

Cigna Health Solutions India Private Limited

Corporate Social Responsibility Policy	
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About Us

Cigna Health Solution India Private Limited (“**Company**”) is engaged in the business of provide high quality analytics services to Health Care and Insurance Industry in the areas of consumer experience & marketing analytics with primary focus on delivering significant business value through AI & Advanced Analytics. Further it is engaged in provide and supply of end-to-end information technology based and enabled services and solutions, software development, business of process automation, data processing, knowledge processing, Backoffice processing etc.

Short Title and Applicability

This policy has been developed in line with Section 135 of the Companies Act, 2013 (referred to as the “**Act**” in this policy) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and any amendment thereof (hereby referred to as the “**Rules**”) notified by the Ministry of Corporate Affairs, Government of India. The Corporate Social Responsibility Policy (“**CSR policy**”) applies to all CSR initiatives and activities undertaken by the Company in India as per Schedule VII of the Act. The Company is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and related Rules.

Company Philosophy

Every day, we have an opportunity to make a difference in the health of our communities and create a better future. Our philosophy focuses on socioeconomic status, education, neighbourhood and physical environment, employment and social support networks, as well as access to better health care. Our philanthropy goes beyond financial contributions to include employee engagement, volunteer activities and community involvement.

CSR Objectives

This Corporate Social Responsibility policy outlines the company's approach:

- In identifying and engaging in specific areas of development in which the Company will contribute its efforts.
- In selecting, implementing, and monitoring CSR initiatives and activities.
- To establish guidelines for handling surplus generated from CSR activities.
- To provide guiding principles for selection, implementation and monitoring of activities
- To formulate an Annual Action Plan every year as per the Act and Rules.

CSR Governance & Administration

Overall governance of CSR activities and approval of the CSR policy will be the responsibility of the Board of Directors.

- The Board shall formulate and approve an annual action plan in pursuance of its CSR policy. The plan will include the following:
 - A list of CSR projects or programs that have been approved for implementation in areas or subjects listed in Schedule VII of the Act.
 - The manner in which the projects or programs will be executed, as specified in sub-rule (1) of rule 4 of the Rules.
 - The modalities of fund utilization and implementation schedules for the projects or programs.
 - Monitoring and reporting mechanism for the projects or programs.
 - Details of the need and impact assessment, if any, for the projects undertaken by the company.
- The Board will formulate and approve the annual action plan. The Board may update, alter, modify, amend, withdraw, or replace the annual action plan for justified reasons.
- The Board will ensure the proper implementation of the CSR policy, along with monitoring and reviewing CSR activities undertaken by the Company. The board will provide inputs as needed.
- The Board will satisfy itself that the CSR funds disbursed are aligned with the CSR policy of the Company and have been utilized for the purposes and in the manner approved by it. The Head Finance or the person responsible for financial management will certify this to be the case.
- The Board will also ensure that appropriate disclosures are made in the annual reports and on the company's website in accordance with the Act and its amendments, in the prescribed formats.

CSR Committee

CSR committee shall be formed as per the applicable laws and the committee shall be responsible for the implementation/monitoring and review of this CSR policy and various projects/activities undertaken under the CSR policy. As per Section 135(9) of the Act, if the CSR expenditure does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of CSR committee shall not be applicable and the functions of such committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company. At present, the Board is in charge of monitoring the CSR activities.

Areas to Emphasize

For purposes of focusing its CSR efforts in a continued and effective manner, the following areas have been identified:

Education:

(i) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

Environment and Sustainability:

- (i) 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]
- (ii) 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.

Healthcare and other Welfare:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation [including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.
- (ii) 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.
- (iii) measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- (iv) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports
- (v) contribution to the prime minister's national relief fund [or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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;
- (vi) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
(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).]

(vii) rural development projects

(viii) slum area development

[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.]

Emergencies and Natural Calamities:

(i) Disaster management, including relief, rehabilitation and reconstruction activities.

CSR Budget:

- Every year, the Company is required to spend at least two percent (2%) of its average net profit (calculated as per the Rules) as defined under the Rules ("**CSR obligation**") during the three immediately preceding financial years, on the CSR activities.
- The administrative overheads shall not exceed five percent (5%) of the total CSR expenditure of the bank for the financial year. "Administrative overheads" means the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.
- 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 of the Act for this purpose, within a period of six (6) months of the expiry of the relevant financial year.
- 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 of the Act for this purpose, within a period of thirty days from the date of completion of the third financial year.
- The Company may spend its CSR obligation for creation or acquisition of a capital asset subject to fulfilment of conditions specified under the Rules.

