

**SUN**  
PHARMA

Sun Pharmaceutical Industries Limited

# GLOBAL CODE OF CONDUCT

Our Code  Our Guide

Our Values





“Sun Pharma Group” (the “Group”) is family of thousands of people working across many countries, speaking multiple languages, all joined with one purpose to make good health affordable and accessible to the local communities and society at large. With active fieldwork, dedicated research and recognition of the efforts of those who work behind the scenes to combat illness and disease, we help as many people as we can to secure their right to good health. The way we work every day is important to us:

- We believe that the culture of the Group is reflection of belief system of the Group. Our values, our belief and our thoughts guide our people.

The Board of Directors of Sun Pharmaceutical Industries Ltd. (“Sun Pharma” / “Company”) has approved this Global Code of Conduct (“Code”) on 14th February, 2018.

This Code supersedes and rescinds all previous codes of the Company on this subject matter including the earlier Global Code of Conduct and is effective from 01st April, 2018.



# 1

## Applicability



This Code is applicable to all employees (whether permanent, temporary or on contract, direct or through contractor, retainer or full-time consultant), and members of the Board of Directors of the Company (“Personnel”). Unless the context requires otherwise, the term “Company” or “Sun Pharma” in this Code includes Sun Pharmaceutical Industries Ltd and its subsidiaries, affiliates and business units within and outside India, except any publicly held companies in any jurisdiction and subsidiaries and affiliates of those publicly held companies. Sun Pharma also expects that its business partners including suppliers, service providers, agents, channel partners (dealers, distributors and others) to adhere to the principles of the code.

This Code serves as a guide for our daily business interactions, reflecting our standard for appropriate behavior and our corporate values. The Code clearly conveys to each of us that the manner in which we achieve our business results matters just as much as achieving them. Most importantly, all Personnel are responsible for demonstrating integrity and leadership by complying with the provisions of this Code, Company policies and all applicable laws. By fully including ethics and integrity in our ongoing business relationships and decision-making, we demonstrate a commitment to a culture that promotes the highest ethical standards.

Sun Pharma's Code is designed to prevent, detect, and address any allegation of misconduct and to provide guidance to Personnel in recognizing and dealing with important ethical and legal issues and to foster a culture of honesty and accountability within the organization. All Personnel must conduct themselves according to this Code and seek to avoid improper behavior.

This Code is not intended to cover every legal or ethical issue that may arise in the course of the business. If you have any questions or concerns regarding this Code or its application on yourself in any circumstance, you should contact the Global Human Resources Head or the Compliance Officer(s) of the Company.

This Code is, at places, more restrictive than the applicable laws and regulations, and Personnel are required to abide by the Code even when it imposes requirements that go beyond legal obligations. If employees are uncertain of the applicable legal requirements or if they believe that they are subject to conflicting legal obligations, they must bring the matter to the attention of the Compliance Officer(s) immediately.

# 2

## Honest and ethical conduct and fair dealing

All Personnel should endeavor to deal honestly, ethically and fairly with the Company's suppliers, distributors, customers, competitors, agents, independent contractors, consultants and shareholders. Statements regarding Company's products and services must not be untrue, misleading, deceptive or fraudulent. All Personnel is prohibited from taking unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair practice.

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing other companies' proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

To maintain the Company's reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that our products and services reflect our ethical obligations. All operations must be conducted in accordance with all applicable laws and regulations.

Q

Ankita is making an institutional sale presentation, which is almost concluded, until one of the representative medical practitioners asks her if the drug can also be administered in a particular condition which she had not touched upon. Ankita wants to close the transaction and does not want to say no, even though it is only mildly effective in such conditions. Should she simply say yes, or should she share the factual details even though it will jeopardize the transaction? What should she do?

A

She should be honest and share the correct information and details of the products, in this case and at all times. She should not make any false or misleading statements or misrepresent information regarding the products. Further, she should not make any untrue or fraudulent comments about the products in order to conclude the sales.



**Ankita should not make any untrue or fraudulent comments about the products in order to conclude the sales.**

# 3

## Privacy policy

Sun Pharma believes in and respects personal privacy and dignity. Sun Pharma collects and retains personal information only to the extent it is necessary for the effective operations of the Company or is mandated by a statute. Sun Pharma keeps such information confidential and discloses only to those who have a legitimate need to know.

Q

Sandeep is serving as a Director at Sun Pharma. Sheela, a close relative of Sandeep, is involved with a charity organization. Sheela requests Sandeep for names and phone numbers of Sun Pharma's suppliers so that she can solicit aid for opening a medical unit in a poverty-stricken area. Since it is for a noble cause and Sandeep has full faith in Sheela's good intentions, can he use his position of authority to disclose the names of his suppliers?

A

No, he cannot disclose supplier information for this cause, or any other, without consulting the Board of Directors or their delegatee. Secondly, although Sandeep is not using his position for private gain, he cannot disclose the information because if the suppliers have knowledge that Sheela is closely related to their client, they may be obligated to make donations which they may not have done otherwise.



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**He cannot disclose supplier information for this cause, or any other, without consulting the Board of Directors or their delegatee.**

# 4

## Protection of confidential information

Q

Rohan likes to keep an updated résumé on certain professional networking websites and with certain recruiters that he has used in the past. Currently, he is working on the development of a new drug as part of the R & D team at Sun Pharma. Is it acceptable for Rohan to disclose, in his resume, the project details, innovation and improvements being worked upon?

Confidential and proprietary information generated and gathered in our business is a valuable Company asset. Protecting this information is vital to our continued growth and ability to compete. All confidential and proprietary information should be maintained in strict confidence, except when disclosure is authorized by the Company.

All Personnel is required to use Confidential Information of Sun Pharma for business purposes only and must always keep such information in strict confidence. This responsibility extends to Confidential Information of third parties that the Company has received under confidential disclosure agreements.

No, it is not acceptable for Rohan to disclose confidential information about the Company on a public platform. Information about product development is highly confidential information and, if disclosed, may negatively impact Sun Pharma's competitive position in the industry.

A



**Information about product development is highly confidential information and, if disclosed, may negatively impact Sun Pharma's competitive position in the industry.**

### SCENARIO

Cristoper is working in the Company and Aberto who is the friend of Cristoper is working with another pharma company. Cristoper and Aberto continue their conversation in a business

**Cristoper:** Hello, what's up?

**Aberto:** I'm doing great, thanks. How can I help you? Do you need anything?

**Cristoper:** No. In fact, I have some things I think you'll need.

**Aberto:** Really? What?

**Cristoper:** Well, I have the customer list from my employer. I also have the pricing structure including discount schedules which I think would be really helpful for you.

**Aberto:** You took all these confidential files? Didn't you have a confidentiality obligation with your employer?

**Cristoper:** The thing is, I don't really look this as confidential information. I mean its work that I did, so I can decide what to do with it. I've always kept copies of my work.

Q

Were Cristoper's actions appropriate?

A

No, Cristoper must not disclose such information that is confidential. Doing so is in direct violation of the Company's code of conduct.

# 5

## Non-discrimination

Sun Pharma regards the diversity of its Personnel as an important asset. The Company is firmly committed to provide equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind including but not limited to derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances.

Q

During lunch break, Rahul is often heard making jokes and comments which have racist characteristics.

Savita, a close colleague of Rahul, recognizes that some colleagues are uncomfortable and do not find these jokes funny. Savita, in private, requests Rahul to stop making such comments or jokes. However, Rahul disregards her totally, saying that these are standard jokes, and continues with his habit. Can Savita or the embarrassed colleagues do anything more to correct this unwelcome behaviour?

