

ALEMBIC LIMITED

POLICIES ON BUSINESS RESPONSIBILITY

Details of Adoption / Amendments to the Policy				
Policy Adoption / Change effective Date	Clause No.	Particulars of the Adoption / Change	Board of Directors Approval Date	Version of Policy
25 th May, 2020		Adoption of the Policy	25 th May, 2020	Original

1. INTRODUCTION:

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations, 2015”) which are applicable to all listed entity with effect from 1st December, 2015.

SEBI has vide notification No. SEBI/LAD-NRO/GN/2019/45 dated 26th December, 2019 amended the Listing Regulations, 2015 mandating the inclusion of Business Responsibility Report (BRR) as a part of the Annual Report for top 1000 listed entities (calculated as on March 31 of every financial year) based on market capitalization.

2. OBJECTIVE

The Company appreciates that the human rights are inherent, universal, indivisible and interdependent in nature and thus to ensure employees’ basic human rights are protected Company has laid down policy on human rights of its employees’.

3. APPLICABILITY

These policies shall be applicable to the Company with effect from F.Y. 2019-20. The Authorised Key Management Persons (KMPs) may further decide to apply the policies or principles thereof to such internal and external stakeholders as may be determined from time to time.

4. IMPLEMENTATION

The Company will endeavour to take its sustainability policies and initiatives beyond the boundaries of its manufacturing facilities / constructions sites and spread awareness amongst the relevant stakeholders.

The Authorised KMP’s (Mrs. Malika Amin, Managing Director & CEO, Mr. Rasesh Shah, CFO and Mr. Drigesh Mittal, Company Secretary) are jointly and severally responsible for implementing the Business Responsibility Policies. The Managing Director & CEO of the Company shall be head for Business Responsibility and will oversee the implementation of the policies.

5. BOARD APPROVAL

All the Business Responsibility Policies have been formulated by the management of the Company in consultation with the relevant stakeholders and are approved by the Board of Directors of the Company at its meeting.

6. POLICY AMENDMENT

The Authorised KMP's may amend or modify the Business Responsibility Policies in whole or in part, at any time.

PRINCIPLE – 1

ETHICS, TRANSPARENCY AND

ACCOUNTABILITY

Alembic Limited (“Alembic” or “the Company”) has in place a Code of Conduct (“Code”) to ensure compliance with legal requirements and business ethos and values. The Code requires that the Directors, Senior Management Personnel and Employees at all levels abide by the said Code of Conduct. The Company expects confirmation of compliance from its employees on periodic basis. The Code has been disseminated across the organization and is also made available on the Company’s website as well as on the local intranet. The Code also ensures good governance, ethical practices, transparency and accountability in conducting affairs of the Company and dealing with stakeholders across the value chain.

Policy

The Company’s conduct in all its sphere of activities while dealing with the internal and external stakeholders will endeavor adherence to the following:

1) Maintaining values

The Company will endeavor to promote its values as well as demonstrate its commitment to upholding its ethics principles wherever it operates in conjunction with business partners.

2) Business Integrity

The Company will endeavour not to do nor give or receive, directly or indirectly for business or financial gain, any financial inducement or improper advantage, or engage in any form of unethical conduct or exercise undue influence over any third party. The Company expects its employees not to indulge in giving extravagant, lavish or uncustomary gifts to the third parties, which may obligate or appear to obligate or inappropriately influence the recipient.

3) Anti-Corruption and Fair Competition

The Company expects its employees not to engage in or promote practices which are abusive, corrupt and anti-competitive. The Company is committed to competing fairly and complying with appropriate competition laws.

4) Equal Opportunities

The Company will provide equal opportunities to all its candidates/ employees and all qualified applicants for employment, without regard to their race, caste, religion, color, ancestry, marital status, sex, age and nationality.

5) Accuracy of records and disclosures

The Company shall make all reasonable efforts to vouch for completeness, validity and accuracy of the records, financial or otherwise and the validity of all information. It will make all reasonable efforts to ensure that all its public announcements are accurate, complete, fair, timely and understandable and comply with all applicable laws and regulations.

