

# GOVERNANCE



## Key Material Topics

- ♥ Corporate Governance,
- ♥ Transparency, and Disclosures
- ♥ Business Ethics and Anti-Corruption
- ♥ Economic Performance
- ♥ Brand Management
- ♥ Regulatory Compliance and Fair Business Practices
- ♥ Resilient Business Model and Long-Term Profitability
- ♥ New Growth Opportunities
- ♥ Data Privacy and Security

## Stakeholders Impacted

- ♥ Suppliers
- ♥ Customers
- ♥ Mall Operators
- ♥ Investors and Promoters

## SDGs IMPACTED



## SP5. Management and Compliance

At Nexus Select, we aim to keep innovation at the helm of all our operations. We recognize that a core aspect of innovation lies in digitization. With transparency and accountability at the core, we integrate advanced technologies into our processes to reduce and mitigate risks and leverage opportunities. Technological integration facilitates data-driven decision-making, improves operational and cost efficiencies and helps in increasing profit margins, eventually resulting in enhanced customer experience, resource management, and better value creation for all stakeholders.

### The Board of Directors of the Manager

Our leadership at Nexus Select the way for our organizational excellence and strategic growth. We are led by an exemplary Board of Directors with definitive experience, expertise, and a vision for Nexus Select. Our Board composition complies with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and Section 149 of the Companies Act, 2013 ('the Act').

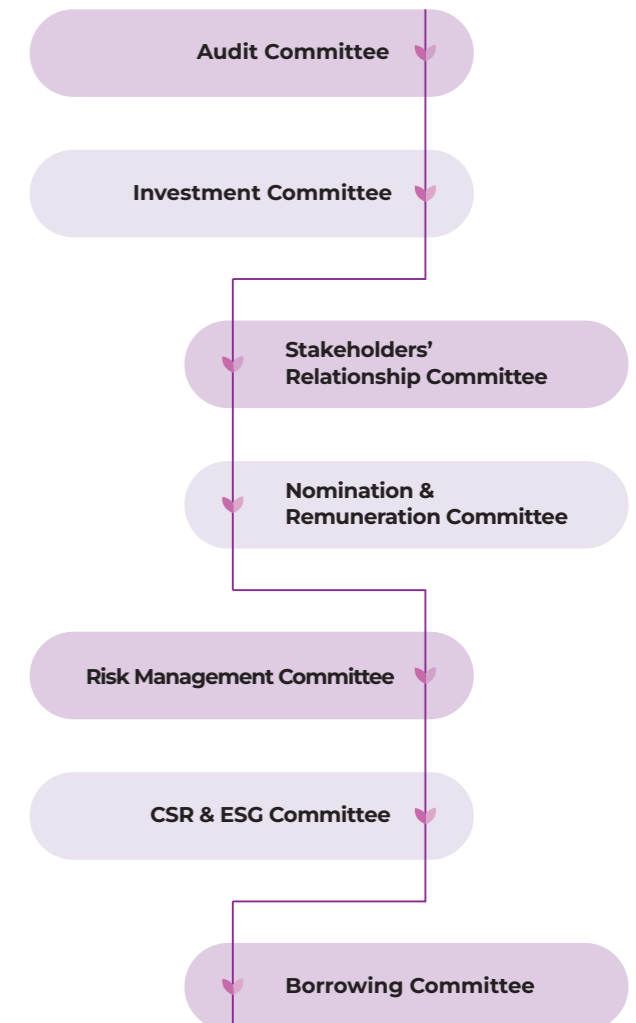
With a balanced representation of Executive, Non-Executive and Independent Directors, the Board of Directors meets at dedicated intervals. It aims to enhance our business practices with a long-term strategic perspective that creates value while driving sustainable growth across the organization. An empowered and capable Board is also imperative to provide effective oversight across strategic, regulatory, and operational parameters. Familiarization and induction programs are conducted for the non-executive Directors of the Board to improve their understanding of our business strategies, operations, risks, and opportunities, which facilitates informed decision-making. Additionally, the Board of Directors conducts an annual self-assessment to transparently evaluate their performance.