A

Rahul cannot make jokes or pass comments which are derogatory in nature in the workplace. Initially, he may not have realized that his habit was causing discomfort to some employees. However, when, in spite of this being brought to his notice, he is still continuing with his habit, this amounts to harassment. Sun Pharma does not tolerate discrimination or harassment of any kind and strives to promote a work environment in which people, irrespective of their caste, creed or sex, are treated with decency and respect. The embarrassed colleagues or even Savita, although she is not a directly affected party, must take this matter to the manager or to the concerned authorities mentioned in the Code of Conduct.

Discrimination in employment is a violation of Sun Pharma's policies. It is Sun Pharma's policy to recruit, hire, promote, assign, compensate and train qualified persons without regard to race, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation or disability. Any Personnel engaging in discrimination will be subject to disciplinary action up to and including termination of employment and / or be liable to indemnify the Company for the loss incurred by the Company.



**Any Personnel engaging in discrimination will be subject to disciplinary action up to and including termination of employment**



# 6

## Sexual harassment

Any unwelcome sexual advance, request for sexual favor or other verbal, non-verbal or physical conduct of a sexual nature that creates an intimidating, hostile or offensive work environment will be considered as sexual harassment. Any Personnel engaging in sexual harassment will be subject to disciplinary action up to and including termination of employment and/or liable to indemnify the Company for the loss incurred by the Company. Sun Pharma encourages Personnel to share relevant information about actions that may either violate or have the potential to violate this Code, with the concerned superior(s) or report the same as per the provisions of the '*Policy on Prevention, Prohibition and Redressal of Sexual Harassment*.' Superiors need to be alert to any potential cases of intimidation or harassment, and ensure that this situation is terminated as soon as possible.

Q

Lorenza has recently joined the Company. Her manager keeps asking her to go out for dinner with him beyond office hours or at least lunch on a non-working day. Lorenza has repeatedly told him that she wants the relationship to be strictly professional. However, the manager has not discontinued his actions and, rather, has created a hostile work environment for her. Lorenza is apprehensive about discussing this issue with her colleagues, as she feels that they may not believe her as she is new to the Company. Does Lorenza have recourse to an alternative?

A

Such behaviour is inappropriate and can be construed as sexual harassment. She should immediately discuss the situation with higher authorities as mentioned in the Code of Conduct.

A common form of harassment is sexual harassment, which in general occurs when:

- A request for a date, a sexual favour, or other similar conduct of a sexual nature;
- An intimidating, offensive, or hostile work environment is created by unwelcome sexual advances, insulting jokes, or other offensive verbal or physical behaviour of a sexual nature.

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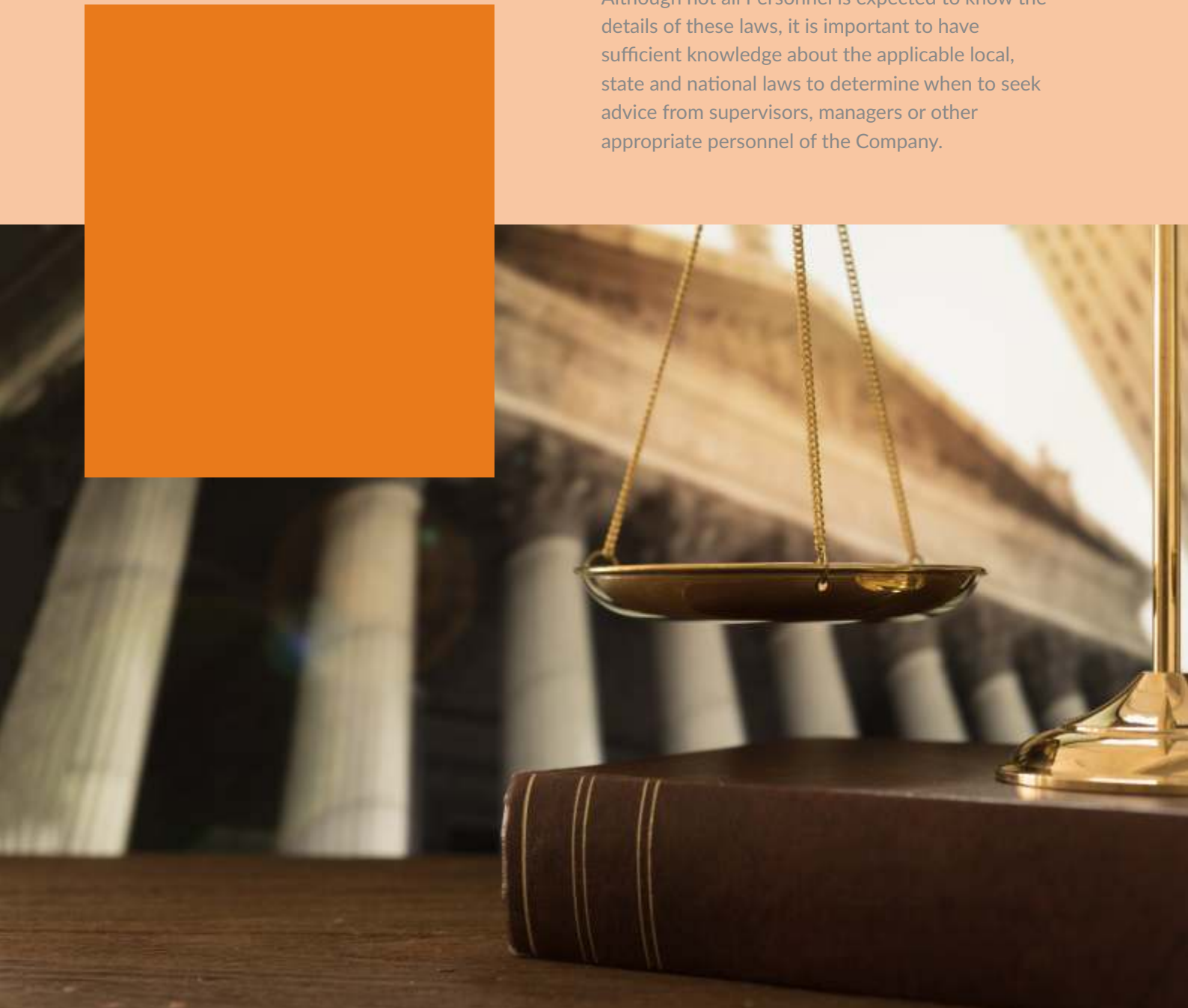
**Superiors need to be alert to any potential cases of intimidation or harassment, and ensure that this situation is terminated as soon as possible.**

# 7

## Compliance with laws, rules and regulations

Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built. In conducting the business of the Company, all Personnel shall comply with applicable laws, rules and regulations in India and in any other jurisdiction in which the Company does business.

Although not all Personnel is expected to know the details of these laws, it is important to have sufficient knowledge about the applicable local, state and national laws to determine when to seek advice from supervisors, managers or other appropriate personnel of the Company.



# 8

## Competition law compliance

Sun Pharma shall compete only in an ethical and legitimate manner and prohibits all actions that are anti-competitive or otherwise contrary to applicable competition or anti-trust laws. As the Company's business interests are spread across the world, Sun Pharma may be subject to competition laws of various jurisdictions and all Personnel shall comply with these laws. Most countries have well-developed bodies of law designed to encourage and protect free and fair competition. Sun Pharma is committed to adhering to these laws both in letter and spirit.



### Company Prohibits

Discussions or contacts with suppliers and customers that unfairly restrict trade or exclude competitors from the marketplace;

Agreements with competitors regarding allocating markets or customers;  
Agreements with others to boycott customers or suppliers; and Same or similar types of discussions, contracts and agreements.

