


SUPPLIER CODE OF CONDUCT  
OF

J.B. CHEMICALS & PHARMACEUTICALS LIMITED

Registered Office: Neelam Centre, B Wing, 4th Floor,  
Hind Cycle Road, Worli,  
Mumbai - 400030



## Version control

|                                 |                |   |   |
|---------------------------------|----------------|---|---|
| Previous Supplier Code version  | Not Applicable | Effective date:                               | MMMM / DD, YYYY   |
| Prepared by:                    | Name           | Designation                                   | Date and signature  |
|                                 |                |   |   |
| Authorised by:                  | Name           | Designation                                   | Date and signature  |
| Procurement head                |                |   |   |
| Finance head                    |                |   |   |
| Legal head                      |                |   |   |
| Ethics and Compliance Committee |                |   |   |
| Board of Directors              | Nikhil Chopra  | Chief Executive officer & Whole-time director |  |



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## 1. Definitions:

| Definition         | Explanation  |
|--------------------|--|
| Bribery            | An act of offering, giving or promising, accepting or soliciting a financial advantage or something of value in cash, kind or otherwise (or authorizing someone to offer, give, or promise or accept or solicit) in exchange for an act which is dishonest, illegal, and improper or a breach of trust, designed to influence the recipient in the exercise of their duty and to incline them to act contrary to accepted standards of honesty and integrity, to avail improper business advantage. Bribery also includes an attempt to do any of the foregoing. Bribery includes advantages provided directly, as well as indirectly through a Third Party in return for unfair business advantage.   |
| Bribes             | Offering, giving or promising, accepting or soliciting a financial advantage or something of value in cash, kind or otherwise (or authorizing someone to offer, give, or promise or accept or solicit) in exchange for an act which is dishonest, illegal, and improper or a breach of trust, designed to influence the recipient in the exercise of their duty and to incline them to act contrary to accepted standards of honesty and integrity, to avail improper business advantage.  |
| Compliance Officer | An Employee appointed as per the requirements of the Ethics and Compliance charter ( <i>to be discussed and agreed with JBCPL management</i> ) of the Company and is responsible for overseeing JBCPL's compliance processes and for ensuring applicable laws and JBCPL Code of Conduct is communicated to all employees.  |
| Director(s)        | Directors appointed on the Board of the Company including executive, non-executive, independent and nominee directors.   |
| Employee(s)        | Every employee of the Company including regular employees, contractual employees and retainers.  |
| Gift               | <p>A Gift means any payment, gratuity, gratification, present or advantage (pecuniary or not), offered or received in cash, kind or otherwise. In a business environment, "Gifts" cover items such as, but not limited to:</p> <ul style="list-style-type: none"> <li>• Presents, goods, equipment</li> <li>• Cash, payments, loans or advances or cash equivalents like gifts certificates, gift vouchers, shopping cards, etc.</li> <li>• Stocks, shares, equities</li> <li>• Free services, for instance insurance, tuition fees, repair or improvement works or any preferential treatment.</li> <li>• Transportation, promotional items or use of a giver's time, materials and facilities.</li> <li>• Anything of value such as referral, internship, opportunity and other favorable treatment</li> </ul> |



