be responsive to all its stakeholders. [P4]

**Principle 5:** Businesses should respect and promote Human Rights [P5]

**Principle 6:** Businesses should respect, protect, and make efforts to protect and restore the environment[P6]

**Principle 7:** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent [P7]

**Principle 8:** Businesses should support inclusive growth and equitable development [P8]

**Principle 9:** Businesses should engage with & provide value to their consumers in are responsible manner [P9]

The principal wise policy information is outlined in table below:

**Table 3- BR Policy Matrix as Per NGRBC<sup>1</sup>**

Sl. N.	Compliance with NGRBCs	P1	P2	P3	P4	P5	P6	P7	P8	P 9
1	Status of availability and implementation of policies for NGRBC Principles of Business Responsibility	Y	Y	Y	Y	Y	Y	Y	Y	Y

<sup>1</sup>Y stands for Yes and N for NO



2	Core sustainability topics and materiality assessment	The core elements are applicable as stipulated under Business Code of Conduct and also available at Stakeholder engagement and material issues w.r.t. NGRBC principals are identified and presented below under the description of Principle 4								
3	Stakeholders' inclusion in policy implementation	Y	Y	Y	Y	Y	Y	Y	Y	Y
<b>Note:</b> The policies have been formulated by Lepro's sectoral experts after having consultation with relevant department heads. During the formal stakeholder consultation process for materiality assessment of sustainability disclosures, the stakeholders' suggestions and comments are sought on Company's policies.										
4	Conformance of Policies with National/International Standards apart from the requirements stipulated in NGRBC	Policies are in conformance of Quality Management System ISO 9001:2015, Environment Management System (ISO 14001:2015) and standard for occupational health and safety ISO 45001.								
5	Approval by Board.	Y (Policies signed by Top Management)								
6	Frequency of review	Y Annual review is conducted by top management.								
7	Specified committee of the Board/ Director/Official to oversee the implementation of the policy	Y (VP- Supply Chain)								
8	Online Reference to the Policies	Y –Communicated in mail, in organization information booklet shared with customers and relevant stakeholders.								
9	Communication of policy to all relevant internal and external stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	In-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
11	Grievance redressal mechanism related to the policies to address	Y	Y	Y	Y	Y	Y	Y	Y	Y

	stakeholders' grievances									
12	Status of audit/evaluation of the working of policies by an internal or external agency EA- External Agency	Y (EA )	Y (EA)	Y (EA )	Y (EA)	Y (EA)	Y (EA )	Y (EA )	Y (EA )	Y ( E A )

Lepro has initiated the process to assess the impact of CSR activities. The impact is being assessed for parameters such as rural development, Improvement in hygiene condition of surrounding villages, Health and Education. Being first year to consider the impact analysis this shall be quantified and reported from next ASR report however based on interaction and interviews the impact has been positive for above identified parameters.

## SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURES

**Company's performance for each of the BR principles has been elaborated in detail in this section.**

### PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT, AND ACCOUNTABLE.

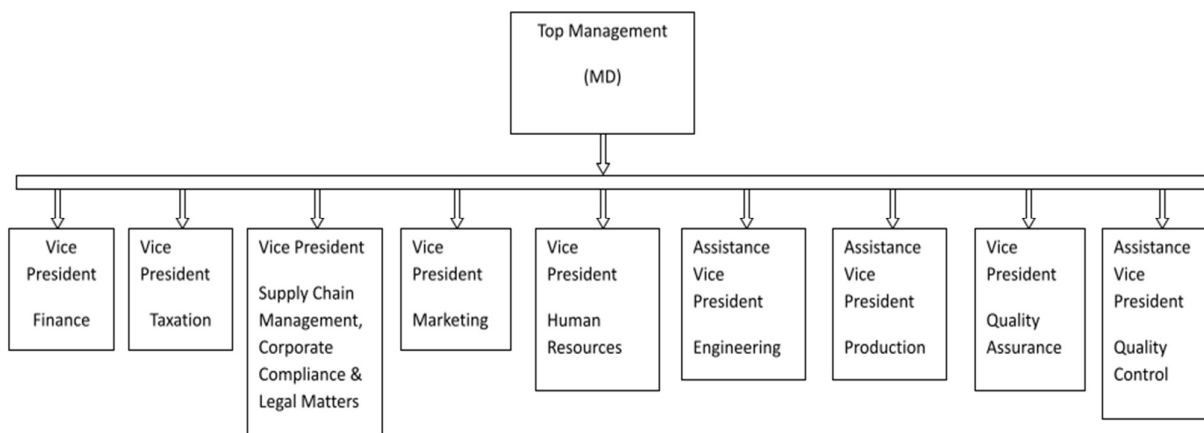
Lepro Herbals Pvt. Ltd. is driven by ethical behavior in all operations, functions and processes. The senior management is committed for a good governance of economic, social and environmental responsibilities. The management has developed policies and procedures to promote good governance on economic, social and environmental liabilities. The management has also committed to fulfill statutory/regulatory obligations. The Governance Structure of Lepro Herbals also disclose and communicate transparently and enable access to information about the policies, procedures, performance (financial and non-financial), and decisions of their enterprise, that impact their stakeholders, especially those that are most at risk to business impacts and communities that are vulnerable and marginalized. The Governance Structure of Lepro Herbals formed by Governance committee including Managing Director and Vice presidents appointed for different departments. This committee is responsible for

governance related to business responsibility. The committee mutually decides the responsible business practices. It further monitors the implementation of various sustainability issues across all operations of the company and reviews and reports at regular intervals. The management has also developed policies and procedures to address conflicts of interest involving its members, employees and business partners. The anti-bribery and anti-corruption policies ensure timely and fair action in case any transgressions are detected.

