

## **SUPPLIER CODE OF ETHICS POLICY**

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### **Supplier Code of Ethics Policy**

**(Version 1.0)**

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**Document Change Control**

<b>Version</b>	<b>Date</b>	<b>Reason for issue</b>	<b>Issued by</b>
1.0	December 06, 2024	To establish guidelines and define role and responsibilities for ensuring proliferation and adherence to Supplier Code of Ethics by our suppliers, contractors, consultants and their representatives/agents and employees	Board of Directors

**Document Approval**

<b>Role</b>	<b>Date</b>
Board of Directors	December 06, 2024

**Distribution List**

<b>Name</b>	<b>Role/Particulars</b>
Anyone	This policy to be posted in company intranet, website or notice board of the corporate/unit office or any other channel or mode of dissemination for distribution to all employees, third parties, retainers, consultants and outsourced staff.

**Document Control**

Classification	Public
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### 1. Introduction

Cygnus Medicare Private Limited (herein after referred as “CMPL” or “the Company”) is committed to our mission of building trust by saving and caring for lives with dignity, affordability and quality.

Since, the Company views its suppliers, consultants and contractors as important partner in its mission, it has adopted a Supplier Code of Ethics which establishes standards of ethical business practices that we expect from all our vendors and business associates in course of their dealings with the Company for sale/procurement of goods and services for our operations.

### 2. Purpose

The purpose of this Policy is to establish guidelines and define role and responsibilities for ensuring proliferation and adherence to Supplier Code of Ethics by our suppliers, contractors, consultants and their representatives/agents and employees, in order to enhance integrity, ethical standards and avoid conflict of interest.

### 3. Applicability

This Policy applies to all Cygnus Medicare Private Limited (CMPL) and its subsidiaries, joint ventures and associates. Further this Policy is applicable to all suppliers/vendors/traders/agents/consultants/contractors/sub-contractors/business partners/service providers/third parties and/or their employees, agents or other representatives (together referred to as “Suppliers”) who hold business relationship with the Company.

### 4. Accountability

The following officials will be primarily responsible for ensuring compliance with this Policy and other actions warranted under the Supplier Code of Ethics:

- Head - Supply Chain Management for all central vendors for medical and non- medical consumables; equipment’s; services and other supplies; Pharmacy for all central and local vendors for pharmaceuticals; drugs and other pharmacy items.
- Unit Heads for all unit/local vendors providing any kind of material and services. In case of any ambiguity, matter will be referred to Vice President - Supply Chain whose decision shall be final.

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### 5. Declaration and Disclosures under Supplier Code of Ethics Policy

The Supplier Code of Ethics Policy necessitates declaration (see format B) by the Suppliers of having read and understood the Supplier Code of Ethics (Annexure 1). Further, a full disclosure is also expected from each Supplier of any potential conflict of interest etc. in the prescribed format (see format A).

It is expected that declaration from the Supplier should be obtained as per the following:

- **New Suppliers:** within 3 weeks of Supplier code-creation in Hospital Information System (HIS)
- **Existing Suppliers:** within 2, 3 & 5 months for class A, B & C Suppliers respectively but on or before March 31, 2025. The company to notify the suppliers within 7 days of adoption or amendment in the policy.

Definition of three classes of old Suppliers is given below:

Class	Annual purchase value for CMPL (including its subsidiaries, joint ventures and associates)
A	Over INR 250 lacs
B	INR 50 lacs and INR 250 lacs
C	Less than INR 50 lacs

The declarations once received shall be valid for 18 months and should be renewed after this period. In case of any deviations or exceptions to the above, approval of Chief Financial Officer shall be obtained in writing or on e-mail.

The non-complying /pending list of Suppliers shall be circulated to the Chief Financial Officer and permission should be sought before placing any order of any value with such Supplier.

### 6. Review of Disclosures made by Suppliers

The officials accountable under this Policy shall diligently examine the disclosures made by the Suppliers and take remedial measures, wherever required, to ensure that all potential conflict of interests are avoided and only the Suppliers with high level of integrity are allowed to enter into business dealings with the Company and its hospitals. The records of remedial measures shall be documented and maintained by the Company.

### 7. Consequence of violation of Supplier's Code of Ethics by the Suppliers

The Company shall deal with all infractions with fairness and impartiality. However, established failure to comply with the Company's Supplier Code of Ethics by any Supplier shall lead to suspension of any contract awarded to the Supplier and

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blacklisting. Further any payments due to such Supplier as per the Company's books shall be released only after thorough investigation.

The officials accountable under this Policy can take similar action against a Supplier suspected of violation of Supplier Code of Ethics with due approval from Compliance and Ethics Committee except that in all such cases, dues for any goods and services received should be settled in due course of business.