6) Transparent Communication and Access to Information

The Company will endeavor that all the requisite information is communicated in a transparent manner to all those who are concerned and are required to be informed about the same. The Company will also endeavor ease of access to information across the entire value chain which includes its external stakeholders.

7) Compliance

The Company will to the best of its ability comply with all the laws and regulations as applicable to its operations and will encourage everyone involved in its value chain to do the same.

8) Contractual Obligations

The Company will take its contractual obligations seriously and will make reasonable efforts to pay its suppliers, employees and others entitled to receive money from it, according to agreed contracts.

9) General

The Company will encourage all internal and external parties dealing with it to comply with the above mentioned principles and will try to avoid complicity with anyone that violates above principles.

PRINCIPLE – 2

PRODUCT SUSTAINABILITY

Being in the Pharmaceuticals and Real Estate industry, Alembic is committed to provide products that offer uncompromised quality. The Company continuously endeavours to use sustainably sourced ingredients in products and manufacture products based on internationally accepted standards of manufacturing.

The Company through this policy endeavors to provide sustainable products that will results into economic, social and environmental benefits while protecting health and environment over the product life cycle, from the extraction of raw materials until the final disposal.

Policy

- 1) To make all reasonable efforts to ensure that its products and services comply with all applicable statutes and regulations;
- 2) To work towards safe and optimal resource use over the life-cycle of its products, including recycling of resources wherever possible;
- 3) To work towards ensuring that all goods and services are procured, manufactured and delivered through a system embedding its policies in terms of labour practices, human rights, ethics, occupational health, safety and environment;
- 4) To sensitize all the value chain partners, namely the third party manufacturers (TPMs), service providers including transporters and suppliers of significant raw materials to fulfil their roles and responsibilities towards sustainability; and
- 5) To continue to progressively factor in environmental considerations during the process of development of products / services.

PRINCIPLE - 3

EMPLOYEES' WELL-BEING

Objectives

- To ensure employees are in good state of mental and physical health.
- To promote health awareness amongst employees of Alembic.
- To ensure safety of all employees.

Scope

This policy is applicable to the employees of Alembic Limited.

Policy

- All employees of the Company across all work levels will treat employees fairly and promote mutual respect.
- The Company and its employees will promote the chosen values of integrity, recognition, openness, ownership, collaboration and creativity.
- The Company will try to foster a work environment that is free from all types of harassment or stress.
- The Company will treat all employees fairly and all decisions of hiring, promotions, rewards and compensation will be impartial and done with established procedures.
- Employees will discuss concern areas immediately with their managers / Human Resources on work issues that cause them stress or negatively impact their wellness.
- The Company will respect the right to freedom of expression, participation and provide access to appropriate grievance redressal mechanisms.
- The Company will not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- The Company will endeavor to provide facilities for the wellbeing of its employees including those with special needs.
- The Company will ensure timely payment of fair living wages to meet basic needs and economic security of its employees.

- The Company will ensure continuous skill and competence upgrading of all employees by providing necessary learning opportunities, on an equal and non-discriminatory basis.
- The Company will promote employee morale and career development through appropriate performance management and development interventions.
- The Company will cover its employees through its group medical insurance policy.
- The Company shall endeavor to provide hygienic environment to its employees and it shall periodically take measures to make employees aware of health concerns through expert talks and programs that benefit employees.
- The Company will ensure that safety processes and procedures are made known adequately to all employees, right from date of joining.
- Safety of each employee and fellow co-workers will be regarded as a collective responsibility and all employees will follow safety measures laid down by the Company.
- The Company, through its laid down policy and procedures, will continuously promote and work towards improving environmental performance and conservation of energy.

PRINCIPLE – 4

STAKEHOLDERS ENGAGEMENT

Alembic believes that an effective stakeholder engagement process is necessary for achieving its goal of sustainable, scalable and inclusive growth. It is our intent to ensure appropriate and meaningful consultation throughout all components of our business.