This hierarchical structure of the corporate governance committee is responsible for ensuring the company's affairs related to international, national and state laws, regulations and its overall performance with respect to the triple bottom-line approach (including economic, environmental and social aspects).

The company follows a two tier corporate governance pyramid including:

- Board of Directors, and
- Vice Presidents



### Prevention of Corruption and Anti-Bribery Measures:

Lepro has a clearly documented policy on prevention of corruption and anti-bribery. It provides for conducting all business in an honest and ethical manner. Company has adopted a zero tolerance approach towards bribery and corruption. It is committed to act professionally, fairly and with integrity in all business dealings and relationships wherever it operates. The purpose outlined in the anti-corruption & anti-bribery policy is to set procedures and ensure compliance aligning with the existing laws against

bribery and corruption. It also provides a comprehensive guidance on how to recognize and deal with bribery and corruption issues.

The policy applies to all individuals for Lepro Herbals or any of its subsidiaries and affiliates anywhere in the world and at all levels and grades. As a part of the policy the employees are made aware to not indulge in any of the following acts:

- Gifts and Hospitality,
- Facilitation payments and kickbacks,
- Donations, third party payments etc.

Employees have been imparted appropriate training on anti-corruption / anti-bribery policy and made aware of their responsibilities for and the same. The focus of training remains communication, responsibility of individuals, record keeping, raising a concern or complaint, what is to be done if an employee becomes a victim of bribery or corruption and potential risk scenarios etc.

**Table 4: Training details on anti-bribery and anti-corruption during FY 24-25:**

Sr. No.	Level of employees trained	Number of trained employees
1.	Senior Level	10
2.	Plant Level	15
3.	Contractual employees	0
<b>Total</b>		<b>25</b>

#### **Fair Business Practices:**

Lepro's business practices have been governed by integrity, honesty, fair dealing and full compliance with all applicable laws. Lepro Corporate Business principles prescribe certain values and principles which company has committed to worldwide. Employees are always guided by the following basic principles; avoid any conduct that could damage or risk Lepro or its reputation, act legally or honestly, Put the company's interests ahead of personal or other interests.

**Table 5: Training details on fair business practices during FY 24-25;**

Sr. No.	Department	Number of trained employees
1	Senior Level	10
2	Plant Level	15
3.	Contractual employee	0
Total		25

### Safe Working Environment:

### A Whistleblower Friendly Environment:

Lepro requires its officers and employees to observe the standards of business and personal ethics in the conduct of their duties and responsibilities. The policy encourages and enables employees and volunteers of the company to report any action or suspected action taken within the company and to build and strengthen a culture of transparency and trust within the organization.

**LEPRO HERBALS** requires its Officers and Employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

The purpose of this Policy is as follows:

1. To encourage and enable employees and volunteers of the Company to report any action or suspected action taken within the Company that is illegal, fraudulent or in violation of any adopted Policy of the Company.
2. To build and strengthen a culture of transparency and trust within the organization. This Policy applies to any matter which is related to the Company's business and does not relate to private acts of an individual not connected to the business of the Company.

### **APPLICABILITY.**

This Policy applies to all the employees of **Lepro herbals**, (including outsourced, temporary and on contract personnel), ex-employees, stakeholders of the Company, including Vendors.

### **VIOLATION, REPORTING IN GOOD FAITH:**

All employees and volunteers of the Company are encouraged to report any action or suspected action taken within the Company that is illegal, fraudulent or in violation of any adopted Policy of the Company.

Anyone reporting a Violation must act in good faith, without malice to the Company or any individual in the Company, and have reasonable grounds for believing that the information shared in the report indicates that a Violation has occurred. (Any report which the complainant has made maliciously or any report which the complainant has good reason to believe is false will be viewed as a serious disciplinary offense.)

### **NO RETALIATION.**

No employee or volunteer who in good faith reports a Violation or Cooperates in the investigation of a Violation shall suffer harassment, retaliation or adverse employment or volunteer consequences. Any individual within the Company who retaliates against another individual who in good faith has reported a Violation or has cooperated in the investigation of a Violation is subject to discipline, including termination of employment. Any individual who reasonably believes he or she has been retaliated against in violation of this Policy shall follow the same procedures as for filing a complaint.

### **REPORTING PROCESS:**

If an individual reasonably believes that a Violation has occurred, the individual is encouraged to share his or her questions, concerns, suggestion or complaints to person designated by the Company. [maheshanand.kotnala@leproherbals.in](mailto:maheshanand.kotnala@leproherbals.in). It is mandatory for the complainant to disclose their identity and provide their contact information. The complaint Committee may choose to discuss the matter with the complainant prior to initiating any review or investigation.

### **CONFIDENTIALITY:**

The Company encourages anyone reporting a Violation to identify himself or herself when making a report in order to facilitate the investigation of the Violation. However, reports may be submitted on a confidential basis by the complainant or may be submitted anonymously by filling out a reporting form and depositing the form in a designated drop box. (The Drop Box will be installed at all Manufacturing & Research

& Development Location). The same to be opened jointly by Location HR & Production Head to be forwarded to Compliance Officer on monthly basis (30th of every month)

**COMPLIANCE OFFICER; HANDLING REPORTED VIOLATIONS:**

The Compliance Officer will notify the complainant and acknowledge receipt of a report of Violation within 10 business days, but only to the extent that the complainant's identity is disclosed, or a return address is provided.

The Compliance Officer is responsible for promptly investigating all reported Violations and for causing appropriate corrective action to be taken if warranted by the investigation. The complainant will be notified about what actions will be taken, to the extent reasonably possible and consistent with any privacy or confidentiality limitations.

If no further action or investigation is to follow, an explanation for the decision will be given to the complainant.

