



Setting standards.
Shaping choices,
responsibly.

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ABOUT THE REPORT
For over 126 years, we have been trusted for doing business with integrity. We consider it imperative to share our progress, milestones, challenges and prospects towards a more sustainable future, with all our valued stakeholders.

The Report outlines Godrej & Boyce Manufacturing Company Limited’s (G&B) approach to integrate sustainability into our policies, structure, management and operations. It provides insights into the Group’s sustainability journey and its strategies. Here, we share the progress we have made on identified priorities and set course for a future that covers our various stakeholders, including employees, investors, customers, business partners, suppliers and lenders, the community and the government. As a responsible corporate, the intent underlying our work is to always serve the triple bottom line, and this report demonstrates the many ways in which we do this, touching lives near and far and triggering positive change.

REPORTING BOUNDARY
The Report captures qualitative and quantitative data with respect to the Company’s operations in India, covering its 14 business divisions depicted on Page No. 20 of the report.

REPORTING PERIOD
The Sustainability Report FY2019-FY2023 provides material information relating to our sustainability strategy and material risks, performance, prospects and governance, covering the financial year April 1, 2019 to March 31, 2023.

MATERIALITY
Our material issues are those that matter most to our key stakeholders and that have an impact on our ability to create value. An issue is considered to be material if it has the potential to considerably impact our commercial viability, our social relevance and the quality of relationships with our stakeholders. Our material issues are informed by the economic, social and environmental context in which we operate.

THE REPORT IS ALIGNED TO
The United Nations Sustainable Development Goals (UN-SDGs) and in accordance with the Global Reporting Initiative (GRI) Universal Standards 2021.

REPORTING PRINCIPLES
We followed the principles of stakeholder inclusiveness, materiality, sustainability context and comprehensiveness for developing this Report. This Report presents the engagement process and key issues identified by different stakeholder groups. By engaging with all key stakeholders, we identify the material issues that impact our ability of value creation. Based on these material issues we present the associated performance for the reporting year.

RESPONSIBILITY STATEMENT
G&B sustainability disclosures are reviewed and verified internally by cross-functional teams providing management assurance.

Please email your suggestions, views and opinions to
Ms. Ashwini Deodeshmukh
Head - CSR & Sustainability Reporting
gnbcsr@godrej.com

Setting standards. Shaping choices, responsibly.

As a 126-years-old organisation that has grown from a single product to a global conglomerate, we have made history and have also been witness to it. Our journey of growth is intertwined with independent India's development as an economy and a society.



Shaping the next generation of pioneering minds at our Udayachal school

From making the ballot boxes for free India's first general election to playing a pivotal role in the nation's space programmes, and bolstering the healthcare system by enhancing the vaccine cold chain, our innovations have always been enriched with social relevance.

Our founders were 'conscious' leaders and today, we carry forward their legacy by addressing society's most crucial need – to live sustainably. Our 'good and green' products take the conflict out of consumption.

Our business practices demonstrate how conservation can concur with profit. We continue to step up for coexistence. The spirit that made us nurture India's only corporate-cared mangroves a century ago spurs us today to pioneer the green building movement in the country. In this way, we stay relevant by doing what's right.

At Godrej & Boyce, we are responsible for not only the standards that we set but also ensure that they lay on a foundation of choices that keep all aspects of our society in mind – **the reason why we continue to touch the lives of more than 750 Mn Indians, every day.**



ENABLING
EMPLOYMENT



A GREENER
INDIA



COMMUNITY
DEVELOPMENT



GOOD & GREEN
PRODUCTS

Maximising impact

Empowering women entrepreneurs through our Self Help Groups

Creating a sustainable business is no longer a matter of choice. Nature, consumers and markets are forcing businesses to take definite action. Negotiating disruptive change, while reinventing customer and employee experiences and remaining sustainable are the business imperatives of the day. It has become crucial for the corporate sector to identify, promote and implement successful policies and practices that achieve triple bottom line results.



Social impact

1,79,330

youth trained to improve employability



Environmental stewardship

99%

waste elimination

52%

specific energy use reduction

60%

specific water use reduction



Sustainable product stewardship

37%

revenue generated from Good & Green products

80%

local sourcing (by buy value)

500+

green certified products



Enabling a safe workspace

8,12,997

man hours of safety training



NATION BUILDING

Engineering India's progress

We have demonstrated a consistent commitment to customer centricity, technological innovation, environmental stewardship and community development since our inception in 1897.

Powering the recently launched Chandrayaan-3 mission with our engines and thrusters

Godrej & Boyce's growth as a business conglomerate reflects India's own confident journey as an independent nation that has built its scientific, industrial and commercial muscle through its own efforts. G&B has consistently partnered with the Indian government for several strategic initiatives.

A notable first was the association with the Indian Space Research Organisation (ISRO) and the successful indigenisation of cryogenic technology and launch of the GSLV series of satellites, opening up new frontiers of communication technology-led progress for India.

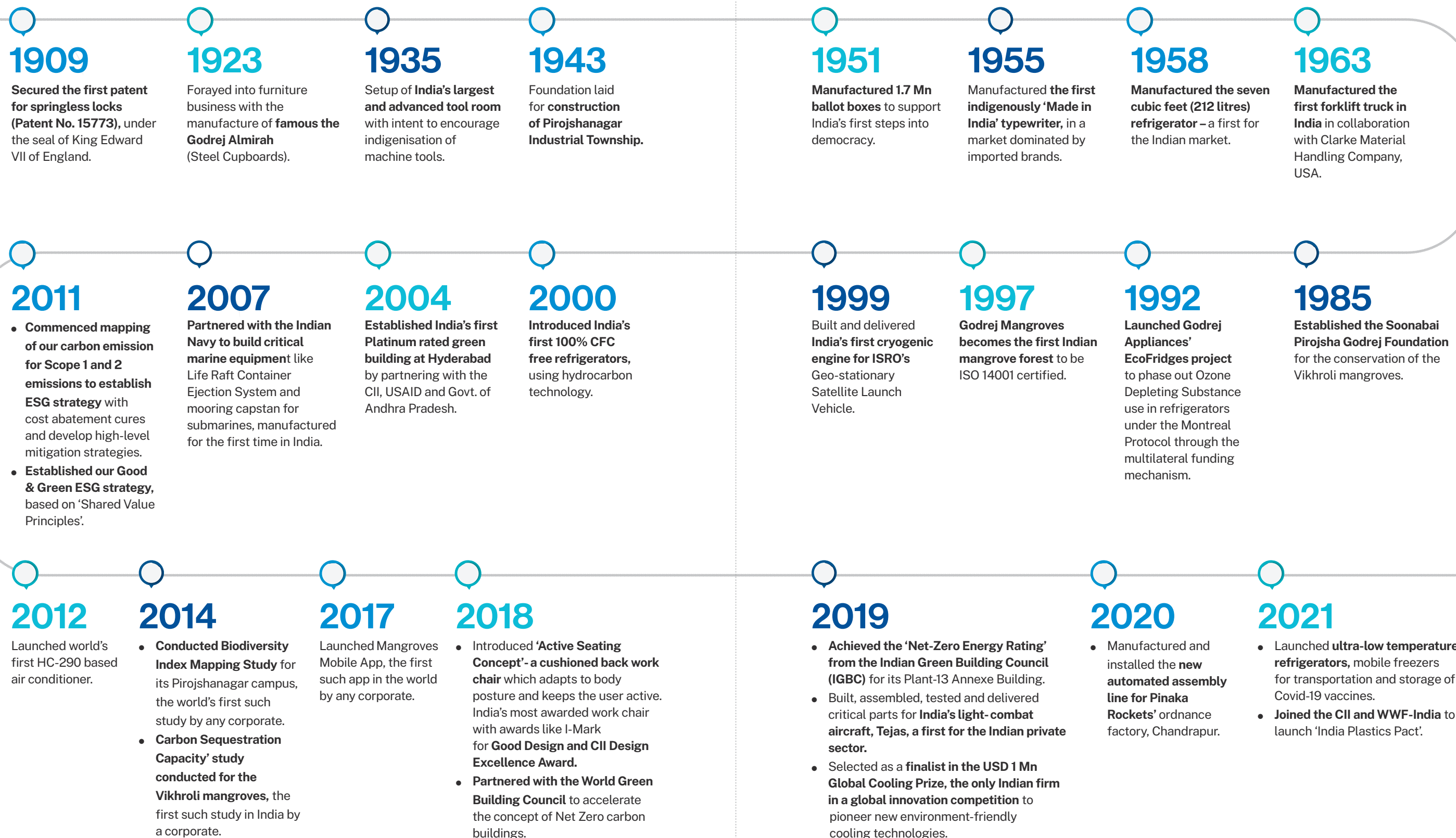
Our Material Handling and Security Solutions businesses collaborated with the Indian Navy's Warship Design Bureau for the indigenous manufacture of INS Vikrant – the nation's first completely home-built aircraft carrier whose commissioning marks the country's entry into an elite group with 'blue army' capabilities.

Putting into practice the dream for economic growth through greater self-reliance, G&B has scored many a first for industrialisation in India. From the first refrigerator to the first forklift, our journey of industrial innovation has fathered our extensive portfolio, while providing Indian consumers with high-quality, yet affordable choices.

Two other key pivots have been environmental stewardship and community-led development. For G&B, sustainable business forms the core of why we do, what we do. Our efforts to conserve the Vikhroli mangroves or Mumbai's 'green lungs' began soon after India became independent. The launch of the Naoroji Godrej Centre for Plant Research (NGCPR) – an institution that carries out research in plant biodiversity, conservation and scientific understanding of plant species – signposts another untrodden path and an attempt to preserve India's rich legacy of flora and fauna. That same vision of sustainability and interdependence underlines our commitment to driving one-third of our revenues from 'Good & Green' products. Equipping the youth for a better life is one of our ongoing priorities and through Disha, we have successfully trained more than 1.7 lakh youth across 18 states and 80 towns and cities over the last 10 years.

Our journey has been an eventful one and here we share glimpses of the milestones that defined us, creating far reaching impact for India's progress.

Moments that define us



CHAIRMAN'S MESSAGE

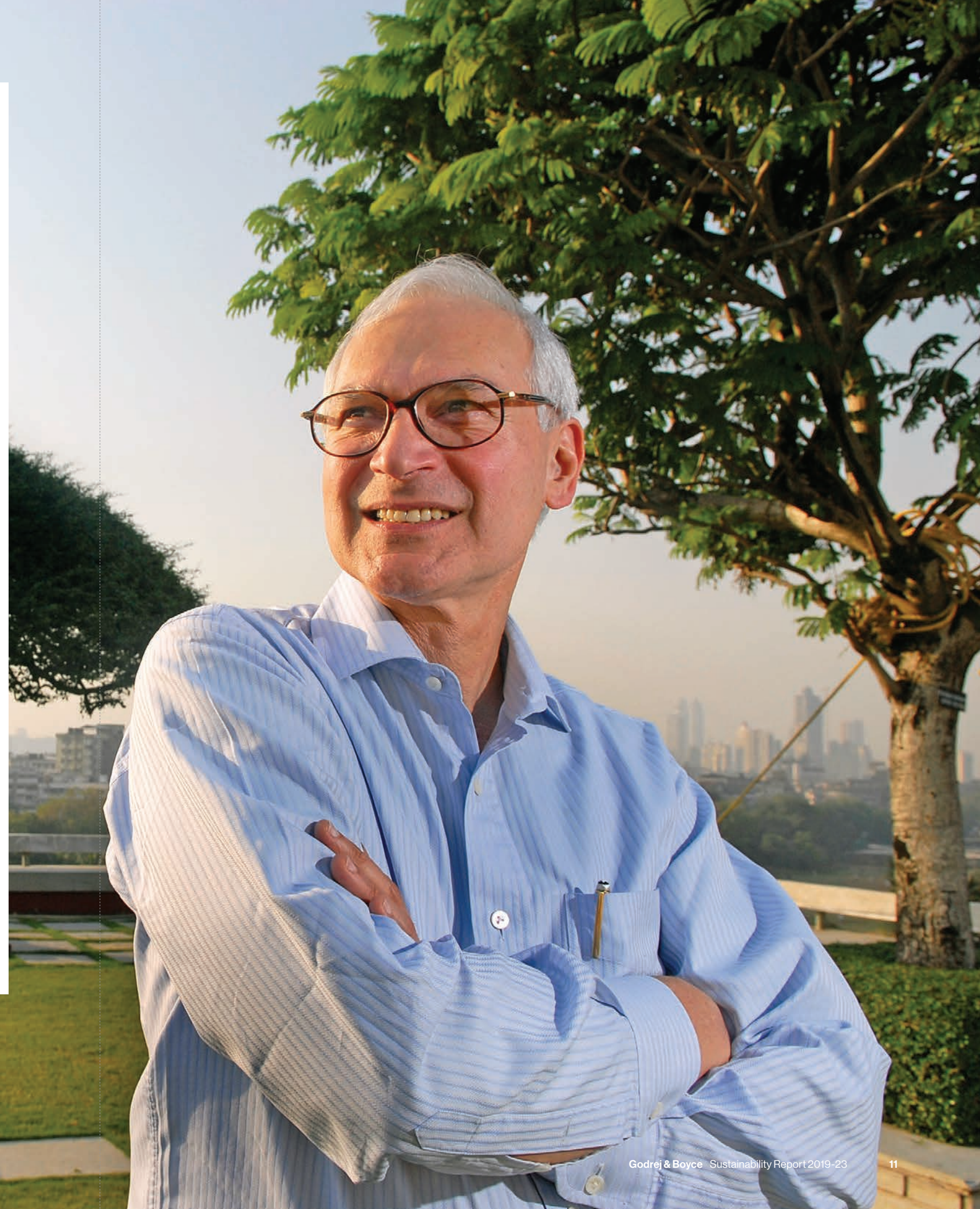
A legacy of goodness, for more than 125 years...

Dear Stakeholders,

I am pleased to present to you our Sustainability Report, which presents the fine balance between our economic, environmental and social performance, playing out all 3 dimensions in perfect harmony. This is how we build 'sustainability' in the true sense and work to our purpose to 'Pioneer progress for Generations'.

This significant milestone in our history of 125+ years is an opportunity to look back on the vast expanse of all that has been achieved in our journey. It gives me immense pride to note that it has been one of organic growth, fueled by a passionate desire for self-reliance and enhancing the quality of life for our customers. Additionally, and particular to the nature of our company, has been our commitment to creating a positive impact on our planet. 126 years strong, our commitment to being conscious of our duty towards the planet and its people continues to drive our innovative spirit and is reflected in our offerings to our customers.

At Godrej & Boyce, we have always recognised sustainability as one of the biggest economic opportunities of all time. This continues to shape our choices as we innovate with advanced solutions that provide for our present and future needs, through processes and products that use fewer resources and conserve natural capital. Our primary mission towards sustainable economic growth is to address the climate crisis through meaningful action. To enable this, we continue to engage in insightful dialogues and collaborative work on climate-action with stakeholders at both the national and global level.



Increasing our manufacturing capacity by over 4x with the launch of the new Khalapur facility



We are scaling up our sustainability targets, which will demonstrate our firm commitment to 'climate action' and 'societal development'.

To give you some examples, we have doubled our energy productivity over the last decade and have taken an equivalent stretch for the decade ahead. This was achieved through a holistic energy management process which focused on enhancing operational efficiency and deploying greener technologies using real-time data and analytics. Our 'Good & Green' portfolio demonstrates the vast possibilities that exist for leveraging innovation, technology and, out-of-the-box thinking for a climate challenged world. Today, over 30% of our revenues are generated from such products and solutions.

Our 'Beyond Sourcing' initiative has been launched with the objective of creating a more accountable, efficient and resilient supply chain, and is aligned to our vision of 'Building a Greener India'.

It gives me much pleasure to recognise that in addition to being a ₹ 12,000 Cr company with 14 diverse businesses spread across continents, we continue to enjoy partnerships with various stakeholders that span generations and decades!

These last few years have been atypical ones. Businesses have been forced to recognise that the external world is, and will remain increasingly volatile, ambiguous and conflict-ridden – both due to nature's unpredictability, driven by climate change and changing geopolitical dynamics. Customer preferences have changed quickly too, veering towards always-connectedness; need for greater flexibility and a movement towards conscious living, better health and well-being.

The times that we are living through are also uniquely favourable for India. The government is strongly incentivising technology adaptation and localisation, building India as a manufacturing

hub. We are well-positioned to make the most of this emerging situation given the strength of our indigenous R&D, our legacy of adapting and indigenising technology and our extremely diverse manufacturing capabilities which can be effectively leveraged in the 'Nation Building Spaces'! This puts us in an ideal position to grow faster than the rest!

In pursuit of our journey of building resilient businesses through sustainable practices, a "Reset" of the Good & Green targets has been actioned for the decade ahead, building on the foundation that we have laid over the years. We are scaling up our sustainability targets, which will demonstrate our firm commitment to 'climate action' and 'societal development'.

I firmly believe that Godrej & Boyce's greatest strength lies in its legacy of goodness, and its DNA for doing things right and being responsible to both the planet and its people. We have been running a responsible business from the very start, much before 'looking beyond profit' became a buzzword. That legacy of goodness prepares us better to face up to the challenges of the new world and to deliver in a manner that matters – making the world a better place for all!

Warm regards,

JAMSHYD N. GODREJ

Chairman
Godrej & Boyce Mfg. Co. Ltd.

CEO'S Q&A

Anil G. Verma
Executive Director & CEO

Q Over its 126-year journey, Godrej & Boyce has been a pioneer in many ways. That journey of rediscovery continues even today. What are the values, leadership qualities and capabilities that have helped the Company remain a market leader?

We have stayed true to our purpose of pioneering progress for generations. With a strong vision for a self-reliant India, our founders worked tirelessly on indigenous innovations for India. In line with this vision, we were the first to introduce products like refrigerators, typewriters, forklift trucks, green air-conditioners, etc. to Indian households and businesses. Passionately following this purpose has helped us remain relevant in a dynamic, globalised market. Through changing times, our values of integrity, trust and respect have kept us grounded. Other things that have helped us along our journey and will continue to stand us in good stead as we march boldly into the future are:

- Our commitment to customer centricity. We are always improving our efforts to understand our customers' needs and aspirations so that we can offer them insight-based solutions that are both delightful and convenient to use.

- Our stakeholder relationships and the value we attach to them. Many of our dealers are now in the third or fourth generation of their families, while our bankers have been with us for a very long time. The depth of these relationships is something that we have nurtured over time and is a source of our resilience, especially in the tumultuous times that we have all grappled with in the past three years. Such relationships are our insurance in a VUCA world.
- We are committed to environmental sustainability and community development.

Q What are some key risks that you would like to prepare the Company for?

In today's uncertain times, it is becoming increasingly difficult to predict risk events. In the last three years, we have witnessed how unpredictable our future can be—from supply chain disruptions, geopolitical tensions to climate change impacts. What matters more is how to approach risk management in a way that builds resilience. We follow a three-step approach. The first step is about sensing the environment through the monitoring of high-frequency economic indicators. Then, once we have sensed the challenge, we focus on adapting. If a risk is going to impact business in the short-term,

From ensuring that one-third of our revenues are generated from Good & Green products, to preserving hundreds of acres of mangroves and driving employability, we believe that growth must be sustainable and inclusive.

we have to pivot very quickly. Finally, we ensure that our people, especially at the frontline, are empowered to take decisions. This helps to build and nurture a bias for action.

Q There's been considerable progress in terms of sustainability. What more remains to be done?

As a Company, we are making sure that we limit our emissions in terms of Scope 1, Scope 2 and Scope 3. In Scope 3, our focus areas are both inbound and outbound logistics and would require a lot of engagement, collaboration and hand-holding with our supply chain partners. Doubling energy productivity is another area of focus, where we have a lot of ambition. We are a signatory to EP100 and have set internal goals for doubling energy productivity over the next 10 years on the base of 2017. There are also huge opportunities to reduce the carbon footprint of our entire supply chain. We operate in an ecosystem where we have strategic partnerships with vendors, dealers and other business partners and are working with them to help them become more competitive, more productive, more environmentally aware and adopt safer work practices.

Q The Indian government is giving a lot of importance to Production Linked Incentives and localisation. Godrej & Boyce has a long legacy of building indigenous capabilities. How is that helping the business? Also, how are you recalibrating your strategic priorities?

Through import substitution and by producing in India we are, at one level, saving on our import bill. The greater win, however, is building Indian industries by augmenting the Indian suppliers' base and our ecosystems' capacities and capabilities. During the

pandemic, the industry witnessed a crisis owing to disrupted supply chains. Robust domestic supply chains with proximate suppliers will make us more confident, as our largest market is India. The other aspect is about development. Every time someone sets up a factory, everyone gains. Manufacturing has a multiplier societal impact. With employment there will be demand that will, with affordability, spur consumption, creating a virtuous cycle.

If I step back and think about the Godrej mindset and what is unique to us, it would be the fact that we love and take pride in grappling and solving some of the most complex technological challenges that need to be solved locally. If you look at the technologies we have absorbed, assimilated or indigenously developed at our Industrial business, we have done stuff that gives immense satisfaction. We do recognise that in order to develop indigenous capabilities, one requires immense commitment and sufficient patience for the employed capital to generate financial returns. Building a strong and self-reliant India has always been a strategic priority for Godrej—one that does not need any recalibration.

Q Is there any message that you have for your stakeholders and readers?

The last century has been one of the most dynamic times in our nation's history. We are grateful to have received the patronage of our customers and the trust of our wider set of stakeholders, especially our employees. Let's build on this strong foundation and rapidly embrace modern technologies to make Godrej & Boyce a company that continues to pioneer progress, for India and for our planet, for generations to come.

AT A GLANCE

Towards conscious growth

Our engineering excellence and a strong pioneering spirit have helped to set standards through products that answer India's needs, bringing greater choice and developing the nation's capabilities.

14

diverse businesses

15,000+

employees

616 Mn

consumers in India

Godrej & Boyce Manufacturing Company Limited (G&B) provides a variety of commercial services. Our primary activities are construction, engineering, and manufacturing of consumer durables, aerospace, defence, logistics, technology, healthcare, tooling, process equipment, material handling, locking and storage solutions. With over 15,000 dedicated employees working across 14 diverse businesses, we offer high-quality consumer, office and industrial products and services in India and around the world.

Our journey began in 1897 with a 'Made in India' affordable lock that answered a specific customer need – to have a safer home. For 126 years our intuitive understanding of our customers' needs coupled with our passion for innovation, enterprise and nationalism have led to a consistent flow of pioneering products. Today, we are trusted household name in India and a ₹ 14,800 Cr multinational conglomerate. Through international subsidiaries and joint ventures, our products have an established presence across five continents. The triple bottom line approach has always guided our business perspective, long before it was formally coined, as for us, people and the planet have always taken precedence over profit. Our values remain the same though the need to act on behalf of the planet has intensified.

12

manufacturing locations

22

factories

8

ready-mix concrete plants

83,81,000 sq ft

manufacturing footprint



PURPOSE

Pioneer progress for generations

VISION

Admired for sustainability practices,
innovative solutions, and superior
business performance.

MISSION

Unlock experiences
that engage customers
and build loyalty.

VALUES

Integrity, Trust, Respect,
Customer Centricity,
Entrepreneurship,
Environment Stewardship.

BUSINESS SEGMENTS

An integrated and value-accretive portfolio

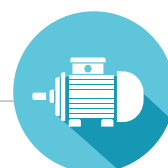
Our diverse presence across industries spans complex bespoke engineering solutions to making branded consumer goods like appliances, furniture, locks and security solutions. We positively impact the lives of one-third of India's population.



Godrej Material Handling
India's largest manufacturer and exporter of forklift trucks.



Godrej Locking Solutions and Systems
From the iconic Nav-Tal lock to cutting-edge digital and biometric safety solutions, the brand offers comprehensive range of safety solutions, including the very best in-home security and architectural fittings.



Godrej Lawkim Motors
Leader in the production of hermetic compressor motors, specialty motors and motor components such as stators and rotors.



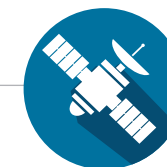
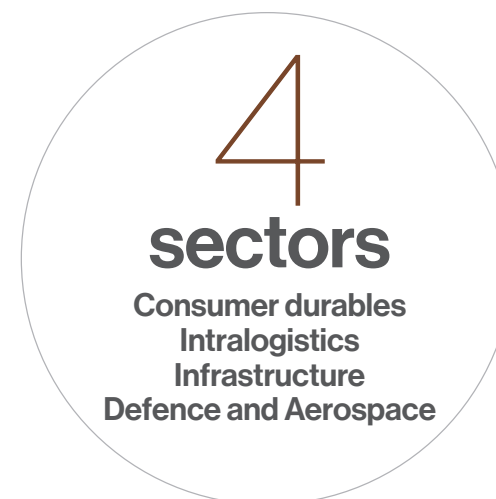
Godrej Precision Engineering
Godrej Precision Engineering specialises in creating one-of-a-kind equipment that necessitates creativity, intuition, technical knowledge and execution ability.



Godrej Process Equipment
Manufacture the entire range of custom-built critical process equipment for global end-users in core industries such as oil and gas, refineries, petrochemicals, chemicals, fertilisers, power and water.



Godrej Security Solutions
Provides security solutions for families and institutions including safes, vaults, devices for monitoring and surveillance, access and entrance control, scanning and screening, fire alarm and detection and perimeter intrusion detection.



Godrej Aerospace
Part of India's critical space, defence and aviation programmes.



