



# **ZYDUS LIFESCIENCES LIMITED<sup>#</sup>**

(Formerly known as Cadila Healthcare Limited)

## **Zydus Code of Conduct for Vendors**

# The name of the Company was changed from Cadila Healthcare Limited to Zydus Lifesciences Limited with effect from February 24, 2022.

### **Policy versions**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Board approval date</b>	<b>Effective from</b>
1.	Initial adoption	August 10, 2022	August 10, 2022

## **ZYDUS CODE OF CONDUCT FOR VENDORS**

Zydus Lifesciences Limited and its affiliates (hereinafter collectively referred to as “**Zydus**”) have always valued its partners in progress, the extended family of contractors, suppliers, associates, service providers, consultants, etc. (hereinafter collectively referred to as “**Vendors**”) who are an integral part of its business. For over 25 years now, Zydus has established itself as a reliable business partner with the highest standards of ethics and integrity. Zydus believes in an open and transparent business ecosystem with fairness and good practices as its cornerstones.

Zydus has a no tolerance policy in the organization for unethical business practices. Either directly or indirectly, receiving bribes, favors, gifts, kickbacks, or graft in any other way goes against its values and will be considered unethical, illegal and harmful to its reputation. Employees and representatives of Zydus are expected to uphold honesty and integrity and decline any opportunity that would place its values and reputation at risk. They are also expected to transact business by maintaining standards consistent with the legal, regulatory, ethical requirements and reputational standards of Zydus.

This Zydus Code of Conduct for Vendors (“**Code**”) sets forth the basic requirements that we ask our Vendors to respect and adhere to this policy while conducting business with Zydus. This Code embodies Zydus commitment to Environment Protection, Minimum Wages, Child Labour, Anti-Bribery, Anti-Corruption, Health and Safety, etc.

### **BUSINESS INTEGRITY**

#### **Anti-Bribery**

The Vendors shall not, directly or through intermediaries, take any recourse to any unethical behaviour (implicit or explicit), or offer or promise any personal or improper advantage in order to obtain or retain a business or other advantage from a third party, whether public or private, including with any employee of Zydus. More specifically, the Vendors:

- shall not offer or accept bribe or use other means of obtaining undue or improper advantage, offer or accept any kickbacks, and shall not take any actions to violate or cause its business partners to violate any applicable anti-bribery laws and regulations including Prevention of Corruption Act, 1988 of India.
- shall not take any advantage of any family/ social/ political connections to obtain favourable treatment or for the advancement of business or obtaining any favours. Merit shall be the sole attribute of association with Zydus.
- shall not enter into a financial or any other relationship with a Zydus employee (or his family/relatives) that creates any actual or potential conflict of interest for Zydus. The Vendors are expected to report to Zydus any situation where an employee or professional under contract with Zydus may have an interest of any kind in the Vendor's business or any kind of economic ties with the Vendor.

- shall not offer any gift, hospitality or entertainment for the expressed or implied purpose of obtaining any advantage, order or undue favour.

### **Unfair Trade Practices**

Vendors shall desist from any unfair or anti-competitive trade practices in accordance with all applicable anti-trust laws.

### **Antidiscrimination**

With reference to ILO Discrimination (Employment and Occupation) Convention, 1958 (No. 111) Vendors shall not do any discrimination or distinction, exclusion or preference made on the basis of race, colour, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments.

### **Fair Treatment**

Vendors must be committed to a workplace free of harassment and should not threaten workers with or subject them to harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental coercion, physical coercion, verbal abuse or unreasonable restrictions on entering or exiting company provided facilities.

### **Anti-Competition**

It is the policy of Zydus to comply with antitrust and competition laws of each country in which our companies do business. Vendors shall not engage in anti-competitive conduct in violation of any such antitrust or competition law. Moreover, Vendors shall not take unfair advantage of any customer, employee, competitor or other person through manipulation, concealment, and misrepresentation of material facts or other unfair-dealing practice.

