



**UNICHEM**  
LABORATORIES LTD.

# **CODE OF BUSINESS CONDUCT & ETHICS**

<b>Approved by:</b>	<b>Board of Director</b>
<b>Effective date:</b>	<b>21<sup>st</sup> October 2016</b>





## **1. INTRODUCTION**

This code of business conduct and ethics (the “code”) is intended as an overview of the company’s guiding principles and not as a restatement of company policies and procedures. The code cannot and is not intended to cover every applicable law or provide answers to all questions that might arise; for that we must ultimately rely on each person’s good sense of what is right, including a sense of when it is proper to seek guidance from others on the appropriate course of conduct. Employees should refer to the confidential and proprietary policies contained in the employee manual for a description of the policies and required reporting procedures applicable to them. This code is a statement of goals and expectations for individual and business conduct. It is not intended to and does not in any way constitute an employment contract or assurance of continued employment, and does not create any rights for any employee, client, supplier, competitor, shareholder or any other person or entity. Our ethics are ultimately determined by all of us as we do our daily jobs. Our standard has been, and will continue to be, that of the highest ethical conduct.

## **2. SYSTEMS AND SOPS**

A system is defined as the organisational structure, responsibilities, processes, procedures and resources for implementing various management directives. Such systems are supplemented with written SOPs to ensure the quality and reliability enshrined in our logo, which is the hallmark of our business. SOPs establish a systematic way of doing work and ensure that work is done consistently by all persons required to perform repetitive tasks.

Each employee is responsible for ensuring that his/her work processes are efficient and continually improving. The management will provide training and an appropriate motivating environment to foster teamwork, both within and across organisational units, for employees to improve organisational effectiveness. It is the company’s topmost priority to implement and maintain quality assurance and quality control systems with written SOPs to ensure that stated business objectives are met.

Therefore, any attempt to disrupt the laid down systems or an infringement of any nature pertaining to the SOPs will be viewed seriously. Under any circumstances, issues like data fudging, fiddling with data integrity, tampering with data or any such or similar attempt or malpractices threatening the basic core principle of our business



and affecting the health and safety of humanity will not be tolerated, and the same will be treated as an unpardonable act with the strictest of possible measures taken against such employees.

### **3. OBEYING THE LAW**

Unichem strives to be a good corporate citizen in every country and community where it conducts business and complies with all applicable laws and regulations.

### **4. DUTIES OF THE INDEPENDENT DIRECTOR**

Independent directors shall:

1. Undertake appropriate induction programmes and regularly update and refresh their skills, knowledge and familiarity with the company;
2. Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
3. Strive to attend all meetings of Board of Directors and Board committees of which they are members;
4. Participate constructively and actively in the Board committees in which they are chairpersons or members;
5. Strive to attend the general meetings of the company;
6. Ensure that concerns about the running of the company or a proposed action are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
7. Keep themselves well informed about the company and the external environment in which it operates;
8. Not unfairly obstruct the functioning of an otherwise proper Board or committee;
9. Pay sufficient attention and ensure there is adequate deliberation before approving related party transactions and assure themselves that the same are in the interest of the company;
10. Ascertain that the company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such a mechanism are not prejudicially affected on account of such use;
11. Report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;



12. Acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such a disclosure is expressly approved by the Board or required by law.

## **5. BUSINESS PARTNERS**

Unichem is committed to establishing mutually beneficial relations with customers, suppliers, shareholders, employees and the society at large. Each director, officer and employee of the company shall deal fairly with the business partners of the company.

## **6. CUSTOMERS**

Unichem is committed to providing products and services which are efficacious and safe for their intended use. Products and services are appropriately labelled, advertised and communicated.

## **7. SUPPLIERS**

Suppliers and vendors should be treated in a fair and reasonable manner without undue favour or bias consistent with applicable laws and good business practices.

## **8. EMPLOYEES CONFIDENTIAL INFORMATION**

The company's trade secrets, proprietary information, and other internal information are valuable assets. Protection of this information plays a vital role in the company. It shall be a breach of ethics for any directors, officers, employees or former directors, officers and employees of Unichem to use any confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.