Alembic is committed to:

- Being open and transparent with stakeholders;
- Providing accurate and timely information to stakeholders;
- Listening to and responding to stakeholder views and concerns.

Policy

Stakeholder engagement is an umbrella term encompassing a range of activities and interactions. Alembic accordingly anchors its stakeholder engagement on the principles of:

1) Stakeholder Identification and Analysis

Identifying stakeholders as well as their interests, level of expertise and level of influence is crucial for successful stakeholder engagement and for allocating Company resources as efficiently as possible.

While identifying the stakeholders, consideration to the economic, environmental and social impacts will be observed and accordingly objectives and parameters of engagement are set and identification and prioritization of stakeholders with whom to engage is made.

While identification and engagement with stakeholders is a continuous process, the Company has identified its key stakeholders and they inter alia include employees, shareholders, vendors, government, regulators and the communities in which the Company operates.

2) Information Disclosure

Communicate information to stakeholders early in the decision making process and in which that are meaningful and accessible.

3) Grievance Management

Establish accessible and responsive means for stakeholders to raise concerns and grievances and to work towards addressing these concerns in an equitable and transparent manner.

4) Reporting to Stakeholders

The process of reporting to stakeholders on their concerns will be done coherently and speedily in a just and fair manner by way of communicating effectively through several means including announcements, letters and other correspondences, website, annual reports, general meetings and updates.

PRINCIPLE – 5



HUMAN RIGHTS



Objectives

The Company appreciates that the human rights are inherent, universal, indivisible and interdependent in nature and thus to ensure employees' basic human rights are protected Company has laid down policy on human rights of its employees'.

Scope

This policy is applicable to the employees of Alembic Limited.

Policy

- In keeping with the Constitution of India, Laws, Policies and the International Bill of Human Rights, Alembic will observe and ensure that basic human rights of each employee are respected, valued and protected and all policies, practices, procedures and rules of the Company will be accordingly formed.
- The Company and all its employees will live the chosen values of integrity, recognition, openness, ownership, collaboration and creativity.
- All hiring decisions and benefit policies will ensure impartiality with the inherent ethos that all employees are equal irrespective of gender, caste, religion, region, etc.
- Penal actions against employees will follow the principles of natural justice and all such actions will be in accordance with relevant laws laid down.
- The Company will ensure that each employee is made aware of their basic rights and redressal mechanisms.
- The Company will continuously review practices, policies, programs to ensure that human rights of each of its employee remain protected and grievances in this respect are promptly addressed.
- The Company will 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.
- The Company will, within its sphere of influence, promote the awareness and realization of human rights across its value chain.
- The Company will not knowingly complicit with human rights abuses by a third party.

PRINCIPLE - 6

ENVIRONMENT

Alembic is a responsible and caring Company that is keenly aware of its duty to environment, health and safety. The Company considers the protection of the environment and insists on complying with all applicable environmental regulations. A clean & green environment is an absolute necessity and we endeavour this by using state of the art technology to sustain all our business operation. We are therefore committed to reducing our environmental impact and continually improving our environmental performance as an integral and fundamental part of our business strategy and operating methods. It is our priority to encourage our customers, suppliers and all business associates to do the same. Not only is this sound commercial sense for all; it is also a matter of delivering on our duty of care towards future generations.

Policy

Our core principles for protection of environment are:

- 1) As an environmentally responsible Company, we commit our self to take all reasonable initiatives towards utilization of natural and manmade resources in an optimal and responsible manner.
- 2) The Company has in place the mechanism to reduce, reuse and recycle and manage waste in its operation / processes for resource sustainability.
- 3) The Company shall endeavor to take measures to check and prevent pollution.
- 4) The Company will to the best of its ability, comply with all legal/regulatory requirements related to environment protection, management and sustainable development.
- 5) The Company will try to assess the environmental impact of any new processes or products we intend to introduce in advance.
- 6) The Company will try to identify hazardous process, asses its risk and determine appropriate control measures to minimize the impact on Environment.
- 7) The Company endeavors that the benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.

