

Aurobindo Pharma Limited



Policy No.	APL/HR/2020/
Name:	Policy on Business Ethics & Values
Effective Date:	01-April-2020
Last Revision	-
Current Revision Date	-

1. Policy Statement:

- 1.1 Aurobindo is committed to conduct business in an ethical and honest manner, and is committed to implement and enforce the systems that ensure bribery and corruption are prevented. Aurobindo is committed to act professionally, fairly, and with integrity in all business dealings and relationships, wherever the Company operates.
- 1.2 Aurobindo will respect all laws relating to anti-bribery and corruption in all the jurisdictions in which the Company operates.
- 1.3 Aurobindo has devised its Corporate Values that drives the business to achieve its objectives through fair, transparent and honest manner.

2. Applicability:

This Policy is applicable to all Employees including contractual associates, third party contractors, sub-contractors, suppliers, vendors and other Service Providers being associated with Aurobindo Pharma Limited and its subsidiaries in India.

3. Corporate Values:

Aurobindo has carved out its Corporate Values i.e. Business Care, People Care and Organization Care. Aurobindo's well-articulated Corporate Values will drive and facilitate the creation of healthy organizational culture, which augments productive talent engagement paving the way for mutual success of all stakeholders.

4. Definitions of the terms:

A. Bribery:

Bribery refers to the act of offering, giving, promising, asking, receiving, accepting, or soliciting of an undue advantage of any value, either financial or non-financial, either directly or indirectly, in violation of applicable laws or perceived fair policy, as an inducement or reward for a person acting or refraining from acting in relation to the performance of the person's duties.

B. Corruption:

Corruption is the abuse of entrusted power/authority either by employment or contract for a personal gain involving bribery in terms of cash or kind.

C. Conflict of Interest:

A conflict of interest in the workplace is when an individual can personally benefit from their professional position, rather than making decisions for the betterment of the Organization's business, the employee might make decisions with an intention of personal gain. Situation where business, financial or personal interests could interfere with the judgement of persons in carrying out their duties for the Organization.

D. Fraud:

A knowing misrepresentation of the truth or concealment of a material fact, in order to gain either personally or to induce another to act to his/her detriment.

E. Money Laundering:

Money-Laundering is the process of making large amounts of money generated by a unethical and illegal activity, having travelled through a number of financial transactions, the proceeds of the crime are made fully integrated into the financial system and can be used for any purpose.

F. Anti-Competitive Practices:

Anti-competitive Practices are business practices that prevent or reduce competition in the market that the Company desires to adopt. These anti-competitive practices refer to a wide range of business practices in which a firm or group of firms may engage in order to restrict inter-firm competition either to maintain or to increase their relative market position and profits without necessarily providing goods and services at a lower cost or of higher quality.

G. Due Diligence:

Due Diligence is a process to assess the nature and extent of the bribery risk and help the Organizations make decisions in relation to specific transactions and activities of the alleged persons involved.

5. Scope:

The scope and purview of the Policy is as follows:

5.1 Gifts, Goodwill & Hospitality,

Aurobindo accepts normal and appropriate gestures of hospitality and goodwill, whether given to or received from third parties, so long as the giving or receiving of gifts meets the following requirements:

- a) It is not made with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favors or benefits.
- b) It is not made by cash with a suggestion or demand that a return favor is expected.
- c) It is in compliance with local law.
- d) It is appropriate for the circumstances like giving small gifts during Festive Seasons.
- e) It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift.

- f) It is given / received openly, not secretly.
- g) It is not selectively given to a key, influential person, clearly with an intention of directly influencing them.
- h) Aurobindo recognizes that it is customary practice to exchange sweet boxes / diaries / small gift items like key chains, etc. on the special occasions like festivals, New Year, launch of the customer's new product.
- i) The intention behind a gift being given / received should always be considered, if there is any uncertainty, the concerned employee shall report it to his/her Reporting Manager and seek advice.