Godrej Appliances
Thoughtfully designed appliances to enable Indians to live more comfortably; refrigerators, air conditioners, washing machines, microwave ovens, dishwashers, air coolers, thermo electric cooling solutions, and B2B products such as chest freezers and vaccine refrigerators



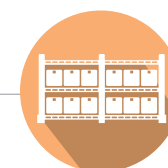
Godrej Interio
India's largest premium furniture brand Home & office furniture, solutions for laboratories, hospitals, and healthcare establishments, education and training institutes, shipyards and naval requirements, auditoriums, and stadiums.



Godrej Electricals and Electronics
Caters to the needs of customers in India and globally in the areas of energy and sustainability. It offers products and services in power infrastructure and renewable energy, MEP services, automation and energy management, as well as green building consultancy services.



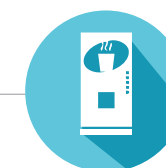
Godrej Construction
Offers complete in-house capacities for architectural and structural design and construction of industrial and residential projects.



Godrej Storage Solutions
Built over 40,000 warehouses and distribution centres across three continents and is a key player in India's growing intralogistics ecosystem.



Godrej Tooling
Creates custom-built, high-quality tooling for diverse industry players.



Godrej Vending
India's leading integrated vending service provider and a trusted name in offices across the country, known for delivering memorable experiences to our consumers by utilising cutting-edge technology, world-class machines, stringent quality controls and prompt after-sales service.

RECOGNITIONS

Awards received - National & International

	Category	Awarding agency	BU / BUS name	Name of the award (Year)
Godrej & Boyce level Awards				
1	Environment Conservation	Confederation of Indian Industries	Godrej & Boyce Manufacturing Company Limited	National Energy Efficiency Award for 'Excellent Energy Efficiency Unit' for Plant 13 Annexe- 2020
2	Environment Conservation	Confederation of Indian Industries	Godrej & Boyce Manufacturing Company Limited	Winner of Excellence in Managing Plastics and Packaging items/ wastes by EPR Strategies (PIBOs sub-category) - 2021
3	Health & Safety	Confederation of Indian Industries	Godrej & Boyce Manufacturing Company Limited	"Innovative Methods in COVID Management" with emphasis on Business Continuity, Workforce Protection and Enhance Productivity- 2021
4	HR Excellence	Business World	Godrej & Boyce Corporate Personal & Administration Department	Winner -BW Business World -Hr Excellence Awards -Strategy Succession Planning & Best Employee Orientation -FY21
5	CSR	Ministry of Corporate Affairs	Godrej & Boyce Manufacturing Company Limited	National CSR Award, Category , National priority area –Women & Child development , 2022
Business Unit Level Awards				
6	Product Innovation	Rocky Mountains Institute, USA	Godrej Appliances	Global cooling prize (1.5T AC) - 2020
7	Product Innovation	India Design Council	Godrej Locks & Architectural Fittings and Systems & Godrej Interio	India Design Mark for 22 products (FY19-22)

	Category	Awarding agency	BU / BUS name	Name of the award (Year)
8	Product Innovation	Confederation of Indian Industries	Godrej Interio	CII Design Excellence Award 2020
9	Health & Safety	India Health & Wellness Council	Godrej Appliances	India Health and Wellness Awards (Gold) under the 'COVID Protection Project' category - 2020
10	Health & Wellness	Confederation of Indian Industries	Godrej Construction	Health & Wellness Platinum Certification for GBD 02 IT Park 2020-21
11	Environment Conservation	Confederation of Indian Industries	Godrej Appliances	Green Co Platinum Plus, Mohali & Shirwal location – 2019
12	Environment Conservation	Confederation of Indian Industries	Godrej Interio	GreenCo Star Performer Award - Shirwal Plant – 2019
13	Environment Conservation	Confederation of Indian Industries	Godrej Construction	Winner : CII 3R 'Reduce-Reuse-Recycle' Award 2022 For Recycled Concrete Materials 2023
14	Environment Conservation	Institute of Supply Management (ISM)	Godrej Construction	1 st Runner-Up - Excellence In Procurement Sustainability 2023
15	Manufacturing Excellence	Confederation of Indian Industries	Godrej Lawkim Motors	National Poka-Yoke Competition Gold Award-2021
16	Manufacturing Excellence	Confederation of Indian Industries	Godrej Locks & Architectural Fittings and Systems	Winner of 4 th Edition -CII National LCA (Low-Cost Automation) Circle Competition 2021
17	Manufacturing Excellence	Confederation of Indian Industries	Godrej Process Equipment Division	National Workskills Competition ,Category & Champions Trophy Winner 2019
18	Business performance	Confederation of Indian Industries	Godrej Construction	CII Exim Bank Award for Business Excellence (1 st company in Real Estate & Construction Sector to win this award)- 2022, 2023
19	Business performance	Trust Research Advisory	Godrej Interio , Appliances & Locks	India's Most Desired Brands 2021 & 2022
20	Business performance	Economics Times	Godrej Security Solutions	Best Brands of 2021, at the ET edge awards

SUSTAINABILITY STRATEGY

Making a responsible portfolio

One of our strongest beliefs is in the importance of balancing progress with sustainability. In conjunction with our sustainability approach and the vision for 'brighter living', we have developed a long-term plan to play a key role in creating a more inclusive and greener India.



Creating a greener India

Our manufacturing plants maintain a relentless focus on environmental sustainability along with productivity. Our strategy to achieve our sustainability goals spans initiatives involving energy efficiency, water conservation, waste management, reduction of greenhouse gases and the promotion of certified green buildings, factories and products.

40%
reduction in
energy and water
consumption

30%
renewable
energy use

Zero
waste to landfill

+ive
water balance



Good & Green products

We strive to deliver the greatest possible customer benefit through our products and services while following the highest safety standards, with minimal adverse environmental impact and by generating optimum social compatibility. One of the pillars of our Good & Green vision is to 'Innovate for Good & Green' products and services. The overarching focus for both Good & Green products is the health, safety and well-being of the planet and its people.

In line with this vision, the G&B businesses innovate and adopt better technological platforms that not only reduce the amount of impact on the environment during the production cycle, but also aim to significantly reduce the overall lifetime impact of a product. The Good products address critical social issues, such as health, sanitation and disease prevention for individuals at the bottom of the income pyramid.

Target of 1/3
of our total revenues
from Good & Green
products & services



Ensuring employability

We are committed to ensuring equal access to opportunity by creating a level-playing field through Disha, our skilling programme. Through Disha, we enable skilling and upskilling of youth and enhance their earning potential in trades related to manufacturing, sales and services, building interiors and construction sites. Keeping with times, Disha has also forayed into developing advance skills like automation, robotics, artificial intelligence and IoT, which will help students become more industry ready.

Target of 2,00,000
trainings
to bridge the
employability gap



Community employment

We are constantly working towards building sustainable communities by enabling the collective growth of all our stakeholders. This is achieved by enhancing community's livelihood opportunities, education and healthcare ecosystem along with empowering them through institution building, resulting in the beneficiaries taking ownership of their development.

Focus areas for community development

Education
Environment
Health & sanitation
Livelihood

While the 'Good & Green' vision lays the foundation for our long-term vision and sets time-bound commitments, significant actions are also being taken to embed sustainability principles across business operations and supply chain. All done with the aim of positive outcomes and long-term value creation for society at large.

We have been actively championing the cause of environmental sustainability at the national and international level and have been chief contributors to global movements like the CII Mission on

Sustainable Growth, Global Alliance for Energy Productivity, World Green Building Council Net Zero Building Mission, EP100, Business Ambition for 1.5 degree, Renewable Energy Demand Enhancement (REDE) and IGBC's Mission on Net Zero. We have announced specific targets in support of our commitment towards Environmentally Sustainable and Climate Responsive business, with the intent of embedding our goals deeper within the day-to-day processes.

Our climate action journey



2010-11

CII code for ecological sustainable business growth merged with Good & Green initiative



2016

Global Alliance for Energy Productivity



2018

MOU with WGBC for Net Zero in APN region



2019

Signing into REDE (WWF-India & CII)



2023

Signatory of CII Climate Action Charter to build resilience against climate change



2021

IGBC's mission for Net Zero by 2050



2020

EP100 initiative with the climate group
Business Ambition Pledge for 1.5 degree



BY 2032

60% reduction in carbon intensity

100% recyclable packaging material

50% revenue from Good & Green products

2x water positive

10x social return on investment

STAKEHOLDER ENGAGEMENT

Investing in relationships to deepen trust

We maintain an integrated approach to stakeholder engagement and are committed to ensuring that every interaction is transparent, inclusive and constructive.



As a forward-looking, socially responsible organisation, we acknowledge our responsibility of meeting stakeholder expectations in today's fast-changing consumer and business landscape. For this, we invest in targeted engagement with stakeholder groups, recognising their unique needs, so that we may continue to create larger societal value.

Transparent and regular engagement with all our stakeholders is essential to building a sustainable business, and a planned system of engagement exists to ensure the timely communication of accurate and relevant information to, and interaction with, each stakeholder group, in a consistent manner.

STAKEHOLDER	KEY PRIORITIES	ENGAGEMENT MECHANISMS AND FREQUENCY
Investors	<ul style="list-style-type: none"> Understand concerns and expectations, communicate our strategy, performance and governance to create higher shared value 	<ul style="list-style-type: none"> Regular dissemination of financial performance through published reports
Suppliers and dealers	<ul style="list-style-type: none"> Sharing of mutual expectations and needs with regard to quality, cost and timely delivery Sharing of knowledge, best practices and infrastructure support Sharing of the Company's future priorities and growth plans 	<ul style="list-style-type: none"> Periodic one-to-one interactions with key suppliers and dealers Periodic supplier and dealer meets Pre-agreement negotiations Procurement agreements
Customers	<ul style="list-style-type: none"> Build and maintain relationships of trust Anticipate and understand short and long-term needs and concerns Understand their expectations, job satisfaction parameters, provide a conducive environment and support career growth Share the Company's vision, short-term and long-term goals, workplace needs and expectations 	<ul style="list-style-type: none"> Periodic one-to-one interactions with key customers Interactions at customer touchpoints Annual customer satisfaction surveys Personalised loyalty programme
Employees	<ul style="list-style-type: none"> Developing and supporting local economies and communities for greater well-being and better livelihoods 	<ul style="list-style-type: none"> Structured appraisals, career path guidance, training programmes, employee rewards, recognition and development programmes Let's Talk annual employee feedback survey
Local community	<ul style="list-style-type: none"> Policy advocacy and leadership on future regulations, policies and implementation plans 	<ul style="list-style-type: none"> Structured CSR initiatives based on social need assessment surveys Focussed group discussions with the community Impact assessment studies
Industry associations	<ul style="list-style-type: none"> Understand compliance and applicable regulations Collaborate in nation building and integrate business activities with national goals 	<ul style="list-style-type: none"> Memberships in leading industry association Participation of senior management in key forums and events
Government	<ul style="list-style-type: none"> Submission of relevant compliance documents Participation in industry forums 	

MATERIALITY

Identifying mutual concerns

Our long-term success depends on our understanding of the environment and issues that will impact the future of the Company and its ability to create value.



37% of revenue generation is from Good & Green products

Building a stronger business that is focused on future-readiness.

Our material issues are what matter most to our business and to our stakeholders. It is important to correctly identify them so that we remain competitive, better manage risks and ensure cohesion with the external environment. We continually monitor relevant business developments, risks and opportunities, sustainability trends, changes in legislation and the perspectives and needs of our stakeholders.

A detailed materiality assessment exercise was conducted in 2019-20. At that time, the outcomes were expected to remain valid for three-to-five years. However, given the upheaval caused by the Covid-19 pandemic and the need to comply with

the revised GRI Universal Standards 2021, a revalidation deemed necessary. The materiality refresh was recently concluded in 2023, and we are now sharing the detailed results with you.

Three new material issues were added: business disruption, product stewardship and innovative products and services. The final list of material issues totaled 28, and responses were collected from General Management Council members. The revalidation exercise intentionally had a smaller universe of respondents, as the reorientation was deemed necessary primarily from the 'impact on business' perspective.

Materiality assessment process

Identification of universe of material topics

An in-depth study was conducted to understand the megatrends, sustainability priorities for the sectors applicable to G&B's BUs and industry best practices.

Risk assessment

In consultation with the Company's senior management, each issue was reviewed through the lens of mitigation of key business risks.

Stakeholder interactions

Focused engagement with the following stakeholder groups:

- Senior management
- Employees
- Suppliers
- Dealers
- Customers
- Industry associations

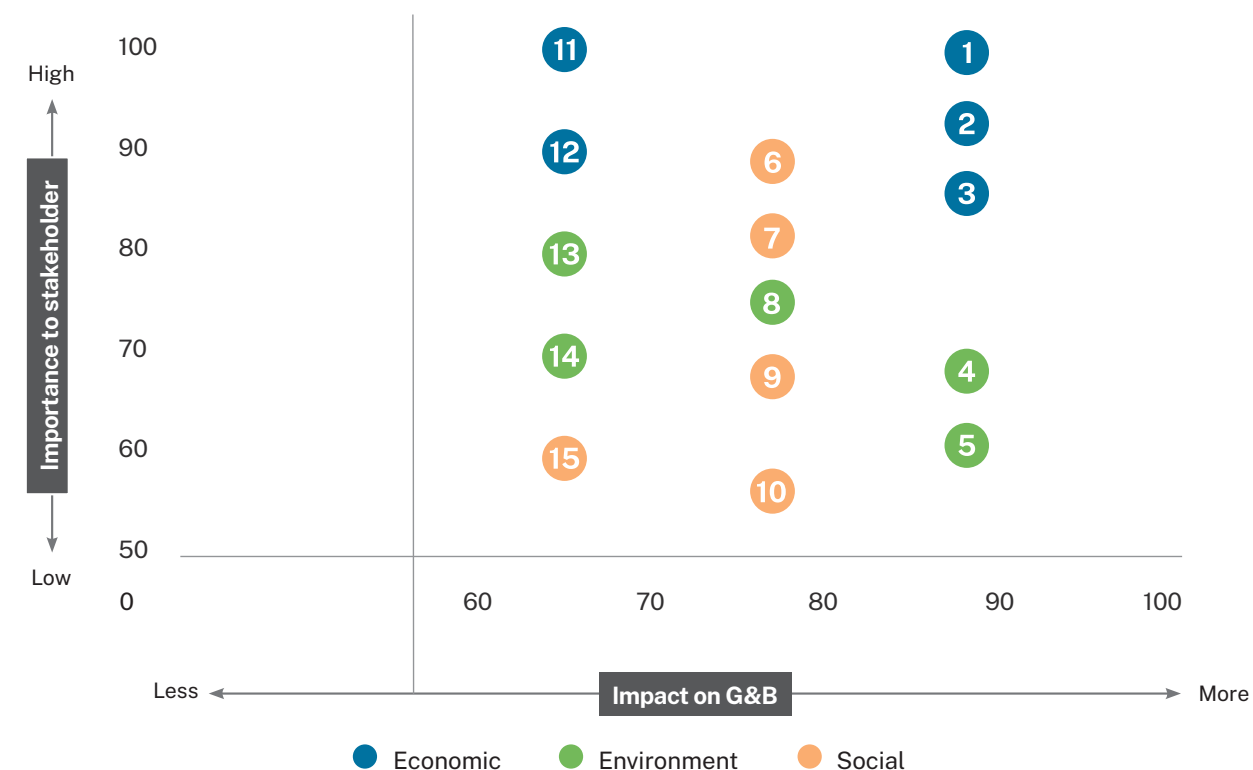
Identification and prioritisation of material topics

Consolidation of stakeholder inputs, followed by analysis of their business and stakeholder relevance to arrive at the materiality matrix.

Materiality matrix

The materiality matrix that emerged after the revalidation exercise showed a clustering of all 28 material issues in the top right-hand quadrant, with high significance for both the business and stakeholder groups. For better alignment

with global sustainability themes and ease of communication and deployment of strategies across the value chain, the 28 material issues were clubbed to arrive at 15 broad material themes.



- 1

Sustainable supply chain
- 2

Business disruption
- 3

Innovative products and services
- 4

Product stewardship
- 5

Decarbonisation
- 6

Community engagement
- 7

Capability development
- 8

Water security
- 9

Ethical business working
- 10

Diversity and inclusion
- 11

Management controls
- 12

Compliances management
- 13

Pollution control
- 14

Biodiversity conservation
- 15

Safe work environment

These 15 material themes were then prioritised through the lens of severity, irremediable character, likelihood and process maturity drawing on guidance from GRI Standards 2021 and our ERM framework. The final outcome, shared below, is segregated into three separate quadrants of very high, high and medium priority. This prioritisation of issues helps to determine G&B's approach in tackling them – which will range from very high involvement to keeping a close vigilance.

There is considerable change in the issues of highest material importance for the organisation over the last and current materiality matrices. Business disruption, innovative products and

services and product stewardship take the topmost spots in the current one, supplanting the earlier predominant issues of community engagement, safe work environment and ethical business. The aftermath of the Covid-19 related disruptions, accelerating climate change and growing geopolitical uncertainties perhaps find reflection in this changing outlook towards building a stronger business that is focused on future-readiness. The importance of building a sustainable supply chain and decarbonisation retain their dominant position across both the earlier and the current materiality matrices.



Economic



Sustainable supply chain



Business disruption



Innovative products and services



Management controls



Compliances management

IDENTIFIED MATERIAL TOPICS

Incorporation of supplier environmental and socio-economic practices into the supplier assessment process. Evaluate local suppliers basis the extent of negative impact emerging from procurement activities.

Comprehensive evaluation of processes / operations on various parameters like risk, digitisation, cyber security, customer privacy measures, alternate supplier base, raw material security etc.

Development of products and services linked to SDGs, other national priorities

Key economic performance parameters of the company, covering the direct economic value generated and distributed.

Overall compliance record, along with compliance with specific laws/ regulations covering social, economic and the environment.

SIGNIFICANT IMPACT

Within and outside G&B

Within and outside G&B

Within and outside G&B

Within and outside G&B

Within and outside G&B

STAKEHOLDERS AFFECTED

- Suppliers
- Customers

- Employees
- Suppliers
- Local community
- Customers
- Investors

- Local community
- Customers
- Investors

- Investors
- Employees
- Suppliers

- Local community
- Investors
- Suppliers
- Government bodies



Over 100 endemic plant species revived at the Naoroji Godrej Centre for Plant Research



Enhancing livelihood through entrepreneurship programmes at Shirwal

Environmental



Product stewardship



Decarbonisation



Water security



Pollution control



Biodiversity conservation

IDENTIFIED MATERIAL TOPICS

Product circularity, materials efficiency, material of concern, sustainable packaging, transport optimisation, product life extension, product recycling etc.

Energy management, energy use efficiency, renewable energy use.

Water management in the organisation, water use efficiency, recycling and harvesting.

Management and control of emissions (liquid) and solid waste generated from operations.

Prevention, management, remediation of damage to natural habitats.

SIGNIFICANT IMPACT

Within and outside G&B

Within and outside G&B

Within and outside G&B

Within and outside G&B

Within and outside G&B

STAKEHOLDERS AFFECTED

- Suppliers
- Investors
- Local community
- Government bodies
- Customers

- Employees
- Local community
- Investors

- Employees
- Local community

- Employees
- Local community
- Government bodies

- Employees
- Local community

Social



Community engagement



Capability development



Ethical business working



Diversity and inclusion



Safe work environment

IDENTIFIED MATERIAL TOPICS

Direct and indirect impact of business-related activities and investments on the community including improved infrastructure, enhanced livelihoods and economic development.

Skill upgradation, continuous learning and performance review for the workforce, talent attraction and retention initiatives.

Prevent discrimination at work, remove corruption, promote process of fair wages and working conditions determination, combat forced, compulsory and child labour.

Organisation actively reviews its operations and decisions, to promote diversity, eliminate gender bias and support equal opportunity.

Active, periodic reviews of operations and decisions, in order to promote diversity, eliminate gender bias, and support equal opportunity, with applicability across recruitment, remuneration and diversity of educational backgrounds.

SIGNIFICANT IMPACT

Outside G&B

Within G&B

Within and outside G&B

Within G&B

Within G&B

STAKEHOLDERS AFFECTED

- Local community
- Government bodies

- Employees

- Employees
- Suppliers
- Local community

- Employees

- Employees

ECONOMIC VALUE CONTRIBUTION

Tackling uncertainty, strengthening defences

Our deep local insight, sharp financial acumen, market foresight, strong governance, long-standing relationships with customers and stakeholders help build an ecosystem of trust and grow the business.

Growth in e-commerce, fuelled by the pandemic, further strengthened our Storage Solutions business

We focus on delivering sustainable value to our stakeholders, and we have continued to do this despite multiple challenges.

The reporting period was exceptionally tough, but we weathered it with resilience, returning profits in most of our businesses and building greater agility to market shifts.

Despite the varying challenges that we faced during the reporting period of 2019-23, 11 of our 14 business units (BUs) recorded profits, with eight exceeding their profit targets. Our Locks division performed admirably, earning ₹ 130 Cr in profits. Greater demand for warehouses, driven by spikes in e-commerce demand during the pandemic years, provided tailwinds for both our Storage Solutions and Material Handling Equipment businesses. Storage Solutions surpassed ₹ 1,100 Cr in revenues and the Material Handling Equipment business returned to profitability. Our industrial businesses - Godrej Precision

Engineering, Aerospace and Process Equipment Division, generated significant profits, due to their healthy order books. It took a black swan event like the COVID-19 pandemic, and the subsequent breakout of the Russia-Ukraine war with the consequent impact on global supply chains, price volatility and finally, deepening recession within the developed world to prove the soundness and resilience of our diverse portfolio. The locks-to-precision engineering spread of our businesses, catering to very different customer groups and geographies, protected us from the financial declines of B2B projects and B2C BUs.

Economic value generated and distributed

Particulars	(₹ in Cr)			
	FY20	FY21	FY22	FY23
Direct economic value generated	11,345.96	10,029.49	12,385.82	14,600.17
Revenue from operations	11,257.81	9,989.22	12,344.49	14,570.42
Revenue from other sources	88.15	40.27	41.33	29.75
Economic value distributed	11,119.64	9,915.69	12,229.50	14,402.81
Operating costs	9,194.52	8,030.29	10,379.67	12,344.30
Employee wages and benefits	1,222.52	1,220.04	1,140.72	1,284.49
Payment to providers of capital	577.90	606.42	604.70	691.12
Payment to government	118.20	52.09	99.16	76.06
Community investments	6.50	6.85	5.25	6.84
Exceptional item	(2.19)	(14.03)	216.64	13.47
Economic value retained	224.13	99.77	372.96	210.83
Earnings per share	3,304	1,471	5,497	3,108



World's tallest CCR reactor was manufactured by Godrej Process Equipment in 2019



The Chrysalis range of motorised beds by Godrej Interio facilitates patient comfort as well as assists caregivers

The financial year 2019-20 started on a good note for the Company with a 16% growth in revenues in Q1 on a year-on-year basis. The onset of the COVID-19 pandemic impacted our overall annual revenues. However, a clutch of our businesses bucked the trend of degrowth. Storage Solutions and Material Handling Equipment businesses grew by 10-15% during this time. Industrial Products and Construction Materials benefited from a healthy order book and increased infrastructural spending.

FY21 was tough due to the impact of a raging pandemic over better part of the year and resultant disruptions in both demand and supply. In Q1, India's GDP fell by 24% but the second half of the fiscal saw a bounce back in business. At Godrej & Boyce, we took quick action to adjust to the new normal, accelerating digitalisation of our processes while also increasing our focus on collections.

We quickly adjusted to the changing demand trends, and made strong sales of appliances with larger capacities, WFH furniture, hospital furniture, UV-based sanitisation boxes, medical refrigerators and calibration services for critical medical equipment. This agility helped us clock

19%

revenue growth in a very difficult year.

FY22 began on a positive note as India was slowly recovering from the first Covid wave. However, the second wave set us all back. Despite input costs remaining elevated, higher shipping costs and supply chain disruptions, we closed Q2 with revenues and profits that exceeded our plan. The rest of the year remained turbulent due to rising inflation, commodity price hikes, supply chain disruptions and the onset of the Russia-Ukraine war. However, spectacular March 2022 sales helped us to improve our overall FY22 numbers.

FY23 saw sustained widespread inflationary forces, driven by commodity prices and interest rate hikes. These adversely impacted disposable income, consumer sentiment and aggregate demand, especially in the lower- and middle-income groups. Rural economy remained under stress, while premium products were relatively unaffected.

The runaway hike in commodity prices and severe supply side constraints meant that margins were affected adversely for our consumer businesses. This impacted profit margins since the consumers were not able to absorb the full extent of this cost increase. While the government thrust on local manufacture and indigenous defence spending drove revenue and profits of our industrial businesses, private sector capex remained subdued.

However, G&B managed to end FY23 with a strong Q4 performance which showed significant improvement in revenue as well as operating profit.

FY24 outlook

Going ahead, G&B is poised to continue its strong performance across all lines of business. As interest rates ease up and the overall sentiment improves, our consumer businesses will benefit from higher revenue and profits. Industrial businesses will be able to benefit from the gradual increase in private capital expenditure. Along with the focus on improving productivity and controlling fixed costs, this should result in G&B posting a robust performance in FY24, consistent with our focus on profitable, predictable and sustainable growth.

We took quick action to adjust to the new normal

by accelerating digitalisation of our processes, products and operations across the organisation.

CATALYSING CROSS-FUNCTIONAL CHANGE

Digitalisation catalysing cross-functional change

From smart factories to analytics-driven customer journeys, we have been building a strong digital presence across networks. We, at Godrej & Boyce are deeply invested in driving digital transformation to reach new frontiers.