- 8) The Company will try to adopt cleaner production methods, promote use of energy efficient, environment friendly technologies and use of renewable energy.
- 9) The Company will try to initiate Environment Management Systems (EMS) and contingency plans and processes that will help in preventing, mitigating and controlling environmental damages and disasters.
- 10) The Company will make reasonable efforts to ensure that all the requisite information on environmental performance, including assessment of potential environmental risks associated with the Company's operations is communicated to all the stakeholders in a fair and transparent manner.
- 11) The Company encourages all internal and external stakeholders to comply with the above mentioned principles and avoid complicity with anyone that violates above principles.

PRINCIPLE - 7

ADVOCACY

Alembic believes that it is necessary to represent to and engage with authorities and industry bodies on various matters concerning the sector in which it operates. The Company's engagement with the relevant persons is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders.

Policy

Our core principles for policy advocacy are:

- 1) The Company will make reasonable efforts to ensure that its advocacy positions are consistent with the principles and core elements enhancing business responsibility and transparency.
- 2) The Company may, in the best interest of all stakeholders, provide inputs in policy making decisions to various governmental authorities and agencies which concern the business and as well as the society in general, either directly or through the trade and industry chambers and such other collective platforms.
- 3) The Company expects from its employees that policy advocacy is conducted ethically and is carried out in the best interest of diverse stakeholders.

PRINCIPLE – 8

COMMUNITY DEVELOPMENT

Community Development is not a new term for Alembic. Alembic Group has been proactively carrying out various community development activities since more than fifty years. Alembic Group has established, nurtured and promoted various Non - Profit Organisations focusing on three major areas – Education, Healthcare and Rural Development.

The Company has in place a Policy on Corporate Social Responsibility and is carrying out various CSR Activities from time to time. The Alembic Group of Companies has also established the Alembic CSR Foundation for carrying out Corporate Social Responsibility activities.

Policy

Our core principles for community development are:

- 1) Identification of the impact of the Company's operations on social and economic development and to minimize the negative impacts, if any on the same.
- 2) Innovation and investment in products, technologies and processes on continuous basis for the overall wellbeing of the society.
- 3) The Company endeavors to undertake various community development activities throughout India and inter alia assure development of communities living in the vicinity of its operations. The Company also endeavors that there is no disturbance to the communities living in the vicinity of its operations.
- 4) The Company will try to give priority to the needs and requirements of communities or area in the vicinity of the manufacturing facilities of the Company.

PRINCIPLE - 9



CUSTOMER VALUE



Customers are one of the most important stakeholders for any business. Alembic, being in the Pharmaceuticals and Real Estate industry acknowledges that our customers, who in many cases are either manufacturers of performance products which may eventually be used for manufacturing a product leading to direct or indirect consumption by humans and individuals purchasing residential or commercial units for their personal use in our Real Estate projects. We deeply believe that we are responsible in ensuring their well-being and providing products for healthy life of all human beings. It is our constant endeavor to deliver quality products at competitive prices to all our customers.

Policy

Our core principles for enhancing customer value are:

1) Overall well-being

While supplying/providing APIs & Residential and Commercial units to our customers, the Company ensures that we take into account their overall well-being as well as act responsibly towards the society in general.

2) Freedom of Choice & Competition

The Company tries to ensure that it does not restrict the freedom of choice or free competition in any manner while designing, promoting and selling our products.

3) Disclosure of Risks

The Company tries to ensure that we disclose all information truthfully and factually, so that the customers can exercise adequate precautions while handling/purchasing the products in a responsible manner.

4) Fair Product Promotion

The Company tries to ensure that we promote and advertise our products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.

5) Conservation of natural resources

The Company believes that conservation of natural resources is the key to future sustainability of our plant. The Company tries to exercise due care and caution while providing products that result in usage of natural resources.

6) Handling of Customer grievance

The Company makes reasonable efforts to have a robust mechanism to handle and redress customer grievance. The Company also welcomes customer concerns and feedback and tries to address them promptly.
