



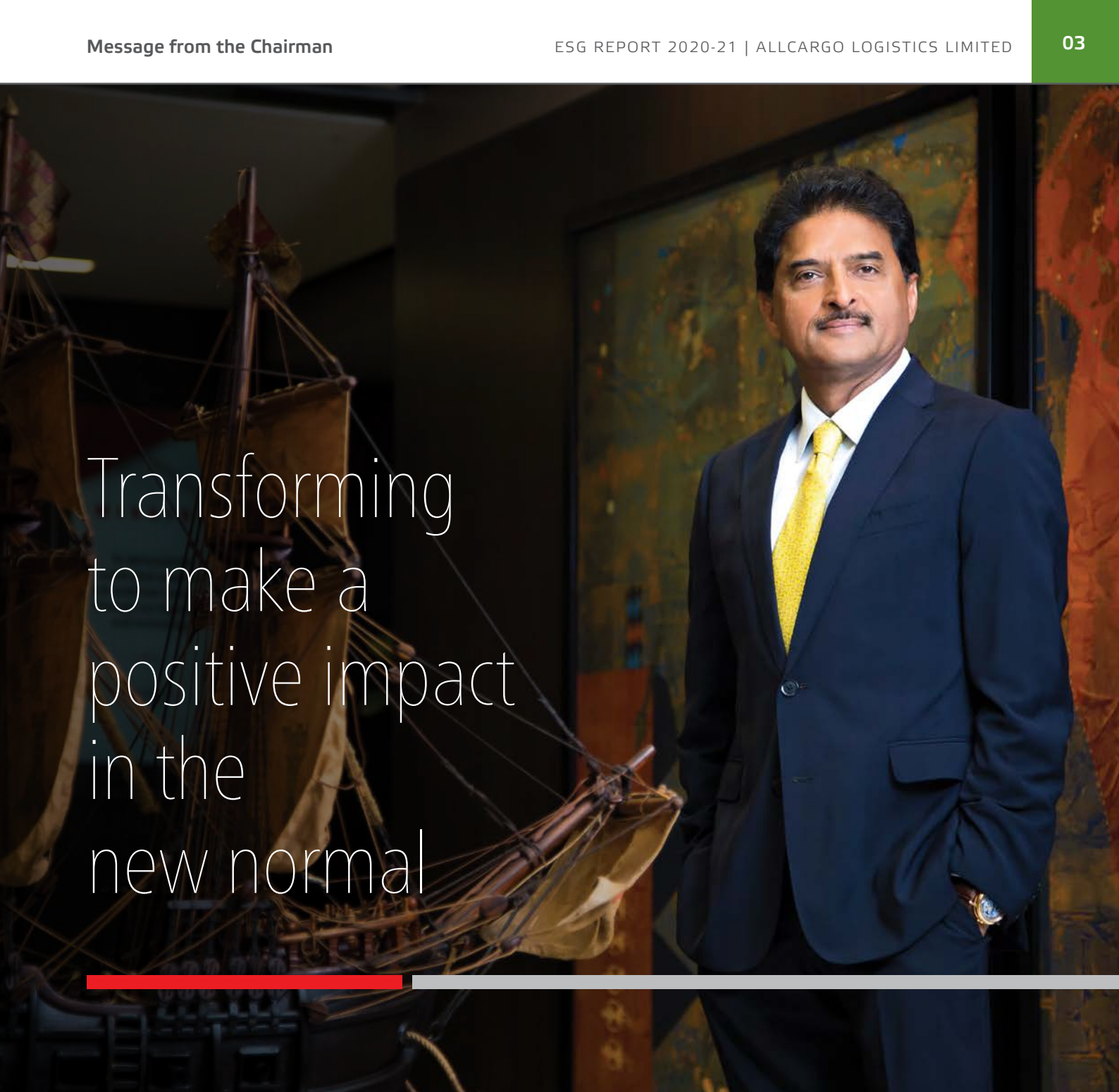
ESG

2020-21

Environmental, Social, and Governance Report

Index

● Message from the Chairman:	03
Transforming to make a positive impact in the new normal	
● The Company	05
Our Accreditations	
● A powerful new roadmap: Avvashya Vision, Mission and Values	
Our Vision	06
Our Mission	06
Our Values	07
● Scope of the report	08
● Environment	09
Environment policy	08
Carbon footprint reduction	10
Resource conservation	10
Employee action: Teaming up for a greener, better future!	11
Sustainability at ECU Worldwide	12
● Social	
Employee data	13
Human capital	13
Rewards and recognitions	14
Cross-functional trainings	14
Health, safety and well-being	14
Organizational COVID-19 support: Helping India breathe	15
Community and social work	16
Customers	23
● Corporate Governance	
Board of Directors	25
Whistle blower policy	29
Internal audits	30
Risk management	30
Compliance	31
Internal financial control systems and their adequacy	31
Sexual harassment policy	31
Cybersecurity and data protection	32
Transparency and reporting	33
Insider trading	34
Business Continuity Plan	35



Transforming to make a positive impact in the new normal

We have always recognised that the company is an integral part of the larger ecosystem, actively interacting with all stakeholders. But perhaps now is the time to focus on the impact we have on the community, environment and the society at large. To drive this mind-set across the organisation, there is a need for a clear

roadmap that is aligned to the constantly evolving environment and robust enough to create impact. We have defined ours with the Avvashya Vision, Mission and Values 2.0 and are committed to abide by it across all our business activities and operations.

While we have always been

driven by strong core values and considered it our responsibility to do our bit for the environment and society, today, as we transform to be future-ready and grow sustainably, we are geared so much better to adhere to internationally accepted Environmental, Social and Corporate Governance (ESG) and



With great happiness and pride, we continue our efforts to spread smiles with participative programmes in the areas of Health, Education, Environment, Women Empowerment, Sports and Disaster Relief that support the vulnerable and underprivileged sections of society with a ray of hope for a better life.

Health, Safety, Security and Environment (HSSE) standards.

For us, these are not mere concepts or principles – our intent is to take result-oriented action and walk the talk. Right from a free and independent Board that meets regularly to take decisions in the interest of the organization to a separate team that oversees our regulatory protocol, mandatory disclosures and risk assessment and management, we adhere to the highest levels of corporate governance. As an organization with no tolerance for any unfair discrimination, we believe in the power of a diverse workforce and

employ team members across nationalities along with taking steps to improve our gender diversity and make it conducive to bring in more women into the workforce. Being an organization with concern for the environment, we look ahead to reducing our carbon footprint and minimising our environmental impact to the maximum extent possible, with an eventual goal of being carbon neutral.

Even as India grappled with a tough second wave of the global COVID-19 pandemic, we did everything we could to keep our frontline workers, team members working remotely, customers and all stakeholders safe and healthy. Precautionary and safety measures were implemented strictly in offices, warehouses, Container Freight Stations (CFS), sites and facilities. With logistics being an essential service, our teams across the world also partnered collaborative COVID-relief initiatives to transport oxygen cylinders, masks, and other supplies on behalf of the government in different states of India and elsewhere in the world.

We are living in unprecedented times that bring on hitherto unforeseen challenges which can only be tackled if we fight them together. Enabled by our Avashya Foundation, we have taken a number of forward strides in areas that include Health, Education, Environment, Women Empowerment, Sports and

Disaster Relief, backed by a network of partner NGOs and supported by our own colleagues and team members. Through our inclusive nationwide social welfare programmes, Care for Environment and Society – one of our key values – finds expression and fulfilment, bringing a ray of hope to those vulnerable and less fortunate than us.

Some of the key initiatives past few years have been focussed on reducing our environmental impact. Our team members have fully supported and drawn inspiration from such initiatives including planting trees, banning plastic at our workplace, volunteering to clean up beaches and crowded places, supporting to provide food and healthcare for the underprivileged sections of society, among others.

With great happiness and pride, we continue our efforts to maintain strong corporate governance, protect the environment, and create value for all our stakeholders including customers, employees and the communities we interact with.

This ESG Report encloses and represents in detail some of our efforts, impact and aspirations. We look forward to your thoughts and feedback.

Best Regards,

Shashi Kiran Shetty,
Chairman

Allcargo, ECU Worldwide, Gati

The Company

Allcargo Logistics Limited is the global leader in LCL consolidation and one of India's largest players in integrated logistics solutions. The company offers specialised logistics services across Multimodal Transport Operations, Container Freight Station (CFS) Operations/ Inland Container Depot (ICD) Operations, Projects Logistics & Engineering Solutions and Logistics Parks. Benchmarked quality standards, standardised processes and operational excellence across all the services and facilities, have

enabled Allcargo Logistics Limited to emerge as the market leader in these segments.

