

# ESG Factbook

FY 23-24



## Contents

ABOUT THE COMPANY .....	3
ABOUT THE ESG FACT BOOK .....	3
ENVIRONMENTAL DIMENSION .....	4
1. Energy .....	4
1.1. Energy Consumption .....	4
2. Water .....	4
2.1. Water Consumption .....	4
3. Waste & Pollutants .....	4
3.1. Waste Disposal .....	4
4. Climate Strategy .....	5
4.1. Financial Risks of Climate Change .....	5
4.2. Direct Greenhouse Gas Emissions (Scope 1) .....	5
4.3. Indirect Greenhouse Gas Emissions (Scope 2) .....	5
4.4. Indirect Greenhouse Gas Emissions (Scope 3) .....	5
4.5. Low Carbon Products .....	5
5. Biodiversity .....	6
5.1. No Deforestation Commitment .....	6
6. Product Stewardship .....	6
6.1. On-Site Energy Generation .....	6
SOCIAL DIMENSION .....	7
1. Human Capital Development .....	7
1.1. Hiring .....	7
1.2. Employee Turnover Rate .....	7
1.3. Employee Wellbeing .....	7

<b>2. Occupational Health and Safety .....</b>	<b>7</b>
<b>2.1. Fatalities .....</b>	<b>7</b>
<b>2.2. LTIFR .....</b>	<b>8</b>
<b>ECONOMIC DIMENSION.....</b>	<b>9</b>
<b>1. Corporate Governance .....</b>	<b>9</b>
<b>1.1. Board Effectiveness.....</b>	<b>9</b>
<b>1.2. CEO Compensation - Long-Term Performance Alignment .....</b>	<b>9</b>
<b>1.3. Management Ownership.....</b>	<b>10</b>
<b>1.4. CEO-to-Employee Ratio .....</b>	<b>10</b>
<b>2. Risk &amp; Crisis Management .....</b>	<b>10</b>
<b>3. Business Ethics .....</b>	<b>11</b>
<b>3.1. Reporting on Breaches .....</b>	<b>11</b>
<b>4. Policy Influence .....</b>	<b>11</b>
<b>4.1. Contributions &amp; Other Spending .....</b>	<b>11</b>
<b>4.2. Largest Contributions &amp; Expenses .....</b>	<b>12</b>
<b>4.3. Other Large Expenditures .....</b>	<b>12</b>
<b>5. Supply Chain Management .....</b>	<b>13</b>
<b>5.1. KPIs for Supplier Screening, Supplier Assessment and Development</b>	<b>13</b>
<b>TARGETS &amp; COMMITMENTS .....</b>	<b>14</b>
<b>REFERENCES .....</b>	<b>14</b>

## ABOUT THE COMPANY

The Godrej Group was established in 1897 out of a desire to demonstrate economic self-sufficiency and excellence within India in the pre-independence decades, the Godrej Group traces its origins to India's Independence and Swadeshi movement.

The Godrej Group comprises a varied business portfolio that includes real estate development, fast-moving consumer goods, advanced engineering, home appliances, lending and financial services, furniture, security, and agri-care.

Godrej Properties brings the philosophy of innovation, sustainability, and excellence from the Godrej Group to the real estate sector. Each project by Godrej Properties integrates a 127-year heritage of trust and quality with a dedication to cutting-edge design and technology. Since 1985, Godrej Properties Limited (GPL) has been a leading force in the Indian real estate industry. In recent years, Godrej Properties has garnered over 400 awards, including recognition for its environmental and social initiatives at the Euromoney's Global Real Estate Awards 2023, India Workplace Equality Index 2023, ET Real Estate Awards, and being named 'The Most Trusted Real Estate Brand' in 2019 by the Brand Trust Report. Additionally, it received accolades such as 'Equality and Diversity Champion' at the 2019 APREA Property Leaders Awards, 'The Economic Times Best Real Estate Brand 2018', and 'Builder of the Year' at the CNBC Awaaz Real Estate Awards 2018. GPL has been recognised as one of the world's most sustainable companies by the prestigious TIME magazine 2024. Headquartered in Mumbai, Godrej Properties is present in 11 cities in the country and has a workforce of 3,015 employees.

## ABOUT THE ESG FACT BOOK

The ESG fact book should be read in alignment with the Integrated Report 2023-24. The Integrated Report 2023-24 has been developed in accordance with the GRI Standards along with reference to other prominent global sustainability reporting frameworks and standards along with inclusion of relevant indexes for quick reference. The disclosures made in the Integrated Report 2023-24 have also been verified by an independent assurance provider. Considering the interests of different stakeholder groups with gradually increasing global sustainability disclosures, this ESG fact book aligns with the similar intent of reporting on such key performance indicators (KPIs).

