ACCRETION PHARMACEUTICALS LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

(Approved by Board of Directors 1st September, 2025)

CSR Policy

1. INTRODUCTION

Accretion Pharmaceuticals Limited has always been committed to creating sustainable and measurable social impact through its Corporate Social Responsibility ("CSR") initiatives. The Company's CSR approach goes beyond statutory compliance and focuses on improving healthcare accessibility, affordability, and availability of quality healthcare. We aim to bridge the healthcare gap, promote preventive health, to improve healthcare infrastructure through strategic partnerships or contribution in various projects and to create sustainable and measurable social impact through healthcare interventions.

2. OBJECTIVE

The objective of this CSR Policy is to integrate CSR into the Company's business processes and contribute to sustainable social development. As a responsible corporate citizen, Accretion Pharmaceuticals Limited is committed to improving healthcare accessibility, promoting preventive healthcare, strengthening public health infrastructure, and supporting the well-being of communities through impactful and sustainable CSR initiatives.

3. DEFINITIONS

In this policy, unless the context otherwise requires, words, expressions used shall have the meaning as defined or assigned to them in the Companies Act, 2013 and the rule made thereunder.

4. CONSTITUTION OF CSR COMMITTEE

The composition of CSR Committee shall be in accordance with the section 135 of the Companies Act, 2013 and the rules thereunder as applicable to the Company from time to time to inter alia, carry out the following functions:

a. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013 and rules made thereunder;

b. To recommend the amount of expenditure to be incurred on the CSR activities;

c. To monitor the implementation of framework of CSR Policy;

d. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

5. IDENTIFICATION OF CSR PROJECTS OR ACTIVITIES

- The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR objects in other areas, as prescribed under Schedule VII of the Companies Act, 2013 and the amendments thereto.

- CSR projects/ activities shall include all the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Companies Act, 2013 in accordance with the provisions contained in CSR rules, but shall not include the following, namely:-

1. Activities undertaken in pursuance of normal course of business of the Company;
2. 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;
3. Contribution of any amount directly or indirectly to any political party under section 182 of the Act;
4. Activities benefitting employees of the company as defined in section 2(k) of the Code on Wages, 2019;
5. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
6. Activities carried out for fulfilment of any other statutory obligations under any law in force in India;

- The Board of Directors of Accretion Pharmaceuticals Limited may decide to undertake its CSR activities as recommended by the CSR Committee, pursuant to Section 135 of the Companies Act, 2013 and rules made thereunder. The following CSR projects or activities as specified in Schedule VII of the Companies Act, 2013, that can be undertaken by the Company to fulfill its CSR obligations:

1. 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;

2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

4. 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;

5. 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;

6. 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;

7. Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;

8. 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;

9. (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 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).

10. Rural development projects;

11. Slum area development.
    Explanation.- 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.

12. Disaster management, including relief, rehabilitation and reconstruction activities.

13. Any other activities as may be included in Schedule VII of the Companies Act, 2013 by way of amendments or notification or circular or clarification issued by Ministry of Corporate Affairs from time to time relating to CSR. Activities shall be deemed to form part of this CSR Policy.

6. IMPLEMENTATION OF CSR PROJECTS/ACTIVITIES

The Company shall implement the CSR projects/activities by the following means:

i. CSR projects/activities implemented by the Company on its own.

ii. CSR projects/activities implemented by the Company through own foundation/ trust/ society or Group Company trust/society.

iii. CSR projects/activities of the Company through an external trust/ society/ professionals/ firms/ agencies.

iv. CSR projects/activities implemented by the Company through collaboration with other companies in such a manner that the CSR committees of respective companies are in a position to report separately on such CSR projects/activities.

v. Any other mode or manner as may be permissible under the Companies Act, 2013, the rule made thereunder or notification or circular or clarification issued by Ministry of Corporate Affairs from time to time.

7. MONITORING PROCESS

The CSR Committee shall monitor and review the progress on implementation of CSR projects or activities, including as regards timelines, budgetary expenditure and achievement of objects at such time as it may deem fit.

A yearly report on CSR projects/activities of the Company will be included in Company's Annual Report.

8. CSR BUDGET

- The Company, in every financial year, shall endeavor to spend at least 2% of average Net profits of the Company made during the last three immediately preceding financial years as CSR Expenditure.

- Formulation of the Annual Plan:
  The CSR Committee shall prepare a CSR Annual Plan for the above which shall include:
  a. Identified CSR Projects
  b. CSR expenditure
  c. Implementation Schedules

- Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee.

- In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section {3) of section 134.

- In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the unspent amount, relating to a project, other than ongoing project, shall be transferred to any fund included in Schedule VII of the Act (until a fund is specified in Schedule VII of the Act) within a period of six months from the expiry of the financial year and Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section {3) of section 134.

- The unspent amount relating to ongoing project shall be transferred within a period of thirty days from the end of the financial year to a special account which will be opened by the Company in that behalf in that financial year in any scheduled bank to be called 'Unspent Corporate Social Responsibility Account and such amount will be spent by the Company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer, failing which the Company will transfer the same to a fund specified in Schedule VII within a period of thirty days from the date of completion of third financial year.

9. OTHERS

- Any surplus arising out of the CSR Projects shall not form a 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 or transfer such surplus

amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

- The Company may build CSR capacities of their own personnel or personnel of its Trust or Society, as well as those of the Agencies through institutions with established track records of at least three financial years but such expenditure shall not exceed 5% of the approved budget of the Company in one financial year.

- An amount spent in excess of the requirements; such excess amount may be set off against the requirements to spend upto immediate succeeding three financial years subject to conditions that:
  a. The excess amount available for set off shall not include the surplus arising out of CSR activities.
  b. The Board of the Company shall pass a resolution to this effect.

- The disbursal of funds shall be submitted to the Board as a part of the review along with the details of how the funds have been utilized, which shall be certified by the Company's Chief Financial Officer or the person responsible for financial management. In case of an ongoing project, the implementation along with the approved timelines and year-wise allocation will be presented to the Company's Board.

10. REVIEW OF POLICY

The Policy shall be reviewed by the CSR Committee as and when any changes are to be incorporated in the policy due to change in the Companies Act, 2013 or rule thereunder or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the CSR Committee would be presented for approval of the Board of Directors.

****