



PVR LIMITED

UNITED NATIONS GLOBAL COMPACT
COMMUNICATION ON PROGRESS (COP)
2020-2021

PVR LIMITED
Building No. 9A, 4th Floor,
DLF Cyber City, Phase – III
Gurugram, Haryana – 122002 (India)
www.pvrcinemas.com

PVR

PVR nest
A CSR INITIATIVE

TABLE OF CONTENT

The Ten Principles of the United Nations Global Compact

June 01st 2021

1. Executive letter
2. Letter by head CSR
3. Company overview
4. Communication on progress 20-21

EXECUTIVE LETTER

June, 01st 2021

To

The Global Compact Office
United Nations Global Compact
Two United Nations Plaza
New York, NY 10017

Dear Stakeholders,

On the fast track of growth since it was founded 24 years ago, PVR stands today at an exciting cusp, mapped by many milestones of success and ready to scale the next level of growth through well planned and strategic approach. In addition to this, being a corporate citizen and an ethical business enterprise, it is also our responsibility to adhere with the ten principles of UN Global compact and contribute towards a sustainable society. PVR is focussed towards the journey of change and innovation and with the support of our cinema circuit; we aim to support young children from difficult socio-economic backgrounds. We believe that our corporate governance and policies incorporate the principles, which values human rights, labour rights, the environment and code of conduct to eliminate bribery and corruption.

FY 2020-21 was a challenging year for the entire world, and being in a customer-centric industry, we travelled together with our patrons through the trough and crest of the year. As the year began, we had a fair understanding that things would not be smooth sailing, and the way the year panned out, showed that our assessment had been right. We worked amid many constraints, restrictions and shutdowns. Despite all this, our people came together to help us overcome these unprecedented times in what will forever remain one of the most remarkable years in recent memory

Enclosed herewith, we summarise the progress of the year that has been made in accordance with the principles set forth by the United Nations Global Compact and will continue to follow them in our future decision –makings.



Ajay Bijli
Chairman and Managing Director,
PVR Limited

June 01st 2021

To

The Global Compact Office
United Nations Global Compact
Two United Nations Plaza
New York, NY 10017

Dear Stakeholders,

Enclosed herewith, please find our submission of UNGC Communication of Progress – 2020-21 on behalf of PVR Limited. Being a corporate citizen and an ethical business enterprise, it is our responsibility to adhere with the ten principles of UN Global compact and contribute towards a sustainable society.

PVR NEST (Network of Enablement and Social Transformation) is the CSR arm of PVR Limited. Since 2006, PVR NEST has been committed to support the socially disadvantaged communities by mitigating their vulnerabilities through resilience building care and protection initiatives implemented under the Public-Private Partnership model. Our initiatives focus at fostering awareness and understanding among the members of the community regarding the intersectionality of issues faced by the disadvantaged leading to their inclusion in the mainstream society.

Our company governance is in accordance with the principles set forth by the United Nations Global Compact and will continue to follow them in our future decision-makings.

Regards,



Deepa Menon*
Sr. Vice President – Corporate Communication & CSR
PVR Limited
Ph: +919811300540
Email: deepa.menon@pvrcinemas.com

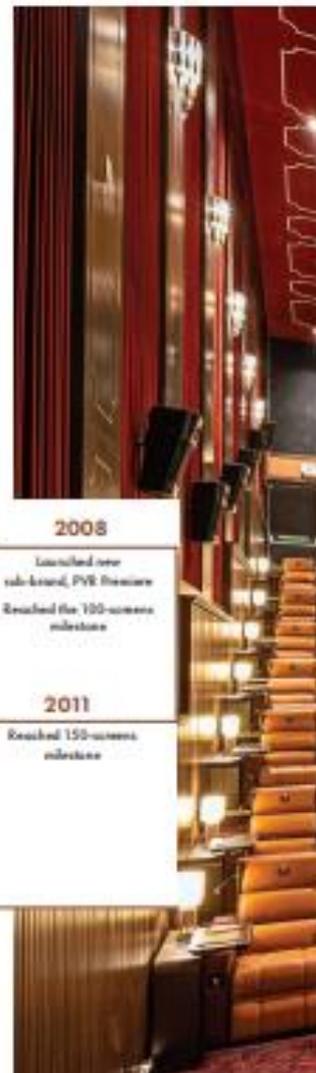
*Note: Deepa Menon shall be the point of contact for all United Nations Global Compact communication and coordination.