### General Disclaimer:

Godrej Properties has exercised all reasonable precautions to verify the information presented in this document. The responsibility for interpreting and utilizing the material rests with the reader. We have diligently addressed all review points related to inconsistencies and incomplete information. GPL does not assume liability for any damage resulting from the use of this report.

## ENVIRONMENTAL DIMENSION

### 1. Energy

#### 1.1. Energy Consumption

Total energy consumption	Unit	FY20-21	FY21-22	FY22-23	FY23-24
Total non-renewable energy consumption	MWh	7157.2	5422.7	6834.7	7132.5
Total renewable energy consumption	MWh	0	0	150.7	194.05
Data coverage	% of Operations	100	100	100	100

### 2. Water

#### 2.1. Water Consumption

	Units	FY20-21	FY21-22	FY22-23	FY23-24
A. Water withdrawal (excluding saltwater)	Million cubic meters	0.2991	0.30951	0.21817	0.29157
B. Water discharge (excluding saltwater)	Million cubic meters	0	0	0	0
Total net freshwater consumption	Million cubic meters	0.2991	0.30951	0.26775	0.29157
Data coverage	% of Operations	100	100	100	100

### 3. Waste & Pollutants

#### 3.1. Waste Disposal

	Unit	FY20-21	FY21-22	FY22-23	FY23-24
Total waste recycled/reused	Metric Tonnes	228,985.03	338,322.14	427,641.55	814,532
Total waste disposed	Metric Tonnes	10,101.14	15,719.31	26,293.22	12,004
- Waste landfilled	Metric Tonnes	10,086.19	15,662.32	25,297.48	12,004
- Waste incinerated with energy recovery	Metric Tonnes	0	0	0	0
- Waste incinerated without energy recovery	Metric Tonnes	0	0	0	0
- Waste otherwise disposed Adhesives, Paint Cans	Metric Tonnes	14.95	56.99	995.14	0
- Waste with unknown disposal method	Metric Tonnes	0	0	0	0
Data coverage	% of Operations	100	100	100	100

## 4. Climate Strategy

### 4.1. Financial Risks of Climate Change

Climate change presents financial risks to our operations. Heavy precipitation is identified as the one of the most significant risk posed to GPL's business operations specifically in construction activities. The estimated financial implications of the risk before taking action is more than INR 90 Crores, with an average estimated timeframe of 1 year and the estimated costs of these actions are more than INR 14 Crores. We have taken multiple initiatives to mitigate risks related to heavy precipitation. Emissions management is the core of our climate change mitigation strategy. We have deployed a multi-pronged approach that includes increased adoption of alternative clean energy options, supporting energy efficiency measures and offsets through proactive afforestation and land use focused projects. We are carbon neutral for Scope 1 and 2 emissions.

### 4.2. Direct Greenhouse Gas Emissions (Scope 1)

Direct GHG (Scope 1)	Unit	FY20-21	FY21-22	FY22-23	FY23-24
Total direct GHG emissions (Scope 1)	Metric tonnes CO2 equivalents	926.17	447.97	529.02	541.74
Data coverage	% of Operations	100	100	100	100

### 4.3. Indirect Greenhouse Gas Emissions (Scope 2)

GHG (Scope 2)	Unit	FY20-21	FY21-22	FY22-23	FY23-24
Location-based	Metric tonnes of CO2 equivalents	2,920.60	2,966.22	3,375.60	3,529
Data coverage	% of Operations	100	100	100	100

### 4.4. Indirect Greenhouse Gas Emissions (Scope 3)

GHG (Scope 3)	Unit	FY20-21	FY21-22	FY22-23	FY23-24
Total indirect GHG emissions (Scope 3)	Metric tonnes of CO2 equivalents	1,961,251	1,332,075	1,951,267	1,594,025

### 4.5. Low Carbon Products

Type & Description of product(s)	Level of aggregation	% of total revenues from "climate change" product(s) in the most recently completed fiscal year	Estimated total avoided emissions per year (tCO <sub>2</sub> e)
Low Carbon Products: Building Construction	Group of Products	100%	12,559.94

## 5. Biodiversity

### 5.1. No Deforestation Commitment

GPL commits to continuing to practice “No Net Deforestation” throughout all its operations by FY2030 by compensating with future reforestation.

## 6. Product Stewardship

### 6.1. On-Site Energy Generation

More than 50% of our projects are designed to generate energy on-site. Additionally, 2% of our projects currently are designed to meet net-zero energy standards. The total renewable energy produced on site as percentage of total energy use for these projects is 68%. The production of renewable energy on-site across our projects is primarily through solar energy.

