



## ANTI BRIBERY AND ANTI CORRUPTION POLICY

### Introduction

This Anti-Bribery & Anti-Corruption Policy reflects our unwavering commitment to ethical conduct, transparency and global compliance. It aligns with our core values of integrity, professionalism and social responsibility, ensuring that our operations uphold the trust placed in us by patients, partners, and stakeholders worldwide.

We are committed to enhance integrity, transparency and ethics in governance of the company and to reinforce confidence and trust in the company. Therefore, we are committed to act professionally and fairly in all our business dealings and relationships in our operations.

This policy complements and is to be read in conjunction with:

- Code of Conduct
- CSR Policy
- Risk Management Policy
- Whistle Blower Policy

### Objective

The objective of this policy is to:

- Establish the company's commitment to complying with all applicable anti-bribery and anti-corruption laws, while fostering a culture of integrity, transparency, and ethical conduct across all operations.
- Provide tools and training to help employees identify, prevent, and respond to bribery and corruption risks. This includes clear procedures for reporting concerns and understanding potential consequences of violations.
- Implement regular monitoring mechanisms to assess policy effectiveness, measure training impact, and drive ongoing improvements in compliance practices and risk management.

The Company will undertake a periodic bribery and corruption risk assessment across its business to understand the potential risks and ensures it has adequate measures in place for an identified risk. The risk assessment will be documented and periodically reviewed, and the Audit committee of the Board of Directors of the Company is updated on yearly basis.

### Scope

This policy applies to:

- All directors, officers and employees of Bal Pharma.
- Subsidiaries, joint ventures and affiliates
- Third parties acting on behalf of Bal Pharma, including agents, consultants, distributors, suppliers and contractors

### Definitions

- **Bribery:** means anything of value that is offered, given, received, solicited or promised to influence a decision or gain an unfair advantage. Bribery may be in form of offering, providing, receiving or soliciting any inducement of any kind to influence or expedite any decision/action,



which affects the business, than being in the form of cash payments.

- **Corruption:** includes abuse of entrusted power for private gain, wrongdoing on the part of an authority or those in power through means that are illegitimate, immoral or incompatible with ethical standards.
- **Facilitation Payments:** Unofficial, small payments made to expedite routine actions
- **Third Party:** A third party is any individual or organization that an associate may encounter during his/her engagement with Bal Pharma Ltd, and includes actual and potential clients, customers, suppliers, distributors, business partners, agents, advisers, business associates and government and public bodies including their advisors, representatives and officials, politicians and political parties.

### **Prohibited Conduct**

Bal Pharma strictly prohibits:

- Bribery in any form (direct or indirect)
- Use of Company funds or assets for unlawful or unethical purposes
- Offering or accepting gifts, hospitality or entertainment that may influence business decisions
- Political contributions without Board/Management approval
- Charitable donations used as a cover for bribery
- Offering, promising, or providing any payment, gift, or hospitality to a third-party or representative to expedite routine procedures is strictly prohibited. Such actions are considered facilitation payments and violate both company policy and applicable anti-corruption laws.
- Engage in any activity that might lead to a breach of this Policy

### **Gifts, Hospitality and Entertainment**

Reasonable and proportionate business hospitality is permitted when it serves legitimate purposes such as promoting our products, enhancing our reputation, or building professional relationships. However, gifts, entertainment, travel, or other benefits must never be offered or accepted to influence business decisions or gain improper advantage. Employees and third parties must refrain from any exchange that could be considered unlawful, violate recipient policies, or create a conflict of interest. All such interactions must be transparent, properly documented, and subject to internal review. The company maintains a zero-tolerance approach to any form of bribery or corruption and expects all stakeholders to uphold the highest standards of integrity.

### **Kickbacks, Bribery, Facilitation Payments**

Bal Pharma prohibits all forms of facilitation payments and kickbacks—unofficial payments made to accelerate routine processes or gain undue business advantage. Individuals must ensure that any payment made on behalf of the company is lawful, justified, and proportionate to the service rendered. Actions that may lead to or imply such payments must be strictly avoided.

### **Lobbying and Donations**

Any interaction with government officials intended to influence legislation or regulatory decisions must comply with applicable laws and be conducted transparently. Bal Pharma recognizes that lobbying activities may be subject to legal scrutiny and must be properly authorized and documented.

Similarly, donations may only be made for ethical and legitimate purposes, in full compliance with this policy and relevant Indian laws. All donations must be approved by senior management and accurately



recorded to ensure transparency, accountability, and alignment with anti-bribery and anti-corruption regulations.

### **Due Diligence Procedures**

The use of third parties to make indirect or improper payments is strictly prohibited under this policy and applicable anti-corruption laws. Prior to engaging any third party, Bal Pharma will conduct risk-based due diligence to assess compliance risks. Contracts must include appropriate anti-bribery provisions to ensure adherence to this policy and legal requirements.

### **Sponsorships**

Sponsorships may be provided only for legitimate business purposes, to credible recipients, and in full compliance with this policy and applicable laws. All sponsorship arrangements must receive prior approval from senior management to ensure transparency and alignment with ethical standards.

### **Record-keeping**

All the company's transactions shall be recorded properly with reasonable details. Falsification of documents related to expenditures by the employees and the associates is strictly prohibited. Failure to report or deliberate non-compliance may lead to disciplinary action, including termination. Preventing and reporting corruption is everyone's responsibility.

### **Whistle blower Policy**

Each employee is encouraged to raise concerns/report any bribery suspicion, wherein any person associated with the company and are representing the company, may have engaged in conduct inconsistent with the company's policy related to bribery. Reporting can be done under whistle blower policy wherein the identity of the whistle blower is protected, hence protecting them from retaliation.

### **Training and awareness**

We are committed to conducting regular, structured training sessions for all employees, directors, officers and relevant third parties to ensure a thorough understanding of this policy and the ethical standards we uphold. These sessions are designed not only to explain the legal and procedural aspects of anti-bribery and anti-corruption compliance, but also to reinforce our values of integrity, transparency and professionalism. By embedding ethical awareness into our daily operations, we aim to foster a culture of vigilance and accountability.

### **Reporting & Response Procedure**

- Raising Concerns:**

Employees and third parties are responsible for identifying and reporting any suspected bribery or corruption. Concerns should be raised promptly with a manager or [info@balpharma.com](mailto:info@balpharma.com). Anonymous reports are accepted and must include sufficient detail for review.

- If You're a Victim:**

If offered a bribe or suspect corrupt activity, report it immediately. Do not engage—clearly state the company's zero-tolerance stance and seek support from your manager or HR if needed.

- Protection Against Retaliation:**



Bal Pharma supports individuals who report concerns in good faith. Retaliation, discrimination, or harassment against whistle blowers will not be tolerated. All reports will be handled confidentially and investigated appropriately.

- **Penalty**

Violations of this policy may result in penalties ranging from verbal or written warnings to termination of employment or contractual relationships.

#### **Monitoring and Reviewing**

This anti-bribery and anti-corruption policy is reviewed internally as per the review date mentioned for adherence and updated (if necessary) for applicability, relevance, and effectiveness.