



POLICY
ON
CORPORATE SOCIAL RESPONSIBILITY
OF
KURARAY INDIA PRIVATE LIMITED

Date of Approval by BOD : 25th June 2021
Last date of Amendment : 1st March 2021



INTRODUCTION

We, Kuraray India Private Limited (**KID**) will be mindful of our role as corporate citizen and engage in activities to interact actively with and contribute to society. We seek to achieve harmony among people, society and the global environment to build and maintain better relationships through our businesses. KID further intends to contribute to society's welfare and betterment by donating to the development of local areas in which our company is operating.

We at KID, in line with the principles of our holding Company Kuraray Co., Ltd Japan (KRC) believes that the maintenance of appropriate relationships with various stakeholders and the fulfilment of social responsibilities through establishing a corporate governance system that ensures effective and fair management will contribute to the long-term and sustainable enhancement of corporate value. We equally believe that the creation of sizeable societal capital is as important as wealth creation for our shareholders. As a responsible human organization, we are committed to the above objective and are keen on developing a sustainable business model to ensure and activate our future growth drivers. In line with the regulatory expectations, we are putting in place a formal policy as a guide towards our social commitment in the future.

LEGAL REQUIREMENT

As per the provisions of Section 135 of the Companies Act, 2013, every company meeting the threshold of profitability or turnover as specified in the said section is required to contribute a minimum of 2% of its average net profits towards the CSR activities.

KEYWORDS & MEANINGS:

1. "Act" shall mean the Companies Act 2013, including any modifications, amendments or re-enactment thereof.
2. "Approved Budget" shall mean the total budget as approved by the Board of the KID, which is to be utilized for CSR Projects.
3. "Board" shall mean the Board of Directors of the KID.
4. "Corporate Social Responsibility (CSR)" means the activities undertaken by our company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in Rules, but shall not include the following, namely:-
 - (i) activities undertaken in pursuance of normal course of business of the company:



- (ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
 - (iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
 - (iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 - (v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 - (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India
5. "CSR Annual Plan" shall mean the annual plan detailing the CSR expenditure for the year.
 6. "CSR Policy" shall mean the present Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the company as specified in Schedule VII to the Act and the CSR Expenditure thereon.
 7. "CSR Projects" or "Projects" means Corporate Social Responsibility projects/activities/ programs/ initiatives, instituted in India, either new or ongoing, and include, but is not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee or Board of the Company as per the declared CSR.
 8. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
 9. "Net profit" shall mean the net profit as per Sec 135 of the Act and Rules based on which the specific percentage for CSR expenditure has to be calculated.
 10. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.
 11. KID- Kuraray India Private Limited
 12. KRC- Kuraray Co. Ltd. Japan

POLICY OBJECTIVES:

The objective of the CSR Policy is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the KID relating to Corporate Social Responsibility within the meaning of Section 135 of the Act read with Schedule VII of the Act, the Rules and Companies Amendment Act 2020.

However, the Board may, from time to time, decide and contribute in an emergency situation such as prevention of COVID or relief measures for COVID, notwithstanding the CSR Annual Plan or objectives of CSR policy.



CSR ACTIVITIES

The activities that the KID may undertake as CSR activities shall include any or all activities in the following areas of social development:

- i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.
- ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, daycare centres, and other facilities for senior citizens and reducing inequalities faced by socially and economically backward groups.
- 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, including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- v) 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.
- vi) 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.
- vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
- viii) contribution to the prime minister's national relief fund 8[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.
- ix) 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.
- x) 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 Defense 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).

- xi) rural development projects.
- xii) slum area development.
- xiii) disaster management, including relief, rehabilitation and reconstruction activities.
- xiv) Any other activity specified in Schedule VII of the Companies Act, 2013.

NO REQUIREMENT FOR CSR COMMITTEE CONSTITUTION

As per Section 135 of the Act as amended by Companies Amendment Act, 2020, the requirement of constituting the CSR committee is not applicable to KID as long as the CSR expenditure in any year does not exceed INR 50,00,000/- (Rupees Fifty Lakhs) rupees. In all such cases, the duties of the committee shall be discharged by the Board of the Company.

Therefore, initially, at the time of the drafting of this CSR policy, the KID is not required to constitute the CSR Committee, and the Board of the Company will discharge all the CSR requirements of the Act.

The Board shall discharge and assist with deliberations required for the fulfilment of those specific responsibilities and duties assigned to the implementing agencies and agents for completing the CSR responsibilities of the company.

ROLE OF THE BOARD IN IMPLEMENTING CSR ACTIVITIES:

- i) The Board may designate any of the employees or directors, or officers of the company as the person responsible for supervising and implementing CSR activities of the KID.
- ii) Drafting the CSR policy and approve the same, which shall indicate the activities to be undertaken by the company.
- iii) Finalize the amount of expenditure to be spent on the CSR activities.
- iv) Monitor the Corporate Social Responsibility Policy of the company from time to time.
- v) Review and finalize any new CSR initiatives to be taken up by the company.
- vi) Review the progress of CSR projects already undertaken by the company and the utilization of budgets for each such projects.



Review and transfer the unspent amount in accordance with the requirements of the Act to any fund designated by the Central Government of India.

- vii) Review and finalize the CSR report to be included in the Board's report.
- viii) Review and finalize any amendments to be made in the CSR policy of the company.
- ix) To carry such other functions relating to CSR activities of the company.

GENERAL GOVERNANCE:

The Board may perform the following responsibilities towards completion of the CSR activities:

- Adopt an annual work plan to ensure that projects, duties and responsibilities listed in terms of CSR activities are achieved.
- Review annually, in conjunction with the Corporate Governance Committee of the KRC, and report on the adequacy of the implementation of CSR projects.
- Provide formal evaluation in writing on the performance of the CSR projects on a biennial basis.

CONFIDENTIALITY:

All deliberations of the Board and all the records, material and information pertaining to the KID obtained by the Directors of the Board shall be considered confidential and shall safeguard such records, material and information from improper access.

AMENDMENT OF POLICY

The CSR Policy of the company may be amended at any time by the Board of the company.

Note:- The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company and shall be transferred to a fund designated by the Government of India.