In addition, the Compliance Officer will report to the Management of any reported Violations, the current status of the investigation, and the outcome or corrective action taken at the conclusion of the investigation.

In the event the Compliance Officer is suspected of having committed a Violation, then the Violation will be reported to the Management and the Violation will be investigated by **designated officer** under close supervision of the Management.

**Retention of Documents:** All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a period of 3 years.

**Amendment:** The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees unless the same is notified to the employees in writing.

The policy is applicable to all employees of Lepro, ex-employees, stakeholders of the company including vendors. The whistle blower policy is defined under the headings such as Violation, reporting in good faith, no retaliation, reporting process, and confidentiality.

The table below provides further details of adherence to the principle 1 of NGRBC.

**Table 6- Applicable essential and leadership indicators with respect to principle 1**

Essential Indicators w.r.t. Principle 1 of NGRBC	Adherence details	Remarks
--------------------------------------------------	-------------------	---------

% Coverage of leadership team by awareness programs	100%	All senior managers have been provided training and made aware of business responsibility principles.
% of suppliers and distributors covered by awareness programs of Lepro Herbals.	All key suppliers	Key suppliers have been made aware through specific stakeholder consultation meeting organized during 2024-25
Number of complaints received on w.r.t. any aspect of NGRBC by Shareholders/Investors	Nil	No complaints received during the reporting period
Number of complaints received on w.r.t. any aspect of NGRBC by lenders.	Nil	No complaints received
Value of non-disputed fines / penalties (if any)	Nil	None, during the reporting period
Number of complaints / cases of corruption and conflicts of interest	Nil	No cases during the reporting period
Details of unmet obligations (fiscal, social, etc.) arising out of any benefits or concessions provided by the central, state, or local governments	Nil	No unmet obligations during reporting period.
% coverage of all employees on Business Responsibility awareness	100%	All employees have been made aware on Business Responsibility
% coverage of distributors covered by social and environmental audit	None	We will review the applicability of the same and accordingly try to implement the same in the next reporting cycle.
Report on responsible business conduct	Yes	We have started reporting on our sustainability strategy in the form of first annual sustainability communication starting from FY 2024-25 onwards.





### **Senior Level Meeting at Plant on different BR Topics**

## **PRINCIPLE 2: PRODUCTS LIFE CYCLE SUSTAINABILITY**

Lepro Herbals is a national leader with over 34 years of experience in phytodetrital – the science of discovering and using plant molecules for medicinal purposes. Its products provide people suffering from chronic ailments with natural and clinically tested solutions to convey health and well-being during life’s journey. The company is committed to helping people around the globe stay ‘Naturally Healthy for Life’. Our popular brands are packed with 'Phyto-actives', i.e. the most powerful active ingredients in medicinal plants. They are extracted and synergized in a proprietary manner using our Phyto Advance technology which harnesses the power of traditional medicinal knowledge to develop clinically tested, safe and efficacious solutions. Backed by over 34 years of R&D, our products help consumers experience good health at any age.

Lepro recognizes its responsibility towards the environment and biodiversity. Over the last 34 years Lepro Herbals procurement team has worked with medical plant growers and collectors to build long term relationships. Plant raw material is sourced responsibly

by sustainable wild collection or from farms operating in accordance with GAP standards with pesticide use limited to a strict minimum and in conformance Pharmacopeia Standards.

Lepro is committed to conducting business in a manner that will safeguard safety and well-being of our partners and employees and to protect the environment. Our aim is health, safety and Environment performance excellence and we seek to continuously improve the same and meet or exceed industry best practices.

**Table 7- Applicable essential indicators with respect to principle 2**

<b>Essential Indicators w.r.t. Principle 2 of NGRBC</b>	<b>Adherence details</b>	<b>Remarks</b>
Top three goods/services which incorporate environmental and social concerns, risks and opportunities in their design	Pharmaceutical activities Cosmeceutical activities Nutraceutical activities	All the three product groups are mostly B2B activities.
Details of investments in specific technologies	Low temperature evaporator	This part of ETP and last two stages consists of these two steps which ensures zero liquid discharge.
% of input material and services sourced from suppliers adhering to internal or external sustainability standards	Declaration	50%
% of total raw material consumed that consisted of material that was recycled/reused	More than 25% of raw material is consumed as fuel to generate heat.	After extracting herb the left over is used as biomass fuel in boiler house. Normally these left over after extracting is more than 50% by mass.
Describe the process in place to safely collect, Reuse, recycle and dispose of your products at end-of life	This is not applicable	Product of Lepro is input material for companies making medicinal products and is not sold to end user/consumer

The company's performance on key environmental indicators is provided in below table:

**Table 8- Environmental Data<sup>1</sup>:**

**Water and wastewater generation:**

Water Consumption	49.86	KL/Day
Fresh + Recycle	13.28	KL/Day
Wastewater Generation	16.54	KL/Day

#### Ambient Air Quality:

PM <sub>10</sub> (µg/m <sup>3</sup> )	PM <sub>2.5</sub> (µg/m <sup>3</sup> )	SO <sub>2</sub> (mg/m <sup>3</sup> )	NO <sub>x</sub> (mg/m <sup>3</sup> )	CO (µg/m <sup>3</sup> )
83.6	49.2	10.17	15.9	1.15

#### Ambient Noise:

Noise	66.4	DB
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#### Waste:

Total solid waste generation	298 Kg/Day
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#### Stake Emission:

S.No	Testing Parameters	Observed Value	Testing Protocol APHA 24 <sup>th</sup> Edition	Limits as per Environmental protection rule 1986
1	TSS (mg/l)	86	APHA:-4500-H+B 23 <sup>RD</sup> EDITION	100
2	BOD (mg/l)	13	IS:-3025 (PART:-44)	30
3	COD (mg/l)	59	APHA:-5220-B 23 <sup>RD</sup> EDITION	250
4	Oil and Grease (mg/l)	2.11	APHA:-5220-B 23 <sup>RD</sup> EDITION	10

1- parameters collected at different location of plant and within premises representative data is presented. Detailed report/data source submitted during the assurance statement audit to assessor.

