



## Supplier Code of Conduct

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Expectations from our business partners

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As we aim to improve the quality of life for millions of people around the world, we are driven by core values and principles. Through collaboration with suppliers, vendors, and third parties who share our commitment to excellence and align with our values, we endeavor to foster responsible business practices and champion the highest standards.

# OUR PURPOSE

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We are dedicated to upholding environmentally sustainable and ethically sound practices throughout our operations. This document provides an overview of our expectations for our suppliers and business partners engaged with us, working for us, or on our behalf. Beyond the fundamental requirement to adhere to the law and maintain integrity, these expectations form an integral part of our core commitment to collaborate exclusively with entities that share ethical standards aligned with ours.

Recognizing that each entity possesses its own set of values and policies, we acknowledge and respect your unique company ethos. Nonetheless, we urge you to familiarize yourself with our expectations and ensure that your policies align with ours. Our expectation is not only for suppliers to conduct their business responsibly and comply with relevant laws, rules, and regulations, but also to propagate these standards—or equivalent ethical business standards—throughout their supply chain. In cases where these standards may differ from local laws, we expect compliance with the latter while striving to uphold the principles outlined in this document.



# OUR OBJECTIVE

Our primary aim is to foster a more inclusive and respectful environment, prioritizing the well-being and dignity of our suppliers and their employees.



Conduct business ethically with integrity and ensure suppliers do the same.



Uphold internationally recognized human and employment rights of workers and treat them with dignity and respect.



Maintain a safe work environment and healthy employees.



Operate in an environmentally responsible and sustainable manner to minimize impacts on the environment.



Engage with the local community to understand their needs and incorporate their feedback into business operations.



Maintain business continuity and facilitate continuous improvement and compliance with these expectations.





## OUR CORE PRINCIPLES

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- ✓ Business Ethics and Compliance
- ✓ Human Rights and Employment Practices
- ✓ Health and Safety
- ✓ Environment
- ✓ Supporting Communities

# Business Ethics and Compliance

As an organization, integrity is an invaluable part of our success. We expect our Suppliers to partner with us with integrity and in an ethical manner. We expect our suppliers to meet all applicable laws and regulations and not tolerate, permit, or engage in bribery, corruption, or unethical practices.

## Anti Bribery and Corruption

- Prohibit all corruption, extortion and embezzlement practices. Under no circumstances suppliers shall grant or accept –any bribes, kickbacks or other illegal payments.
- Comply with all applicable anti-corruption laws, rules and regulations, such as the [Prevention of Corruption Act, 1988](#), [U.S. Foreign Corrupt Practices Act](#), and those enacted under the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

## Conflict of Interest

- Ensure that if the Supplier’s employee or his or her family member has a relationship with a Laurus Labs employee who can make decisions that will affect the supplier’s business, then the supplier must disclose these types of relationships to the Purchase department before entering negotiations.
- Avoid and manage conflicts of interest and notify all affected parties if an actual or potential conflict of interest arises.

## Anti Money Laundering

- Ensure robust processes are in place to prevent the introduction of illicit funds into the legal economic cycle, or otherwise conceal the source or destination of funds.
- Strive to combat the financing of terrorism and report any incident to Laurus Labs, regardless of materiality

## Fair Competition

- Conduct business consistent with fair and vigorous competition and in compliance with all applicable antitrust laws.
- Engage only in fair business practices, including accurate and truthful advertising. Comply with applicable trade regulations, including but not limited to licensing requirements, boycotts, embargoes, and other trade restrictions imposed by recognized authorities.

## Trade Sanctions

- Adhere to relevant national and international export control laws, trade regulations, and economic or financial sanctions or embargoes that are applicable to them.
- Maintain comprehensive and accurate import/export records in accordance with applicable regulations.

## Data Privacy, Confidentiality and Information Protection

- Ensure that you operate in a manner that is consistent with applicable data protection/privacy laws for the protection and security of all information, including personal information, which refers to any information associated with an identifiable individual person
- Ensure that you maintain a confidentiality agreement or non-disclosure agreement if you foresee any confidential information to be shared.
- Report any incidents or breaches promptly and address to ensure the continued security of data.

# Business Ethics and Compliance

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## Product Quality and Safety

- Maintain the highest standards of product quality and patient safety. Adherence to Good Manufacturing Practices (GMP) and other relevant quality standards is mandatory to ensure the integrity of products supplied to Laurus Labs.

