

RO : Plot No. 14, GIDC Ind. Estate, Nandesari, Dist. Vadodara - 391340. Gujarat, INDIA.

Ph.: 91-265- 2840092, 8511636622, 9898996756 • GSTIN : 24AAECF0045M2ZS

E-mail : info@farmson.com • Web : www.farmson.com • CIN : U24110GJ2020PTC112370

01/05/2024

ETHICAL STANDARDS & HUMAN RIGHTS POLICY OF FARMSON

- a) Unless otherwise required or prohibited by law, the FARMSON warrants that to the best of its knowledge, that in relation to the supply of goods or services under the terms of this Agreement:
- i) FARMSON does not employ engage or otherwise use any child labour in circumstances such that the tasks performed by any such child labour could reasonably be foreseen to cause either physical or emotional impairment to the development of such child in all countries in which it operates or sources Goods;
- ii) FARMSON does not use forced labour in any form (prison, indentured, bonded or otherwise) and its employees are not required to lodge papers or deposits on starting work;
- iii) FARMSON complies with all applicable local environment, safety and health regulations and provides a safe and healthy workplace, presenting no immediate hazards to its employees. Any housing provided by FARMSON to its employees is safe for habitation. FARMSON provides access to clean water, food, and emergency healthcare to its employees in the event of accidents or incidents at FARMSON 's workplace;
- iv) Within the customs and practices of the countries in which FARMSON operates, FARMSON does not discriminate against any worker on any ground (including race, religion, disability or gender) and provides equal employment & growth opportunities to all.
- v) FARMSON does not engage in or support the use of corporal punishment, mental, physical, sexual or verbal abuse and does not use cruel or unusual disciplinary practices in the workplace;
- vi) FARMSON pays each employee at least the minimum wage, or a fair representation of the prevailing industry wage, (whichever is the higher) and provides each employee with all legally mandated benefits;
- vii) FARMSON complies with the laws on working hours and employment rights in the countries in which it operates;
- viii) FARMSON complies with all relevant environmental legislation in the regions in which it operates. FARMSON has identified all the hazardous or toxic waste that it or its contractors or agents produce, and it is confident that all waste is disposed of by competent bodies via authorised disposal routes;
- ix) It does not engage in any activities which may cause environmental health and safety harm to either its worker or those living in the vicinity to its operations.
- x) It is respectful of its employees' right to join and form independent trade unions and freedom of association.



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- b) FARMSON agrees that it is responsible for controlling its own supply chain and that it shall encourage compliance with ethical standards and human rights (as set out in sub-Clauses (i) to (x) of this Schedule) by any subsequent supplier of goods and services that are used by FARMSON when performing its obligations under this Agreement.
- c) FARMSON shall ensure that it has ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies.
- d) This policy is applicable/effective to all units of Farmson Group from **01st May 2024**. Next revision will be in 3 years i.e. **30th April 2027** or as per requirements or revisions of applicable law of the land.

Farmson Basic Drugs Pvt. Ltd.



Director

Sign and date

Sudhesh Mishra

Director- Farmson Basic Drugs Pvt. Ltd.



Farmson's Code of Ethics

Introduction

This Code is based on the following basic assumptions:

- Ethics among owners, directors and management are a necessary element for companies in the 21st century to adequately meet their objectives, to the degree that Ethics are a key requisite in guaranteeing and balancing the rights and interests of all stakeholders involved: employees, clients, owners, suppliers and business partners and the society at large.
- Ethics presuppose rigorous compliance in and by the company with applicable legislation, as well as with the Articles of Incorporation and Regulations for internal operations, where they exist.
- Ethics within the company require that owners become guarantors of compliance in respect of obligations for directors and management.



- Even though this Code has been created with the intention of being applicable in general to all companies, it should also be understood within a general and basic framework subject to adaptation to the specific circumstances of each business; thereby ensuring that it contemplates application of the principles of ethics and sustainable development in accordance with the specific activity of the company involved.

- Ideally, the Board of Directors is responsible for drawing up the Code of Ethics for the company and the General Shareholders' Meeting for approving that Code. Should, however, the Board also proceed with approval, that decision must be ratified by the Shareholders' Meeting.

Owners

In the exercise of their ownership rights, they should:

- Configure their company as an instrument at the service of creating wealth, making their indisputable objective of obtaining a profit compatible with sustainable, environmentally sound social development, making certain that all activities are carried out in an ethical and responsible manner.



- Configure the company as a medium and long-term entity, not compromising its continuity through an interest in short-term enrichment.
- Always demand ethical behaviour from the company, including approval of the Code of Ethics and orchestrating effective application thereof.
- Search for a fair balance between capital and work, in such a fashion that, through their salaries, workers receive just compensation for their work.
- Appoint as directors and management persons who meet the requisites established regarding adequate preparation and experience, and who carry out management functions in a professional, ethical and responsible manner.
- Define and defend the mission and values of the company in accordance with its Code of Ethics.

