



Stelis Biopharma Limited

SUPPLIERS CODE OF CONDUCT



1. INTRODUCTION

- 1.1. Stelis Biopharma Limited (Stelis) is a pure-play biologics Contract Development and Manufacturing Organisation (CDMO) with capabilities for global expansion. Our technical expertise, innovative capability and emphasis on quality allow us to sustain agile operations and address diverse industry needs.
- 1.2. Stelis offers a comprehensive range of end-to-end solutions for cell line technology transfer and proven capacities for clinical and commercial manufacturing. Our journey began with the buildout of a fully integrated commercial bio-manufacturing facility in Bangalore, India and today we operate two state-of-the-art facilities with world-class process development and manufacturing infrastructure. Leveraging our cutting-edge technology and a competent team of professionals, we ensure unmatched quality and efficiency across our operations.

2. PURPOSE

- 2.1. Our Suppliers play an important role in our journey to enable a healthier world. Stelis Suppliers must conduct their business in full compliance with all applicable international, national, and local laws and regulations, contractual agreements and internationally recognized environmental, social, and corporate governance standards.
- 2.2. We expect our Suppliers to strictly observe and comply with all the principles expectations set forth in this Supplier Code of Conduct, as well as in other policies that may be delivered by Stelis to Suppliers from time to time, in all their activities and sites worldwide, including Stelis sites.

3. APPLICABILITY

- 3.1. The term "Supplier" means any entity or person that sells, or seeks to sell goods or services, to company or its subsidiaries, including the Supplier's employees, agents, and other representatives.
 - 3.1.1. Suppliers of Goods: Suppliers who supply products to Company (such as raw materials, active pharmaceutical ingredients, packing material, finished goods and services, and other products) across company locations.
 - 3.1.2. Suppliers of Services: Suppliers who provide essential services (such as catering, food and beverage counters, transportation, construction) at company locations.
 - 3.1.3. Suppliers of Manpower: Suppliers (business and support) who provide manpower to Company. The manpower assigned to company works at company and/or its client locations as an integral part of the workforce.
- 3.2. In the event where the Suppliers engage any third party, Suppliers shall ensure that such third party adheres to the Supplier Code of Conduct and does not indulge in any activity that violates the terms of the Supplier Code of Conduct. Suppliers shall be responsible to monitor compliances by such third party and determine that they are in accordance with the applicable laws and regulations.

4. ETHICS

- 4.1. To meet social responsibilities, all suppliers are expected to conduct their business by upholding the highest ethical standards and to act with integrity. Business relationships shall be based on trust, transparency, and mutual accountability.
- 4.2. **Business Integrity, Anti-Corruption and Anti-Bribery**
 - 4.2.1. Supplier shall not, directly or through intermediaries, take any recourse to any unethical behaviour (implicit or explicit), or offer or promise any personal or improper advantage to obtain or retain a business or other advantage from a third party, whether public or private, including with any employee of Stelis. More specifically:
 - 4.2.1.1. Shall not offer or accept bribe or use other means of obtaining undue or improper advantage, offer or accept any kickbacks, and shall not take any actions to violate or cause its business partners to violate any applicable anti-bribery / corruption laws and regulations.



- 4.2.1.2. Shall not take any advantage of any family/ social/ political connections to obtain favourable treatment or for the advancement of business or obtaining any favours. Merit shall be the sole attribute of association with Stelis.
- 4.2.1.3. Shall not enter a financial or any other relationship with a Stelis employee that creates any actual or potential conflict of interest for Stelis. The Supplier is expected to report to Stelis any situation where an employee or professional under contract with Stelis may have an interest of any kind in the Supplier's business or any kind of economic ties with the Supplier.
- 4.2.1.4. Shall not offer any gift, hospitality, or entertainment for the purpose of obtaining any advantage, order, or undue favour.
- 4.2.1.5. Shall not indulge in money laundering process by which individuals or groups try to conceal the proceeds of illegal activities or try to make the sources of their illegal funds look legitimate. Suppliers are expected to ensure that they are conducting business with reputable vendors and customers, for legitimate business purposes with legitimate funds. Suppliers should check for 'red flags' in any unusual payment transactions.