### PRINCIPLE 3: EMPLOYEE WELL BEING

Lepro Herbals believes that people are the greatest investment for us. The relationship between the Organization and employees is like that of a big family, marching ahead with a common purpose and mission. At all levels we interact with our employees to understand their concerns, expectations, and importantly their feedback on how they are feeling about their work. In true sense this is what they mean when they say in Lepro employees are the part of a family. Our grievance redressal system ensures that all

grievances are addressed at the earliest and provide maximum satisfaction. This system is further strengthened by a robust whistle blower policy.

**Table 9- Essential and leadership indicators with respect to principle 3**

<b>Applicable Indicators w.r.t. Principle 3 of NGRBC</b>	<b>Adherence details</b>	<b>Remarks</b>
Complaints received on cases arising out of Discrimination	Nil	As per policy company does not discriminate based on cast, creed or religion.
% of permanent employees part of employee association	Nil	This is indicative of formal associations.
% of establishments/ value chain audited for child labour	Nil	Audit by third party/customers.
Number of cases of child labour	Nil	No child labor is allowed. We have stringent policies for the same

We employ 135 employees in our locations covered under present report. The break-up is given below:

**Table 10- Information on Permanent Employment**

<b>FEMALE</b>	<b>MALE</b>	<b>TOTAL</b>
NA	87	87

**Table 11- Information on Contract Employment**

<b>Contract Employees</b>
48

### **Training and Development (Employees and Supply Chain):**

At Lepro we believe that training and development programs are an essential part of human resources development, delivering benefits to both employee and employer. Through various internal and external training programs, the company strives to enhance the skill sets of employees. Training is provided to all the employees involved in the manufacturing activities. The training is categorized as Induction training, Periodic training and Specific training.

Lepro offers multiple mandatory trainings through various forums and workshops to its suppliers and employees. The in-plant trainings majorly covers the issued related to Environment Health & Safety (EHS).

In addition company also arranges training on anti-slavery and anti-human trafficking, specifically to identify such issues in the supply chain and respond in accordance with the applicable laws. Lepro's suppliers are also required to assess their businesses and supply chain to ensure compliance with the provisions of the Modern Slavery Act, Anti-human Trafficking and other Human Rights requirements as incorporated under company's policy. An annual training and assessment is also held for all vendors and vendor employees. Aspects relating to Human Rights and Modern Slavery are covered in this training. Non-completion of this assessment within a stipulated timeline leads to the blockage of the web-based portal, hence requiring all vendor employees to mandatorily complete the training to enable access for updating attendance. Training details for FY2024-25 are as below.

**Table 12- Training Details of Employees:**

Sr. No.	Employees at all level	Average Training Hours
1.	Lepro Herbals Pvt.Ltd.	22

**Training Photographs:**





### Safety Training Held at Plant Premises



### EHS Training Held at Plant Premises



### Training on Occupational Health and Safety



### Mock Drill Training on Emergency Preparedness





## Training on Safety Demonstration



### Performance Review and Benefit Plans:

A comprehensive performance review is carried out at regular intervals for the employees at all locations. All employees, irrespective of gender and category, undergo a performance review every six months. The salary structure contains the maximum possible benefits in the form of Provident Fund membership, along with all other statutory entitlements such as Gratuity, Bonus, and Leave entitlement.

The Company is a fair employer, following the principle of equal pay for equal value. Company's prosperity lies in the prosperity of their employees. Company's make sure that compensation policy and benefit plans adhere to all the standards. A fair appointment and remuneration policy has been formulated to ensure the same.

Lepro Herbals has policy on Incentive and Bonus at its place. The purpose is to Reward employees for their performance and contribution, better educate employees about their individual key performance indicators and how the indicators link to the overall success of Lepro's Business. Increase employee motivation and interest in meeting .Lepro's goals and reward them outside of the normal remuneration process for achieving or exceeding targets. Provide a clear correlation between key performance measures that influence reward and the employee's ability to influence those measures.

### Equal Opportunity Employer:



As part of non-discriminatory policy Lepro has “Policy on Prevention of Sexual Harassment At Workplace” and Whistle Blower at its place. Lepro Herbals Pvt. Ltd. endeavors to prohibit, prevent and deter the commission of acts of sexual Harassment at the workplace and provide a procedure for redressal of complaints pertaining to such incidences. Employees of the company who violate this policy will be subjected to strict disciplinary proceedings. POSH sets out the types of behavior that are unacceptable, the forms of redressal available against such behavior and the actions to be taken if a false complaint has been filed. This policy is applicable upon all the employees of the company whether hired directly or indirectly at its workplace or during the course of employment. This policy shall also apply to all visitors who arrive at the company’s premises. The copy of policy is explained and given at the time of employment. As per the provisions of the Act, the company has constituted a committee known as internal complaints committee (ICC) for addressing complaints relating to sexual Harassment. The Company is committed to provide a supportive and compassionate environment to resolve concerns of sexual Harassment; any such issues/complaints can be resolved under the defined process. Any employee of the company who is found to have violated this policy shall be subject to appropriate disciplinary action as deemed fit by the ICC. The Company has also adopted whistle blower policy to provide mechanisms to all the employees, to report their concern about suspected fraud or violation of company’s ethics policy, code of conduct.

