

# **STELIS BIOPHARMA LIMITED**

## **CODE OF CONDUCT AND ETHICS FOR SENIOR MANAGEMENT PERSONNEL**

**PREFACE:**

Title	Code of Conduct and Ethics for Senior Management Personnel
Effective Date	
Authorised by	Board of Directors vide resolution dated
Version Number/ date	

## **CODE OF CONDUCT AND ETHICS FOR SENIOR MANAGEMENT PERSONNEL**

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### **1. INTRODUCTION**

This Code of Conduct has been framed and adopted by Stelis Biopharma Limited (hereinafter referred to as “the Company”) to lay down guiding principles by which the Company expects its Senior Management Personnel ((hereinafter referred to as “the SMP”)) to conduct themselves while discharging their duties towards the Company in a honest and ethical way.

The SMPs are entrusted with the management of the business and affairs of the Company under the direction and supervision of the Board of Directors of the Company. As the Company’s key officers, the SMP set the standard of conduct for all officers and employees of the Company.

The Company has a continued commitment to compliance with applicable laws and regulations and to operating in accordance with the highest standards of business conduct. In many instances, the Code’s guidelines and standards go beyond the requirements of applicable law.

### **2. APPLICABILITY**

The Code is applicable to all the Senior Management Personnel of the Company.

“Senior Management Personnel” (SMP) shall mean officers/ personnel of the Company who are members of its core management team excluding Board of Directors and shall comprise all members of management one level below the Chief Executive Officer/ Managing Director/ Whole Time Director/ Manager (including Chief Executive Officer/ Manager, in case they are not part of the board) and shall include Company Secretary and Chief Financial Officer.

### **3. GUIDELINES FOR CONDUCT**

It shall be the first and foremost duty of every SMP’s to uphold the interests of the Company, observe due care in the performance of his/her duties and be loyal to the Company.

SMP’s shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties

A SMP should:

- a) dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including decision-making by reviewing in advance any materials distributed and making reasonable inquiries;

- b) be aware of and seek to fulfill his or her duties and responsibilities as may be stipulated by the Company from time to time; and
- c) seek to comply with all applicable laws, regulations, confidentiality obligations and Corporate Policies.

## **5. CORPORATE BUSINESS OPPORTUNITIES**

Except as described elsewhere herein, a SMP may not engage in business so long as he/she is in the employment of the Company nor pre-empt or seize a corporate business opportunity. A corporate business opportunity is an opportunity in the Company's line of business or proposed expansion or diversification, which the Company is financially able to undertake and which may be of interest to the Company.

## **6. OUTSIDE EMPLOYMENT**

The SMP are expected to devote their full time and attention to the business interests of the Company and are prohibited from engaging in any activity prejudicial to the interests of the Company. Any simultaneous employment, or any engagement in activities of other companies, including competitors is considered to be against the business interests of the Company.

## **7. OTHER DIRECTORSHIPS**

A SMP may, with prior consent of the Board of Directors serve on the Board of another entity provided that such entity is neither directly nor indirectly a competitor of the Company or engaged in similar business of the Company.

## **8. CONFLICT OF INTEREST**

SMPs are expected to dedicate their best efforts to advancing the Company's interests and to make decisions that affect the Company based on the Company's best interests and independent of outside influences.

SMP's obligation to conduct the Company's business in an honest and ethical manner includes the ethical handling of actual or apparent conflicts of interest between personal and business relationships.

Following are some common examples that illustrate actual or potential conflicts of interest:

- a) Owning an interest in a Company that competes with or does business with the Company;
- b) Participating in a joint venture, partnership or other business arrangement in competition with the Company; and

- c) Employment with or serving as a director of a competitor, customer or supplier of the Company.

A SMP who has an actual or potential conflict of interest, including any of the situations described above, must promptly disclose to the Company: (1) the existence and nature of the actual or potential conflict of interest, and (2) all facts known to him/her regarding the transaction that may be material to making a judgment about whether or not to proceed with the transaction. The SMP may proceed with the transaction only after receiving express approval from the Board or Managing Director of the Company.

## **9. GIFTS AND ENTERTAINMENT**

When acting on behalf of the Company, SMPs should never accept gifts, entertainment or any other business courtesies from anyone doing business with the Company (including but not limited to suppliers, service providers, contractors, consultants, channel partners, statutory auditors, customers, and competitors,).

Unsolicited gifts are permissible if they are customary and commonly accepted business courtesies; not excessive in value; and given and accepted without an express or implied understanding that the SMP is in any way obligated by acceptance of the gift. Gifts with a value of over Rs. 10,000/- or equivalent in foreign currency should only be accepted with the approval of the Chief Human Resource Officer (CHRO). Meals in the ordinary course of business and infrequent meals and entertainment, such as cultural or sporting events, that are attended by both the SMP and the offeror are not considered gifts. Gifts of cash or cash equivalents (including gift certificates, securities, below-market loans, etc.) in any amount are prohibited.