CSR Policy Implementation:

1. The CSR activities may be undertaken by the Company directly or through “Implementation Agency” being duly registered with the Central Government and having a unique CSR Registration Number (with effect from April 1, 2021):
 - a. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
 - b. a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - c. any entity established under an Act of Parliament or a State legislature; or
 - d. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
2. The Company can implement the recommended CSR projects in partnership / collaboration with its Indian subsidiaries. It can also collaborate with other corporate organisations/companies for undertaking CSR projects, programs or activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs or activities.
3. The Company shall ensure that all the CSR Activities are implemented as per the approved Annual Action Plan, authorised by the Board.

CSR Team:

A dedicated CSR team will be formed among the employees at CHSI, for implementing the CSR policy and shall work under the guidance of Board and will be mainly responsible for:

- Execution of the CSR Policy.
- Identify projects and key initiatives pursuant to CSR Policy.
- Facilitating allocation of funds to the projects as identified for CSR activities.
- Monitoring CSR Projects to establish effectiveness of CSR efforts.
- Compilation of information & preparation of Annual Reports on CSR activities.
- Any other activity necessary to ensure achievement of CSR objectives.

CSR Committee of the Board

The Board shall form the CSR Committee in accordance with the requirements of the Act.

Composition: The CSR Committee shall be comprised in accordance with the requirements laid out under the specified Rules and as amended from time to time.

Responsibility of the CSR Committee: The Board has formed the CSR Committee in accordance with the requirements of the Act which shall:

- Formulate and recommend key initiatives pursuant to the CSR policy in line with the applicable Rules, as amended from time to time to the Board for approval.
- Monitor the policy from time to time.
- Recommend the Projects / Programs to be undertaken with detail the amount of expenditure to be expended.
- Evolve and constitute transparent monitoring mechanism for ensuring implementation of the CSR program.
- Facilitate effective implementation and execution of the CSR policy.
- Review periodically, the CSR policy and implementation of programs to achieve desired outcome or Impact for community development.
- Finalize the Annual Report on CSR as specified under the Act which forms part of annual report of the Company and submit the same to the Board of Directors.
- Formulate and recommend to the Board an annual action plan.
- Ensure transfer of unspent amount to a Special Account and spending the same within three years from the date of transfer for ongoing project.

CSR Compliance, Monitoring and Reporting:

Monitoring and evaluation is an essential part of any CSR initiative, which help businesses in enhancing their CSR programs.

1. The Board of Directors will ensure that there is an effective monitoring mechanism in place to ensure that the CSR projects / programs/ activities proposed to be undertaken by the Company are implemented effectively. The monitoring mechanism may include one or more of the following:
 - ✓ 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.
2. The Board will review the Budget allocation, Expenditure incurred, fund disbursed, implementation of projects according to approved timelines and utilization statement for one-time and ongoing projects from time to time.
3. If any of the CSR Activities are undertaken through an Implementing Agency, the Board to ensure that Implementing agency devises a robust monitoring mechanism to ensure that the CSR Activities are undertaken effectively in accordance with approved Annual Action Plans in compliance with the Act, Rules and the provisions of this CSR policy.
4. The Board will review the status of implementation and fund utilization of the various projects and programmes as per approved Annual Action Plan.
5. In the case of an ongoing project, as defined under the Act and Rules, the Board 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.

6. The Company shall also undertake impact assessments for CSR projects / programmes having outlays of one crore rupees or more, in compliance with the Rules and other conditions prescribed therein, based on applicability.

Treatment of Surplus:

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII of the Act, within such period and with such terms and conditions as may be prescribed under Section 135 of the Act read with relevant rules applicable.

Annual Action Plan:

The Board shall formulate an annual action plan in pursuance of the CSR policy, which shall include the following:

- The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- The manner of execution of such projects or programmes;
- The modalities of utilisation of funds and implementation schedules for the projects or programmes;
- Monitoring and reporting mechanism for the projects or programmes;
- Details of need and impact assessment, if any, for the projects undertaken by the Company.

The Board may alter such plan at any time during the financial year, based on the reasonable justification to that effect.

CSR Expenditure:

If the Company spends an amount in excess of the requirements of its CSR obligations in a Financial Year, then the Company may set off such excess amount against the requirement to spend under sub-section 5 of Section 135 to immediate succeeding three financial years subject to fulfilment of conditions specified under CSR rules.

Disclosures:

The CSR policy framework, committee composition and projects approved by the Board will be displayed on the website (if any) of the Company. The Board will include in its Board report, an annual report on the CSR activities in the format specified under the Rules and as amended from time to time.

CSR policy Review & Amendment:

Any changes in the CSR policy arising out of statutory amendments will be reviewed by the CSR Committee and recommended to the Board for approval.

Note:

This CSR policy is subject to such changes and amendments as may be notified by the Ministry of Corporate Affairs under Section 135 of the Act and Rules made thereunder and the same shall be read in line with the provisions of the Act applicable to the Company from time to time.