

Good & Green CSR Policy

For Godrej Properties Limited

(Updated on March 17, 2022)



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1. Preamble

At Godrej Properties Limited's (GPL), we aspire to become a sustainable company through leadership commitment, multiple stakeholder engagement, and disciplined value chain mechanisms. Our holistic approach towards sustainability not only manages our externalities but also integrates the prevalent social and environmental issues into business strategies to provide tangible solutions, which benefit the underserved communities and deliver competitive advantage to the business.

Our strategic Corporate Social Responsibility (CSR) projects, undertaken as part of our overall sustainability framework, actively work towards the Godrej Group's Good & Green goals and have helped us carve out a reputation for being one of the most committed and responsible companies in the industry.

2. Purpose

The key purpose of this policy is to:

- Define what CSR means to us at Godrej Properties Limited and the approach adopted to achieve our Good & Green goals
- Identify broad areas of intervention in which the company will undertake projects
- Define the kind of projects that will come under the ambit of CSR
- Serve as a guiding document for selection, implementation and monitoring of CSR activities as well as formulation of the annual action plan
- Elucidate criteria for partners/ implementation agencies
- Explain the manner in which the surpluses from CSR projects will be treated.

3. Policy Statement

Our Good & Green CSR policy predicated on the triple bottom line approach expands the scope of our sustainability initiatives and goes beyond our normal course of business to benefit marginalized/underprivileged sections of society. This policy aligns our overarching sustainability principles with the Godrej group's Good & Green vision and goals to develop CSR projects that create positive social and environmental impact through innovative thought leadership, concentrated efforts and execution par excellence.

4. Scope of CSR activities in GPL

Unless specified otherwise, this policy applies to all activities that are undertaken as part of our Good & Green CSR program. This policy will be further reviewed, developed and updated in reference to relevant codes of corporate governance, industrial trends and international standards and best practices.

GPL classifies those projects as CSR, which are over and above our normal course of business. This policy also fulfills the requirements of the CSR rules as per the Section 135 of the Companies Act, 2013 and subsequent amendments.

4.1 Normal Course of Business

At GPL, we are committed to crafting superior quality spaces across asset classes and geographical locations in India. Each of our development projects are based on robust research, insight and due diligence, so as to ensure great value to our customers. With innovative thinking and operational excellence at the core of our company's development philosophy, we are growing our presence in new markets through various additions and launches. Our ability to leverage and enhance the Godrej mother brand has helped us in establishing an extensive portfolio of joint development projects particularly in the residential sectors across India. We conduct our operations in compliance with applicable laws, regulations and standards while conforming to the highest standards in design, procurement, resource management and construction practices.

5. Key focus areas for CSR

5.1 Health and Well-being

We aim to provide access to entitlements and social protection for the well-being of 500,000 construction workers across the real estate ecosystem. We connect them with government schemes and programs which allows for them to avail social benefits. Our crèche programs in proximity to our construction sites, provide childcare and health facilities.

5.2 Influence sustainable consumption for all our customers

At GPL, we have mandated a minimum IGBC Silver (or equivalent) certified rating for all our projects. Our target is to have at least one Gold/Platinum project per zone. We have actively implemented technology, processes and systems that can improve and benefit the energy performance for projects through energy-efficient systems. Our customers are informed about energy efficiency measures installed as part of green building norms for their support in the occupancy stage and in order to help reduce the carbon footprint of buildings over the life cycle. Key measures implemented include on-site renewable energy generation and solar water heating systems. Efficient water management measures have been installed for optimum water usage across the project lifecycle across construction, operation and maintenance of our projects. We have also set systems in place to encourage occupants, tenants to segregate waste at source and mechanisms for further re-use and recycling waste for energy regeneration.

5.3 Lead in sustainability action

We aspire to be amongst the world's most responsible and sustainable real estate developers and influence sustainable consumption. Our endeavour is to prevent the further deterioration of the environment and preserve it for future generations. In the endeavour to lead the sustainability action, we have committed to Science based targets by planning for 1.5 degree of emission reduction with roadmaps. We work towards improving our company's position in global sustainability indices with a focus on waste, water, emissions and employee, worker welfare.

We are water positive and carbon neutral for Scope 1&2 GHG emissions. We are committed to maintaining this while extending our reporting to Scope 3 GHG emissions. We believe construction and demolition waste is an industry wide concerns and are we working with peers to map, reuse, recycle and regenerate on site. Over and above the above mentioned goals, from time to time we undertake additional CSR activities approved by the CSR Committee that fall under Schedule VII.

6. Governance Structure

GPL has constituted a robust and transparent governing mechanism to oversee the implementation of its CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 and subsequent amendments.