## Animal Welfare

- Adhere to rigorous standards in animal welfare, ensuring that any activities involving animals align with ethical guidelines, regulatory requirements, and industry best practices.

## Fraud Prevention

- Ensure robust policies, procedures and controls are in place to prevent fraud, theft, and financial misstatement, and report such incidents immediately to Laurus Labs, regardless of materiality.

## Insider Trading

- Prohibit insider trading, which involves the use of confidential information for personal financial gain. This prohibition extends to all individuals associated with the supplier who may have access to privileged information.
- Engage in discussions with competitors when there's a valid business reason and ensure it doesn't limit competition, sticking to public or non-proprietary information.

## Intellectual Property

- Respect and uphold all relevant intellectual property laws and regulations. This includes safeguarding Laurus Labs' proprietary information, patents, trademarks, and copyrights.
- Encourage collaboration on innovations while respecting the confidentiality and ownership of intellectual property. Any unauthorized use or infringement of intellectual property rights is strictly prohibited.

## Avoid relationships with Anti social forces

- Ensure that you do not engage with any anti social forces of organizations

# Human Rights and Employment practices

We are committed to creating and sustaining a working environment where workers are treated with dignity and respect. We require our suppliers also to adopt and enforce similar workplace code of conduct. Where local laws dictate any additional requirements, those will be applicable along with the requirements mentioned herewith.

## Respectful treatment and equal opportunity

- Encourage a workplace culture of inclusion, diversity, and equal opportunity that is free from any form of discrimination, and make sure you do not tolerate or condone discrimination based on legally defined protected characteristics.
- Ensure that the workplace is free from any form of discrimination, or preference based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, maternity or marital status.
- Ensure decisions about recruitment, reward, development, and promotion must be made solely based on a person's ability, experience, behavior, work performance, and/or demonstrated potential in relation to the job.
- Ensure that you adopt a Prevention of Sexual Harassment Policy

## Freely chosen employment

- Ensure every employee has a written contract (or letter) of employment with each employee in a language they understand.
- Avoid imposing recruiting or hiring fees which gives rise to the risk of employees being indebted to suppliers or working for suppliers to pay off the debt.
- Prohibit using forced, bonded, or indentured labor, including involuntary prison labor. Prohibit any slavery or any type of human trafficking.
- Ensure that all employees are free to leave the supplier's premises at the end of their shifts or rotation and accommodation is provided, if any.
- Prohibit employees from lodging money deposits with the supplier, nor does the supplier instruct its personnel or agents to retain employees' travel documents or identity cards.

## Freedom of association and collective bargaining

- Resolve workplace and compensation issues through open communication and direct engagement with workers.
- Respect the rights of workers, as defined in applicable laws, to associate freely, join or not join labor unions, seek representation, and join workers' councils.
- Create and maintain a culture where workers are encouraged to communicate openly with management about working conditions, without threat of retaliation, intimidation, or harassment.

### References :

- [https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinessshr\\_en.pdf](https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinessshr_en.pdf)
- <https://www.un.org/en/about-us/universal-declaration-of-human-rights>
- <https://www.ilo.org/declaration/lang--en/index.htm>



# Human Rights and Employment practices

## Working Hours and Compensation

- Practice that the maximum working hours in a week should not - on a regular basis - exceed 48 hours, with a maximum of 60 hours per week, including overtime, unless it is permitted as per applicable laws and regulations.
- Ensure regularly and timely payment of wages. Base wages, excluding overtime payment and bonuses, along with employment benefits, should be provided on a competitive basis for employees to cover the basic needs of themselves and their direct dependents, and at the least adhere to minimum wages and legally mandated benefits.
- Ensure workers are entitled to at least one day off per week and are given reasonable breaks while working with sufficient rest periods between shifts. For off-shore workers, leave and rest periods should follow applicable regulations and relevant collective agreements.

## Child Labour and Young Workers

- Prohibit from employing child labor. The engagement of young workers below the age of 18 should be limited to non-hazardous work, and such employment must comply with the legal age for employment in the respective country or the age set for completing compulsory education.
- Ensure that employees, including trainees, under the age of 18 do not undertake night work or work overtime or carry out work that is hazardous or harmful to their physical or mental development.
- Request candidates to provide copies of birth certificates or other official forms of identification to verify their age prior to employment.
- Establish and enforce a clear written policy or guidelines defining what tasks at supplier's operations are prohibited as hazardous or harmful to the health, safety or morals of employees.

