

*Syngene*

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# **Business Responsibility Policy**

## BUSINESS RESPONSIBILITY POLICY

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## Background

The Securities and Exchange Board of India (SEBI) vide Circular dated May 10, 2021, has made the Business Responsibility & Sustainability Report (BRSR) mandatory for the top 1000 listed entities by market capitalization with effect from FY23. The BRSR seeks disclosures from listed entities on their performance against the nine principles of the 'National Guidelines on Responsible Business Conduct' (NGRBC), published by the Ministry of Corporate Affairs. It is a significant step towards bringing sustainability reporting at par with financial reporting and ensuring that investors have access to standardized disclosures on ESG parameters.

This policy aligns with the suggested framework provided by the SEBI based on the NGRBC. It ensures the integration of the nine principles into the Company's core business strategy and operations. The policy underpins the Company's commitment to sustainable development by fulfilling its social, environmental and business responsibilities.

## Applicability and implementation

This policy is designed to ensure a common approach across the Company, its subsidiaries, and controlled affiliates. It applies to all the employees including contractual employees and to directors. The Company will embed the nine principles of NGRBC in its governance structure, practices, policies and procedures across all operations.

The MD & CEO of the Company is responsible for the implementation of the policy. This policy will be appropriately communicated within the Company across all levels and displayed on the Company's website.

The Stakeholders Relationship and ESG Committee of the Company is the reviewing authority of this policy, subject to the approval of the Board.

This policy outlines the Company's specific commitments and provides a roadmap for future ESG (Environmental, Social and Governance) activities.

## Key Principles

The guiding principles of NGRBC govern our business practices. The Company is committed to conducting its business activities in a responsible and sustainable manner, aligned with the nine NGRBC principles of business responsibility enlisted below.

***Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable***

- *This principle recognizes ethical behavior in all operations, functions, and processes and is the cornerstone of businesses guiding their governance of economic, social, and environmental responsibilities<sup>1</sup>.*
- *The principle emphasizes that disclosures on business decisions and actions that impact stakeholders form the fundamental basis of operationalizing responsible business conduct and should be accessible to all relevant stakeholders.*
- *It recognizes that businesses are an integral part of society and should hold themselves accountable for the effective adoption, implementation and the making of disclosures on their performance with respect to the core elements of these Guidelines.*

The Company upholds the above principle and is committed to the following:

- Conducting its business with the highest standards of ethics.
- Acting professionally, fairly, and with integrity in all its business dealings and not to engage in practices that are abusive or corrupt.
- Engaging and communicating transparently with all key stakeholders to understand their concerns and expectation. Not engaging in practices that are abusive, anti-competitive, or unfair.
- Truthfully discharging responsibility for financial or other mandatory disclosures
- Engaging with supply chain partners to help them understand our expectations from them on the 'right conduct' of business.
- Avoiding complicity with the action of any third party that violates any of the principles contained in these guidelines.
- Promoting that genuine concerns of misconduct/ unlawful conduct can be reported through a vigil mechanism. The Audit Committee reviews all such instances reported under the Vigil Mechanism. To maintain confidentiality, the Company has appointed an external agency to receive complaints and coordinate with the whistle-blower, if required.

***Principle 2: Businesses should provide goods and service in a manner that is sustainable and safe***

- *This principle recognizes that sustainable production and consumption are interrelated. This contributes towards enhancing the quality of life and protecting and preserving earth's natural resources.*
- *The principle further emphasizes that businesses should focus on safety and resource-efficiency in the design and manufacture of their products. The products and resources must be utilized in a manner that creates value while minimizing and mitigating its adverse*

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<sup>1</sup> The text in italics refer to the nine principles set out in the 'National Guidelines on Responsible Business Conduct'.