### **8. Others**

- Any information about misconduct or unethical and dishonest behavior reported under the Supplier Code of Ethics Policy shall be investigated as per the process laid down in the Whistle Blower Policy and findings reported to Board of Directors.
- In the event, any employee, associate, consultant, contractor etc. is involved in or party to any violation of Supplier Code of Ethics Policy, a disciplinary action, that may include suspension, termination, claim for reimbursement to the Company for any losses or damages resulting from such violation, shall be taken in conjunction with Human Resource department.
- Disciplinary action shall also be taken against the manager or the supervisor where such violation reflects inadequate supervision or lack of diligence regarding a violation of Supplier Code of Ethics Policy.
- All Purchase Orders and request for proposals should draw reference to the Company's Supplier Code of Ethics and Supply Chain/Procurement/Pharmacy department is expected to widely share the contents of the Code with all the existing and potential Suppliers.

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### Annexure 1: Supplier Code of Ethics

#### **1. The Suppliers shall maintain business integrity by:**

- conducting their business activities in compliance with all applicable laws and regulations including laws related to human rights such as child labour and forced labour laws.
- not engaging in any corrupt practices such as offering or accepting bribes, kickbacks or improper payments of any kind to/from any Government Official or the Company employees/retainers /contractors (Company staff) for the purpose of obtaining or retaining business or gaining any improper advantage. Further the Supplier shall read, acknowledge and adhere to the Company's Anti-bribery and Corruption policy and not violate or cause its business partners to violate any applicable anti-bribery laws and regulation.
- adhering to the Company's Gifts and Hospitality policy while exchanging gifts or gratuities in cash, kind or gift cards including festive gifting and not making facilitation payment to any recipient especially for the purpose of expediting or facilitating the performance of a Government Official.
- not offering or sponsoring social entertainment for the Company staff. The Company encourages all business discussions to be generally held inside the office premises, during office hours with a prior appointment.
- providing samples of goods and services (other than the ones covered under schemes) only for purposes of evaluation and quantity provided should thus match the purpose.
- sponsoring the Company's staff travel, educational conference and seminars only for valid business purposes that benefit the Company. All Supplier sponsorships should be channelled through Head - Supply Chain Management/Unit Head and all payments on this account should be routed through banking channel
- not advertising or making public announcement about the products or services of the Company unless a prior written approval of the Company's Compliance Officer is obtained.
- maintaining and making available records related to business transaction with the Company as per applicable law and contract requirements.

#### **2. The Supplier shall respect CMPL's confidentiality by:**

- following the applicable data privacy laws and remaining duty-bound to ensure protection of any information acquired in their business relationship with the Company.
- strictly abstaining from making any video and/or audio recording during any discussions or site show rounds, without obtaining prior consents.

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- not sharing any confidential information without written consent from Head - Supply Chain Management. Illustrative list of confidential information is per below:
  - Cost or Pricing or Volume Information
  - Patients' data and information
  - CMPL staff information
  - Information on operating systems & technology platforms
  - Intellectual property
  - Organization design or plans (operational as well as financial)

### **3. The supplier shall disclose all potential sources of conflict of interest**

A conflict of interest exists when a supplier's direct or indirect personal interests are inconsistent with or interfere with the best interests of the Company. To avoid such conflicts.

- the supplier shall disclose any direct or indirect personal interests held by a officer or the Company staff in supplier's enterprise.
- the supplier shall disclose family relationship between a officer or the Company staff and any director, officer or staff of the supplier.

Further the supplier shall not take advantage of any family/ social/ political affiliations to obtain favourable treatment or business opportunities and disclose such affiliations before entering into such business transaction.

### **4. The supplier shall at all times engage in fair trade practices & processes by**

- not taking any advantage of social/political connections or any other undue influence for favorable treatment in business transactions
- not engaging in cartelization and any other anti-competitive activities
- ensuring proper quality assurance of the products and/or services sold/rendered
- acting only on written Purchase Order (PO) from the Company and seek clarification from Head - Supply Chain Management on orders that deviate from such practice

### **5. The supplier shall advocate whistleblower protection by**

- escalating misconduct, unethical or dishonest behavior by any of the Company staff or associate to:
  - E-mail: [eccommittee@ujalacygnus.com](mailto:eccommittee@ujalacygnus.com)
- Endeavoring to develop mechanisms to expose wrong practices being followed by the Company staff/business associates in business



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dealings. The Company will ensure that such matters shall be handled in a fair and equitable manner.

- encouraging and providing such mechanism to its employees to report unethical or unlawful practices.
- Co-operating with the Company's Management in the investigation of reported allegations of fraud, unethical practices or non-compliance to law and regulation involving the Supplier or its employees and take corrective action where appropriate.

