



Natco Pharma Limited

Regd. Off. : 'NATCO HOUSE', Road No. 2, Banjara Hills, Hyderabad - 500034.
Telangana, INDIA. Tel : +91 40 23547532, Fax : +91 40 23548243
CIN : L24230TG1981PLC003201, www.natcopharma.co.in

Sustainable Procurement Policy

NATCO Pharma Limited (herein after referred to as "The Company," "We," "Us," "Our") is committed to ethical business practices and expects the same from its suppliers.

Purpose:

This Sustainable Procurement Policy outlines the standards and expectations we have for our suppliers regarding business integrity, environmental responsibility, labor practices, and compliance with laws and regulations.

Applicability:

This policy is applicable to all the suppliers' providing services, engineering materials, raw materials, pharmaceutical and agrochemical ingredients, and related packaging materials, finished products or any other related products to the company's business operations.

The company expects all the suppliers/vendors to abide by the following code of conduct:

- Conduct business with integrity, honesty, and transparency, avoid bribery, corruption, and take measures to prevent counterfeiting, tampering, and diversion.
- Uphold Labor and Human rights in accordance with International Standards, including fair treatment of workers, prohibition of child labor and forced labor, and non-discrimination in employment practices.
- Forbid discrimination based on race, color, sex, age, nationality, religion, and provide a secure and comprehensive work environment.
- Maintain high standards of quality and safety in the production and delivery of pharmaceutical products, which includes compliance with Good Manufacturing Practices (GMP) and other relevant Quality Assurance standards.
- Follow all rules and regulations related to pharmaceutical manufacturing, distribution, and marketing.



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- Protect the privacy and confidentiality of sensitive information, including patient data and proprietary information shared by the pharmaceutical company.
- Minimize the usage of animals in research and testing and abiding by ethical standards wherever necessary.
- Continuously improve their performance and processes to meet or exceed the expectations outlined in the policy.
- Suppliers shall ensure that statutory dues are deducted and deposited as per the regulatory norms.
- Suppliers are encouraged to integrate human rights requirements in business agreements and contracts.

Health, Safety, and Well-being of Employees:

- Suppliers are encouraged to prioritize the health, safety, and well-being of their employees.
- Adequate measures shall be taken to ensure a safe working environment.
- Regular health and safety training shall be provided to employees to prevent workplace accidents, injuries, and occupational illnesses.

Sustainability and Environmental Responsibility:

- Suppliers are encouraged to integrate sustainability principles into their business operations and strive to minimize their environmental impact.
- Suppliers shall strive to reduce energy consumption, minimize waste generation, and optimize resource utilization throughout the supply chain to mitigate the environmental footprint of their operations.
- Critical Suppliers shall comply with environmental laws, regulations, and industry standards, including proper disposal of hazardous materials and adherence to emissions limits.

Transparency and Disclosure:

- Suppliers are encouraged to disclose any conflicts of interest, financial relationships, or other potential ethical concerns that may impact the supplier's relationship with the Company, promptly and fully.
- Communicate any changes to the supplier's business operations, policies, or practices that could impact their compliance with the code of conduct to the Company promptly.



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- Critical suppliers shall be transparent about the origin and sourcing of materials used in their products, particularly when sourcing from high-risk regions or suppliers with questionable ethical practices.

Monitoring and Compliance:

- NATCO Pharma may conduct assessment of critical suppliers on Health and safety practices, working conditions, and other human rights related aspects.
- Suppliers to cooperate fully with any monitoring activities conducted by Company or its authorized representatives, including providing access to facilities, records, and personnel as needed.
- Suppliers shall maintain accurate records and documentation to demonstrate their compliance and provide such information to Company upon request.
- Suppliers are to promptly report any violations or suspected violations of the Code of Conduct to Company, along with proposed corrective actions and preventive measures.

Review:

This policy shall be reviewed annually and updated for its sustainability.

Date: 12/08/2024

Rajeev Nannapaneni
Vice Chairman & CEO