



PANACEA BIOTEC LIMITED

BUSINESS RESPONSIBILITY POLICY

Approved by: Board of Directors

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PANACEA BIOTEC LIMITED

BUSINESS RESPONSIBILITY POLICY

1. PREAMBLE AND OBJECTIVE

The Securities and Exchange Board of India (“SEBI”) on September 02, 2015 has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) effective from December 01, 2015.

On December 26, 2019, SEBI notified SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019 to be effective from December 26, 2019. Vide this notification, SEBI has amended Regulation 34 of the SEBI LODR Regulations, thereby requiring top 1,000 (one thousand) listed companies based on market capitalization (calculated as on March 31 of every financial year) to include Business Responsibility Report as a part of its Annual Report.

Panacea Biotec Limited (the “Company”) being one of the top 1,000 (one thousand) listed company based on market capitalization calculated as on March 31, 2019, as per the criteria mentioned above, has approved and adopted this Business Responsibility Policy (the “Policy”) at its meeting held on November 11, 2020, being the effective date of the Policy.

This Policy is based on principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business published by the Ministry of Corporate Affairs, towards conducting business by a company. The Company has prepared a Policy Manual consisting of “policy statements” across the nine principles as mentioned in the aforesaid National Voluntary Guidelines.

This Policy shall be in addition of and in furtherance to, the existing Policies and Code of Conduct of the Company.

The Policy is applicable to all directors, employees and other relevant stakeholders of the Company.

2. DEFINITIONS

2.1 **“Board” / “Board of Directors”** means the Board of Directors of Panacea Biotec Limited.

2.2 **“Company”** means Panacea Biotec Limited.

2.3 **“Policy”** means Business Responsibility Policy.

2.4 “**SEBI LODR Regulations**” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any subsequent amendment or modification thereof.

3. IMPLEMENTATION OF THE POLICY

The Managing Director of the Company shall be responsible for the implementation of the Policy. The Managing Director may take support of such functional heads and internal and external experts, which he may deem fit, for the effective implementation of the Policy.

4. POLICY MANUAL

Company believes that the business excellence can be achieved only by doing business on sound sustainability principles that address the dimension of good governance as well as environmental and social responsibility. The Company has prepared a Policy Manual consisting of “policy statements” and all the relevant stakeholders shall be informed about this policy manual by publishing it on the website of the company.

Policy 1: Ethics, Transparency and Accountability

Policy Objectives

The Company is committed to adhere to the highest standards of ethics in all spheres of its business activities. The Board of Directors and senior management team strive and endeavor to set examples of utmost ethical behaviour. The Company has also implemented a Vigil Mechanism policy across the organisation to encourage reporting of unethical behaviour, actual or suspected fraud, unlawful or inappropriate activities and to act in accordance with the highest standards of integrity. The Company believes in free and open competition and not indulges in any anti-competitive or unfair practice or abuse its dominant position in the market.

Principles of the Policy

- i. The Company should develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain.
- ii. The Company should communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
- iii. The Company should not engage in practices that are abusive, corrupt, or anti-competitive.
- iv. The Company should truthfully discharge its responsibility on financial and other mandatory disclosures.
- v. The Company should report on the status of its adoption of these Guidelines as suggested in the reporting framework in this document.

- vi. The Company should avoid complicity with the actions of any third party that violates any of the principles contained in these guidelines.

Policy 2: Product Life Cycle Sustainability

Policy Objectives

The Company aims to promote a culture where all efforts are directed towards providing good quality and safe products to all our customers. The Company also endeavour to provide a safe environment for all stakeholders at our premises.

Principles of the Policy

- i. The Company should assure safety and optimal use of resources over the life-cycle of the product – from design to disposal – and ensure that everyone connected with it - developers, producers, value chain members, customers and recyclers are aware of their responsibilities.
- ii. The Company should raise the consumers’ awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition, and promotion of safe usage and disposal of their products and services.
- iii. In choosing the product, the Company should ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
- iv. The Company should regularly review and improve upon the process of research and development, deployment and commercialization incorporating social, ethical and environmental considerations.
- v. The Company should recognize and respect the rights of people who may be owners of traditional knowledge and other forms of intellectual property.
- vi. The Company should recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore promote sustainable consumption, including recycling of resources.

Policy 3: Employee Well-being

Policy Objectives

The Company endeavors to ensure the well-being of all its employees and promotes a safe and healthy business environment across all its offices and business locations. The Company believes in giving its employees ample opportunities so that they shall be motivated, result oriented and committed to achieve excellence in their domain. The Company endeavors to respect the dignity and freedom of its employees without any discrimination.

Principles of the Policy

- i. The Company should respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.
- ii. The Company should provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
- iii. The Company should not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- iv. The Company should take cognizance of the work-life balance of its employees, especially that of women.
- v. The Company should provide facilities for the well-being of its employees including those with special needs.
- vi. The Company should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
- vii. The Company should provide a workplace environment that is safe, hygienic and humane, and which upholds the dignity of the employees.
- viii. The Company should communicate this provision to their employees and train them on a regular basis.
- ix. The Company should ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis.
- x. The Company should promote employee morale and career development through enlightened human resource interventions.
- xi. The Company should create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

Policy 4: Stakeholders Engagement

Policy Objectives

The Company values all its stakeholders and believes in the principle that the interest of all stakeholders must be protected and at the same time, the Company must be responsive towards them, especially those who are disadvantaged, vulnerable and marginalised, and will continue its engagement with them through various mechanisms to identify their concerns and build effective communication.

