



SANKALP

Together We Rise For Good

Corporate Social Responsibility

Mahindra
LOGISTICS



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MLL CORPORATE SOCIAL RESPONSIBILITY POLICY

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5.0	Vijay Pawar	Alteration and additions of the activities and projects.

Introduction and Background

Mahindra Logistics Limited (hereinafter interchangeably referred to as “MLL”/ “the Company”/ “We”/ “Our”) was incorporated under its present name as a public limited company under the Companies Act, 1956 pursuant to the certificate of incorporation dated August 24, 2007 granted by the RoC. Our Promoter, Mahindra and Mahindra Limited, through its logistics division, Mahindra Logistics – undertook the business of providing logistics solutions, warehousing, freight forwarding and supply chain services. Pursuant to a business transfer agreement dated September 11, 2008 between our Promoter and our Company, the entire logistics business was transferred to our Company. Subsequently, the logistics business has since then been undertaken by our Company and our Subsidiaries.

Consequent to initial public offer, the Company got listed on BSE Ltd. and the National Stock Exchange of India Ltd. w.e.f. 10 November 2017.

Our logistics solutions mainly encompass two lines of businesses:

Supply Chain Management (SCM): We offer customized end-to-end logistics solutions and services including transportation and distribution, warehousing, in-factory logistics and value-added services to our clients. We operate our SCM business through a pan-India network comprising 24 city offices, over 350 client and operating locations.

People Transport Solutions (PTS): We provide technology-enabled people transportation solutions and services across India to over 100 domestic and multinational companies operating in IT, ITeS, business process outsourcing, financial services, consulting and manufacturing industries. We offer our services through fleet of vehicles provided by a large network of over 500 business partners. We operate our PTS business in 12 cities, over 120 client and operating locations across India.

Since its inception, Mahindra & Mahindra Ltd. has been a socially responsible corporate going beyond the legal & statutory requirements to make responsible investments in the community.

Being part of the Mahindra Group, Mahindra Logistics Ltd. is committed to the group’s social responsibility vision to serve the communities where it operates through its various CSR activities and initiatives and Employee Social Option Programmes (ESOPs) activities. The major CSR programmes, amongst others, that MLL shall invest and focus on are as follows –

A. BUILDING COMMUNITIES:

Communities are the backbone of Indian economy. Various community development activities comprising of the following are conducted in pockets of villages and slums in backward areas:

- **Scholarships and Grants to children:** Providing scholarships to enable students in underprivileged families to overcome their financial challenges and fulfill their educational dreams.
- **Health and Road Safety:** Conducting regular health, eye and dental check-ups in collaboration with partners or directly with the help of field professionals. Conducting various safety awareness trainings and carrying out activities to promote safe driving and general safety.
- **Restroom facilities for communities:** Providing and renovating portable or fixed rest rooms, toilets etc.

B. VILLAGE ADOPTION:

MLL supports rural development activities by adopting new villages and undertaking village development activities like infrastructure, education, health and vocational trainings, sports, distribution of food grains, clothes, stationary etc.

C. EMPLOYEES SOCIAL OPTION PROGRAMMES (ESOPs):

MLL employees are encouraged to volunteer for various CSR projects in the areas of education, health and environment through the Employee Social Options Programmes (ESOPs). Some of the projects to which the employees have extended their volunteering efforts are skill development of youth, HIV/AIDS awareness and basic treatment, health camps, donations to orphanages, destitute homes, senior citizens etc. Through ESOPs activities MLL employees are expected to serve minimum 1 day in a financial year.

D. DISASTER RELIEF AND REHABILITATION:

MLL provides consistent and timely support to relief and rehabilitation initiatives in those parts of India which are affected by natural calamities by either contributing to the Prime Minister's or Chief Minister's Relief Fund or by directly engaging in rebuilding communities.

In keeping with the Mahindra RISE philosophy, the Company continues to drive positive change to enable people and communities to RISE above their limiting circumstances.

2. CSR Vision Statement and Objective

2.1 The CSR vision of MLL is to serve and give back to the communities within which it works with integrity and responsibility.

2.2 The **objective** of this policy is to –

- Encourage employees to participate actively in the Company's CSR initiatives and give back to the society in an organised manner through ESOPs. Every MLL employee is expected to contribute time and effort towards community building.
- Contribute to the development of communities by providing support to education, health & infrastructure.
- Contribute to the employability of the communities which we work by providing support to education, vocational training and job opportunities.

3. Scope and Applicability

This policy shall be applicable to all stakeholders and employees of MLL.

4. Policy Statement

4.1. Core Ideology

For MLL, responsible business practices include being responsible for our business processes, services, engaging in responsible relations with employees, customers and the community. Hence for the Company, Corporate Social Responsibility goes beyond just adhering to statutory and legal compliances, and creates social and environmental value.

This is clearly articulated in the redefined core purpose which reads as “We will challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to **Rise for Good**”.

4.2. Total Outlay

The Company shall continue to spend such amounts towards CSR activities as may be statutorily applicable and permissible under law. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The Company may spend up to 5% of total CSR expenditure in one financial year on building CSR capabilities.

In case there is any amount unspent from the mandatory CSR spends, the Board of the Company on recommendation of the CSR Committee may decide to carry this forward to the next financial year.

The surplus arising out of the CSR activities will not be considered as a part of the business profits of the Company.