**88%**  
Board Meeting Attendance in FY 2024

**50%**  
Share of Independent Directors in FY 2024

### Board Committees

We have established a set of specialized committees, each with a distinct focus and set of responsibilities that align with our organizational objectives and regulatory requirements and help the Board provide effective stewardship of the entity. The Nomination and Remuneration Committee selects and elects future Board members. These committees are instrumental in providing strategic guidance, ensuring accountability, and fostering transparent relationships with our stakeholders.



## ESG Governance

ESG integration is fundamental to our entity. To ensure the integration of ESG goals across our operations and growth strategy, a robust governance structure is essential. Our ESG governance structure is the driving force behind the success of our environmental and social initiatives.

We have a five-tier ESG Governance Framework wherein each level works on implementing, monitoring, and reviewing the entity's ESG strategy and performance, as well as climate-related risks and mitigation approaches. The structure includes a Board-level ESG Committee, Apex ESG Committee, ESG Steering Committee, Task Force and Mall Champions.

**80%**

CSR and ESG Committee Meeting Attendance in FY 2024

### Board-level CSR and ESG Committee

Our Board of Directors ensures oversight of progress towards our ESG Objectives through the Board-level CSR and ESG Committee, chaired by Michael Holland, Non-Executive Independent Director. This committee integrates sustainable, ethical, and climate-related practices into our business strategy in alignment with ESG considerations.



### ESG Apex Committee



Our CEO heads the ESG Apex Committee, which provides an overall vision for our ESG strategy and allocates resources appropriately for different initiatives, vets our public disclosures before publication and monitors the progress of our ESG goals.

### Task Force

The Task Force is a cross-functional team that executes ESG programs through designated points of contacts who lead the sustainability efforts at each of our properties. The task force reports to the Steering Committee on the progress of ESG goals.



### Steering Committee



Our Steering Committee is chaired by the Senior Vice President - ESG and Business Excellence, who monitors our ESG performance and provides updates to the Apex Committee. The Steering Committee is responsible for implementing the ESG roadmap and is helped in this task by the members of the ESG Task Force.

### Mall Champions

The task force appoints ESG Mall Champions at each of our properties who are provided with the resources they need to execute ESG initiatives. They are responsible for the last mile execution of programs and update the ESG Task Force on the progress.



As our ESG governance structure and members of the ESG committee are fundamental in driving ESG strategy through all business operations, it is fair for their compensation to be linked to the entity's progress. Hence, we have ESG-linked compensation as an incentive for senior managers who are a part of the ESG Governance Framework. This increases accountability and responsibility for the employee as well, thereby leading to better implementation and enhanced ESG performance.

## ESG Oversight and Management Approach

We have instituted robust oversight and management of our sustainability initiatives that consider effective implementation, monitoring of progress against ESG commitments and targets, and deployment of action plans to continually improve our performance on ESG parameters.

Our approach towards ESG oversight and management starts with our CEO. It cascades down to the Head – ESG, respective Business Unit (BU) Managers and our valued employees, all of whom have assigned responsibilities and performance incentives to ensure effective implementation and monitoring in the following manner:

**CEO:** The CEO of Nexus Select represents Board-level oversight of our ESG initiatives. The CEO's performance is assessed annually against ESG goals and commitments set against the following parameters:

- o GHG emissions reduction
- o Reduction in energy consumption
- o Integration of renewable energy
- o Progress made towards attaining Net Zero



Additionally, monetary incentives are structured around accomplishments at the fiscal year-end across the stated Key Performance Indicators (KPIs).

**Business Unit (BU) Managers:** Business Unit (BU) Managers ensure the effective implementation of initiatives to reduce consumption as a dedicated Key Result Area (KRA). They are tasked with developing and adopting energy reduction targets as part of annual KPIs. These energy reduction targets encompass a range of initiatives, including projects and processes. Monetary incentives of asset managers are structured around individual accomplishments in meeting energy reduction targets at the fiscal year-end.



**Employees:** Employees are encouraged to undertake ESG-centric initiatives like energy savings, water conservation, emission reduction, etc. Their contribution and involvement in identifying and implementing efficiency projects are assessed annually as part of KPIs. Employee recognition and rewards are structured around individual accomplishments in the successful completion of projects at the fiscal year-end.







