

Version 3.0

[Effective May 28, 2021 as approved by the Board of Directors on this date]

CORPORATE SOCIAL RESPONSIBILITY POLICY**1. Preamble**

- Corporate Social Responsibility (“CSR”) has been an area of focus for Max Healthcare Institute Limited, (“Max Healthcare” or “MHIL” or the “Company”) since inception. The Company has made conscious efforts to make a difference in the lives of the less privileged.
- The Companies Act, 2013 (“the Act”) brings an even greater emphasis on CSR with Rules that provide guidance on CSR spend, reporting mechanism, review structure and reporting to the shareholders of the Company.
- Further to the above stated, the Board has approved this CSR Policy which has been formulated and proposed by the CSR Committee, if any, with an objective to outline its CSR focus areas, recommending the amount of CSR Expenditure, execution process, review & monitoring mechanism and reporting process to the Management and the Board of Directors of the Company.
- This CSR Policy intend to establish for both internal and external stakeholders, its philosophy, guiding principles and focus areas to promote in the arena of CSR. This Policy is a forward looking document, which establishes the parameters and foundation upon which the CSR initiatives of the Company would be built.
- This Policy supersedes the earlier CSR Policy approved by the Board of Directors on October 21, 2019.

2. Philosophy and objectives

Max Healthcare has its vision to deliver International Class Healthcare with a total service focus, by creating an institution committed to the highest standards of medical & service excellence, patient care, scientific knowledge and medical education. The Company’s mission is to create exceptional standards of Medical & Service Excellence, care provider of FIRST CHOICE, principal choice for Physicians, ethical practices, create international centre of Excellence for select Super Specialities and Safety for Patients, Customers and Staff.

The Company aims to be committed to social causes and relevance for its inclusive growth and to contribute to society by supporting causes on the health and other well-being platform. Through CSR, the Company intends to proactively engage with the Society by working with communities to improve their well-being in an empathetic manner. The Company seek to bring focus to community welfare in healthcare, education, nutrition and livelihood.

3. Statutes and legislations

While this Policy is the stated position of the Company in the area of Corporate Social Responsibility and finds its independent justification under the Philosophy and business objectives of the organization, it also has linkage to the regulatory requirements as prescribed under the Act and Rules established thereunder, as amended from time to time.

In that context, the CSR Policy has been framed in accordance with the provisions of section 135 of the Act and the Rules prescribed thereunder and as defined hereinafter (collectively referred as “Applicable Laws”).

4. Definitions

- (i) **“CSR”** shall mean corporate social responsibility.
- (ii) **“Companies Act” or “Act”** shall mean the Indian Companies Act, 2013, along with amendments thereto.
- (iii) **“Compliance Officer”** shall mean the Compliance Officer appointed as per Ethics and Compliance Committee Charter of the Company, who will be responsible to ensure fulfilling of all responsibilities elaborated in various company policies on compliance with Anti Bribery Anti-Corruption Provisions.
- (iv) **“CSR Activities”** shall mean the projects and / or programmes undertaken by the Company either directly or indirectly pursuant to Applicable Laws in accordance with this CSR Policy.
- (v) **“CSR Committee”** shall mean the CSR Committee of the Board instituted by the Company, if any. If the CSR Expenditure does not exceed 50 lakhs, CSR Committee is not required to be constituted and its functions shall be discharged by the Board. There is no requirement of constitution of CSR Committee in accordance with applicable prevailing laws.
- (vi) **“CSR Expenditure”** shall mean the CSR expenditure proposed under this Policy and providing the corpus amount in furtherance of this Policy.
- (vii) **“Estimated CSR Expenditure”** shall mean the actual estimate of the CSR Expenditure for each year as has been approved for each year.
- (viii) **“Implementation Agency”** shall mean any trust, society or company or any entity established under an Act of parliament or a state legislature or any other agency which is eligible to undertake CSR Activities, on behalf of the Company in compliance with the Applicable Laws.
- (ix) **“MHIL CSR Policy” or “CSR Policy”** shall mean this CSR Policy of Max Healthcare Institute Limited.

