

STRIDES PHARMA SCIENCE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. PREAMBLE

At Strides, community development programmes are integral to our sustainability strategy. The Company strives to go beyond compliance and create sustainable value for communities by improving their health, education, and employability.

This Policy encompasses our philosophy towards CSR and lays down guidelines and mechanisms for undertaking socially beneficial programmes for welfare and sustainable development of the community at large.

2. DEFINITIONS

- a) **“Act”** shall mean the Companies Act, 2013 read with the relevant Rules framed thereunder and amended from time to time.
- b) **“Board”** shall mean the Board of Directors of the Company.
- c) **“Company”** shall mean Strides Pharma Science Limited.
- d) **“CSR Committee or the Committee”** shall mean the Committee constituted by the Board of Directors of the Company in accordance with Section 135 of the Act.
- e) **“CSR Rules”** means The Corporate Social Responsibility Policy) Rules, 2014.
- f) **“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;

- g) **“Permissible CSR Activities”** means such activities as specified in Schedule VII of the Act, as amended from time to time.
- h) **“Strides Foundation”** is a Trust set up by the Promoters of the Company as a not-for-profit organisation.

Note: Terms used in the policy, which are not defined hereinabove, shall have the meaning as defined in Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, from time to time.

3. CSR VISION & MISSION

Vision: To actively contribute to the community in which we operate and provides high-quality solutions to the issues impacting their lives, which results in the overall development of the society.

Mission: To innovate for our society, deliver high-quality services and impactful interventions over a long period and ensure sustained relations with society.

4. OBJECTIVES

The following objectives are identified by the CSR Vision and Mission of the Company:

- a) Uplift the communities around its areas of operation, thereby creating a positive impact in the community;
- b) Identify interventions to ensure sustainable social development after considering the immediate and long-term socio-environmental consequences; and
- c) Setting high standards of quality in providing interventions and support to meet the needs of the community.

5. CSR GOVERNANCE STRUCTURE

The Company has set up dedicated teams for implementing CSR projects. Strides shall undertake its CSR activities, approved by the CSR Committee, through Strides Foundation or such other entity/ organisation as approved by the CSR Committee.

Strides Foundation is a Trust set up by the Promoters of the Company which is the force behind the organisation's focus on CSR. The Trust and the Company collaborate in conceptualising and implementing various CSR programs.

Roles and Responsibilities of the Strides Foundation are as under:

- Help in conceptualising the CSR programs for the Company.
- Execute the programs through its employees or in collaboration with other partners such as NGOs, the government, community-based organisations, sector experts and any other partners as are deemed necessary.
- Collect and analyse data for monitoring and reporting of all programs.
- Provide capacity building support to the program team.
- Provide periodic reports to the CSR Committee on a periodic basis.
- Make appropriate disclosures (internal/ external) from time to time.

Roles and Responsibilities of the CSR Team are as under:

- Collecting requests from the community for CSR programs.
- Verify the authenticity of these requests.

- Assist Strides Foundation and other partners in implementing the projects.
- Help all relevant partners to get requisite permissions from the community and the government to implement the CSR activities.
- Engaging the employees in the CSR initiatives

6. FOCUS AREAS OF ENGAGEMENT

The Company shall carry out Permissible CSR activities as approved by the Board/ CSR Committee.

Strides CSR initiatives help address socio-economic challenges in the realms of Health and Hygiene, Education, Employability and Disaster Management. Projects to promote the wellbeing of the society has been developed post a comprehensive Community Need Analysis.