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**As the Company's business interests are spread across the world, Sun Pharma may be subject to competition laws of various jurisdictions and all Personnel shall comply with these laws.**

# 9

## Conflict of Interest; Corporate Opportunities

A conflict of interest occurs when a personal interest interferes, or appears to interfere, with the interests of the Company. A conflict of interest can arise whenever Personnel take action and have an interest that prevents them from performing the Company duties and responsibilities honestly, objectively and effectively. All Personnel must act in the best interests of the Company and must refrain from engaging in any activity or having a personal interest that presents a conflict of interest.

### Corporate Opportunities

Personnel of the Company shall not exploit for their own personal gain, opportunities that are discovered through their position with the Company, use for themselves corporate information or property unless the same is disclosed prior to use in writing to the Managing Director in case of Personnel and to the Board of Directors in case of any director.

Q

Your spouse has an ownership interest @ 8% in an advertising company which Sun Pharma is considering tying up with. You do not have any decision-making responsibilities or role in the selection of any vendor by Sun Pharma. Do you need to report your wife's interest in the said advertising company before Sun Pharma signs an agreement with the said advertising company?

A

Yes, any such situation needs to be brought to the notice of your reporting manager and Compliance Officer

“

Any potential conflict, or even the appearance of a conflict, might damage your reputation or that of the Company

Q

Ritu, an employee at Sun Pharma, wants to invest in a company that produces an ingredient used in a Sun Pharma product. Would this be a conflict of interest?

A

May or may not be a case of conflict of interest, depending on her position at Sun Pharma, her influence on purchase decisions, the amount of her investment and the importance of Sun Pharma as a customer. Before investing, she must disclose this to her manager, who will advise her appropriately keeping the best interest of the Company in mind.



Q

A close relative of one of the Directors at Sun Pharma is also bidding for a high value tender for the appointment of a supplier for the Company. Does the Director need to inform the Company beforehand that his relative is also bidding for the contract?

A

Yes. He must do so, especially considering the value of the proposed transaction and the nature of the long-term engagement. As this could interfere, or appear to interfere, with the ability of the Purchase / Procurement Department to take an independent, objective and effective decision in the best interest of the Company, it is imperative for the Director to disclose this information.

Conflicts of interest are prohibited as a matter of Company policy. When in doubt about conflicts of interest – actual or perceived, one should always consult with the Head, Human Resources or the Compliance Officer(s).

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**Even as employees, we must not make or influence any decision on behalf of the Company that could directly or indirectly benefit a family member.**

# 10

## Related party Transactions

The Company recognizes that Related Party Transactions in accordance with the Related Party Transactions Policy of the Company, can present potential or actual conflicts of interest and create the appearance that Company decisions are based on considerations other than the best interests of the Company. Nevertheless, the Company recognizes that there are situations where Related Party Transactions may be or may not be inconsistent with, the best interests of the Company. Therefore, the Company has adopted the procedures set forth in Related Party Transactions Policy of the Company. Any dealings with a related party must be conducted in accordance with the Related Party Transaction Policy of the Company with necessary disclosure to the Audit Committee of the Company, wherever applicable



Vinod is a director of Sun Pharma and his brother-in-law runs a reputed interior decoration firm. Large scale renovations are required to be performed to the Company office. Can the contract be ordered to Vinod's brother-in-law without taking required approval?

As Vinod is a director with the Company, a business transaction between Vinod's brother-in-law and the Company would be a related-party transaction. Thus, it is necessary to ensure that this related party transaction (before being entered into) is reported in accordance with the Company Related Party Transactions Policy.

A



**Any dealings with a related party must be conducted in a way that no preferential treatment is given to this business.**



# 11

## Other directorships

The Company feels that serving on the board of directors of other pharmaceutical companies [other than Sun Pharma's subsidiaries/affiliates (including publicly –held company (ies) in any jurisdiction and subsidiary(ies) and affiliate(s) of those publicly –held company(ies)).] may raise substantial concerns about conflict of interest. Therefore, all Personnel must report / disclose such relationships to the Whole Time Director / Compliance Officer, when such relationships are formalized and thereafter, on an annual basis.

It is felt that serving on the board of a direct competitor is not in the interest of the Company. Therefore, before joining the Board of Directors of any pharmaceutical company [other than Sun Pharma's subsidiaries/affiliates (including publicly –held company (ies) in any jurisdiction and subsidiary (ies) and affiliate(s) of those publicly –held company (ies)).], the written consent of the Managing Director of Sun Pharma or the person authorized for such purpose is required. In case of a director the prior written consent of the Board of Directors is required.



Serving on the Board of Directors of a direct competitor is not in the best interest of the Company and may create conflict of interest.

Q

Raghav works at a very senior position in Sun Pharma. On the basis of his experience and professional qualifications, he has been offered the position of a Director in the Board of Directors of a newly- established pharmaceutical company. As he will not be involved in the day-to-day operations, is he permitted to serve as Director in the other pharma company?

A

Business relationships or offices held must not create any interests that may conflict, or have the potential to conflict, with those of Sun Pharma. Although Raghav is being asked to join the Board of the other pharma company solely for the prestige he will bring, his appointment presents the strong possibility of conflict of interest, as the other company is operating within the same sector. He cannot accept this position without taking prior consent of the Managing Director.

# 12

## Code for independent directors

This article of the Code is for specific use of the independent directors of the Company. To the extent that Company entities outside the India are required under local statutory/legal requirements to follow separate code/standard for the independent directors, such Company entity(ies) shall document such requirements separately.

The independent directors of the Company shall

1 undertake appropriate induction 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 the Board of Directors and of the board committees of which he is a member

4 participate constructively and actively in the committees of the Board in which they are chairpersons or members

5 strive to attend the general meetings of the Company





**6** where they have concerns about the running of the Company or a proposed action, ensure that these 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