The company currently operates through more than 300 offices in over 180 countries, supported by a large network of franchisee offices across the world. Allcargo Logistics is today one of India's largest (#39) publicly owned logistics companies, listed on the BSE Limited (Scrip Code-532749) and The National Stock Exchange of India Limited (Scrip Code-ALLCARGO).



Our Accreditations



A powerful new roadmap: Avvashya Vision, Mission and Values 2.0

In October 2020, the Avvashya Group took a leap forward, by launching the Avvashya Vision, Mission and Values 2.0. Drawing on the strengths of its erstwhile values and guiding principles that had been defined and imbibed over the decades and integrating them with a futuristic vision relevant to the new normal, this was a clarion call for transformation given by the Chairman, Mr. Shashi Kiran Shetty.

In today's dynamic business environment, everything right from business models and workplace structures to global supply chains and consumer behaviour patterns, has undergone a tremendous change. Life, business, competition, and progress are getting re-defined every day.

To emerge as an innovator and leader in this constantly evolving

landscape, agility and flexibility are key. Not just in the way we conduct business, but also in the core values that define how we as a corporate interact and operate in the industry, society and world at large.

This is the rationale and approach that strengthens our commitment and resolve to adhere to the Avvashya Vision, Mission and Values 2.0, day after day.

"The purpose of our business is to dedicatedly serve to ensure stakeholder delight and influence the environment and society at large with our good work, as we abide by our values that form the cornerstone of our business strategies, decisions and activities.

We are committed to this roadmap as we seek to grow sustainably and deliver logistics solutions with excellence, again and again, with a lot more rigor and enthusiasm as the days pass."

- **Shashi Kiran Shetty,**
Chairman
Allcargo, ECU Worldwide, Gati



Vision

Ingenuity in motion to serve stakeholders for market leadership, by far.



Mission

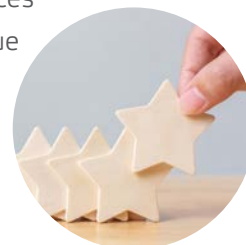
Always be customer-centric and proactive. Create digitally-enabled, well-governed, logistics magic, worldwide.

Our Values



Entrepreneurship with a Purpose

Practice the owner's mindset, as the organisation is the collective soul of its employees. Be unwilling to accept 'it cannot be done' as an answer. Take initiative to push limits. Use resources consciously, chase goals aggressively, be frugal and pursue passion for business excellence.



Customer Centricity

Recognize that our customers are the reason for our existence. Be obsessive about delighting customers and all stakeholders. As our Vision and Mission suggest, go to infinite ends to deliver the best customer experiences.



Innovation and Execution

Constantly strive to challenge conventional views and drive innovation with new ideas, a futuristic outlook and perspectives from the youth. Maximise impact by delivering world-class solutions leveraging IT, digital platforms and newer technologies. Be agile, flexible and lead the disruption.

Collaboration

Build a highly capable and committed team to build growing businesses which deliver highest value by fostering a meaningful relationship with all stakeholders by practicing highest standards of business ethics, humility and governance.



Care for Environment and Society

Always aim to minimise the impact on environment, supporting scientific research that reflects environmental and sustainability concerns. Build a culture of empathy within the companies towards colleagues as well as underprivileged individuals around us. Be responsible corporate citizens and contribute to a better society, country and world at large.

Scope of the Report

This report covers environmental, workplace, details of our compliance and other related policies. This Environmental Social and Corporate Governance (ESG) report has been made after a rigorous assessment and inputs from our internal and external stakeholders. Our operations span across 180 countries with more than 300 offices, making our business ethics very intricate. The sustainability report highlights our commitment to factors that are responsible in creating an equitable society. We address the issues that are focused on and impact our stakeholders, employees and customers from time to time, and review our policies periodically.



Environment



Environment policy

Sustainability is the only option if we have to thrive. Such is the importance of natural capital that sustainability is no longer an alternate but the only option left with us.

At an organizational level, our focus is on reducing our impact

on the environment, integrating sustainability across our facilities and operations and enabling our employees, partners, business associates and customers to go green and adopt eco-friendly practices.



Carbon footprint reduction

Adding to the Earth's green cover

While constructing warehouses or CFS facilities, landscaping of land is carried out by using grass and planting trees.

As part of our commitment to the environment, over the past five years, we have planted close to 6.5 lakh fruit bearing trees in the tribal areas of Maharashtra under Maitree Environment Conservation. Considering that 1 tree absorbs approximately 21 kg of carbon in a year, 6.5 lakh trees can absorb more than 1 crore or 10 million kg of carbon in a year.

Our channel partners have also helped us spread awareness about sanitation and its effects on environment amongst the communities.

Maitree has helped us mitigate farmer migration by providing

them livelihood and ownership of the trees. We have also tied up with the MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) to enable farmers to earn an income as per the man-hours provision.

Through this simple but powerful initiative of planting fruit-bearing trees that not only help increase the earth's green cover but also bring about social welfare by providing livelihood to farmers who can sell their produce, we hope to continue being part of an ingenious solution to combat deforestation and its ill-effects like climate change.

Reducing energy consumption

At warehousing and CFS facilities, we use solar panels and LED lights across most locations including streets, parking lots and within the premises.

Polycarbonate panels (skylight panels) that help utilise natural light during the day time are used on building roofs wherever possible.

At our Head Office and other offices, where possible, we have implemented motion sensor-based lighting to save power. Additionally, use of elevators and air conditioners is monitored and optimized to minimize and eliminate undue and excessive electricity consumption.

At one of Gati-KWE's Surface Transit Centres in Ambala, Haryana, we have partnered towards developing one of the biggest solar plants of 150 kW in our state-of-the-art facility.

Resource conservation

Sustainable construction, rainwater harvesting, waste-water management, waste management are some ways in which we conserve resources and reduce wastage.

Water management

Our warehouses and facilities have rain-water harvesting and waste-water management systems in place.

Collection of rain water and its storage helps us utilise it effectively. Additionally, excess surface water is percolated through percolation wells and ground water recharge wells which eventually leads to an increase in the ground water levels.

Paver blocks are used in parking

zones to facilitate the percolation of water into the ground during the monsoons.

At all common handwashing areas, basins, water-coolers and washrooms, we have stickers and posters that consistently communicate the importance of saving water – in English and local languages – to get the message across more effectively.

Waste management

Recycling is one of the key ways in which we manage waste. Whether it is packaging material at our warehouses or paper and print-outs within the organization, no resources are discarded until their usability is completely exhausted.

Using Sewage Treatment Plants

(STP), sewage from the logistics parks facilities is collected, treated and the treated water is then used for purposes like flushing, gardening, among others.

Environment friendly blocks made of fly ash are used for construction. Fly ash is residual waste generated in power plants. Use of fly ash bricks reduces the environmental burden. Being stronger than regular bricks, they are a more sustainable option, and have good insulation properties.

At our offices, employees are encouraged to use bottles, mugs and other crockery made of glass, ceramic, steel, among others in order to reduce disposable plastic and paper waste.



Clockwise from top left : Our village transformation programme and the Maitree tree plantation drive.

Employee action: Teaming up for a greener, better future!

Our employees have supported us and often partnered our Maitree project, under which we aim to plant a million trees.

Even in the difficult times of Covid-19 our team in Mundra, Gujarat celebrated World Environment day with great zeal and planted trees that they will nurture for years.

On the occasion of Agriculture Day Avashya Foundation conducted a programme where farmers were made aware of modern farming techniques which will enhance their knowledge and help them increase their income.



Our employees participating in tree plantation initiatives

Sustainability at ECU Worldwide

In our network of 180 countries, bit-by-bit we take steps to add a little bit of green to our surroundings. ECU Greens is our organization-wide initiative that engages employees across the world and inspires them to imbibe cleaner, greener and sustainable practices, at the workplace and in their personal life.

One of our initiatives has been to discourage the use of plastics at work and replace it with reusable objects that are far better for the environment. Our teams have also, at times, taken it upon themselves to participate in cleanliness drives at beaches and other locations within their vicinity.

Having stickers with reminders to switch off the lights, not take unnecessary print-outs, save water, and other relevant messages at appropriate locations in the office is also an initiative that has seen success with a number of countries implementing it and sharing photographs of their sustainable steps to encourage such eco-friendly practices..