# SOCIAL DIMENSION

## 1. Human Capital Development

### 1.1. Hiring

	FY20-21	FY21-22	FY22-23	FY23-24
Total number of new employee hires	405	520	965	1275
Percentage of open positions filled by internal candidates (internal hires)	10.6	7.3	10	18.4
Average hiring cost/FTE (INR)	346,135	222,384	263,489	277,336

### 1.2. Employee Turnover Rate

	FY20-21	FY21-22	FY22-23	FY23-24
Total employee turnover rate* (100 % of all FTEs globally)	12	27	30	25

\*Total employee turnover rate is equal to voluntary turnover rate. There is no involuntary turnover rate in our company.

### 1.3. Employee Wellbeing

Core Focus	Unit	FY20-21	FY21-22	FY22-23	FY23-24
Employee Engagement	% of employees with top level of engagement, satisfaction, wellbeing, or employee net promoter score (eNPS)	78	82	65	80
% of employees who responded to the survey		87	90	97	80

## 2. Occupational Health and Safety

### 2.1. Fatalities

Fatalities	FY20-21	FY21-22	FY22-23	FY23-24
Employees	0	0	0	0
Contractors	0	0	0	1



## 2.2. LTIFR

LTIFR	Unit	FY20-21	FY21-22	FY22-23	FY23-24
Employees	LTIFR (n/million hours worked) LTIR (n/200,000 hours worked)	0	0	0	0
Contractors	LTIFR (n/million hours worked) LTIR (n/200,000 hours worked)	0.1	0.05	0.06	0.03

## ECONOMIC DIMENSION

### 1. Corporate Governance

#### 1.1. Board Effectiveness

Our board performance review undergoes the following process:

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual evaluation of its own performance, as well as the working of its individual Committees. A structured questionnaire consisting of the inputs received from the Directors is prepared, which covers aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise is carried out to evaluate the performance of individual directors to obtain an overview of the functioning of the Board/ Committees, inter alia, on the broad criteria i.e. attendance and level of participation at meetings of the Board/ Committees, independence of judgement exercised by Independent Directors, and interpersonal relationship.

The Independent Directors express their satisfaction at the robustness of the evaluation process, the Board's freedom to express its views on matters transacted at the meetings and the openness and transparency with which the Management discusses various subject matters specified on the agenda of meetings. The consolidated Evaluation Report of the Board, based on inputs received from the Directors is discussed at the meeting of the Board and the action areas identified in the process are implemented to ensure a better interface at the Board/Management level.

The independent directors are elected by shareholders for a maximum of 2 terms of 5 years each. The MD & CEO (Gaurav Pandey) is elected and re-elected by shareholders for a period of 3 years. The executive chairperson (Pirojsha Godrej) and Non-Executive Director (Nadir B. Godrej) retire by rotation and are re-elected by shareholders in every alternate year.

#### 1.2. CEO Compensation - Long-Term Performance Alignment

At GPL, we have guidelines on deferred bonus, time vesting, and performance period for the MD & CEO's variable compensation. 10% of the CEO's short-term incentive deferred in the form of shares or stock options. The longest performance period applied to evaluate variable compensation (based on predefined targets, either relative or absolute), covered in our executive compensation plan is 4 years. Additionally, the longest time vesting period for variable CEO compensation is 4 years.

### 1.3. Management Ownership

The MD&CEO as well as the executive management committee members hold company shares. The shares held by the MD&CEO make up to a multiple of 0.35 times the base salary, while that of the executive management committee makes up to 7.8 times their cumulative average base salary.

### 1.4. CEO-to-Employee Ratio

The total annual compensation of the MD&CEO is INR 14,20,97,878. The mean employee compensation is INR 1,832,000\* and the ratio of the annual compensation of MD&CEO to that of mean employee compensation is 77.56.

\*Compensation of MD&CEO as well as employees includes fixed pay and actual performance bonus.

## 2. Risk & Crisis Management

At GPL, we conducted internal audit of our risk management process in FY 2023-24, wherein our risk management policy has been revised based on new developments. Additionally, the company's risk register has been reviewed and updated, along with the company's risks and opportunities.

GPL's ERM establishes robust risk management processes that are embedded across key activities of the business, including climate and sustainability considerations as well as crisis management.

