

Good & Green CSR Policy



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1. Preamble

At Godrej Properties Limited (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 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 to help execute and monitor CSR projects
- 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 marginalised / 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.

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. Focus Areas for CSR

Good & Green

By 2020, we aspire to create a more employable Indian workforce, build a greener India, and innovate for 'good' and 'green' products. The Godrej group's Good & Green goals for 2020 are:

5.1 Employability

Train 1 million rural and urban youth in skills that enhance their earning potential through employability projects

India has 600 million people below the age of 25 out of which only 80 million (13%) are employable. Recognising the seriousness of this problem, we have undertaken projects that

focus on capacity and skill building of diverse target groups from rural youth to low-income women to make them employable and improve their earning potential and livelihoods.

5.2 Greener India

Achieve zero waste to landfill, carbon neutrality, a positive water balance, 30% reduction in specific energy consumption and increase utilization of renewable energy sources through the Greener India projects.

Our endeavor is to prevent the further deterioration of the environment and preserve it for the future generations. The Greener India initiative aims to do this through innovative projects that contribute to achieving the Godrej Group's goals (as in Section 5.2) linked to ensuring environmental sustainability.

5.3 Brighter Giving

We encourage our team members to be a part of our CSR projects. Through Brighter Giving, our structured volunteering programme, we provide volunteering opportunities to our team members to engage in skill-based, longer-term volunteering projects.

Our Good & Green CSR policy contributes to the Group-wide goals by adopting projects in the areas of intervention defined in Schedule VII of the Companies Act, 2013. Over and above the Good & Green goals, from time to time we undertake additional CSR activities under Schedule VII, such as:

- **Education:** Inclusive and equitable quality education for different age groups and promote life-long learning opportunities for all
- **Environmental sustainability:** Water conservation, clean and renewable energy, reduction of waste to landfill, environmental sustainability, ecological balance, conservation of natural resources and reduction of pollution
- **Relief funds:** Contribute to government relief funds or any other fund for disaster relief and rehabilitation
- **Rural development:** Integrated rural development to improve education, health, livelihoods, and environmental conditions in rural and marginalised geographies

- **Poverty & hunger:** Support poverty and malnutrition projects, promote preventive healthcare and sanitation, safe drinking water
- **Research & technology:** Support to research institutions and technology incubators in Central Government approved academic and research institutions
- **Gender issues:** Support empowerment programmes for girl children, adolescent girls, and women, through education, health and livelihood projects, etc.
- **National heritage:** Protection of national heritage, art and culture
- **Sports:** Promote sports in all forms, geographies and for all groups including (but not limited to) sports for persons with disabilities
- **Armed forces welfare:** support armed forces veterans, war widows and their dependents

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.

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

1. Mr. Pirojsha Godrej
2. Mr. K.T. Jithedran
3. Mr. V. Srinivasan
4. Mr. Amit B. Choudhary

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 Programme Manager

The Programme Manager will be responsible for on-ground implementation of the projects.

6.3.1 Responsibilities

- Evaluate projects as per the framework
- Implement projects based on set targets and action plans
- Regularly monitor the activities
- Send quarterly reports to the Management Committee and Corporate Good & Green team
- Find suitable implementation partners, conduct due diligence and get approval from the Board
- Evaluate possible collaborations with other organisations on CSR projects

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 Good & Green goals and priorities identified for each of the key focus areas by the CSR Committee.

8. Project Life-Cycle

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

8.1 Project Approval

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

8.2 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 maybe appointed wherever necessary. These CSR projects will be implemented either by us, with implementation agencies or in collaboration with other corporates.

8.3 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.

8.4 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.

9. 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.

10. Treatment of Surpluses

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