5.2 Charitable Contributions.

- a) Aurobindo recognizes its social responsibility and undertakes certain Corporate Social Responsibility (CSR) activities by donating financial contributions for various educational, institutional and infrastructure building activities under the provisions of Companies Act 1956.
- b) These CSR initiatives will be designed by an independent CSR Department based on its study apart from the requests made by the respective local bodies and financial resources are approved by the Director.
- c) Aurobindo ensures all charitable contributions are legal and ethical under local laws and donations are not offered / made without the approval of the CSR Committee of Aurobindo Pharma Limited.

5.3 Money-laundering & Anti-Competitive Practices:

Aurobindo does not engage or support any activities that are related to money-laundering and anti-competitive practices, either directly or indirectly. Aurobindo believes that these practices are detrimental to the Mission & Vision of the Organization. Aurobindo respects and adheres to the local laws and regulations, wherever it operates.

6. Ways to raise a concern:

Aurobindo implements the policies and guidelines across all its business operations. Aurobindo conducts training programs to strengthen in-house awareness and education on the areas of ethics, values, anti-bribery, anti-corruption practices.

6.1 To address all the concerns and complaints pertaining to anti-bribery and anti-corruption, a complaint procedure with appropriate mechanism has been instituted across APL to review with Top Management as and when it arises or review the existing policy as consider appropriate.

6.2 Ethics Compliance Hotline provides all employees, vendors, suppliers and customers to raise their grievances and to report confidentially and anonymously without fear of retaliation any breach of policies and procedures at Aurobindo. Every person has a right to report by way of Oral Communication such non-compliance by dialing the hotline connect number **77333** or dedicated email services **alertethics@aurobindo.com**.

7. Stakeholders and Employee Responsibilities:

- 7.1 Separate Clause related to integrity and ethical behaviour is incorporated in the employment contracts with the employees.
- 7.2 A handbook of Aurobindo's Corporate Values is given to the employees at the time of their formal joining with the Organization.
- 7.3 Clauses pertaining to anti-bribery and anti-corruption are made part of the agreements with the contractors, vendors, service providers and other business associates.
- 7.4 All employees must ensure that he/she has read, understand and comply with the information contained in this Policy, and will be provided awareness of this policy.
- 7.5 All new employees will be given awareness of this policy, besides other Company's policies, as part of their induction schedule.
- 7.6 All employees, who involves in decision-making process, are equally responsible for the prevention, detection and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this policy.
- 7.7 In case any employee suspect that an instance of bribery or corruption has occurred or will occur in near future that breaches this Policy, he/she shall notify to the options as explained in Clause No.6 of this Policy.

8. Disciplinary Actions:

- 8.1 On receipt of any grievance or complaint from the concerned, the Company will constitute a tripartite Committee consists of Director and senior leadership team to investigate and conduct a Due Diligence Audit and submit a report.
- 8.2 Based on the report, the Committee will recommend for appropriate disciplinary action including termination of services and Head-HR will implement the same.
- 8.3 Similarly, any Contractor or Vendor or Service Provider or business associate is found involved in any of the unethical practices with any of the Company's employee, their contracts will be terminated and they will be debarred from business association with the Company for future business transactions.

9. Protection:

Aurobindo will ensure that no one suffers any detrimental treatment as a result of fusing to accept or offer a bribe or other corrupt activity. In case any employee feels that he/she is subjected to unjust treatment as a result of a concern or refusal to accept a bribe, the concerned employee may raise the concern through the channels provided as per Clause No.6 and the Company will extend the necessary protection to him/her and safeguard his human rights.

10. Communication of Policy:

This policy will be communicated to all employees and business associates in an appropriate and meaningful manner through intranet, notice boards, and awareness sessions.

11. Review and Monitoring:

Compliance of this policy will be regularly monitored and reviewed by the Corporate HR with Top Management once in a year.

- End of the Policy –