Corporate Identity

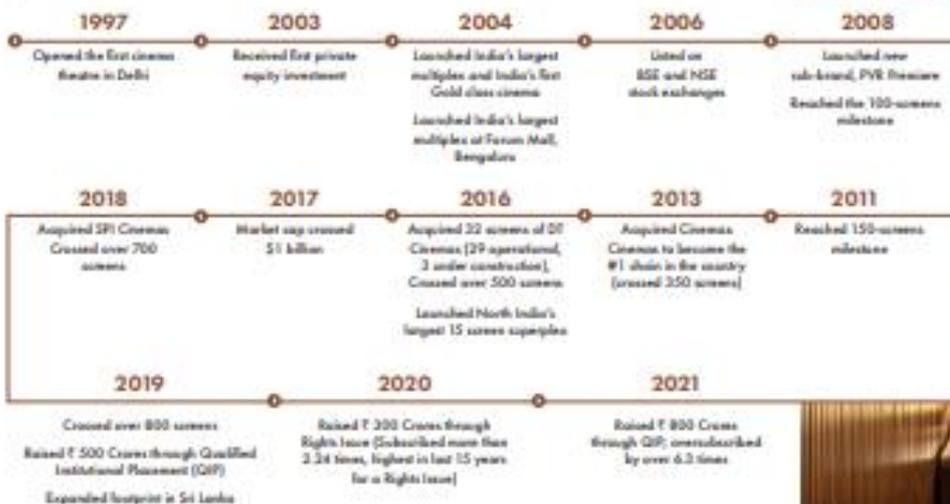
INDIA'S FOREMOST CINEMA POWERHOUSE

Since its inception in 1997, PVR revolutionised the cinema business and the way people in the nation view and interact with films. We have emerged as an industry leader in the country, in terms of number of screens, admissions in a year (101.7 Million in FY2019-20), and screens added during a single year (87 screens in FY2019-20). Our diverse streams of revenue apart from movie screening, include food and beverage sales, advertising, convenience fees, and movie distribution.

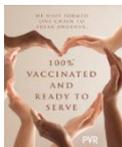
Through a well-conceived strategy and key acquisitions over the years, we have increased the number of screens to 846*, expanding our presence across 176 multiplexes in 71 Indian cities.



JOURNEY OVER THE YEARS



2



PVR ANNUAL REPORT FY 2020-2021

<https://originserver-static1->

uat.pvrcinemas.com/pvrcms/financial/59092021162700059_218.pdf

COMMUNICATION ON PROGRESS FOR YEAR 2020-21

HUMAN RIGHTS PRINCIPLES

**Principle 1:
Businesses should support and respect the protection of internationally proclaimed human rights;**

PVR Limited is the country's largest and most premium multiplex company, with a diverse portfolio of premium formats across the length and breadth of the country, under its belt. We leverage robust technologies to offer our consumers an unparalleled movie-watching experience and differentiated service.

The quality of our proposition appeals to cinema connoisseurs. This helped us fast-track India's evolution from single screens to multiplexes. Long-standing customer relationships, technological innovation, strategic presence across key Indian locations and a seasoned leadership team are the strengths that have kept our resilience up and service offerings, impeccable.

While the uncertainties birthed by the pandemic slowed the film and cinema industry down, our dedication to offer safe and an exceptional experience outshone every adversity. **'PVR Cares' is a step towards serving our stakeholders in a safe environment and showcases the brand's ability to re-model its operations to meet the needs of the business.** As we continue to meaningfully engage consumers as well as introduce them to newer cinematic experiences, our focus will remain on bringing winning stories to the screen and adding joy and comfort to the life of our stakeholders.

Principle 2: Make sure that they are not complicit in human rights abuses Assessment, Policy and Goals

Our people are our most valuable assets. Our people are the ones who translate our strategy into action, our vision into reality and our aspirations into achievements.

The various operational roles at PVR ensure that opportunities are gender-neutral, thereby leading to higher participation of women in the business streams of the company.

PVR has an ideal mix of youthful energy guided by mature leadership. Guided by core values and glued by a dynamic culture, we value diversity and respect excellence. As a learning organisation, we invest in upgrading and upskilling our people.

PVR meticulously nurture a competent and engaged workforce that can shoulder the responsibilities of today and provide leadership for the

future. We believe today's wow is tomorrow's ordinary. Our focus is to build and sustain excellence at every step, across all facets of the business, driven by people with commitment and capability. We are focussed on attracting the right talent, upskilling our people, recognising and rewarding team efforts, and encouraging them to embrace excellence in their professional and personal lives.