Use of electric forklifts and solar panels at facilities to the maximum extent possible allows us to leverage the environmental benefits and cost savings of integrating renewable energy into our business operations and processes.

With similar initiatives – namely Allcargo Greens and Gati Greens

at different stages of implementation at their respective group companies, we aspire to encourage sustainable steps, no matter how small to contribute to conserving resources, reusing objects instead of just throwing them into the bin and recycling waste



material where possible.

We believe in doing our bit to give back to nature in our own small ways, because it is after all, our responsibility to take care of our environment and society. This is encapsulated in one of our core values – Care for Environment



Sustainability initiatives at ECU Worldwide

Social

Number of full-time employees:
1312 (India)
3022 (global)

Attrition rate:
12% (India)
4% (global)

Employee satisfaction score:
4.3/5

Global employee engagement score:
80%

HUMAN CAPITAL

Our global workforce across geographies is bound together by our values. We encourage our teams to develop local expertise, while delivering our core strategy.

Through sustainable and competitive reward programmes, we encourage employees to challenge themselves time and again. Our people strategy is designed to empower our

employees, develop leaders and continually enhance the capabilities of our workforce.

We are a certified Great Place to Work (GPTW) company with a score of 77.

Training and induction

All new employees joining our offices across India have to undergo a detailed virtual induction which is facilitated by the in house Learning and Development team. The induction programme is designed to give our employees an overview about the organization, people practices, business perspectives and organizational values.

A comprehensive suite of Behavioural and Functional/ Technical training modules has been designed internally to enhance employee capabilities. We have an LMS in place where our employees can register for training programme, view e-modules, videos and register for sessions and events. Through virtual mediums we have been

able to reach and cover more than 95% of our employees across India.

Inclusion and diversity

Diversity is our strength. Globally, close to 42% of our workforce comprises of women across different levels. We are committed to understanding and addressing the needs of the changing demographics of our markets. We provide opportunities to our global women workforce and encourage them to take up senior positions. Many of our global offices are headed by women.

Darwin Box

Our HRMS portal Darwinbox – a cloud-based, feature-rich human resources management system that emphasizes on usability and data protection has been

extensively used by our employees to track attendance, manage leaves and also file tax returns. Darwinbox also has a mood-o-meter to track employee energy levels on a daily basis and track engagement. Vibe, a feature on Darwinbox helps employees interact with each other and is used as a great engagement platform to share pictures and conduct fun and enjoyable activities. The entire process of Performance Management right from goal setting to issuing increment letters was done in a paperless manner using Darwinbox.

This one stop solution has helped simplify core and complicated HR processes via automation, thereby improving productivity and efficiency of your HR personnel and departments.

REWARDS AND RECOGNITIONS

Our rewards and recognition programmes are designed to engage talent and encourage outstanding performance. We believe such initiatives are important for employee retention. Right from Employee of the Quarter Awards to Business Awards like CEO, CMD and JMD awards to even CSR awards and Long Service Awards – the Avvashya group believes in

treating its employees with respect and gratitude for all their hard work. This positivity can also be felt across the business, creating a happy working environment that people will want to be a part of.

We have a Committee in place that scrutinizes each nomination that is recommended against set criteria and then finalizes the reward.



CROSS-FUNCTIONAL TRAININGS

Teams from different verticals are encouraged to attend trainings and conferences, to acquaint themselves with other business verticals. This helps us in involving people further in the

company's vision by providing them a wider exposure to the marketplace. With Gati-KWE on board, we have organized Sangam – a Cross Sell Training Programme wherein salesforce of

both companies are trained on various products to gain business knowledge and work towards better customer experience and business growth.

HEALTH, SAFETY AND WELL-BEING

Our HSSE procedures set the benchmark for policies in these areas as safety has always been and continues to be a non-negotiable for us. We have a host of regular safety processes, including fire and safety drills, safety awareness campaigns, exhaustive checking and certification of equipment, and timely Occupational Health and Safety Assessment Series and fire and safety audits. All equipment undergoes stringent maintenance programmes,

ensuring reliability and safety always. At facilities, we follow stringent safety protocols, including use of in-rack fire sprinkler system, fire hydrants, different types of fire extinguishers, CCTVs, smoke alarms, as well as face and eye washers in case of accidents. Employees don personal protection equipment when required. Our warehouses are designed to have one-way movement and no-entry zones to avoid accidents within the space.

For movement of hazardous cargo, there are additional levels of safety, with special training conducted by external experts and statutory compliance completed in advance for this dangerous cargo. Everyone, right from the operators of high-end cranes to experts working at our offices and even the truck drivers and handlers who are often counselled about the ill-effects of alcohol and drug consumption, undergo safety training that's relevant for them.

COVID-19 awareness, advisory and assistance for employees

We follow all mandated protocols to ensure total safety and health of our employees, business associates and customers. We have implemented Standard Operating Procedures (SOPs) that include sanitization of the entire building, made provision for non-contact temperature measurement devices to check each person entering the premises, mandatory face masks, hand-washing and sanitizing facilities for incoming vehicles and methods for handling medical emergencies related to COVID-19.

Apart from these, we have also undertaken direct briefing of all

employees including drivers, vendors, ground staff and labour on the COVID-19 disease, its dangers, protective steps and how to prevent it from spreading. While explaining to them about the measures undertaken by the organization for their safety and protection, advice on maintaining personal hygiene and social distancing has been made part of the awareness programme. Government advisories and notifications are circulated internally, put up on notice boards for greater awareness, as and when necessary.

In view of the second wave of the global pandemic, a special COVID Assistance Team has been set up to help employees with information and details on safety measures, hospital and bed

availability, oxygen concentrators and cylinders, tie-ups with hotels for self-quarantine, and also coordination and facilitation of vaccination of eligible employees.

Medical consultation and counselling facilities have been made available for employees, regular communication is carried out to keep them updated and aware, and COVID-19 safety and care protocols are strictly followed across locations and facilities.

We have also conducted webinars and training programmes on Mental Health Awareness for our employees.

COVID-19 vaccination drives are being organized at different locations across India, covering employees and their family members.



Sanitizers are placed at every entry point at the offices, warehouses and all other facilities.



Security guards have been instructed to strictly ensure that all personnel wash their hands and wear face masks before entering the premises.



All employees has been instructed to immediately report any case of COVID-19 directly to HR.



Employees at all locations have been mandated to download the Aarogya Setu app for self-assessment and to keep themselves updated of the zones they are coming from.



Health check-ups are being conducted at Operating Units where cases of COVID-19 have surfaced.



RT-PCR test has been made mandatory for those resuming work after extended leave or travel.



Health and condition of employees is tracked regularly by the HR teams to provide assistance where needed and contain spread of the virus.

COMMUNITY AND SOCIAL WORK

Management approach

All our companies and subsidiaries feel a great sense of responsibility towards not just the business' growth and success, but also towards inclusive growth and community development. The passion and sincerity that our companies have towards social and economic welfare stems out of an inherent desire of wanting to have a

positive impact on communities that we grow in and depend on. Over the years, our efforts across diverse areas, tirelessly pursued by the Corporate Social Responsibility (CSR) team along with its partner NGOs across the country have transformed the lives of thousands of people. These initiatives can broadly be categorized across six key areas:



EDUCATION



HEALTHCARE



ENVIRONMENT



WOMEN EMPOWERMENT



DISASTER RELIEF



SPORTS



AVASHYA FOUNDATION

Avashya Foundation has been actively working towards empowering communities through various CSR initiatives. With a focus on sustainable development, and positive economic, social and environmental impact, the aim is to ensure inclusive progress and uplift the lives of the downtrodden and underprivileged sections of the society.

Under the able guidance of Mrs. Arathi Shetty, Non-Executive Director, Allcargo Logistics, who spearheads the CSR activities, Avashya Foundation has been nurturing the aspirations of thousands of families through

strategically designed interventions. With a deep, heartfelt desire to give back to society and help the underprivileged, Mrs. Shetty has been instrumental in implementing a number of social welfare initiatives.

She enables collaboration with Avashya Foundation's wide network of NGO partners and also inspires employees to do their bit through Allcare, our CSR volunteering programme.

Mrs. Shetty has received numerous accolades for her tireless efforts and indomitable will to spread smiles and make a difference to people's lives.