**6. The Supplier has the responsibility to share this Code of Ethics with all of its employees who may be engaged in conducting business activities with CMPL or its subsidiaries, joint ventures and associates.**

**7. The supplier shall provide a declaration along with all relevant disclosures in the prescribed format (see format A and B) and on annual basis or at a periodicity determined by the Company from time to time.**

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**FORMAT A– DISCLOSURES**

	<b>Disclosure</b>		
1	Are you aware of any regulatory or legal violation by any of <b>CMPL</b> 's director or officer while working for or on behalf of the Company	Yes	No
	If yes; please provide details		
2	Does any <b>CMPL</b> director or officer hold any direct or indirect interest in your Company?	Yes	No
	If yes; please provide details		
3	Do you or any of your, director or officer have any family relationship with any of <b>CMPL</b> 's director or officer?	Yes	No
	If yes; please provide details		
4	Are you related directly or indirectly with any political or socially influential personality?	Yes	No
	If yes; please provide details		
5	Have you or any of your director or officer ever been accused of corrupt practices such as offering bribes, kickbacks?	Yes	No
	If yes; please provide details		
6	Have you or any of your director or officer made any payments or offered any personal favors to a Government Official or any third party in violation of the CMPL Anti-bribery and Corruption policy	Yes	No
	If yes; please provide details		
7	Does any of the invoices or expense vouchers submitted by you or your organization to <b>CMPL</b> include any payment for bribe/kickback or facilitation payment made to a Government Official or any third party for expediting work or obtaining business favors	Yes	No
	If yes; please provide details		
8	Have you or any of your, director or officer provided gifts/hospitality of more than INR 5,000 in actual or perceived value to a Government Official/third party or a <b>CMPL</b> employee	Yes	No
	If yes; please provide details		
9	Have you ever engaged in or are part of industry cartels or any other anti-competitive activities?	Yes	No
	If yes; please provide details		
10	Have any of your business partners black-listed you or withdrew business from you for other than competitive reasons?	Yes	No
	If yes; please provide details		

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### FORMAT B – ANNUAL DECLARATION

Familiarize yourself with Cygnus Medicare Private Limited (CMPL's) Code of Conduct and Ethics, Supplier Code of Ethics Policy, Whistleblower Policy, Anti – Bribery & Anti-Corruption (ABAC) Policy and related policies and guidelines available on the [website](#).

Link: <https://ujalacygnus.com/>

Understand and acknowledge that you are not aware of any actions taken by yourself or by your representatives over the past year, which may be considered as a violation of any of the above policies and guidelines. Further, any violations known to you have been reported.

I, ([Name of the authorized representative](#)), the authorized representative of and on behalf of ([Name of the vendor/ third party](#)), confirm the following:

- a. I and/or XXX (herein referred to as “we”) understand and agree to abide by CMPL's Code of Conduct and Ethics (Code), Supplier Code of Ethics, Whistleblower Policy and Anti – Bribery & Anti-Corruption Policy and Gifts & Entertainment Policy.
- b. We understand the requirements and responsibilities in relation to the Code, Policies, and applicable regulations and agree to abide by them.
- c. We have not paid, offered or promised to pay money or anything of value, on behalf of CMPL, to:
  - Any government official, to influence that official to secure an improper business advantage for CMPL or its associate companies; and
  - Any private entity or individual to influence that entity/ individual to carry out any activity to secure an improper business advantage for CMPL or its associate companies.
- d. We have not paid, offered or promised to pay money or anything of value to an employee (current and past) of CMPL or its associate companies to carry out any activity to secure an improper business advantage.
- e. We have not accepted or agreed to receive/ accept money or anything of value on behalf of CMPL or its associate companies in exchange for any improper performance on our part to secure an improper advantage for us or any entity/ individual connected to us.

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- f. We have not undertaken any activity, on behalf of CMPL or its associate companies or by our own accord, that would cause CMPL to violate any applicable anti - bribery regulations including The Foreign Corrupt Practices Act, 1977 (“FCPA”), UK Bribery Act, 2010 (“UKBA”), Prevention of Corruption Act, 1988 and other applicable local regulations.
  
- g. We also understand that any violation of CMPL’s Code and policies could be regarded as a serious misconduct and may result in termination of contract, blacklisting or initiation of legal action against us.

For any queries about this annual declaration process, please contact Head - Supply Chain Management/**Unit Head**

Signed: .....

Name:

Designation:

Authorized representative of: **(Vendor name)**

Date:

Place:

Your accurate and timely completion of the confirmation process is extremely important and will be greatly appreciated. We seek your cooperation in addressing this important compliance requirement.

Thank you in advance for your attention to this matter.