4.3 Allocation of Resources & Thrust Areas

Over and above the mandatory spend by the Company as applicable statutorily, MLL CSR Council may also take voluntary contributions from MLL Employees, Business Associates and its stakeholders either towards its corpus or directly for its projects some of which are scholarships and grants, education for the under privileged children, vocational and livelihood training of youth, relief to the poor, community welfare initiatives, education and encouragement of healthy sports and physical fitness, medical relief and family planning and disaster relief and rehabilitation, or both and infrastructure projects.

Currently the CSR thrust areas for the Company are community welfare, rural development, education, livelihood training and vocational skills, public health and environmental conservation.

The Company may also spend its CSR funds towards following activities as permitted under Schedule VII of the Companies Act 2013 :

1. Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation as well as making water available;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly & the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women & orphans; setting up old age homes, day care centers, community centers, and such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, tree plantation, afforestation, gardening & maintenance, animal welfare, agroforestry, conservation of natural resources & maintaining quality of soil, air & water, executing rain water harvesting projects;
5. Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up of public libraries; promotion & development of traditional arts & handicrafts;
6. Measures for the benefit of armed forces veterans, war widows & their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympic sports & Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects
11. Urban and Slum Area Development.

To fulfil above activities, the Company may expense for infrastructural development work, health and medicines, school and educational assistance, women and child welfare, youth and old aged welfare activities.

4.4. Implementation and Monitoring

The Company has a well-defined and multi-tiered governance mechanism to oversee the implementation of and monitor the CSR Policy in compliance with the section 135 of the Act and rules framed thereunder.

The MLL CSR Committee has been constituted in line with provisions of Section 135 of the Companies Act, 2013 and rules made thereunder. MLL CSR Committee shall monitor the implementation of this Policy through MLL CSR Executive Council, specified by CEO of the Company from time to time. While CSR programmes may be identified by the CSR Council, it will also evaluate projects submitted directly by reputed NGOs in carrying on the specific activity. To ensure that there is focus and maximum impact the CSR Council will endeavour to work on fewer projects over a longer period of time so as to ensure that the outcomes of the projects can be measured.

The CSR Council will convene periodical meetings to review the progress of varied CSR projects in terms of both outcome assessment and financial monitoring. The council will review the strategy from time to time and may choose new focus areas and projects as and when required. In addition, the CSR Council will mandate the effective and timely monitoring and evaluation of varied CSR projects by directing its consultants or a third party independent agency to carry out situational analysis, need assessment surveys, project visits, or impact studies, social audits etc. if and as required especially for the strategic and high value CSR programmes.

In order to ensure transparency and communication with all stakeholders, the CSR Council will document the details of the Company's CSR initiatives and CSR expenditure and ensure that the same are available in the public domain i.e. the Directors' Report and / or the Company's Annual report and/or on the Company's website.

Further employee participation in CSR projects will be encouraged and supported through the Employee Social Options (ESOPs) platform.

4.5 Executing Agency / Partners

CSR initiatives will be undertaken either through the Company's own CSR Council or consultants with the active involvement of employees under ESOPs having CSR Champions at every locations under the scope of the CSR as well as through Projects Related Executive Committees of the employees (e.g. Village Adoption Committee, Driver's Welfare Committee etc.) or through partnerships with our Corporate Foundations namely the Mahindra Foundation, The K C Mahindra Education Trust or through partnerships with other NGOs having an established track record of three years in undertaking similar programmes or projects.

The following minimum criteria will be ensured while selecting NGO's / voluntary organizations for programme execution.

- a) The NGO is a registered Society / Public Charitable Trust / Company established under section 8 of the Act;
- b) The NGO has a permanent office / address in India;
- c) The NGO has a valid Income Tax Exemption Certificate;
- d) The NGO has submitted a detailed project proposal and budget which has been approved by the CSR Council.

The Company may also collaborate with other companies to undertake CSR projects or programmes, provided the CSR Committees of the respective companies are in a position to report separately on such projects or programmes in accordance with the Act and rules framed thereunder.

For CSR activities undertaken through other executing agency, the Company will specify the projects or programmes to be undertaken through these agencies, the modalities of utilization of funds on such projects or programmes and the monitoring and reporting mechanism.

4.6 Policy Guidelines

- All CSR Projects must be aligned as prescribed in Schedule VII of the Companies Act, 2013;
- CSR projects or programmes or activities must be undertaken in India alone;
- Preference shall be given to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities;
- CSR activities must not include the activities undertaken in pursuance of normal course of business of the Company;
- Projects or programmes or activities that benefit only the employees of the Company and their families shall not be considered as CSR;
- CSR activities should be in project/ programme mode. One-off events such as marathons / awards / charitable contribution / advertisements / sponsorship of TV programmes etc. will not qualify as part of CSR expenditure;
- Contribution of any amount directly or indirectly to any political party and religious activities shall not be considered as CSR;

4.7 Approval and Amendments

- The Board of Directors are authorised to amend this Policy on recommendation of the CSR Committee as may be required from time to time, subject to applicable laws.
- Any amendment(s) in the statutory/regulatory requirements shall be binding even if not incorporated in this Policy.

4.8 Scope and Limitation

In the event of any conflict between the provisions of this Policy and the Companies Act, 2013 and rules framed thereunder or any other regulatory/statutory enactments, rules, the

provisions of Companies Act, 2013 or other regulatory/statutory enactments, rules shall prevail over this Policy.