*impacts on the environment and society through all stages of its life cycle, from design to final disposal. The principle encourages businesses to understand material sustainability issues across their product life cycle and value chain.*

The Company endorses the above principle and reaffirms its commitment to the following:

- Working towards safe, sustainable, and optimal usage of resources over the life cycle of its products and services, including recycling and reusing resources wherever possible.
- Ensuring that the processes and technologies used are resource efficient and sustainable, while remaining cost effective.
- Regularly reviewing and improving upon the process of new technology development, deployment and commercialization, incorporating social, ethical and environmental considerations.
- Recognizing and respecting the rights of people who may be rightful owners of intellectual property.
- Ensuring operational excellence in our business activities and encouraging suppliers to aspire to the same standards in their business operations, including the quality of products and processes and environmental and safety practices.
- Ensuring compliance with the applicable laws.

***Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.***

- *This principle encompasses all policies and practices relating to equity, dignity and well-being and the provision of decent and hazard-free work and work environment to all employees engaged within a business or in its value chain without any discrimination. It recognizes that an employee's well-being extends to his/her family as well.*
- *The principle also promotes diversity irrespective of caste, creed, gender, race, religion, disability, or sexual orientation.*

The Company's workforce is a valuable resource and employee morale, engagement, productivity, knowledge and skills enable the Company to harness the power of science and serve its clients. Alongside its responsibility to provide a safe and hazard-free work environment for its employees, the Company also recognises the importance of employee well-being. The Company has a zero tolerance towards child labour, sexual harassment, and other human rights violation. The Company is committed to promoting the well-being of all employees and workers by:

- Providing and maintaining equal opportunities at the time of recruitment, separation, and during employment, irrespective of caste, creed, gender, race, religion, disability, or sexual orientation

- Providing access to grievance redressal mechanism\*
- Ensuring there is no use of child labour or forced labour
- Providing a work environment that is free from discrimination, exploitation, and harassment, including but not limited to sexual harassment
- Making all endeavours to instil a sense of duty in every employee, including those of service providers at the Company's premises, towards their personal safety, as well as that of their co-workers
- Providing facilities for the well-being of the employees
- Ensuring timely payment of fair living wages to meet the basic needs and economic security of the employees
- Providing a workplace environment that is safe, hygienic, humane, and upholds the dignity of employees
- Providing opportunities to employees to upgrade their skill sets relevant to their work profiles.

\*Note:

*Grievance Redressal Mechanism include channels wherein, employees, associates, trainees, and interns, can raise their concerns such as*

- Whistleblower Committee: To make protected disclosures of any actual or suspected incidents of unethical practices, violation of applicable laws & regulations including the Code of Ethics & Business*
- Prevention of Sexual Harassment Committee: To report matters related to sexual harassment in the Company*
- Grievance Committee: To report real or perceived concerns in relation to work, general administration, payroll/ reimbursements, or any other concern in relation to any existing policy which is raised by an employee (complainant) within scope of company defined policies.*

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

- *This principle recognizes that businesses operate in an eco-system comprising a number of stakeholders beyond shareholders and investors and that their activities impact natural resources, habitats, communities, and the environment.*
- *The principle acknowledges that businesses have a responsibility to maximize the positive impacts and minimize and mitigate the adverse impacts of its products, operations, and practices on all their stakeholders.*
- *It also emphasizes that it is the responsibility of businesses to ensure that the interests of all stakeholders are protected.*

The Company follows ethical practices and is committed to the following:

- Give access to Grievance Redressal Mechanism to all stakeholders.
- Being transparent about the impact of policies decisions, products & services and associated operations on the stakeholders.
- Resolving differences with stakeholders in an equitable manner.

## **Principle 5: Businesses should respect and promote human rights**

- *This principle recognizes that everyone, is entitled to human rights and that human rights are inherent, inalienable, interrelated, interdependent and indivisible.*
- *This principle is inspired, informed, and guided by the Constitution of India and the International Bill of Rights.*
- *The principle urges businesses to be especially responsive to such persons, individually or collectively, who are most vulnerable to, or at risk of such adverse human rights impacts.*

The Company promotes human rights by treating everyone with fairness and dignity and endorses its commitment to this principle by:

- Respect fundamental human rights of all stakeholders, keeping in mind the laws, the Constitution of India, and the International Bill of Human Rights.
- Integrating principles of human rights into management systems, by managing the human rights impacts of operations. Ensuring all individuals impacted by the business have access to a grievance mechanism.
- Promoting awareness on human rights across the value chain within the sphere of Company's influence
- Not being complicit with human rights abuses by any third party.