Safety & Skill Upgradation Trainings

In the advent of the Covid-19 pandemic, cinemas were the first to close (Mid-March 2020) and the last to open (Mid-October 2020) in India. However, our L&D team took the lead and was the early adopters of technology. Virtual Instructor-led Training (through collaborative platforms) and self-paced learning through our internal LMS (PVR Springboard) were brought into effect with full rigour. The team were not only upskilled through functional & soft-skills training but were also engaged virtually through various activities like quiz competitions, crosswords, newsletters, leader talks, workshops on positive thinking, and counselling support with the help of a reputed partner.

The L&D team partnered with business operations to draft minimum operating procedures (MOP) for Post-Covid protocols (PVR Cares) and ensured that the employees are fully trained and evaluated at the shop floor. Staff was trained on multi-skilling too i.e. Housekeeping staff was also trained to handle Security duties in the wake of any kind of exigency etc.

Various skill development workshops were conduct, which include:

- Embracing Change Workshop – Expanding your potential
- MS Excel Training
- Change Management Workshop
- English Skill Development
- FSSAI Training -Kitchen Staff & Duty Officers on Corona Prevention Measures
- Sessions for IT Team : ITIL, MS Azure
- Skill Development Courses through MOOC (Massive open online courses)
- Many new programs were initiated during FY 2020-21 like –
- Parivartan – Upskilling programme for first-time managers
- #SELFIE – Development Centre for our Centre Custodians
- #DISCOVER – Development Centre for Business Heads / RGM's
- Pro-active Delight Engagement – new & creative ways of reassurance for our patrons post-COVID

LABOUR PRINCIPLES

**Principle 3:
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

PVR Ltd. continues to uphold the freedom of association and the effective recognition of the right to collective bargaining. We do not discriminate on grounds of membership in a labour union.

The company also ensures that there is due diligence carried out at regular intervals of its internal process and practices, taking a cue from the feedback and results to re-establish or course correct the key drivers for the organization that impact its business, behaviour and culture. This is been done through an assessment of code of conduct, which include various HR programs especially the ones that dwell on performance appraisals, career progression and rewards and recognition, compliances and the governance methodology of each practice.

As governance is achieved through simultaneous adherence of guidelines and policies, PVR has laid down the guiding principles for all the areas of HR in talent acquisition, talent management and compensation and benefits.

**Principle 4:
Businesses should uphold the elimination of all forms of forced and compulsory labour.**

PVR Ltd. upholds a **zero tolerance policy** to all forms of forced and compulsory labour. PVR, by the virtue of its various benefits also ensures that the holistic well-being of the organization and its employees are maintained significantly. It is regularly brought up in business dialogues and is a part of its organizational culture. It has turned out to be beneficial for the employees' health and makes them feel valued, which further helps them to give back productively to the working environment. This has been achieved by ensuring the following:

1. Providing value based working environment and the management style of supervisors, managers and leaders
2. Open communication and dialogues
3. Teamwork and co-operation
4. Clarity and unity of purpose
5. Being fairly compensated
6. We will always continue the endeavour of being a fair company which values each of its employees with utmost respect and care.

Principle 5: the effective abolition of child labour

PVR's policy on Human Rights is applicable to all employees in the Company including subsidiaries in India. For its International subsidiaries, the policy is applicable in line with the local requirements prevailing in the country of operation. The Company encourages its Business Partners to follow the policy. PVR discourages dealing with any supplier/contractor if it is in violation of human rights and also prohibits

the use of forced or child labour at all manufacturing units /with business associates.

The employment of children in an industry or business is inhumane and intolerable. PVR is committed towards hiring employees under the stated laws and age groups. All our staff members are qualified and well-versed with the consequences on the violation of human rights and child labour.

At PVR, we seek to integrate ethical business values in our operations to fulfil our social responsibilities along with consolidating our business practices to create a positive impact on the society. For this, we have structured and framed our **Corporate Social Responsibility** policy to be in compliance with the applicable laws. Through our CSR arm, **PVR NEST**, we aim to provide support and address the issues which impact destitute children in urban societies; and also to develop community based programs that help them gain a holistic understanding of their circumstances, support their initiatives and provide a platform to voice their ideas. We seek to provide financial aid and volunteering services for vulnerable sections of the society, partnering with the Government and various other organisations.

We are committed to having a positive social impact among the most disadvantaged sections of society. **PVR NEST** (Network for Enablement and Social Transformation) is our flagship and the first cinema CSR trust that provides financial assistance and (volunteer services) to underprivileged people living in cities and acts to mitigate the vulnerability that exists in their daily lives. Our initiatives are designed to provide long-term solutions to the most pressing issues that the underprivileged confront, such as safety, health, education, and employment.

