

AstraZeneca Pharma India limited

Corporate Social Responsibility Policy

I. CONCEPT AND VISION

The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of society and area in which companies operates. The Company also believes in the trusteeship concept. This entails transcending business interests and working towards making a meaningful difference to the society.

In this regard, the Company has made this policy which encompasses the Company's philosophy for delineating its responsibility as a **Corporate Citizen** and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large and titles as the "**Corporate Social Responsibility (CSR) Policy**" which is based as per the Companies Act, 2013 and rules made there under.

II. Definitions

- **Board** means Board of Directors of the Company.
- **Corporate Social Responsibility (CSR)** means and includes but is not limited to:-
 - 1) Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013; or
 - 2) Projects or programs relating to activities undertaken by the Board of Directors of the Company in pursuance of the recommendation of the CSR Committee and approved by the Board as per this policy.
- **CSR Committee** means Corporate Social Responsibility Committee constituted by the Board pursuant to section 135 of the Companies Act, 2013.
- **Company** means AstraZeneca Pharma India Limited
- **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the followings, namely:-

- 1) Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise, and
 - 2) Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Companies Act, 2013.
- **“Ongoing Project”** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

Words and expressions used in this policy and not defined herein but defined under the Companies Act, 2013 shall have the same meanings respectively assigned to them.

III. CONSTITUTION, COMPOSITION AND SCOPE OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

(a) Constitution and composition of the CSR Committee

The CSR initiatives/activities of the Company will be identified and initiated by the CSR Committee comprising of 3 (three) or more members out of which at least one Director shall be an Independent Director.

The members of the CSR Committee shall elect one of them as the Chairman of the Committee. The CSR Committee shall recommend to the Board the amount of expenditure to be incurred by the Company on CSR activities and the Board will ensure that the activities as are included in the CSR Policy are undertaken by the Company subject to and in accordance with the provisions of section 135 of the Companies Act, 2013.

The composition of CSR Committee shall be disclosed in the Board’s report.

(b) Scope of the CSR Committee

The CSR Committee has been set up to;

- Formulate and recommend to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company as detailed in the Schedule VII to the Act
- Recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy
- Monitor the implementation of CSR projects or programs or activities undertaken by the Company, on CSR Policy from time to time

- Formulate and recommend to the Board, an annual action plan

(c) Modalities of execution of the CSR Projects

The modalities of the execution of the CSR projects or programs and their implementation along with the monitoring process of such projects or programs shall be as decided by the CSR Committee.

IV. ANNUAL CSR PLAN

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

- a) the list of CSR projects or programmes that are approved to be undertaken in areas or
- b) subjects specified in Schedule VII of the Act;
- c) the manner of execution of such projects or programmes;
- d) the modalities of utilisation of funds and implementation schedules for the projects or
- e) programmes;
- f) monitoring and reporting mechanism for the projects or programmes; and
- g) details of need and impact assessment, if any, for the projects undertaken by the company:

The Board may alter Annual Action plan at any time during the financial year, as per the recommendation of CSR Committee, based on the reasonable justification to that effect.

The CSR Committee may also identify and recommend to the Board "Ongoing Project/s" and may designate some of the existing CSR projects as an Ongoing Project and such Ongoing Projects shall be selected, implemented, monitored and reported in accordance with the applicable CSR rules.

V. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Company shall upon the recommendation of its CSR Committee and with necessary approval of the Board, undertake any one or more of the following activities, as part of its corporate social responsibility initiative, which are defined in Schedule VII of the Companies Act 2013;

- (i) Eradicating hunger, poverty and malnutrition, 'promoting health care including preventive health care and sanitation [including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].
- (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
- (viii) contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) (a) contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.
 (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)
- (x) rural development projects
- (xi) slum area development.

Explanation - For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- (xii) disaster management, including relief, rehabilitation and reconstruction activities

Provided that, the CSR projects and programs or activities that benefit only the employees of the Company and their relatives shall not be considered as CSR activities.

Also, the CSR activities undertaken in India only will be taken into consideration, in order to satisfy the requirement of section 135 of the Companies Act 2013.

Also, contribution of any amount directly or indirectly to any political party under section 182 of the Act shall not be considered as CSR activity.

Also, the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities

V. IMPLEMENTATION AND RESOURCES FOR THE CSR ACTIVITIES

- For achieving its CSR Initiatives and Activities through implementation of meaningful & sustainable CSR programs, the Company needs to allocate, in every financial year, at least 2% (two per cent) of the average net profit made by the Company during the three immediately preceding financial years.

The average net profit of the Company shall be calculated in accordance with section 198 of the Companies Act 2013.

- If in case the Company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the prescribed amount.
- Unspent amount, if any, for the financial year, unless it is earmarked for an Ongoing Project as recommended by the CSR Committee, shall be transferred to the respective fund as stipulated in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, from time to time, within 6 months from the end of the financial year. Unspent amount pertaining to an Ongoing Project, shall be transferred to a dedicated bank account for this purpose within 30 days from the end of financial year and spent within a period of three years thereon.

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

- Any such surplus shall be ploughed back into (i) the same project or (ii) shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or (iii) transferred to a Fund specified in Schedule VII within such period as may be specified under the Companies Act/Rules.
- CSR expenditure shall include all expenses including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of CSR Committee, but should not include any expenditure on an item not in conformity or not in line with the activities which fall within the purview of Schedule VII of the Act.

- If the Company spends an amount in excess of requirement under the Companies Act, then, such excess amount (except the surplus arising out of CSR activities) may be set off against the requirement to spend upto immediately succeeding three financial years subject to approval of the Board, as applicable.

VI. CSR Reporting & Display of CSR Policy

The report of the Board of Directors of the Company shall include an annual report on CSR activities in the prescribed format and the Company shall also display the CSR policy on its official website.

The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect as required by the Companies Act/ CSR Rules.

The Board of Directors shall have the power to amend the Policy in the light of changes/ amendments in the Act and SEBI (LODR) Regulations / Listing Regulations and or other statutory provisions as maybe be notified from time to time.

Policy amended on May 25, 2021