### **Data Privacy and Protection**

Vendors while performing its obligations, may receive and/or have access to, collect and process any data or information that can be used to identify, contact, or locate a person, including a person's name, mailing address, email address, ID, telephone number and financial information ("**Personal Data**"). Vendors undertake that they will be responsible for and will ensure that they have inherent controls and validation, with appropriate documentation and evidences to perform data protection as per defined standards of data protection law of each country across the globe. Vendors shall at all times implement appropriate technical and organizational measures to protect that Personal Data against unauthorized or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure, as well as provide Zydus with full co-operation and assistance and notify it within five (5) calendar days in relation to any complaint or request made in respect of any Personal Data it may receive and process, including complaints or requests submitted.

## **HEALTH, SAFETY & ENVIRONMENTAL SUSTAINABILITY**

### **Workers Health and safety protection**

With reference to ILO Promotional Framework for Occupational Safety and Health Convention, 2006 (No.187) & ILO Occupational Safety and Health Convention, 1981 (No.155) and its Protocol of 2002 Vendors shall identify and protect workers from any physical, chemical and biological hazards in the workplace as well as from risks associated with any infrastructures used by their employees. Safety information for any identified workplace risks shall be made available to inform and train workers to protect them from the risk. This includes safety information about hazardous substances used: chemicals, pharmaceuticals active ingredients, intermediate products, etc.

### **Protection from Chemical Exposure**

With reference to ILO Chemicals Convention, 1990 (No. 170) Vendors should adopt and implement a coherent policy on safety in the use of chemicals at work, which includes the production, the handling, the storage, and the transport of chemicals as well as the disposal and treatment of waste chemicals, the release of chemicals resulting from work activities, and the maintenance, repair and cleaning of equipment and containers of chemicals. In addition, it allocates specific responsibilities to Vendors and exporting states.

### **Response to Emergency**

With reference to ILO Occupational Health Services Convention, 1985 (No. 161) Vendors shall identify and assess possible emergency situations in the workplace and minimize their impact inside and/ or outside the site by implementing emergency response plans and procedures. Vendors will identify and assess likely and potential emergency situations in the workplace and minimize their impact by implementing emergency plans and response procedures.

### **Process Safety**

Vendors will have safety programs in place for managing and maintaining all their production processes in accordance with the applicable safety standards. Vendors will address product-related issues and their potential impact during all stages of the production process. For hazardous installations the Vendors shall conduct specific risk analyses and implement measures that prevent the occurrence of incidences such as chemical releases and or explosions.

### **Social Security**

With reference to ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) Vendors must lay down a minimum standard for the level of social security benefits and the conditions under which they are granted. It covers the nine principal branches of social security, namely medical care, sickness, unemployment, old age, employment injury, family, maternity, invalidity and survivors' benefits.

## **Environment**

It is essential that Vendors should comply with all applicable environmental regulations. All required environmental permits, licenses, information registrations and restrictions shall be obtained and their operational and reporting requirements should be followed.

## **Waste and Emissions**

Vendors will have systems in place to ensure the safe handling, movement, storage, recycling, reuse, or management of waste, air emissions and wastewater discharges. Any of these activities which have the potential to adversely impact human or environmental health will be appropriately managed, measured, controlled and treated prior to release of any substance into the environment. Vendors will have systems in place to prevent or mitigate accidental spills and releases into the environment.

## **Resource Conservation and Climate Protection**

Vendors are expected to use natural resources (e.g. water, sources of energy, raw materials) in an economical way. Negative impacts on the environment and climate will be minimized or eliminated at their source or by practices such as the modification of production, maintenance and facility processes, material substitution, conservation, recycling and material reutilization. Vendors will engage in the development of climate-friendly products and processes to reduce power consumption and greenhouse gas emissions.

## **Compliance with legal and regulatory requirements**

The Vendors shall ensure compliance with all country regulations and recommendations relating to environmental protection in force within the countries where it carries out its activities. The Vendors shall have appropriate certificates and/or permits allowing it to operate. The Vendors shall have environmental reports prepared in accordance with country regulations and they shall be available at the sites.