"When it comes to social and community development, there is a lot to be done, many lives to be helped, many smiles to be shared. And every effort counts. Our society, our environment, and all individuals vulnerable and less fortunate than us are our responsibility and we must do all that we can to help them, in every capacity possible. We are living in trying times and it's important, today more than ever, to be selfless, considerate and compassionate."

- **Mrs. Arathi Shetty**,
Non-Executive Director
Allcargo Logistics

FOCUS AREAS FOR CSR EFFORTS

Skill Development



Allcargo's Pradhan Mantri Kaushal Kendra (PMKK) under Pradhan Mantri Vikas Yojna (PMKVY)

Our Multi-Skill Development Centre, Pradhan Mantri Kaushal Kendra (PMKK) in Bokadveera, Uran near JNPT, Maharashtra was inaugurated in March 2019, and within one year of its operations it was accredited with the 5-star category by the National Skill Development Corporation (NSDC). The 5-star category is the top-most status for a Skill Development Centre as per the accreditation norms in 2019-20. The Centre operates in collaboration with JNPT and CIDCO under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) flagship scheme of the Union Government's Ministry of Skill Development and Entrepreneurship (MSDE).

This state-of-the-art Centre imparts skill-based training to needy youth and improves their job prospects; it also offers 100% placement to students. Most of the graduate trainees get placed in multinational companies through campus placements. The candidates have opportunities to work as consignment booking assistants, heavy commercial vehicle drivers, documentation assistants,

consignment tracking executives, warehouse pickers and inventory clerks.

Even as we tackled difficult situations due to COVID-19, the PMKK Centre continued its operations in adherence with local regulations and protocol, to train over 200 students from November 2020 onwards. Lectures were conducted virtually, and sessions were made interesting through various digital means like video clips, visuals and interactive activities.

In order to ensure COVID-19 safety, physical sessions were resumed only after lockdown restrictions were lifted by the government. As per guidelines issued by the Ministry of Health and Family Welfare and Ministry of Skill Development, social distancing, regular sanitization of premises, chairs, classrooms and

laboratories, compulsory wearing of masks and other measures were followed with utmost care.

In May 2020, as an initiative of JNPT, our skill development centre was also converted into a COVID care centre with 120 beds and an ambulance service. We supported JNPT's initiative and contributed to help treat patients from the local community to do our bit in this time of need.

Through the PMKK centre, we continue our effort to bring in skilled personnel across diverse supply chain verticals and bridge the industry's skill gap. Through this initiative we are also contributing to social welfare and community development by giving underprivileged youth the hope for better employability and a better life.



The temporary COVID Care Centre at the skill development centre.

Health

The healthcare sector in India is ailing. The efforts dedicated towards improving the healthcare sector and making it affordable for the underprivileged are either inadequate or short lived. Our team constantly devises multiple programmes or which we identify communities across the nation that are largely impacted by health hazards. Accordingly, holistic interventions are planned to address the twin challenges of affordability and accessibility in public health. Through a host of healthcare initiatives like Jeevan, Vanprastha Ashram, Leprosy Eradication Programme, Drushti, Medicare and Dhvani, we have supported beneficiaries to give their life a fresh start.

- Allcargo Logistics partnered with Sri Sathya Sai Sanjeevani hospitals to enable 25 underprivileged children to undergo heart surgery, free-of-cost.
- Monetary support was provided to visually impaired individuals to help them tide over the COVID-19 pandemic.
- Jeevan Coping with Cancer, one of our important health initiatives under which we provide chemotherapy support, psycho-social counselling to patients and relatives as well as educational support to those affected by cancer, was extended to KEM Hospital in Mumbai. Even Gati-KWE, now an Allcargo company commenced this initiative in Hyderabad.
- 50 children from needy families got a new lease of life through life-saving heart surgeries at SRCC Children's Hospital, one of India's largest paediatric hospitals.
- Eye check-up camps benefitting over 4,700 people were successfully conducted at Dadri, Uttar Pradesh.
- Gati-KWE conducted eight eye check-up camps and supported more than 400 beneficiaries under its project Drushti.
- Gati-KWE, in partnership with Foundation of His Sacred Majesty supported 4,810 individuals with eye treatments under the Drushti project.
- Through collaboration with the AmbaGopal Foundation, Avashya Foundation supported senior citizens with nutrition and emotional support, and access to medical aid.
- Allcargo Logistics in collaboration with INGA Foundation supported infants with congenital birth deformities with corrective surgeries.

Education

Our approach to education is beyond providing financial support. We believe that every child has the right to not just learn but also excel in their preferred field. Our initiatives like Disha, Anando, Kaushalya, Mentor Me India, scholarship (Disha), Skill Development Avashya Foundation have reached out to more than 10,000 students across the nation.

In support of the Government of India's Skill India Programme, we have signed a Memorandum of Understanding (MoU) with JNPT and CIDCO, Maharashtra where we have set up the operations, maintenance and management of a Skill Development Centre in Bokadveera,

Uran near JNPT. Youth from underprivileged sections of society are provided with skill-based training at the centre to boost their employability opportunities in the domestic port and maritime logistics sector.

- To provide better educational opportunities to deserving students, mitigate hardships of students and bring the underprivileged into the educational mainstream, Avashya Foundation provides 2000 scholarships every year, to deserving students across Maharashtra and Karnataka.
- With an objective of raising the quality of life of mentally and physically challenged children irrespective of caste and religion, and create an environment conducive to their inclusive growth in a holistic manner, Avashya Foundation has adopted a holistic approach. It has joined hands with Vijetha special school in Karkala, Udupi in Karnataka, to help specially-abled children through various interventions.
- Allcargo and Foundation of his Sacred Majesty have continued to drive the empowerment of youth through our NIPUN skill development programme. This programme aims to strengthen the livelihood of youth by improving access to employment opportunities to the fast-growing service and industry sectors in and Tamil Nadu.

Sports

Sports is recognised as an essential element of learning through physical activities and games. These activities have been a great motivator to enhance the spirit of learning and leadership, especially amongst underprivileged children. With the intention to empower the youth of our country with the power of

sportsmanship, we focus on using sports as a tool to channelize their skills, ability and energy in a direction that will develop discipline as well as nurture a healthy lifestyle.

Reality Gives (Cricket and Football) and Sports scholarships are key initiatives in this area.

- In September 2020, Chirag Shetty, top Indian men's doubles badminton player and

one of the athletes supported by Avashya Foundation, won the prestigious sporting honour Arjuna Award, for his consistent performance and contribution to badminton in the country.

- Continuing our effort to discover and nurture sporting talent, we are happy and proud to support Ruhan Alva, who made it to the National Karting Championship.

Disaster Relief

Communities affected by natural calamities can take years to recover and restore their livelihood. We understand this helplessness, and thus through

our collaborative efforts try to extend help in every possible manner. Be it individual contributions from the senior leadership, or monetary contributions to state and central government relief funds or employee contributions, we aim to enable help and assistance at all possible levels.

- Gati-KWE employees united to help people in need who were affected by the recent flood in Assam and Bihar in 2021. Huge support was extended by the teams to help the flood relief camp.

TRANSFORMING LIVES FOR THE BETTER

During the pandemic we helped various communities and individuals across the country. One community that is always left behind is the transgender community, but we heard them and helped them survive the pandemic. With the support of Foundation of His Sacred Majesty members of the community were provided groceries for a month.

Avashya Foundation collaborated with Ratna Nidhi Charitable Trust

to mobilize close to 30,000 meals for migrant labourers, persons with disability, families in need and daily wage earners.

Through RAHAT project, Avashya Foundation reached out to over 750 members in Chennai's rural villages, for supporting underprivileged families during the COVID-19 crisis.

Avashya Foundation took a proactive lead in constructing 17 houses for underprivileged

communities. Out of these, 14 houses were built in Dhamani, Sangtoli, and Shivansai villages in Panvel block of Raigad district in Maharashtra for 13 female beneficiaries from women-headed households and four male beneficiaries who are senior citizens with disabilities.

Allcargo's move to uplift manual scavengers is a unique intervention, where 40 scavengers will be trained at Allcargo's Pradhan Mantri

Kaushal Kendra Centre in Uran, to make them self-reliant and transform their lives.

With an aim to develop an ideal village in Dhamani, as an institution were the community takes ownership of their personal well-being and that of their surroundings, Avashya Foundation conducts women empowerment activities to better their livelihood. A tailoring class

has been started for the women at the village. Out of 120 interested women, 80 women have completed the course and 40 are in the process of getting skilled.