Novel 3D Product Configurator and Room Planner application by Godrej Interio

At Godrej & Boyce, we have seamlessly adopted extensive digital practices across all our businesses. The period from 2020 to 2023 was one of transformation for us, with AI being embedded into most parts of our business.



Smart manufacturing

Industry 4.0
IoT



Customer centrality

Customer analytics
Improved product design, pricing and service
Highly engaging product experiences
Service CRM
Improved forecasting and planning



Connected supply chain

Robust, scalable data platforms
AI/ML
IIoT and CIoT
Accurate demand forecasting and inventory management



Extensive reach and B2B connect

WhatsApp business stores
Online presence for small retailers
Virtual communities



Next-gen workplace

Productivity improvement through AI/ML
New age LMS
Virtual connectivity tools
Blended learning, DigiTalks

SMART MANUFACTURING @ GODREJ & BOYCE

Industry 4.0 is at an inflection point in Indian manufacturing today, leading this sector to become an intelligent industry that significantly contributes to our economy.

While our digital transformation journey, like the rest of the industry, was accelerated during the Covid-19 pandemic, at Godrej & Boyce we continue to pursue this journey with as much rigour through key enablers like data analytics, education, open innovation and collaboration in digitalisation.

As a part of our growth strategy, we have set up greenfield manufacturing plants with smart manufacturing systems and processes. With each manufacturing facility built over the last five-to-seven years, we have increased the “smartness quotient”. This includes the setting up of Manufacturing Execution System (MES) to handle various daily tasks, right from plan various

machines/operations, to taking real time feedback from devices and prompting required intervention, along with controlling the information and material flow throughout the processes.

At Godrej Interio, we deploy robots to perform repetitive activities, in high precision settings, like welding.

We have also developed our own in-house Automated Guided Vehicle (AGV) technology that uses IoT for material movement between machines.

Smarter products and solutions transform customer experience.

Smarter products and solutions transform customer experience We seek to enhance our customer experience through immersive technologies, which is also used to train our teams



Godrej Interio

Digital initiative

- AR/VR enhanced 360° store walkthroughs
- Novel 3D Product Configurator and Room Planner application makes it possible to 'Design & Create' near-real, virtualised versions of our modular product offerings

Value offered

- Richer information about products and features
- Easy visualisation within actual usage environments



Godrej Electricals & Electronics

Digital initiative

- PROSOFT is an integrated application which works in sync with core ERP i.e. Infor for addressing the core challenges in project management (viz work fronts management, resource planning, activity wise material consumption, JMC & contractor billing annexure, etc.)

Value offered

- Real time data availability and analytics for faster and efficient decision making
- Detailed planning and progress tracking of material procurement, delivery, scheduling, execution
- Complete inventory management
- NORM management



Godrej Construction

Digital initiative

- Partnered with Tvasta Manufacturing Solutions, an IIT-Madras alumni startup, to introduce and commercially deploy innovative 3D Construction Printing (3DCP) technology in India. The solution leverages automation and robotics for faster and a more sustainable construction process, that can also be done offsite

Value offered

- Reduces wastage, optimises construction performance, increases worker safety, adds flexibility and cumulatively reduces carbon footprint



Godrej Material Handling

Digital initiative

- Safelog is our IoT-driven solution that enables forklift vehicle owners to monitor fleet health, provide proactive or predictive maintenance and optimise fleet size. The solution monitors fleet performance across locations, supporting proactive maintenance and minimising downtime

Value offered

- Significantly enhances fleet productivity, leading to overall higher productivity, lower costs, better profitability

ENHANCING THE DIGITAL PRESENCE OF OUR PARTNERS

Godrej Appliances has helped more than 25,000 trade partners to reach their customers digitally during the pandemic period, when store operations were affected. By setting up online shop pages for its retailers and partnering with new age merchant platforms like Pine Labs and Benow, the company has facilitated multiple modes of payment and EMIs, creating a level playing field for upcountry retail channel retailer community. We also assisted our trade partners to gain better digital presence through Google My Business and Facebook Business Pages.

Further, Godrej Appliances has opened exclusive outlets on e-com giant Amazon, capitalising on Amazon's superior customer reach the online space. The results are encouraging, with digital sales going northwards by 40%

Our flagship business and brand, Godrej Locks and Architectural Fittings (GLAFS) generates 30% of its sales from the B2B domain, through the carpenter and contractor community. To engage with these communities, Godrej Locks has launched a first-of-its-kind online carpenter engagement programme called Godrej Locks Carpenter Club (GLCC) that offers information on products, incentives, etc; all on a common platform.

The business has also launched Godrej Locks Carpenter Club (GLCC), a unique digital initiative that provides privileges and rewards to the carpenter and contractors' communities on the purchase of its locks and architectural fittings.

CYBERSECURITY: BUILDING ROCK-SOLID DEFENCES

The pandemic hastened technology adoption at Godrej & Boyce with converged IT, operational technology (OT), Internet of Things (IoT), digital twins getting deeply embedded within our systems. As the workplace transformed aspects like hybrid working environments, the business's need to access anywhere-anytime data became the norm. All this created the need for a far more vigilant and developed cybersecurity infrastructure.

Today, it is our vision to develop a world-class cybersecurity programme that supports all areas of G&B's business and efficiently mitigates threats. For this, we work to protect G&B's data and data processing systems from unauthorised access and modification by mandating reasonable cybersecurity controls on people, processes and technologies.

We follow the widely accepted National Institute of Standards and Technology (NIST) Cyber Security Framework (CSF)* which is based on the five pillars of identification, protection, detection, response and recovery for effective risk management. Our threat mitigation approach is layered with multiple security checkpoints. This helps to provide redundancy in case any security layer fails or its

vulnerability is breached, with another security layer becoming functional.

Our Zero Trust Model complements our layered security approach. All users, both within and outside the organisation's network, are required to be authenticated, authorised and continuously validated for security configuration and posture before being granted or keeping access to applications and data. Zero Trust assumes that there is no traditional network edge; networks can be local, in the cloud, or a combination or hybrid with resources anywhere.

We follow a centralised cybersecurity approach and infrastructure that is common across our business units, with the very specific requirements of some businesses requiring a separate approach. Our foremost priority is to build a strong service security awareness culture within the company. This is being supported through continuous risk assessment of our cyber environment, along with upgradation of policies and processes. We are also implementing new-age technologies in alignment with our group-level cybersecurity strategy to ensure protection from advanced malwares and to ensure foolproof data security. There were zero number of substantiated complaints received in FY23 regarding breaches of customer privacy.

* The ISO 27001 standard includes requirements for developing an ISMS (information security management system), implementing security controls, and conducting risk assessments.

Doing business, responsibly

Over our 126-year journey, environmental sustainability has always been at the heart of our business strategy, manufacturing processes, products and solutions.



India's first Net-zero building at our campus in Vikhroli

Climate change and the domino impact that it triggers is the single biggest risk that confronts human progress. We have already witnessed extreme weather events with devastating impact owing to the current 1.1°C temperature rise so far.

Current mitigation policies will lead to a temperature increase of at least 3°C by 2100, which can lead to devastating effects.

Already,

- Half the global population faces water insecurity at least one month in a year¹.
- Devastating floods and storms have annually displaced 20 Mn people².
- Aspects of human development – food, land and ocean use, infrastructure and the built environment, energy use and extractives – endangers more than 79% of threatened and near-threatened wildlife species³.
- Failure to limit temperature rise to 1.5°C may result in a reduction of the world's real GDP per capita by roughly 7% by 2100.⁴

Hence choosing a pathway as outlined under the Paris Accords of a 1.5°C scenario, is the way forward to protect the ecological balance of the planet.

Our core vision and values have always supported cohesion and interdependence between the environment and business. This has fuelled our constant need to develop disruptive solutions that are both planet-friendly and business-worthy. Apart from environmentally-safe products, we have made several positive ecological interventions – the preservation of the large patch of Vikhroli mangroves since the 1940s, being the most notable one. Our 126-year corporate history is replete with such examples in support of sustainable coexistence.

¹ IPCC Report 2022 | ² Ibid | ³ WEF, IUCN

⁴ <https://www2.deloitte.com/xe/en/insights/economy-impact-climate>



Over the past decade, we have invested more than ₹ 500 Cr in our ESG initiatives to reach where we are today. Our new goals are built on a foundation of pathbreaking science, differentiated collaborations and operational efficiencies, to further our unique blueprint for the growth that we desire.

WASTE REDUCTION AND DIVERSION	WATER CONSERVATION & STEWARDSHIP	PRESERVING BIODIVERSITY	ENERGY EFFICIENCY & PRODUCTIVITY
Total waste minimisation	Reducing water use intensity	Mangroves, conservation	Reducing energy use and emission intensity
Plastic use reduction and recycling	Wastewater recycling	Awareness to rescue and rehabilitation of distressed fauna	Transition to low carbon technologies from thermal energy to electricity
Increasing adoption of circularity	Rainwater harvesting for own operations and in communities		Green and NetZero buildings developed for Company's operations and tenants



Energy and emissions

We have a long-standing goal of making our businesses carbon neutral and energy efficient. Decarbonisation is of the highest material importance for our businesses, and we have taken progressive steps to meet our energy use related objectives. Our energy sustainability strategy is focused on three broad tracks:

- Reduce specific energy consumption.
- Improve the share of renewable power in total energy consumption.
- Transition to low carbon technologies and from thermal energy to electricity.

57%
reduction in specific energy since FY11

With an objective of reducing specific energy consumption, we nearly doubled our productivity in FY21 with respect to the base year FY11, in line with EP100 commitment. We endeavour to repeat the same by 2030 (with respect to base year FY17).

We have been able to double our productivity while reducing the overall energy consumption through:

- Realtime online energy monitoring with alerts, process digitalisation and automation.
- Adaption of energy efficient utilities and

process equipment.

- Capability building, process benchmarking and Integrated Green Sourcing policy for absorption of low carbon technology.
- Technology scanning and absorption of low carbon technologies.
- Integrating energy management system (ISO 50001: 2018) across manufacturing facilities.

SPECIFIC ENERGY

	FY20	FY21	FY22	FY23
Absolute energy consumption (GJ)	724,176	544,199	694,251	733,368
Percentage of reduction in energy intensity over base year	47%	57%	53%	57%

When compared to the baseline year of 2010-11, we have witnessed steady reductions in specific energy consumption Y-o-Y, with a 57% drop in FY23. The consistent falling graph underlines the success of our efforts towards upgrading and modifying our processes and equipment to become less energy-intensive and more efficient and using real-time data analytics to better streamline our energy use.

Spectrum of energy efficient initiatives

Sr. No.	Project category	Project description
1	Compressed air	Integration of two-stage Variable Speed Drive PM motor air compressors VFD integration on compressor and prioritising the compressor operation as per demand Optimise compressed air pressure at plants by integration of Intelligent Flow Controller (IFC) Dedicated high pressure compressors for paint shop and CNC applications Reducing losses and leakages by integrating aluminium piping Energy efficient low noise turbo blowers for aeration at ETP/STP Eliminating compressed air usage by integration of blower
2	Heat retention and recovery	Heat reflective thermo ceramic coating to improve furnace insulation Analysing and Improving the insulation health to decrease the heat losses Utilising waste heat recovery from compressor and paint booth to improve GCV of briquette Use of heat pumps to offset thermal consumption Vacuum packaged electrode to eliminate continuous heating of electrodes Modular furnace with precise control to optimise fuel consumption Fuelling hot water generator using biodiesel
3	Optimisation and upgradation of lighting, HVAC and other building support systems	IOT enabled energy efficient electronically commutated fan AHU in air conditioning Online auto condenser cleaning system to maintain chiller approach effectively Absorption of energy efficient VRV and 5 star inverter unitary ACs at plants Temperature sensor based VFD control system for cooling tower Thermal insulation coating for HVAC Energy efficient pump, motors and lighting Lighting simulation and installing on shop floors and office areas Occupancy and motion detector sensors for shop floors and office areas
4	Process	Hydraulic power pack with servo motor/accumulator Adaption of direct-to-metal paint to optimise the process Machine run time optimisation by curtailing the idle time consumption IE-4 and IE-5 Energy efficient motors at paint booth
5	Ventilation	Energy efficient BLDC air circulator industrial fan and ceiling fan with remote Turbo ventilators at rooftop and translucent sheets for natural day lighting High volume low speed fan

Annual energy savings of

1,60,85,901 kwh

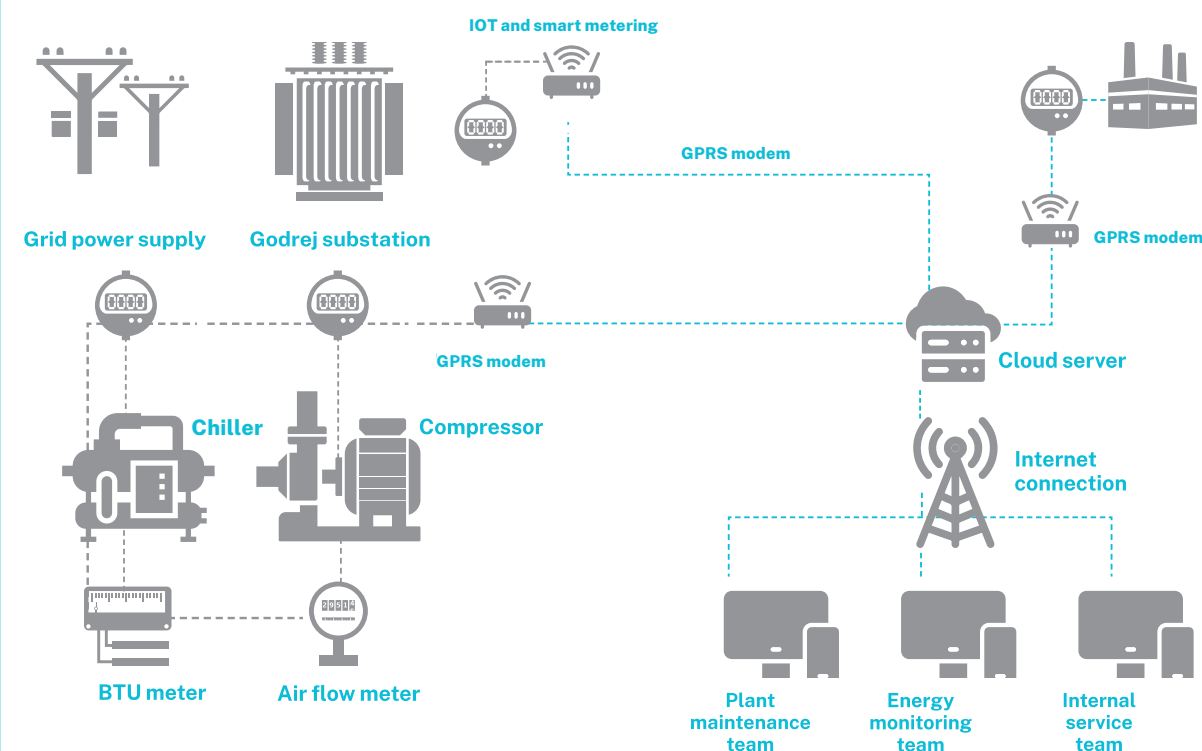
estimated from projects taken in the reporting period FY20-23



USE OF REAL-TIME ENERGY ANALYTICS TO OPTIMISE ENERGY USE

We are constantly working towards integrating energy efficient practices into our value chains. We believe digital technologies will enable this further, and have been making our processes smarter, more efficient and reliable. We have been leveraging

AI and data analytics to optimise our energy use. Energy flowing into the system is monitored and controlled right from the grid power supply entry feed from across various internal checkpoints to real-time energy needs of individual equipment.





Cutting-edge technology including robotics, AI and industry 4.0 at our Khalapur facility

PURSuing A GREEN MANUFACTURING MINDSET WITH ARTIFICIAL INTELLIGENCE

Godrej ControlAiR™ IFC – A demand side management solution utilises controlled differential pressure to isolate compressors from demand side fluctuations. The product uses stored reserve energy, hence allowing the compressors to run on a significantly reduced load. This technique also helps in reducing air consumption by pneumatic equipment, leakages, among other elements, ultimately reducing the overall energy consumption. This IoT enabled product is integrated in all our factories and also installed in over 4,000

units globally. It that has already received various national and international accolades as an innovative energy saving solution.

Saves upto
20%
energy of Compressed
Air System



IMPROVING ENERGY EFFICIENT PROCESSES

At our Process Equipment Division (PED), electrodes are one of the most used consumables. Each year electrodes weighing 1,25,719 kg are used to preheat the electrodes used for manufacturing and for this 2.8 Lakhs electrical units are consumed. Given the high usage and the high consumption of electricity involved, the division was looking for ways to optimise use.

Process improvements were seen as a solution. As per convention, the electrodes used for heating were first baked in baking ovens and then kept in holding ovens for heat retention till the time of use. Instead, it was decided that the

electrodes would be vacuum packaged to reduce process heating and oven utilisation.

Process change led savings

280 MWh
energy saved per annum

₹ 24,00,000 Lakh
saved annually

224 tCO₂e
annual carbon offset

Transitioning to renewables: A diversified approach

We are committed to reducing our share of emissions in a scientific manner. We meet 9.4% of its energy requirements from renewable sources and use several routes for meeting our renewables targets – namely through integration of solar rooftops, Briquettes and by engaging in power purchase agreements (PPAs) and green tariffs.

G&B ROOFTOP SOLAR FOOTPRINT (INSTALLED)

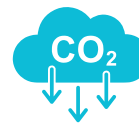
Solar footprint	FY23
Rooftop (Maharashtra, Punjab, Tamil Nadu and Uttarakhand)	7.2 MWp
Open access PPA	4 MWp
Total solar installed capacity	11.2 MWp

ABSOLUTE GHG EMISSIONS (IN TCO₂E)

	FY20	FY21	FY22	FY23
Direct emissions (Scope 1)	16,806	12,826	20,315	18,201
Indirect emissions (Scope 2)	83,443	60,975	76,542	81,664
Total GHG emissions	1,00,249	73,801	96,857	99,865

GHG EMISSIONS INTENSITY

	FY20	FY21	FY22	FY23
GHG emissions intensity (tCO ₂ e/MVA)	36	29	32	29

58% 
reduction in carbon intensity since 2011

Large number of global alliances in energy use and emissions control

EP100, business ambition for 1.5°c, Global Alliance on Energy Productivity, Net Zero buildings with World Green Building Council, renewable energy demand enhancement.

SIGNIFICANT AIR EMISSIONS

	FY20	FY21	FY22	FY23
SPM (mg/NM ³)	62.70	67.40	68.70	68.40
NOx (ppm v/v)	37.20	36.20	38.10	27.90
SOx (kg/day)	10.20	15.40	16.20	11.70

G&B is cognisant of the adverse effects on the atmosphere resulting from increased usage of fossil fuels. We regularly monitor our emissions to access our carbon footprint and devise mitigation measures.

Ambient quality monitoring is conducted across all locations and stack emissions are analysed and reported regularly.

We ensure that all air pollution parameters are maintained below the statutory limits, indicating efficient management of industrial operations, stringent processes and control for air pollution reduction. Over and above the regulatory norms, G&B sets firm limits for parameters such as SOx, NOx, TPM, SPM, etc. The air conditioning and ventilation systems across all our locations ensure that the Air Quality Index is between 0 to 50.

1st
company in India to introduce
refrigerators that are free of CFC,
HFC and HCFC⁹

⁹Chlorofluorocarbon, hydrochlorofluorocarbons

1st
Indian company to produce air
conditioners with 'zero' Ozone
Depletion Potential (ODP) and
minimal Global Warming Potential
(GWP)



Rainwater harvesting at Shirwal

Water management

Water is a lifeline for all the three bottomlines – people, planet and profit – and this perspective forms the backbone of our water management practices. Water security is of high material significance and determines our three-pronged water sustainability strategy:

- To reduce specific freshwater consumption.
- To achieve zero discharge across locations.
- Become water positive across locations.

Towards conscious growth

water
positive



since FY16

G&B replenishes

179%

of the water that it consumes

All our upcoming manufacturing facilities are designed on the principles of 'Green Buildings/factories' and have comprehensive effluent and sewage treatment and systems that are designed to handle 100 % recycling of wastewater.

We achieved our objective of becoming water positive in 2016-17, years ahead of the target year we had set for ourselves and continue to maintain that position across all our facilities. Currently, we are 179% water positive. Additionally, in 2020-21, we also offset our cumulative fresh water footprint when calculated from the base year of 2010-11 by replenishing more than our withdrawal quantities. We maintain our water-positive status by adopting a variety of conservation and low usage techniques, which are:

- Water audit of process and utilities
- Use of low flow water efficient fixtures
- 100% effluent and sewage treatment
- Zero liquid discharge (ZLD) of industrial effluents
- Maximising utilisation of recycled water
- Use of nature-based treatment solutions
- Maximising rainwater harvesting (within and beyond the fence)

All our manufacturing facilities practice zero discharge, leading to minimal impact on ecology and community.

WATER CONSUMPTION BY SOURCE (m³)

	FY20	FY21	FY22	FY23
Municipal / Surface / Procured water	6,29,847	5,65,171	8,44,182	10,17,429
Ground water	4,85,680	4,24,112	5,17,379	5,26,544
Recycled water	8,58,393	6,34,914	7,27,246	8,05,021
Total Water Consumption	11,15,527	9,89,283	13,61,562	15,43,973

LEVERAGING IOT FOR REAL-TIME GROUNDWATER MANAGEMENT AT VIKHROLI CAMPUS

Over extraction of groundwater and drying up of aquifers is a universal problem in India, and the country is predicted to face high degrees of water stress in the future. We are utilising IoT technology to combat this problem effectively.

Our facility at Pirojshanagar, Mumbai, has a daily water requirement of 3,230 m³ of which 700 m³ is met from groundwater extracted from the 16 on-campus structures. The extraction is carried out with the permission of the Central Ground Water Authority (CGWA), which has strict compliance norms regarding quantities used. Ensuring the sustenance of these groundwater systems is imperative for our business continuity too. To meet these different priorities, we have put in place various measures.

- All 16 of the groundwater extraction structures on the Vikhroli campus are fitted with IoT-based digital flow meters with telemetry system to monitor real-time consumption. Integrated with the cloud network, limits of water extraction for each structure are set

based on requirements at different locations, and in instances of overuse, alerts are triggered.

- Usage reports are generated with periodic monitoring and exceptions of unusual divergences. Further, an extensive setup of rainwater harvesting structures have been established to capture water from rooftops, other open and unobstructed areas and also from runoff.
- The collected water goes through appropriate filtration processes and is then routed through channels for groundwater recharging. Our installed recharge capacity is of 4,25,865 m³/ year.

Total wastewater recycled and rainwater harvested over the last decade is equivalent to the water consumed by

261.80 Mn
persons annually

BEYOND-THE-FENCE INTERVENTIONS TO IMPROVE WATER AVAILABILITY

Ensuring water security not just within our premises but also in regions where we operate is part of our community development priorities. We are part of a multi-stakeholder initiative to rejuvenate a community pond at Chunni Kalan village in Mohali, Punjab, which is close to the Godrej Appliances plant at Mohali. Carried out in collaboration with the Chunni Kalan Village Panchayat and Sehgal Foundation, an organisation with expertise in rural development projects, the revival of this water body will benefit 140 families and make 1.67 Mn litres of usable water available to the village.

Earlier, the water in the pond had become unusable due to extensive inflow of sewage water and solid waste dumping. The stagnant and dirty water became a breeding ground for mosquitoes. The cleaning of the accumulated silt and waste has made clean water available once again. Through this initiative, we have successfully met our sustainability objectives of increasing community access to water, improving water quality and, in turn, supporting community health.



Material use

While operations in the manufacturing sector lead to the consumption of resources, as a responsible manufacturer, our attempt is to constantly minimise the usage of resources and to shift to sustainable consumption through more widespread adoption of circularity and green materials.

To fulfil the mandate of minimising consumption, we continuously refresh our benchmarks and measures adopted and monitor our materials consumption so that opportunities for optimising use are identified.

TRACKING THE CONSUMPTION OF PRINCIPAL RAW MATERIALS*

S.No.	Particulars	U.O.M.	FY20	FY21	FY22	FY23
1	Mild Steel	Tonnes	1,83,840	1,44,066	1,69,076	1,78,559
2	Mazak/ Zamak	Tonnes	431	337	544	550
3	Brass Sheets	Tonnes	1,041	830	1,224	1,236
4	Aluminium Sheets	Tonnes	1,219	1,458	1,918	2,261
5	Foaming Components	Tonnes	13,148	11,344	11,709	13,635
6	Copper	Tonnes	5	75	21	1,649
7	Paint and powder	Tonnes	2,813	1,707	2,178	2,264
8	Aggregates	Tonnes	4,99,103	3,09,552	5,08,144	6,35,394
9	Cement	Tonnes	1,58,879	1,03,034	1,74,900	2,18,554
10	Sand	Tonnes	3,85,585	2,48,071	4,07,524	5,15,746
11	Flyash	Tonnes	21,485	15,350	36,221	39,574
12	Plastic Granules	Tonnes	3,216	7,683	6,985	6,583

S.No.	Particulars	U.O.M.	FY20	FY21	FY22	FY23
1	Material Intensity	Tonnes/Cr. MVA	621.88	396.49	449.13	461.75

* Only major UOMs are reported. Principal items reported are items consumed across BUs with common UOM and individually contributing to 10% or more of the total raw material consumed by the BU

Pioneering green construction materials in India

The built environment accounts for 39% of the gross annual carbon emissions worldwide⁵. A large share of this originates from embodied emissions, which are created when producing construction materials.

Godrej Construction has pioneered the manufacturing of sustainable construction materials in India by adopting circularity principles.

