

Novartis Healthcare Private Limited

Corporate Social Responsibility Policy

This Policy provides guidance on the vision, principles, and governance of Corporate Social Responsibility (“CSR”) initiatives to be implemented by the Company.

Novartis’ purpose

To reimagine medicine to improve and extend people’s lives.

CSR guiding principles:

Our Company's CSR efforts are at the core of our business and underscore our purpose of caring and curing.

- We take a long-term view and are committed to address priorities where there is a need and we can make a significant impact.
- We are guided by a central philosophy and programs are conceived of and implemented where the required expertise and infrastructure is strongest.
- We understand that partnerships are key to success and improving health is a goal we share with all stakeholders including governments, international agencies, foundations and non-governmental organizations.
- We measure and communicate the results of our efforts and the impact on societal health.

The focus areas of the Company’s CSR program would mainly be on health and environment. The CSR Committee may add other focus areas in compliance with Section 135 and Schedule VII of the Companies Act, 2013 (“Act”)

CSR governance:

- CSR is endorsed and ingrained at the highest level in our Company; it is central to how we run our business.
- The CSR Committee constituted by the Board of Directors will oversee our Company’s strategy and governance of CSR. The details of the CSR Committee are as mentioned in Exhibit 1.

- The CSR Committee has taken on the mandate to advance strategy and programs in two key areas of CSR at Novartis: health for all and environmental sustainability. The CSR Committee will be responsible for administering the CSR activities in accordance with the directions laid down in the Act and the Rules for CSR promulgated thereunder, as in force from time to time.
- The CSR Committee will make recommendations to the Board on matters related to strategy, targets, policies, and stakeholder engagement in areas of CSR.
- The CSR Committee will formulate and recommend to the Board an annual action plan consisting of approved CSR projects for the year, the manner of their execution, modalities of fund utilization, implementation schedules, monitoring and reporting mechanism and details of impact assessment, if any and if applicable.

Budgeting:

The overall budget for CSR shall be calculated as per the relevant provisions of the Act and the Rules promulgated thereunder and shall be made available by the Chief Financial Officer of the Company. The CSR Committee will allocate funds to individual projects within the overall budget.

The surplus arising out of the CSR projects or programs, or activities shall not form part of the business profit of the Company and thereafter will be ploughed back into the projects or will be transferred to the unspent CSR account or to the fund specified under Schedule VII.

Any unspent CSR funds at the end of the financial year shall be allocated toward an ongoing project and will be transferred to the unspent CSR account or will be transferred to the fund specified under Schedule VII.

Any excess expenditure made over and above the prescribed CSR budget shall be utilized to set off the spending requirement in 3 subsequent years.

The Chief Financial Officer of the Company shall certify the utilization of the funds as approved by the Board of Directors of the Company.

Identification of CSR initiatives:

Our Company aims to address needs of the community by adopting a long-term vision and commitment in areas where it has the ability to make a difference.

The CSR Committee shall identify projects that shall be implemented by the Company, taking into consideration the relevant portions of the Act as in force from time to time.

Execution of CSR initiatives and selection of partner(s):

The Managing Director of the Company shall be responsible for nominating one or more persons to lead the overall CSR initiatives of the Company, under the supervision and direction of the CSR Committee.

The approved CSR initiatives shall be implemented by the Company itself or through implementing partner(s) selected by the Company taking into consideration the eligibility criteria of the Act and any amendments introduced from time to time.

Evaluation, Monitoring and Reporting:

The CSR Committee shall set guidelines for each of the identified projects to ensure optimum results. Quarterly progress reports shall be obtained from the implementing partner(s) with details of project activities completed, funds utilized, and impact achieved.

The Chairman of the CSR Committee shall in turn update the Board on the status of the various CSR initiatives at each meeting of the Board.

The Directors' Report of the Company will include a section on CSR reporting as specified in the Companies (CSR Policy) Rules, 2021 and amended from time to time.

The CSR Committee Composition, CSR Policy, Approved CSR Projects (Exhibit 2) and Annual Report on CSR shall be displayed on the website of the Company.

