

Corporate Social Responsibility Policy

Nextgen Healthcare India Private Limited





Contents

1.Preamble..... 3
2.Purpose/Objectives.....3
3.Policy Statement3
4.Applicability4
5. Corporate Social Responsibility Committee4
6.Key Focus Areas4
7. CSR Budget4
8. CSR Projects5
9. Capital Assets.....7
10. Penalty.....7
11. Interpretation of the CSR Policy7
12. Revisions to the CSR Policy7
Annexure A8
Annexure B10



1. Preamble

Nextgen Healthcare Inc. (NextGen), the holding company was founded in 1974, and is in the business of developing and marketing computer-based practice management and electronic health records (EHR) solutions as well as revenue cycle management applications and connectivity services for medical and dental group practices and hospitals. Being in the arena of healthcare information technology, NextGen always aims to enrich society with technology driven healthcare solutions.

Nextgen Healthcare India Private Limited (NextGen India or the Company), which is a wholly owned subsidiary of NextGen, is carrying the legacy of its parent company in India by striving to be a contributing member to society. Since the formation of the Company, “Corporate Social Responsibility” (CSR) has been embedded as one of the core values of the Company as a whole. Much before CSR was made compulsory for corporations in India, the Company was voluntarily involved in many CSR activities as a conscious effort to contribute to society. The Company had taken several initiatives in promoting child education, eradicating hunger, healthcare and other areas.

Under this CSR Policy, the Company’s CSR commitments include, but are not limited to, education, healthcare, women’s empowerment, the eradication of hunger and poverty, and other areas of society with an aim of sustainable growth for all.

2. Purpose / Objectives

The key purpose and objectives of this CSR Policy are to:

- Establish the CSR governance structure of the Company.
- Establish a CSR framework in accordance with the Applicable Laws within which the efforts of the Company and its employees towards achievement of the CSR objectives shall be channelized.
- Identify broad areas in which CSR projects will be undertaken by the Company.
- Serve as a guiding document to help define, execute, monitor & evaluate impact and report all CSR projects undertaken or proposed to be undertaken by the Company.
- Define the manner in which the surpluses from CSR projects will be treated.

3. Policy Statement

The Company’s CSR vision is to empower community and transform lives. The Company will use its resources to support India’s development through the communities in which it operates. The Company plans to do this through community engagement in partnership with its employees, customers, partners, government bodies and civil society.

4. Applicability

This CSR Policy applies to all CSR projects undertaken by the Company. The Company shall ensure all these CSR activities are (i) excluding activities undertaken in pursuance of its normal course of business; (ii) are not which directly benefit only the employees of the Company and their families; and (iii) are in compliance with the Applicable Laws. This CSR Policy shall be periodically reviewed and updated by the CSR Committee with the approval of the Board in accordance with Applicable Laws.

5. Corporate Social Responsibility Committee ('CSR Committee')

The Board has constituted the CSR Committee which will create a robust and transparent governance structure and monitoring mechanism to approve and oversee the implementation of the CSR projects. Pursuant to the applicable laws, the CSR Committee shall consist of such members as may be decided by the Board from time to time. The CSR Committee shall meet on such intervals as may be felt necessary by the CSR Committee or as may be directed by the Board.

6. Key Focus Areas

The Company is committed to use its resources and infrastructure of innovation and technology to create opportunities in the communities it operates in, through its CSR projects. The Company will undertake projects that support and further India's development in the fields of as mentioned in the ['Annexure-I'](#) below.

The Company will undertake long-term projects which have measurable as well as verifiable outcomes and impact on the society. These projects will be implemented either directly by the Company or through implementation agencies like a section 8 company or a public trust or a registered society registered under Section 12A and 80G of Income Tax Act, 1961 with CSR Registration Number and with a proven track record in the CSR Focus Areas. The Company and the implementing agency carrying out the CSR activity shall register itself with the Central Government in Form CSR-1. The Company also plans to expand to other focus areas, in accordance with Schedule VII of the Companies Act, 2013, as and when required to ensure maximum impact in empowering communities and transforming lives.

7. CSR Budget

The Company will endeavor to spend, in every financial year, an amount considered appropriate by the Board, inter-alia keeping in view the benchmark of 2% of the average net profits of the Company during the 3 immediately preceding financial years. Surplus, if any, arising out of CSR projects shall be ploughed back and will not form part of the business profit of the Company.



If the Company spends CSR amount in excess to the prescribed amount, the same can be set off up to immediate succeeding 3 financial years by passing a board resolution to this effect. The excess amount shall not include the surplus arising out of the CSR activities.

The Unspent amount which are earmarked for an ongoing Multi-Year Project shall be transferred to the Unspent CSR Account within a period of 1 month from the end of financial year and spent in pursuance to CSR policy/ annual action plan or transfer the unspent amount not relating to any ongoing projects to fund specified in Schedule VII within 6 months from end of financial year.

Administrative Overheads

Administrative overheads shall mean expenses incurred by the company for general management and administration of CSR functions in the Company. This shall not include expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or programme. The Company's administrative expense relating to CSR projects shall not exceed 5% of the total CSR expenditure of the Company for the financial year.