Directors and Management

In the exercise of their administrative and management functions, they should:



A) In relation to Management functions:

- Carry out their activities in a professional, ethical and responsible manner.
- Comply and demand compliance with the Code of Ethics of the company and, to that end, make the Code known and establish appropriate mechanisms to guarantee application.
- Inform owners periodically and accurately as to the situation of and outlook for the company.
- Comply and demand compliance with generally accepted accounting standards and principles, and establish internal and external risk management and control systems in accordance with the characteristics of the company.
- Keep the books and ledgers of the company in an accurate and honest manner, in order to permit that information be obtained and decisions be taken on an informed and responsible basis.
- Provide external and internal auditors of the company with all such information and explanations as may be required to carry out their work.
- Subordinate their own interests to those of the company when acting on behalf and in representation thereof and not use corporate assets in their own benefit, except with due transparency, prior authorisation from the relevant corporate body and in exchange for consideration deemed appropriate on the market.



- Immediately notify the administrative body as to any event or situation which would represent or could give rise to a conflict between the interests of the company and the individual interests of the director or manager, and abstain from intervening in the resolution.
- Facilitate the transparency of and control over their remuneration in such a way that it is guaranteed to be appropriate to their level of responsibility and performance and to the characteristics of the company.
- Maintain as confidential the background, data and documents to which they have access by virtue of their functions in the company, even when they no longer carry out such functions.
- Make payment and comply with debts incurred by the company without unjustified delay or breach, and collect on balances due with the diligence required in each case.
- Prepare and maintain in place a succession plan for key positions within the company, to ensure that continuity of the company does not depend on the presence of any given director or manager.
- Choose their collaborators and subordinates in accordance with the principles of merit and capacity, looking only to fulfil the interests of the company.



B) In relation to suppliers and clients of the Company:

- Maintain ethical and licit relationships with suppliers of goods and services.
- Search for and select only suppliers whose business practices respect human dignity, are not in breach of law and do not place the company's reputation in danger.
- Select suppliers on the basis of the appropriateness of their products or services, as well as of their prices, delivery conditions and quality, not accepting or offering gifts or commissions, in cash or in kind, which could alter the rules of free competition in the production and distribution of goods and services.
- Aspire to excellence in the goods and services of the company in such a way that clients and consumers obtain the satisfaction expected there from.
- Guarantee the products and services of the company and deal quickly and efficiently with consumer and user claims, with a view to achieving satisfaction beyond mere compliance with prevailing legislation.



C) In relation to competitors of the Company:

- Not abuse a dominant or privileged market position.
- Compete in good faith with other companies cooperating to achieve a free market based on mutual respect between competitors and abstaining from engaging in unfair practices.
- In particular, not take clients from other competitors employing unethical methods

D) In relation to employees of the Company:

- Treat employees with dignity, respect and justice, taking into consideration their different cultural sensitivities.
- Not discriminate against employees on the grounds of race, religion, age, nationality, sex or any other personal or social condition different from the conditions of merit and capacity.
- Not permit any form of violence, harassment or abuse at the workplace.
- Recognise the rights of association, union membership and collective negotiation.



- Promote the professional development, training and promotion of employees.
- Link remuneration and the promotion of employees to their conditions of merit and capacity.
- Establish and communicate clear criteria and rules which maintain a balance between the rights of the company and those of employees in hiring processes and in the separation thereof, even in the case of a voluntary change in employee.
- Guarantee health and safety on the job, taking any such measures as are considered reasonable to maximise prevention of occupational risk.
- Look to reconcile work at the company with the personal and family life of employees.
- Look to achieve the occupational integration of persons with incapacities or handicaps, eliminating barriers of all kinds in the ambit of the company in order to achieve insertion.
- Facilitate the participation of employees in the social action programmes of the company.



E) In relation to the civil society:

- Respect human rights and democratic institutions, and promote them wherever possible.
- Maintain the principle of political neutrality, without interfering politically in those communities where they carry out their activities, also as a demonstration of respect for the different opinions and sensitivities of people related to the company.
- Maintain licit and respectful relationships with public authorities and institutions, not accepting or offering gifts or commissions in cash or in kind.
- Make contributions to political parties or public institutions only in accordance with prevailing legislation and, in any case, guaranteeing transparency.
- Collaborate with Public Entities and non-governmental entities and organisations dedicated to improving levels of social attention for disadvantaged persons.

Farmson Basic Drugs Pvt. Ltd.**Director**

Sign and date

Sudhesh Mishra**Director Farmson Basic Drugs Pvt. Ltd.**