### Policy Framework

We have comprehensive policies, including dedicated ones to manage our ESG activities that are aligned with relevant global and national standards as well as frameworks. These policies are implemented across operations and are applicable to all stakeholders, including employees, business partners, and vendors and structured as per our ESG strategy and goals as outlined below:

**39**  
Policies in place

### Environmental Policies



- ♥ Biodiversity and Habitat
- ♥ Net Zero
- ♥ Waste Management
- ♥ Climate Change Adaption and Disaster Resiliency
- ♥ Safe and Healthy Environment and Quality
- ♥ Water Management
- ♥ Energy and Emissions

### Social Policies



- ♥ Community Development
- ♥ Employee Wellbeing and Development
- ♥ Prevention of Sexual Harassment (POSH)
- ♥ Customer Satisfaction
- ♥ Health and Safety
- ♥ Stakeholder Engagement
- ♥ Diversity, Equity, and Inclusion
- ♥ Human Rights

### Governance Policies



- ♥ AMLACC and Sanctions
- ♥ Anti-Bribery and Anti-Corruption
- ♥ Appointment of Unitholder Nominee Director
- ♥ Appointment of Auditor and Valuer
- ♥ Board Diversity
- ♥ Borrowing Policy
- ♥ Code of Conduct and Ethics
- ♥ Corporate Social Responsibility
- ♥ Cyber-Security
- ♥ Distribution
- ♥ Documentation Archival
- ♥ Executive Compensation
- ♥ Familiarisation Program for Independent Directors
- ♥ Insider Trading Code
- ♥ Investors and other Stakeholders Grievance Redressal
- ♥ Materiality of Information
- ♥ Nomination and Remuneration
- ♥ Processing and Claiming of Unclaimed Amount
- ♥ Revised Related Party Transactions
- ♥ Risk Management
- ♥ Succession Planning for the Board and Senior Management
- ♥ Supplier Code of Conduct
- ♥ Terms and Conditions for Appointment of Independent Directors
- ♥ Whistle-blower and Vigil Mechanism

### Ethical Business Conduct

Maintaining ethical business conduct across our operations and management is fundamental to our ongoing success. These ethics and values are core to our Board and, through them, also to our employees.

Our Board and its Committees provide an ethical and strategic direction for the entity, in line with our vision to be an icon of growth, transformation and a purpose-led organization. Our governance framework is built on the foundations of ethics, transparency, and integrity, which help us deepen trust with our stakeholders and stay accountable to them.

**ZERO**

cases and fines since inception for anti-competitive practice and corruption

**ZERO**

breaches of the Code of Conduct in FY 2024

**ZERO**

political contributions in FY 2024

We also have a 'Nexus Code of Conduct', which helps translate policies into practice. This Code of Conduct defines what 'ethical business' means for for us and is applicable to all on-roll and frontline employees, contract staff, workers, and trainees at all client sites, as well as all subsidiary companies. Our Code of Conduct is aligned with the United Nations Global Compact (UNGC) and its 10 Guiding Principles, as Nexus Select is a signatory to these guidelines and norms. These principles focus on aspects like Human Rights, Labor Laws and Regulations, Environmental Stewardship and Anti-Corruption practices. Our Board of Directors and employees at all levels receive regular training on our Code of Conduct, ensuring they are aware of the provisions and acceptable behavior in the workplace and beyond.

As an organization, we have zero tolerance towards corruption and bribery, and any violations can result in disciplinary action according to the entity's internal regulations.