8. CSR Projects

The CSR Committee shall prepare an annual action plan of the CSR projects proposed to be undertaken by the Company within the aforesaid CSR Focus Areas from time to time, which shall list the said projects along with (i) the manner of execution of such projects or programmes; (ii) modalities of utilization of funds and their implementation schedules; (iii) the proposed financial allocation from the CSR Budget; (iv) the quantifiable outcomes of the CSR projects; (v) monitoring and reporting mechanism for such projects; and (vi) any other details that the CSR Committee may deem fit for inclusion therein ("CSR Plan"). Such CSR Plan shall be submitted to the Board along with the CSR annual budget in the Board Meeting for its approval. The CSR Plan approved by the Board under this Clause shall be read and construed as forming a part of this CSR Policy.

Project Approval

The projects identified and recommended by the CSR Committee will be considered and evaluated by the Board for review and approval in the form prescribed in '[Annexure B](#)'. After evaluation, the Board will communicate to the CSR Committee its approval including with respect to the expense to be allocated for such project from the CSR Budget and the modalities of execution and monitoring of the said project.

The Board shall approve any project as Multi-Year Project or ongoing project during the financial year so that the money so allocated to such projects can be spent within a period of three years excluding the financial year in which it was commenced. This shall include such project that was initially not approved as a Multi-Year Project but whose duration has been extended beyond one year by the Board based on reasonable justification. In case of an ongoing



project, the Board shall monitor the implementation of the project with reference to the approved timelines and year wise allocation.

Implementation

The implementation of the approved projects will be led by the Chairman - CSR Committee along with a dedicated project team, under the guidance and supervision of the CSR Committee / Board. These projects shall be implemented, either directly by the Company or in partnership with an implementing agency or in collaboration with other corporates. The CSR Committee will ensure that all these implementing agencies comply with the requirements under the Applicable Laws.

Monitoring

Company's dedicated project team together with the implementing agency, if any, will collaborate with stakeholders to monitor the status of each project and will report its findings to the CSR Committee periodically. The Company shall obtain a utilization certificate from the Implementing Agency and the CSR Committee will update the Board and provide the Board with a report on a half yearly basis with regard to the progress of CSR projects undertaken by the Company and the expenditure incurred thereon.

The Chief Financial Officer or the person responsible for financial management shall certify that funds so disbursed have been utilised for the purposes and in the manner approved by the Board. The Board shall satisfy itself that funds so disbursed have been utilised for the purposes and in the manner approved by the Board.

Reporting

The Board, in consultation with the CSR Committee, will annually publish a CSR Report in the format prescribed under Applicable Laws, as a part of the Board's report. The Annual CSR Report shall be based on the reports and other details furnished by the CSR Committee including the half yearly reports and the annual CSR Plan. The Board shall ensure that an amount equivalent to that mandated under Applicable Laws is spent from the CSR Budget in every financial year, failing which the Board shall disclose the reasons for not spending the said amount in the manner prescribed under the Applicable Laws.

Website disclosure

The Board shall disclose the following information in the Company's website, if any –

- (a) the composition of CSR Committee;
- (b) CSR Policy;
- (c) projects approved by the Board in the Company's website; and
- (d) any other information as required from time to time.



9. Capital Assets

Any capital asset created out of the CSR funds shall not be part of the Company’s asset and the same shall be held by the section 8 company, registered trust/society having charitable objects and CSR Registration Number, beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities or a public authority.

10. Penalty

Any non-compliance will attract penal provisions of Applicable Laws.

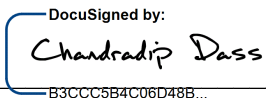
11. Interpretation of the CSR Policy

In case of any ambiguity or uncertainty concerning the provisions of this CSR Policy or their interpretation, the power to interpret this CSR Policy and also in respect of matters not covered herein shall rest with the Board whose decision in this regard, pursuant to a reference made to it by the CSR Committee, shall be final and binding.

12. Revisions to the CSR Policy

Revision/amendments to this CSR Policy can only be made by the CSR Committee with the consent of the Board provided as a resolution passed approving the duly revised CSR Policy.

**NEXTGEN HEALTHCARE
India Private Limited**

Signature 
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Name: Chandradip Dass

Title: Managing Director (India) & SVP, R&D

Date of signature: 7/16/2024

‘ANNEXURE A’

AREAS PRESCRIBED UNDER THE COMPANIES ACT, 2013:

- a) 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;
- b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) 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;
- d) 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 setup by the Central Government for rejuvenation of river Ganga;
- e) 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 arts and handicrafts;
- f) 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;
- g) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- h) 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 Government for socio-economic development and relief and welfare of the Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;
- i) (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);
- j) rural development projects;
- k) slum area development;



- l) disaster management, including relief, rehabilitation and reconstruction activities;
- m) Such other activities that falls under the Central Government CSR Scheme or as amended from time to time in schedule VII of the Companies Act 2013.

‘ANNEXURE B’**PROJECT APPRAISAL FORM**

Sr. No.	Particulars
1	Details and Background of the CSR Project proposed to be undertaken (" Project ");
2	Identify the areas of impact and the community which will benefit from the Project;
3	What is the duration of the Project and what are the significant milestones this Project will achieve;
4	What is the estimated cost of the Project with timelines spread across the duration and whether the same can be undertaken within approved CSR Budget of the Company;
5	What is the estimated cost of overheads and administrative expenses (including the cost of implementing agency, if any) required to implement the Project and whether the same is within the threshold of 5% of the CSR Budget;
6	Whether the Project will be executed / implemented by the Company or through an implementation agency? If yes, whether the due diligence of the implementation agency has been conducted.