

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. CSR Vision & Value

Corporate Social Responsibility (CSR) means responsible business practices through the involvement of all stakeholders in the decision making process and in operations. The Phoenix Mills Limited (the Company) strongly believes that an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of the Company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders and with intent to make a positive difference to society. The Company constantly strives to ensure strong corporate culture which emphasizes on integrating Corporate Social Responsibility (CSR) values with business objective. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently-abled.

2. CSR Mission

The Company strives towards becoming a socially responsible corporate entity with a thrust on Community development, and education through sustained business conduct. The Company is committed to the philosophy of compassionate care and endeavors to act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. Further, the Company subscribes towards ensuring environmental sustainability through ecological conservation and regeneration and promoting biodiversity.

3. CSR Policy

3.1 *Objective*

The purpose of this policy is to articulate what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism. The framework enables to put in place policies and practices in line with this policy. This document is an attempt to showcase the linkage of our social objectives with business strategy.

3.2 *Applicability*

The CSR policy has been developed in consonance with Section 135 of the Companies Act, 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India in 2014. The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.

3.3 CSR Focus Areas

In line with the Company's vision, values and mission, the Board of Directors have identified the following core areas for CSR.

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation;
- Promotion of Education (especially amongst children, women, elderly and differently-abled) including special education and employment enhancing vocation skills and livelihood enhancement projects;
- Promotion of 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;
- 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;
- Training to promote rural sports and nationally recognized sports;
- To undertake or to contribute for rural development projects;
- To contribute to other approved Funds undertaking activities and efforts in the aforesaid areas (as may be approved from time-to-time, in this regard).

3.4 CSR Corpus/Fund

The CSR corpus for the purpose of carrying on the aforesaid activities shall be arrived at on computation of two percent of the average net profits calculated in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Any income arising there from and surplus generated from CSR projects undertaken by the Company shall be tracked and channelized into the CSR corpus. These funds shall be further used in development of the CSR projects and shall not be added to the normal business profits.

The CSR Committee shall recommend the project wise annual budgeted expenditure to the Board for its consideration and approval. The CSR Committee shall monitor the project expenditure.

3.5 Approach to Implementation

The Company shall strive to implement the aforesaid CSR activities on its own to the extent possible. At the same time, the Board recognizes the need to work in partnership with other agencies specified under the CSR Rules. This would include:

- Collaborating with various organizations which are registered Trusts or Section 25 or Section 8 companies under the Companies Act or registered Societies that specialize in the aforesaid activities.
- Collaborating or pooling resources with other companies to undertake aforesaid CSR activities.

3.6 Monitoring

The administration of the CSR Policy and the execution of identified CSR projects, programs and activities under it shall be carried out under the overall supervision and guidance of the CSR Implementation Group formed for this purpose which shall comprise of

- Mr. Ashokkumar Ruia – Chairman & Managing Director
- Mr. Atul Ruia – Joint Managing Director
- Mr. Pradumna Kanodia – Director Finance

The CSR implementation group shall submit its report on a half-yearly basis to the CSR Committee constituted by the Board which has the overall responsibility to monitor the CSR Policy of the Company. This report would indicate:

- Achievement since last progress report / during the last quarter in terms of coverage compared to the target and reasons for variance.
- Achievement of the year-to-date in terms of coverage compared to the target, plans to overcome shortfalls if any and support required from the CSR Committee/Board to overcome the shortfalls.
- Actual year-to-date spends compared to the budget and reasons for variance.
- In respect of activities undertaken through outside Trust/Society/NGO's etc. there will be mechanism of monthly reporting of progress on each such activities and the amount incurred thereon.

The Board shall seek a short progress report from the CSR Committee on a half-yearly basis.

Further, any or all provisions of the CSR Policy shall be subject to revision/amendment by the Board based on the recommendations of the CSR Committee or else in accordance with the guidelines on the subject as may be issued from time to time.

4. Documentation and Reporting

The CSR Committee shall prepare the annual CSR report for approval of the Board. This report shall ensure and confirm that:

- CSR projects and programmes are being properly documented.
- An MIS is maintained on expenditure across sectors and geographies and beneficiaries impacted. The MIS structure will be in alignment with the prescribed reporting format.

- Accountability is fixed at each level of CSR process and implementation.

5. Information dissemination

Contents of this Policy shall be disclosed in the Report of the Board of Directors. This Policy shall also be placed on the website of the Company.