**Table 13- Workplace Related Complaints**

S.No.	Category	No of complaints filed	No of complaints pending
1	Child labour /forced labour /involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

### Health and safety:

The company has implemented Quality, Environment, Occupational Health and safety Integrated management system (IMS). We have an effective EHS management system certified to ISO 9001:2015, ISO 14001:2015, ISO 27000, ISO 22000 & ISO 45001 standards are guided by our Quality, Environment, Occupational Health and Safety Policy. Company is committed to be a “Responsible Corporate Citizen” through Prevention, Protection, Compliance, Focus, Generating, Undertaking and Emphasis. Top management of Lepro Herbals Pvt Ltd. is committed to provide resources (including human resources and specialized skills, Organizational Infrastructure, technological and financial resources) essential to implementation and control of the EMS. The roles, responsibilities and authorities of key personnel shall be defined, documented, and communicated to facilitate effective Environmental management. Lepro shall follow a “Plan-do-check-act” process to facilitate continual Environmental Performance Improvements. The planning process includes the identification and updating of Lepro Herbals Private Limited’s Register of Environmental aspects and the Register of Legal other Requirements. We also provide safety training to our employees to create awareness and minimize accidents. No worker was involved in occupational activities that have a high incidence of high risk of specific diseases.

Lepro Herbals endures the satisfaction of clients by providing them quality products with consuming less energy. Without compromising the quality company keeps the prices of the product low. And also solve the grievances of the clients on a priority basis. The company is involved in manufacturing Herbal Extracts and their purified active pharmaceutical ingredients. The Organization shall ensure that it has the authority to control its energy efficiency, energy use and energy consumption.

Lepro herbals strives to institutionalize health and safety processes, with special focus on aspects such as women’s safety, motherhood and associated special care and assistance, assistance to persons with disability, emergency response and preventive health & safety measures. Employees are encouraged to highlight concerns or health/security hazards to the management.

As part of the implementation of the Occupational Health & Safety (OH&S) Policy, Lepro herbals ensures:

1. Two sets of uniform and a pair of shoes per annum
2. Annual medical check-up for all the workers

3. Distribution of preventive medicines for workers
4. Employees' State Insurance, Medical Insurance and GPA Cover for all workers
5. Safety officer for routine assessment of the premises
6. Strict compliance with Zero Overtime.

Lepro herbals is committed to:

- Ensure healthy and safe working environment of its employees through continuous monitoring and controlling workplace hazards by adopting appropriate technology and best management practices.
- Strive for continual improvement in OH&S performance by enhancing awareness, skill and competence of its employees and contractors so as to enable them to demonstrate their involvement, responsibility and accountability towards the same.
- Comply with applicable legal and other requirements on an ongoing basis.
- Set and review OH&S objective and targets.
- Communicate OH&S Policy to all persons working for or on behalf of the organization and make it available to all interested parties, on demand.

#### PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

Our business model is created on a strong foundation of inclusive growth that creates value for every stakeholder and ensures a sustainable future for all. Though there are well defined procedures to take feedbacks from internal as well as external stakeholders for various business processes (e.g. interaction with employees, supplier meetings, customer feedbacks, customer satisfaction survey, statutory compliance etc) However, while taking our first step towards sustainability disclosures, we decided to a Business Responsibility specific stakeholder consultation.

For this purpose, we categorized stakeholders into two groups; internal stakeholders and external stakeholders. Firstly, we arranged a meeting with internal stakeholders and explained to them the purpose of "Stakeholder consultant survey" which is based on different material topics which is majorly divided into four categories such as Environment, Social, Governance and Economy. The inputs on the material topics were sought from internal stakeholders.

Subsequently, based on the internal consultation process we listed out the material topics. Following this we called meetings with external stakeholders, including key suppliers and distributors. The inputs were invited from external stakeholders on the

identified material topics. A rating system of 0 to 4 was developed in order to know the sense of urgency and action assigned by the stakeholders to each of the listed material topics. They were also invited to add /remove the material topics from the identified list. However, no stakeholder group either added or suggested to remove any of the material topics from the available list of identified material topics. Following is the outcome of materiality assessment exercise through stakeholder consultation process.

#### Stakeholder Consultation Outcome:

Collectively, on the basis of above process company has finally identified material topics with an average score rating of 4 i.e. wastewater treatment, Solid waste management, Water conservation, Pollution Abatement, GHG emission, Biodiversity, Product safety, Energy management, Sustainable procurement, Operation efficiency, WASH (Water sanitation and Hygiene), CSR, Employment, Human rights, Occupational health & safety, Profitability, and Inclusive growth.

The stakeholders were invited through mail and stakeholder meeting was conducted physically at Lepro premises for those available to visit.

#### **PRINCIPAL 5: RESPECT AND PROMOTE HUMAN RIGHTS.**

Lepro's human rights policy is anchored to the approach set forth in UN Guiding principles on Business and Human rights. The guiding principles additionally call for companies to integrate human rights assessment processes into regular business practices, and to measure and report on impacts. Lepro Herbals supports the human rights of all its stakeholders including the customers. Lepro has labour and human rights policy at its place which says about freely-chosen employment, no child labor, minimum wages, working hours, no discrimination, freedom of association, ethical business conduct, no harsh or Inhumane treatment, Lepro supplier environmental and social responsibility code of conduct. Labor rights is a matter which encompasses multiple issues and therefore this corporate human rights Policy is supported by other Lepro herbals policies including but not limited to policies on Environment, General Corporate Social Responsibility, Harassment, Employee Code of Conduct and other labor related policies. Lepro herbals Code of Conduct reference the company's support for human rights.