By recycling concrete debris from construction and demolition (C&D) waste, we replace virgin aggregate use without compromising on quality and durability parameters.

Our plant manufactures concrete blocks, pavers and other customised products like box culverts

India generates

150 Mn MT

of C&D waste that accounts for 35-40% of the global C&D waste annually. Every year less than 2% gets recycled and ends up at landfills

Godrej Construction's Pirojshanagar plant can recycle upto

300 Tonnes

of concrete debris waste per day

Processed more than

25,000 MT

concrete debris waste

⁵ WEF, [weforum.org/agenda/2022/09/construction-industry-zero-emissions/](https://www.weforum.org/agenda/2022/09/construction-industry-zero-emissions/)



Waste management

Effluents and solid waste

Our waste management practices are designed to reduce the environmental impact associated with waste generation and disposal. We focus on reduction of waste generation at source, segregation for better management and responsible disposal.

Under the 'Greener India' goal, we had set ambitious targets to reduce the generation of hazardous waste by 50% and ensure zero non-hazardous waste to the landfills by 2020.

We have in place well established processes for monitoring and managing different categories of waste generated in its operations. No significant spills were reported during the reporting period.

By 2031-32, we plan to

Reduce hazardous and non-hazardous waste by 25%, and completely phase out the use of EPS and replace with 100% recyclable plastic packaging.

We have also set up a municipal solid waste recycling facility in the premises to manage entire solid waste generation from Pirojshanagar township, Vikhroli, as a step towards a 'Zero waste to landfill' goal under 'Greener India'.



52%

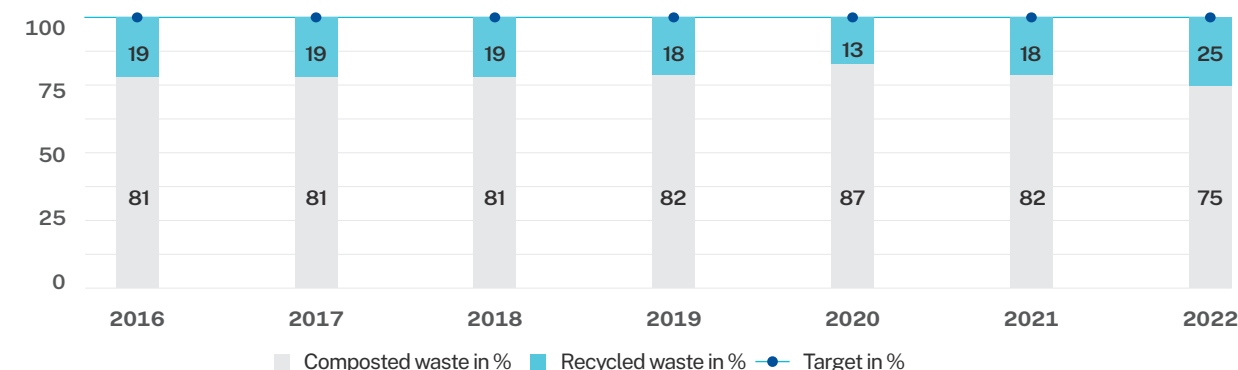
reduction in generation of hazardous waste

99.60%

Non-hazardous waste diverted from landfill

MT of recyclable waste was sent for recycling as per type. By doing this, we have avoided 23,447 MT of garbage dumping in city landfills as shown in the graphic below:

Y-o-Y WASTE RECYCLED AND COMPOSTED (%)



SOME WASTE MANAGEMENT PROJECTS INITIATED DURING THE REPORTING PERIOD

- 1 Installation of filter press at Vikhroli East RMC for sludge management
- 2 Utilisation of RMC sludge for manufacturing of recycled concrete blocks
- 3 Effluent treatment plant (ETP) sludge reduction by using nano-chemicals
- 4 Oil filtration and reuse
- 5 Forklift battery regeneration
- 6 Re-filtration and reuse of waste hydraulic oil
- 7 Reduction of the used oil cotton gloves
- 8 Composting of sewage treatment plant (STP) sludge
- 9 Scrap reduction by Implementation of trolley for material movement and delivery
- 10 Reduction in paint sludge waste and thinner
- 11 Recycling of wood
- 12 Construction of new scrap yard to improve the waste segregation
- 13 Reduction of the paper waste generation
- 14 Reduction of plastic waste consumption

PROMOTING CIRCULARITY THROUGH COMPREHENSIVE WASTE MANAGEMENT

Our Pirojshanagar campus runs a municipal solid waste recycling facility which processes all the solid waste generated by the township, covering all our manufacturing activities at the Vikhroli campus, leased premises, schools, shops, community centres, the Godrej Memorial Hospital and residential colonies. Following the 4R-approach, around 10 MT of source segregated municipal garbage is collected everyday through 70 common collection points. Almost 80% of this waste is biodegradable and is composted in the landscaped greens that are located within the township. The remaining 20% waste is meticulously segregated into different categories like paper, cardboard, tissues, plastics (by type), EPS, glass, cloth and other non-recyclables. The recyclables are channelised to specific recyclers and the non-recyclable waste is co-processed as refuse derived fuel in cement kilns.

The programme employs around 35 individuals from the ragpicker community for the collection, segregation and processing work. Other than providing regular income to these people, all employee benefits like coverage under ESIC-PF, regular health check-ups, bank account linkage etc have also been provided.

Absolute zero waste to landfill since inception in 2014, with close to
23,447 MT
of waste productively utilised.

Social outcome

Livelihood generation for members of the ragpicker community, improvement in work and living standards, and financial inclusion.

Plastic waste management and extended producer responsibility

We manage our extended responsibility for collection and channelisation of e-waste generated through appointed authorised Producer Responsibility Organisations (PROs) for scientific recycling of the e-waste generated at the end of life of the product. We are registered as a 'brand owner' with the Central Pollution Control Board (CPCB) under the Plastic Waste Management Rules 2016, and amendments thereafter.

As a brand owner, we ensure that we offset the amount of plastic packaging material that has been released into the market by virtue of the sale of our products through appointed Waste Management Agencies (WMAs) across India. Parallely, we have prioritised on reducing the consumption of plastic in packaging material, substituting non-recyclable plastic material with recyclable type, channelising the waste materials and offsetting the waste at the end of useful life.

Since FY11, waste recycled (diverted from going to landfill) was equivalent to
25,221 standard 40 feet container loads

(Total from FY19 to FY23)

TOTAL WASTE GENERATED AND DISPOSED

Type (in MT)	Method of disposal	FY20	FY21	FY22	FY23
Hazardous*	Sent to authorised vendors	1,231	1,033	1,038	1,505
Non-hazardous	Recycling or upcycling (wherever possible)	60,636	50,178	42,436	41,257

	FY20	FY21	FY22	FY23
Plastic waste recycled (MT)	2,261	3,264	3,413	2,226
E-waste recycled (MT)	14,595	15,729	20,000	30,662

* Excludes disposal of empty barrels/containers/liners contaminated with hazardous chemicals/waste and used batteries sent to authorised recyclers, as per above break-up, sent to authorised vendors for recycling tyres



Golden Jackal spotted at Godrej's mangroves

Conserving biodiversity

At G&B, biodiversity management is guided by our core vision, mission and values, environment policy, organisation's beyond compliance initiatives and national and international targets such as UN SDGs.

It is a coordinated effort between the wetland, horticulture, environmental engineering departments with involvement of construction, E&E divisions.

We take conscious efforts to involve other BUs, Udayachal schools and Township residents in biodiversity awareness.

Since inception, we have committed ourselves to the scientific management of Pirojshanagar mangroves, the third-largest forest of Mumbai, that serve as lungs (by air quality improvement, carbon sequestration) and kidneys (by filtering and breaking down the pollutants) of the Mumbai metropolitan region. In 2022-23, our mangrove management received global recognition as a 'Global Solution' on the PANORAMA website by the United Nations Environment Programme (UNEP), International Union for Conservation of Nature (IUCN), GIZ, The World Bank Group, Global Environment Facility (GEF) and other international organisations.

Our three-pronged strategy of research, conservation, awareness is implemented with internal expertise and resources and by engaging non-governmental organisations (NGOs) and community-based organisations (CBOs), academia, government agencies and business sector. In last six

years alone, we have sensitised 90,000+ citizens.

With World Wildlife Fund (WWF-India) India, we launched Magical Mangroves campaign in 2020-21 to sensitise residents of the coastal states, that achieved highest outreach of 10500+ citizens across eight Indian in 2022-23, taking the total three-year outreach to 27,500+ citizens.

Additionally, the campaign registered 14.74 Lakhs impressions, 13.12 Lakhs reach and 3,126 engagements on our social media platforms this year. In the last one year, we disseminated hundreds of copies of English and Marathi versions of 'Many Secrets of Mangroves' - India's first storybook on mangroves. This was done through national conferences and local trainings for fisherfolk, nature guides, forest guards, etc.

Our Mangroves mobile app outreach increased to 130 countries in 2023 from 112 countries in 2022. We were invited for an online talk on the Mangroves app by Foundation for Environment Education Denmark for educators from 31 countries across Africa, South, North and Latin America, and Asia.

MANGROVE OUTREACH PROGRAMME

Financial Year	Outreach
2019-20	7,883
2020-21	18,473
2021-22	18,511
2022-23	23,231



Preserving Pirojshanagar mangroves over 3 decades

The Pirojshanagar mangroves is home to 1,500+ species, boasting an expansive diversity of species of plants, birds, animals, amphibians, reptiles and aquatic fauna. The mangroves act as a natural change stabiliser for the Mumbai metropolitan region, with the biomass holding lakhs of tCO₂e. Additionally, close to 60,000 tCO₂e is being sequestered every year in the lush green tree cover.

This session enhanced our international outreach by many folds. This year we also achieved significant milestone of upgrading our app to include/support French and Spanish language/version, making it the only Mangroves app of the world in 13 languages. We also shared the Godrej Mangroves Management initiative at the World Oceans Summit at Singapore. In 2021, we extended the mangrove conservation efforts beyond our campus with an intent to support NGOs, academia, Government agencies, corporates etc. with the announcement of India Mangrove Coalition in collaboration with the Confederation of Indian Industries and WWF-India. In 2022-23, we upgraded it to ‘India Wetland Coalition’ (IWC) in consultations with the Ministry of Environment, Forest and Climate Change (MoEF&CC), Confederation of Indian Industry (CII), WWF-India, GIs and Wetlands International. The initiative is contributing to policy dialogues, promotion of nature-based solutions, mangrove restoration and offers a repository of mangrove-related publications through a dedicated website, etc.

We facilitated IWC’s first state-level workshop, attended by 40 participants from corporates, NGOs, academia and consultancies. The event was addressed by Mr. Sujit Bajpayee, Joint Secretary, MoEF&CC and Mr. Adarsh Reddy, DFO, Mangrove Cell, Maharashtra. The set of recommendations and report of this workshop have been submitted to the MoEF&CC. To understand IWC updates and its resources for wetland conservation, do visit sustainabledevelopment.in/iwc/.

The Pirojshanagar mangroves are India’s first ISO 14001 certified mangroves

The Pirojshanagar mangroves have sequestered over 11.90 Lakhs tCO₂e

PROTECTING ENDANGERED HABITATS, SIGNPOSTING NATURE-INDUSTRY COEXISTENCE

By 1948, just the year after India’s independence, we had acquired several hundred acres of land for setting up Industrial Garden Township. The land included a large area of luxuriant mangroves along its eastern boundary, skirting the Thane Creek. Over the years, we have acknowledged the critical role of these mangroves in protecting biodiversity and the overall ecosystem of these wetlands. Issues such as carbon sequestration, land erosion were unknown then. The area was earmarked for conservation, with its habitat fully protected. From 1985, we started scientifically managing these mangroves with a three-pronged strategy of research, conservation and awareness.

This was a foundational step. An integral part of Mumbai, the area is home to 1,500+ species of plants, birds, animals amphibians, reptiles and aquatic fauna. The mangroves act as a natural change stabiliser for the Mumbai metropolitan region, with the biomass holding lakhs of tCO₂e. Additionally, close to 60,000 tCO₂e is being sequestered every year in the lush green tree cover of Pirojshanagar mangrove ecosystem. The inherent nature of the mangroves roots create favourable conditions for aquatic life, supporting the breeding of prawns, crabs and fishes, etc, and safeguarding the livelihoods of local fisherfolk. In a bid to create greater awareness about the role that mangroves play against climate change, we have undertaken several initiatives. The Magical Mangroves campaign is part of this initiative and takes the message of mangrove conservation to the masses. The Mangrove Ambassadors created through this programme, started in association with WWF-India in 2020, engages with youth to build awareness and involves them in conservation.

Seven Indian coastal states of Maharashtra, Goa, Gujarat, Andhra Pradesh, Tamil Nadu, Kerala, Odisha, West Bengal and Karnataka, which make up India’s 6,100 kms-long mainland coastline, are being targeted for generating awareness. Volunteers identified by WWF-India are mentored by us to spread the message of conservation of coastal ecosystems in their respective states.

A curated toolkit of presentations, videos, story books and Mangroves app are used as communication tools. So far, over 27,500+ citizens have been sensitised through 300+ webinars.

In the recent years, we have developed the English and Marathi versions of ‘Many Secrets of Mangrove’s, India’s first storybook on mangroves. This 40-page book is conceptualised for 8-12-year-olds, to introduce them to the fascinating world of mangroves. We also run a dedicated website on mangroves (mangroves.godrej.com) with 3,25,000 users from 215 countries. This serves as a repository of mangrove-related information. A mangroves mobile app has been launched that works as a pictorial field guide for easy identification of various mangrove species. Covering 67 mangrove species in English, French, Spanish and 10 Indian languages, the app has proved to be a real boon for people at the grassroots level – the fisherfolk, villagers, forest guards, field staff working with NGOs – who can now use the app to improve their understanding and change their behaviours favouring conservation.

By 2023, the mangroves app has reached 130 countries and is the most downloaded Mangrove app in the world today

INCREASE IN BIODIVERSITY IN PIROJSHANAGAR (NEW SPECIES INTRODUCED)

	FY20	FY21	FY22	FY23
Trees	175	177	177	184
Shrubs	289	298	298	311
Palms	28	28	28	28
Ferns	51	51	51	51
Climbers	114	116	116	116
Cactii	166	166	166	166
Succulents	203	203	203	203
Medicinal and aromatic plants	87	89	89	89
Grass	-	-	-	2



Horticulture garden with over 800 species at the Godrej hillside colony

Making a green difference

Our Horticulture Management team continues to enhance green cover, conduct wildlife rescues and rehabilitation as well as soil and water conservation.

In addition, it also works at adding to the green cover at our facilities by adopting high density plantation techniques. A 6-hectare plantation at Khalapur with 6,000+ trees has shown healthy growth over the past two years, with the local community's participation in its maintenance.

Our Godrej Appliances plant at Shirwal, Maharashtra, is yet another example of how industry can flourish in close proximity to nature. The campus is dotted with more than 15,000 trees of different varieties, including sandalwood. The foliage is watered through drip irrigation and a hydroponic system has also been installed, showcasing how prudent water conservation practices can coexist with nature's profuseness. The campus also has an open air butterfly park. Our HMS had adopted principle of integrating greenery in landscape designing with focus on Indian and naturalised plant species.

Our Shirwal campus is dotted with

15,000+
trees of different varieties

The department ensures safety of campus users with scientific pre-monsoon trimming of trees. The trees are being mapped through remote-sensing techniques and Global Positioning System (GPS) to understand vegetation features of the campus. The same data is also used for estimation of carbon sequestration by greenery of Pirojshanagar campus and for enhancing Biodiversity Index of the campus by introducing new and locally appropriate species to the existing 1100+ plant species.

Practices like mulching with available leaf litter ensures soil moisture conservation, tree survival and financial savings. HMS Department represents us in various city, state and national level competitions, and has won a number of awards and recognitions consistently.

New and locally appropriate species are being added to the existing

1,100+
plant species at our
Pirojshanagar campus



A sprawling garden at the Godrej IT park terrace

CHAMPIONING THE GREEN BUILDING MOVEMENT IN INDIA

We joined hands with CII and United States Agency for International Development (USAID) to pioneer the concept of Green Buildings in India. Our Group entities Godrej Construction, Godrej Electricals & Electronics (Green Building Services) have been acting as influencers, models and facilitators for creating awareness around Green Building principles, construction methods and benefits, and easing the path to acceptance.

India's first Platinum-rated Green Building – the CII Sohrabji Godrej Green Business Centre in Hyderabad, has been built by us. It is U.S. Green Building Council (USGBC) LEED* certified, a globally recognised seal of sustainability. The company has also partnered with the World Green Building Congress (WGBC) to promote the cause of 'Net Zero' in the Asia Pacific region. We have successfully developed India's first 'Net Zero' building at our Pirojshanagar, Vikhroli facility.

In the last two decades, our Green Building Consultancy Services (GBCS) has facilitated green building certification for many projects. This has resulted in GBCS facilitating over 600+ green buildings adding upto 300+ Mn sq ft of space, with yearly energy savings of 6,10,000 MWh, water savings of 1,46,000 KL and carbon emissions savings of 5,18,500 tCO₂e.

**GBCS has facilitated over
600+
green buildings adding upto
300+ Mn sq ft of space**

**GBCS has facilitated over
6,10,000 MW
of energy savings per annum**

CASE STUDY

Net-zero buildings make an immediate impact on improving the environment as they are emissions-free. In FY21, our 'Plant – 13 Annexe Building' became the first building in India to achieve a 'Net Zero Energy Rating' awarded by the Indian Green Building Council (IGBC). The building is self-sustaining, with its energy needs being met by onsite and offsite renewable energy sources. The facility uses 30% less energy than the Energy Conservation Building Code Baseline (ECBC).

* Leadership in Energy and Environmental Design



Supply chain sustainability

Offering a variety of automated warehouse storage solutions for efficient intralogistics needs of diverse industries.

SUPPLY CHAIN MANAGEMENT

Expanding competencies, creating synergies

We place the highest priority on developing a sustainable and well-integrated supply chain and view it as a crucial aspect of our business competitiveness. A sustainable supply chain has been identified as the most important aspect, as per the recently concluded materiality assessment exercise.

We have been focusing on driving growth by creating a more accountable, efficient, resilient, and sustainable supply chain. While doing so, some of the formidable challenges faced in the business landscape that we operate in are extreme costs, a leaner workforce, shorter product life-cycles and demand for higher quality.

While safeguarding ourselves of such challenges, it is also important for us to stay committed to our sustainability goals, thus ensuring a more efficient and sustainable business operation. Our sustainability goals too must be driven through our supply chain to ensure lasting impact.

Aspects like material circularity, localisation of inputs, and emissions control directly involve our supply chains. We meet these multiple objectives by following stringent selection policies and quality control processes, close engagement, integration and positive intervention with our suppliers.

Supplier classification

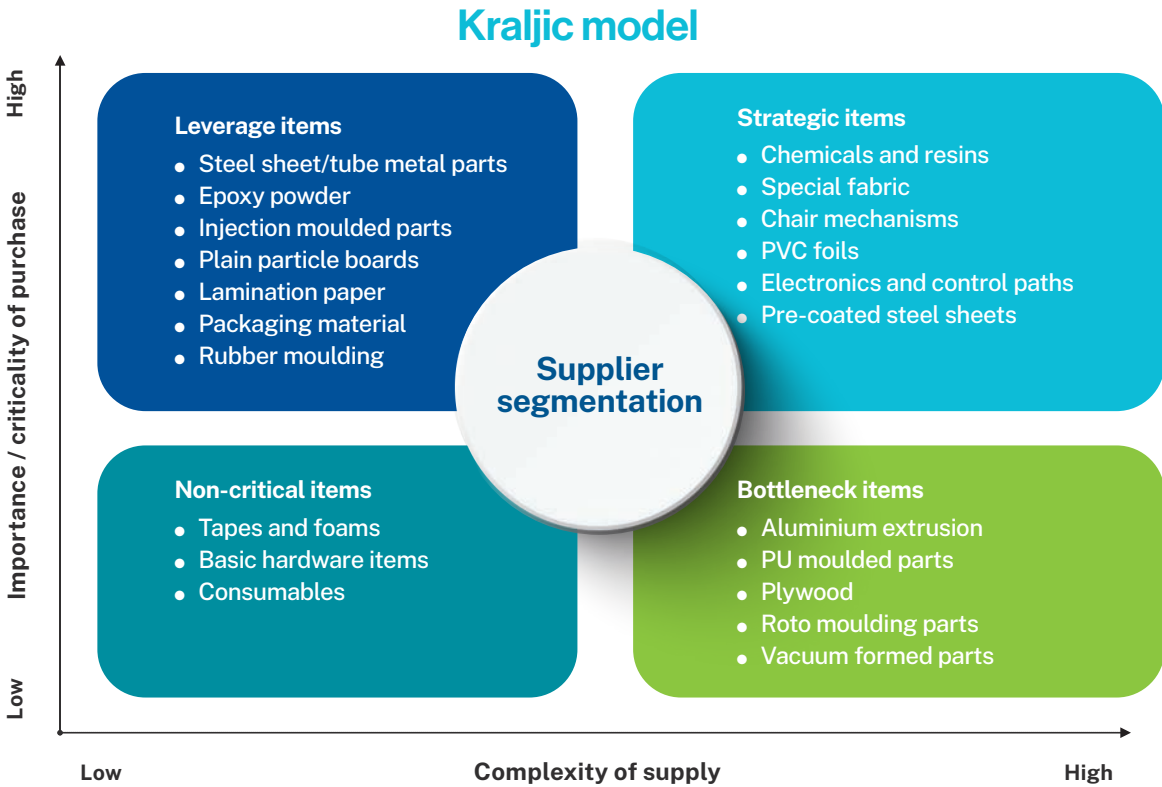
Our suppliers provide us with different inputs like raw materials, finished and semi-finished components, and finished traded goods. The company uses the Kraljic Portfolio Purchasing Model to segregate suppliers and decide the type and level of engagement with them.

In this model, category spend is mapped against two key dimensions: criticality of resource and complexity of supply, with a specific management strategy aligned for each. In addition, other criteria are also applied for segmenting suppliers.

9,000+ Cr
annual purchase value

750+ suppliers 80% purchase from domestic suppliers

20% from imports



Supplier Code of Conduct

We follow rigorous processes when it comes to on-boarding any business partner. We ensure that suppliers keep delivering in the most efficient and quality conscious manner. The Supplier Code of Conduct or SCOC followed by us serves as an excellent example. The SCOC sets expectations with suppliers with respect to ethical conduct, social, communal, environmental and even governance responsibilities.

This is how we help raise standards within our larger value chain and promotes greater all-round equity.

The key components of SCOC are:



People

Sexual harassment, forced labour, child labour, discrimination, compensation, regular working hours and safe conditions of work, health and safety, freedom of association and collective bargaining, learning and development.



Environment

Treatment of industrial effluents and waste; minimise waste and promote recycling; preserve biodiversity.



Community

Community engagement and development.



Corporate governance, business conduct & ethics

Corruption and bribery, Conflict of Interest, protection of technology and intellectual property, international trade controls.

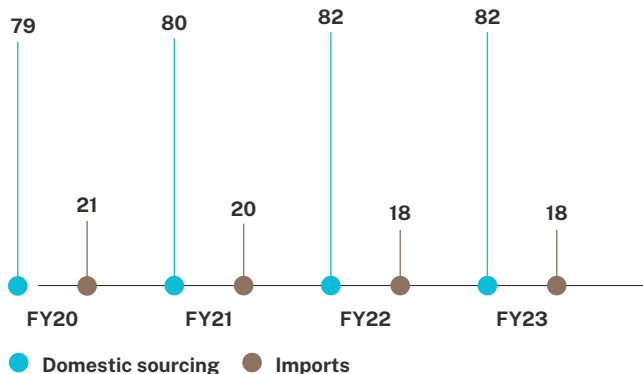
Supplier Quality System Assessment (SQSA)

We are committed to achieving global quality and have exacting standards for the suppliers that we choose to work with. The SQSA is our standard assessment procedure, and encapsulates the processes used for supplier selection and audit. For each individual BU, their Sourcing, Supplier improvement and Quality teams conduct the supplier audits as per the standard operating procedure (SOP) and only those suppliers that pass these processes are approved for onboarding. The SQSA is followed for both existing suppliers and new entrants. Frequency of audits is fixed and strictly adhered to, with the environmental and social performance of suppliers and their progress on various improvement projects also being assessed. This helps to incentivise improvements.

Driving greater localisation

To create greater supply chain resilience, reduce cost volatility and promote local economies and indigenous skill development, we have been consciously promoting ‘Make in India’ by developing suppliers who can replace imports. Currently, our share of domestically sourced inputs to imported ones stands at 80:20 and the share is increasing Y-o-Y.

Share of domestic sourcing to imports (%)



Currently, our share of domestically sourced inputs to imported ones stands at 80:20 and the share is increasing year-on-year.

OPTIMISING MATERIAL USE FOR BETTER ENERGY EFFICIENCY

Godrej Appliances was manufacturing refrigerators with capacities ranging from 100 litres to 255 litres using big-size compressors known as JUMBO that weigh between 8.5 and 8.9 kg. There was a need to optimise material use and costs by creating a series of lightweight mini compressors that could be used in smaller capacity, high-volume refrigerator product lines. To achieve this, Godrej Appliances adopted a two-pronged strategy including standardisation of parts for JUMBO and mini compressors, and

local production of parts. Consequently, Godrej Appliances achieved a 20% decrease in weight for components like the housing of the compressors, shell and its cover. It also successfully created a mini fixed-speed compressor with 33% less weight, having similar cooling capacity but with greater energy efficiency ratio. Not only were material costs saved, but the smaller compressor sizes also increased the throughput of despatch quantities. All these new components are being developed in association with local suppliers.