- (x) “MHIL CSR Activities” shall mean the services rendered in the MHIL CSR Identified Sectors.
- (xi) “MHIL CSR Identified Sectors” mean the following sectors, as have been identified under this CSR Policy (i) Health & Hygiene (ii) Education (iii) Nutrition and (iv) Livelihood.
- (xii) “Primary and Secondary Education” shall mean the primary and secondary education system, as is recognized in India.
- (xiii) “Proposed Implementation Plan” shall mean the annual proposed implementation plan in respect of the MHIL CSR Activities to be provided each year.
- (xiv) “Quarter” shall mean an quarter for each Financial Year.
- (xv) “Rules” means Companies (Corporate Social Responsibility Policy) Rules, 2014, or any other rules prescribed under section 135 of the Act and pertaining to corporate social responsibility, as may be amended and prescribed, from time to time.
- (xvi) “Schedule VII” shall mean the schedule VII under the Companies Act.

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5. Interpretation

- (i) Words and expressions used in this Policy and not defined herein but defined in Applicable Laws, or the Articles of Association of the Company shall have the meaning as assigned to them thereunder.
- (ii) In this Policy, unless the contrary intention appears:
 - a) the clause headings are for ease of reference only and shall not be relevant for construction or interpretation of the Policy;
 - b) words in singular include the plural and vice-versa.

All references to laws or to any specific provision of any law shall include references to all delegated legislation issued thereunder or any legislation as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (with or without modification).

- (iii) Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have corresponding meanings.
- (iv) It is also clarified that the CSR activities undertaken by the Company in the area of healthcare without any statutory obligation to do so shall be considered as CSR activity for the purpose of this Policy.

6. Guiding Principles

The Company shall follow the following guiding principles for selection, implementation and monitoring of CSR Activities as well as formulation of the Annual Action Plan:

- (i) In undertaking CSR Activities, the Company shall give preference to the local areas wherein the Company operates or has its offices i.e. areas in the vicinity of its operations and offices.
- (ii) The Company shall undertake only such CSR Activities, a) as are identified as Identified Sectors under this Policy and b) as are permitted under the Applicable Laws.
- (iii) The Company shall not discriminate against the beneficiaries of the CSR Activities, on any grounds whatsoever, including race, gender, age, ethnicity, caste, religion, domicile, but may focus its CSR Activities to benefit the economically or socially weaker, or marginalised sections, of the society.
- (iv) The Company shall endeavour utmost transparency in selection, implementation, monitoring and reporting of CSR Activities.
- (v) The Company shall ensure that all CSR Activities undertaken directly or indirectly, meet applicable standards of quality followed by Company and/or are the market standard for such activities.
- (vi) The Company shall either undertake the project directly or indirectly through any Implementation Agency and shall to its best of its ability also ensure that the partners or vendors selected by the Company or the Implementation Agency, satisfy the criterion specified by the Rules (if any) and have relevant experience, good credentials, no criminal track record and follow the ethical standards which are at par with the Company's Code of Conduct.
- (vii) The Company must in all circumstances avoid charitable contributions or sponsorships that might be a disguised mechanism for bribes or other corrupt payments.
- (viii) All charitable contributions not exceeding INR 100,000 will require prior approval of the Compliance Officer. Any charitable contribution in excess of INR 100,000 will require prior approval of the Ethics and Compliance Committee.
- (ix) It is necessary to ensure that the charity is a legitimate charity, payment will not be diverted to or otherwise benefit the official or his or her relatives, contribution is transparent and will be properly recorded in the financial records, arrangement complies with all applicable laws and Contribution is not given in exchange for a favourable decision by the requestor.
- (x) Donations will not be made to specific entities or charities at the request of customers, governments or third parties.

- (xi) The Company shall ensure that all the CSR Activities are implemented as per the approved Annual Action Plan, authorized by the Board.

