

## **CMA-CGM Agencies (India) Private Limited**

### **Corporate Social Responsibility (CSR) Policy**

This policy which encompasses CMA-CGM Agencies (India) Private Limited's (the Company's) philosophy towards corporate social responsibility, lays down the guidelines and mechanism for undertaking socially relevant programs for welfare and sustainable development of the community at large and complying with all the local regulations in that regard, is titled as the '**CSR Policy of CMA-CGM Agencies (India) Private Limited.**'

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## 1. Introduction and Background

The CMA-CGM Group in India is a strong and intricate network of 28 offices spread across the nation. They offer a wide range of shipping solutions: 5 gateway ports and 8 feeder ports within the country. They also provide intermodal solutions covering accessibility to and from 33 inland locations. As a Group, CMA-CGM operates 9 direct weekly services calling in and out of India truly offering excellent global connectivity to Europe, U.S., Africa, South America, Australasia, Asia, and the Middle East Gulf. What sets CMA-CGM India apart is its spirit of service and commitment to providing value-added services to our customers locally.

As part of the CMA-CGM Global network, CMA CGM India is committed to consistently providing new and innovate shipping solutions with respect and protection towards the environment to serve businesses both locally and globally.

## 2. CSR Vision

Corporate Social Responsibility (CSR) covers the entire process by which an organization approaches, defines and develops its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by the adoption of appropriate strategies and projects. Thus, CSR is not charity or mere donations but a way of going beyond business as usual, creating shared value and contributing to social and environmental good.

**CMA-CGM Agencies (India) Private Limited's** CSR vision is to contribute to the improvement of the economic and social well-being of underprivileged and needy people in rural and urban areas of India. Through a series of interventions, the Company seeks to mainstream economically, physically, and socially challenged groups and to draw them into the cycle of growth, development, and empowerment.

## 3. Objectives of the Policy

CMA-CGM Agencies (India) Private Limited has embarked upon the process of institutionalizing its commitment at being socially responsible with an aim of sustainable development of the society. The purpose of this Policy is to define the Company's vision, guiding principles, governance structures, strategy, and programs for its corporate social responsibility efforts.

## 4. Applicability and Scope

This Policy has been formulated in consonance with Section 135 of Companies Act 2013 (Act) on CSR and the CSR Rules as notified by the Ministry of Corporate Affairs in 2014. The Policy shall apply to all CSR projects/programs undertaken by the Company in India as per Schedule VII of the Act. This policy shall be applicable to the Company including all its divisions, and all the employees.

This Policy will serve as a guiding document to help identify, execute and monitor CSR projects in keeping with the spirit of the Policy. The CSR Policy would function as a self-regulating mechanism for the Company's CSR activities and enable adherence to laws, ethical standards, and international practices in this regard.

## 5. CSR Budget

CMA-CGM Agencies (India) Private Limited shall endeavor to spend, in every financial year, at least 2% of the average net profit made during the immediately preceding three financial years or such amount as may be determined from time to time on its CSR projects. Any surplus arising out of CSR activities will be re-directed towards CSR activities and not the business of the Company.

Net profit shall mean profit before tax as per books of accounts and shall not include profits arising from branches outside India. The Company proposes not to include the effect of exception items in the determination of Net Profits to ensure consistency and stability in the CSR spend and budget determination.

## 6. Modalities of Implementation

The Company will implement the CSR programs either through itself or through a Trust or Section 8 Company or Society or Foundation or any other entity operating within India in accordance with its stated policy.

Grassroots implementation of CSR programs would be undertaken by implementation partners with an established track record with support from project management consultants and social enterprises, as may be required.

While availing services of consultants or any other organizations, the Company will seek proposals from various consultants and organizations and will then make a final decision based on criteria which are critical to the success of that particular CSR program.

## 7. CSR Governance Structure and Roles and Responsibilities

The Company has put in place the following governance structure to ensure that CSR policy is implemented and monitored effectively. The roles and responsibilities are defined at each governance level.

### ***Board of Directors***

The Company's Board of Directors will be responsible for following activities:

- Approve CSR policy, identify the causes that the Company proposes to support, identify the programs to be undertaken by the Company, approve modalities of operation and the budget for the activities.
- Ensure that the activities included in CSR Policy of the Company are undertaken by the Company, although primary responsibility lies with the CSR Committee.
- Ensure that the Company spends, in every financial year, at least two percent of the average net profits made during the immediately preceding three financial years or such amount as may be determined from time to time by the Company, in pursuance of this policy.
- Ensure that the Board's Report issued under clause (o) of sub-section (3) of section 134 shall include an annual report on CSR containing particulars specified in Annexure to the CSR Rules.
- Ensure that if the Company fails to spend such amount, specify the reasons for not spending the amount in its annual report mentioned above.