A person leaving the employment of the company has an obligation to protect the company's trade secrets and proprietary information until the information becomes publicly available or until the company no longer considers it a trade secret or proprietary. Departing team members should note that correspondence in any form – printed matter, software files and programs, documents, or records of any kind are all property of the company and must remain with the company.

Unichem recognizes trade secrets of others and discourages divulging such information.



**9. TRUST AND RESPECT**

Unichem is committed to a working environment in which there is mutual trust and respect, and where everyone feels responsible for the performance and reputation of the company.

**10. WORKING CONDITIONS**

Unichem is committed to safe, healthy and non-exploitative working conditions for all employees. Specifically, we do not use any form of child labour.

**11. CONFLICTS OF INTEREST**

Directors, officers and employees being 'agents' of shareholders of Unichem have a duty to avoid conflict of interest with the company.

**12. USE OF INSIDE INFORMATION**

It is the company's goal to protect shareholder investments through strict enforcement of prohibition against insider trading set forth in Securities Exchange Board of India guidelines and the securities laws and regulations. Insider trading is both unethical and illegal and will be dealt with firmly. To review the policy and for specific employee reporting procedures, employees should refer to the company's policy regarding code on insider trading.

**13. PROTECTION AND USE OF COMPANY ASSETS**

Company assets including intellectual property and software are valuable resources owned, licensed, or otherwise belonging to the company. Safeguarding company assets is the responsibility of all directors, officers and employees.

**14. ACCOUNTING PRACTICES**

It is the policy of Unichem to fully and fairly disclose the financial condition of the company and communicate events or developments that significantly impact the financial position in compliance with applicable accounting principles, laws, rules and regulations.

**15. ANTI-CORRUPTION POLICY FOR VENDORS**

Unichem strives to maintain high ethical standards and has adopted policies that require its employees and vendors to comply with all applicable anti-corruption laws



and regulations, both, foreign and domestic. Violation of such laws may include, but are not limited to:

- (a) Directly or indirectly giving and/or offering, promising, or authorizing the giving of anything of value to government officials, agents, employees or political parties (including political candidates) to influence or induce to influence on any act or decision of such individual or entity or to secure any improper advantage in order to obtain or retain business for or with Unichem, its vendors or agents, and
- (b) Failing to properly, fully and correctly record all expenditures undertaken on behalf of Unichem, its vendors or agents.

## **16. HR POLICIES**

The company has developed various HR and administrative policies. All officers and employees will adhere to these policies.

## **17. SHAREHOLDERS**

Unichem is committed to conduct its operations in accordance with principles of good corporate governance.

## **18. SOCIETY AT LARGE**

Unichem ensures that its operations do not have an adverse environmental fallout while pursuing the long-term goal of developing a sustainable business. Unichem complies with all statutory and other legal requirements relating to the environmental impacts of their business.

## **19. SAFETY AND HEALTH**

Unichem ensures safety and health of people, and protection of property and the environment while performing their professional duties and exercises its obligation to advise employees, clients, or appropriate authorities about the hazards to people, property or the environment.

## **20. COMPLIANCE**

Compliance with these principles is an essential element in our business success. The Board of Directors and corporate officers of Unichem are responsible for ensuring that these principles are communicated to, and understood and observed



by all employees. Day-to-day responsibility is delegated to the senior management of all regions and operating companies. They are responsible for implementing these principles and if necessary through more detailed guidance tailored to local needs. Assurance of compliance needs to be obtained and monitored each year.

**21. DUTY TO REPORT AND CONSEQUENCES**

Every director, officer and employee has a duty to adhere to the Code of Business Conduct and Ethics and all existing company policies, and report to the company any actual or suspected violation in accordance with applicable procedures. Employees shall report suspected violations of company policies contained in the employee manual by following the reporting procedures for that specific policy. All other suspected violations of the code must be reported to that party or telephone number stated in the code. If no specific reporting procedures are stated, the violation must be reported to the Legal Department in India on +91 (22) 66474100. The company forbids retaliation against employees who report violations of the Code of Business Conduct and Ethics in good faith.

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