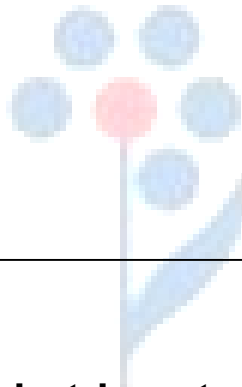



ORCHID PHARMA LIMITED

CSR POLICY



CSR Policy Statement

“Orchid Pharma Limited strives to be an ideal corporate entity ensuring social and ecological harmony with all its stakeholders by following ethical values in its business operations and incorporating sustainable development strategies”

			Corporate Social Responsibility Policy		
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<p>This policy document outlines the philosophy and guidelines related to the ethical business practices and CSR initiatives undertaken by Orchid Pharma Ltd. This policy supersedes all the previous versions of CSR Policy drafted for OPL.</p> <p>This Policy is applicable to every employee of Orchid Pharma Ltd., and is also applicable to its contractors and suppliers.</p>					
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CSR Policy Statement

“Orchid Pharma Limited strives to be an ideal corporate entity ensuring social and ecological harmony with all its stakeholders by following ethical values in its business operations and incorporating sustainable development strategies”

1. OBJECTIVE AND SCOPE

Orchid Pharma Limited recognizes that its business activities have an impact on the society in which Orchid operates, through the products and services that Orchid provides. Orchid also recognizes that the basis for the business is confidence in the ability to be aligned with the environment and that society has high expectations from Orchid as a responsible organization. The commitment to corporate social responsibility is an important factor for improving performance through better relationship with our stakeholders, greater motivation among employees, better management of our impacts and increased innovation.

This policy, which includes the company’s philosophy for defining its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of its stakeholders and the community at large, is titled as the ‘ORCHID CSR POLICY’.

This policy has been formulated in line with the following core values of Orchid Pharma Ltd.,

- **Corporate Social Responsibility**
- **Respect for the Individual**

- **Excellence**
- **Innovation**
- **Value for Stakeholders**

This policy shall apply to all CSR (Corporate Social Responsibility) initiatives and activities taken up at the various work centers and locations of Orchid Pharma Ltd., for the benefit of all its stakeholders and different segments of the society.

2. PRIORITY AREAS

The following prioritized areas are currently identified as Orchid's commitments with respect to Corporate Social Responsibility.

- 
- 2.1 Corporate Governance**
 - 2.2 Workers' Rights and Welfare**
 - 2.3 Safety, Health & Environment**
 - 2.4 Activities for social and inclusive development**

2.1. CORPORATE GOVERNANCE

Orchid shall endeavor to have all its governance systems to the highest standards of ethical, moral and legal conduct of business operations. The principles of Corporate Governance that Orchid shall follow are:

2.1.1 Transparency

- 2.1.1.1. We adhere to the principle of fair disclosure; we will regularly provide information on the company's position and significant changes in business activities to all our stakeholders.

2.1.1.2. We are committed to transparency in all accounting and financial reporting statements and communications with shareholders through compliance with independent auditing and financial reporting.

2.1.1.3. Disclosure of information shall be accurate and consistent, regardless of whether such information may have positive or negative impact.

2.1.2. Rule of Law

2.1.2.1. All members of Orchid will comply with the laws and regulations applicable to the country wherever we do business. Orchid shall ensure that there is a fair framework of rules for operation within the organization.

2.1.3. Ethical Integrity

2.1.3.1. The company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

2.1.3.2. We shall strive to promote free and fair market competition through transparent and ethical business practices, which are conveyed to the public through our actions and communication.

2.1.3.3. The company recognizes that its Directors, Senior Management and employees have a central role in upholding the company's ethical standards and codes of conduct.

2.1.3.4. The company has measures to protect the welfare of whistleblowers, and their inputs are respected and investigated on impartially.

2.1.3.5. The company strives to strictly protect personal information of employees, customers and suppliers.

2.1.3.6. The company respects the intellectual property rights of other entities.

2.1.4. Anti-bribery and Anti-corruption

2.1.4.1. A bribe is an inducement or reward offered, promised or provided in order to bring about the improper performance by another person of a relevant function or activity.