**8** not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board

**9** pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company

**10** ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use

**12** acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its Personnel

**13** not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law

**7** keep themselves well informed about the Company and the external environment in which it operates



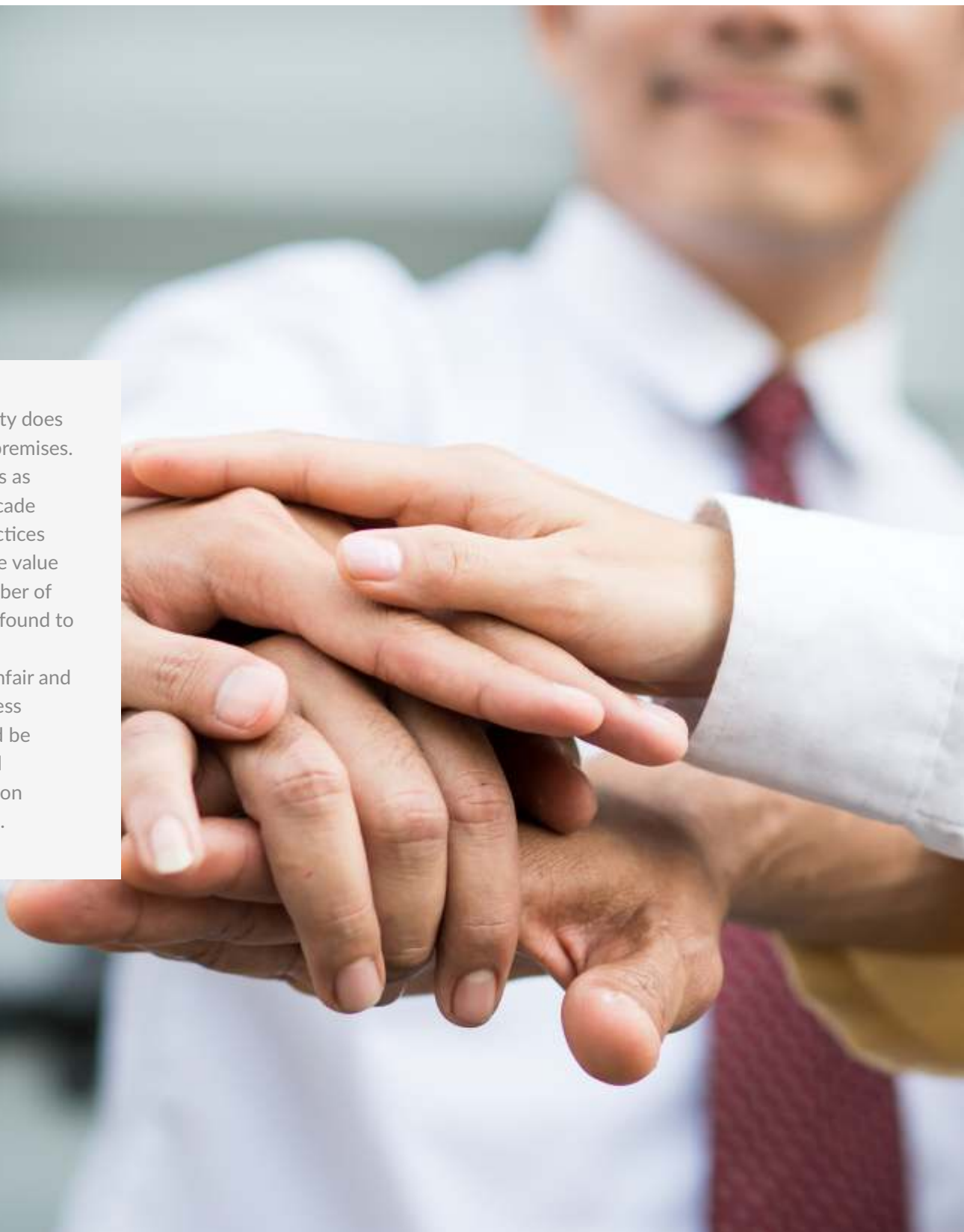
**11** report concerns about unethical behavior, actual or suspected fraud or violation of the Code or ethics policy



# 13

## Third party engagement

Our responsibility does not end at our premises. Sun Pharma acts as catalysts to cascade responsible practices across our entire value chain. Any member of our value chain found to be indulging in irresponsible, unfair and unethical business practices should be condemned and appropriate action should be taken.



# 14

## Interaction with Healthcare Professional (HCP) policy

Nothing should be offered to a health care professional, which is intended to have an inappropriate influence on the health care professional's decision to prescribe, recommend, purchase, supply or administer products. The interactions with health care professionals should only be with the objective of enhancement of patient care.

All promotional contents must be accurate, scientifically sound, objective, reflect the current state of knowledge and must be consistent with the prescribing information as approved by local regulatory authorities

Whenever Sun Pharma hires a HCP as a consultant, speaker, advisor, clinical investigator or in any other capacity to provide services for the Company, we require the following conditions be met:

There is a legitimate business need for the services on the part of Sun Pharma. The arrangement is not a disguised way of inducing the HCP to prescribe, purchase, or recommend our products or of rewarding him/her for doing so;

The HCP is selected based on his/her qualifications, expertise, capabilities, experiences and/or other appropriate criteria directly related to the identified need;

A written contract is in place prior to the commencement of the services that accurately describes the nature of the services and the basis for remuneration;

- All compensation shall reflect reasonable amounts which commensurate with the time and efforts of the HCP;
- Any meeting or event we organize or sponsor for the HCP to perform services is held at an appropriate venue that is conducive to the purpose of the meeting or event; and
- Any travel, lodging, and meals we provide to the HCP in relation to his/her performance of services are consistent with relevant Company policies.

Any concern related to interactions with HCP, should be immediately brought to the notice of Compliance Officer.



# 15

## Insider trading



The Company has formulated a “Code of Internal Procedures and Code of Conduct for Prevention of Insider Trading” (Code).

Personnel shall comply with the requirements and regulations of said codes. If a person possesses material non-public information or Unpublished Price Sensitive Information (UPSI) means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities of the Company, which publicly-traded securities, it is generally illegal for the person to trade in securities of that company or to “tip” others who might trade in such securities.

Personnel subject to the Code and any other employees or third parties subject to this Code as well as such individuals' dependent and immediate relatives (“Covered Persons”), shall not trade in or recommend to any one for purchase or sale of Sun Pharma's common shares (or any other equity or debt securities of Sun Pharma) while they are in possession of material information or UPSI regarding the operations or prospects of Sun Pharma and its subsidiaries that have not been publicly disclosed and disseminated.

Covered Persons shall also similarly abstain from trading in, or recommending the purchase or sale of

securities of any other company that issues publicly-traded securities of which they have obtained material non-public information as a result of their employment by or affiliation with Sun Pharma.

Covered Persons shall not disclose any material non-public information to third parties except for valid business purposes (and covered by an appropriate confidential disclosure agreement). In such cases Covered Persons must have no reason to believe the information will be misused or the disclosures might otherwise violate securities laws.

Unpublished Price Sensitive Information may relate to, without limitation, information of the Company, the Company's business partners or Personnel regarding:

- financial forecasts and financial results before their announcement;
- dividend information, including changes in dividend policy;
- Trading prospects, including information on its markets;
- Merger, demerger, Acquisitions, delisting, disposals and expansion of business;
- Major restructuring programs;
- Capital structure changes, including redemption of securities;
- Changes to the Board of Directors or other major managerial positions;
- Significant product news, including discoveries, regulatory approvals and licensing deals; and
- Significant potential litigation.

Q

Shashank, an employee subject to the “Code of Conduct for Prevention of Insider Trading”, knows that Sun Pharma is going to announce a merger within the coming week as a result of which the Company stock is likely to trade at much higher prices. Using this insider information, Shashank informs his close relative to purchase shares so that he can make a profit. Is this permissible?

A

No. Sun Pharma Personnel who possess material, non-public information shall not trade in Sun Pharma securities or the securities of another company to which the information pertains. Personnel may not engage in any other action to take advantage of or pass on to others (i.e., “tip”) material, non-public information before its release to the public at large and for a period of time after it is publicly disclosed. These restrictions also apply to spouses and family members. “Tipping” – which is passing material, non-public information to others so they are able to buy or sell Sun Pharma's securities before the information is made publicly available to ordinary investors.



# 16

## Financial Reporting

High standards of integrity are integral to Sun Pharma's business conduct. Company's financial reports should stand as a barometer of not just high performance but also high transparency and accountability.

Q

Sumit is a qualified accountant working in the Finance department of Sun Pharma. Sumit has been asked by his line manager to complete a costing exercise within a very short deadline and with limited resources. Sumit feels that under the difficult circumstances he may not be able to provide financial information which is completely validated, error-free and tallie.

What should Sumit do?



High standards of integrity are integral to Sun Pharma's business conduct.

It should be our constant endeavor to share and disclose to our stakeholders' material information as recommended in statutory guidelines.

A

Sumit must not compromise on the quality of the financial information submitted by him. He must, without fear, approach his manger and tell him that he needs more time and inputs. Providing inaccurate information may result in wrong business decisions, thereby harming the various interests of stakeholders.

# 17

## Protection and proper use of corporate assets

All Personnel should endeavor to protect the Company's assets (both physical and intangible) and ensure their efficient use. Theft, carelessness, loss and waste have a direct impact on the Company's financial performance. Personnel of the Company must use the Company's assets and services solely for legitimate business purposes of the Company and not for any personal benefit or the personal benefit of anyone else.



