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**CORPORATE  
SOCIAL RESPONSIBILITY  
POLICY**  
*INDIA*



## OUR COMMITMENT

Expeditors has always been involved in the communities where we live and work. Our global branches give back to their communities by supporting local charities, children's programs and volunteering time on outreach projects. Through these local or "grass-roots" efforts, a tremendous amount of time, commitment and money has been put towards bettering the communities where Expeditors does business.

We know that with over 14,600 employees worldwide, we have the potential to make a big impact.

Expeditors is committed to the highest standards of legal and ethical business conduct and shall ensure that CSR activities be conducted in accordance with its code of business conduct and in compliance to all laws and regulations as applicable upon us.

## OBJECTIVE

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society and Expeditors will act as a good corporate citizen and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

## APPLICABILITY

- Expeditors India CSR policy has been developed pursuant to Section 135 of the Companies Act, 2013 (referred to as the Act in this policy) and in accordance with the 'Companies (Corporate Social Responsibility Policy) Rules, 2014, (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.
- This policy shall be applicable to Expeditors International (India) Private Limited only.

## MEASURES

In this context, policy on CSR of Expeditors is broadly framed taking into account the following measures:

- The CSR activities shall be undertaken by Expeditors, as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- Any activities which are exclusively for the benefit of Expeditors employees or their family members shall not be considered as CSR activity.
- Expeditors shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of Expeditors may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

For purposes of focusing its CSR efforts in a continued and effective manner, the following areas have been identified:

1. Promotion of education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
2. 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;
3. 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;
4. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
5. 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;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
8. Contribution to the Prime Minister National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and 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. Expeditors will implement its CSR activities in accordance with Section 135 of the Companies Act 2013 read with the Rules.
12. These CSR programmes shall be implemented through Non-Governmental Organisations (NGO's), Government bodies, institutions, municipalities, schools and agencies as may be approved by the CSR Committee.

## CRITERIA FOR IDENTIFYING EXECUTING THIRD PARTY BODIES

It is the responsibility of the CSR Committee, while the implementation modality of a CSR project / programme is defined, to ensure that the external body who would execute the said project / programme is clearly identified. In case the external body is a NGO or an Agency other than an NGO it shall meet the following criteria:

- Have a permanent office / address in India;
- Be a registered society under Societies' Registration Act;
- Possess a valid Income-tax Exemption Certificate;
- Have verifiable antecedents, subject to confirmation;
- Have a track record of at least three financial years.

## ORGANISATIONAL MECHANISM AND RESPONSIBILITIES

### *Constitution of Corporate Social Responsibility Committee*

The Board of Directors of the Company has constituted a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three directors.

- Vivek Kumar, Chairman
- K. Murali, Member
- Shailesh Mor, Member

### THE CSR COMMITTEE SHALL:

- Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities; and
- Monitor the Policy of the company from time to time.
- The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Any income arising out of CSR projects or activities approved by the Board shall not form part of the business profit of the Company and shall only be allocated to future CSR projects or activities.

## PARTNERSHIPS

Collaborative partnerships are formed with the Government, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders. This helps widen the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

## BUDGETS

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director or Finance Controller of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

## RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors of Expeditors International (India) Private Limited will be responsible for:

- Forming a CSR Committee comprising of Directors.
- Approving the CSR policy after taking into account the recommendations made by the CSR Committee.
- Ensuring that if the Company makes profits, then the Company shall in each financial year spend at least 2% of the average net profit before taxation excluding profits arising from overseas branches made during the three immediate preceding financial years.
- Ensuring that in every financial year, funds committed by the Company for CSR activities are utilized effectively and implementation is regularly monitored.
- Disclosing in its Report the names of CSR Committee members and ensure annual reporting of its CSR activities on the Company website.
- Ensuring annual reporting of CSR spending's to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.
- Ensuring that only the activities as included in CSR Policy of the Company are undertaken by the Company.

## TERMS OF REFERENCE FOR THE CSR COMMITTEE:

### **Quorum**

Quorum shall be two members personally present at the meeting. A duly convened meeting of the CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the CSR Committee.

### **Voting at Meetings**

No one other than the CSR Committee Chairman and other members is entitled to vote at a meeting of the CSR Committee.

### **Secretary**

The Company Secretary shall act as the secretary of the CSR Committee and shall keep a record of the membership of and the dates of any changes to the membership of the CSR Committee. Company Secretary shall be responsible to record the minutes of the Meeting.

### **Meetings**

Meetings shall be held at such times as the CSR Committee deems appropriate, and in any event shall be held not less than two times in a year.

### **Proceedings**

Unless varied by these terms of reference, meetings and proceedings of the CSR Committee will be governed by the Companies Act, 2013 and rules made thereunder and specifically 'Companies (Corporate Social Responsibility Policy) Rules, 2014' and Company's Articles of Association regulating the meetings and proceedings of Directors.

Meetings of the CSR Committee shall be summoned by the Company Secretary at the request of the Chairman or any member thereof.

The Secretary shall record the proceedings and resolutions of meetings of the CSR Committee and shall circulate the minutes of such meetings to all members of the CSR Committee, the chairman of the Company, the Managing Director of the Company and the Chief Financial Officer and, if the Chairman so decides, to all members of the Board. In the absence of the CSR Committee Chairman and/or an appointed deputy, those members present shall elect one of them to chair the meeting.

### **Information dissemination**

The Company's engagement in this domain is disseminated on its website, annual reports and its house journals as and when deem fit.

### **Management Commitment**

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

### **Update**

CSR Committee of Board of Expeditors will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

### **Compliance with Companies Act, 2013**

Our Corporate Social Responsibility policy conforms to the Section 135 of the Companies Act, 2013 on Corporate Social Responsibility as spelt out by the Ministry of Corporate Affairs, Government of India.