4.3. Fair Business, Advertising and Competition:

- 4.3.1. Supplier shall conduct their business in line with fair competition and in accordance with all applicable anti-trust laws.
- 4.3.2. It is our expectation that all our suppliers use their best efforts to also procure goods and services from diverse suppliers. Stelis expects that suppliers will proactively include diverse suppliers in RFIs, RFPs, RFQs and will provide equal opportunity to ensure fair and compliant competition.
- 4.3.3. All marketing and promotional materials and activities must conform to high ethical, medical, and scientific standards, and comply with all applicable laws and regulations. When engaging healthcare professionals, patients or animal healthcare professionals, all suppliers must adhere to relevant industry standards of conduct that apply to them.

4.4. International Trade:

- 4.4.1. Stelis honour the trade, import and export control laws of all countries in which it operates and comply with all applicable laws, rules and regulations and the Suppliers are also expected to do the same. Trade requirements often change and laws in certain region may conflict. Suppliers are responsible for knowing the laws that apply to them and seek expert advice if in doubt. In this context, the Supplier shall:
 - 4.4.1.1. Disclose (voluntarily or upon being asked) to Stelis whether it is or has been (directly or indirectly) subject to any Sanction Laws.
 - 4.4.1.2. Notify immediately to Stelis in the event any Sanction Laws gets imposed on it (directly or indirectly) at any future point of time.
 - 4.4.1.3. Provide correct and reliable information regarding their legal owners, actual owners (who directly or indirectly control the Supplier), members of Board of Directors or Senior Management, details of servicing Bank and immediately notify in writing of any subsequent changes in such information provided.
 - 4.4.1.4. Not directly or indirectly make any payments or provide other benefits or engage in any business transaction with any third party to whom the Sanction Laws are applicable.
 - 4.4.1.5. Maintain appropriate import, export, and customs records at each of its business locations.
 - 4.4.1.6. Obtain all necessary licenses before the export or re-export of products, services, or technology.
 - 4.4.1.7. Not cooperate with any restrictive trade practices or boycott that is prohibited or penalized under applicable laws.

4.5. Privacy and Intellectual Property

- 4.5.1. Suppliers shall ensure that confidential information (e.g. any information disclosed by Stelis representatives, whether in writing, orally, visually or otherwise, including but not limited to



business plans, contractual, engineering, financial, sales, marketing and operational information, product specifications, technical data, trade secrets, purchase order data, technical know-how, ideas and concepts of Stelis) is used only for its intended purpose as decided and agreed upon by Stelis and the supplier in a fair, transparent and secure way, ensuring the protection of privacy and valid intellectual property rights of all employees and business partners. Trade secrets and other confidential, proprietary, and sensitive information shall always be kept secure from unauthorized usage, damage, and disclosure.

4.5.2. Suppliers must abide by all applicable data privacy and data security laws and regulations and any related contractual terms.

4.5.3. Suppliers shall not use company brand name, logo or any other visual vehicles implying or representing company without explicit consent. Suppliers shall not make any comments about their engagement with company in the media without prior approval. The specific content of any media report and/or comments and details of usage shall be shared for approval with company.

4.5.4. In circumstances where a supplier has access to our electronic environment (including, without limitation, email, voicemail, intranet, internet, or software), supplier shall:

4.5.4.1. Use these tools for our business purposes only; and

4.5.4.2. Use these tools in compliance with our information technology security policies

4.6. Conflict of Interest

4.6.1. Suppliers must disclose any apparent or actual conflict of interest to our management. Our management may only waive such conflict in writing.

4.6.2. A conflict of interest arises when personal interests or activities influence, or appear to influence, your ability to act in our best interest. Some situations that could cause a conflict of interest include:

4.6.2.1. having a significant financial investment or interest in any company that competes, does business, or seeks to do business with us.

4.6.2.2. when employees, officers, or directors of suppliers have family or friends who work for us, another of our suppliers, or one of our customers or competitors.