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|                                 |  |
|---------------------------------|--|
| Government Official(s)          | <p>Any person or people employed part/full time by the government or regional sub-division of the government, states, provinces, city, district, town, villages or by independent government agencies, state owned business or public (Government funded) institute. Officers and employees of government-owned companies, or companies substantially controlled by such governments, are also Government Official (including HCPs employed by or acting on behalf of hospitals, clinics or pharmacies that are operated or substantially controlled by the governments; or individuals who can influence a prescription or inclusion of products in a hospital formulary).</p> <p>Examples of Government Officials include:</p> <ul style="list-style-type: none"> <li>• Any individual who holds a legislative, administrative or judicial position of any kind, whether appointed or elected, for the country or state or other statutory authorities;</li> <li>• Any officer, employee or agent of a public international organization such as the World Health Organization or the United Nations;</li> <li>• Any officer, employee or agent of a political party or any person acting in an official capacity on behalf of a political party;</li> <li>• An employee or consultant or agent of a government-owned hospital or institution, including Healthcare Professionals, may be considered a Government Official;</li> <li>• An employee or consultant or agent acting in official capacity of a government department, government owned company or any other government agency (these shall include quasi-government bodies and corporations, etc.)</li> <li>• Any person defined as a government or public official under applicable local laws (including anti-bribery and corruption laws) and not already covered by any of the above;</li> <li>• Any employee or consultant or any person acting in official capacity for or on behalf of the above</li> </ul> |
| Government                      | <p>Any agency, instrumentality, subdivision or other body of any national, state or local government including government committees or commissions and regulatory agencies or government-controlled businesses, corporations, companies or societies. Even if a Company is not wholly owned by the State, it may be considered an "instrumentality" of a government if the government exercises substantial control over the Company. state-owned banks, oil companies, utilities, universities, banks and hospitals are examples of government instrumentalities.</p>  |
| Healthcare Organization ("HCO") | <p>A collective of institutions, people, resources and other stakeholders that deliver healthcare services to the target population. Examples include but are not limited to hospitals, nursing homes, clinics, assisted living facilities, etc.</p>   |
| Healthcare Professional ("HCP") | <p>Any member of the medical, dental, or nursing professions or any other person/institution or entity with the ability to prescribe, acquire, or influence the prescription or acquisition of JBCPL's products and/or services at issue in the course of his/her/its professional activities. Examples include, but are not limited to, physicians, physician assistants, nurses, researchers, etc.</p>   |



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|                  |  |
|------------------|--|
| Hospitality      | <p>"Hospitality means any form of amenity, entertainment, travelling or accommodation or invitation offered or received. In a business environment, "Hospitality" covers items such as but not limited to:</p> <ul style="list-style-type: none"> <li>• Meals: breakfast, lunch, dinner, cocktails, receptions,</li> <li>• Hotel accommodation,</li> <li>• Travel and trips by car, air train or boat,</li> <li>• Seminars, conventions,</li> <li>• Invitations to sporting, cultural or social events like IPL matches, etc.</li> </ul> |
| Kickbacks        | Kickbacks are typically payments made in return for a business favor or advantage.   |
| Public Entity    | Includes (a) a municipal, state, regional or national government entity or agency thereof; (b) an entity that is wholly or partially owned by a government agency, such as public hospital; or (c) a public international organization   |
| Third Party(ies) | A collective term for agents, franchisees, intermediaries, vendors, suppliers, sub-contractors, resellers, contractors and agency staff, contract manufacturers, stockists, distributors, HCP, HCO and consultants with whom JBCPL may enter into agreement(s) for purchasing directly or indirectly materials and/or services. This includes associates of the foregoing as well.   |



## 2. Purpose and Objective

J B Chemicals & Pharmaceuticals Ltd. including domestic and international subsidiaries/affiliates/associates ("Company" or "JBCPL") views its Third Parties including but not limited to vendors, sales and marketing agents, consultants, advisors, contractors, HCPs, HCOs, etc. as important partners in its mission. It has adopted a Supplier Code of Conduct which establishes standards of ethical business practices that it expect from all Third Parties in the course of their dealings with the Company for sale/procurement of goods and services for the Company's operations.

The purpose of this Supplier Code of Conduct ("Supplier Code") is to establish guidelines and define roles and responsibilities for ensuring adherence to the Supplier Code by Third Parties, Employees and Directors, in order to enhance integrity, ethical standards and avoid conflict of interest.

## 3. Applicability

This Supplier Code applies to Third Parties who hold business relationship with JBCPL. For the Company's operations outside India, the Company's international subsidiaries/affiliates/associates are expected to follow this Policy and relevant local requirements.

## 4. Accountability

Supply chain head, procurement head and vendor management team (hereinafter referred to as 'Official Accountable') will be primarily responsible for ensuring compliance with this Supplier Code.