Seon Ashram houses hundreds of patients suffering from various psychiatric problems. As they were in the need of support for food, nutrition and medicine, Allcargo extended that support

and helped them meet their basic needs.

Avashya Foundation and Allcargo Logistics Parks with help of Foundation of His Sacred Majesty donated relief material to people affected by COVID-19 near Dadri, in Uttar Pradesh, India.

The Foundation has helped lakhs of people across the country during the pandemic.

MEASURING EFFECTIVENESS

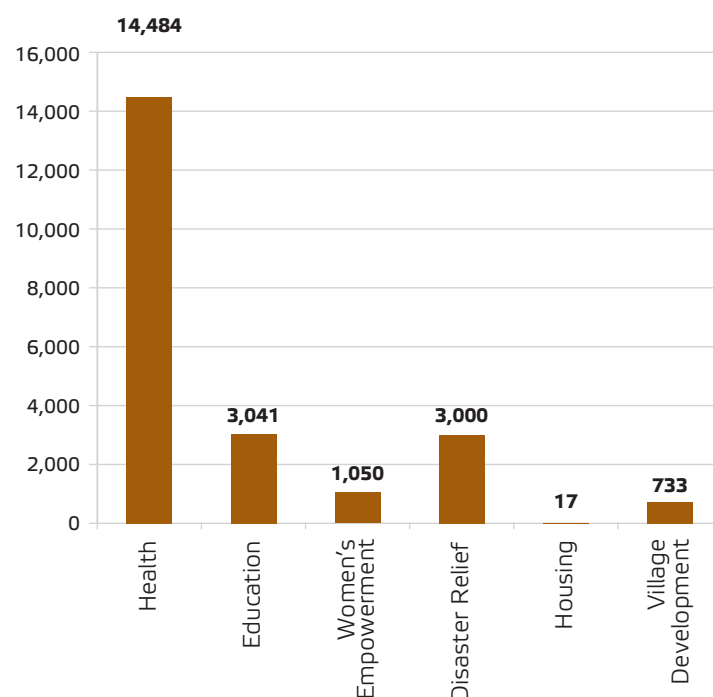
Our CSR department monitors all projects regularly. And based on observations, provides feedback to collaborating partners in order to advance towards realizing project objectives. Some monitoring mechanisms are:

- Feedback from the beneficiaries of the projects
- Formation of the beneficiary committee
- Regular project monitoring visits
- Assessment of the project(s) and its impact

Total number of beneficiaries
in the year 2020-2021

22,325

Number of beneficiaries impacted across different sectors



CSR VOLUNTEERING PROGRAM — ALLCARE

We have always believed in making a difference to people and communities around us. Allcare, our CSR volunteering programme is an opportunity for our employees to step up and contribute. Through this programme we aim to have employees actively participate in initiatives like teaching children, cleaning up beaches and contributing to better the environment, offer comfort to

patients who are suffering from diseases, among others.

By spending a part of their assigned work hours in CSR, employees can experience the joys of making a difference to someone's life and develop an approach of always seeking ways to give back.

Through Allcare, we aim to clean up rivers and beaches, discourage the use of plastic, practice

sustainability even while working from home, plant trees and help make the earth greener and implement feasible sustainability measures at our offices and facilities through the support of our employees.

Further, we also look ahead to extending this programme to group companies like ECU Worldwide and Gati-KWE.

EMPLOYEE LED CSR INITIATIVES

On the occasion of our Chairman, Mr. Shashi Kiran Shetty, and his wife Mrs. Arathi Shetty's birthdays, our CSR team spread smiles in the tribal community by donating seeds to farmers. This small yet impactful gesture in such difficult times is a source of income generation for the families.



Seed distribution to support tribal families.



Blood donation camp



A recently organised blood donation camp at Allcargo's offices saw tremendous participation from employees. This initiative was part of Allcare, our employee volunteering programme. In times when COVID-19 cases were on the rise, and availability of blood and platelets was low, this initiative proved to be very important in saving lives.

ORGANIZATIONAL COVID-19 SUPPORT – HELPING INDIA BREATHE

In a coordinated effort with the NGO, Give India, and the Delhi Government, Allcargo Logistics and ECU Worldwide shipped 6000 oxygen cylinders from Shanghai, China to Delhi National Capital Region (NCR). After which, Gati-KWE took over, delivering these cylinders to their required destinations in Delhi NCR.

In another similar effort, Gati-KWE again utilised its network for a good cause and distributed oxygen concentrators across the country as part of Save the Children India's mission, Protect A Million. The ground staff working at the hubs, and Gati-KWE's associates, knowing the significance of this mission, put in extra efforts to ensure smooth and swift delivery.

Maharashtra, home to Mumbai – the commercial capital of India was facing extremely high cases of COVID-19 every day because of its high population density. Allcargo and ECU Worldwide stepped in at the behest of the State Government to transport 500 oxygen cylinders from Singapore-based Temasek Foundation to distribute to hospitals.

In another initiative, the shipping industry in Mumbai came up with a special mission, 'Fight for Maharashtra,' wherein Allcargo and ECU Worldwide transported



Transporting oxygen cylinders for use in India

2 million masks sponsored by the Temasek Foundation, based out of Singapore. Another 1 million masks would also be bought in from USA, China and other countries for distribution across the interiors of the state, enabling people to protect themselves.

In addition to the philanthropic activities, Avvashya CCI, the contract logistics division of Allcargo, went out of its way to help one of its customers, store tons of Molecular Sieves for oxygen production at its warehouse. The customer, a big MNC, had moved these sieves by air from Germany, part of which was transported by Air Force flight C-17 (Globe Master) to Mumbai, India. To move these to the safety of Avvashya CCI's warehouse, the staff worked round the clock, as the shipment was delivered at various times of the day, including midnight. The operations team worked in seamless coordination with the customer team to ensure faultless execution of this all-important cargo in spite of the

restrictions placed by the pandemic, following all the necessary regulatory and safety protocols.



Oxygen cylinders being transported by Allcargo and ECU Worldwide



Gati-KWE helping in the distribution of oxygen cylinders.



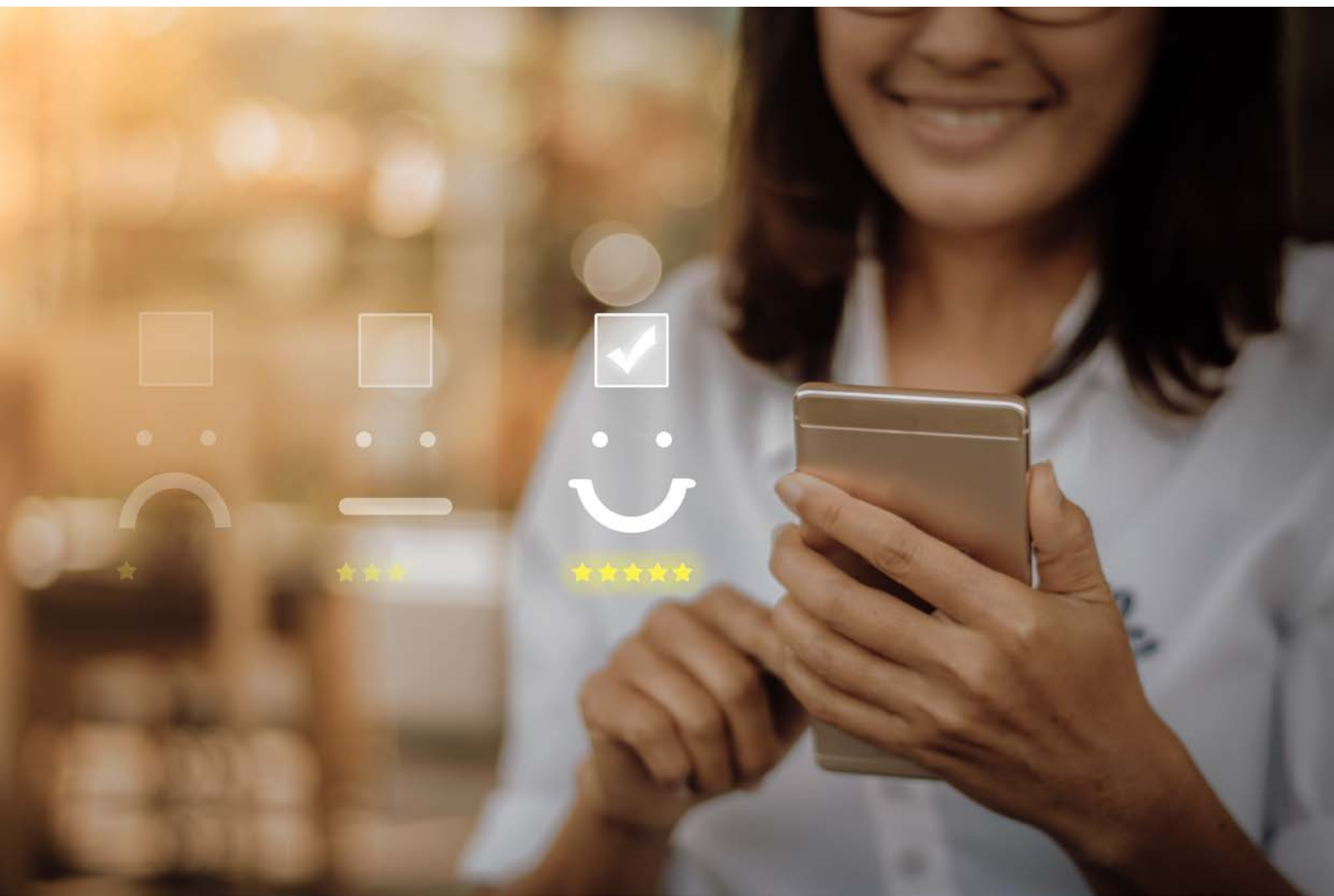
Gati-KWE - Distribution of masks transported from Singapore's Temasek Foundation