Q

Rajesh has been asked by his ex- colleague for some databases which they had worked on together when he was at Sun Pharma. As the ex- colleague was involved in working on the database, can Rajesh share the database records with him?

A

Rajesh cannot share the databases with the ex- colleague, as this is proprietary information. Every employee has a duty to safeguard confidential information from disclosure to unauthorized third parties.

# 18

## Anti bribery policy

Sun Pharma is committed to doing business with integrity. We will abide by all applicable anti-bribery laws, including the U.S. Foreign Corrupt Practices Act ("FCPA") and the local laws in every country in which we undertake business. These laws prohibit bribery of government officials, and with regard to the FCPA in particular, mandate that companies establish and maintain accurate books and records and sufficient internal controls.

Q

Raj is at a medical conference where he is elaborating on the efficacy of a drug developed by the Company. The drug receives enthusiastic response from the medical fraternity at the conference. However, towards the end of the conference, a regulator meets Raj and informs him that a similar drug from another company is pending approval from regulatory authorities, and on payment of a specified sum of money he could ensure faster approval for Sun Pharma as compared to the competitor. Should, in the interest of Sun Pharma, Rahul agree to the terms of the regulator so that the Company's drug has the first mover advantage?

A

Rahul must clearly state to the regulator that the Company does not tolerate corruption or bribery under any circumstances and will not deviate from regulations to expedite approvals and thus gain advantage over competitors. Rahul must also inform his manager and the Corporate Compliance Department about the incident.



# Anti-money laundering

Q

Rohan, working in the Sales Department at Sun Pharma receives a very large order from an existing customer. This large order seems highly inconsistent with the customer's normal ordering pattern. On asking him the reason behind this large order, the customer is reluctant to provide complete information. Further, he requests Rohan if can make multiple partial payments from various parties and locations. These requirements make Rohan suspicious of this deal. What should he do?

Sun Pharma is committed to comply with all laws that prohibit money laundering or financing for illegal or illegitimate purposes. "Money laundering," is the process by which persons or groups try to conceal the proceeds of illegal activities or try to make the sources of their illegal funds look legitimate.

You should always ensure that you are conducting business with reputable vendors and customers, for legitimate business purposes, with legitimate funds. Check for "red flags" such as requests from a potential customer or supplier for cash payments or other unusual payment terms. If you suspect money laundering activities, do report it in accordance with this Code to the Compliance Officer.

A

Sun Pharma prohibits from participating in or facilitating money laundering in any manner. Thus, it is the responsibility of Rohan to understand every transaction he enters and he is completely justified in wanting to understand from his customer the reasons behind the large order. Moreover, if Rohan feels that, in this transaction, request for making multiple partial payments from various parties and locations can lead to potential money laundering activity, it needs to be reported appropriately. Further, relevant personnel must ensure that they know the business partners and where appropriate, conduct integrity assessments and other due diligence and be familiar with their business practices. If Rohan suspects that the activity may be used by the customer to disguise an illegal activity, he must notify higher authorities.



**Sun Pharma prohibits from participating in or facilitating money laundering in any manner.**

### Our Responsibilities:

- Seek guidance from the legal department when necessary to ensure that shipments of information or products across borders comply with laws governing imports and exports.
- To help prevent and detect money laundering and terrorist financing, watch for any suspicious payments, which may include cash or the equivalent (when cheques are the norm); payments made from personal accounts instead of business accounts; and funds from financial institutions or third parties without a logical relationship to the customer or business partner.

# 20

## Gifts and gratuities

Employees of Sun Pharma or their family members shall not accept gift from the current or prospective Contractor, supplier, customer or any other person with whom Sun Pharma does or may do business (“Third Party”).

Employees and their immediate family members also may not accept loans of any value or favors from a Third Party. Receiving such items or favors may compromise – or appear to compromise – ability of the employee to make objective, impartial and fair business decisions.

Offering or receiving any gift, gratuity or entertainment that might be perceived to improperly influence a business decision must be avoided. Gifts of cash or cash equivalents (such as gift cards or gift certificates) must never be offered or received. In addition, you must never solicit a gift or entertainment. Business entertainment should be moderately scaled and intended only to facilitate business goals. Gifts and entertainment that are repetitive (no matter how small) may be perceived to be an attempt to create an obligation to the giver and are therefore inappropriate.

No employee must give, offer, promise to offer, or authorize the offer, directly or indirectly (proxy bribing), anything of value (such as money, shares, goods or service), any type of gratuity, kickback, bribe, payoff or advantage (whether in cash or any other form) to government officials, customers, potential customers, foreign officials including officials of any public international organizations which could be regarded as influencing any business decision or to obtain improper advantage.

Common sense and moderation should prevail in business entertainment engaged in on behalf of the Company. All Personnel should provide, or accept, business entertainment to or from anyone doing business with the Company only if the entertainment is infrequent, modest and intended to serve legitimate business goals.

### International Considerations in the Receipt of Gifts:

Laws and customs of some countries permit gifts and courtesies. Refusing such gifts or courtesies might be considered offensive in that country. In a situation where it is difficult or inadvisable to refuse a gift or courtesy, you must disclose receipt of the gift to your manager immediately. The manager will assist in handling the matter in consultation with the Global Human Resources Head or the Compliance Officer(s).

Q

Deepa, Head of Purchase and Procurement Department, received a nominal gift from a vendor at the beginning of the year, which she accepted. However, now Deepa is getting a new nominal gift at frequent intervals from the same vendor. What should Deepa do? Was she in the wrong to accept the gift for the first time?

A

As per Company policy, unauthorized gifts by vendors must be returned and if difficult to return keeping business relationship in perspective, the gift should be handed over to the Head, Human Resources or any of the Compliance Officer(s) for charitable purpose or such other use as the Company believes appropriate in its sole discretion.



**Business courtesy such as Gifts or Entertainment that could be regarded as influencing any business decision or could create an appearance of misconduct shall never be offered by Personnel.**

## SCENARIO

Dino, working in the marketing division of the Company, has just come back after attending a vendor meeting. He is very happy because he just got two tickets to Sunday's cricket match. Ludo is newly joined in the Company

**Dino:** So, Ludo, how was your first week at Sun Pharma?

**Ludo:** It's good. I've met lots of people. So, what's been up with you?

**Dino:** It's been a hectic week; I'm looking forward to a great Sunday! Guess who got two tickets to Sunday's cricket match?

**Ludo:** Wow! How did you get those?

**Dino:** The Vendor I know, he gave the tickets to me.

**Ludo:** I heard those are going for Rs. 3000.

**Dino:** At least! And that's for the poorest seats.

**Ludo:** You are so lucky. But I think our Company has a policy that did not let us accept gifts like that.

**Dino:** I think it's only applicable to big gifts, like a holiday trip or something similar. But, I think the policy only affects the senior levels. This is just a general gift from a Vendor who appreciates my services.

Q

Were Dino's actions appropriate even if he is not making any commitment to the vendor in return?

A

As per Company Policy Dino must not have accepted the tickets. Hence, Dino's actions are inappropriate even if he is not making any commitment to the vendor in return. Invitations to sports events are not permitted. Because of the high price of the tickets, there is a possibility of "quid pro quo". Dino must seek prior permission before he accepts any gift.