Localisation has very significant benefits for the company and the nation – including reducing the import bill, securing supplies against unforeseen disruptions, better control over product design and input costs, business agility and highly reduced inventory cycles.

The examples given here are few among the many Indianisation and localisation attempts underway within the our production universe.

LOCALISATION EFFORTS WITH EXISTING SUPPLIERS AND EXTENT OF IMPACT ON OPERATIONS

Full import substitution after design modification			
Product / RM / component	Import vendor country	Process fully developed at domestic vendor	Inventory reduced, if any (DOH*)
PCB for washing machines	China	Local PCB mfg facility for consumer appliances and auto sector	49 DOH to 10 DOH
EVA end caps for ACs	China	Design changed	45 DOH to 15 DOH
Pre-coloured ABS metallic red & grey compound	Korea	Glitter effect processing	60 DOH to 15 DOH
Full import substitution without any design change			
On/ Off switch (Viroshield)	UK	NA	45 DOH to 15 DOH

*Days of Inventory on Hand



Tube bending machine for aircraft engine applications

Supplier engagement

Structured supplier engagement programmes help us to integrate our suppliers and make them active participants. Different BU's have set up special supplier improvement/development teams, who work closely with suppliers at their facilities, striving to increase efficiencies, solve problems and develop new

solutions. Our cluster programmes and Kaizen projects with suppliers help with improving capabilities and driving the competitiveness of suppliers. We also extend need-based working capital to suppliers. This kind of positive engagement has improved the performance of our suppliers holistically.

The company uses various supplier engagement platforms to build and nurture crucial supplier relationships. These platforms include:

Engagement platform	Type of suppliers covered	Objective	Frequency / duration
Annual supplier conference	Strategic, Bottleneck & Leverage	<ul style="list-style-type: none"> To share previous year's business performance To share future business plans Reward and recognise best suppliers and improve business relationships with key suppliers 	Annually
Supplier satisfaction survey	Strategic, Bottleneck & Leverage	<ul style="list-style-type: none"> Measure supplier partner satisfaction levels at regular intervals Benchmark Godrej Appliances sourcing practices with other Appliance Industry manufacturers in India 	Annually
Supplier cluster programme	Strategic, Leverage & Routine suppliers	<ul style="list-style-type: none"> Inculcate culture of operational excellence through implementation of concepts of lean manufacturing 	Bi-Annually
CII GreenCo rating	Strategic Bottleneck & Leverage Suppliers	<ul style="list-style-type: none"> Promote green movement Reduce resource intensity Prepare supply partners to meet future environmental regulations and mitigate risks 	Annually
Supplier performance review meet	All suppliers	<ul style="list-style-type: none"> Review monthly quality performance and action plans Discuss future product quality improvement plans and provide inputs for improvement 	Monthly
CFT visits	All suppliers	<ul style="list-style-type: none"> Visit suppliers to address chronic quality issues in critical to quality (CTQ) parts / products 	As and when required

Supplier cluster programme

Our supplier cluster programme is inspired by lean management principles that support Small and medium-sized enterprise (SME) suppliers to achieve operational excellence. Each BU has dedicated supplier capacity development teams that work with defined set of critical suppliers to inculcate manufacturing excellence practices in day-to-day operations of the suppliers through various structured cluster programmes.

A specific roadmap has been designed to suit local SME suppliers, with an emphasis on handholding apart from training and development of their

employees. Initially, the roadmap comprised four main modules: 5S, My Machine, Quality, and Productivity Improvement.

In line with the strategy to expand its circle of influence for Green practices, we added a new module — Green Practices. For each of these modules, there are specific deliverables to be achieved within a defined time frame.

Over the last 10 years, more than 150 SME suppliers have been covered under various supplier cluster programmes of our distinct BUs.

TAKING CLUSTER APPROACH TO CREATE WIN-WIN FOR SUPPLIER AND G&B

We are proud to be associated with suppliers like M/s Sandhar Automotives. The supplier has done exemplary work on environment management whereby it was able to achieve zero discharge of contaminants into the environment, and full compliance with all applicable environmental laws. Some of the noteworthy initiatives are:

For reduction in water use

- Rainwater harvesting system implemented
- Zero wastewater discharge through implementation of STP/ETP and water recycling

For reduction in waste

- Greater adoption of digitalisation and reduction in paper use

- Replacement of all oxygen cylinders used for production, oxygen generator installed

For reduction in energy use

Installation of
250 kWp
rooftop solar

Installation of
LED lights
and VFD in compressors, blowers and pumps

Introducing our suppliers to green manufacturing processes

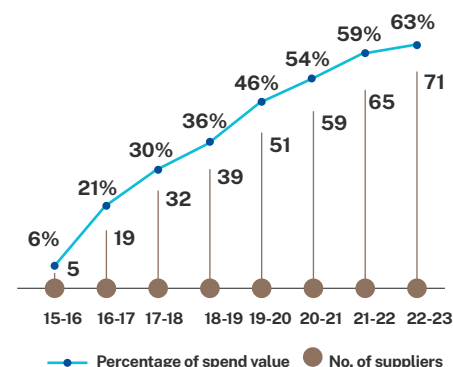
We have been an early pioneer of green manufacturing practices in India, and the Godrej Appliances plant at Shirwal was the first CII GreenCo Platinum certified manufacturing plant in India. Since then, eleven of our factories have become GreenCo rated, of which five are 'Platinum' rated belonging to businesses like Godrej Appliances, Godrej Interio, Godrej Lawkim and Godrej Precision engineering. We are partnering with our suppliers to implement the Green Company Rating System (GreenCo) and catalyse green industry growth in India.

To promote inclusive green manufacturing in the country we reached out to include our suppliers, with the objectives of:

- **Preparing suppliers to meet future environmental regulations and mitigate future environmental risks**
- **Conserve natural resources and reduce resource use**
- **Create a culture for sustainability**

Our GreenCo-related work with suppliers encompasses training on how the system works and various modules on subjects like energy efficiency, water conservation, renewable energy, GHG emissions, waste management, material conservation, recycling and recyclables, green supply chain and green infrastructure and ecology. To ensure that our suppliers complete the certification process successfully, support is provided to them throughout the assessment, certification and implementation stages.

GreenCo-certified suppliers



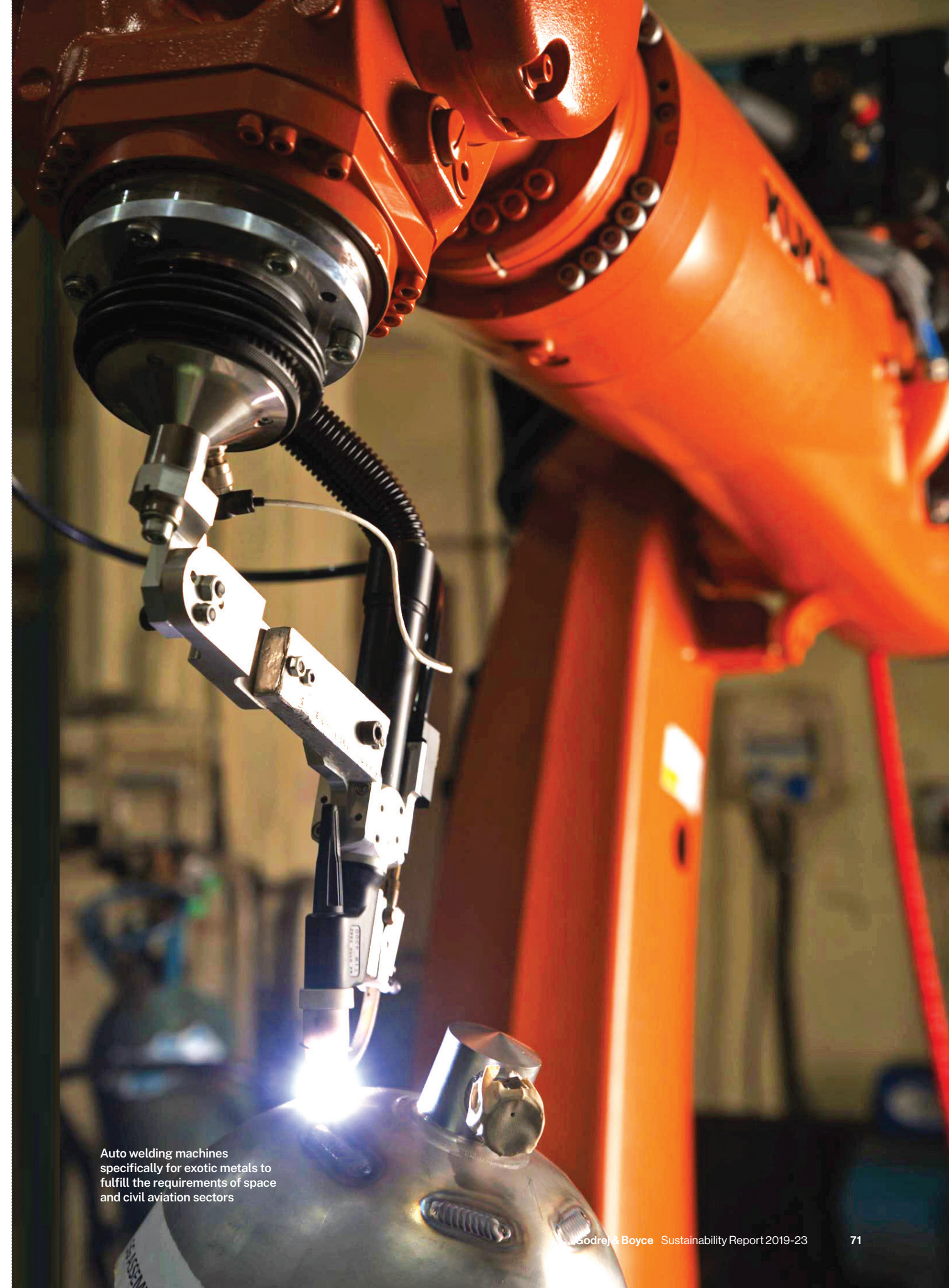
Support provided during pandemic

We were devoted to aiding our supplier collaborators in securing their health and safety throughout the COVID-19 pandemic. Our horizontal endeavours included: dispersing safety protocols over supplier factories; communicating information on COVID-related suggestions and making sure suppliers assimilate it to implement at their end; relocating or reconfiguring workstations, as well as putting in barriers between workstations for sustaining social distancing during the pandemic; teaching supplier personnel about how to use personal protective equipment (PPE) such as masks, shields, sanitisers, et cetera; building up flexible working hours (e.g. alternate day operating, staggered shifts, etc).

We also organised vaccine camps for suppliers in our factory premises, allowing them to take vaccinations during the drive. We assisted our supply partners with obtaining an uninterrupted supply of PPEs at

affordable prices; and facilitated early payments through a supplier financing facility, as well as utilised virtual platforms (such as Microsoft Teams and Zoom) for holding meetings and capacity-building programmes.

Our highest priority is to develop a sustainable and well-integrated supply chain as it is a crucial aspect of our business competitiveness.



Auto welding machines specifically for exotic metals to fulfill the requirements of space and civil aviation sectors

INNOVATION – NEW BUSINESS, PRODUCTS & SERVICES

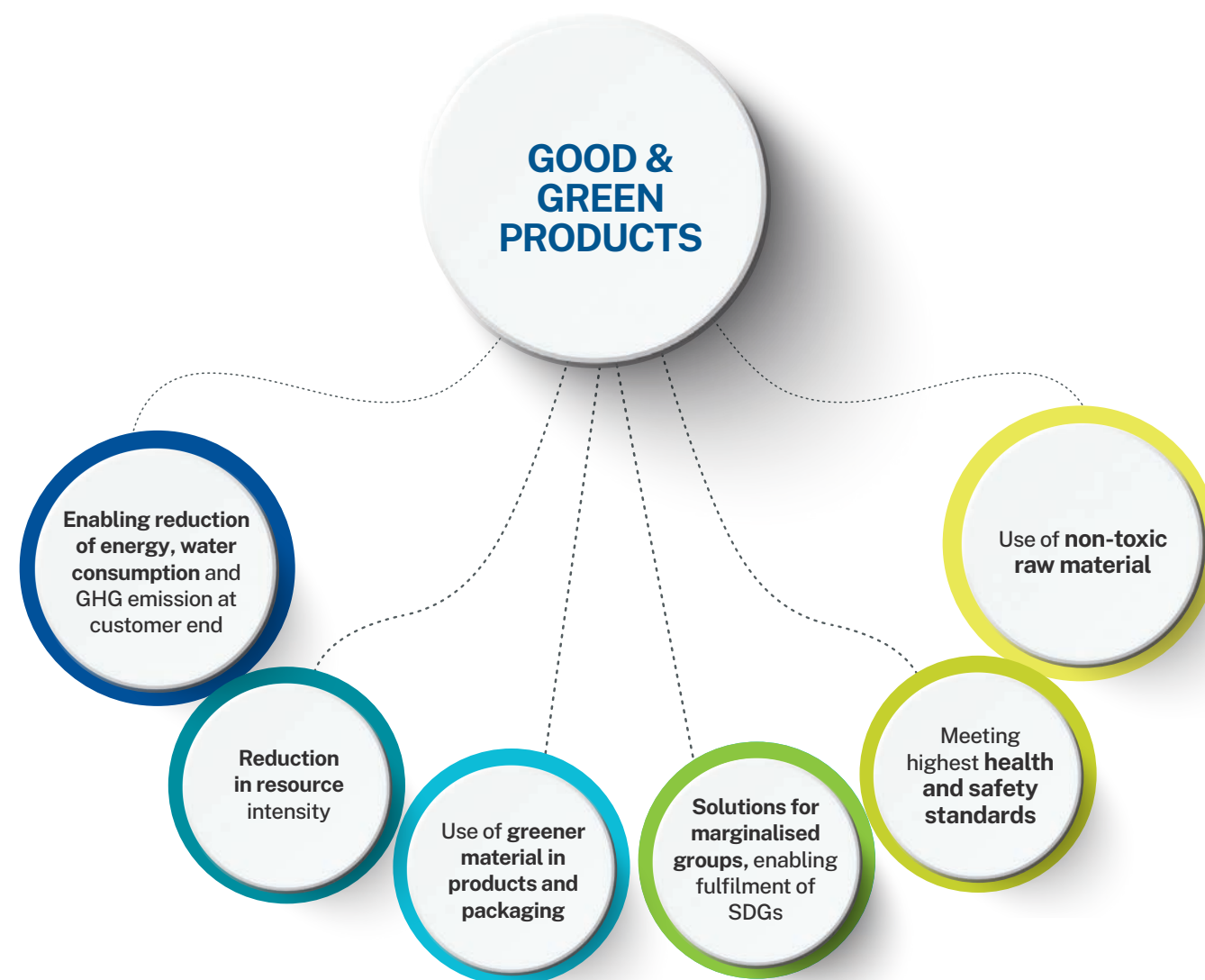
Enabling sustainable consumption

The global focus on slowing down climate change has had a profound impact on what consumers expect from products, services and the providers they choose. We have been working on generating a third of our portfolio revenues from 'good and green' products. This underlines our commitment to the future.

Built by Godrej Construction, Godrej Platinum project in Mumbai is a Platinum rated IGBC Green Home

Understanding 'good' and 'green'

Godrej believes that its products and services need to deliver greatest possible customer benefit, together with highest safety standards and maximum environmental standards and social compatibility. Continuous improvement, technological advancement and consumer insights prompt the integration of sustainability features in the company product and service offerings. The attributes that define our Good and Green products are:





Ergonomic office furniture range by Godrej Interio

Innovation-led product development

With a focus on the planet and people's health, safety and well-being, our innovations are aligned to contribute towards India's goal of greater self-reliance. We are developing capabilities for localised ecosystem to enhance import substitution, indigenous research that addresses Indian ecosystem, and standardisation of critical parts across key product categories. Such initiatives not only help us run leaner operations, but also build the foundation for efficient, cost-effective manufacturing processes that further the case for 'Make in India'.

All our businesses strive to innovate on products and services that create differentiated customer

experience while ensuring the highest safety standards, minimal adverse environmental impact and optimum social compatibility.

Other priorities that underline our 'good and green products' philosophy are cost competitiveness and long-term business sustainability. Many of our mass-market, customer-focused businesses like appliances, locks and interiors have a structured multi-generational product plan and develop products keeping in mind ambitions for increasing market coverage, evolving consumer mind share, industry leadership and sustainability goals.

GODREJ INTERIO: FURNITURE DESIGNED FOR WELLNESS

SDGs impacted



Interio has been reimagining work and living spaces in ways that fit with today's fast, space-constrained lifestyles and the desire for good health. The traditional work chair has been given an overhaul with the introduction of the 'Active seating' concept which addresses the user's need for greater comfort given the long hours that many spend in a seated position. In the Motion Chair, the ergonomic innovation revolves around the flexible back structure that adapts intuitively

to changes in posture. The Motion Chair uses flex material instead of traditional plastic, making multi-dimensional movement and ergonomic comfort easy.

The material usage has been optimised to achieve 20% lesser weight than conventional chairs, leading to greater affordability and better value for the customer. The 'Motion' feature supports the body and reduces stiffness and cramps.



Refrigeration solutions by Godrej Appliances for vaccine delivery

GODREJ APPLIANCES: REFRIGERATION SOLUTIONS THAT STRENGTHEN LAST-MILE VACCINE DELIVERY

SDGs impacted



The COVID-19 vaccine rollout proved the strength and viability of the 'Make in India' initiative. Godrej Appliances, was a proud partner of the world's largest vaccine programme through its advanced range of medical refrigeration solutions that ensured that the vaccines were stored at optimum temperatures, even when administered at the remote locations. Two kinds of refrigeration solutions were involved. The first variant was able to preserve the highly temperature sensitive Covaxin and Covishield vaccines within precise temperature ranges of 2 - 8°C. In addition to these, medical freezers with cooling capabilities of around -20°C were also deployed to store the diluents and ice packs that were needed to ensure consistent temperatures in the last-mile delivery, as temperature fluctuations exposed these vaccines to the risk of getting damaged.

Godrej Appliances also added ultra-low temperature freezers in their portfolio

The ultra-low temperature freezer uses a Cascading cooling system using two kinds of refrigerants having different boiling points, which run through their own independent freezing cycle and are joined by a heat exchanger.

Godrej Vaccine refrigerators come with Surechill technology to ensure temperature stability and maintainability over a long duration of 48 hours, making it ideal for medical refrigeration situations in countries where basic or supplementary medical infrastructure is lacking.

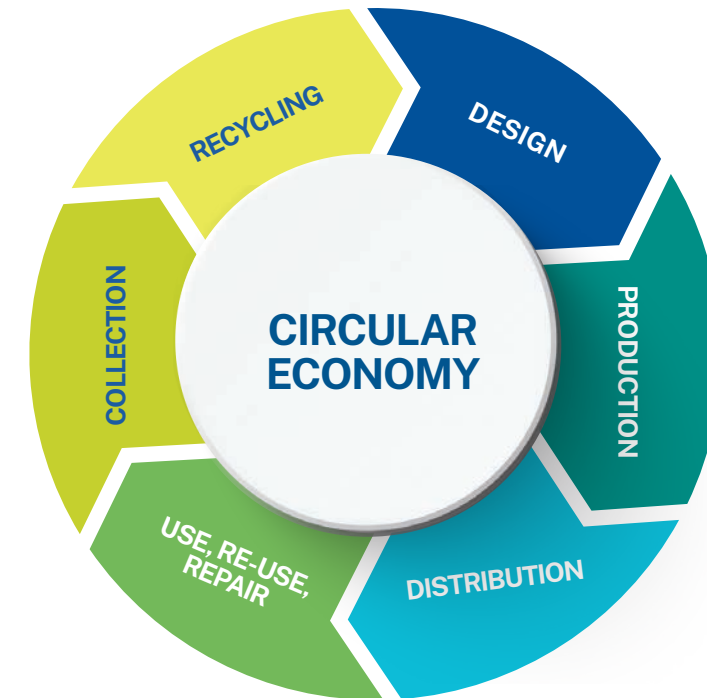
50,000+
vaccine-related products/units sold in last 5 years

48
countries

28 and 8
Indian states and union territories, respectively,



Battery-operated
forklift by Godrej
Material Handling



Product stewardship

Product stewardship forms a key aspect of our 'good and green' vision for product development. It converges with the consumer's preference for an ethical manufacturer and keeps sight of the product's impact across the value chain.

Our LCA-based approach also focuses on the consumer's end initiatives to ensure usage, maintenance and disposal of every product. We provide information on how to take care of the products to help give them a longer lifespan. This information not only guides the customers in the optimal usage but also helps them understand minute details, like care for the raw material, logistics and more.

We also maintain responsibility for the product even after it has been handed over to the customer through warranties and service agreements,

especially for the critical components. Our service team helps the clients in maintaining their products through optional Annual maintenance contracts (AMCs) within and beyond the warranty period life extension services like re-painting, refurbishing, etc. are also made available to increase the longevity of products.



Protection of environment is one of our core values and we seek active cooperation and participation from our customers to make sure that our product, packaging and plastic material is not disposed as unsorted municipal waste. The company has taken aggressive EPR targets and has established processes for management of e-waste and plastic waste across its value chain. The updated list of authorised recyclers is published on our website.

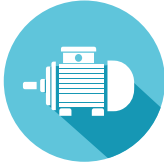



All our businesses assess the lifecycle impact right from the design and planning stage.

LCA helps us in institutionalising environment-friendly and sustainable processes and minimising impact across the value chain.



Embedding sustainability into product value chain

 <p>Godrej Appliances</p>	PRODUCTS	<ul style="list-style-type: none"> ● Refrigerators: (BEE-certified; 3 star ratings and above) ● Air conditioners: (BEE-certified; 3 star ratings and above) ● Washing Machines: 5-star ratings for all SKUs ● Chest Freezers: (BEE-certified; 3 star ratings and above)
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	<ul style="list-style-type: none"> ● First to introduce hydrocarbon refrigerants with zero ODP and least GWP ● Compressors compatible with greener refrigerants like R600a and R 290
	ECO-FRIENDLY PACKAGING	<ul style="list-style-type: none"> ● Transition from Expanded Polystyrene (EPS) packaging to eco-friendly paper honeycomb solutions
	END OF LIFE MANAGEMENT (DISPOSAL/ RECYCLING)	<ul style="list-style-type: none"> ● Godrej Recycling Policy applies whereby Godrej sends authorised recycler/ company agent to customer premises to facilitate safe recycling
	CUSTOMER HEALTH & SAFETY CONSIDERATION	<ul style="list-style-type: none"> ● Tested as per standards made by Bureau of Indian Standards
 <p>Godrej Interio</p>	PRODUCTS	<ul style="list-style-type: none"> ● Furniture for office and residential use (Conforming to National & International sustainability standards)
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	Use of E1 grade boards with low volatile organic compounds (VOC) emissions <ul style="list-style-type: none"> ● Use of low VOC adhesives, PEFC-certified boards and lead-free powders ● Green Assurance Label implemented ● Implementation of Design for environment (DFE) policy ● Compliant to BIFMA performance and sustainability standards
	ECO-FRIENDLY PACKAGING	<ul style="list-style-type: none"> ● Phase out of multi-layered and EPS packaging with use of greener packaging alternatives
	IMPACT ON LOGISTICS AND TRANSPORTATION	<ul style="list-style-type: none"> ● Logistics reduced through knockdown flat pack product design
	REDUCTION OF IMPACT IN USE PHASE	<ul style="list-style-type: none"> ● Furniture care pamphlets educate new buyers on product maintenance. product demos, post installation videos available on the website ● AMCs provide product life extension services like refurbishing, painting, upholstery, maintenance
	END OF LIFE MANAGEMENT (DISPOSAL/ RECYCLING)	<ul style="list-style-type: none"> ● Runs the WECYCLE recycling programme for all its retired office furniture products. Whatever is collected is meticulously processed, and broken down, becoming inputs for other products
	CUSTOMER HEALTH AND SAFETY CONSIDERATION	<ul style="list-style-type: none"> ● Ergonomic design

 <p>Godrej Locking Solutions & Systems</p>	PRODUCTS	<ul style="list-style-type: none"> ● Padlock, tower bolt, door handle, multi lock, universal furniture lock
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	<ul style="list-style-type: none"> ● Smart design, lighter weight and easy installation due to optimal material use. Zero hazardous materials used. Surfaces of input materials coated / plated to be hardy and last longer.
	ECO-FRIENDLY PACKAGING	<ul style="list-style-type: none"> ● To promote greater biodegradability and strength BOPP lamination on carton done away with multi colour printing changed to single colour ● Multi-ply corrugated board used as insert instead of plastic ● Polybag of > 50 micron thickness used for packing, to ensure recyclability ● Design of shippers boxes optimised and 3-ply corrugated board used ● Recyclable packaging, Kraft/duplex paper-based
	IMPACT ON LOGISTICS AND TRANSPORTATION	<ul style="list-style-type: none"> ● Reduction in total weight of products due to redesign and use of alternate material. Easier to move and transport
	END OF LIFE MANAGEMENT (DISPOSAL/ RECYCLING)	<ul style="list-style-type: none"> ● Handles made of single material, aiding recyclability ● Product design supports easy disassembly, segregation and recycling ● Digital products are soldered using RoHS compliant solders. For circuit boards and batteries, product disposal directions are indicated on user manuals.
 <p>Godrej Security Solutions</p>	CUSTOMER HEALTH AND SAFETY CONSIDERATION	<ul style="list-style-type: none"> ● Product design ensures there are no sharp edges, promoting easier use
	PRODUCTS	<ul style="list-style-type: none"> ● Strong room door ● Safes ● Home locker
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	<ul style="list-style-type: none"> ● All products designed to have a productive life > 50 years ● Use of high strength concrete instead of aluminium-based barrier, leading to substantial reduction in embodied energy ● Reduction in material consumption ● Zero toxic emissions during manufacturing, use and disposal
	ECO-FRIENDLY PACKAGING	<ul style="list-style-type: none"> ● Thermocol totally eliminated and only NPCB approved plastic bags used
	END OF LIFE MANAGEMENT (DISPOSAL/ RECYCLING)	<ul style="list-style-type: none"> ● Authorised recycler details for end-of-life disposal provided in product manuals
	CUSTOMER HEALTH AND SAFETY CONSIDERATION	<ul style="list-style-type: none"> ● No hazardous material used ● All safety practices followed during manufacturing, delivery and commissioning ● Products are designed for high stability