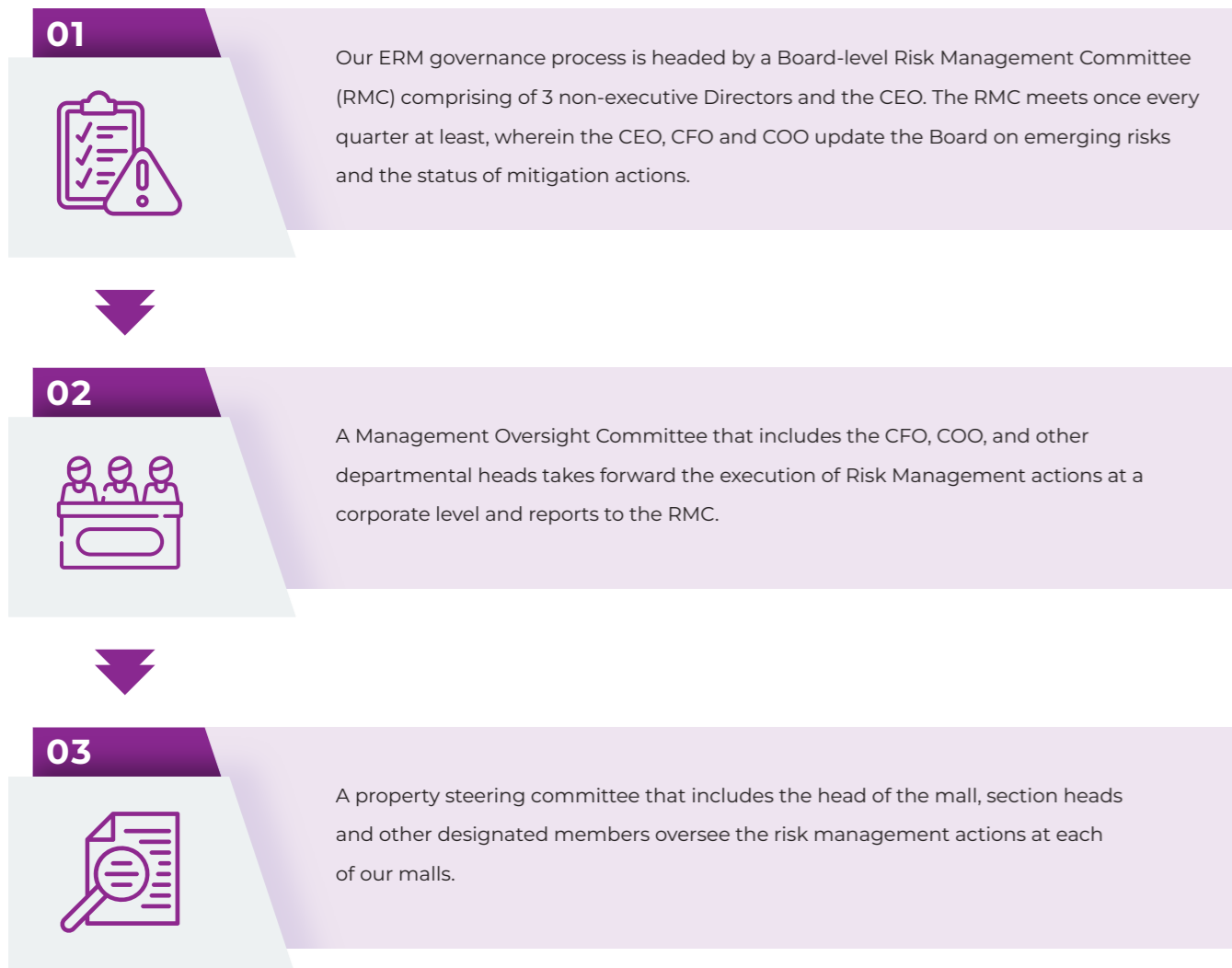
## Risk Management

Operating at the forefront of the Indian retail sector, we understand the importance of proactive risk management. Our robust risk management framework is designed to identify and assess potential risks, devise strategies to manage them effectively and ensure the continuity of our operations. This framework is a testament to our commitment to upholding the trust of our stakeholders by thoughtfully navigating risks to maximize rewards through prudent decision-making.

### Risk Management Framework

The Risk Management Policy, available on the company website is at the core of our Enterprise Risk Management (ERM) framework, which aims to foster long-term value and drive business growth. By continuously monitoring the organizational risk environment, we strengthen our systems against potential threats and enhance our mitigation strategies. The ERM framework employs a holistic approach, involving employees through regular interactions and awareness initiatives, and engaging stakeholders across the business to ensure a thorough understanding and management of risk.

### Enterprise Risk Management (ERM) Structure



### Enterprise Risk Management (ERM) Process



### ESG Compliance

Effective governance helps ensure that our ESG strategy is implemented optimally across verticals, along with due oversight and provision for grievance redressal. Additionally, specific checks and balances are also required to comply with applicable regulatory frameworks. We encourage our third-party vendors and suppliers to conduct self-assessments as a way to

ascertain compliance apart from the bi-annual audits and implement corrective measures recommended by us. We have comprehensive internal guidelines and policies to prevent unfair hiring, trade practices and any human rights violations.