To know more about PVR NEST programmes and initiatives log on to : www.pvrnest.org

**Principle 6: the elimination of discrimination in respect of employment and occupation
Assessment, Policy and Goals**

PVR Limited is committed in providing **equal employment opportunities** to all applicants irrespective of religion, caste, colour and gender. We aim to carry out recruitments, across all levels, in a transparent manner with no room for malpractices, unprofessional conduct or extending preferential treatment and filling the position only if the candidate is found suitable possessing the right skills, qualifications and experience.

We have stringent policies and procedures on employee grievances and sexual harassment through open communication, employee connect and feedback system. The **P.O.S.H committee** ensures on taking strict actions against any malfunction being identified in the company or on ground at cinemas.

ENVIRONMENTAL PRINCIPLES

**Principle 7:
Businesses
Should support a
precautionary
approach to
environmental
challenges**

During the year, owing to the COVID crisis, no new initiative could be taken in the area of reducing environmental impact. The benefit of earlier programmes has been accruing in the cinemas where these were installed:

- Water flow restrictors in wash rooms taps
- Minimising non-biodegradable waste
- Technology absorption to enhance efficiency and reduce energy consumption.

The Company's policy on environment outlines effective Resource optimisation (Energy, Water, F&B Packaging), Safety and Security of our patrons as the most material Sustainability aspects. However, the Policy does not cover suppliers and contractors. Nevertheless, we are taking the following initiatives to encourage our partners and suppliers to get sensitised to our requirements.

On-going initiatives:

1. Guidance to Malls from PVR on energy conservation initiatives and sharing our successes;
2. The agreement with Developers now has an additional clause that ensures that the structure we take over is accessible by wheelchair at least one exit/ entry point for people with Mobility issues;
3. Designers, Architects and Contractors have been sensitised on the Harmonised Guidelines 2016 to ensure alignment.

**Principle 8:
Undertake
initiatives to
promote greater
environmental
responsibility;**

At PVR, sustainability is an everyday commitment via good energy, water and conservation practices. We have collaborated with different partners and adopted three neighbourhood parks in Delhi. Through this volunteer program, which involved children, communities and PVR employees; we revamped the parks and turned them into fine green spaces.

PINK TOILETS

In 2017, PVR NEST was invited by National Commission of Protection of Child Rights (NCPCR) and Municipal Corporation of Delhi (MCD) to conceptualize a hygiene facility which will help in attaining resilience from safety and hygiene concerns regarding open defecation, UTIs, zero inclusivity for PWDs/ transgender people, women safety and privacy at the public toilet facilities. This led to formation of one of our most

revered accomplishments which is Pink Centre (formerly known as Pink Toilets) in 2018.

Pink Centres established under Aspirational Public Toilets project of South Delhi Municipal Corporation (SDMC), are free-to-use, women-exclusive sanitation facilities equipped with WASH Champions - women staff trained in best practices of Water, sanitation and hygiene. The centres offer high quality hygiene amenities including vending machines with Menstrual Health Management (MHM) consumables, breastfeeding area, resting space, bathing facility (at limited locations), water-electricity facility and well-lit premises for safety purpose.

Under Pink Centres growth prospect, the Centres expanded its scope to draw focus upon building capacities of the members of the community resulting in them being skilled to attain better living.

PVR NEST provided essential vocational skills to 50+ women workers at the Pink Centres through workshops on WASH practices, plumbing, self-defence, financial literacy, digital literacy etc. which accounted for the facilities providing women empowerment in the community and was instrumental in shifting the societal narrative around women sanitation workers and helped to build a well-rounded, sustainable, dignity-rich living for our WASH Champions.

The Pink Centres garnered 4, 27,669 users in the year 2021.

Pink Centres have been successful in alleviating the problems faced in the early stages as the presence of the centres reduced ODF, helped to provide safety and privacy to women and inclusive space for PWDs and Transgender people.

Currently, there are 20 Pink Centres operating across Delhi.

PINK TOILET FILM LINK: <https://youtu.be/AlzflQg53Ac>

**Principle 9:
Encourage the
development and
diffusion of
environmentally
friendly
technologies
Assessment, Policy
and Goals**

The Company has been working on environment conservation issues by improving its process efficiency and undertaking initiatives related to energy efficiency. Some of these initiatives include:

Continued Sensitisation of employees at Cinemas: Since the bulk of our energy consumption is at the Cinema level, it is very critical that employees who manage daily operational activities at the ground level are in tune with the Management's objectives. The following initiatives have been undertaken to create a culture that supports Technological interventions to conserve energy:

- a) Awareness and sensitisation workshops for employees on benefits of energy conservation initiatives;
- b) Involvement of employees is encouraged through Idea sharing and successful implementation of the selected ideas is recognised and rewarded;

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- c) A Certified Energy Auditor supervises and leads the implementation of energy conservation initiatives;
 - d) Third party Energy Audits are conducted periodically in order to ensure that our equipment is operating at optimum efficiency levels and to curb wastage due to leakage and lack of maintenance of Plant and machinery, we actively engage with Mall Management on Energy Conservation initiatives and auditing by 3rd party to identify inefficiencies at their end as well.