## **10. COMPANY PROPERTY**

SMPs have a responsibility to safeguard and properly use Company assets and resources, as well as assets of other organizations that have been entrusted to the Company. Except as specifically authorized, Company assets, including Company equipment, materials, resources and proprietary information, must be used for only Company business purposes.

## **11. CONFIDENTIAL INFORMATION**

SMPs shall maintain the confidentiality of information entrusted to them by the Company. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the SMP or anyone other than the Company.

## **12. RELATED PARTY DISCLOSURES**

The SMP, before conducting business of the Company with a related party or a relative and/or with a business in which a relative is associated in any significant role, shall promptly disclose his/her interest to the Board of Directors.

For the sake of clarity, the term “related party” and “relative” shall have the same meanings as defined respectively under Sections 2(76) and 2(77) of the Companies Act, 2013.

### **13. FAIR DEALING**

SMPs should endeavor to deal fairly with the company’s customers, suppliers, competitors and employees and should never take unfair advantage of others through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

### **14. COMPLIANCE WITH LAWS AND REGULATIONS**

The Company is committed to compliance with those acts, rules and regulations that govern the conduct of its business:

#### **a) Securities Laws**

It is Company policy to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws and regulations in all reports and documents that the Company files with, or submits to, the Registrar of Companies and in all other communications made by the Company. SMPs must abide by applicable Company policies and procedures designed to promote compliance with this policy.

#### **b) Competition Laws**

While the Company competes vigorously and creatively in its business activities, its efforts in the marketplace must be conducted in accordance with all applicable Competition Act and Regulations. SMPs should not engage in any activity in violation of applicable Competition Act.

#### **c) Anti-Corruption Laws**

The Company conducts its business activities in compliance with the Prevention of Corruption Act, 1988 of India and applicable anti-corruption laws of all other countries in which the Company conducts businesses. Under the Prevention of Corruption Act, it is an offence to offer to a ‘public servant’ a gratification or a valuable thing as a motive or reward for doing or forbearing to do any official act. SMP should not, directly or indirectly, engage in any activity that could be construed as the Company being in breach of the Prevention of Corruption Act or any other applicable anti-corruption law.

#### **d) Interacting with Government**

The various branches and levels of government have different laws restricting gifts, including meals, entertainment, and transportation and lodging, that may be provided to a public servant. SMPs should not offer to or pay for meals, travel, lodging or any other expenses for public servants in connection with the Company or Company's business without first consulting with the Legal Counsel of the Company.

**e) Political Contributions**

The Company will not make political contributions from corporate resources to any political party, candidate or holder of public office, or political committee that is not in compliance with Section 182 of the Companies Act, 2013. This includes monetary contributions as well as in-kind contributions (such as the use of corporate property, personnel services or facilities).

SMPs may not cause the Company to make contribution to any political party or for any political contribution without the prior approval of the Board. SMPs must comply with applicable laws and Company policy with respect to causing the Company to make political contributions. SMPs may not make personal political contributions on behalf of, or in the name of, the Company. SMPs will not be reimbursed or otherwise compensated for any personal political contribution.

**15. NON-COMPLIANCE**

In case of any violation/ suspected violation of this Code, any stakeholder of the Company may raise a complaint under the Stelis' Whistle-blower Policy.

Upon receipt of such complaint, the same shall be investigated as detailed in the Stelis' Whistle-blower Policy.

SSMPs who violate this Code may be subject to sanctions, up to and including a request to resign from the employment of the Company.

An SMP charged with a violation of this Code may be present at a meeting of the Board or Committee convened for that purpose of enquiring into the alleged contravention.

Any waiver of this Code must be approved by the Board of Directors or Managing Director and publicly disclosed as required by law or regulation.

**16. AMENDMENTS**

The Board may amend the provisions of this Code from time to time. And unless otherwise specified, such amendments shall be effective from the date of the Board meeting at which such amendments are approved.

**17. NO RIGHTS CREATED**

This Code sets forth guidelines for conduct for the Senior Management Personnel. It is not intended to and does not create any rights in any director, officer, employee, client, supplier, competitor, shareholder or any other person or entity.

## 18. ACKNOWLEDGEMENT AND ANNUAL COMPLIANCE AFFIRMATION

The SMP's shall affirm compliance on an annual basis in the format prescribed in **Annexure 1** of the Code .

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### Version Control

Title	Code of Conduct and Ethics for Senior Management
Effective Date	
Authorised by	Board of Directors vide resolution dated February 16, 2022
Version Number/ date	



**ANNUAL COMPLIANCE FORMAT**

To  
**Stelis Biopharma Limited**  
Corporate Office :  
Star 1, Opp IIM Bangalore,,  
Bilekahalli, Bannerghatta Road,  
Bangalore – 560 076.

Dear Sirs,

The undersigned, being a Senior Management Personnel of Stelis Biopharma Limited, do hereby affirm my compliance with the Code of Conduct for Senior Management Personnel as laid down by the Company for the financial year ended \_\_\_\_\_.

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Place :

Date :