4.7. Identification of Concerns and Whistle blower Protection

4.7.1. Suppliers must ensure the protection of whistle blower confidentiality and prohibit retaliation against employees, who participate in such programs in good faith. Suppliers shall provide an anonymous complaint mechanism for its employees to report workplace grievances in accordance with local laws and regulations. Suppliers shall have systems in place enabling anonymous grievance, reporting and management. A designated officer shall continuously monitor the grievance mechanism, keep records on the issues raised and take appropriate action in a confidential manner.

4.7.2. Stelis Whistle Blower policy can be accessed at https://www.stelis.com/wp-content/uploads/2022/04/Stelis_Whistle-Blower-Policy.pdf

4.8. Product Quality and Supply Chain integrity

4.8.1. Suppliers involved in the supply, manufacturing, packaging, re-packaging, testing, storage, will ensure compliance with applicable quality regulations and Good Manufacturing Practice and Good Laboratory Practice requirements for the markets in which the products are manufactured, registered, and distributed.

4.8.2. Furthermore, suppliers shall ensure the integrity of their supply chain, avoiding counterfeiting and adulterations to protect patients and products.

4.9. Business Continuity

4.9.1. Supplier shall ensure that there are plans and procedures to resume business in the event of any physical disaster (e.g., Such as fire, flood, wind, earthquake, explosion, etc.) or work stoppage of any kind (e.g., Labour strike, economic/social structure breakdown, etc.). Subject to mutual



agreement on business continuity plan terms by both parties, the Supplier shall resume services within committed timelines following a disaster or work stoppage event.

4.10. Responsible Mineral Initiatives

- 4.10.1. Suppliers shall ensure that products supplied to Stelis do not contain metals derived from minerals or their derivatives originated from conflict regions that directly or indirectly finance or benefit armed groups that commit serious human rights abuses.

4.11. Responsible sourcing and country of origin

- 4.11.1. Supplier shall ensure responsible sourcing by:
- 4.11.1.1. not knowingly work with business partners who use Illegal Transshipment practices.
 - 4.11.1.2. carry out Due Diligence on the source of raw materials to promote legal and sustainable sourcing.
 - 4.11.1.3. when requested by Stelis, disclose information that shows the source and origin of raw materials provided to Stelis.

5. LABOUR AND HUMAN RIGHTS

- 5.1. Suppliers are expected to protect the human rights of their employees and to treat them with dignity and respect.
- 5.2. The labour and human rights elements include:

5.2.1. Fair Working Hours, Wages and Benefits

- 5.2.1.1. Suppliers shall:
- 5.2.1.1.1. Ensure payment of at least the minimum wage to all workers, as required by applicable laws and regulations and provide all legally mandated benefits. Periodically review and adjust minimum wage rates as per applicable laws.
 - 5.2.1.1.2. Ensure compliance with principle of equal remuneration for men and women workers for work of equal value.
 - 5.2.1.1.3. Communicate with the workers basis on which they are being compensated in a timely manner and about the overtime requirements and the wages to be paid for such overtime.
 - 5.2.1.1.4. Ensure that the workers are duly notified of the method used to calculate wages. Wages are paid in regular intervals and with reasonable frequency through cash, by check or by bank transfer, to the exclusion of any other form of compensation, except in the specific cases. Deductions from wages for disciplinary reasons are prohibited.

5.2.2. Fair Treatment and Non-Discrimination

- 5.2.2.1. Suppliers must be committed to establishing a workplace that is free of harassment and should not threaten workers with or subject them to harsh or inhumane treatment, including sexual harassment or abuse, corporal punishment, mental or physical coercion, or verbal abuse.
- 5.2.2.2. Suppliers shall not engage in any discrimination or distinction, exclusion, or preference made based on race, colour, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices, such as applications for employment, promotions, rewards, access to training, job assignments or any other basis protected by law.