**Table 14- Essential and leadership indicators with respect to principle 5**

<b>Applicable Indicators w.r.t. Principle 5 of NGRBC</b>	<b>Adherence details</b>	<b>Remarks</b>
% of employees that have been provided training on human rights issues:  a. In the year b. Total to date	Management and permanent employees has been provided training on human right issues a)10%	Selected Contractual and full-time employees were provided and made part of same training material.
Employee categories that are covered by the human rights policies of the business – Permanent/Contract/Casual.	All employees are covered under the human rights policies	Lepro has no casual employee.
Number of business agreements and contracts with third party partners that were reviewed in the year, to avoid complicity with adverse human rights impacts in previous year	Major suppliers	Major suppliers business contracts are reviewed
Stakeholders groups governed by the grievance committee for human rights issues.	All stakeholders are covered	All internal stakeholders are governed by this committee however only those external stakeholders governed by this committee who are under interaction with Lepro employees such as transporter, supplier delivery related personnel etc.
Number of stakeholders that reported human rights related grievances and/or complaints: a. Received in the year b. Pending resolution	a) Nil b)Nil	No human rights related grievances reported during present report period.

## PRINCIPLE 6: ENVIRONMENT

Lepro herbals strives to provide a quality service in a manner that ensures a safe and healthy workplace for our employees and minimizes our potential impact on the environment. Lepro herbals operates in compliance with all relevant environmental legislation and uses pollution prevention techniques and environmental best practices in all its operations.

The scope of Lepro herbals' Environment Policy applies to all employees of Lepro herbals Private Limited and other Companies/Divisions/Institutions under the Flagship of M/s Lepro herbals Private Limited.

Lepro herbals is committed to do the following: -

- Integrate the consideration of environmental concerns and impacts into all of our decision making and activities,
- Promote environmental awareness among our employees and encourage them to work in an environmentally responsible manner,
- Train, educate and inform our employees about environmental issues that may affect their work,
- Reduce waste through re-use and recycling and by purchasing recycled, recyclable or re-furnished products and materials where these alternatives are available, economical and suitable,
- Adopt effective waste management practices
  - Promote efficient use of materials and resources throughout our facility including water, electricity, raw materials and other resources, particularly those that are non-renewable,
  - Avoid unnecessary use of hazardous materials and products, seek substitutions when feasible, and take all reasonable steps to protect human health and the environment when such materials must be used, stored and disposed of,
- Purchase and use environmentally responsible products accordingly,
  - Where required by legislation or where significant health, safety or environmental hazards exist, develop and maintain appropriate emergency and spill response programs,
  - Communicate our environmental commitment to clients, customers and the public and encourage them to support it,

- Maintain a safe and healthy environment through continuous eco-friendly programs aimed at product safety and integrity, personnel safety, accident prevention and loss control,
- Strive to continually improve our environmental performance and minimize the social impact and damage of activities by periodically reviewing our environmental Policy considering our current and planned future activities.

#### **Compliance through Environment Management Systems:**

Lepro maintains the overall environmental performance as per applicable national and International statues and standards. Lepro is dedicatedly monitoring the report on quality, environment and occupational health and safety indicators to the top management. Company's manufacturing units are complying with the requirements of following International Standards:

1. ISO 9001:2015
2. ISO 14001:2015
3. ISO 22000
4. ISO 27000
5. ISO 45000
6. SEDEX SMETA AUDIT
7. Commitment to SBTi

The above management system certification helps in assessing potential environmental risks and provides guidance for risk mitigation.

Lepro herbals has a proactive and progressive Policy on environmental management. We have put together a policy on technologies for effluent treatment and environment friendly manufacturing practices. We also conduct third-party validated internal audits of our operations.

As part of the implementation of the environment Policy, Lepro herbals takes the following steps:

- Lepro herbals has put up a world-class Effluent Treatment Plant for the treatment of industrial effluents and waste waters;

- Treated water is used for irrigation in the agricultural land of Lepro herbals unit;
- Online Water monitoring systems continuously observes and alerts about the quality of water effluents;
- Agreement with third parties to dispose solid waste as per environmental norms and regulations;
- Approx. 200 trees planted every year as part of Green belt development initiative;
- Flow chart of the manufacturing process regularly submitted to the local pollution control board for assessment;
- Preventive Maintenance Schedule and Quality Control Guidelines are followed as part of the Internal Monitoring;
- Generation of noise from the Power Generators is kept within the limit of 75 dB (A); and Undertook considerable investment for installation of elaborate anti-pollution equipment, imported as well as indigenous.

#### **Biodiversity Enhancement:**

Biodiversity is variability among living organisms from all sources including diversity within species, between species and of ecosystems. Being an environmentally conscious pharmaceutical manufacturer, Lepro recognizes the impacts of its constructional and operational activities on the ecosystem and values its dependence on biodiversity. Considering the strategic and tactical importance of Biodiversity, Lepro is committed towards its sustainable management. This is in line with the United Nations Convention on Biological Diversity (CBD) and National Biodiversity Action Plan (NBAP) 2008 which recommends a set of actions towards biodiversity management. Company has a comprehensive vision and guiding principle for conservation, restoration and enhancement of biodiversity.

Following are the details of flora diversity at Lepro, Panipat Haryana.