Cause	Proposed Program	Proposed Outcomes
Health and Hygiene	<ul style="list-style-type: none"> • Establish a Primary Healthcare Center • Conduct health camps like general health check-ups, Anemic Check and monitoring - women and children, eye camps or any other camp required by the community 	<ul style="list-style-type: none"> • Holistic coverage of a community's healthcare needs – including primary out-patient care, chronic disease management, antenatal, postnatal care and under-5 clinics, community-based screening of common conditions and management amongst others • Build a channel for the government to propagate health schemes and services
	<ul style="list-style-type: none"> • Build an underground drainage system, Septic tank, amongst others • Provide self-sustainable RO water units 	<ul style="list-style-type: none"> • Improvement in outlook towards sanitation and hygiene
Education	<ul style="list-style-type: none"> • Building a school in the stakeholder community with the entire requisite physical and learning infrastructure. <p>OR</p> <ul style="list-style-type: none"> • Adopt existing schools and anganwadis by providing infrastructure, amenities, training teachers, amongst others 	<ul style="list-style-type: none"> • Improved quality of education and learning outcomes • Increased retention • Schools will be better equipped to cater to students • Access to relevant learning material • Teachers will be empowered • Improved motivation levels among students

		<ul style="list-style-type: none"> • Improved in-school performance through mentoring • Provide wider exposure beyond classrooms • Training of teachers to become better leaders
Livelihood	<ul style="list-style-type: none"> • Sponsoring students to pursue technical education • Develop and sponsor add-on modules to existing courses • Vocational training to the youth, school students and for women 	<ul style="list-style-type: none"> • Increased service rates, enhanced incomes for the community • Empowerment of the youth and its positive impact on the development of the community • Empowerment of school students • Empower women to attain self-sufficiency financially

Apart from the above, Company may also engage and spend in areas mentioned in Schedule VII of the Companies Act, 2013, subject to approval of the CSR Committee.

7. CSR BUDGET

- 1) The Board of Company shall ensure that in each financial year, the Company spends at least 2% of the average net profit made during the three immediately preceding financial years.

Explanation: For the aforesaid purpose, Net Profit shall be calculated in accordance with the provisions of Section 198 of the Act.

- 2) In case of any **Surplus arising out of CSR projects** the same shall not form part of the business profits of the Company and 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) transfer such surplus amount to a Fund specified in Schedule VII within a period of six months of the expiry of the financial year.

- (3) Where the Company **spends an amount in excess of requirement** provided under Section 135(5), such excess amount may be set off against the requirement to spend under Section 135(5) up to immediately succeeding three financial years subject to the conditions that:

- (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of the Rules.

(ii) the Board of the company shall pass a resolution to that effect.

- 3) **Unspent amount**, if any, for the financial year, unless it is earmarked for an Ongoing Project as approved by the Board, 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.*
- 4) 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.

Any residual unspent amount in such account shall be transferred to National Unspent CSR fund, to be set up by Central Government.

8. ANNUAL ACTION PLAN (AAP)

The CSR Committee shall formulate and recommend to the Board, an AAP in pursuance of its CSR Policy, which shall include the following:

- a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programs as specified in sub-rule (1) of rule 4 of the Companies (Corporate Social Responsibility Policy), Rules, 2014;
- (c) the modalities of utilization of funds and implementation schedules for the projects or programs;
- (d) monitoring and reporting mechanism for the projects or programs; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company:

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

9. PROJECT MONITORING AND IMPACT ASSESSMENT

A. Monitoring Process

1. For each of the programs, the Company/ Strides Foundation will agree with the implementing agency, a plan and budget for the year. The agency will be required to submit performance reports at such agreed intervals.
2. The CSR Team and Strides Foundation will review the reports and actively engage with the implementing agency to ensure that the programs are on track.
3. Strides Foundation Team will submit a report at such intervals to the Committee.

4. The Committee shall review the progress made in the activities during its meetings.

B. Impact Assessment

The Company will ensure that baseline statistics are collected before each program is rolled out and data is collected on an on-going basis to track impact. The detailed project plan of each program will also include measuring specific metrics and its comparison with the baseline metrics.

The Company intends to carry out Impact Assessment of the CSR programmes undertaken in a structured manner and in compliance with the *The Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, from time to time.*

10. REPORTING

The Company will monitor progress on CSR projects and CSR spend and report to the Committee on a periodic basis.

The Company will report CSR performance in its annual report as per format prescribed in the CSR Rules.

11. PERIODIC REVIEW OF POLICY

This Policy shall be subject to review as may be deemed necessary and by any regulatory amendments.