5.2.3. Freely Chosen Employment (no modern slavery, Human Trafficking, child or forced labour)



- 5.2.3.1. Suppliers shall prohibit involuntary work or work performed under the threat of penalty, including forced, prison, indentured labour, bonded labour, or other forms of slavery and/or servitude.
- 5.2.3.2. Avoid all use and forms of child labour in their business operations and act in line with the United Nations Global Compact principles, the International Labour Organization (ILO) labour standards and the OECD Guidance for Responsible Business. Where local laws are stricter by specifying a higher age for work or mandatory schooling, they precede.
- 5.2.3.3. Publicly declare zero tolerance of child labour in their own business operation and prohibit all forms of child or forced labour (including modern slavery and Human Trafficking) in its own supply chain network.
- 5.2.3.4. Stelis expects its Suppliers to support and respect the protection of internationally proclaimed human rights and to ensure that they are not complicit in human rights abuses. Suppliers shall not tolerate any instance of harsh and inhumane treatment including but not limited to, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers, including the threat of any such treatment.
- 5.2.3.5. Suppliers shall not terminate the employment of a worker unless there is a valid reason for such termination connected with the worker's capacity or conduct or based on the operational requirements of the undertaking, establishment, or service.

5.2.4. Freedom of Association and Collective Bargaining

- 5.2.4.1. Supplier shall respect their employees' right, as set by local laws, to freely associate, participate in any union of their choice, seek representation, submit grievances and report suspected legal violations, join workers' councils without fear of discrimination, termination of contract, reprisals, intimidation, or harassment.
- 5.2.4.2. If the law is restrictive, Suppliers must not obstruct other legal means employed by workers to maintain dialogue with management, such as meetings, dedicated committees, and workers' communications.
- 5.2.4.3. Encourage employees to freely, openly and directly communicate and engage with company management, to resolve workplace and compensation issues.

6. HEALTH, SAFETY AND ENVIRONMENT

6.1. Suppliers shall provide a safe and healthy working environment for all employees working at their sites. Suppliers are expected to have a Health and Safety (HS) organization to define, implement and follow-up on an HS policy and HS management system that includes compliance with local and national regulations.

6.2. Worker Health and Protection

- 6.2.1. Supplier shall implement policies with the aim of creating an incident- and injury-free work environment, preventing the occurrence of occupational illness and health problems associated with its activities, identifying, and rectifying any unsafe situations and working on continuous improvement of workplace conditions towards a healthy and safe environment.
- 6.2.2. Suppliers shall identify and protect workers from any physical, chemical, and biological hazards in the workplace as well as from risks associated with any infrastructures used by their employees.

6.3. Protection from hazardous materials

- 6.3.1. Suppliers should adopt and implement a coherent policy on safety in the use of chemicals at work, which includes the production, the handling, the storage, and the transport of chemicals as well as the disposal and treatment of waste chemicals, the release of chemicals resulting from work activities, and the maintenance, repair and cleaning of equipment and containers of



chemicals. Safety information for any identified workplace risks shall be made available to inform and train workers to protect them from the risk. This includes safety information about hazardous substances used: chemicals, pharmaceuticals active ingredients, intermediate products, etc.

6.4. Process Safety

6.4.1. Suppliers shall have safety programs in place for managing and maintaining all their production processes in accordance with the applicable safety standards. Suppliers will address product-related issues and their potential impact during all stages of the production process. For hazardous installations the supplier will conduct specific risk analyses and implement measures that prevent the occurrence of incidences such as chemical releases and or explosions

6.5. Emergency Preparedness

6.5.1. Suppliers shall identify and assess emergency situations in the workplace and any company-provided living quarter and minimize their impact through prevention and by implementing emergency plans and response procedures.

6.6. Waste and Emissions

6.6.1. Suppliers shall have systems in place to ensure the safe handling, movement, storage, recycling, reuse, or management of waste, air emissions and wastewater discharges. Any waste, wastewater, or emissions with the potential to adversely impact human or environmental health shall be appropriately managed, controlled and treated prior to release into the environment.