CUSTOMERS

We are committed to a strict programme of compliance and applicable laws and regulations to prevent misuse of our properties, products and services.

We have laid out a detailed policy and standard operating procedures. These include a risk-based [approach to](#)

conducting customer due diligence, ongoing monitoring of suspicious activity and record keeping. A team is dedicated to determine risk profiles of customers on the basis of their financial performance, reputation and customer feedback.



Corporate Governance

BOARD OF DIRECTORS

The Board of Directors constantly monitors material and business risks of Allcargo within India and overseas. The risk committee supports the Board in undertaking its activities, especially the ones pertaining to financial risks and operational risks.



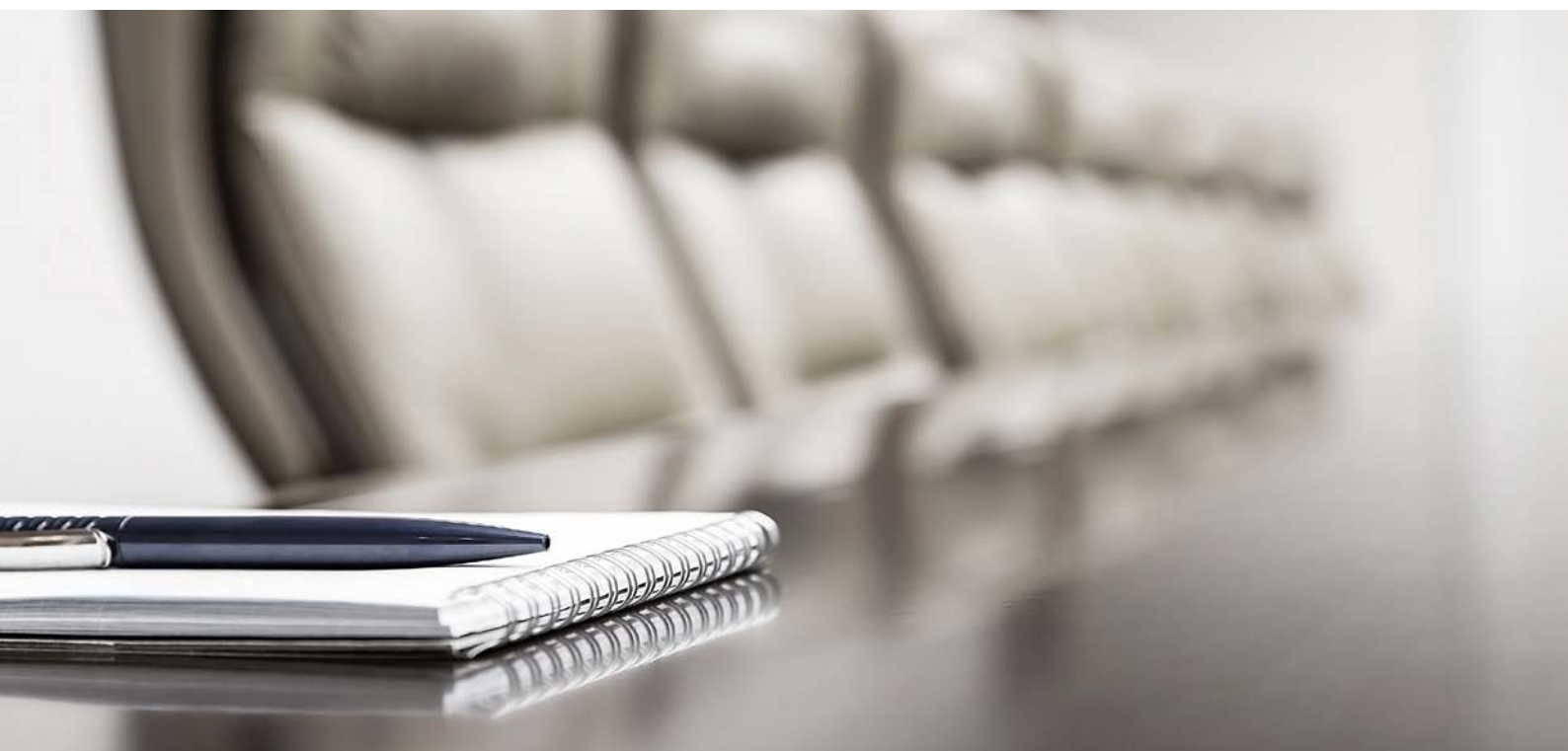
Board effectiveness – Independence and functioning

The Allcargo Logistics Limited (the “Company”) Board is a balanced Board, comprising Executive and Non-Executive Directors. The Non-Executive Directors include independent professionals.

It is well-recognized that an effective Board is a pre-requisite for strong and effective corporate governance. With the belief that an active, well informed, truly diverse and independent Board is necessary to ensure the highest standards of corporate governance, the Board consists of eminent individuals with considerable

professional expertise and experience in finance, legal, commercial, strategy & planning, business administration, corporate sustainability and other related fields, who not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board.

The Board’s roles, functions, responsibilities and accountability are clearly defined. The day-to-day management of the company is entrusted with the senior management personnel of the company and is headed by the Chairman and Managing Director and Joint Managing Director, who function under the overall supervision, direction and control of the Board.



Composition of the Board

The composition of the Board of the company is in conformity with Regulation 17 of the Listing Regulations.

The present strength of the Board as on date is seven, including the Chairman, one

Executive Director and one Non-Executive Woman Director and four Non-Executive Independent Directors, of whom one is woman director.

The composition of the Board as on date is as follows:

DIRECTOR	CATEGORY
1. Shashi Kiran Shetty	Executive Director, Chairperson, Managing Director
2. Arathi Shetty	Non-Executive - Non Independent Director
3. Adarsh Hegde	Executive Director, Joint Managing Director
4. Mohinder Pal Bansal	Non-Executive - Independent Director
5. Cynthia Dsouza	Non-Executive - Independent Director
6. Martin Muller	Non-Executive - Independent Director
7. Parthasarathy Vankipuram Srinivasa	Non-Executive - Independent Director

Various committees and their memberships

BOARD COMMITTEES

Audit Committee

1. Mohinder Pal Bansal - Chairman
2. Martin Müller
3. Adarsh Hedge
4. Parthasarathy Vankipuram Srinivasa

Nomination and Remuneration Committee

1. Cynthia Dosuza - Chairwoman
2. Arathi Shetty
3. Mohinder Pal Bansal

Stakeholder Relationship Committee

1. Parthasarathy Vankipuram Srinivasa - Chairman
2. Shashi Kiran Shetty
3. Adarsh Hedge

Corporate Social Responsibility Committees

1. Arathi Shetty - Chairwoman
2. Shashi Kiran Shetty
3. Parthasarathy Vankipuram Srinivasa

Finance, Legal, Strategy and Risk Committee

1. Mohinder Pal Bansal - Chairman
2. Shashi Kiran Shetty
3. Adarsh Hedge
4. Parthasarathy Vankipuram Srinivasa
5. Martin Müller
6. Suresh Kumar Ramiah

Executive Committee

1. Shashi Kiran Shetty
2. Adarsh Hedge

Roles of Independent Directors

The company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) and (7) of the Act read with Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors of the company have, inter alia, confirmed that (a) they meet the criteria of independence prescribed under the statute, and (b) they are not

aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the statute and are independent of the management of the company.