7. Roles & Responsibilities of CSR Committee

- (i) Formulate and recommend the CSR Policy to the Board for approval.
- (ii) Monitor the CSR Policy from time to time and recommend changes as and when necessary to the Board.
- (iii) Recommend CSR activities /projects to be undertaken by the Company under the CSR policy, as specified in Schedule VII.
- (iv) Identify and recommend possible implementation platforms and assist in selection of the implementation partners (if required).
- (v) Recommend the amount of expenditure to be incurred on CSR projects.
- (vi) Prepare a transparent monitoring mechanism for the implementation of the CSR projects.
- (vii) Report the status of activities or projects undertaken under the CSR Policy to the Board.
- (viii) Any other responsibility as assigned by the Board from time to time, under the Company policy.
- (ix) Ensure compliance of all CSR activities are valid and for a legitimate purpose and performed in ethical and compliant manner, viz., in compliance with applicable laws and regulations and the anti-bribery and anti-corruption policy, third party management policy or any other internal policy on compliance.

8. CSR Identified Sectors and CSR Activities

Max Healthcare shall undertake MHIL CSR activities in all or any of the CSR activities as prescribed under the Applicable Laws, however, it shall give primary importance to the MHIL CSR Identified Sectors, as follows:

(i) Health & Hygiene

- Supporting and facilitating surgery and high end treatment;
- Preventive healthcare to underprivileged in identified geographies;
- Personal hygiene training in those villages which have been identified by the Company and in those locations where Health and Immunization camps are organized by the Company;
- Environmental hygiene awareness in and around the areas of operations of the Company.

(ii) Education (exclusively for the selected Village / Grams / any other geographical clusters selected for development project)

- Augment Primary and Secondary Education through remedial education support;

- Bridging Digital Divide;
- Financial Literacy to create awareness about financial planning.

(iii) Nutrition

Vitamin A (0-5 years) and other supplements for underprivileged women and children.

(iv) Livelihood

Vocational training and creating & supporting Self Help Groups for single women led households in villages identified for adoption by the Company. The vocations for which training will be provided will be identified basis the inherent skill sets and commercial opportunities for those vocations in and around the village.

9. Modalities of execution and implementation schedule

- All CSR Activities of the Company shall be undertaken by the Company either directly or through any Implementation Agency.
- Subject to Applicable Laws, the Company may collaborate with other companies for undertaking projects or programmes or CSR activities, provided that the CSR Committee, if any, of the Company, shall separately report to the Board, such projects or programmes that have been undertaken as the Company's CSR Activities. The company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.
- In case the Company undertakes any CSR Activity through any Implementation Agency, such Implementation Agency shall satisfy the requirements prescribed under the Applicable Laws.
- Selection of NGO or Implementation Agencies (IA): The selection of a third party or IA shall be done in accordance with the existing or future Policy of the Company in this regard. Before engaging, a detailed third party due diligence shall be conducted by the Compliance Officer on the IA. The Compliance Officer must provide a due diligence report for each "high risk" third party referred to it. The due diligence report explaining the key findings and the reasons for any concerns identified including any negative information or red flags submitted to Ethics and Compliance Committee and CSR Committee. Both Ethics and Compliance Committee and CSR Committee, if any will jointly approve / reject the IA.
- Modality of Execution of MHIL CSR Activities: The Company shall execute and undertake the MHIL CSR Activities as follows:

- Healthcare which will cover pan-India immunization, surgeries and treatments, health camps, medicinal support, health awareness, environmental awareness, support for artificial limbs & polio callipers and other disability.
 - Village Adoption in which the Company will focus on:
 - Children related issues in the areas of health, education and nutrition (education being an integral part of holistic well-being, will be addressed only in the village adoption initiative, not in any other geography).
 - Single women led households to create self-sustenance.
 - Health and Hygiene in the village and
 - Spreading awareness about a healthy environment.
- (vi) Geographical Areas for MHIL CSR Activities (with preference to the local area and areas around it where it operates):
- Health & Hygiene: In areas as may be identified by IA.
 - Nutrition: For underprivileged children in selected areas as may be identified by IA
 - Education and Livelihood: Only in the village adopted by IA; in locations identified by the Company from time to time
- (vii) Beneficiaries for the MHIL CSR Activities:
- Children (0-18 years)
Women – Particularly, those who are running households alone
Senior citizens
Others – society at large