2.1.4.2. Orchid maintains the highest standards of ethics in all of its business dealings worldwide. Orchid is committed to conducting itself fairly, honestly and lawfully in all its business dealings and relationships globally. Orchid has a zero tolerance approach to bribery and corruption.

2.1.4.3. Company Employees and Associated Persons may not, directly or indirectly, (i) offer, (ii) promise, (iii) agree to pay, (iv) authorise payment of, (v) pay, (vi) give, (vii) accept, or (viii) solicit Anything of Value to or from any third party in order to secure or reward an improper benefit or improper performance of a function or activity.

2.1.4.4. “Anything of Value” means bribes, kickbacks, a financial advantage, or any other benefit, whether in cash or in kind, tangible or intangible.

2.1.4.5. Orchid is also committed to upholding all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate.

2.2. WORKERS' RIGHTS AND WELFARE

2.2.1. Compliance with Labour Laws/Standards

2.2.1.1. We are guided by the Central as well as State government's legislations on labour, wages, disputes, social security standards and practices governing employment practices and industrial relations etc. This standard includes respect for employees, non-discrimination in employment, opportunities for individual growth and a safe and healthy working environment provided to all employees.

2.2.1.2. Orchid guarantees that we do not engage or use any form of child labour in any of our processes or facilities and we also ensure that our suppliers/contractors comply with the same strictly.

2.2.1.3. Orchid complies with all applicable laws, regulations and conventions prohibiting the use of forced, bonded and indentured labour, as well as other forms of illegal labour practices that restrict the rights of individuals.

2.2.1.4. At Orchid there are administrative systems in place to verify, without exception, the age of employees through nationally or internationally recognized identity documentation (birth certificates, passports, Adhar card etc.).

2.2.2 Human Rights

2.2.2.1. We ensure that each employee is treated with respect and dignity.

- 2.2.2.2. We will treat all employees fairly and honestly regardless of where they work. All employees will have agreed terms and condition in accordance with local law and practice.
- 2.2.2.3. We employ workers who choose to be employed in our company. The company does not use any form of coercion to employ its personnel nor do we have forced labour or any non-voluntary labour.
- 2.2.2.4. Though we follow utmost secured levels of security within our facilities, our security personnel are taught to be sensitive and respect to individual dignity of the employees and visitors while they perform their daily duties.
- 2.2.2.5. Orchid recognizes and affirms the right of employees to work in an environment free from fear of sexual harassments.
- 2.2.2.6. We do not discriminate on the grounds of race, gender, disability, nationality, religion, caste, or creed.
- 2.2.2.7. Our employees have the rights to freedom of association as guaranteed by our Constitution; we respect the right of our employees to form or join unions.

2.2.3. Disciplinary Guidelines and Grievances

- 2.2.3.1. Use of any form of mental or physical coercion, verbal abuse or corporal/hard-labor punishment is strictly prohibited in our organization. We provide a safe and secure work environment for women and they are at all times guaranteed protection from any behavior, including gestures,

language and physical contact, that is sexual, coercive, threatening, abusive or exploitative.

2.2.3.2. We develop and maintain equitable procedures to deal with employee grievances, and disciplinary issues.

2.2.3.3. Orchid will maintain good communication with employees through our information and consultation procedures.

2.2.3.4. The company ensures that employees who raise issues of concern do not suffer negative repercussions.

2.2.4. Whistle Blower Protection

2.2.4.1. The company has a Whistle Blower Policy in place to encourage the employees who have concerns about suspected misconduct within the organization to come forward and express these concerns without fear.

2.2.4.2. Such whistle blower is at all times protected from unfair treatments such as, discrimination, harassment, victimization or any other unfair employment practice.

2.2.5. Sexual Harassment

2.2.5.1. Sexual harassment is an insult to human dignity and respect and is completely against the values of Orchid. The organization is committed to its people and subscribes to highest standards of integrity and ethical principles, it does not tolerate any form of sexual harassment. We provide

our women work force with a secured and safe work environment that helps them to grow and reach their fullest potential.

2.2.5.2. Orchid has its “Sexual Harassment Policy” in line with Supreme Court guidelines with strictest procedures in place for redressal of such grievances that extends to all employees of the company irrespective of their grade across its locations.