Principles of the Policy

- i. The Company should systematically identify their stakeholders, understand their concerns, define purpose and scope of engagement, and commit to engaging with them.
- ii. The Company should acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.

- iii. The Company should give special attention to stakeholders in areas that are underdeveloped.
- iv. The Company should resolve differences with stakeholders in a just, fair and equitable manner

Policy 5: Human Rights

Policy Objectives

The Company seeks to conduct business in a manner that respects the rights and dignity of each and every individual associated with the Company. In this regard, the Company encourages a work place environment which is free from any kind of human rights violation and the Company is committed to respect fundamental human rights in our operations, our value chain, and in the communities where we operate.

Principles of the Policy

- i. The Company should understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights.
- ii. The Company should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
- iii. The Company should integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations and ensuring all individuals impacted by the business have access to grievance mechanisms.
- iv. The Company should recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
- v. The Company should, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
- vi. The Company should not be complicit with human rights abuses by a third party.

Policy 6: Environment

Policy Objectives

The Company values its natural surroundings and is committed towards protection and preservation of environment and natural resources. The Company undertakes all its operations with a high concern and sincerity for environment and its surroundings as well as the safety and health of people. The Company has dedicated Environment & Occupational Health and Safety (EOHS) department and also engages the services of consultant for independent evaluation of EOHS activities. The Company takes concerted efforts towards exploring recycling options, waste management, energy efficiency and conservation to minimize the overall environmental impact.

Principles of the Policy

- i. The Company should utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
- ii. The Company should take measures to check and prevent pollution. The Company should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
- iii. The Company should ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
- iv. The Company should continuously seek to improve its environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
- v. The Company should develop Environment Management Systems (EMS) and contingency plans and processes that help in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to its operations or that of a member of its value chain.
- vi. The Company should report its environmental performance, including the assessment of potential environmental risks associated with its operations, to the stakeholders in a fair and transparent manner.
- vii. The Company should proactively persuade and support its value chain to adopt this principle.

Policy 7: Policy Advocacy

Policy Objectives

The Company endeavours to interact with Government / Regulatory Authorities for the betterment of public policies and support issues such as fair and transparent business practices, inclusive growth, social responsibility and environmental stewardship in a responsible manner.

Principles of the Policy

- i. The Company, while pursuing policy advocacy, must preserve and expand public good and shall not advocate any policy change to benefit the Company or select few alone.
- ii. To the extent possible, Company should utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

Policy 8: Inclusive Growth

Policy Objectives

The Company has always believed to ensure protection of interests of all stakeholders of the Company at the same time maintaining healthy growth of the Company. Corporate Social

Responsibility (CSR) is intrinsic to its core values and the Company's CSR initiatives are aimed at spreading awareness on critical health issues including patients' awareness/ assistance programs for prevention, detection and management of critical diseases including cancer, renal diseases and diabetes thereby impacting the quality of life of Indians.

Principles of the Policy

- i. The Company should understand its impact on social and economic development, and respond through appropriate action to minimise the negative impacts.
- ii. The Company should innovate and invest in products, technologies and processes that promote the well-being of society.
- iii. The Company should make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
- iv. The Company should be sensitive to the local concerns while operating in regions that are underdeveloped.

Policy 9: Consumer Value

Policy Objectives

The Company acknowledges that no business can survive in the absence of customers and seeks to provide quality goods to all its customers. The Company shall continuously strive to provide such goods to its consumers in a manner that creates value for both. The Company shall not indulge in any unfair or disruptive trade practice that can in any way and at any stage while selling its products affect the right of freedom of choice of customers from the range of other competitive products available in the market.

Principles of the Policy

- i. The Company, while serving the needs of its customers, should take into account the overall well-being of the customers and that of society.
- ii. The Company should ensure that it does not restrict the freedom of choice and free competition in any manner while designing, promoting and selling its products.
- iii. The Company should disclose all information truthfully and factually, through labelling and other means, including the risks to the individual, to society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, the Company should also educate its customers on the safe and responsible usage of its products.
- iv. The Company should promote and advertise its products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.

- v. The Company should exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
- vi. The Company should provide adequate grievance handling mechanisms to address customer concerns and feedback.

5. DISCLOSURES

The Company shall disclose the Business Responsibility Policy on the website of the Company i.e. at www.panaceabiotec.com and web-link shall be provided in its Annual Report.

6. POLICY REVIEW AND AMENDMENTS

The Policy has been duly approved by the Board of Directors in its meeting held on November 11, 2020 and may be amended by the Board / Committee thereof at any time. The amendments made in this Policy from time to time shall be deemed to be applicable effective from the respective dates of applicability mentioned in this Policy. The Board / Committee shall periodically review this Policy and shall also have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. The Board / Committee may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

**Approved by
For and on behalf of Board**

**Sd/-
Mr. Soshil Kumar Jain
Chairman**

Place: New Delhi

Date: November 11, 2020