10. CSR expenditure

- (i) Every year the Company shall spend atleast 2% of its average Net profit as defined under the Rules (“CSR obligation”) during the three immediately preceding financial years, on the CSR Activities as per approved Annual Action Plan.
- (ii) The Company shall not consider any administrative expenses, except the cost of Impact Assessment, in meeting its CSR obligation, provided that, such costs shall not exceed the cap for such impact assessments, prescribed under Applicable Laws.). The board of the Company shall ensure that administrative overheads (as defined under the Rules) shall not exceed five percent of total CSR expenditure of the company for the financial year.
- (iii) Any amount remaining unspent at the end of the financial year, if any,

except in case of an ongoing project, shall be transferred to a Fund to be specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.

- (iv) In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the 'Unspent Corporate Social Responsibility Account', and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund to specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year. In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- (v) Any surplus arising out of CSR projects, programmes or activities shall not form part of the business profits of the Company and shall be utilized towards the eligible CSR Activities / addressed in accordance with Applicable Laws.

11. Approval of CSR Activities

- (i) The CSR Activities to be undertaken by the Company under the Policy shall be approved by way of Annual Action Plan by the Board on the recommendation of the CSR Committee. If any.
- (ii) The Annual Action Plan shall, inter alia, contain the following information with respect to the CSR Activity proposed to be undertaken by the Company:
 - a) list of CSR Activities to be undertaken in the relevant financial year;
 - b) local area where the CSR Activities are to be undertaken;
 - c) manner of execution;
 - d) modalities of utilization of funds;
 - e) implementation schedule;
 - f) monitoring and reporting mechanism; and
 - g) details of need and impact assessment, if any.
- (iii) The Board on the recommendation of the CSR Committee, if any shall be the absolute authority to update, alter, modify, amend, withdraw and replace the Annual Action Plan for justified reasons.

12. Monitoring of CSR Activities

- (i) Under the overall supervision of the Board and the CSR Committee, the Implementation Agency, shall be responsible to monitor the CSR Activities. The Implementation Agency shall devise a robust monitoring mechanism to ensure that the CSR Activities are undertaken effectively in accordance with approved Annual Action Plan in compliance with the Applicable Laws and the provisions of this Policy.
- (ii) The CSR Activities will be effectively and objectively monitored using appropriate monitoring tools that may include one or more of the third-party audit(s) or certification(s), impact assessment(s), self- assessment report(s), field visit(s), periodical review(s) or any other appropriate mechanism.
- (iii) The CSR Committee, if any, shall develop methods to monitor the end utilization of funds and mechanism to identify and analyse unusual trends and pattern in payment, the ultimate beneficiary of funds etc. CSR Committee, if any, will keep records for utilization of grant including but not limited to due diligence reports on IA, note on expertise and resources that the IA brings to the proposed role they will undertake, clear Action/work Plan for utilization of grant subdivided by stages of execution, utilization certificate from Implementation Partner with detail of expenditure incurred with 30 days of execution of every stage, proof of utilization like invoices, approvals, utilization reports and end beneficiaries
- (iv) The CSR Committee, if any, shall review the progress on Annual Action Plan, as and when required preferably on quarterly basis but not less than twice in a year.
- (v) The Board shall review the status of implementation and fund utilization of the various projects and programmes as per approved Annual Action Plan at least once in a year.
- (vi) For the Board to satisfy itself that the CSR funds have been disbursed and such disbursed CSR funds have been utilized for its intended use (as approved by the Board), it shall rely on the certificate issued by the CFO. The certificate shall be additionally signed by the head / authorized representative of the Implementation Agency.
- (vii) In case of unsatisfactory finding on any of the CSR Activity, the Implementation Agency, shall immediately inform the CSR Committee, if any, and shall also take appropriate action against the errant party in accordance with law.
- (viii) The CSR Committee, if any, shall refer all instances wherever a risk is identified or a non-compliance is observed to the Ethics and Compliance Committee for further investigation.