### ***CSR Committee***

The CSR Committee will have two members from the Board of Directors. This committee will be responsible for driving the Company's CSR initiatives. The committee will give strategic direction, finalize and approve annual goals of the CSR programs selected, allocate budgets on a yearly basis and monitor progress.

The CSR Committee will be specifically responsible for the following:

- Recommend the CSR Policy to the Board for approval which shall indicate the activities to be undertaken by the Company as specified in Schedule VII
- Recommend the amount of expenditure to be incurred on the CSR activities to the Board for approval
- Ensure that the CSR Policy of the Company is monitored on a regular basis and is updated from time to time for any change or enhancement in scope and the same is recommended to the Board for approval
- Define the modalities and monitoring the progress of the activities being undertaken under the policy

- Approve the design of the CSR activities and the budgets proposed by any implementing partners and recommend to the Board for approval
- Design the monitoring mechanism for the activities and the policy and ensure monitoring of the CSR programs
- Be responsible for the overall implementation and reporting of the CSR projects as approved by the Board

## 8. Monitoring and Reporting Framework and Communication

The CSR Committee shall meet once in a quarter or as and when the need arises to review and guide the CSR activities of the Company. They shall meet to monitor the progress of CSR programs, CSR spending, and review if any changes are required. During the half-yearly meeting, the Committee will also review the CSR policy to discuss if any changes are required in it. However, it may also meet at an early period in case of changes to a particular program or review of CSR policy is required.

At each of the program locations, the CSR programs will be implemented and monitored by the members of the CSR Committee. The program managers will maintain their own monitoring schedule, as appropriate, to collect the required inputs from organizations, implementation partners and beneficiaries to ensure effective implementation.

The Company may undertake an assessment, as and when needed, in order to evaluate the social impact of its CSR programs on the communities. This will also help the Company to obtain learnings which will help increase program efficiency and scalability.

The Company will incorporate the details of CSR activities, including a physical and financial process in the annual report of the Company. The CSR activities will also be reflected in the annual accounts of Company under the head 'Expenditure under CSR Activities' and will be mentioned in the Director's report. The CSR Committee will present quarterly reports at the Board-level CSR Committee's quarterly meetings.

The Company will be communicating its CSR efforts to all its employees and external stakeholders through emails, its own website, and other appropriate dissemination channels.

The CSR Policy of CMA-CGM Agencies (India) Private Limited will also be uploaded on the website of the Company.

## 9. Exclusions

The following activities shall not form part of the Company's CSR activities:

- The activities are undertaken in pursuance of normal course of business of the Company
- CSR projects/programs or activities that benefit only the employees of the Company and their families
- Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes
- Any CSR projects/ programs or activities undertaken outside India

## 10. Exceptions/deviations

All exception and deviation to this policy shall be approved by CSR Committee.

## 11. Policy Owners

The CSR Committee is the process owner of this Policy.

## 12. Amendments

Based on the recommendation of the CSR Committee, the Board of the Company can modify this Policy unilaterally at any time to maintain compliance with local laws.

## Annexure: Areas of CSR interventions, objectives, activities, and Schedule VII category

Enumerated below are the cause areas under which the Company will implement its CSR Projects. These will be reviewed from time to time by the CSR Committee and the Board and specific initiatives under these will be undertaken in line with the CSR Policy to meet the overall objectives of these interventions:

1. Rural development through the promotion of education, skills and livelihoods, health and hygiene, and other activities relevant to upliftment of rural areas

**Category:** Companies Act 2013, Schedule VII (x): Rural development projects

With the objective of contributing to the improvement of the economic and social well-being of people in rural areas, the Company will initiate programs that empower the rural population, in areas where Company operations exist. These will range from supporting projects that provide access to water, healthcare & sanitation, and construction & running cost of schools and health centers, amongst others.

2. Support to children with multiple disabilities with visual impairment (MDVI)

**Category:** Companies Act 2013, Schedule VII (ii): promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects

The Company aims to support children with multiple disabilities with visual impairment through initiatives that will provide them an environment that offers these children holistic care and support ranging from early intervention, education, therapy, counseling, and awareness.

3. Rural Livelihood Support through Tree Plantation

**Category:** Companies Act 2013, Schedule VII (iv): Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro-forestry, conservation of natural resources & maintaining quality of soil, air & water

The Company aims to create a wide socio-economic impact by planting fruit-bearing/medicinal trees in rural farming land and create an eco-system involving community farmers who will help grow and maintain these trees in the long term. This approach will not only promote greenery but also provide livelihoods to the beneficiaries. The Company will also focus on training of beneficiaries on sustainable farming methods.