## **Intellectual Property**

The Vendors shall take appropriate steps to safeguard and not infringe any Zydus confidential and proprietary information/intellectual property/ technology which come to its knowledge during the course of its business relationship/ dealings with Zydus. In case of sub-contracting, sharing of confidential information should be made with the consent of Zydus. Vendors shall safeguard and make only appropriate use of confidential information and ensure that all employees' and business partners' privacy and valid intellectual property rights are protected.

## **Identification of Concerns**

Vendors shall provide means for their employees to report concerns or potentially unlawful activities in the workplace. Any report should be treated in a confidential manner. Vendors must investigate such reports and take corrective action if needed.

### **Third party representation**

The Vendors shall not be authorized to represent Zydus or to use Zydus's brands without the written permission of Zydus. Third parties and their employees who are authorized to represent Zydus are expected to abide by the Zydus's Code of Conduct & Business Ethics Policy in their interaction with, and on behalf of Zydus including the confidentiality of information shared with them and to sign a non-disclosure agreement to support confidentiality of information.

### **VENDOR'S COMPLIANCE COMMITMENT**

Zydus expects its Vendors to adhere to all applicable laws and regulations and in particular comply with this Code in letter and spirit. It is the Vendor's responsibility to read and understand the contents of this Code which is part of Zydus Business Conduct Policy, which is available on [www.zyduslife.com](http://www.zyduslife.com). As a condition of doing business with Zydus, the Vendors must comply with this Code and agree to uphold such values during its business association with Zydus.

### **Adhering to all Labour Laws and Human Rights Laws, Vendors shall**

- Comply with all applicable local, state and national laws regarding human rights.
- Ensure that all their employees are hired on their own free will and guarantee that all their operations are free from forced, bonded, compulsory, indentured, prison labour or any other form of compulsory labour and child labour.
- Ensure that all its employees are provided equal employment opportunities, an environment conducive to their growth, free from any form of discrimination and harassment because of the individual's race, colour, religion, gender, sexual orientation, national origin, age, disability, or any status protected by law.
- Ensure compliance with minimum working hours and minimum wages prescribed by applicable laws and regulations.
- Comply with all slavery and human trafficking laws. Vendors must ensure they have taken steps to ensure their business operations are free from slavery and human trafficking practices both internally and within their supply chains and other external business relationships.
- Comply with applicable workplace safety and industrial hygiene standards mandated by law.

### **Child labour**

With reference to ILO Minimum Age Convention, 1973 (No.138) & ILO Worst Forms of Child Labour Convention, 1999 (No.182), the general minimum age for admission to employment or work is 15 years (13 for light work) and the minimum age for hazardous work is 18 years

(16 under certain strict conditions). Vendors shall provide the necessary and appropriate direct assistance for the removal of children from the worst forms of child labour and for their rehabilitation and social integration.

### **Forced Labour**

With reference to ILO Forced Labour Convention, 1930 (No.29) & ILO Abolition of Forced Labour Convention, 1957 (No.105), Vendors shall prohibit all forms of forced or compulsory labour. All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment. Vendors shall ensure that contracts for both direct and contract workers clearly convey the conditions of employment in a language understood by the worker.

### **WHISTLE-BLOWER PROTECTION AND ANONYMOUS COMPLAINTS**

Vendors must create programs to ensure the protection of workers whistle-blower confidentiality and prohibit retaliation against workers, who participate in such programs in good faith or refuse an order that is in violation of this Code. Vendors shall provide an anonymous complaint mechanism for workers to report workplace grievances in accordance with local laws and regulations.

The Vendors shall maintain adequate documentation to demonstrate compliance with the principles of this Code, and allow access to Zydus to check compliance upon request with reasonable notice.

We expect our Vendors to be honest, fair and act with integrity in all their dealings. Please avoid any contracts that might lead to or suggest a conflict of interest between your personal initiatives and business engagement with Zydus. Engaging in unethical behavior, either implicitly or explicitly, with any of the Zydus employees, associates or agencies will lead to irrevocable consequences. Disclosing confidential information about Zydus, its associates and customers without the written consent or approval from an authorized representative of Zydus may lead to the violation of business code of conduct and termination of existing contracts or agreements and penal action.