

CORPORATE SOCIAL RESPONSIBILITY POLICY

(Required under the Companies Act, 2013 and Rules made thereunder)

Formulated and recommended by the Corporate Social Responsibility Committee (“CSR Committee”) on 19th August 2019 and approved by the Board of Directors of the Company at its meeting held on 22nd October 2019.

Policy Framework:

The President of India on August 29, 2013 provided assent to the Companies Act, 2013 (the “Act”). Section 135 of the Act which stipulates the provisions relating to Corporate Social Responsibilities for companies was notified on February 27, 2014 and became effective April 1, 2014 (“CSR Provisions”). Terumo India Private Limited (“TIPL” or “the Company”) falls within the scope of the aforesaid CSR Provisions.

Policy Statement:

Terumo India Private Limited is committed to our global corporate mission of ‘Contributing to Society through Healthcare’ and strives every day to advance access of our high-quality devices to Indian patients and medical practitioners.

With relentless focus and efforts, we strive to improve healthcare and drive awareness building and diagnosis improvement through education and diagnostic camps, addressing the need for better healthcare and diagnostic facilities.

Company Philosophy:

Recognizing that business enterprises are economic organs of society and draw on societal resources, it is Terumo belief that a company's performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing societal sustainability. Terumo believes that in the strategic context of business, enterprises possess, beyond mere financial resources, the transformational capacity to create game-changing development models by unleashing their power of entrepreneurial vitality, innovation and creativity. In line with

this belief, Terumo will continue crafting unique models to generate livelihoods, promoting healthcare including preventive healthcare and environmental capital. Such Corporate Social Responsibility ("CSR") projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation, promoting healthcare and environmental replenishment Programmes, projects and activities (collectively "CSR Programmes") carried out in this regard are the subject matter of this Policy.

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. TITLE AND APPLICABILITY

1.1 CSR COMMITTEE

- Mr. Probir Das, Chairman
- Mr. Yukishige Sanada, Member
- Mr. Shishir Agarwal, Member
- Mr. Virender Bansal , Special Invitee
- Ms. Ritu Anand, Special Invitee
- Ms. Sahjogita Kathuria, Special Invitee

1.2 RESPONSIBILITIES OF THE COMMITTEE

The Responsibility of the CSR committee include:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c. To monitor the CSR policy of the Company from time to time;
- d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

1.3 Definitions and Interpretations

“Board” means the Board of Directors of the Company.

“CSR Activities” means such programs and projects as may be recommended by the CSR Committee and approved by the Board in terms of the CSR Policy, from time to time.

“CSR Committee” means the CSR Committee of the Company.

“CSR Expenditure Budgeted” means the amount recommended by the CSR Committee and

approved by the Board from time to time, to be incurred on the CSR Activities in India in a financial year in terms of Section 135 of the Act and the CSR Rules.

Any term used but not defined in this CSR Policy shall have the meaning assigned to it under the Act or the CSR Rules.

1.4 Title and Scope

This Policy:

- I. shall be called the “Corporate Social Responsibility Policy” or “CSR Policy” of the Company which is developed and implemented in accordance with the provisions of Section 135 of the Act read with the CSR Rules.
- II. outlines the Company’s philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful programs towards welfare and sustainable development of the community around the area of its operations and other parts of the country.
- III. shall be applicable to all CSR Activities taken up by the Company at various locations in India for the benefit of different segment of the society at large, specifically the deprived and underprivileged segment.

2. VISION, MISSION & OBJECTIVES

Corporate Social Responsibility is the commitment of businesses to contribute to sustainable economic development by working with the employees, their families, the local community and the society at large to improve their lives in ways that are good for business and for its development.

2.1 Vision

To follow global progression in the concept of Corporate Social Responsibility and its implementations by way of being beneficial to our society and the corporations to which we render services.

To ensure benefit to society and to the corporation for sustainable development by imparting measurable values to all stakeholders in every aspect of our operations.

Ensuring Corporate Social Responsibility is adopted through principled implementations that contribute to our country's social, cultural, and environmental development and help in developing the awareness on these issues.

2.2 Mission & Purpose

To work on the popularity, adoption, and implementation of the concept of Corporate Social Responsibility while adding measurable values to the community and to our corporation along with managing related processes to the advantage of all concerned in a way that becomes model for other corporations for replication, to further expanding the scope.