 <p>Godrej Lawkim Motors</p>	PRODUCTS	<ul style="list-style-type: none"> • Mini induction motor • Hermetic Compressor motors • BLDC Motor • Motor for off-road E-Vehicle • Servo motors component • Efficient Transport cooling motors component / Generator equipment critical component • IE3 motors up to 40HP/ Motors
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	<ul style="list-style-type: none"> • Uses lesser material • Lower energy consumption • No toxic materials used • Exceeds design life of product by 1.5 times
	ECO-FRIENDLY PACKAGING	<ul style="list-style-type: none"> • Use of 100% recyclable packing material • Wood packaging eliminated
	END OF LIFE MANAGEMENT (DISPOSAL/ RECYCLING)	<ul style="list-style-type: none"> • End of use management and disposal responsibilities lies with OEMs who are our end customers.
 <p>Godrej Electricals & Electronics</p>	CUSTOMER HEALTH AND SAFETY CONSIDERATION	<ul style="list-style-type: none"> • Thermal protection is a product feature –a method of motor protection that is activated when a motor operating at the rated voltage locks up for some reason with the power still being supplied. • Insulation strength to ensure earth leakage needs as per IS302
	PRODUCTS	<ul style="list-style-type: none"> • ControlAiR IFC (Intelligent Flow Control System)
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	<ul style="list-style-type: none"> • 4-20% energy savings in compressed air system • No hazardous materials used
 <p>Godrej Vending</p>	CUSTOMER HEALTH AND SAFETY CONSIDERATION	<ul style="list-style-type: none"> • All safety practices followed during manufacturing, delivery and commissioning
	PRODUCTS	<ul style="list-style-type: none"> • Vending Machines • Minibar Instant • Minibar Soup • Minibar Espresso • Minibar Chocolate
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	<ul style="list-style-type: none"> • Restriction of hazardous substances in electrical and electronic parts compliant
 <p>Godrej Vending</p>	REDUCTION OF IMPACT IN USE PHASE	<ul style="list-style-type: none"> • Low power & energy efficient control system • Automatically goes to energy saving mode if not used for one hour



 <p>Godrej Material Handling</p>	PRODUCTS	<ul style="list-style-type: none"> • Electric forklifts
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	<p>Several energy-saving features:</p> <ul style="list-style-type: none"> • All AC & Twin Motor Drive • All AC motors • One hydraulic motor, instead of 2 used in conventional lifts • Drive and hydraulic motors are both AC (brushless and more efficient than conventional forklift with DC motors) • Use of LED lights
	REDUCTION OF IMPACT IN USE PHASE	<ul style="list-style-type: none"> • Zero Emissions in use phase, no impact on user and the environment
 <p>Godrej Construction</p>	PRODUCTS	<ul style="list-style-type: none"> • IGBC Platinum rated building • AAC Blocks • Recycled Concrete Material
	DESIGNED FOR LOW ENVIRONMENTAL IMPACT AND PRODUCT DURABILITY	<ul style="list-style-type: none"> • Use of Green Concrete • Use of less virgin material and more recycled material like fly ash, gypsum, recycled concrete, 100% natural sand, free from silt. • Use of 100% renewable energy for running operations
	REDUCTION OF IMPACT IN USE PHASE	<ul style="list-style-type: none"> • High porosity allows water from precipitation or other sources to percolate through the flooring • The thermal insulation characteristics contribute to a cooler interior environment leading to savings in air conditioning. • Platinum ratings under LEED (Core & Shell), as well as platinum ratings under IGBC health and well-being.

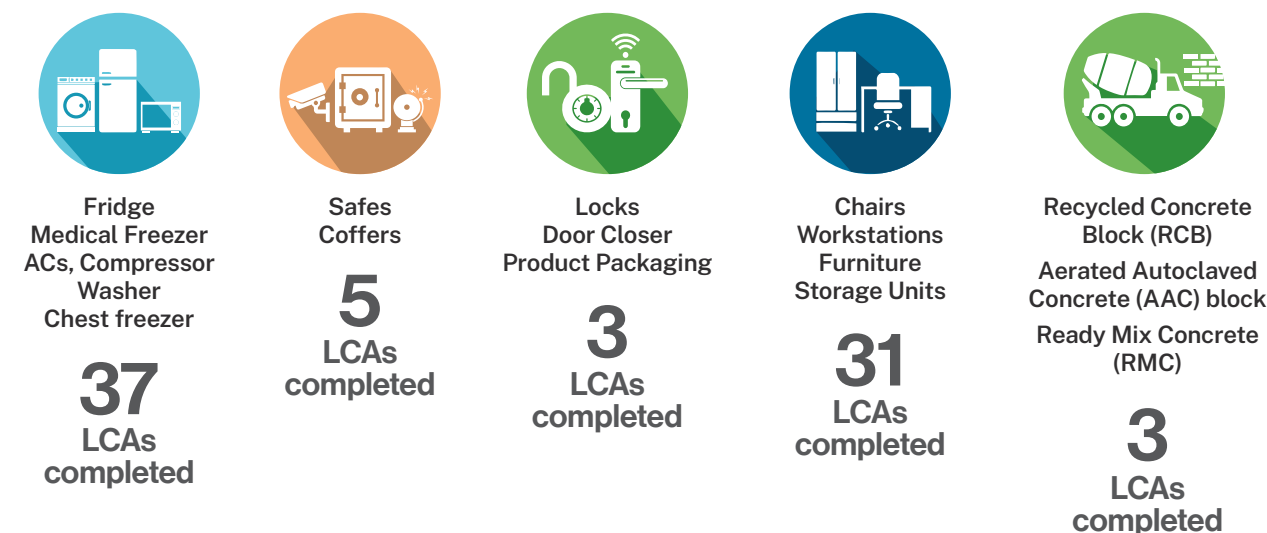
Using lifecycle assessment for a more holistic sustainability approach

Lifecycle assessment (LCA) measures the environmental impacts of the many interacting systems that make up industrial production. For us, the impetus for getting LCAs done, across business segments, has been very diverse. Making our products more and more environmental-friendly and sustainable is a long-term objective for us, and this process involves getting our products evaluated by certifying agencies. LCAs are an essential part of this journey as they provide a view into multiple facets of environmental impact and thus, uncover ways of modifying/mitigating such impact. By virtue of quantifying the impact at different stages of a product's lifecycle, the LCA also forces innovation at every stage of the lifecycle leading to more targeted value engineering, more holistic and frugal design philosophies, recyclable packaging solutions, smarter logistics design and so on. More integrated and optimised production is a consequence, leading to cost efficiencies and more differentiated products that answer to society's needs for more responsible products.

LCAs have triggered product improvements in several ways:

Our Construction business has gained significant first-mover advantage from its green concrete and sustainable construction offerings.

Our locks business has reduced product weight by **21%** also switching to single material use wherever feasible with benefits across packaging, logistics and recyclability.



At Godrej & Boyce, over this reporting period,

79 LCAs
have been completed across different business units.

GODREJ CONSTRUCTION: BRINGING CIRCULARITY INTO CONSTRUCTION MATERIALS

SDGs impacted



The TUFF range of concrete blocks and pavers manufactured by Godrej Construction is entirely made from recycled construction and demolition (C&D) waste. The company has tie-ups with builders, developers, contractors and government institutions for sourcing construction waste that can be used as raw material. The collected C&D waste is then turned into Recycled Concrete Materials (RCM) at our factory in Vikhroli. The specifications, strength and other characteristics of the TUFF range of products is equivalent to those made from virgin materials, with parameters like water absorption, abrasion resistance engineered to comply with the norm prescribed in Indian codes and standards. RCM significantly reduces environmental footprint in two primary ways:

- By lowering the quantity of stone aggregates mined from quarries and used as raw material

- Reducing the tonnage of C&D waste dumped into landfills

The resultant environmental impact is significant.

5,000 liters of water conserved and 900 kgs of CO₂ emissions reduced per ton of concrete recycled.

TUFF products are gaining acceptance with environmental norms getting tighter for the realty sector, and more builders adopting sustainable building techniques. Godrej Construction is also exploring newer product ideas for using RCM, while the existing TUFF range finds newer applications. For instance, they are being used as Tetrapods and Accropodes, which act as wave-breakers along seashores and coastal roads, helping to prevent coastal erosion and dissipate the ferocity of tidal waves and storms.

GODREJ LAWKIM MOTORS: A GREEN MAKEOVER TO MOTORS THROUGH E-SWITCH TECHNOLOGY

SDGs impacted



At the heart of most energy-efficient brands of home refrigerators, commercial ACs and other special applications in factories is an energy-efficient motor. Godrej Lawkim Motors, which is a leading manufacturer of specialised motors and motor components, has introduced the electronic switch (e-switch) technology for the first time in India. The e-switch technology will replace the conventional Open Circuit Switch and Centrifugal Gear Assembly in single phase motors enabling seamless switchover of start windings. The key benefit of this technology is the elimination of moving parts, and also the complete avoidance of any kind of hazardous materials. This makes these motors easily maintainable and user-friendly.

The e-switch technology is fairly common in developed countries, as the new motors are more environment-friendly. In India, Godrej Lawkim Motors has indigenously developed the technology, and it is expected to benefit several sectors that use general purpose motors like agriculture, food, dairy, domestic and construction.

Enabling the extension of the motor's lifespan beyond 15 years of service, surpassing the longevity of any Indian motor in the category.



Environmentally responsible alternatives to traditional brick manufactured by Godrej Construction

We view national and international standards as a roadmap to stay in tune with emerging trends in the world and attain higher design, performance and sustainability goals. BEE Star rating, UL Greenguard, SCS Indoor Advantage, CII GreenPro, BIFMA level, IGBC green building rating, GRIHA are the key Sustainability and design-related third-party certifications pursued by us. These assure the customers about product performance and its environmental accomplishment.

650+
IGBC green building
rating projects

320+ Mn sq. ft
area covered by projects
supported by GBCS



240 BEE Star Rating (3 star and above)



94 GREENPRO



72 SCS indoor advantage



18 BIFMA level



37 GRIHA



67 UL GREENGUARD



97 Patents across businesses



IGBC Silver pre-certification



Rainwater harvesting



Solar energy



Green plantation

Marketing and labelling practices

Labelling requirements for packaged commodities in India are governed under the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011. Labelling of food products are governed under the Food Safety and Standards Act, 2006, and the Food Safety and Standards (Packaging and Labelling) Regulations, 2011. There

are different labelling protocols for retail and wholesale consignments. All our businesses follow industry-relevant labelling standards, communicating information pertaining to how to use, product constituents, energy ratings and units consumed (as applicable), product applications, safe usage practices, quality ratings and recycling information.

COMMUNICATION & LABELLING NORMS

Godrej Appliances

Products are affixed with BEE Energy Star Rating label. The label indicates BEE star rating of appliances number of units of consumption per year, model number, gross volume, refrigerant details etc. The BEE star rating enables consumer to make an informed choice about the energy saving.

Godrej Electrical & Electronics

Packaging often communicates green features of the product like extent of energy savings. Further, product related descriptions, specifications in terms of pressure & flow, electric supply, company's contact details. Safety instructions relating to installation and operations, warnings related to high pressure, electricity, shock risk, tower lamp installation guidance, piping modification guidance etc. are all provided.

Godrej Lawkim Motors

Motor nameplate displays ISI mark, efficiency rating of motor (IE1/ IE2/ IE3/ IE4), efficiency percentage, apart from standard parameters.

Godrej Construction

The packaging for products like mortar, ready-mix plaster, ready-mix concrete (RMC) carry instructions on how to use, surface preparation, application of the mix, curing and storage, as relevant.

Godrej Interio

Packaging carries recyclability details, instructions for storage and safe handling. Labelling includes manufacturer details, customer care cell details etc. The 'Green Assured' Logo is displayed on Godrej Interio's 'GreenPro' certified home furniture products to create awareness amongst customers about green features of products

Godrej Material Handling

Battery safety compliance sticker highlighting dos and don'ts for traction battery; different signages put on forklifts for safe handling.

Godrej Prima

Packaging cartons carry standard information like manufacturer's details, customer care cell details, safe handling and storage instructions. Product sticker highlights CE marking as eligible, refrigerant type, operating specifications like voltage, current, pressure, frequency, logos of grounding (earthing) category, power connection polarities etc.
The packaging laminate used for vending premixes displays plastic packaging details, FSSAI License Number, FSSAI logo, nutritional information, ISO declaration and other standard information.

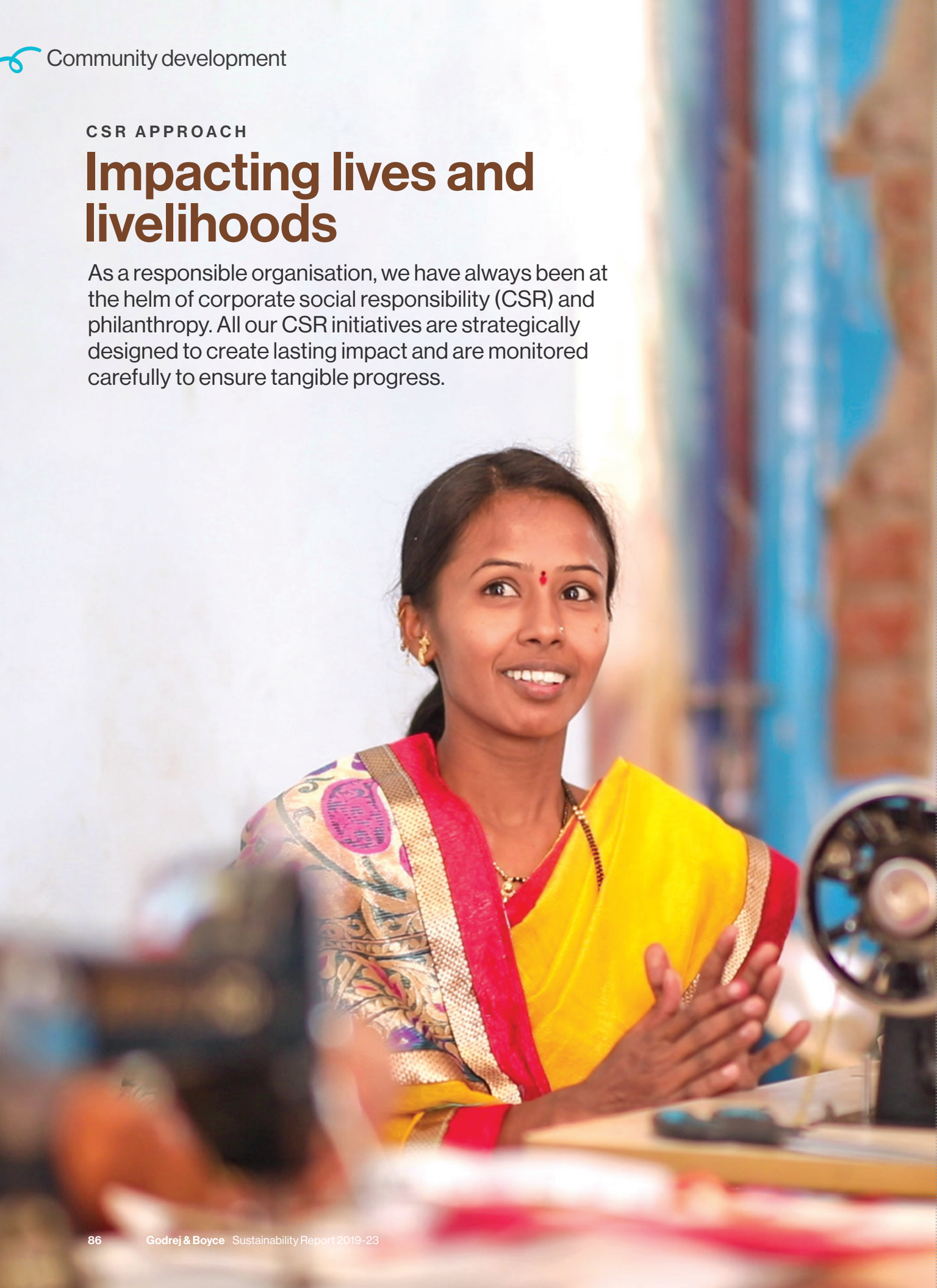
Godrej Locks & Architectural Fittings & Systems

Packaging carries Product Specifications, product features, mention of green manufacturing process, and recyclable packaging
Labelling includes Product details, content details, manufacturer details, customer care cell details etc.

CSR APPROACH

Impacting lives and livelihoods

As a responsible organisation, we have always been at the helm of corporate social responsibility (CSR) and philanthropy. All our CSR initiatives are strategically designed to create lasting impact and are monitored carefully to ensure tangible progress.



We at Godrej & Boyce, work with the philosophy of 'shared value'. This involves linking business success with social progress. This overarching philosophy is ingrained in our two main CSR programmes: Godrej Disha, the employability initiative, and community development – with a focus on building sustainable communities around our manufacturing plants.

Godrej Disha

This is an employability initiative through which we collaborate with non-profit organisations and social enterprises on training programmes that teach vocational skills to marginalised men and women, in areas that are relevant to our businesses. The training areas include sales, service, rural entrepreneurship, construction, manufacturing and technical training. As of March 2023, nearly 1,79,330 Young People have been trained across the country.

Disha currently operates across 22 states, involving 29 partners, at 88 centres. Our support to partners varies widely – from improving infrastructure, procurement of critical training aids, creating complete state-of-the-art labs to gap funding, provision of training content, exposure visits, etc.

During the pandemic, we initiated digital training modules with physical in-person trainings only in geographies that were less impacted. Strict hygiene protocols were followed in these locations. Through this period, we also supported some of our partners in the form of payment of trainer salaries, facility level sanitation, additional PPEs, etc.

In the recent years, we have brought in sharper focus around processes and quality control to

ensure a greater effectiveness of the programme. We are also actively working towards enhancing diversity and inclusion in our student groups by introducing special trades that are women-friendly and improving the infrastructure and processes at our partner locations to ensure a safer and enabling training environment. The Company maintains frequent communication with local communities and other stakeholders, including indigenous people, utilising need assessment and participatory methods to gain insights into their needs and assess the impact of their interventions. During FY23, there were no complaints filed from local communities.

₹ 18 Cr

Invested in skilling initiative over the last 10 years

6X

Disha has observed a social return on investment

DIGITAL SKILLS — ROBOTICS AND AUTOMATION

My name is **Chaitanya Deshpande**. Currently I am pursuing third year BTech Mechanical Engineering at VJTI Mumbai. I was shortlisted for Robotics and automation training conducted by Godrej Infotech and Godrej & Boyce manufacturing Limited in association with Centum Foundation through MCQ test in which I was shortlisted. That training was consisting of a three-month online teaching followed by the visit to the Godrej Vikhroli and Khalapur plant. This was a wonderful learning experience for us. We got to know different concept

of robotics and automation and how these concepts are implemented on actual industry. We also get to know about different production lines and different assembly lines that Godrej manufacturers during their production. I am thankful to Centum Foundation and Godrej to providing us this opportunity for having the exposure to the industry 4.0 in this way. **"I'm really looking forward to using these teachings in pursuing some better career in the field of robotics automation for myself. Thank you."**



Our Godrej Disha initiative offers training in sales & services trades, interiors, construction, and manufacturing.



Over 2,000 farmers impacted through various initiatives

Mode of partnership

Centre of excellence

Many vocational training partners do not have the capacity or financial resources to create state-of-the-art centres that are equipped with training tools, offering an ideal skilling environment for their students. Owing to this shortfall, trainees are unable to get appropriate practical training and, thus, lack exposure to the latest concepts and technologies in the sector. This reduces their learning outcome and their chances to secure employment in the industry. To bridge this gap, Godrej Disha supports in creation of 'Centres of Excellence' that have all the necessary infrastructure, machines, tools, equipment and teaching learning aids. As on March 23, Godrej Disha has 34 RAC COEs across the country.

Training infrastructure upgrade

Many vocational training centres have been contributing selflessly for decades for skilling the youth. While they have well-built infrastructure and good teachers, they lack sector-specific training infrastructure. Disha programme studies these gaps and provides support to improve the training infrastructure of the centre and make them viable learning spaces.

Knowledge partnership

In addition to programme quality, improvement measures like enhancing the training content, creating advance training modules and training the trainers, Godrej engineers and senior management

officials regularly visit training partners and personally check and guide the trainees on their learning needs, industry trends and industry best practices.

The Godrej Disha Digital Training Programme launched in March 2022 aims to bridge the digital skill gap seen amongst the youth graduating from colleges in Tier-2 and -3 cities.

The programme features a gamut of courses like

Robotics and Automation, Business Analytics and Dashboarding, Digital Marketing and Smart Machine Operator - Future Skills.

While the former two are for engineering students, the digital marketing and e-commerce course will be open to all young graduates. **A Smart Machine Operator - Future Skills** course is also part of this training curriculum and is not only open for students but also has a component designed to 'train the trainers', -i.e., trainers and instructors at various Industrial Training Institutes (ITIs) in the country, thereby enhancing their capacities as well.

Building sustainable communities

We build sustainable communities by

ensuring collective growth – through livelihood enhancement, by providing relevant opportunities and empowering community members through institution building.

This approach inspires these community members to take ownership for their development, which is another example of our philosophy of 'shared value'.

Our integrated approach towards sustainable community development is built on four pillars:



Education

Improving the infrastructure in government schools, enhancing the quality of education and reducing drop-out rates, and ensuring all children between 3-6 years are enrolled in anganwadis.



Environment

Organising awareness initiatives and workshops on energy, water and biodiversity, integrated watershed development, facilitating need-based community drinking water projects, wastewater recycling and enhancing biodiversity through afforestation.



Health and sanitation

Conducting regular health camps for women, ensuring 100% immunisation, improving infrastructure in primary health centres, reducing water-borne diseases from polluted potable water and development of community-based solid waste management systems.



Livelihood

Setting up of Disha centres to provide skill training for youngsters. Self Help Groups (SHG) that focus on women have been formed, and assistance has been provided to set up agriculture and non-agriculture-based businesses.



Empowers 150+ Self Help Groups run by women

Many routes to community development

In keeping with our vision of purpose-led growth and the need for business to be socially responsible, we have always promoted long-term initiatives in the areas of rural development, waste management, women's empowerment, education, basic healthcare

and livelihoods generation to name a few. Our programmes aim to make a real difference in the lives of the disadvantaged, equipping them to help themselves lead better lives.

KHALAPUR

5 villages consisting of 24 hamlets

NEED OF THE REGION

- Drinking water intervention
- Check dam repair
- Improving quality of education
- Women empowerment
- Children health and hygiene
- Youth skill development
- Livelihood opportunities for women

PROJECTS

- Women empowerment through health sanitation and drinking water intervention
- Skill development Disha centre
- E-learning facility
- Creating model school
- Afforestation project
- Enterprise development for women

DAHEJ

1 village

NEED OF THE REGION

- Community waste management
- Women empowerment
- Children health and hygiene
- Livelihood opportunities

PROJECTS

- Community waste management
- Women empowerment
- Enterprise development for women



Empowering communities through various development initiatives

SHIRWAL

12 villages consisting of 17 hamlets

NEED OF THE REGION

- Farmers income enhancement
- Improving quality of education
- Children's health and hygiene
- Women empowerment
- Tourism development
- Wastewater management
- Livelihood opportunities for women
- Check dam repair

PROJECTS

- Women empowerment through health sanitation and drinking water intervention
- Skill development Disha centre
- Farmers income enhancement
- Rural tourism development
- Rainwater harvesting
- School Infrastructure development
- Enterprise development for women

BHAGWANPUR

2 villages

NEED OF THE REGION

- Children health and hygiene
- Waste water management
- Sanitation facility
- Livelihood opportunities
- Improving quality of education

PROJECTS

- Women empowerment
- Toilet construction
- WASH programme
- Improving quality of education
- Enterprise development for women

HARIDWAR

1 village

NEED OF THE REGION

- WASH - Water health and sanitation projects

PROJECTS

- Health and hygiene improvement in community



Committed to improving school infrastructure

VADODARA

2 villages

NEED OF THE REGION

- Community health and hygiene
- Livelihood opportunities
- Skill development for youth
- Improving quality of education

PROJECTS

- Health and hygiene
- Improvement in community
- Women empowerment
- Enterprise development for women
- Science lab for school

CHENNAI

1 village

NEED OF THE REGION

- Road safety
- Pond rejuvenation
- Water conservation

PROJECTS

- Safe pedestrian pathway
- High mast light
- Rainwater harvesting
- Access for drinking water

MADKAI

1 village

NEED OF THE REGION

- Improving quality of education
- Strengthening health centres

PROJECTS

- School infra upgradation
- Strengthening primary health centres

MOHALI

1 village

NEED OF THE REGION

- Improve ground water levels
- Community health and hygiene

PROJECTS

- Rainwater harvesting
- Farmers income enhancement
- Health and hygiene improvement



Community development*

46+ schools

Covered for mega infrastructure (model school) project, Model Anganwadi project, Covered for smaller WASH and quality of education improvements projects

4+ PHC's

Strengthen by providing medical equipment and infrastructure upgradation support

5,000+ women

Impacted through women empowerment projects

160+ self-help groups

Sustained & strengthened

3,500+ farmers

Covered in income enhancement programme like organic farming, poultry units, farm equipment bank

100+ Mn litre

water conservation through Rainwater harvesting, pond development, check dam construction, Increasing water availability

36,000+ trees / shrubs planted, conserved

1,00,000+ kilo litre per day waste water treated

* Cumulative impact since 2015

** Cumulative impact since 2011

DISHA Reach

29 partners VTI 88 24 government VTI 22 states

Community development reach

6 states 8 locations 24 villages

DISHA Impact**



Youth trained

1,79,330



New centres of excellence

34+



Youth trained in digital skills

500+

ADDRESSING A WIDE SPECTRUM OF EDUCATIONAL OBJECTIVES

Madkai Model School project

For education to be properly imparted, the school environs are as important as faculty and teaching aids. We set out to build a model school at Madkai in North Goa, creating infrastructure that could be easily replicated across other schools in India. Around 120 students, from underprivileged backgrounds from classes 1, 2 and 3 attend this school. We have helped build a new school building, with four classrooms, separate washrooms for girls and boys, teachers' room and play area. Half of this construction cost has been borne by us. We have also provided seating desks, white boards, teaching tables, chairs, office furniture and play equipment – helping to complete all the external and internal infrastructure, thus creating a fully functional school.