2.2.6. Gifts and Benefits

2.2.6.1. Our practice is such that no employee of the company or member of his or her immediate family, shall (directly or indirectly) solicit, accept or retain any gift (in cash or in kind) including entertainment, donations, remuneration, services, or other benefits from any organization or person doing business or competing with the company other than

- I. Modest gifts or entertainment as part of normal business courtesy and hospitality that would not influence such person to act in any manner not in the best interest of the company or
- II. Acceptance of a nominal benefit that has been disclosed to and accepted by the company.

2.2.7. Wages, Benefits and Working Hours

2.2.7.1. We pay sustainable fair wages according to applicable wage laws, overtime hours and mandated benefits. which enables employees to meet the basic needs of themselves and their families.

2.2.7.2. The organization periodically reviews wage and payroll policies and procedures against legal requirements and industry practices.

2.2.7.3. We ensure that there is equal remuneration for work of equal value, irrespective of gender, caste, creed, nationality or religion.

2.2.7.4 There are systems in place to accurately track hours worked for Salaries and non-salaried employees and to identify potentially irregular and unusual work patterns, including excessive overtime.

2.2.7.5 Orchid ensures that each employee receives an accurate payroll receipt with each payment and that each payment is accurately recorded in payroll logs that are subject to audit and verification.

2.2.8. Career Development

2.2.8.1. We view our employees as our valuable assets, and for filling up internal vacancies, we consider our existing employees on top priority through job rotation.

2.2.8.2. We provide training & development both in soft skills as well as technical aspects to all employees to help them enhance their skills as well as improve their future employability prospects.

2.2.9. Workforce Diversity

2.2.9.1. We do not discriminate our employees on grounds of gender, racial/ethnic origin, culture, religion, age, disability, sexual orientation, nationality,

citizenship or political opinion or orientation, in matters of recruitment, selection or in career progression. We are an equal opportunity employer.

2.2.9.2. We ensure that the social and biological determinants affecting women including, but not limited to, marriage, pregnancy and maternity and family reasons etc. are addressed with appropriate policies and that they are given equal opportunities to rise and excel like their male counterparts.

2.2.9.3. We strive to create a workplace in which there is mutual trust and respect and where every person feels responsible for the performance and reputation of the company.

2.3 SAFETY, HEALTH & ENVIRONMENT

Orchid is committed to managing safety health and environment matters as an integral part of our business. In particular, it is our policy to ensure that the safety and health of the employees and environment protection is integrated into our processes at all times and at all places.

2.3.1. SHE Policy

We at Orchid Pharma are Committed to:

- 1. Prevent injury, ill-health and pollution by taking proactive measures.***
- 2. Achieve the objectives of SHEMS (SHE Management System) by considering the needs and expectations of the interested parties as well as internal and external issues.***
- 3. Continually improve the performance of SHEMS by setting and reviewing the objectives.***
- 4. Comply with all applicable,***

- *Legal and other requirements*
- *Requirements of interested parties*

5. *Reduce the consumption of resources by improving the process, technology and systems.*
6. *Learn through assimilation and application of knowledge from existing sources and experiences.*

2.3.2. Safety

Safety is part of the corporate culture. This includes infrastructural, employee, environmental and community safety. Starting from the employee induction programs, different training programs and workshops on various aspects of operational safety are periodically conducted at Orchid.

To safeguard the safety of our employees, customers and the community, we will do so by adhering to the following Orchid's seven Safety principles:

2.3.2.1. Safety is a Core Organizational Value

Core values define the enduring character of an organization and are its essential tenets. These are a set of extremely powerful guiding principles that have a profound impact on how everyone in the organization thinks and acts, thereby, binding the organization together through time. Orchid wants safety guiding us in everything we do, be it process design, operations, while driving or even in the choice of clothing. There is no level of profitability, which justifies the operation of any business segment where safety is compromised. Anticipating and addressing safety issues will be a priority in everything we do.

2.3.2.2. Management is Responsible for Preventing Injuries.

With the line management being the most hands-on in terms of processes and operations, they are, responsible for all the activities at Orchid, including safety. Each line manager, without exception, is accountable to his/ her superior and also responsible for the people reporting to him/her.

2.3.2.3. All Injuries can be Prevented and Occupational Exposures Minimized

Orchid conducts careful investigation on safety related incidents/accidents in order to find out key contributor either in act (or failure to act) or in the creation of unsafe conditions. Orchid aspires to be a manufacturing facility with zero incidents/accidents.