Notes:

Approved by Board of Directors on August 19, 2014. Reviewed and approved by the Board of Directors in its Meeting held on May 10, 2018. Reviewed and approved by the Board of Directors through Circular Resolution, amendments effective from January 22, 2021. Reviewed and approved by the Board of Directors in its Meeting held on January 18, 2023.

Exhibit 1
Composition of the CSR Committee

Name of the Director	Category
Mr. Amitabh Dube	Member and Managing Director
Mr. Push Adhikary	Member and Director

Exhibit 2
List of Approved Projects for FY 2024-25

Sr. No	CSR initiative	Schedule VII category	Description of the project	Project category
HEALTHCARE				
1.	Non-communicable diseases intervention for screening, health access, and awareness (NC-DISHAA) 2.0 program	(i) Eradicating hunger, poverty, and malnutrition, ["promoting health care including preventive healthcare"] and sanitation.	Novartis Healthcare Private Limited will work with Americares India to conduct a multipronged behavior change communication intervention which includes one to one and group counseling sessions, monitoring of HbA1c levels for diabetes and lipid profile of hypertensive and/or high LDL patients and strengthening referral and support services in urban slums of Mumbai.	Ongoing project
2.	Rehabilitation of cancer survivors	(i) Eradicating hunger, poverty, and malnutrition, ["promoting health care including preventive healthcare"] and sanitation.	Novartis Healthcare Private Limited will work with Nirmaan organization to economically empower cancer survivors in Hyderabad and Maharashtra through vocational training and livelihood support (job placement/ entrepreneurship development). The project offers survivors counselling and resources to enhance their skills and foster economic independence. By addressing the unique challenges faced by cancer survivors, the project not only facilitates their reintegration into the workforce but also promotes their holistic well-being, contributing to a more inclusive and resilient society.	Ongoing project
ENVIRONMENT				
3.	Integrated watershed management program – Solakpally	(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal	Novartis Healthcare Private Limited will work with National Agro towards the watershed development project in Telangana which was initiated by Novartis India as part of our global mission to	Other than ongoing project

		welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.	<p>address towards achieving water neutrality by 2030.</p> <p>This project follows a 360° model of sustainability using a four-pronged approach which is:</p> <ul style="list-style-type: none"> - Fulfilling the needs of the community by increasing the water supply through building water resources like ponds, dams, and water tankers - Minimizing water demand by teaching farmers sustainable and efficient water utilization techniques. - Encouraging economic development through helping farmers maximize profits and providing microfinancing to women owned small businesses. - Focusing on community wellbeing through providing clean drinking water, toilets, handwashing stations and improving the school infrastructure 	
4.	Integrated watershed management program – Madhapur	(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.	<p>Novartis Healthcare Private Limited will work with National Agro Foundation to efficiently manage the natural resources of the project area and improve socio-economic status of the community through initiatives like agriculture measures, livelihood support, income generation and capacity building.</p> <p>This project follows a 360° model of sustainability using a four-pronged approach as implemented in our watershed project at Solakpally.</p>	Other than ongoing project
5.	Integrated watershed management program – Narsapur, Medak	(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.	<p>Novartis Healthcare Private Limited will work with National Agro Foundation to efficiently manage the natural resources of the project area and improve socio-economic status of the community through initiatives like agriculture measures, livelihood support, income generation and capacity building.</p> <p>This project follows a 360° model of sustainability using a four-pronged approach which is implemented in our watershed projects at Solakpally and Madhapur.</p>	Ongoing project
6.	Integrated watershed management	(iv) Ensuring environmental sustainability, ecological	Novartis Healthcare Private Limited will work with National Agro Foundation to replicate our watershed project at	Ongoing project

	program - Murbad	balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.	<p>Telangana in Murbad – Maharashtra. The baseline here is much lower and presents a greater challenge. The tribal community in this area has been underserved and underrepresented for generations.</p> <p>The project aims to efficiently manage the natural resources of the project area in Murbad and improve socio-economic status of the community through initiatives like agriculture measures, livelihood support, income generation and capacity building through our 360° model of sustainability.</p>	
MONITORING & EVALUATION				
7.	Monitoring & Evaluation	Not Applicable	SoulAce is the monitoring & evaluation partner for CSR projects for Novartis Healthcare Private Limited.	Ongoing