## 5. Declaration and Disclosures under Supplier Code of Conduct

- i. The Supplier Code necessitates declaration (Refer *Appendix A*) by authorised representative of Third Parties of having read and understood the Supplier Code.
- ii. Further, a full disclosure is also expected from each Third Party of any potential conflict of interest etc. in the prescribed format (Refer *Appendix B*).

Declaration and disclosures from the Third Party should be obtained as per the following:

**New Third Party:** Only declaration (*Appendix A*) to be obtained along with joining forms as per Third Party Management Policy.

**Existing Third Party:** Declaration and disclosures should be obtained from all existing Third Parties within 3 months from Supplier Code implementation date.

It is mandatory to take disclosures and declaration from the following:

- High risk Third Parties
- Moderate and low risk Third Parties





Official Accountable may decide to take disclosures and declaration from other existing Third Parties (*where it is not mandatory to take disclosures and declarations*) on the basis of other parameters such as nature of business etc.

The declarations once received shall be valid for 12 months for high risk Third Parties and 24 months for moderate and low risk Third Parties. Declaration should be renewed after this period.

In case of any deviations or exceptions to the above, approval of business head and Compliance Officer shall be obtained in writing stating clearly the reason for such a deviation and by when such deviation is expected to be addressed. The Compliance Officer must report to the group Ethics and Compliance Committee in case of repeated/serious non-compliances.

## 6. Review of Disclosures made by Third Party

- i. All purchase orders, quotation requirements and request for proposals should draw reference to the Supplier Code and procurement team is expected to widely share the contents of the Supplier Code with all the existing and potential Third Parties. The code shall also be available on the Company website for reference.
- ii. The Official Accountable under this Supplier Code shall diligently examine the disclosures made by the Third Parties and take remedial measures, wherever required, to ensure that all potential conflicts of interest are avoided and only the Third Parties with high level of integrity are allowed to enter and continue the business dealings with the Company.

## 7. General Guidelines

Third Parties have a responsibility to share this Supplier Code with all of its employees who may be engaged or expected to engage in conducting business activities with JBCPL and affiliates.

### **The Third Party shall maintain business integrity by**

- i. Conducting their business activities in compliance with all applicable laws and regulations including laws related to human rights such as child labor and forced labor laws.
- ii. Not engaging in any corrupt practices such as offering or accepting Kickbacks or Bribe of any kind to/from any Government Official or Employees / Director for the purpose of obtaining or retaining business or gaining any improper business advantage. Further the Third Parties shall read, acknowledge and adhere to the Company's Anti-Bribery and Anti-Corruption ("ABAC") Policy and not violate or cause its business partners to violate any applicable ABAC laws.
- iii. While exchanging Gifts or gratuities in cash, kind or gift cards including festive gifting and not making facilitation payments to any recipient on behalf of the Company especially for the purpose of expediting or facilitating the performance of a Government Official.
- iv. Not offering or sponsoring social entertainment for Employees and Directors.
- v. Providing samples of goods and services (other than the ones covered under schemes) only for the purposes of evaluation and the quantity provided shall be reasonable and matches to the purpose of the said activity.





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- vi. Sponsoring Employees' and Directors' travel, educational conference and seminars only for Legitimate Business Purposes that benefit the Company. All Third-Party sponsorships should be channeled as per the Company's ABAC Policy and no payment should be made in cash.
- vii. Not advertising or making a public announcement about the products or services of the Company unless prior written approval from the Compliance Officer is obtained and maintaining and making available records related to the business transaction with JBCPL as per applicable law and contractual requirements.
- viii. Demonstrating commitment that all contracting and purchasing procedures are in line with the Supplier Code and other relevant JBCPL policies.
- ix. Complying with applicable local and global trade compliances and sanctions laws. (disclosures/notifications/obtaining licenses and permits/adequate documentation, etc.)
- x. Consenting and participating during audits/assessment and extending all assistance to the Company and/or its representatives whom conducts the audit.