**Table-15: Details of biodiversity mapping at FY 24-25:**

<b>S. No</b>	<b>Species Name</b>	<b>No of Trees (n)</b>	<b>Average GBH (cm)</b>	<b>Average Height (m)</b>
1.	PAPDI	10	60	10
2.	Guava	6	62	4
3.	Eucalyptus	20	78	11.2
4.	Neem	75	60	6
5.	Syzygium cumini (Jamun)	21	78	9.1
6.	Terminalia arjuna	29	25	2
7.	Saraca asoca (Ashoka)	79	68	9.2
8.	Peepal	1	98.3	9.1
9.	Vad	3	82	8.6
10.	Bottle Brush	8	82	8.8
11.	Lemon	1	10	2.6
12.	Bougainvillea	6	6	2.4
13.	Delonix regia (Gulmohar)	71	5	7.8
14.	Ficus benjamina (Ficus)	282	15	2
15.	Tectona grandis (Sagwan)	27	60	10

16.	Delonix regia (Gulmohar)	30	85	10.5
17.	Bauhinia variegata (Kachnar)	45	68	9
	<b>Total</b>	<b>714</b>		

**Plantation under Green-belt Initiative at Panipat Centre.**



**Snap of Tree at Panipat Plant**



### Snap of Tree at Panipat Plant

### Corporate Carbon Footprint Accounting as per ISO 14064:

The company has been involved in the carbon footprint accounting at the plant level following in the summary of plant GHG emissions, removal and mitigation at its Plant below table pertains to Panipat location:

**Table-16: Quantification of GHG Emission Sources:**

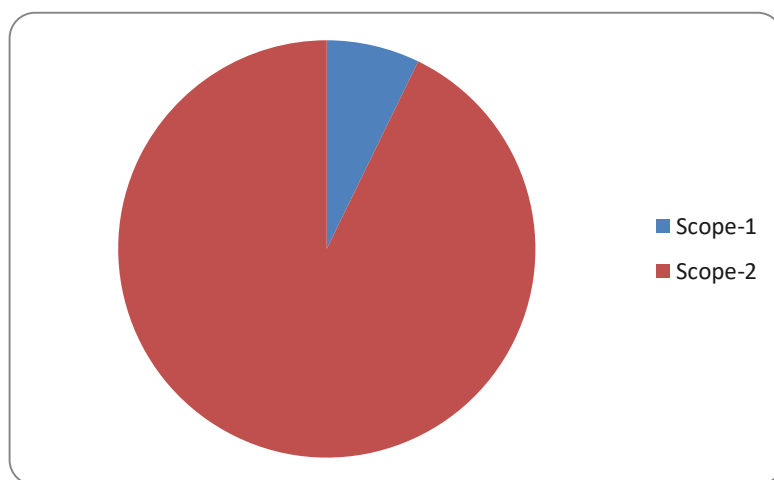
Emission from different sources	
1812	Grid Electricity-Tonn of CO2
117	Diesel- Tonn of CO2
18	Waste water-Tonn of CO2

**Table 17: Principle Data summary**

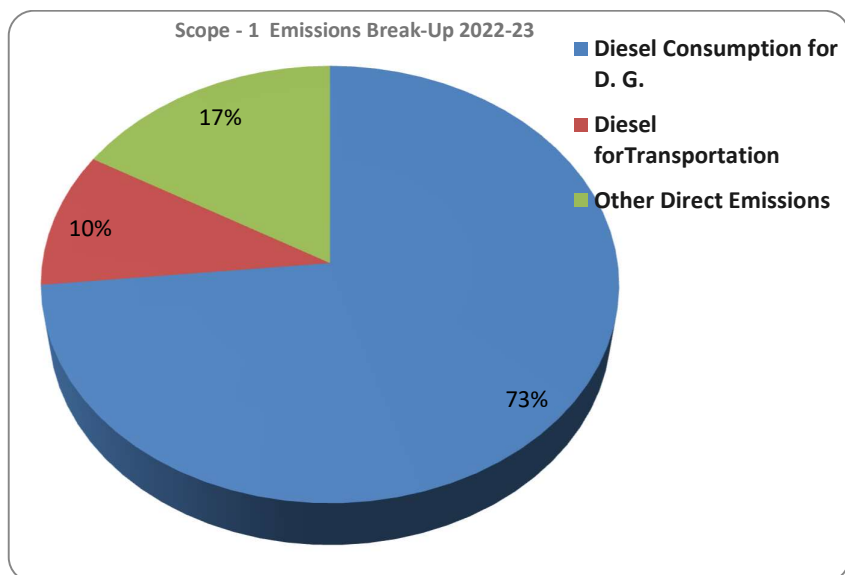
Consumption Summary	
2441.6	Total Grid Electricity-MWh
43478	Total Diesel-Liter
198	Total Wastewater cubic meter.

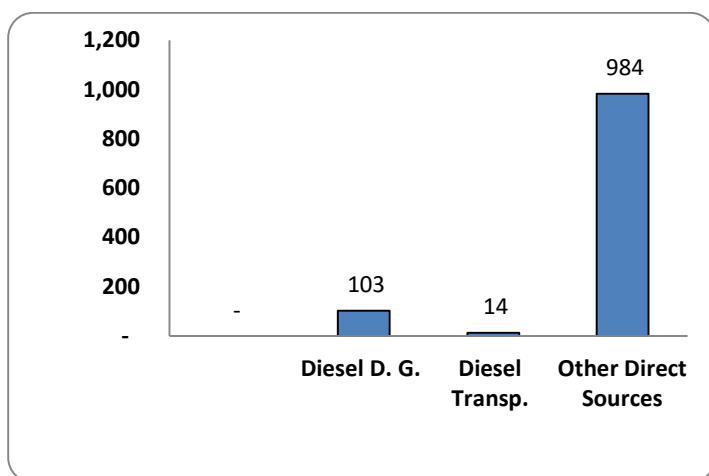
Impact Assessment of Initiative: Lepro has initiated to assess the impact of its various initiative like Emission reductions. Based on discussion with internal stakeholder and external stakeholders/villagers it was observed that impact is positive. Lepro intent to have detailed impact assessment and the same shall be reported in quantified manner from next ASR report. This is first year of reporting hence comparison is not applicable.