Emission Reduction planned in 2019-2021: We are targeting 2000 tons of CO2 reduction per year till 2021 (on account of projects commissioned in late Q3 & beginning of Q4) with the help of the following initiatives:

Renewable Energy Utilisation (expected to get delayed due to current circumstances):

- a) Solar Energy Utilisation for energy conservation by using rooftop solar photovoltaic grid connected system is under implementation at two locations (installation delayed due to COVID 19), other sites will be taken up in Financial Year 2021-22 with available space on roof
- b) Solar PPA finalised for Roof Top Solar at 2 locations, namely PVR Kirti Mall, Jalgaon and PVR GMS City Centre Satna will help us in reducing our carbon footprint by ~300 tons/ year.

Technology Absorption:

- a) High Efficiency Fans For AHU: Have been piloted in Jan 2020 and will help us to reduce 3.7 tons of Co2 per AHU per year (will be implemented in 2021-22).
- b) We have replaced 3 chiller plants in 2019-20 and this will help us in Co2 Mitigation of 910 Tons per year
- c) Laser Projection: While these are being implemented in our new projects to create an enhanced experience for patrons, they will also result in 4.5 tons of Co2 reduction per projector per year. Laser Projectors are also not hazardous on disposal.
- d) Chiller Plants are being replaced and will result in CO2 mitigation to the tune of 910 Tons/Year (being implemented in Plaza, Escape, and Wonder Thane & Oberon Cochin).
- e) Silent Fans: Are being installed and will save Energy, enhance guest comfort, mitigate hot and cold pockets. Pilots have been conducted in a few cinemas successfully (Forum, Velachery, Ampa, VR Mall Bangalore).

PVR identifies and assesses potential environmental risks with respect to its business and takes appropriate measures to ensure we

minimise our adverse impact on the environment across various functions and processes.

In addition to Environmental risks, PVR recognises that our industry is extremely vulnerable to Safety and Security risks and we undertake numerous initiatives to ensure the safety and security of our patrons and employees. We conduct regular audits and safety checks to ensure smooth and safe running of our operations. Our staff is given regular fire safety and emergency evacuation training to deal with any kind of emergency where they would need to safely evacuate large numbers of people with varying abilities.

As mentioned earlier, we are in process of finalising PPA (Power Purchase Agreement) for Solar Power in two stand-alone cinemas contributing towards Green Initiative; which will further be replicated in others. A certain percentage of our energy consumption will be subset by Solar Energy Utilisation by using rooftop solar photovoltaic grid connected system and was ready for implementation but has been delayed due to the lock down. However, this may now get delayed due to the pandemic.

ANTI-CORRUPTION PRINCIPLES

**Principle 10:
Businesses should
work against
corruption in all its
forms, including
extortion and
bribery**

PVR Ltd. is a growing organization. Its leadership is conscious of its responsibility towards governance and ethics in the larger context of society and nation as a whole. Our investors have reposed their faith in us to safeguard their investments through consistent delivery of high level returns, by carrying out its business dynamically and leading from the front.

The Company's policy on Ethics, Transparency and Accountability along with the Code of Conduct, is applicable to all individuals working in the Company including its Directors, senior management and employees. The Company encourages its business partners to follow the code by extending certain statutes in the contracts and MoUs that PVR signs with its various Contractors, suppliers, partners etc.

As a value-based, socially responsible organization, PVR operates its business in accordance with local legislations in all the respective states where it operates as per Company's Code of Conduct. PVR is bound to the ethical standards in its operations and behaviour.

PVR Code of Conduct is an integral part of the service conditions for employment in the company and it describes general duties, responsibilities and management's expectations regarding behaviours and conduct of employees. Our policy, on code of business conduct and

ethics is a key in our recipe to achieve business excellence and optimize long-term value.

To fulfil our commitment towards good corporate governance, we strive to instil a proper sense of ethics in each employee. Our Code of Conduct covers not just our employees but also extends to the Board members and members of the Committees of the Board. We supplement our code with detailed policies on aspects such as anti-harassment, anti-corruption, whistle blower protection and other issues concerning the work place.

The policy not only outlines the fundamental ethical considerations, but also addresses more specific considerations of professional conduct. We do not tolerate any corruption or bribery in the system and any policy or ethical violation that is detected by an employee is immediately reported to management and documented.