13. Responsibilities of Implementation Agency

- (i) For the purpose of CSR Activities of the Company, the Implementation Agency shall work under the overall supervision of the CSR Committee, if any, and the CSR Committee shall be fully authorised to issue any instruction, guidelines, direction, order, advisor etc. which shall be binding on the Implementation Agency.
- (ii) Implementation Agency shall ensure the following:
 - (a) All CSR Activities of the Company shall comply with this CSR Policy and the Applicable Laws.
 - (b) The Implementation Agency works only with credible institutions, non-governmental organizations (NGOs), government agencies, domain experts and visionaries and other philanthropic foundations to enhance the outreach of the Company's CSR Activities in line with the CSR Policy.
 - (c) Undertake the CSR Activities as per the approved Annual Action Plan.
 - (d) Update the CSR Committee and the Board on the progress of CSR Activities and status of implementation of the Annual Action Plan.
 - (e) Maintain records of all CSR Activities undertaken on behalf of the Company.
 - (f) Do all such acts, deeds and things as may be directed by the CSR Committee in pursuance of the CSR Policy and for the effective implementation of the Annual Action Plan.

14. Political contributions or donations

No political contributions or donations, whether in cash or kind, in support of any political parties or candidates should be made by the employees of Max Healthcare on behalf of the Company or its affiliates.

15. Reporting to CSR Committee

The NGOs / IA that the Company may decide to work with from time to time shall provide a detailed progress report on the Key Performance Indicators to the CSR Committee every Quarter, or, at such intervals and at such times as the CSR Committee shall require. The progress on CSR issues selected by the Company will be reported in the Annual Report in the format prescribed by the CSR Rules.

16. Reporting to the Board. The CSR Committee, after approval, shall submit its report giving status of the CSR Activities undertaken, CSR Expenditure incurred and such

other details as may be required by the Board, in accordance with applicable laws.

- (i) **Key Performance Indicators:** Following shall be the key indicators for assessment of each of the MHIL CSR Identified Sectors:

Sectors	Key Performance Indicators
i. Healthcare	
Surgeries and treatments including Cancer	i) No of children benefitted ii) No of women benefitted iii) Total no. of beneficiaries
ii. Preventive Healthcare	
Immunization	i) No. of children covered ii) No. of vaccines administered iii) No. of locations covered
Health Camps	i) No. of beneficiaries ii) No. of locations covered iii) No. of people provided immediate solutions / referred for further treatment.
Personal Hygiene & Environment Hygiene	i) No. of children and adults trained ii) Creation of garbage dumps / cleaning of open drains iii) Reduction / removal of open defecation practices
iii. Education	
Primary & Secondary Education	i) No. of registered children and their attendance percentage ii) No. of drop-outs – boys and girls iii) Percentage of days when teacher was not
Bridging Digital Divide	i) No. of children enrolled in computer literacy programme. ii) Proficiency in computer knowledge (certification)
Financial Literacy	i) %age of adults (20-60 years) covered
iv. Nutrition	
Vitamin A	i) No. of children (0-5 years) given vitamin A capsules.
Other supplements	No. of women and children provided with other supplements
v. Livelihood	
Vocational training	i) No. of women registered for vocational training ii) Self – sufficient women in year 3 and year 5
Self Help Group	i) No. of Self Help Groups of women created ii) Earnings of Self Help Groups
vi. Miscellaneous	
i) Any other parameters as the CSR Committee may require	

17. Board Report and Annual Report. The Board shall publish this Policy and an annual report on CSR Activities as per applicable laws. The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

18. Miscellaneous

- (i) This Policy shall remain in force unless amended or withdrawn.
- (ii) The Chairman & Managing Director, Senior Director & CFO and the Company Secretary are jointly authorized to amend this Policy to appropriately incorporate statutory amendments relating to corporate social responsibility from time to time. Such amended policy shall be placed before the CSR Committee and the Board for information and noting.
- (iii) The Board may, in accordance with Applicable Laws, alter, amend, review, substitute this Policy as and when required without any prior intimation to any stakeholder for justified reasons.
- (iv) Any questions and clarifications relating to this Policy should be addressed to the Company Secretary at investors@maxhealthcare.com