The Independent Directors at their Meeting:

- i. Reviewed the performance of Non-Independent Directors and the Board as a whole;

- ii. Reviewed the performance of the Chairman of the Company, taking into account the views of the Joint Managing Director and Non-Executive Directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Presence of woman directors

Many for-profit companies are discovering that it makes good business sense to have women on their Boards. Having more women on Boards means a greater diversity of skills, experiences, opinions and strategies – and that means

better governance. And better governance inevitably means better results. Allcargo Board also comprises of women Directors, Mrs. Arathi Shetty, Non-Executive, Non-Independent Director and Ms. Cynthia Dsouza Non-Executive, Independent Director.

WHISTLEBLOWER POLICY

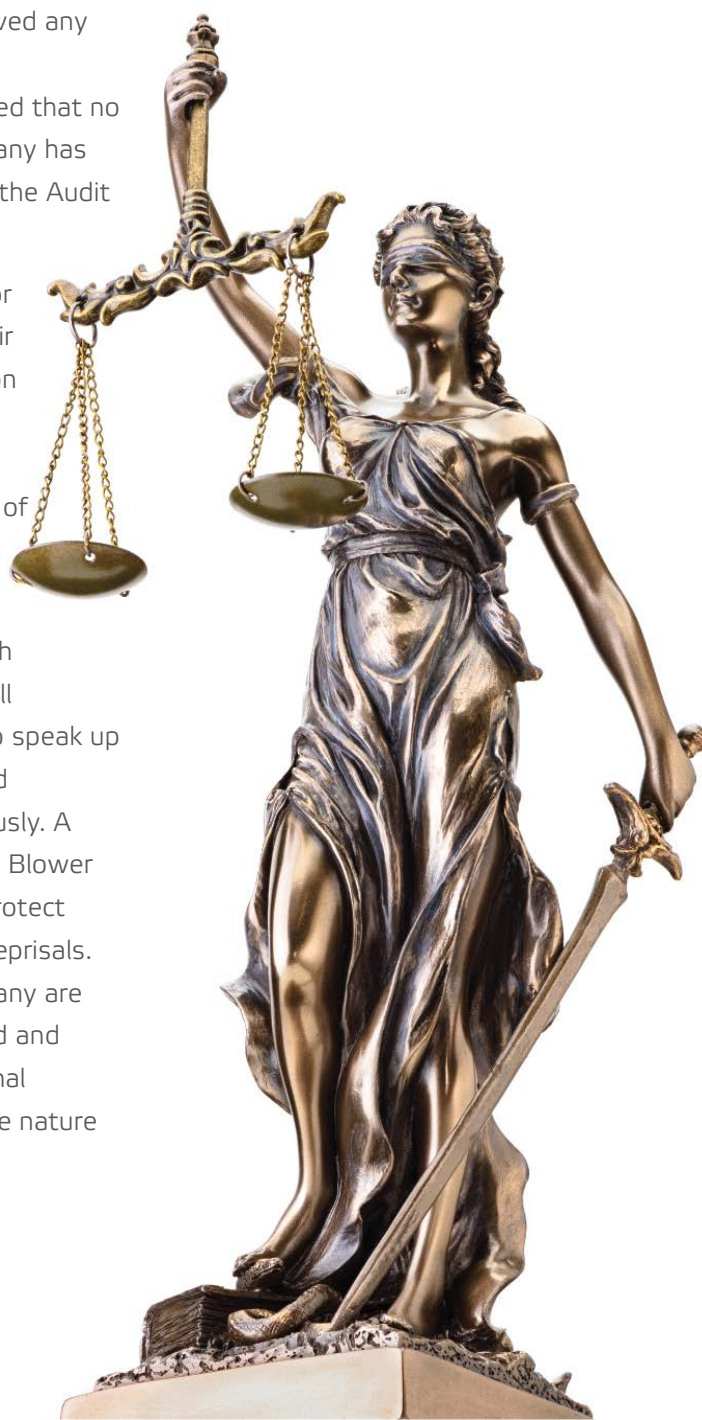
The company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism, which is in line with the Regulation 22 of the Listing Regulations and Section 177 of the Act. Pursuant to the Policy, the Whistle Blower can raise concerns relating to Reportable Matters (as defined in the Policy) such as unethical behaviour, breach of Code of Conduct or Ethics Policy, actual or suspected fraud, impropriety or wrongdoings, illegality, non-compliance of legal and regulatory requirements, retaliation against the Directors & Employees and instances of leakage of/suspected leakage of Unpublished Price Sensitive Information of the company or any other malpractice. Further, the mechanism adopted by the company encourages the Whistle Blower to report genuine concerns or grievances to the Audit Committee, and provides for adequate safeguards against victimization of Whistle Blower, who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Audit Committee oversees the

functioning of the same. The Whistle Blower Policy is hosted on the company's website <http://www.allcargologistics.com/investors/investorservices/corporatepolicies>

During the year under review, the company has not received any complaint through Vigil Mechanism. It is affirmed that no personnel of the company has been denied access to the Audit Committee.

We provide channels for employees to raise their concerns about violation of code of conduct and behaviours that do not meet the expectations of the company.

There is strong encouragement through the Chairman's townhall meetings and emails to speak up against misconduct and malpractices anonymously. A comprehensive Whistle Blower Policy is designed to protect whistle blowers from reprisals. Allegations received if any are thoroughly investigated and reported through internal channels concerning the nature of the complaint.



INTERNAL AUDITS

Internal audit teams provide independent assurance and implementation of key controls and measures. The Chief Internal Auditor of the company reports to Audit Committee to ensure the independence. The

qualification and experience of the internal audit team and adequacy of coverage of the internal audit function are reviewed at least once a year by the Audit Committee. Similarly, the Internal Audit Plan is also

approved by the Audit Committee at the beginning of the year. The internal audit department is well supported with tools and training as part of a continuing programme of education and awareness.

RISK MANAGEMENT

The company is engaged in providing integrated logistics business solutions for national and international trade, warehousing, transportation and handling of all kinds of cargo, running ICD, CFS and shipping agents. Thus, the company is prone to inherent business risks like any other organization. With the objective to identify, evaluate, monitor, control, manage, minimize and mitigate identifiable business risks, the Board of Directors have formulated and implemented a Risk Management Policy.

The company has adopted ISO 31000 framework for risk management. Under the guidance of the Board, the Chief Assurance and Risk Executive facilitates dedicated risk workshops for each business vertical and key support functions wherein risks are identified, assessed, analysed and



accepted/mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also maintained and reviewed from time to time for risk mitigation plans and changes in risk weightage, if any. The Audit Committee monitors risk management activities of each business vertical and key support functions. Fraud Risk Assessment is also part of overall risk assessment. In the Audit Committee meeting, the Chief Assurance and Risk Executive makes the presentation on risk assessment and minimization procedures.

The purpose of risk management is to achieve sustainable business growth, protect the company's assets, safeguard shareholders' investments, ensure compliance with applicable laws and regulations and avoid major surprises of risks. The Risk Management Policy is intended to ensure that an effective risk management framework is established and implemented within the company.

The Risk Management Committee met once on March 22, 2021 during the year under review.

COMPLIANCE

The Company Secretary also additionally performs the role of the Compliance Officer. The company has a robust automated system (LLCS) wherein various compliances are mapped along with the identified

individuals with a built-in escalation mechanism in place. The Board also monitors it every quarter. The system is fairly effective and has stabilized over a period of time.



INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board has laid down Internal Financial Controls and believes that the same are commensurate with the nature and size of its business. Based on the framework of internal financial controls, work performed by the internal, statutory and external consultants, including audit of internal financial controls over

financial reporting by the Statutory Auditors, and the reviews performed by the Management and the Audit Committee, the Board is of the opinion that the company's internal financial controls were adequate and effective during FY 2020-21 for ensuring the orderly and efficient conduct of

its business including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial disclosures.