2.3.2.4. All Incidents must be Reported and Acted upon

Orchid believes that careful and skilled analysis of incidents must be conducted for immediate follow ups and corrective action is one of the most useful tools that prevent injury in the work place. It allows us to learn and make changes across the company.

2.3.2.5. Working safely is a Condition of Employment and Contract

Orchid cares about the well-being of every Orchidian. Acts and conditions, which can lead to accidents/injury, cannot be tolerated.

2.3.2.6. Training Employees in Safety is Essential

Orchid's state-of-the-art infrastructure combines sophisticated technologies and processes. Given this, it is not a matter of just instinct to

handle complex synthesis and reactions with the highest levels of safety and process effectiveness, but more importantly, specific domain expertise needs to be inculcated.

2.3.2.7. Safety makes Good Business

2.3.2.7.1. Orchid believes that the management should instill vigour and discipline, which in turn, will improve employee relations, productivity and quality.

2.3.2.7.2. Orchid endeavour is to develop processes, which have proven to be effective in many a world-class company.

2.3.2.8. Progressive Discipline

2.3.2.8.1. With regard to Safety is that the primary intention is to educate and sensitize the employee and enable him adopt safe practices in the interest of his well-being and the larger interests of the company. Therefore Individuals will be given ample scope to learn and adopt safe practices before punitive action is taken against them.

2.3.2.8.2. Orchid has a separate “Policy on Implementation of Progressive Discipline” with proper procedures and practices to ensure uniform application of the principles of Progressive Discipline with regard to Safety Standards across all business segments and manufacturing units of Orchid.

2.3.2.8.3. The Policy guidelines are issued with the intention of inducing compliance to accepted standards and practices of safety, and not to create undue fear in the minds of employees.

2.3.3 Health

- 2.3.3.1. We subscribe to the principle that every worker has the right to access health care, including accessible and affordable medicines and medical treatment.
- 2.3.3.2. We ensure that a dedicated medical crisis and emergency management system is in place in all our locations.
- 2.3.3.3. We provide a safe & health working environment that is free from occupational hazards. We are a smoking free and smoke free organization.
- 2.3.3.4. We have measures in place to ensure personnel safety, accident preventions and loss control in our locations through proactive and reactive steps.
- 2.3.3.5. We provide health insurance policy for employees and their dependents.
- 2.3.3.6. We are committed to provide periodic health check-up facilities to our employees and assist them in monitoring their health conditions.
- 2.3.3.7. We facilitate mental healthcare to our employees and their dependents through Counselors who are available periodically to address individual concerns.

2.3.4. Environment

2.3.4.1. Resource Extraction

2.3.4.1.1. We recognize the value of natural resources and strive to control the use and management of natural resources, especially non-renewable resources. We do not engage in resource extraction in highly vulnerable eco-systems.

2.3.4.1.2. We take steps to directly remedy damages to our immediate environment (by way of our ground water utilization or utilization of any other natural resource in our operations) by assessing impact and by taking steps to restore the resources to their natural levels, to the extent possible.

2.3.4.2. Resource Utilization

2.3.4.2.1. We are committed to the minimizing of wastage of resources such as water, paper, packing materials, solvents and raw materials in all our operations.

2.3.4.2.2. Recycling and reuse of industrial solvents and water is adopted by us actively.

2.3.4.2.3. We seek to minimize energy utilization in our processes through active employee involvement, optimized processes and the utilization of alternative technologies.

2.3.4.2.4. Active monitoring of energy consumed per unit of product manufactured is done, and organizational benchmarks are set. Our annual energy saving

targets is based on such benchmarks and fixed taking into consideration all these factors.

2.3.4.2.5. We try to reduce our collective fuel consumption and thus minimize our carbon footprint, by encouraging car-pooling, and providing buses to the workforce for commuting to and from their various places of work, if our premises are far away from city limits.

2.3.4.2.6. Plastic shall be responsibly utilized and we are striving to reduce the usage of plastic bags as practical as possible.

2.3.4.3. Pollution Control

2.3.4.3.1. Environmental concerns are factored into the designs of workflows in our installations in the project phase, so that by design itself our manufacturing is eco-friendly.