## **Principle 6: Businesses should respect and make efforts to protect and restore the environment.**

- *This principle recognizes that environmental responsibility is a prerequisite for sustainable economic growth and society's well-being.*
- *It emphasizes that environmental issues are interconnected at the local, regional, and global levels, which makes it imperative for businesses to address environmental issues in a comprehensive and systematic manner.*
- *This principle encourages businesses to assess the environmental impacts of products and services, across their operations and value chain and take steps to minimize and mitigate their adverse effects.*

The Company upholds the core elements of the above principle by supporting environment protection through using sustainable products and processes, reducing, reusing, and recycling waste, and adopting responsible initiatives and practices which extend to the supply chain. The Company affirms to:

- Utilize resources in a responsible manner and ensure the sustainability of resources by reducing, reusing, recycling, and managing waste.
- Take measures to prevent pollution.

- Continuously seek to improve the environmental performance by adopting cleaner production methods, promoting cost-effective, energy-efficient and environment friendly technologies, and using renewable energy.
- Develop an environmental performance management system, to mitigate the environmental risk that may arise from the operations.
- Assess the environmental risks associated with operations, take mitigation steps and report the environmental performance to the stakeholders in a fair and transparent manner.
- Encourage supply chain partners to adopt this principle.

***Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.***

- *This principle accepts that businesses operate within specified national and international legislative and policy frameworks.*
- *It recognizes the legitimacy of businesses to engage with governments on public policy.*
- *This principle emphasizes that public policy advocacy should expand public good.*

The Company endorses the above principle by committing to the following:

- Ensuring its advocacy positions are consistent with the principle.
- Being transparent on the public policy positions, utilizing, to the extent possible, trade and industry chambers and such other collective platforms to undertake policy advocacy.

***Principle 8: Businesses should promote inclusive growth and equitable development.***

- *The principle recognizes the societal and economic value of businesses. It encourages them to innovate and contribute to the overall development of the country with a specific focus on disadvantaged, vulnerable and marginalized communities, as articulated in Section 135 of the Companies Act, 2013 (Corporate Social Responsibility).*
- *The principle also emphasizes the need for collaboration amongst businesses, government, and civil society in furthering this development and reiterates that business success, inclusive growth and equitable development are interdependent.*

The Company supports inclusive growth and equitable development by:

- Promoting CSR activities as per the Company's CSR Policy.
- Understanding the impact of the Company's operations on social and economic development and minimizing adverse impacts, if any.
- Making best efforts to complement and support developmental priorities at the local and state level.



**Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner**

- *This principle is based on the fact that the primary aim of a business entity is to supply goods and services to its consumers that are safe to use, creating value for both.*
- *It acknowledges that customers have the freedom of choice in the selection and usage of goods and services and that the enterprises strive to provide products that are safe, competitively priced, easy to use and safe to dispose of, for the benefit of their customers.*
- *The principle also recognizes that businesses should play a key role, along with other relevant stakeholders, in mitigating the adverse impacts of excessive consumption of their products on the overall well-being of individuals, society, and our planet.*

The Company offers contract research, development and manufacturing services to other businesses. It does not provide services directly to consumers. The Company, however, supports the above principle in respect of its clients/customers by:

- Ensuring the overall well-being of the customers/clients and society.
- Managing customer/client data in a way that does not infringe upon their right to privacy
- Having adequate grievance-handling mechanisms to address customer concerns and feedback
- Enabling access to essential services, including to those whose services have been discontinued for any reason, in a non-discriminatory and responsible manner

**Policy Approval and Amendments**

This policy was initially considered, discussed, and approved by the Company's Board of Directors at its meeting held on April 26, 2023. Subsequently, after due discussion, the Board revised this policy at its meeting on April 24, 2024.

Any subsequent amendment/modification in the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, NGRBC and/ or other laws in this regard will automatically apply to this policy.

The Stakeholders Relationship and ESG Committee will review the policy from time to time as may be required, subject, however, to the condition that such alterations will not be inconsistent with any provision of law for the time being in force. Changes, if any, will be effective only upon approval by the Board.