6.1 CSR Committee

The governance structure of the CSR interventions of GPL will be headed by the Board Level CSR committee that will be ultimately responsible for the implementation of the interventions.

6.1.1 Members

This committee will report to the Board of the company, and will comprise of three or more Directors, of which at least one shall be an Independent Director.

The Board of Directors shall from time to time re-constitute the Committee as per the statutory requirements.

6.1.2 Responsibilities

- Formulate and update GPL's CSR Policy, which will be approved by the Board of GPL
- Suggest areas of intervention to the Board of GPL
- Approve projects that are in line with the CSR policy
- Put monitoring mechanisms in place to track the progress of each project
- Recommend the CSR expenditure to the Board of GPL, for approval
- Meet twice a year to review the progress made

6.2 Management Committee

The Management Committee is responsible for ensuring the smooth execution of all the projects within the company. The committee will report to the CSR Committee.

6.2.1 Members

The members will include heads of individual departments.

6.2.2 Responsibilities

- Responsible for the execution of the decisions taken by the Board-level CSR Committees
- Ensure on-ground implementation of projects
- Send periodic reports to the Board-level CSR Committee
- Meet every quarter to review the progress

6.3 Meetings

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The Committee shall periodically review the implementation of the CSR Programmes and issue necessary direction from time to time to ensure orderly and efficient execution of the CSR programmes in accordance with this Policy.

The CSR Committee shall periodically keep the Board apprised of the status of the implementation of CSR activities.

7. CSR Budget

The total budget for the CSR projects will be decided as a part of the Annual Operating Plans, in accordance with the CSR goals and priorities identified for each of the key focus areas by the CSR Committee.

8. Annual Action Plan

In terms of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Committee shall formulate and recommend to the Board, an annual action plan based on the guiding principles as stated in Point No. 5 and 6 above and include focus areas for the year, the list of projects to be undertaken, manner of execution, fund utilization, monitoring mechanism, etc. The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

9. Project Life-Cycle

At GPL, our CSR projects are strategically planned and managed. Following are the different stages of the project:

9.1 Guiding Principles

- All CSR programmes and projects must be aligned to thrust areas listed in this Policy document and listed in Schedule VII of the Companies Act, 2013.
- CSR projects or programmes must be undertaken in India alone.
- CSR activities must not include the activities undertaken in pursuance of normal course of business of the Company
- Projects or programmes or activities that benefit the employees of the Company and their families shall not be considered as CSR.

- One-off events such as marathons/awards/ charitable contribution/ advertisements / sponsorship of TV programmes etc. will not qualify as part of CSR expenditure.
- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.

9.2 Project Approval

The projects suggested by Management Committee in consultation with the Corporate CSR team and company-level programme managers will be presented for the approval of the Board-level CSR Committee.

9.3 Implementation

The final projects that have been approved by the Board-level CSR Committee will be sent to the Heads of Departments who will collaborate with the Corporate Good & Green team to break down the project into time-bound targets and action plans. An individual programme manager may be appointed wherever necessary. These projects will either be self-implemented, in partnership with an Implementing Agency registered under MCA or in collaboration with other corporates.

9.4 Monitoring

The Heads of Departments and the programme managers will be responsible for monitoring approved projects, by methods which may include site visits, meetings and progress reports, etc. Online portals have been developed to track data and monitor projects thereby ensuring transparency and efficiency in the implementation process. These projects will be evaluated against the goals and milestones defined for the projects, together with the Implementing Agency (if any). These will be submitted to the Management Committee for the quarterly review meetings. The Board of Directors of GIL shall also monitor the CSR Programmes / Projects in such manner and on such periodicity as may be required by the Act / the Rules.

9.5 Reporting

The Board-level CSR committee, based on reports presented by the Management Committee, will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act, 2013.

10. Partner Qualifications

We will undertake measures to ensure that all programmes are awarded to implementation agencies, which are Registered Trust, Society or a Section 8 Company. Potential partner NGOs must have a clearly explained mission and vision and should be able produce their latest audit, annual reports and registration forms according to 80G/12A. In case of any amendment in the Companies Act, 2013 / Rules thereunder, specifying any criteria for implementing agencies, the same shall be applicable in addition to the above criteria (to the extent applicable).

11. Treatment of Surpluses

Any surplus generated from CSR projects undertaken by us will be tracked and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. These funds will not be added to the normal business profits.

12. Engagement of International Organisations

The Company may engage international organisation(s) for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of its personnel for CSR.

*The Principal Policy was approved by the Board of Directors at its meeting held on May 2, 2014 and subsequently amended on May 3, 2021.