2.3.4.3.2. We treat all liquid effluents in our zero liquid discharge effluent treatment plant and recycle the treated water back in the process.

2.3.4.3.3. We establish effective engineering control measures to maintain the gaseous emissions well within the allowable statutory norms in our plants and locations. Following emission control systems are installed and being operated continuously.

- Electrostatic precipitator
- Vent gas condensation system
- Wet Scrubbers
- Ventury filters

2.3.4.3.4 Emission values are being monitored round the clock and values are connected to local pollution control board for compliance.

2.3.4.3.5. Degradable/Non degradable converting to reusable products is encouraged.

2.3.4.3.6. The storage of solid wastes is done in designated spots appropriately and disposed suitably.

2.3.4.3.7 Hazardous wastes are stored category viz in a protected storage shed and disposed to authorized recyclers/treatment, storage and dispose facility (TSDF) to comply statutory requirements.

2.3.4.4 Spills and Releases to Environment

2.3.4.4.1 Spills and releases are contained in the secondary containment, collected and treated in accordingly.

2.3.4.4.2 Spills and releases are captured in our Emergency Response and Crisis management Plan (ERCP) and addressed suitably.

2.3.4.4.3 Emergency containment systems are in place to collect and treat the contaminated waste water.

2.3.4.4.4 Storage tanks are designed and provided with secondary containment in the event any unplanned release.

2.4. ACTIVITIES FOR SOCIAL AND INCLUSIVE DEVELOPMENT

2.4.1. Schedule VII of the Companies Act 2013

2.4.1.1 Orchid shall undertake activities for economic and social development of communities and geographical areas, particularly in the vicinity of its operations as per Schedule VII of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

2.4.1.2. Under this rule Orchid has separate Policy on “Activities for Social and Inclusive Development” with stipulated programs, objectives and scope, guiding principles, monitoring and feedback mechanism and procedures.

2.4.2 Thrust Areas

2.4.2.1. The areas of thrust include 1. Eradicating Poverty, 2. Education, 3. Skill building for livelihood of people, 4. Health, 5. Welfare of Women and Child, 6. Youth development and 7. Capacity building.

2.4.3. Commitment

2.4.3.1. We endeavor to invest in community development and make a positive contribution to the society at large.

2.4.3.2. Our commitment to the community is driven by our belief that we have a responsibility to support and maintain the communities in which we conduct our business.

2.4.4. Registered Trust

- 2.4.4.1. The company may undertake the activities for the social and inclusive development through a registered trust of society or any company, established by the Company, its holding or subsidiary Company under Section 8 of the Act for such not-for-profit objectives.

3. IMPLEMENTATION

3.1. Management Structure and Deployment:

- 3.1.1. The Managing Director identifies the Head of Corporate Social Responsibility within the organisation and he will provide overall guidance with regard to CSR matters.
- 3.1.2. The Head-Corporate Social Responsibility will form CSR Cross Functional Team or the CFT. The heads of Human Resource Development, Environmental Management, Industrial Safety, Health and Community Development will be members of the CSR Cross Functional Team. Depending upon the size and structure of the organization, all heads of functions and operations will be the members of this CFT.

3.2. Compliance, Monitoring and Reporting

- 3.2.1. CSR is monitored and periodically reviewed by the CSR Cross Functional Team like any other function at operational, divisional and corporate levels based on the targets. Specific actions are taken based on the issues and the recommendation of the CFT.

- 3.3.2. Continuous improvement will be made based on feedback mechanisms to improve the CSR activities and the CSR policy.
- 3.3.3. Compliance with this policy will be continuously monitored and evaluated with the help of external agencies and experts and subject to review by the Board supported by the Audit Committee. Compliance will be reported to stakeholders through the Company Annual Report or its annual CSR sustainability report.
- 3.3.4. Each location head is responsible for ensuring that the principles set out in this policy are communicated to, understood and observed by all employees and for ensuring compliance in their area of responsibility.

4. General

- 4.1. In case of any doubt with regard to any provision of the policy and also with respect to matters not covered herein, a reference is to be made to the CSR CFT. In all such matters, the interpretation and decision of the CSR CFT shall be final.
- 4.2. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by Government, from time to time.
- 4.3. The CSR CFT reserves the right to modify, add, or amend any of provisions of this Policy subject to approval of the Board.