### Percentage wise Scope-1 and Scope-2 Emissions



### Fuel wise breakup of Scope 1 GHG Emissions (t-CO2 Emissions)





**Table-18: Quantification of GHG Removals from Plantation**

GHG removal accounting is not done from plantation as number of plants are not significant in number however we shall increase the number of plant as plantation is ongoing process and this section of report shall be updated accordingly in subsequent year of reporting.

#### PRINCIPLE 7: POLICY ADVOCACY

We are active members of key business and industrial associations such as SBTi.

- Promoting reasonable and sustainable plant-based healthcare
- Water impact assessment and water accounting for valuing the water. We also contribute to water conservation.
- Climate change and carbon neutrality
- Good Manufacturing Practice-WHO
- Good Manufacturing Practice-European Union

**Table 19- Essential and leadership indicators with respect to principle 7**

Applicable Indicators w.r.t. Principle 7 of NGRBC	Adherence Details	Remarks
Review public policy advocacy positions by the governance structure for consistency with Principles of these Guidelines: a. Frequency b. Month/year of last review.	a)100% b)Annual	Lapro adhere to all statutory compliance requirements and policies. The policy is reviewed during annual sustainability communication reporting preparation.



Names of trade and industry chambers and associations that you are a member/affiliate of.		Nil
Details of any adverse orders received from regulatory authorities for anti-competitive Conducted by your business.	Nil	No such adverse order received.
Monetary contributions (if any) that have been made to political parties.	Nil	Lepro is politically neutral however company does contribute to Prime Minister Relief Fund.

## PRINCIPLE 8: INCLUSIVE GROWTH

We engage with the local communities directly. We have been engaged in various CSR projects during FY 24-25:

Lepro since its inception in 1991 has been working towards betterment of society and the environment in which it operates. While being socially sensitive and responsible. Lepro has undertaken several activities in education, community development, Environment sustainability & rural development projects/preventive healthcare, besides supporting the government's efforts and initiatives. Lepro CSR activities include Education, Water supply, Health care, Environment, Social empowerment, Sports and culture, Infrastructure support. The company will give preference to local areas and areas around where it operates for spending the amount earmarked for corporate social responsibility. The total amount Lepro spends on CSR activity is INR /-.

**Table 20- Plant CSR Expenditure Details for FY 24-25**

CSR Expenditure Details for FY 24-25: Lepro herbal Private limited does not fall under the criteria of company which requires mandatory CSR expenditure hence this is not applicable to Lepro herbal. However, Lepro do undertake expenditure on account of social welfare which shall be included here in the table below:

Location	Details of Work Done	Amount Spent (INR)	Relevance to Schedule VII of Section 135 of the Companies Act
Village Jattipur	Eye camp	107250	Not Applicable
Village Jhattipur-	Medical Camp	54650	Not Applicable
Village Jhattipur-	School Bags distribution	88500	Not Applicable
Village Jhattipur-	Renovation of Government Primary School	700000	Not Applicable

Note:INR 950400 was total expenditure for CSR activity details of activity as summarized in table above.

Note: CRS is not mandatory for Lepro herbals Pvt ltd above was voluntary expenditure.

## PRINCIPLE 9: CUSTOMER VALUE

Customer value and the satisfaction have been at the core of our corporate philosophy since inception. Our philosophy further guides us to commit to “total customer satisfaction” and “Build and maintain market leadership”.

We understand how crucial meeting customer expectations are to sustaining a business. In today’s changing scenario, in addition to giving importance to timely delivery, price, and quality of products customers also have increased expectations regarding the social and environmental performance of the organization, and its products and services. Our products and services not only meet global standards related to product quality, customer health, and safety, but also reflect our efforts to manufacture products with minimal environmental and social impact

We have always welcomed and lived up to customer expectations and aspirations. We strive to engage with our customers through our products and services which help them too for improving their overall environmental and social performance. We have developed various mechanisms to engage with customers. Given below is the customer resolution status during FY 24-25.

**Table 21- Essential and leadership indicators with respect to principle 9**

<b>Applicable Indicators w.r.t. Principle 9 of NGRBC</b>	<b>Adherence Details</b>	<b>Remarks</b>
Examples (up to three) where adverse impacts of goods and services of your business have been raised in public domain.	Not applicable	Our product is intermediate in nature and is input material to pharmaceutical manufacturing units not sold to public directly.
% by value of goods and services of the business that carry information about: a. Environmental and social parameters relevant to the product. b. Safe and responsible usage.	Not applicable	Our product is input material to pharmaceutical manufacturing units not sold to public directly.
Number of consumer complaints in respect of data privacy: a. Received during the year. b. Pending resolution.	a) NIL b) NIL	
Number of consumer complaints in respect of advertising: a. Received during the year. b. Pending resolution.	A)NIL b) NIL	There has been no consumer complain.
Number of consumer complaints in respect of delivery of essential services:  a. Received during the year. b. Pending resolution.	a) NIL b) NIL	There has been no consumer complaint in respect to delivery.

**Table 22- Customer specific complaints data**

<b>Complaints Received from Customers</b>	<b>Complaints Pending</b>	<b>Resolved (%)</b>
Nil	Nil	N/A

Concurrently, we prioritize our compliance by meeting standards related to product quality, customer health and safety, through product and service labeling, marketing communications and customer privacy. We intend to sustain growth by enhancing customer satisfaction, through the manufacture of quality products at optimum costs and by marketing them at reasonable prices to increase returns for all stakeholders.

During the reporting period some of customers audited our facility where some of customers are requesting for third party approvals like Good Manufacturing



Certificates, Management system implementation for Environmental management, Occupational health and system management, Energy managements etc.

Lepro intent to undergo Good Manufacturing Certificates, Energy managements which shall be carried out in coming financial year 2024-25.

During the current reporting period of 2024-25 there was no major complain from any of our customer as reported in table above.