Enhancing professional prospects of students in rural areas with English language training

A key objective of our educational efforts have been to equip the marginalised in ways that would put them at par with their more fortunate counterparts. Children in rural areas are often amongst the most vulnerable groups so targeted at equipping them with the knowledge of English language so that their professional prospects could improve substantially.

To that end, we entered into a tripartite agreement with Karadi Path Education Company and the Zilla Parishad of Raigad to bring high-quality English

language education to schools in that region.

What distinguished the Karadi Path methodology was its use of mother tongue learning and the unique Indian experience of multilingualism to teach English in a fun and interactive way. With actions, music, stories, theatre and mime integrated into the teaching modules, this methodology could effectively bridge the huge gaps that existed within the learning conditions of rural children.

Total 17 schools and 1,052 students from 1st standard to 8th standard have been selected from Khalapur block for this project

The actual implementation started in January 2021, and till date this project has completed the Level 1 learning module out of 3 levels that exist. In addition to strengthening English skills for the students, the project has also improved English-teaching capacity in government schools along with providing students and teachers with access to tested teaching learning materials in print and multimedia formats.

CASE STUDY: WOMEN EMPOWERMENT

Kavita Prashant Sakpal

Age: 45 years

Location: Khalapur

I am a housewife and have studied till class 10. Earlier, my day went in doing household chores. Through Godrej & Boyce and NGO WOTR, I was shown a world outside my own village. I joined a self-help group in 2016 and formed Pancham Mahila Bachat Gat. We were given training in various entrepreneurial activities like perfume

making, producing detergent-based products like hand wash, liquid soap and dish wash.

Today we work in groups, prepare the products and then sell them door-to-door. We also sell at various other places like social gatherings, fairs, food festivals and also at various companies. That initial training has equipped us to generate our own incomes, and we make an average monthly profit of ₹ 5,000-6,000. This has not only made me self-reliant and confident, I am also able to add to my family income now.

CASE STUDY: FARMING

Happy Seeder intervention under Project Pragati in Chunni Kalan village of Punjab

A vast cloud of smoke engulfs Indo-Gangetic Plains (IGP) of India, particularly Haryana and Punjab states, during October–November every year, as farmers burn the stubbles of freshly harvested rice crop.

Under Project Pragati supported by Godrej & Boyce Mfg. Co. Ltd. and implemented by S M Sehgal Foundation, six number of Super Seeder Machines were provided to enterprising farmers. These farmers can rent out to other farmers at a subsidised rate and help in the sowing of wheat crop without the need to burn the paddy

residue. During this short window of Paddy harvesting and sowing of wheat crop which is about 15 days.

In FY23 sowing of wheat crop in over 600+ acres was done without burning the paddy residue

This not only helped the enterprising farmer in renting out the machine and getting additional income but also helped other farmers in availing the machine at a subsidised rate and curbing stubble burning.

CASE STUDY: RESTORING WATER BODY

Restoring water body at Chennai

The Kosapur Pond is located on the Kosapur-Sendrambakkam road in the Northwestern periphery of Chennai city. A collaboration between the Government of Tamil Nadu, Godrej & Boyce and E.F.I had facilitated the restoration of the Kosapur Pond.

The pond is having an area of around 3.6-acre. The pond's embankments were uneven with no formal structure and stability to it, and the bed was found to be at varying levels thereby could not store optimum levels of rainwater. The pond being adjacent to the Kosasthalaiyar river attracts several birds and is also home to native amphibians, and reptiles, making it an important habitat to be conserved.

Restoration work executed at the Kosapur Pond:

Complete removal of invasive weeds such as Prosopis juliflora, Ipomoea carnea, and thorny shrubs: De-silting done for average 3'0" depth; Strengthening of bund was done to enhance the water holding capacity and improve flood resilience. A protective fencing was added to prevent littering in future.

Restoring the water body has improved the micro-climatic condition of the area and aesthetic development of the region. the storage capacity

of the pond has increased by 24%; Groundwater recharge has significantly improved;. Plantation of native trees has enhanced the biodiversity; Reduction in breeding of mosquitoes has reduced the spread of waterborne diseases in the area, thereby improving quality of life in the region.

IMPACTS ACHIEVED THROUGH THIS RESTORATION

Pre-restoration capacity

655
Lakhs litres

Current capacity

772
Lakhs litres

COVID-19 support

During the pandemic we provided support to the worst affected and most vulnerable populations. These included migrant labourers, daily wage earners, urban / rural poor and local communities, as well as, Corona warriors like the police, sanitation workers and health care facilitators

33,45,750
meals supplied

78,189
people supported

14
locations



EXTENDING COVID SUPPORT ACROSS REGIONS AND DIVERSE POPULATIONS

Nature of support	Activities
Food relief distribution across Mumbai	<ul style="list-style-type: none"> Project Milkar, Mumbai, brought together the local government, NGOs, citizens and corporate partners to ensure that city-wide food relief efforts were data-led, aligned and focused. Individual donations were matched 5X times by participating corporates like G&B, RPG Foundation, JM Financials and Kirloskar Group.
Training and active support for frontline COVID warriors	<ul style="list-style-type: none"> Our NGO partners Anubhav Pratishthan Trust (APT) Watershed Organisation Trust (WOTR), Deepak Foundation and Shree Bhuvaneshwari Mata Ashram (SBMA) assisted communities in raising awareness about hand washing, social distancing and use of face masks. The company provided healthcare and hygiene kits to Khalapur frontline workers (Anganwadi sevika, PHC staff, gramsevak and tehsil office team). Assisted in COVID contact tracing.
Strengthening public healthcare, setting up COVID vaccination centres	<ul style="list-style-type: none"> Provided medical equipment to rural health centres in the Khalapur and Khopoli region. These included basic screening equipment like temperature machines, non-invasive blood pressure measurement, portable ECG machine, oxygen concentrator and hospital beds. Set up Raigad's first PPP* -based COVID vaccination center at Vadwal, Khalapur. The collaborators included Gram Panchayat Vadwal, Raigad Z P's Health Department, and NGO partner Anubhav Pratishthan Trust. We also provided administrative and resource support for running the centre. In partnership with local industrial associations supported in setting up of patient isolation centers at Khopoli, Shirwal and Dahej
Digital projects in schools in Khalapur	<ul style="list-style-type: none"> Facilitated digital projects across 65 schools and supported creation of 2 extended learning centres in tribal areas of Khalapur to ensure education continuity for students with very limited mobile access.

* PPP: Public-private partnership

Restoring livelihoods and accelerating urban recovery

The company collaborated with Magic Bus on a Rapid Urban Recovery programme to economically stabilise underprivileged households severely impacted by the pandemic, with the goal of returning household incomes to pre-COVID-19 levels by September 2022.

The programme is currently working in six underserved communities with over 1,000 households, with the objective of reconnecting at least one adult member of the family to regular employment, in organised sectors. The programme works by profiling candidates, recording their expectations, tracking jobs in nearby industries/ localities, matching profiles, and assisting candidates with the application and interview process. The programme began in November 2021, and 781 people had been hired till March 2023.

Along with this project, we are also working with young adults who have been irregular at school due to COVID. The programme scope includes keeping these students interested in education while navigating their community's difficult economic and social environment.

781
people connected to formal employment as on March 2023

364
adolescents retained in school

31,272
of COVID booster and Corbevax vaccination were administered to senior citizens and school children across remote villages of Raigad and Satara districts in Maharashtra

Vaccine on wheels

In January 2021, the Indian government launched Vaccine on Wheels (VoW) – the world's largest vaccination programme, with the target of reaching every part of the country. VoW is a mobile vaccination project, with cold storage facilities for vaccine carriage and storage. Godrej and Boyce has joined forces by helping last-mile connectivity to low-income and vulnerable communities. The company has contributed a mobile vaccination facility that enables healthcare staff to reach remote and underserved communities in collaboration with Jivika Healthcare and the Rotary Club of Pune Central.

Restarting the learning momentum with Read Aloud

The pandemic left nearly 247 Mn children in India impacted owing to closure of schools, bringing their learning to a halt. To bridge the educational gap, Godrej and Boyce has supported the Adhyayan Foundation's Read Aloud project in Goa's Bardez taluka. Read Aloud aims to foster a reading culture that supports learning across all disciplines, the Directorate of Education, Goa, has included the Read Aloud programme in the state's overall Foundational Literacy mission to support primary grade students.

1,784
read aloud sessions conducted

10
community reading center activated

57
schools covered

1,777
students impacted



Anchored by purpose, driven by innovation

Our people shape the kind of organisation that we are. They exemplify our culture and values and drive our distinctiveness. Godrej & Boyce has always placed the highest priority on its people. Our management processes, inclusive policies, fair compensation, rewards help in building a supportive work environment that demonstrates our purpose.

A diverse workforce representing 32 different states & union territories with 27 languages spoken across the organisation

Godrej & Boyce strongly believes in nurturing a culture that drives excellence by inculcating and recognizing performance, collaboration, hard work and innovation. We foster a dynamic work environment where employees can continuously enhance their skills, embrace new challenges, and stay attuned to the ever-changing external landscape. The company relies on the commitment, enterprise and judgement of our employees to handle evolving challenges as global economic and political situations get more complex, volatile and unpredictable. We recruit top

talent through merit-based hiring and prioritize the employee journey. This includes comprehensive rewards, continuous learning, and growth opportunities such as cross-functional teams and job rotations for professional and personal development. Our policy framework and work culture ensure zero tolerance for discrimination and promote diversity and inclusion. There are adequate platforms and channels for employee engagement, employee feedback and grievance redressal.

BREAKUP OF PERMANENT EMPLOYEES BY AGE AND GENDER (MANAGEMENT & WORKMEN)

Age Group	FY20		FY21		FY22		FY23	
	Male	Female	Male	Female	Male	Female	Male	Female
<30	1,997	266	1,713	243	1,358	206	1,447	203
30-50	6,840	493	6,771	571	6,449	517	6,674	518
>50	1,752	43	1,779	47	1,799	56	1,830	62

Building a culture of High performance

We harness our employees' potential to drive business success, fostering a high-performance culture through fair policies, processes, and systems that enable their best contributions.

Merit-based recruitment, with no discrimination

We support and implement an inclusive workplace, with organisational policies and values that reinforce bringing in this equity. Across all levels

of hiring, our recruitment process is designed to ensure fair and impartial handling of candidates throughout the hiring cycle. From the screening of candidates to their final recruitment, pay decisions and work conditions, are all treated at par with no discrimination on the grounds of race, colour, religion, caste, gender, age, marital status, disability, nationality or any such factors. Similarly, promotion, transfer, compensation, training and other benefits are also merit-based and linked to the competencies of the individuals and the business needs.

BREAKUP OF NEW HIRES BY AGE AND GENDER

Age Group	FY20		FY21		FY22		FY23	
	Male	Female	Male	Female	Male	Female	Male	Female
<30	653	72	343	59	695	114	603	92
30-50	417	27	116	12	345	31	700	51
>50	6	0	3	0	11	1	18	0

EMPLOYEE ATTRITION BY AGE AND GENDER

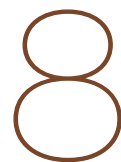
Age Group	FY20		FY21		FY22		FY23	
	Male	Female	Male	Female	Male	Female	Male	Female
<30	345	61	213	30	480	61	336	58
30-50	386	33	294	23	629	62	645	92
>50	5	1	11	0	15	2	18	1



Driving digital transformation across the value chain

The company recruits from some of the best engineering, graduate and business schools. There is comprehensive plan for building talent pipeline through campus recruitment and thereby providing developmental inputs in leadership and function including technical inputs thereby making them productive in the context of business requirement at an accelerated pace

Technical Training Programme (TTP) for GETs/DETs is conducted for 5-6 weeks in our



core technical processes

TRAINING INITIATIVES FOR WORKFORCE; ONBOARDING AT VARIOUS LEVELS:



Godrej Learning Enhancement for Aspiring Minds (GLEAM)

Extensive programme for over month long programme enhancing the leadership traits and functional competencies for the B- School Graduates. Experiential learning through business simulation and case studies in building knowledge and understanding of business processes and being productive at a faster pace.



Godrej leadership induction programme for development and excellence (GLIDE)

Facilitates smooth transition from Campus to Corporate working with focus on building the talent pipeline for businesses.

The one year programme is Customized to provide exposure in Functional, Technical and Leadership areas for our Graduate and Engineering Trainees.



Corporate induction programme for lateral recruits

Week-long Corporate induction programme for lateral recruits to connect, converse and collaborate with the functional and business leaders. The programme aids the individuals in understanding the business processes and in facilitating their integration with the company's culture, values and business ethics.



Buddy connect

All new recruits are assigned buddies for smooth transition and acclimatization to the organisation's work processes, environment and work culture.



Building a conducive environment for a diverse workforce

TTP (Technical Training Programme) Training for GETs/DETs

We provide fresh engineering graduates with hands-on training and simulations to develop their functional and technical skills in alignment with their job expectations.

Trainees are given detailed learning sessions in Sales, Service and Marketing function along with Practical exposure and training through field visits etc. These span across 5-6 weeks in a year

Manufacturing engineers receive technical training in areas like Industrial relations, Quality Concepts, Machine Operations, and Safety practices.

The program combines classroom sessions, e-learning, projects, and on-the-job training over a one-year traineeship.

Gender diversity

We are an equal opportunity employer and strive to achieve a balance in our workforce through every recruitment exercise that we undertake. Diversity is a reality of human society and for an organisation to be truly effective, it is important to include

and absorb that diversity within the organisational culture. Our constant effort is to ensure that women are adequately represented in the workforce and that they feel valued, comfortable and empowered.

DIVERSITY OF WORKFORCE (BY GENDER)

Gender Diversity by Management Category	FY20		FY21		FY22		FY23	
	Male	Female	Male	Female	Male	Female	Male	Female
Junior Management (O and P bands)	4,758	535	4,580	552	4,103	525	4,370	504
Middle Management (T band)	573	42	548	43	529	43	539	51
Senior & Top Management (E and S bands)	145	5	133	5	125	5	132	5



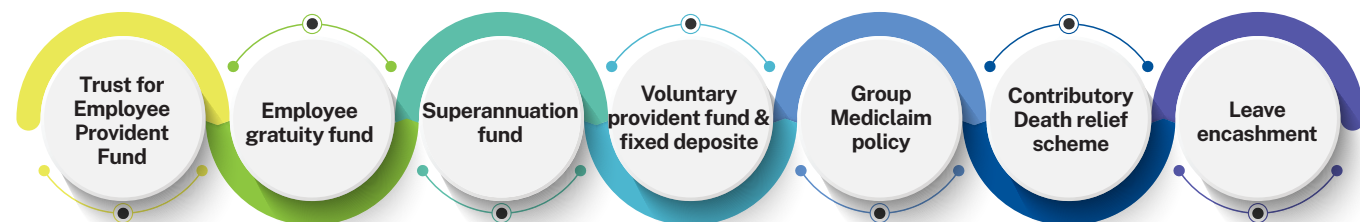
More than 40% of the workforce at our Locks factory in Goa are women

Fair compensation and employee benefits

As a policy, G&B determines salaries for its permanent employees in line with industry benchmarks and commensurate with employee skills and qualifications. In compliance with national laws, the company allows its workers the freedom of association and the right to bargain collectively for compensation and various other benefits. The collective bargaining process involves recognised

unions, and we have recognised workers' associations at our manufacturing facilities in Vikhroli, Mohali, Shirwal and Shindewadi. The wage settlements that are agreed on as part of the collective bargaining process determine workmen's wages. Contractual employees, however, are paid as per statutory requirements of minimum wages fixed by the state government.

IN ADDITION, THE COMPANY OFFERS SEVERAL BENEFITS TO ITS EMPLOYEES, THAT ADDRESS THEIR HEALTH, WELL-BEING AND RETIREMENT NEEDS. THESE INCLUDE:



For our employees at Mumbai, there are benefits and facilities provided at our Township

These include Company provided residential accommodation, Udayachal Schools (Pre primary, Primary and High School), Consumer and Credit Societies, Club house, Community Hall, Dispensary etc.

We offer maternity benefits to our women employees and our return-to-work ratio is

96%

Capability development and building a competitive edge

We continue to make significant investments in our learning & development function towards building a resilient organization, focused on business imperatives in the new normal. The Learning & Development strategy continues to focus on future ready processes and systems. There is a strong focus on driving performance culture throughout the organisation ensuring in enhanced professional and personal capabilities. The capability building framework of the organisation focuses on short-term and long-term programmes to develop technical, functional, behavioural and leadership competencies of employees for their present roles and career development. Some of the key initiatives implemented in the organisation eg. I-Build, Band, DigiNXT, Sprint, Project Management, VLFM etc. has enhanced the leadership and functional competencies across the workforce. The initiatives have also got recognition in various external forums like SHRM, CII, Businessworld, NHRD, Economic Times as winning entries in the learning and development category.

The learning methodology focusses on providing exposure, share and apply concepts through Action Learning Projects and CFTs and individuals are able

to Reinforce and Refine their learnings through on-the-job assignments.

Our comprehensive efforts in digitalizing offerings and moving our curriculum online have enabled employees to effectively manage the transition to a virtual work environment. We have been able to engage employees and cater to diverse learner needs through Virtual Instructor Led Trainings (VILTs), self-paced modules, virtual learning journeys, social learning, virtual mentoring, gamified interventions and e-summits. Usage of technology like QR codes and E-feedback forms have helped us reduce paper usage and be more conscious towards conserving the environment.

>90%

of employees covered in various training and learning programs, through E-learning and Classroom

TOTAL NUMBER OF PARTICIPANTS WHO HAVE UNDERGONE VARIOUS TRAININGS

		FY20	FY21	FY22	FY23
Gender	Training Type	No. of Participants	No. of Participants	No. of Participants	No. of Participants
Male	Behavioural / Functional / Technical	8,174	7,823	6,755	7,175
Female	Behavioural / Functional / Technical	660	887	809	847
		8,834	8,710	7,564	8,022



Working together and creating for the future at LOGIC, in Chennai



The below table depicts leveraging of E-learning for our workforce, from 30% (in FY '19) to more than 70% coverage as on end of FY 2023, which has aided in reducing carbon footprint.

Training Methodology	FY20		FY21		FY22		FY23	
	Total Needs Met	Total Training Hours	Total Needs Met	Total Training Hours	Total Needs Met	Total Training Hours	Total Needs Met	Total Training Hours
Classroom	11,389	1,69,264	-	-	12,012	77,624	8,405	1,21,496
E-Learning	4,890	17,120	48,145	1,85,032	10,925	32,312	17,625	37,232
Total	16,279	1,86,384	48,145	1,85,032	22,937	1,09,936	26,030	1,58,728

AN OVERVIEW OF OUR LEARNING AND DEVELOPMENT PROGRAMMES:

Sprint

Individuals get to work on their ideas either individually or in a team and convert them into functional prototypes in 90 days. Participants learn to innovate and bring their ideas to life.

Organisation gets an opportunity to access fresh ideas from within, evaluate them for business potential, adopt them and nurture them into business offerings.

Enhancing business outcomes

As part of performance management, individuals identify competency development areas (CDA) in functional, technical, and behavioral aspects. Customized training interventions are then designed and delivered to enhance their competencies for more effective contributions at work.

Action learning projects

Participation in CFTs, cross-functional assignments, and PMOs boosts leadership and functional capabilities, fostering holistic development through enriched job experiences

Leveraging technology

Technology, including E-modules, simulations, and gamification, enables widespread and self-paced learning. It prepares individuals for the future and supports change adoption. Our learning portal offers 510+ courses for self-driven learning.

Building cohesive teams and grooming future leaders through leadership development

The organization offers various short and long term leadership programs across levels, aiding in building leadership capabilities and enhance business results.



'I-Build'

I-Build" is a 15-month leadership development program aimed at grooming mid and senior-level leaders. It focuses on Godrej's leadership competencies through group interventions and emphasizes individual development plans with action learning projects. Learning is reinforced through peer collaboration, team sharing, and webinars.



Nurturing future leaders

The company nurtures young talent and provides sponsorship courses in leadership and technical areas through Great Lakes Institute of Management, IIM Kolkata, BITS-Pilani, CII-Visionary Leadership Programmes for Manufacturing (VLFM) etc. The focus is on building managerial and leadership capabilities for individuals to take up enhanced leadership roles in the future.



Masterclass

Customised learning programmes with industry experts for sharing of best practices. The focus areas are the leadership competencies of Godrej, eg. Being strategic, driving results, leveraging technology, agility, innovation etc.

Talent development process

The Talent Development Process aims to identify and nurture talent, creating a versatile talent pool across various organizational levels and functions. It plays a vital role in succession planning and preparing talent with consideration for both current and future business needs. This well-established process comprises two main stages: Talent Identification and Talent Development. The organization employs the 9-box approach for talent identification, and Leadership Development interventions such as Mentor-Mentee Conversations, Customized Leadership Development Programs, Projects/Assignments, and Job Rotations are integral components of individual development plans (IDP).

Occupational Health and Safety (OHS)

Occupational health and safety (OHS) is of vital importance for the company and G&B has developed a robust safety culture across the organisation through a comprehensive framework of policies and proactive practices for identifying health and safety issues. All our business units and locations are ISO 45001:2018 certified. G&B's Occupational Health and Safety (OHS) policy is in accordance with the Factories Act 1948, and consists of the Management's statement, health and safety goals and objectives, and roles and responsibilities for every function. Accountability systems are in place to ensure that expectations are clear, authority is appropriate and the safety process is managed to deliver continual improvement.

Workplace health monitoring

There is regular monitoring of employee health at the workplace, with dispensaries at all our factories and pre- and post-employment health screening done. For more complex injuries and health-related issues the facilities of health centres.

Improving safety performance

The performance of BUs is evaluated on the basis of lead and lag indicators. The main lead indicators are – hazard closure (score based on hierarchy of control), OHS training in manhours, Safety kaizens, departmental safety committee meetings, behavior-based safety performance (efficiency

BEHAVIOUR-BASED SAFETY (BBS) PROGRAMMES

To inculcate high levels of safety awareness and appropriate behaviour amongst our workforce, several steps have been taken. Promoting a high safety awareness culture flows from the top, and core behavioural-based safety committees have been formed, which includes key manufacturing heads and divisional safety heads. These committees determine focus areas for BBS, after detailed analysis of past years' incidents. At the second level, divisional core committees comprised of cross functional teams that implement the BBS initiative across the BUs. Safety awareness is being spread through Train the Trainer programmes for line managers, communication around safety issues like material handling, hand tool safety etc.

and effectiveness), penalty points for reportable and non-reportable accidents. To incentivise top-order safety performance, the highest scorers are recognised every year.

Hazard identification

Formal processes for hazard identification, risk assessment and control have been instituted to manage workplace hazards. These include:

- Hazard Identification and Risk Assessment (HIRA) of all critical activities
- Safety Audit/inspection
- Scientific studies like HAZOP, as required
- Employee feedback/suggestions
- External agencies recommendations
- Work permit system
- Incident Investigation

A hierarchical hazard control system is used to minimise or eliminate exposure to hazards and keep them within acceptable limits. Continuous improvements to the system are made through periodic reviews based on user feedback and accepted benchmarks.

OUR PERFORMANCE ON KEY SAFETY INDICATORS

OHS	FY20	FY21	FY22	FY23
Manhours worked (In Cr)	4.18	3.11	4.05	4.01
Safety Training hours	1,87,664	1,63,537	2,07,174	2,54,622
Safety improvement Kaizens	26,665	20,579	27,968	28,406
Near miss incidents reported	3,123	2,140	2,710	2,644
Non Reportable incidents	16	4	8	11
Reportable incidents	10	5	11	8
Work related fatalities	0	0	0	1
Frequency rate	0.24	0.16	0.27	0.22

Safety in day to day working

Daily Tool Box Talks which focus on Safety (Incidents, Education, Awareness etc.). The Divisional Safety Scores which are computed each month in a way assesses the Safety Index of each Division and ranks them vis-à-vis other Divisions of G&B to foster a complete spirit.