## Conflict Materials

- Promote responsible raw material supply chains and comply with all applicable laws and international standards pertaining to minerals.
- Ensure that products supplied to Laurus Labs do not contain minerals derived from conflict regions that directly or indirectly finance or benefit armed groups and cause or foster human rights abuse.
- Maintain thorough documentation and disclose any utilization of conflict minerals in any of the products. Suppliers shall comply with:
  - [EU Conflict Minerals Regulation \(EU\) 2017/821 and respective local implementing legislation](#);
  - [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas](#).

### References :

[Minimum Age Convention - 138](#)

[Worst Forms of Child Labour Convention- 182](#)

# Health and Safety

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We are committed to maintaining a safe work environment, healthy employees, and protecting the planet. We expect our suppliers to comply with all the applicable health, safety, and environmental rules and regulations and create a workplace that encourages the highest standards of health and safety.

## Worker Protection

- Ensure safe workplaces for all employees. Employees shall be provided with appropriate personal protective equipment. Employees shall be adequately protected from overexposure to chemical, biological and physical hazards as well as physically demanding tasks.
- Provide adequate technical training to prevent accidents and work-related illnesses in the best possible way.
- Comply with the occupational health and safety obligations applicable under the law of the place of employment and ensure safe workplaces for all employees

## Process Safety

- Establish and implement procedures to effectively prevent or respond to the catastrophic release of chemical or biological agents.
- Effectively communicate, disclose, and manage hazards inherent in their processes and products to ensure that affected or potentially affected people are protected. Likewise, major incidents shall be analyzed and communicated in a timely manner.

## Emergency Preparedness and Response

- Ensure that you have identified and assessed emergency situations that could arise in the workplace and in any company-provided living quarters.
- Minimize the impact of such situations by putting emergency plans and response procedures in place.
- Make information available about risks associated with safety, health, and the environment, including chemicals, and other potentially hazardous materials, and use the information to train and protect people and manage risks.
- Establish a Business Continuity Plan (BCP) that includes risk assessments of threats e.g. disease, earthquakes, floods and fires

# Protection of the Environment

We are dedicated to minimizing the adverse environmental impacts of our business and expect the suppliers to do the same. We expect our Suppliers to adhere to our standards on environmental protection and work towards the following objectives while transparently reporting on their efforts:

## Environmental Authorizations and Reporting

- Comply with or exceed all applicable environmental regulations, including obtaining all required environmental permits, and licenses, information registrations, and following operational and reporting requirements.
- Understand the environmental impact of products and services and provide data as requested to allow us to report on our environmental footprint such as energy consumption, water consumption, waste generation

## Resource Consumption

- Focus on optimizing resource usage and consider making technological modifications and implementing practices such as rainwater harvesting, reuse of water, etc. to leave a better environmental footprint
- Take steps to conserve water, energy, and other natural resources, continuously improving efficiency and reducing resource consumption
- Protect biodiversity and preserve flora and fauna

## Waste Management

- Work in a way that, as far as practical, avoids the use of hazardous materials minimizes generation of waste through elimination, reuse, and/or recycling; and avoids emissions of greenhouse gasses from refrigeration systems (for example, HFCs) and production processes (for example, solvents).
- Control or treat any emissions to air, water, and land to minimize or eliminate the risk of adverse effects on people or the environment.
- Make sure you have systems in place to ensure the safe handling, movement, storage, disposal, recycling, reuse, or management of waste, air emissions, and wastewater discharges.
- Eliminate the use of non-critical single-use plastic in your operations. Avoid buying single-use plastic products such as straws, stirrers, cutlery, and plates

# Protection of the Environment

We are dedicated to minimizing the adverse environmental impacts of their business and expect the suppliers to do the same. We expect our Suppliers to adhere to our standards on environmental protection and work towards the following objectives while transparently reporting on their efforts:

## Climate Action

- Understand and work to minimize greenhouse gas emissions from your own operations and through your value chain.
- Maximize the use of energy from renewable sources and consider making a commitment to reduce greenhouse gas emissions from its operations.