The objectives of our ERM are:

- a. Promote an effective risk management system that supports the Company's growth strategy and business objectives
- b. Integrate risk management in the culture and strategic decision making across the Company
- c. Establish and guide risk governance by providing clarity on the roles and responsibilities in relation to risk management
- d. Establish a structured process for early identification, assessment, risk response, monitoring, and reporting on risks arising out of internal as well as external factors
- e. Establish a process to identify and assess risks which can impact business continuity of the Company and define recovery plans for such risks
- f. Identify and pursue existing and new opportunities in accordance with the Company's risk appetite, and strategy
- g. Facilitate compliance with all applicable regulatory requirements, related to risk management and reporting

Our ERM process starts with setting up risk appetite and tolerances, with risk exposure scenarios. These include setting threshold limits, stakeholder reactions, and company's performance

expectations. These are overseen and evaluated by the board of directors. This is then followed by identification of enterprise-wide risks, including climate related risks (physical and transitional), and emerging risks. After identification of risks, the impact evaluation and likelihood assessment is done. During risk evaluation, risks are categorized as per the severity matrix and are prioritized as per the prioritization criteria. Monitoring and review of risks are done on a periodic basis to be in alignment with the changing dynamics of the business environment. Risk reporting is done at the enterprise level as well as zonal level and risk registers are maintained at the zonal/corporate level.

In addition to risk management, crisis management plans are also put in place at the enterprise level to proactively prepare and respond to a crisis event in a way to ensure that the company returns to 'business-as-usual' state. These are concerted efforts made by different functions of the company to ensure continuity of business operations.

### 3. Business Ethics

#### 3.1. Reporting on Breaches

Reporting Areas	Number of breaches in FY 2023
Corruption or Bribery	0
Discrimination or Harassment	6
Customer Privacy Data	0
Conflicts of Interest	0
Money Laundering or Insider trading	0

### 4. Policy Influence

#### 4.1. Contributions & Other Spending (in INR)

	FY20-21	FY21-22	FY22-23	FY23-24
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	0	0	2,803,828	2,415,876
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0
<b>Total contributions and other spending (INR)</b>	0	0	0	0
Data coverage (% of revenues)	100	100	100	100

## 4.2. Largest Contributions & Expenses

Issue or Topic	Corporate position	Description of Position / Engagement	Total spend in FY 2023 (INR)
Accelerate the system transformations needed for a net zero, nature positive, and more equitable future.	Support	By engaging with and funding WBCSD, GPL aims to accelerate the system transformations needed for a net zero, nature positive, and more equitable future.	2,170,613
Align with framework to align with ten universally accepted principles in areas such as human rights, labour, environment, and anticorruption.	Support	In line with UNGC, GPL also aims to use a framework to align with ten universally accepted principles in areas such as human rights, labour, environment, and anticorruption.	245,263

## 4.3. Other Large Expenditures

Name of organization, candidate or topic	Type of organization	Total amount paid in FY 2023 (INR)
World Business Council for Sustainable Development (WBCSD)	Trade association  WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT WBCSD is a global organization comprising over 200 influential businesses, led by CEOs, who collaborate to expedite the shift towards a sustainable world.	2,170,613
United Nations Global Compact (UNGC)	Trade association  UNITED NATIONS GLOBAL COMPACT The United Nations Global Compact (UNGC) is a voluntary initiative launched in 2000 to promote sustainable and socially responsible policies and practices in businesses worldwide. It provides a framework for companies to align with ten universally accepted principles in areas such as human rights, labor, environment, and anticorruption. The UNGC fosters dialogue, collaboration, and learning among companies, civil society, governments, and stakeholders to drive collective action for a more inclusive and sustainable global economy	245,263

## 5. Supply Chain Management

### 5.1. KPIs for Supplier Screening, Supplier Assessment and Development

Supplier Screening	FY 2023
Total number of Tier-1 suppliers	248
Total number of significant suppliers in Tier-1	164
% of total spend on significant suppliers in Tier-1	91
Total number of significant suppliers in non-Tier-1	17
Total number of significant suppliers (Tier-1 and non-Tier-1)	181
Total number of suppliers assessed via desk assessments/on-site assessments	73
% of unique suppliers (Tier-1 and non-Tier-1) assessed	40.33%
Total number of suppliers supported in corrective action plan implementation and capacity building programs	164

## TARGETS & COMMITMENTS

### Environmental Targets:

- Reduce/Maintain our energy intensity year-on-year
- Reduce/Minimize Waste to landfill
- Reduce/Maintain water intensity year-on-year
- Reduce/Maintain our Scope 1, Scope 2, Scope 3 intensity year-on-year
- 100% of our projects are green certified (IGBC Silver or equivalent) or under certification

### Social Targets:

- Achieving 35% overall Diversity
- Provide access to entitlements and well-being for 200,000 construction workers

### Supply Chain Targets:

- We have committed to ensure that 88.5% of our suppliers by emissions covering those involved in purchased goods and services, set science-based targets by FY 2026 from a base year of FY 2021, through capacity building programs. Our Scope 3 targets have been validated and approved by SBTi.

## REFERENCES

Integrated Report 2023-24:

<https://delf2iyv2crlj.cloudfront.net/Files/gpl-ir-23-24-RRfksY9T8BY5nf9xqPjW.pdf>

ESG Policies:

<https://www.godrejproperties.com/investor/corporate-governance>