6.7. Spills and Releases

6.7.1. Suppliers shall have systems in place to prevent and mitigate accidental spills and releases to the environment. Emergency procedures and personnel should be in place to treat any accidental event presenting an environmental risk.

6.8. Resource Conservation and Climate Protection

6.8.1. Suppliers are expected to use natural resources (e.g., water, sources of energy, raw materials) in an economical way. Negative impacts on the environment and climate will be minimized or eliminated at their source or by practices such as the modification of production, maintenance and facility processes, material substitution, conservation, recycling and material reutilization. Suppliers will engage in the development of climate-friendly products and processes to reduce power consumption and greenhouse gas emissions.

7. MANAGEMENT SYSTEMS

7.1. Suppliers are expected to adopt or establish a management system designed to ensure compliance with the expectations of this Supplier Code of Conduct's fundamental principles and all applicable laws and regulations for identifying and mitigating associated operational risks, establish opportunities, and facilitate continual improvement.

7.2. Risk Management

7.2.1. Suppliers shall have established policies, rules, procedures, tools, and indicators required to guarantee adherence to all areas contained in this Supplier Code of Conduct and to ensure that employees, consultants, contractors, subcontractors and any third party are aware of their rights and responsibilities.

7.3.

7.4. Documentation:



- 7.4.1. Suppliers shall maintain documented information, which demonstrates that they share the principles, values and required conformances expressed in this Supplier Code of Conduct. This documentation may be reviewed by Stelis staff upon mutual agreement.
- 7.4.2. Supplier shall have written policies and procedures on avoiding, monitoring, and reporting bribery and corruption, as well as ongoing training on those rules and practices, including an explanation of the consequences for non-compliance.

7.5. Training and Competency:

- 7.5.1. Supplier shall develop, implement and maintain appropriate training programs and measures to support their managers and employees in gaining an appropriate level of knowledge and understanding of the applicable principles and expectations as set forth in this Supplier Code of Conduct, the applicable laws and regulations and generally recognized standards.

7.6. Information and Continuous Improvement

- 7.6.1. Supplier shall provide truthful information to Stelis or Stelis selected assessment/ audit partner in the course of Stelis Supplier screening, assessment or audit and commercial negotiation. Suppliers must be fully transparent with Stelis and any third parties working on our behalf.
- 7.6.2. Supplier shall demonstrate their commitment to continuous improvement by implementing mechanisms to regularly identify, evaluate and manage risks in all areas addressed by this Supplier Code of Conduct, setting performance objectives, executing business continuity plans and taking necessary corrective actions for deficiencies identified by internal or external assessments and audits, as requested by Stelis, or any other customer.

7.7. Accuracy of Business Records

- 7.7.1. All financial books and records relating to the business being done with us must conform to the generally accepted accounting principles of the jurisdiction in which the supplier operates. Records of these transactions must be legible and transparent and reflect actual transactions and payments. Suppliers shall not hide or fail to record a necessary entry or make false entries.

8. AUDIT APPLICABILITY

- 8.1. **Vendors Qualified by Stelis:** Stelis reserves the right to conduct audits with prior intimation to Suppliers. Without limitation, such audits may include Environmental, Social, and Governance (ESG) parameters, Sustainability, Social compliance, and adherence to other contractual commitments (applicable statutory requirements, quality of delivery, etc.).
- 8.2. **Vendors Qualified by CDMO Partners:** Scope and necessity of audits are determined through mutual discussions with CDMO partners, specifying the applicable areas and evaluation coverage.

9. PERIODIC REVIEW

- 9.1. Code shall be subject to mandatory review at least once in every **three (3)** years and as may be deemed necessary and in accordance with regulatory amendments, if any.

10. RESOURCES AND HELPLINE

- 10.1. If you need additional information or guidance on these standards or wish to report a potential violation, contact our Legal & Compliance Department at legal@stelis.com or our Business Conduct Helpline at info@stelis.com

11. CONCLUSION

- 11.1. Strong ethical and social responsibility in the supply chain is very important to us. As an organization, we are continuously looking for ways to improve in this area and encourage all suppliers to do the same and to share their achievements with us.