### **The Third Party shall respect JBCPL's confidentiality by**

- i. Following the applicable data privacy laws and remaining duty-bound to ensure protection of any information acquired in their business relationship with the Company.
- ii. Strictly abstaining from making any video and/or audio recording during any discussions or site show rounds, without obtaining prior written consent from Supply chain head.
- iii. Not sharing any confidential information of the Company without written consent from Official Accountable. Illustrative list of confidential information is per below:
  - a. Cost or pricing or volume information
  - b. Employee information
  - c. Information on operating systems and technology platforms
  - d. Intellectual property
  - e. Organization design or plans (operational as well as financial)

### **The Third Party shall disclose all potential sources of conflict of interest**

A conflict of interest exists when a Third Party's direct or indirect personal interests are inconsistent with or interfere with the best interests of JBCPL. To avoid such conflicts;

- i. The Third Party shall disclose any direct or indirect personal interests held by a trustee, officer or Employees / Director in the Third Party's enterprise
- ii. The Third Party shall disclose family relationship between a trustee, officer or Employee and any Director, officer or staff of the Third Party

Further, the Third Party shall not take advantage of any family/ social/ political affiliations to obtain favorable treatment or business opportunities and disclose such affiliations before entering into such business transaction.



**The Third Party shall at all times engage in fair trade practices and processes by;**

- i. Not taking any advantage of social/political connections or any other undue influence for favorable treatment in business transactions
- ii. Not engaging in cartelization and any other anti-competitive activities
- iii. Ensuring proper quality assurance of the products and/or services sold/rendered
- iv. Acting only on written purchase order from the Company and seek clarification from the supply chain department for deviations from such practice.

**The Third Party shall advocate whistle blower protection by;**

- i. Escalating misconduct, unethical or dishonest behavior by any Employee / Director or associate as per the Whistle Blower Policy.
- ii. Endeavoring to develop mechanisms to expose wrong practices being followed by Employees / Directors and other associates in business dealings. JBCPL shall ensure that such matters are handled in a fair and equitable manner.
- iii. Encouraging and providing such mechanism to its employees to report unethical or unlawful practices.
- iv. Co-operating with JBCPL's management in the investigation of reported allegations of fraud, unethical practices or non-compliance to law and regulation involving the Third Party or its employees and take corrective action where appropriate.

**8. Consequence of violation of Supplier's Code of Conduct by the Third Parties**

- i. The Third Party has the responsibility to share this Supplier Code with its employees who may be engaged or expected to be engaged in conducting business activities with JBCPL and its affiliates.
- ii. JBCPL shall deal with all infractions with fairness and impartiality. However, established failure to comply with the Supplier Code by any Third Party shall lead to suspension of any contract awarded to the Third Party and its blacklisting. Further any payments due to such Third Party as per the Company's books shall be released only after thorough investigation.
- iii. Any information about misconduct or unethical and dishonest behaviour reported under the Supplier Code shall be investigated as per the process laid down by the Company.
- iv. In the event, any Employee, Director, associate, consultant, contractor etc. is involved in or party to any violation of the Supplier Code, disciplinary action, that may include suspension, termination, claim for reimbursement to JBCPL for any losses or damages resulting from such violation, shall be taken in conjunction with the human resources department.
- v. The Official Accountable under this Supplier Code can take similar action against a Third Party suspected of violation of Supplier Code with due approval from the business head and Ethics and Compliance Committee except that in all such cases, dues for any goods and services received should be settled in due course of business.



- vi. Disciplinary action shall also be taken against the manager or the supervisor where such violation reflects inadequate supervision or lack of diligence regarding a violation of the Supplier Code.

## 9. Exception management

Any exception to this Supplier Code (other than the exceptions already defined in this Supplier Code) requires a written approval from the supply chain management head and Ethics and Compliance Committee along with a detailed explanation for seeking the exception.

## 10. Training and certification

Employees and Directors shall be adequately trained regarding the functioning of latest version of this Supplier Code. Employees and Directors shall attend periodic trainings and obtain internal certifications to attest their comprehension of the requirements of this Supplier Code.

