

Corporate Social Responsibility Policy

Preamble:

At FMI Ltd “FMI”, we are committed to FMI’s vision of “Sustainable Development” which is in conjunction with our Freemans Group policy. Our strategic Corporate Social Responsibility (CSR) initiatives will actively work towards the Philanthropic & Environmental Goals and will help us carve out a reputation for being one of the socially and environmentally responsible companies in India. These initiatives are independent of the normal conduct of FMI's business. Program and activities (collectively "CSR Activities") carried out in this regard are the subject matter of this Policy.

Purpose:

The key purpose of this policy is to:

- ✓ Define what CSR means to us and the approach adopted to achieve our Sustainable Development goals.
- ✓ Define the kind of projects that will come under the ambit of CSR.
- ✓ Identify broad areas of intervention in which the company will undertake projects.
- ✓ Serve as a guiding document to help execute and monitor CSR projects.
- ✓ Elucidate criteria for partner implementation agencies.
- ✓ Explain the manner in which the surpluses from CSR projects will be treated.

Policy Statement:

The CSR Policy focuses on addressing critical social, environmental, and economic needs of the marginalized/underprivileged sections of the society. Through this “Sustainable Development” policy, we align our CSR strategy with the Freemans Group Environmental & philanthropic vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

Focus Areas:

In accordance with the requirement of Companies Act, 2013, FMI CSR Activities, amongst other, will focus on:

Education: Promoting education, including special education, employment enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects, monetary contribution to academic institutions for establishing funds, laboratories, distribution of Books etc. with an objective to assisting students in their studies.

Gender Equality and Empowerment of Women: Promoting gender equality and empowering women, by making contribution to NGO, trusts, foundation etc. for setting up homes, hostels and day care centers for women and orphans; setting up of old age homes, and such other facilities for senior citizen and adopting measures for reducing inequalities socially and economical backward groups.

Environmental Sustainability: Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources by making the contribution to NGO supporting green initiatives.

Implementation:

FMI will implement the CSR activities through company's personnel or through its own registered trust, or through implementing agencies, NGO, Trust, Foundation, and societies engaged in like manner CSR program. FMI may make a contribution with the group/association of industries undertaking the CSR program. FMI make the spending in accordance with the CSR policy as approved by the CSR committee.

Composition of CSR Committee.

At FMI, our CSR governance structure will be headed by the Board Level CSR committee that will be ultimately responsible for the CSR activities undertaken.

Members:

- Sh. Rakesh Nayar (Chairman)
- Sh. Ramesh Chander Juneja (Independent Director)
- Sh. Vinod Gupta (Independent Director)
- Smt. Sanchi Taneja (Woman Independent Director)

Responsibilities:

- ✓ Formulate and update our CSR Policy, which will be approved by the Board of FMI.
- ✓ Suggest areas of intervention to the Board of FMI.
- ✓ Approve projects & contribution to NGO's or Trust, that are in line with the CSR policy.
- ✓ Put monitoring mechanisms in place to track the progress of CSR Activities.
- ✓ Recommend the CSR expenditure to the Board of FMI who will approve it.
- ✓ Meet at least once a year to review the progress made.

Reporting by CSR Team:

The CSR Team will report / give feedback to the CSR Committee for all CSR activities undertaken.

CSR Budget:

The total budget for the CSR activities will be decided by the CSR Committee.

Treatment of Surpluses:

Any surplus generated from CSR activities undertaken by FMI will be tracked and channelized into CSR corpus. These funds will be further used in development of the CSR activities and will not be added to the normal business profits.