## Palm Oil

- Consider having certification from the Roundtable on Sustainable Palm Oil (RSPO) or a comparable certification such as the Malaysian Sustainable Palm Oil (MSPO), if palm oil and/or palm-based products or derivatives are used in the production of materials.
- Ensure or work towards traceability of their plantations and report information to Laurus Labs on palm oil material origin, including traceability to mill and plantation



# Supporting Communities

We expect our Suppliers actively engage with local communities where they operate and Encourage participation in community events, initiatives, and projects that contribute to the well-being of the community

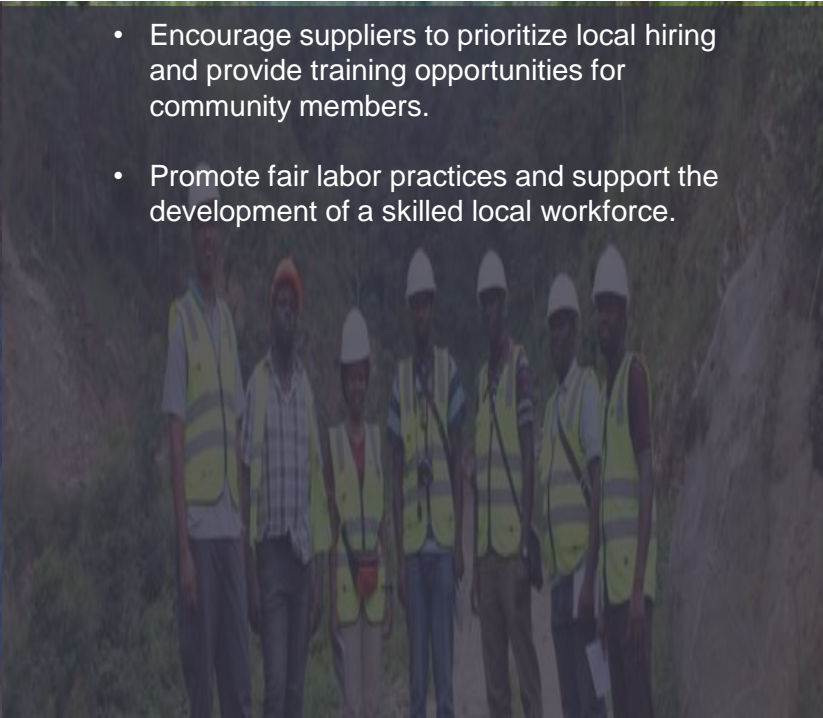
## Social Responsibility

- Suppliers should develop and implement social responsibility programs that address local community needs.
- These programs may include education, healthcare, environmental conservation, or other relevant initiatives.
- Support suppliers in developing partnerships with local non-profit organizations to address community needs.



## Local Employment

- Encourage suppliers to prioritize local hiring and provide training opportunities for community members.
- Promote fair labor practices and support the development of a skilled local workforce.



## Cultural Sensitivity

- Respect and appreciate the cultural diversity of the local community.
- Ensure that business activities do not negatively impact local customs, traditions, or heritage.



# Our Management System

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We expect our suppliers to maintain business continuity and facilitate continuous improvement and compliance with these expectations.

Our suppliers shall establish and maintain appropriate management systems related to the content of this Code of Conduct, and they should actively review, monitor, and modify their management processes and business operations to ensure they align with the principles set forth in this Code of Conduct.



## Commitment and Accountability

Allocate appropriate resources and identify senior personnel accountable for meeting the expectations stated in this document.



## Risk management

Establish mechanisms to identify, assess, and manage risks across all areas covered in this code.



## Documentation

Maintain documentation necessary to demonstrate conformance with these standards and compliance with applicable regulations.



## Training and Competency

Implement a training program that ensures an adequate level of knowledge, skills, and abilities for both management and workers to meet the expectations outlined in the code.



## Assessment and Continual Improvement

We reserve the right to audit our suppliers or engage a third party to audit on our behalf with or without notice to ensure compliance with the standards in this Code. Any findings inconsistent with this Code must be promptly corrected. In situations where the suppliers fails to meet these standards and cannot agree or implement on an improvement/corrective action, Laurus reserves the right to reconsider the supplier.

# Reporting Concerns

- Encourage everyone in the workplace (including your own third parties) to report any concerns, illegal activities, or lapses in meeting these expectations.
- Make sure your workplace culture encourages open communication without threat or fear of retaliation, intimidation, or harassment.
- Adopt a whistle blower policy to promote responsible and secure whistle blowing.
- Promptly escalate any issues or concerns to your business contact at Laurus Labs.



**THANK YOU!**

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