



STRIDES PHARMA SCIENCE LIMITED

Responsible Sourcing Policy

Adopted by the Board of Directors on July 29, 2025



1. INTRODUCTION

Established in 1990, Strides Pharma Science Limited is a global pharmaceutical company engaged in delivering complex generic formulations that address the diverse healthcare needs of patients around the world. Strides maintains a strong presence across both regulated and emerging markets, offering a wide range of products including tablets, hard capsules, sachets, liquids, nasal sprays, topicals, and controlled substances.

We are driven by our core values of Efficiency, Competency, and Integrity. Our growth is strategically tied to a steady focus on sustainability, which is central to our strategic approach. This ensures we consistently deliver on our commitments to all stakeholders, including patients, employees, customers, partners, investors, and the community. We strive to align with international frameworks such as the United Nations Global Compact (UNGC) and the Pharmaceutical Supply Chain Initiative (PSCI) to continuously enhance our supply chain practices.

In alignment with its core values, Strides places strong emphasis on responsible sourcing. This policy outlines our approach to ensuring that our supply chain upholds the highest standards of integrity, environmental stewardship, and social responsibility.

2. SCOPE

This policy shall govern all suppliers, contractors, and service providers integrated within the Strides ecosystem and its subsidiaries (hereafter referred to as “Strides,” “we,” or “our”). Our supplier network encompasses, but is not limited to, entities and individuals delivering services, raw materials, active pharmaceutical ingredients, components, finished products, or other essential resources—whether through direct or indirect collaboration. This policy shall extend across all our procurement channels in a phased manner, defining our forward-thinking approach to collaborating with partners and setting clear standards for their operational conduct and shall apply to all those who are working at any Strides’ office or manufacturing facility globally.

3. OUR SUSTAINABILITY APPROACH

Our approach focuses on conducting routine assessments, ensuring traceability, mitigating risks, and promoting sustainable practices throughout our supply chain. We aim to create a responsible ecosystem that balances economic, environmental, and social considerations.

The objective of this policy is to:

- Enhance the environmental, social, and economic outcomes of our procurement processes by integrating sustainability principles into different areas of sourcing and supplier engagement;
- Promote a culture of sustainability among our suppliers, encouraging them to adopt practices that reduce environmental impact, improve social conditions, and strengthen governance structures in the communities in which they operate;



- Encourage collaborative relationships with suppliers, offering guidance and support as they work towards building more sustainable operations with a focus on governance practices.

4. COMPLIANCE WITH STRIDES' VENDOR'S CODE OF CONDUCT

At Strides, it is vital to the business success and sustainability that alongside the Company, its vendors/ suppliers (hereinafter referred to as “vendors”) share the Company’s commitment to high ethical standards and operate in an environmentally responsible and ethical manner. All vendors are required to adhere to Strides' Vendor Code of Conduct which includes standards for business ethics, human rights, and labor, EHS (Environment, Health and Safety) and responsible business conduct. The vendor code of conduct is reviewed at least once every three years and shall be collected from every vendor annually as part of vendor surveillance.

Adherence to Strides’ Vendor Code of Conduct is an essential requirement for any vendors seeking to collaborate with Strides. For detailed information, please refer Strides’ Vendor’s Code of Conduct.

5. SUPPLIERS’ SCREENING

We employ robust screening mechanisms to ensure that vendors meet Strides' exhaustive checks and standards. We categorize suppliers as critical or non-critical based on a comprehensive set of parameters. A critical supplier is one whose goods, materials, and services have a significant impact on the company's competitive advantage and market success. A non-critical supplier is one whose goods or services support various elementary aspects of operations. The parameters considered for categorization includes volume supplied, spend value, criticality of materials supplied to our operations, the supplier’s market position and our level of dependency. In addition, we focus potential environmental and social impacts that are material to the operations.

6. EVALUATION, ASSESSMENT AND RISK MANAGEMENT

Before any vendor is approved as a qualified source, they go through a detailed evaluation process that looks beyond quality metrics, including cGMP standards and regulatory assessments. These include:

- ✓ Review of Supplier Landscape;
- ✓ Desktop Review;
- ✓ Physical Audit

Reviewing the supplier landscape involves analyzing whether all aspects of a vendor's operations meet our global regulatory expectations and industry standards. It also includes a risk evaluation of vendors, considering multiple factors and dimensions, including but not limited to geographical location, current regulatory compliance status, facility profile (dedicated or multi-product), and manufactured product types.



Furthermore, the desktop review incorporates customized checklists that are centered around capturing information on ESG aspects. Based on the responses provided by an individual supplier, they are categorized as Leader, Mover and/or Laggard. Further, physical audits are conducted. This involves on-site assessments of select critical high- and medium-risk suppliers. However, an on-site audit is mandatory for all suppliers grouped in the Direct Material category.

After the assessment, we provide a Corrective and Preventive Action (CAPA) plan addressing the gaps and areas for improvement. Periodic re-assessments are done to assess the steps taken towards CAPA. Additionally, we carry out a requalification process every two years. This evaluation process helps us maintain an effective and sustainable supply chain.

7. CAPACITY BUILDING OF BUYERS

Empowering buyers with ESG (Environmental, Social, and Governance) knowledge ensures that purchasing decisions align with the company's sustainability goals and regulatory expectations. We conduct periodic training programs and workshops for our procurement teams/buyers, emphasizing ESG principles, sustainable sourcing, supplier due diligence, and risk mitigation. These capacity-building sessions are conducted annually and cover key sustainability topics such as responsible sourcing of raw materials, labor rights, environmental compliance, and supplier diversity. To enhance practical understanding, the training includes case studies, regulatory updates, and interactive modules designed specifically for our teams, ensuring they are equipped to adhere to and advance our sustainability goals.

8. CAPACITY BUILDING OF PARTNERS

Strides conduct periodic training, engagement and awareness workshops for suppliers/partners engaged in procurement, trading, contracting, and related functions. These sessions include both remote and on-site support to assist in implementing corrective actions and improvement plans. To further strengthen ESG capabilities across the value chain, ESG-focused workshops have been introduced, covering essential topics such as sustainable supply chain practices, regulatory developments, ethical governance, human rights, and environmental and social responsibility. In addition, new suppliers undergo a comprehensive onboarding module on ESG and sustainability practices.

9. GRIEVANCE MECHANISM

Employees and/or Suppliers are encouraged to raise any concerns, suspicious activities or violations of this Policy, through ethics@strides.com or direct communication with their Strides point of contact. All reported concerns are investigated thoroughly and addressed appropriately, maintaining confidentiality throughout the process.

10. COMMUNICATION & PERIODIC REVIEW OF POLICY

This policy has been approved by the Board of Directors. The Policy shall be subject to review every two years and as may be deemed necessary and in accordance with regulatory



amendments, if any. We ensure that we inform major changes to the Policy promptly, by an update on the Company's website, or any other appropriate way of contacting relevant parties.