SEXUAL HARASSMENT POLICY

We have defined a detailed policy to prevent and prohibit sexual harassment at the work place. The company believes that all women employees of the company have the right to be treated with dignity. The policy

applies to all employees, regardless of seniority or contractual status. We have defined a formal grievance process and a panel has been set up to investigate and review the grievances.



CYBERSECURITY AND DATA PROTECTION

We ensure that data security standards of our business partners are reviewed by third parties.

Standing true to trust and collaboration, that are among our core values, we responsibly handle personal information of our customers, employees and business partners. Through a comprehensive data protection

policy, we protect the interests of our customers and employees worldwide. Our agents are required to comply with the principles of our privacy policies in addition to all applicable data privacy laws and regulations.

With a significant presence in EU through ECU Worldwide, we comply to GDPR policies.

Privacy Policy

A general privacy policy is circulated to all employees through HRMS, our internal employee portal. A mechanism has been set up to report any breach of data violation.

Online Privacy Statement (general and for recruitment purposes)

The general privacy statement covers all business activities of the company. Consequently not only website users, but also clients, suppliers, and others are informed through this statement.

Subscription Emails

Details of those customers that we have in record are notified in order to ensure they subscribe for intimations of such as newsletters, offers, and other relevant information from us. Customers and recipients are given the option to either subscribe or unsubscribe from our emails.

Cybersecurity Awareness

A cybersecurity booklet which encapsulates all the important information that includes safe browsing, ensuring security of online and physical data, two-factor authentication, social media dos and don'ts, awareness on phishing and scam emails, password policy and more has been published and made available to all employees. Additionally, communication on cybersecurity is broadcast regularly and a module on cybersecurity is also included as part of our training and L&D sessions.



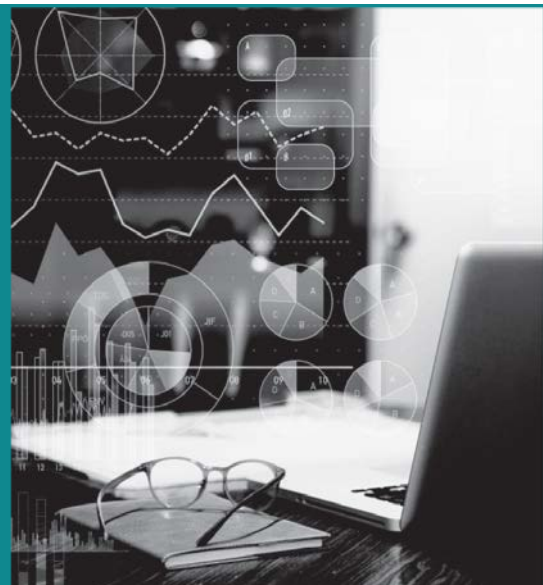
TRANSPARENCY AND REPORTING

Investor relations

The company has been consistently following good governance practices with emphasis on business ethics and values.

Entrepreneurship with a Purpose, Customer Centricity, Innovation and Execution, Collaboration, and Care for Environment and Society are the core values and cornerstones on which the company's corporate governance philosophy rests.

Good Corporate Governance is imperative for enhancing and retaining investors' trust. Being a responsible corporate, the company has several policies in place, to ensure ethical conduct of business and good corporate governance practices.



Transparency and dissemination of information to the public

The company regularly interacts with analysts and investors through earnings conference calls, meetings, conferences and analyst meets. The company promptly reports all material information as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") including press releases, schedule of analyst or institutional investor meet, Investor Presentations, Quarterly Earnings Presentations, quarterly

financial results, Shareholding Patterns, Annual Reports etc. to all Stock Exchanges on which the shares of the company are listed. Such information and other material information which are relevant to the Investor and all policies adopted by the company pursuant to applicable laws are also hosted under a separate 'Investors Relations' section on the company's website.

The financial results, quarterly and annual, and other statutory information were communicated to the Members by way of publication in the English daily, 'The Free Press Journal' and in a vernacular language newspaper 'Navshakti'.

Pursuant to Regulations 9 and 30 of the Listing Regulations, the Company has adopted Policy on Preservation, Maintenance and Disposal of Documents and the Policy for determination of material events and archival of disclosures respectively.

The Company has also displayed contact details of the Registrar and Share Transfer Agent and Company Secretary for assisting and handling investor grievances. Additionally, the company also engages a professional Investor Relations Management Consulting agency to assist in all Investor Relations requirements and for consultation on best practices.

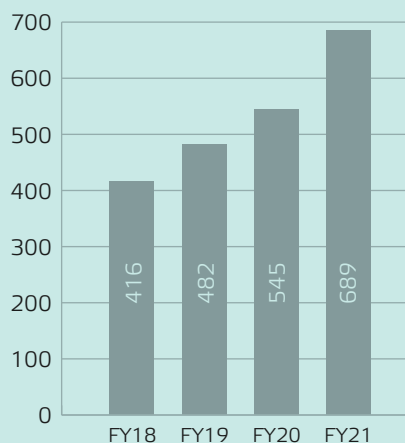
Industry:
**Integrated Logistics
Services Provider**

Year of Foundation
(incorporation):
1993

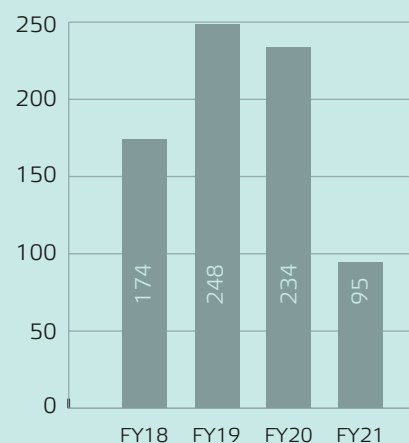
Number of shareholders
as on 31.03.2021
51,782



Total Income** (₹ Cr)



EBITDA** (₹ Cr)



Profit After Tax# (₹ Cr)

Insider Trading

Pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company adopted a Code of Conduct to regulate, monitor and report trading in the securities of the Company. Further, the Company has also adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

This Policy lays down a broad framework for considering decisions by the Board of Directors of the Company with regard to distribution of dividend to its shareholders by striking a balance between pay-out and

retaining earnings on the basis of the future growth strategy. The Board shall consider the following, while taking a decision as regards the dividend payout:

1. Financial parameters such as operating cash flows, cost of borrowings, borrowing covenants, return on capital invested, major capital expenditures among others.
2. External Factors such as macroeconomic conditions prevailing in the country and globally, cost of external financing, cyclical changes in the business, tax implications, regulatory changes, Government policies, among others.
3. Internal Factors such as profit earned during the year and available for distribution, working capital requirements, business expansion and acquisition of businesses, likelihood of crystallization of contingent liabilities, if any; additional investment in subsidiaries, associates and joint ventures of the Company, up-gradation of technology and physical infrastructure and past dividend payout ratio/trends.
4. Expectations of major stakeholders, including small shareholder.



BUSINESS CONTINUITY PLAN

We recognize the importance of business survival. We have therefore developed a Business Continuity Plan that outlines strategies and procedures to be adopted in the event of an emergency. An emergency is any unplanned event that can shut down business, disrupt operations, cause physical or environmental damage, or threaten a facility's financial standing or public image. A quick and effective response is required during such incidents to limit damage and loss to employees, customers or other parties involved with/at the affected site.

Emergencies include large-scale disruption events, such as floods, riots or fire in the facility. However, emergencies are more often caused by smaller incidents that lead business operations to cease. Examples of such outages include failed connectivity or critical systems not being accessible. Each event needs to be addressed within the context of the impact it has on the organization. Where emergencies cause disruption of work or require abandonment of site for estimated or extended periods of time, plans are required to ensure the continuation of critical

business operations from alternate locations. This needs planning so that resources and personnel are made available to help recover business-critical services in a systematic manner.

The goal of the BCP/DR plan is to ensure the security and safety of all its employees, keep critical lines of communication available, enable the management to regroup, and monitor the recovery efforts. This is to get operations up and running as soon as possible, and to ensure the continuation of quality client services, with minimal disruption in the event of an emergency.



- > NVOCC
- > EXPRESS DISTRIBUTION
- > AIR FREIGHT
- > CONTAINER FREIGHT STATION (CFS)
- > LOGISTICS PARKS
- > CONTRACT LOGISTICS AND
CHEMICAL WAREHOUSING
- > E-COMMERCE LOGISTICS
- > GLOBAL PROJECTS LOGISTICS
AND ENGINEERING SOLUTIONS



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