**Dino must seek prior permission before he accepts any gift.**



# 21

## Electronic media usage; social media

Sun Pharma provides access to and use of electronic mail, voicemail, the intranet, the Internet, and other electronic media for business purposes. This is provided to make it easier for Personnel to communicate with each other and with appropriate third parties – including contractors, suppliers, customers, shareholders, government agencies and academic institutions. Sun Pharma's electronic media is not to be used for any purposes that violate applicable laws, rules and regulations and Sun Pharma standards, policies or procedures. This includes transmission of threatening, obscene or harassing materials. Incidental personal use of electronic media that does not interfere with Sun Pharma's business or an employee's performance of his or her abilities is acceptable, as long as such personal use does not include illegal, unethical or otherwise offensive subject matter.

Sun Pharma may monitor or access employee use of its electronic media at any time in accordance with applicable laws. Personnel should not participate in the inappropriate use of social media and should not tolerate disrespectful or unprofessional usage of social media such as posting content that is abusive, malicious, obscene, threatening or intimidating, or contains ethnic, religious, gender or other derogatory statements in any message or post that relates to Sun Pharma, its business, its clients, its business partners, or Personnel. All Personnel must use social media as per “Social Media Policy” of the Company.

Only approved spokesperson(s) can communicate on behalf of Sun Pharma; providing professional references or recommendations in social media is strictly prohibited. If an employee is of the opinion that an official Sun Pharma response may be required for something on social media, such employee should contact the Corporate Media Team.

Employees should never disclose an information which is not already in public domain by lawful means. All non-public information is treated confidential information for this policy.

Q

Vishal works long hours as a sales and marketing manager, and sometimes uses the Company's electronic media to exchange messages with family and friends. Is this permitted under the Sun Pharma Code of Conduct?

A

Yes, incidental personal use of electronic media is permissible under the Sun Pharma Code of Conduct. However, the communications must not violate Sun Pharma's business standards (e.g., sending pornography, threats or offensive mails or legal notices concerning family disputes.), nor should they reveal Proprietary or Confidential Information of Sun Pharma and/or its business partners.)



**Sun Pharma may monitor or access employee use of its electronic media at any time in accordance with applicable law.**

# 22

## Health, safety And drug & Alcohol use

The Company strives to provide each employee with a safe and healthy work environment. Each Personnel has responsibility for maintaining a safe and healthy workplace for all Personnel by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees should report to work in a condition to perform their duties, free from the influence of prohibited drugs or alcohol. The use of prohibited drugs or alcohol or other similar substances or improperly use medication in the workplace and during working hours or while conducting Company business is absolutely prohibited.



**Employees should report to work in a condition to perform their duties, free from the influence of prohibited drugs or alcohol.**

Q

Saurabh has recently joined Sun Pharma's corporate office and has been entrusted with the job of reducing unnecessary overheads. He is successful in bringing down costs in the past six months. However, Vivek, his junior, notices that while trying to cut down costs, Saurabh has reduced the periodic visits of the safety team as a result of which alarms, sprinklers etc. are not being maintained as per Company Policy. Also, safety mock drills have been cancelled to use the time for business activities. Vivek recognizes these violations. What should he do?

A

Employees often resist reporting safety violations as they feel it may hamper their relation with their co-workers. However, it must be remembered that unsafe working conditions can be a life hazard. Sun Pharma respects the right of all individuals to work in a safe working environment and therefore strongly promotes a work culture wherein safety of employees is never compromised. It is imperative for Vivek to bring this safety violation to Saurabh's notice, and if no corrective action is taken, to con de with higher authorities without fear of retaliation.

# 23

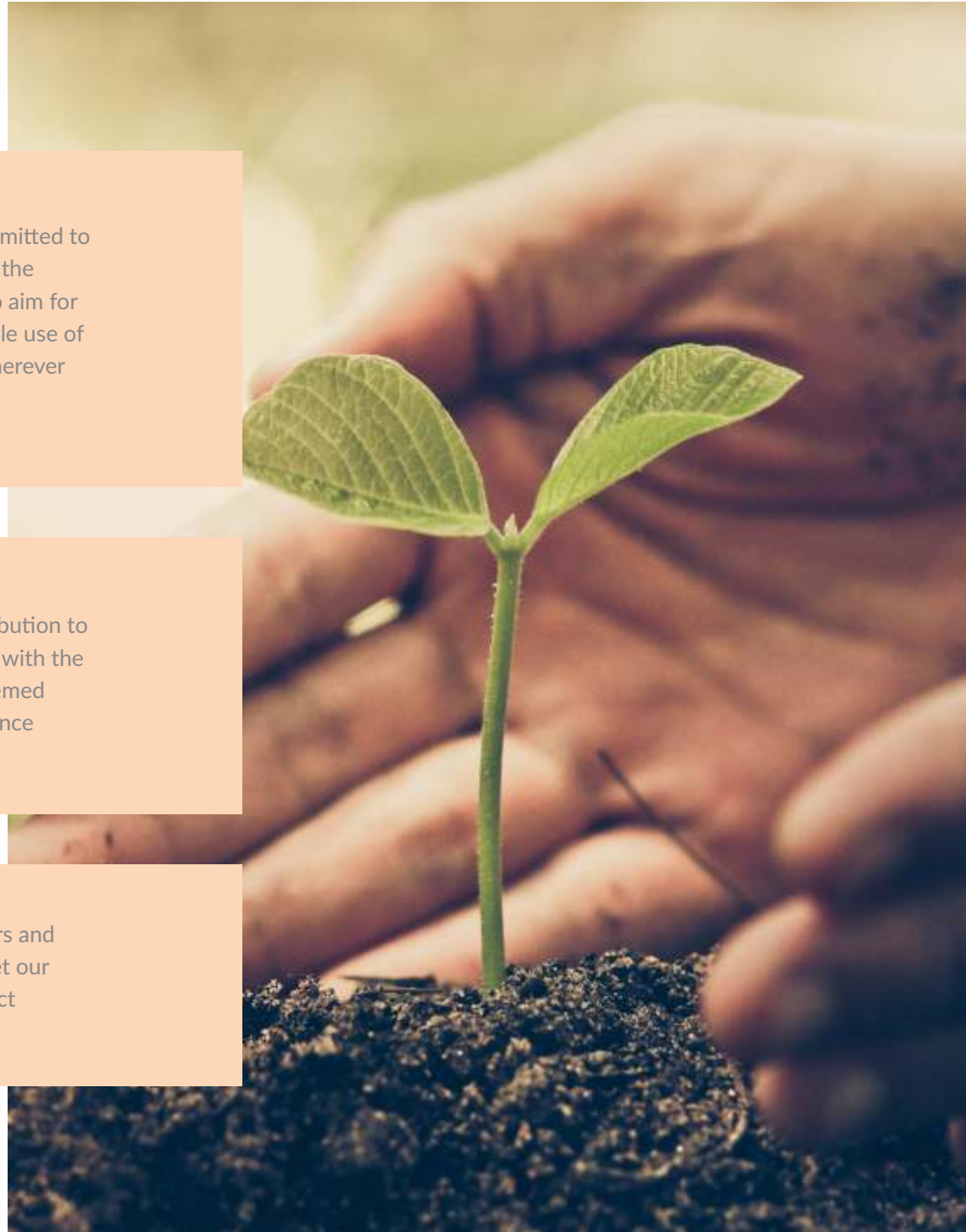
## Environment policy

Sun Pharma is committed to complying with all applicable environmental legislation and other environmental requirements to which we subscribe, and to the continual improvement of the environmental management system to enhance environmental performance.

a. The Company is committed to the protection of the environment, and also aim for efficient and sustainable use of natural resources wherever feasible;

b. minimizing its contribution to climate change, in line with the scale of action deemed necessary by science

c. requiring suppliers and contractors to meet our Code of Conduct



# Public policy advocacy



Sun Pharma works with policy makers as knowledge partners by sharing our insights, scientific knowledge and technical expertise through our authorized personnel that can help them craft public policies to boost healthcare access in the country and improve the social equity and environmental health of the country.