2.3 Objectives

The CSR Policy is laid down by the Company to ensure that the:

Focused efforts are made in the identified community development areas to achieve the expected outcomes
Support in nation building and bringing inclusive growth through our CSR programs.

3. GUIDING PRINCIPLES

3.1 Our CSR is to have :

- ❖ Respect for all stakeholder
- ❖ Devotion to work ethics
- ❖ Data and document discretion
- ❖ Honesty in the flow of information
- ❖ Continuity relations based on customer satisfaction

3.2 The CSR Activities may relate to one or more activities listed in Schedule VII to the Act. This is subject to amendment of the Act and/or Rules from time to time.

4. CHARTER ON CSR (IMPLEMENTATION APPROACH AND MODALITIES)

4.1 FOCUS AREA OF INTERVENTION

1. To direct Terumo CSR Programmes, inter alia, towards achieving one or more of the following - enhancing environmental and natural capital; supporting rural development; promoting education; providing preventive healthcare, providing sanitation and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India; preserving and promoting sports;
2. To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
3. To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;
4. To carry out CSR Programmes in relevant local areas to fulfil commitments arising from requests by government/regulatory authorities and to earmark amounts of monies towards "Corporate Social Responsibility (CSR)" activities and to spend such monies through CSR Cells of such administrative bodies of the government and/or directly by way of developmental works in the local areas around which the Company operates;

4.2 PROGRAMME IMPLEMENTATION APPROACH AND PROCESS

The Company shall implement all CSR Activities in the project mode in compliance with the provisions of Section 135 of the Act read with the CSR Rules.

While implementing such projects, all possible efforts shall be made to define the following:

- (i) Programme Objective
- (ii) Need Assessment/ Baseline Survey - It would give the basis on which the outcome of the programme would be measured

- (iii) Duration of the programme
- (iv) Funds allocated to the programme
- (v) Implementation schedule
- (vi) Responsibilities and authorities
- (vii) Major results expected and measurable outcome
- (viii) Effective monitoring and evaluation
- (ix) Programme Documentation

4.3 MODE OF IMPLEMENTATION

A. The CSR Activities shall be executed through one or more of the following modes:

- (a) directly by the Company; or
- (b) Through registered trust or a registered society or company

B. CSR programmes may be implemented with the active participation of the concerned local stakeholders. These interventions may also be synergized with the initiatives undertaken by the State Government, District Administration as well as Departments.

C. The Company will identify the projects are falling within the purview of Schedule VII to the Act. The funds will be utilized by identified projects. The Company will maintain a separate account for each project at each location and ensure to provide the details of expenditure / reports for each project.

4.4 LOCATION OF CSR PROJECTS / PROGRAMMES / ACTIVITIES

The CSR Committee may identify the areas for CSR Activities, from time to time and obtain necessary approval from the Board.

4.5 PROGRAMME DURATION

The time period of implementation of the programme will depend on its nature, extent of coverage and the impact of the programme.

5. CSR EXPENDITURE BUDGETED

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

6. MONITORING AND REPORTING

6.1 The CSR Committee shall monitor all CSR Activities, including utilization of funds to ensure their effective implementation in accordance with the CSR Rules read with Section 135 of the Act.

6.2 Broadly, the following procedure will be adopted by the CSR Committee for implementing

and monitoring the CSR Activities:

- ❖ Work Plan
- ❖ Resource utilization and variance
- ❖ Effectiveness of the programme
- ❖ Support or additional resources
- ❖ Evaluate the stakeholders' expectation

6.3 The minutes of the meetings of the CSR Committee shall be placed before the Board.

6.4 The CSR Committee may be directed by the Board to present the cost incurred on CSR Activities annually and also the impact assessment thereof as appropriate.

7. DISCLOSURE / REPORTING

7.1 The CSR Policy shall be displayed on the Company's website if any.

7.2 An annual report on the Corporate Social Responsibility shall be included in the Board's report.

8. REVIEW / AMENDMENT

The Board may amend, abrogate, modify or revise any or all clauses of this Policy, on recommendation of the CSR Committee and in accordance with the Act and the CSR Rules.

9. APPROVAL OF CSR POLICY AND IMPLEMENTATION

The CSR Policy has been approved by the Board on 22nd October 2019, on recommendation of the CSR Committee and is effective from 19th August 2019.