Vaccination drives were organized at all our manufacturing locations

CONTROLLING COVID-19: EMPLOYEE-SPECIFIC INITIATIVES

The COVID-19 pandemic was an example of situations that a VUCA world may keep throwing up, demanding responses that are unconventional, quick yet comprehensive in their scope of impact.

Measures for safe working

During the pandemic, G&B was prompt in releasing guidelines and advisories for safe working protocols that included work from Home and business travel. The company took several measures to support this. Desktops and laptops were provided to employees so that they could work from home, and secure connectivity was provided through VPN.

Once lockdown restrictions were lifted, the company once again, released comprehensive guidelines to facilitate the smooth reopening of factories, offices, warehouses and other facilities. Retrofitting of special filters for all Central Airconditioning Systems was done to make office spaces Covid-Ready. Transport was provided for safe commute and employees who stayed far away from our Vikhroli, Mumbai campus were provided accommodation in the housing colonies within the same neighbourhood.

Vaccination drives

Vaccination Drives were organised for employees and employees of our contractors at our manufacturing locations.

Initiatives for mental well-being

G&B organised a series of webinars to develop awareness and make help available for emerging mental health issues.

Doubling of mediclaim coverage for all categories of employees

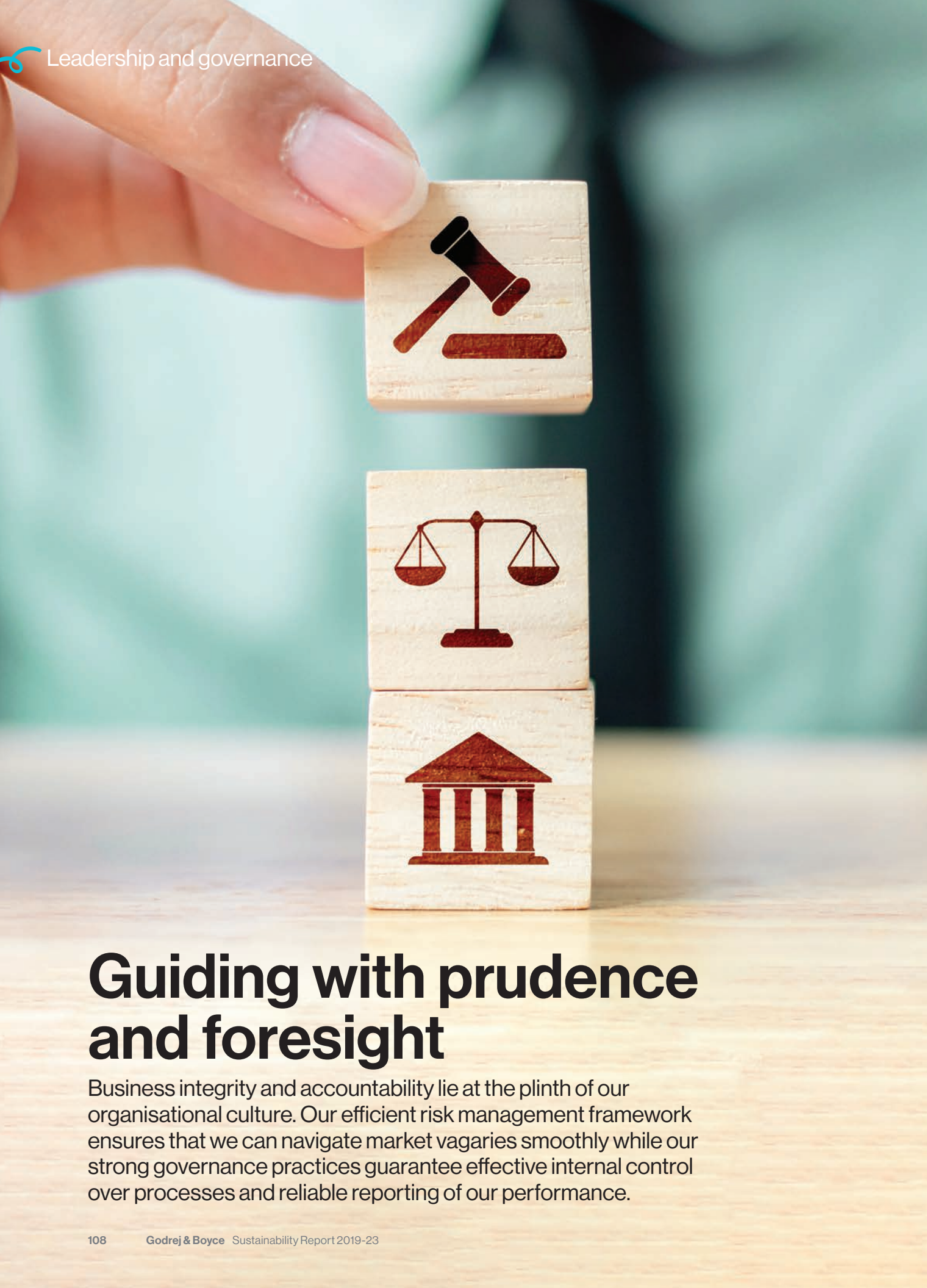
The Mediclaim coverage (sum assured) for all categories of employees has been doubled, with a marginal increase in the premium from FY21-22 onwards. Further, from August 2020 onwards, all categories of trainees and temporaries have been covered under Mediclaim schemes, wherein the premium is paid by the Company. The premium is fully paid by the company.

Support for urgent medical help

The company established tie-ups with local hospitals, primary healthcare centres to provide prompt medical assistance to employees. Further, the community hall at the Vikhroli township was made available to the local municipal corporation for setting up of quarantine facilities, along with ICU and oxygen support. Buildings were identified for housing sick employees and their family members during home quarantine, with arrangements made for food, connectivity and medical facilities.

Bio-bubbles at manufacturing locations

To ensure worker safety at our factories, bio-bubbles were created on premises. From accommodation and food to sports and recreation, a variety of facilities were provided to ensure that employees remained healthy.



Guiding with prudence and foresight

Business integrity and accountability lie at the plinth of our organisational culture. Our efficient risk management framework ensures that we can navigate market vagaries smoothly while our strong governance practices guarantee effective internal control over processes and reliable reporting of our performance.

Our culture of corporate governance goes long back. We have always focused on meeting our strategic goals responsibly and transparently, while remaining accountable to our stakeholders. The principles and beliefs that ensure good governance are entrenched at a fundamental level within the organisation, and are distinctly visible across our businesses. We engage openly and transparently with all stakeholders and conduct our business fairly. A robust Board, transparent management and best practices guide our operations.

Board's role

The Board is responsible for determining the strategic direction of the Company and for exercising judicious control over its affairs. At Godrej & Boyce, the Board guides company affairs, reviews, assesses and approves strategic directions and initiatives; and understands and discusses the issues, forces and risks that impact the company's long-term performance. It helps navigate the company towards responsible conduct and in compliance with all applicable laws and regulations.

Diverse expertise

The Board of Godrej & Boyce brings together a wealth of knowledge, perspective, professionalism, divergent thinking and experience. Our Board Members have a deep understanding of governance, technical, financial and non-financial issues.

The Directors take active part in the Board and Committee meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, policy direction, governance, compliance and play a critical role in strategic issues and add value to the decision-making process of the Board of Directors.

Board committees

The Committees constituted by the Board play an important role in the governance, focus on specific areas and make informed decisions within the delegated authority. All recommendations, observations and decisions of the Committees are placed before the Board.

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

Policies and standards

Code of conduct

We have a long history of conducting business responsibly, continuing to comply fully with all the relevant laws and regulations.

The Code covers diverse areas of day to day business namely:

- Zero Tolerance towards Bribery and Corruption
- Conflict of Interest
- Protection of Human rights
- Equal opportunities employer
- Affirmative action
- Health and safety

- Confidentiality of information
- Public representation of the company

With a view to provide a mechanism for its employees to raise concerns on any violations of the Code, the company has formulated detailed policies and process for:

- Whistle Blower Policy
- Fraud Investigation Guideline
- Prevention of sexual harassment and exploitation

We have also detailed out the Anti-Bribery & Anti-Corruption (ABAC) policy to ensure that employees act professionally, fairly and honestly in all their business dealings and relationships.

To know more about policies, please refer - godrej.com/godrejandboyce/corporate-policies

The policies are disseminated to stakeholders like employees and suppliers through workshops, e-mailers and e-learning programmes. These policy documents are also available on our website and our external business partners and third parties can easily refer to it. There were no reported incidents of corruption, nor any contributions made to political parties, politicians, related institutions by the Company during 2019-23.

Responsible tax governance

The Company considers payment of tax as an integral element of our corporate responsibility and is committed to being tax compliant. Our responsible tax strategy consists of ensuring compliance with applicable tax laws in India and the countries in that it operates, thereby avoiding tax risks.

This strategy is aligned with the Company’s corporate governance practice and value system. The Company is present in multiple geographies and through its operations contributes to the community via various direct and indirect taxes and levies. Details of individual jurisdictions’ tax positions are made available in the country-by-country reporting as required and communicated by the concerned tax authorities.

Policy on prevention of sexual harassment at the workplace

The Company is committed to creating and maintaining a work environment where every employee is treated with dignity, respect and afforded equitable treatment. Employees are offered an ecosystem that is conducive to their growth and one that actively promotes equal opportunities to all. Environment that is conducive to the professional growth of its employees and encouraging equality of opportunities is the Company’s responsibility. The company does not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment.

Environmental compliance

The company has a robust environmental compliance management system. Compliance submission reports are periodically tracked through an online, in-house, legal compliance tool. Processes for environmental compliance-related activities are mapped under regular process management. Corporate audit and Environmental

Engineering Services teams check compliances at regular intervals and work on improvement areas identified (if any). No cases of non-compliance with environmental laws and/or regulations were reported during the reporting period.

Socio-economic compliance

Godrej & Boyce has developed comprehensive policies, principles and processes to help ensure human rights are respected and protected, at the workplace. Aligned with Indian laws, we embrace responsible workplace practices and uphold the principles of human rights throughout our operations. During the reporting period, no instances of non-compliance with laws and regulations in the social and economic area were reported. The Company does not employ children at the workplaces. We also do not use or support any forms of modern slavery or forced labour in our business operations.

Additionally, no legal actions were pending against the Company during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation.

Public policy

The Company is actively involved in various committees that decide on future regulations, policies and implementation plans applicable in the public domain. Our senior executives are active members of various industry bodies and participate in the development of public policy addressing issues affecting industry, business, products and customers.

Public policy and advocacy approach

Our businesses are members of several industry associations that share common goals. Senior management of our businesses routinely work with these associations to advance public policies that are of interest to us and also the industry.

Aerospace	Society of Indian Aerospace Technologies and Industries
Appliances	Consumer Electronics and Appliances Manufacturers Association Refrigeration and Airconditioning Manufactures Association Bureau of Energy Efficiency Confederation of Indian Industry
Construction	Maharashtra Chamber of Housing Industry RMC Manufacturers Association Practicing Engineering Architects & Town Planners Association
Electricals and Electronics	CII National Power Committee Indian Electrical and Electronics Manufacturers Association ISHRAE (Indian Society of Heating, Refrigerating and Air Conditioning Engineers) Bureau of Energy Efficiency Indian Green building council
Interio	Business and Institutional Furniture Manufacturers Association Institute of Indian Interior Designers Furniture and Fitting skill council Bureau of Indian Standards –Furniture committee Association of Furniture Manufacturers of India Retail Association of India
Material Handling Equipment	BIS (Bureau of Indian Standards) ARAI (Automotive Research Association of India) SIMHEM (Society of Indian Material Handling Equipment Manufacturers)
Precision Engineering	Indian Atomic Industry Forum Indian Nuclear Society National Defence Committees, Confederation of Indian Industry National Defence Committees, Federation of Indian Chambers of Commerce & Industry Strategic Manufacturing Sector Skill Council, Confederation of Indian Industry Indian ASME Chapter II Working Group, American Society of Mechanical Engineers TPM Club of India National HRD Network Society of Defence Manufacturers
Process Equipment Division (PED)	The Indian Institute of Welding
Storage Solutions (SSG)	National Safety Council TPM Club of India Institute of Logistics Directorate of Industrial Safety and Health, Tamil Nadu Pollution Control Board
Storage & Security Division (SSD)	BIS, Security Equipment Sectional Committee Society of energy engineers & managers
Tooling	Tool and Gauge Manufacturers Association of India

Board of Directors

Board demographics

Board experience



Board diversity



27%

Female representation in board

9+

Years average tenure of current independent directors

- Audit Committee
- Stakeholder's Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility
- C Chairman
- M Member

MANAGING DIRECTOR



Jamshyd N. Godrej
Chairman & Managing Director
M

EXECUTIVE DIRECTORS



Nyrika Holkar
Executive Director
C



Anil G. Verma
Executive Director & CEO
M

NON-EXECUTIVE DIRECTORS



Navroze J. Godrej
Non-Executive Director



Nadir Godrej
Non-Executive Director



Adi B. Godrej
Non-Executive Director



Freyan Crishna Bieri
Non-Executive Director

INDEPENDENT DIRECTORS



Kavas Petigara
Independent Director
C M M



Pradip Shah
Independent Director
M



Anita Ramachandran
Independent Director
C M M



Keki Elavia
Independent Director
C M M M



Risk management

Balancing risks and opportunities to generate sustained value

The Company recognises that Enterprise Risk Management (ERM) is an integral part of business management and is committed to manage risks in a structured manner. The Company understands the effective ERM is essential to achieve strategic business objectives and long term sustainable growth. The Company has documented ERM policy which lays down the framework of Risk Management giving guidelines for proactive approach of identifying, assessing, prioritising and mitigating the risks associated with business.

The Company has a sound and structured ERM framework to address and manage the volatility and complexity of external environment associated with its business by alignment of strategy, processes, people, technology and knowledge. The current ERM framework is in line with global ERM standards which is aimed at creating a culture of Risk Enabled Performance Management(REPM) which integrates the ERM framework with strategy and planning process. The framework for ERM and the Risk management policy is reviewed by the Audit Committee and approved by the Board. The Company has created risk infrastructure by setting up an ERM Executive Committee as the apex committee, headed by the Chairman & Managing Director of the Company. The committee periodically reviews the Risk Management framework and ensures the same is working effectively. It also reviews the risks and

mitigation plans drawn by various businesses and functional risk teams to avoid unforeseen events. The individual Businesses/Functions are responsible for risk identification and mitigation plan, who as risk owners review and monitor the key risks to avoid undue deviations and adverse events and thus create value for the business.

Identification of top entity level risks have been driven by the following:

- Bottom up approach – assessing the risks identified by businesses to identify critical risk having impact at entity level.
- Top down approach – assessing risks emanating from long term planning.
- Assessing and identifying risks which need mitigation at central level.

For each of the risks identified, the risk owner, policies and procedures are put in place for monitoring, mitigating and reporting of the risks on a periodic basis. The ERM Executive Committee also helps to prioritise these entity-wide risks identified and steer mitigation efforts in line with the Company's risk capacity and appetite which in turn are reported to the Audit Committee and the Board. The entire process is independently reviewed by Internal Audit Department to ensure that the risk management framework is operating effectively.

STRATEGIC RISK



Availability of talent

Ineffectiveness/not being able to attract and retain talent will impact the company's ability to compete and sustain growth, profitability and achieve its long term vision.

PREVENTABLE RISK



Brand equity & preference

Dilution of brand salience can lead to shift (away) in customer preferences leading to drop in market shares and poor business performance.



Succession planning

Inadequate succession planning can hinder continuity of operations and implementation of business strategies in case of an unforeseen event.



IT resilience cybersecurity

Inadequate IT enablement and cybersecurity measures can severely impact business operations.



Innovation

Sluggish/slow progress in innovation in products, services, solutions, processes and business models as well as delay in infusion of appropriate manufacturing/digital technologies will lead to consumer and customer alienation.



Sustainable profitability of all businesses

Inability to generate profits by any business can lead to inadequate investments in the business and impact its sustainable operations.

GRI index

Statement of Use		Godrej and Boyce has reported in accordance with the GRI Standards for the period between 1 st April 2019 to 31 st March 2023.		
GRI 1 used		GRI 1: Foundation 2021		
Applicable GRI Sector Standard(s)		None		
GRI Standard No.	Disclosure	LOCATION		
		Section	Sub-section	Page No.
GRI 2: General disclosures 2021				
The organisation and its reporting practices	2-1 Organisational details	Introducing Godrej & Boyce	-	16
	2-2 Entities included in the organisation's sustainability reporting	About the report	-	1
	2-3 Reporting period, frequency and contact point	About the report	-	1
	2-4 Restatements of information	-	-	There have been no restatements of information during the reporting period.
	2-5 External assurance	-	-	None
Activities and workers	2-6 Activities, value chain and other business relationships	Introducing Godrej & Boyce	Business segments	20-21
	2-7 Employees	Work @ Godrej & Boyce	-	99
	2-8 Workers who are not employees	Work @ Godrej & Boyce	-	99
	2-9 Governance structure and composition	Leadership and governance	Board of Directors	112
Governance	2-15 Conflicts of interest	Leadership and governance	Policies and standards	109
	2-17 Collective knowledge of the highest governance body	Leadership and governance	Board of Directors	112
	2-22 Statement on sustainable development strategy	Leadership speaks	Chairman message	10-13
Strategy, policies and practices	2-23 Policy commitments	Leadership and governance	Policies and standards	109-110
	2-24 Embedding policy commitments	Leadership and governance	Policies and standards	109-110
	2-27 Compliance with laws and regulations	Leadership and governance	Environmental compliance	110
	2-28 Membership associations	Leadership and governance	Public policy and advocacy approach	111
	2-29 Approach to stakeholder engagement	Stakeholder engagement	-	28
Stakeholder engagement	2-30 Collective bargaining agreements	Work @ Godrej & Boyce	Fair compensation and employee benefits	102
Material topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality	'Materiality assessment process	31
	3-2 List of material topics	Materiality	'Materiality matrix	32-36

Economic performance				
GRI 201: Economic Performance 2016	3-3 Management of material topics	Resilient economic performance	-	37
	201-1 Direct economic value generated and distributed	Resilient economic performance	Economic value generated and distributed	37
GRI 203: Indirect Economic Impacts 2016	3-3 Management of material topics	Community development	Godrej DISHA	87-88
	203-2 Significant indirect economic impacts	Community development	Building sustainable communities	89-97
GRI 204: Procurement Practices 2016	3-3 Management of material topics	Supply chain sustainability	Supply chain management	65
	204-1 Proportion of spending on local suppliers	Supply chain sustainability	Supply chain management	66
GRI 205: Anti-corruption 2016	3-3 Management of material topics	Leadership and governance	Policies and standards	109-110
	205-2 Communication and training about anti-corruption policies and procedures	Leadership and governance	Policies and standards	110
	205-3 Confirmed incidents of corruption and actions taken	Leadership and governance	Policies and standards	110
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Leadership and governance	Socio-economic compliance	109
GRI 207: Tax 2019	207-1 Approach to tax	Leadership and governance	Responsible tax governance	109
	207-2 Tax governance, control, and risk management	Leadership and governance	Responsible tax governance	109
	207-3 Stakeholder engagement and management of concerns related to tax	Leadership and governance	Responsible tax governance	109
Environmental performance				
GRI 301: Materials 2016	3-3 Management of material topics	Creating a greener India	Material use	54
	301-1 Materials used by weight or volume	Creating a greener India	Material use	54
	301-1 Materials used by weight or volume	Creating a greener India	Material use	55
GRI 302: Energy 2016	3-3 Management of material topics	Creating a greener India	Energy & Emissions	47
	302-1 Energy consumption within the organization	Creating a greener India	Energy & Emissions	47
	302-3 Energy intensity	Creating a greener India	Energy & Emissions	47
	302-4 Reduction of energy consumption	Creating a greener India	Energy & Emissions	47
	302-5 Reductions in energy requirements of products and services	Creating a greener India	Energy & Emissions	47-48

Environmental performance				
GRI 304: Biodiversity 2016	3-3 Management of material topics	Creating a greener India	Biodiversity	59
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Creating a greener India	Biodiversity	59-62
	304-3 Habitats protected or restored	Creating a greener India	Biodiversity	59-62
GRI 305: Emissions 2016	3-3 Management of material topics	Creating a greener India	Energy & Emissions	51
	305-1 Direct (Scope 1) GHG emissions	Creating a greener India	Energy & Emissions	51
	305-2 Energy indirect (Scope 2) GHG emissions	Creating a greener India	Energy & Emissions	51
	305-4 GHG emissions intensity	Creating a greener India	Energy & Emissions	51
	305-5 Reduction of GHG emissions	Creating a greener India	Energy & Emissions	51
	305-6 Emissions of ozone-depleting substances (ODS)	Creating a greener India	Energy & Emissions	51
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Creating a greener India	Energy & Emissions	47-48
GRI 306: Waste 2020	3-3 Management of material topics	Creating a greener India	Waste management	56
	306-1 Waste generation and significant waste-related impacts	Creating a greener India	Waste management	57-58
	306-2 Management of significant waste-related impacts	Creating a greener India	Waste management	57-58
	306-3 Waste generated	Creating a greener India	Waste management	58
	306-4 Waste diverted from disposal	Creating a greener India	Waste management	56-58
	306-5 Waste directed to disposal	Creating a greener India	Waste management	58
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	Supply chain sustainability	Supply chain management	65
	308-1 New suppliers that were screened using environmental criteria	Supply chain sustainability	Supply chain management	66-69
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply chain sustainability	Supply chain management	66-69

Social performance				
GRI 401: Employment 2016	3-3 Management of material topics	Work @ Godrej & Boyce	-	99
	401-1 New employee hires and employee turnover	Work @ Godrej & Boyce	Building a culture of high performance	99
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Work @ Godrej & Boyce	Fair compensation and employee benefits	102
	401-3 Parental leave	Work @ Godrej & Boyce	Fair compensation and employee benefits	102
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Work @ Godrej & Boyce	Occupational Health and Safety (OHS)	106
	403-1 Occupational health and safety management system	Work @ Godrej & Boyce	Occupational Health and Safety (OHS)	106
	403-2 Hazard identification, risk assessment, and incident investigation	Work @ Godrej & Boyce	Occupational Health and Safety (OHS)	106
	403-3 Occupational health services	Work @ Godrej & Boyce	Occupational Health and Safety (OHS)	106
	403-4 Worker participation, consultation, and communication on occupational health and safety	Work @ Godrej & Boyce	Occupational Health and Safety (OHS)	106
	403-8 Workers covered by an occupational health and safety management system	Work @ Godrej & Boyce	Occupational Health and Safety (OHS)	106
	403-9 Work-related injuries	Work @ Godrej & Boyce	Occupational Health and Safety (OHS)	106
	3-3 Management of material topics	Work @ Godrej & Boyce	Capability development and building a competitive edge	103
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Work @ Godrej & Boyce	Capability development and building a competitive edge	103
	404-2 Programmes for upgrading employee skills and transition assistance programs	Work @ Godrej & Boyce	Capability development and building a competitive edge	103-105
	404-3 Percentage of employees receiving regular performance and career development reviews	Work @ Godrej & Boyce	Capability development and building a competitive edge	103-105
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Work @ Godrej & Boyce	Gender diversity	101
	405-1 Diversity of governance bodies and employees	Work @ Godrej & Boyce	Gender diversity	101
GRI 406: Non-discrimination 2016	3-3 Management of material topics	Work @ Godrej & Boyce	Building a culture of high performance	99
	406-1 Incidents of discrimination and corrective actions taken	Work @ Godrej & Boyce	Building a culture of high performance	99

Social performance				
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3 Management of material topics	Work @ Godrej & Boyce	Fair compensation and employee benefits	102
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Work @ Godrej & Boyce	Fair compensation and employee benefits	102
GRI 408: Child Labor 2016	3-3 Management of material topics	Leadership and governance	Socio-economic compliance	110
	408-1 Operations and suppliers at significant risk for incidents of child labor	Leadership and governance	Socio-economic compliance	110
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	Leadership and governance	Socio-economic compliance	110
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Leadership and governance	Socio-economic compliance	110
GRI 410: Security Practices 2016	3-3 Management of material topics	We ensure that all security personnel receive formal training on our human rights policies and procedures on the Company's application to security.	personnel receive formal training on our procedures on the Company's application to security.	
	410-1 Security personnel trained in human rights policies or procedures	We ensure that all security personnel receive formal training on our human rights policies and procedures on the Company's application to security.	personnel receive formal training on our procedures on the Company's application to security.	
GRI 411: Rights of Indigenous Peoples 2016	3-3 Management of material topics	Community development	CSR approach	87
	411-1 Incidents of violations involving rights of indigenous peoples	Community development	CSR approach	87
GRI 413: Local Communities 2016	3-3 Management of material topics	Community development	CSR approach	87
	414-1 New suppliers that were screened using social criteria	Supply chain sustainability	Supply chain management	66-69
	414-2 Negative social impacts in the supply chain and actions taken	Supply chain sustainability	Supply chain management	66-69
GRI 415: Public Policy 2016	3-3 Management of material topics	Leadership and governance	Policies and standards	110-111
	415-1 Political contributions	Leadership and governance	Policies and standards	110-111
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	Good and green products	"Embedding sustainability into product value chain"	79
	416-1 Assessment of the health and safety impacts of product and service categories	Good and green products	"Embedding sustainability into product value chain"	79
	3-3 Management of material topics	Good and green products	Marketing and labelling practices followed	85
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Good and green products	Marketing and labelling practices followed	85
GRI 418: Customer Privacy 2016	3-3 Management of material topics	Digital transformation	Cybersecurity: Building rock-solid defences	43
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Digital transformation	Cybersecurity: Building rock-solid defences	43