In doing so, Sun Pharma shall remain ethical, transparent and unbiased and aim towards common good. The Company shall not undertake any activity(/activities) to the detriment of the nation's interests or those that will have any adverse impact on the social and cultural life patterns of its citizens.

Sun Pharma engages with collective platforms like trade and industry associations to raise industry benchmarks and exchange of best practices by authorized personnel of Sun Pharma.

Any Personnel whose work requires lobbying communication with any member or employee of a legislative body or with any government official or employee in the formulation of legislation must have prior written approval of such activity from the Compliance Officer. Preparation, research, and other background activities that are done in support of lobbying communication are also covered by this Code even if the communication ultimately is not made.

“ Government policies directly impact healthcare access and innovation. These policies affect many aspects of Company's business model, including Company's ability to meet patient needs and provide value to all its stakeholders. For these reasons, the Company actively participate in public policy discussions to share its perspectives and experience for patients with unmet medical needs.



# 25

## Dealing with media

To facilitate achievement of our business plans, it is necessary to communicate our plans and achievements in the most effective manner through media to our Internal & External Stakeholders including customers, employees, and to the community at large in which Sun Pharma operates.

No person other than members of the Corporate Communications team is authorized to communicate on behalf of the Company or share any non-public information regarding Sun Pharma with media or anyone outside the Company. If any employee is contacted for an interview or comments or other information by the media or anyone outside Sun Pharma, the employee should refer them to the Corporate Communications team.

Q

Priya has been involved in the research of a new drug for the treatment of cancer, which Sun Pharma has just introduced in the market. Priya's friend works as a reporter for a health magazine and wants to do a feature on this new product. Can Priya speak to her friend who's writing the story?

A

Priya can only comment on, or provide press releases about Sun Pharma's products or services if she has been authorized to do so. Otherwise, she must introduce the reporter to the authorised person in the Corporate Communication department who can speak on behalf of the Company.



**No person other than members of the Corporate Communications team are authorized to speak on behalf of the Company**

Q

Sun Pharma has recently proposed an acquisition, the news of which has already been made public through a press release. Varun has been actively involved in working out the terms of the acquisition. He gets a call from the media asking him for information about the proposed acquisition. Is it correct for Varun to comment since the news is in public domain?

A

Varun, unless authorized, cannot speak to the media although he is fully conversant with the facts of the matter. Even a public announcement of the Company operations does not sanction media interactions by a Personnel on official matters or in connection with the Company unless specifically authorized or prior approval has been taken.



**Even a public announcement of the Company operations does not sanction media interactions by a Personnel on official matters or in connection with the Company.**

# 26

## Understanding boycotts and sanctions

A foreign country or a Sun Pharma entity associated with a country could make a request to support a boycott in a bid invitation, purchase order or contract, or orally in connection with a transaction or in a number of means. If Personnel hear of a boycott or receive a request to support a boycott or to provide information related to a boycott, such Personnel shall contact Compliance Officer(s).



# Prohibition against company political contributions

Unless any applicable law requires otherwise, the Company funds or assets shall not be used for making political contributions of any kind, in India without the approval of the Board of Directors of the Company and in any other country without any such approval required, if any, in accordance with the applicable laws of the respective jurisdiction. This prohibition covers not only direct contributions, but indirect support of candidates or political parties; e.g., the purchase of tickets for special dinners or other fund-raising events, the loan of Personnel to political parties or committees, and the furnishing of transportation or duplicating services.

Q

While visiting a foreign country for business development, Sonal is requested by the prospective customer to contribute towards a fund-raising dinner for a political candidate for the upcoming elections. He is assured by the prospective customer that the credentials of the candidate are outstanding and he would do an excellent job if elected. Can Sonal, in good faith, purchase tickets for the dinner on expense account and be part of the fund-raising dinner?

A

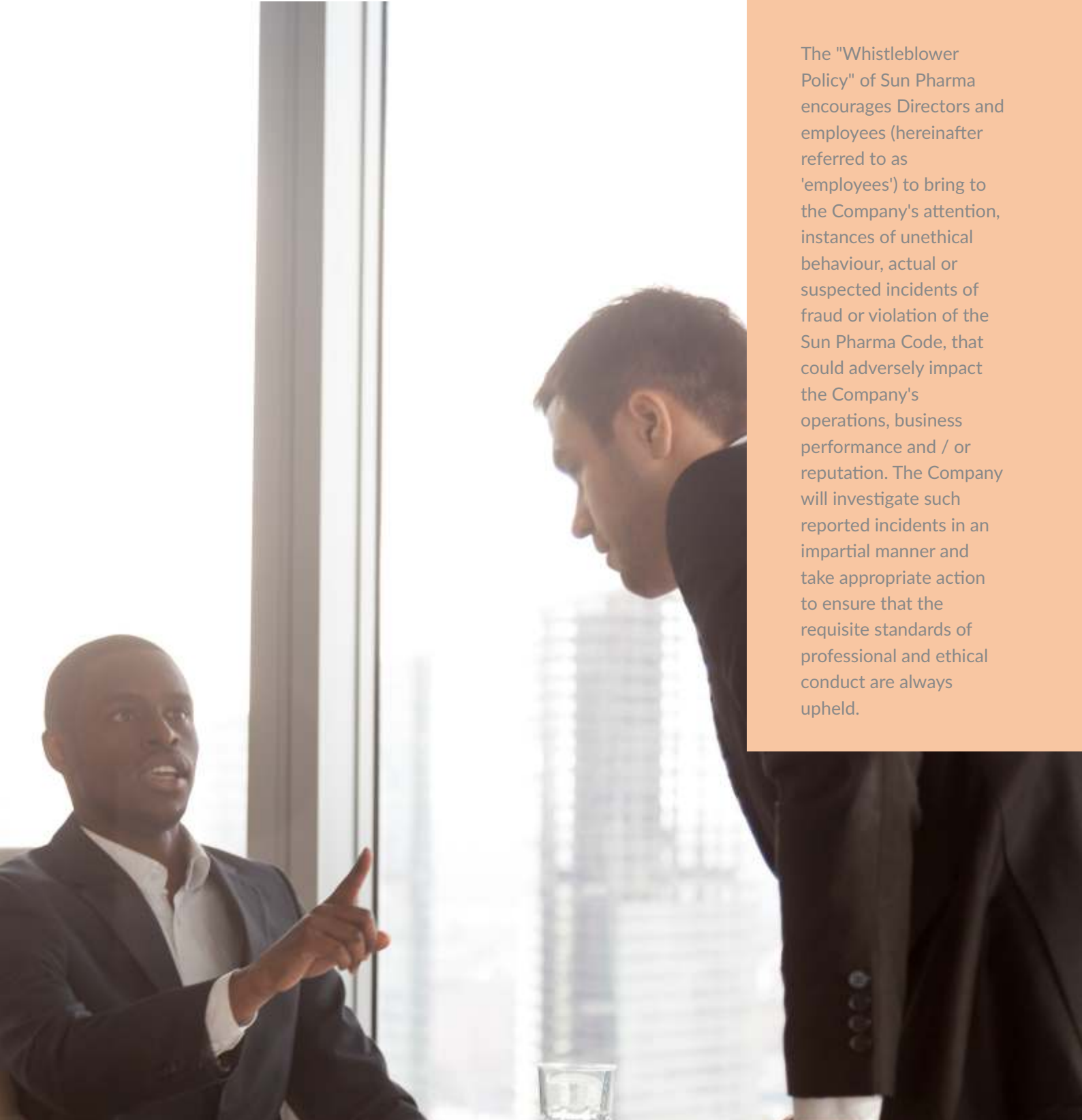
Unless permitted under any applicable laws or approved by the senior official(s) of the Company as authorized by the Board of Directors, it is strictly prohibited for Company Personnel to use the funds of Sun Pharma or its name, assets or property for political purposes or endorsement, whether directly or indirectly. Sun Pharma Personnel must not:

- Conduct personal political activities on Company time or at Company facilities (in certain countries, political party meetings at Company facilities may be permitted, if prohibitions of such meetings are illegal).
- Use Company property or equipment on behalf of a political candidate or cause.
- Make political contributions or incur political expenditures on behalf of the Company.
- Obtain reimbursement for any such contributions or expenditures.
- Make any direct or indirect contributions to political candidates, or holder or any political parties on behalf of the Company unless the contribution is legal and directly authorized by the Company's Compliance Officer or senior official(s) as authorized by the management (as the case may be).
- Make contributions to trade associations or their political action committees where such contributions will be directly or indirectly used for political purposes. This includes campaign contributions and lobbying expenses, except for contributions made in connection with the support of legitimate lobbying efforts by trade associations that are previously approved by the Compliance Officer of the Company or such senior official(s) as authorized by the management.

[This list is indicative only and non-exhaustive.]

# 28

## Whistle blower policy



The "Whistleblower Policy" of Sun Pharma encourages Directors and employees (hereinafter referred to as 'employees') to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Sun Pharma Code, that could adversely impact the Company's operations, business performance and / or reputation. The Company will investigate such reported incidents in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld.

# 29

## Duty to report violations

Personnel are responsible for reporting in good faith to the Company any circumstances that they believe may constitute a violation of the Code or any other Company policies. Policy violations should immediately be reported in writing to the Global Human Resources Head or the Compliance Officer(s). Personnel may report violations of the Code using the Company's Whistle Blower Policy. The Company will investigate any matter so reported and will take appropriate corrective action.

All concerns and issues raised shall be treated in a confidential manner except to the extent necessary to conduct a complete, fair and effective investigation.

There will be no retribution against an employee for reporting in good faith, policy violations. However, the employee will not be protected from possible disciplinary action if the matter reported is with a malicious intent (bad faith) or if the employee has otherwise engaged in misconduct.

Unless authorized by the employee or required by law, the identity of the employee reporting a violation, a concern, or a complaint will not be disclosed. The Company will not retaliate nor tolerate retaliation or victimization against any Personnel who raises an issue, complaint, or concern in good faith.

Q

Pradip works as a clerk at Sun Pharma. During the course of his operations, Pradip comes across documents which suggest that Sun Pharma has been disposing medical waste, albeit a small amount, in a manner which is environmentally illegal and a public hazard. Pradip reports this to his senior, who instructs him to pay no heed to this matter as this waste is a very small portion of the total waste being disposed by the Company, and moreover, he has been entrusted with the job of record-keeping and not overseeing proper disposal of waste. Pradip is still not convinced about this matter. Although the danger emanating from this disposal is minimal, and Pradip faces the risk of irking his senior, should he report the violation of business ethics to the higher authorities?

A

Pradip must report this violation which, on prima facie evidence, seems to be a violation of business ethics and good practices. As his seniors have not taken the matter seriously enough, he can, in fact, report to the Head, Human Resources, or the Compliance Officer(s). Acting in good faith, he faces no danger of retribution either from the Company or his seniors.

”

**There will be no retribution against an employee for reporting policy violations in good faith**

Q

Due to complaint by a co-worker against Rajesh which showed documentary proof that he had taken few measures against the prescribed Code of Conduct manual, the senior planned to take disciplinary action which could have a far reaching impact on his career going forward. His response was that he was not aware of the interpretation of Code and whether it would apply to such a case. Can he be excused?

A

Every employee is bound to read, understand agree and sign the code of conduct. Clarification on implementation in any specific cases if not understood can always be clarified with the specific authorities. However, the excuse of not being well informed or not understood can't be an excuse for violating the spelled out code of conduct.



# 30

## Accountability for adherence to the code

All Personnel is responsible for adherence to this Code.



### Internal Investigation

Sun Pharma will promptly investigate all alleged violations and potential violations of this Code, or of any related Sun Pharma standard, policy or procedure. Any allegations will be treated confidentially, to the extent consistent with Sun Pharma's interests and its legal obligations.

All Personnel are expected to cooperate with an investigation of an alleged violation of the Code.

If Sun Pharma determines that corrective action is necessary to fix a problem and avoid the likelihood of its recurrence, Sun Pharma will promptly decide what steps to take, including legal proceedings when appropriate.



### Disciplinary Action

To the extent legally permissible under applicable law, appropriate disciplinary action will be taken, in relation to this Code or any related Sun Pharma standard, policy or procedure.



### Certification

All Personnel must certify, in writing or electronically, that they have received, read, understood and shall abide by this Code.



**Every employee is bound to read, understand agree and sign the code of conduct.**

# 31

## Waivers

To the maximum extent permitted by applicable laws of any jurisdiction, some of the policies contained in this Code must be strictly adhered to and no exceptions can be allowed, in other cases exceptions may be possible. Any Director who seeks an exception to any of these policies must contact the Chairman of the Company. Any employee who seeks an exception to any of these policies must contact the Global Human Resources Head or the Compliance Officer(s). Any waiver of this Code or any change to this Code may be made only by the Board of Directors or such designated authorities of the Company.





# 32

## Disclaimers

WHERE EVER THE CONTEXT REQUIRES, SUN PHARMA OR COMPANY SHALL MEAN THE RESPECTIVE SUBSIDIARY/ASSOCIATES COMPANY OF THAT JURISDICTION. UNLESS IT IS VARIED OR CHANGED BY RESPECTIVE SUBSIDIARY/ASSOCIATE COMPANY, THE CODE WILL BE APPLICABLE TO SUCH SUBSIDIARY/ASSOCIATE COMPANY. THIS CODE IS INTENDED SOLELY AS A GUIDE. THE LANGUAGE USED IN THIS CODE SHALL NOT BE CONSTRUED AS CREATING A CONTRACT OF EMPLOYMENT BETWEEN SUN PHARMA AND ANY OF ITS EMPLOYEES.

DISCIPLINARY ACTION/TERMINATION: PROCEDURES FOR IMPLEMENTATION OF THE POLICIES SHALL NOT BE CONSTRUED AS PREVENTING, LIMITING OR DELAYING SUN PHARMA FROM TAKING ANY DISCIPLINARY ACTION, INCLUDING IMMEDIATE DISCHARGE, IN CIRCUMSTANCES WHERE SUN PHARMA DEEMS SUCH ACTIONS APPROPRIATE.



Sun Pharmaceutical Industries Ltd.

## CERTIFICATION

For the Year \_\_\_\_\_

I, \_\_\_\_\_ do hereby certify that:

(Print Name Above)

1. I have received and carefully read the Global Code of Conduct of Sun Pharmaceutical Industries Ltd.
2. I understand the Company's Global Code of Conduct.
3. I have complied and will continue to comply with the terms of the Global Code of Conduct and have reported or will report any known violations of the Code according to the procedures outlined in the Code.

Date:

\_\_\_\_\_

(Signature)

Name :

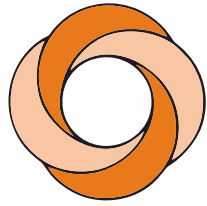
Designation:

Department:

Note : A signed hard copy of this certification is required to be submitted unless the certification is provided online/digitally, on an annual basis.







**SUN**  
**PHARMA**

**Sun Pharmaceutical Industries Ltd.**

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