## 11. Review and revision

This Supplier Code shall be reviewed and revised as and when deemed necessary by the Company.



**APPENDIX A – DECLARATION**

I, [Name of the authorized representative], the authorized representative of and on behalf of [Name of the vendor / Third Party], confirm the following:

- i. My company and/ or I (herein referred to as “we” or “us” or “our”) understand and agree to comply with
- ii. J B Chemicals & Pharmaceuticals Ltd. including domestic and international subsidiaries/affiliates/associates (“**Company**” or “**JBCPL**”) Anti-Bribery and Anti-Corruption Policy, Supplier Code of Conduct and Whistle Blower Policy (collectively, the “**Compliance Policies**”).
- iii. We understand the requirements and responsibilities in relation to the Compliance Policies and applicable regulations and agree to comply with them.
- iv. We have not paid, offered or promised to pay money or anything of value, on behalf of the Company, to:
  - a. Any Government Official (as defined in the Compliance Policies), to influence that Government Official or to secure an improper business advantage for the Company;
  - b. Any private entity or individual to influence that entity/individual to carry out any activity to secure an improper business advantage for the Company.
- v. We have not accepted or agreed to receive/ accept money or anything of value on behalf of the Company in exchange for any improper performance on our part to secure an improper advantage for us or any entity/individual connected to us.
- vi. We have not undertaken any activity, on behalf of the Company or by our own accord, which would cause the Company to violate any applicable Anti-Bribery, Anti-Corruption laws, or other applicable laws as detailed in the Compliance policies.
- vii. We understand that any violation of the Compliance Policies could be regarded as serious misconduct and may result in termination of the contract or initiation of legal action against us.
- viii. We have shared this Supplier Code of Conduct with all our employees who may be engaged or are expected to be engaged in conducting business activities with JBCPL and its affiliates

Signed: .....

Name:

Designation:

Authorized representative of:

Date:



**APPENDIX B- DISCLOSURES**

|   | Disclosure  |     |    |
|---|---|-----|----|
| 1 | Are you aware of any regulatory or legal violation by any of JBCPL's Employee, trustee, Director or officer while working for or on behalf of the Company   | Yes | No |
|   | If yes; please provide details  |     |    |
| 2 | Does any JBCPL Employee, trustee, Director or officer hold any direct or indirect interest in your Company?   | Yes | No |
|   | If yes; please provide details  |     |    |
| 3 | Do you or any of your trustee(s), director(s) or officer(s) or employee(s) have any family relationship with any of JBCPL's Employee(s), trustee(s), Director(s) or officer(s)?   | Yes | No |
|   | If yes; please provide details  |     |    |
| 4 | Are you related directly or indirectly with any political or socially influential personality?  | Yes | No |
|   | If yes; please provide details  |     |    |
| 5 | Have you or any of your trustee(s), director(s) or officer(s) ever been accused of corrupt practices such as Bribery or offering Kickbacks?   | Yes | No |
|   | If yes; please provide details  |     |    |
| 6 | Have you or any of your trustee, director or officer made any payments or offered any personal favors to a Government Official on behalf of JBCPL or any Third Party in violation of the JBCPL Anti-Bribery and Anti-Corruption policy?                             | Yes | No |
|   | If yes; please provide details  |     |    |
| 7 | Does any of the invoices or expense vouchers submitted by you or your organization to JBCPL include any payment for Bribe(s)/Kickback(s) or facilitation payment made to a Government Official or any Third Party for expediting work or obtaining business favors? | Yes | No |
|   | If yes; please provide details  |     |    |
| 8 | Have you ever engaged in or are part of an industry cartels or any other anti-competitive activities?   | Yes | No |
|   | If yes; please provide details  |     |    |
| 9 | Have any of your business partners black-listed you or withdrew business from you for other than competitive reasons?   | Yes | No |
|   | If yes; please provide details  |     |    |

