



# **GMR ENTERPRISES PRIVATE LIMITED**

## **Corporate Social Responsibility Policy**

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GMR Group recognizes that its business activities have wide impact on the societies in which it operates, and therefore effective socially responsible practices are required, giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities, other institutions and the environment. This policy encompasses the requirement of the Companies Act, 2013.

## **1. BACKGROUND**

GMR Group is driven by a vision to make a difference to society at large by contributing to the economic development of the country, as well as working towards inclusive growth and improving the quality of life of the local communities. Towards this vision, the Group, through/ with GMR Varalakshmi Foundation (GMRVF), partners with communities around all the group companies to drive various initiatives in the areas of Education, health, empowerment and livelihood, aimed at overall social development.

## **2. PHILOSOPHY OF THE FOUNDATION**

Inclusive growth and maximizing benefit to the community with positive collateral for business.

## **3. OBJECTIVE**

**To recognize our social, economic and environmental responsibilities, and demonstrate these responsibilities in the local communities through our actions as per the approved policy guidelines.**

**To encourage and facilitate employees and their families to spend time voluntarily in community service related programs.**

**To comply with all applicable legal, statutory and other requirements.**

## **4. SCOPE**

- ✓ GMR Group is committed to enhance value to all stakeholders. The GMR Group will ensure that its managers and staff are sensitized to ethical, social and environmental issues, so that they may integrate these concerns into their business decision making.
- ✓ Group companies/GMRVF shall give preference to local areas where the company operates for CSR spend.

- ✓ List of the projects / programs to be undertaken shall be within the purview of Schedule VII of the Companies Act, 2013.

### 4.1 Sharing the Values

GMR Group is aspiring to be an institution in perpetuity that will build entrepreneurial organizations making a difference to society through creation of value. The Group will encourage and facilitate its staff to take up community service and environmental protection activities so that they develop empathy and understanding towards development of various issues relevant for social development of the society.

The GMR Group is driven by seven core values and beliefs which are guiding principles in conducting businesses. They are as follows:

- *Humility:* We value intellectual modesty and dislike false pride and arrogance
- *Entrepreneurship:* We seek opportunities - they are everywhere
- *Teamwork & Relationship:* Going beyond the individuals encouraging boundary less behavior
- *Deliver the promise:* We value a deep sense of responsibility and self-discipline, to meet and surpass on commitments made
- *Learning:* Nurturing active Curiosity – to question, share and improve
- *Social Responsibility:* Anticipating and meeting relevant and emerging needs of societies
- *Respect for Individuals:* We will treat others with dignity, sensitivity and honour

### 4.2 Communities

- Towards this, GMR Group will partner with communities around the business units and other selected communities, in order to improve the quality of their lives over a period of time;
- In pursuit of this, GMR Group shall contribute to the development of these communities through initiatives in Education; Health, hygiene and sanitation; Empowerment and livelihoods; and Community development;
- These efforts shall reach out to the under-served and the needy in these communities. This shall be through deep engagement with the community as the first step of setting up a business;
- This partnership will be in the spirit of building the capacities of communities and their institutions to empower themselves;
- GMR Group will ensure that these initiatives are planned in consultation with the communities to enhance their knowledge, skills, needs and quality of work life. These initiatives will be evaluated and fine-tuned from time to time to ensure their effectiveness;

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- To ensure this, GMR Group will take the support of its specialized in-house Entity, the GMRVF, which will ensure that all activities are planned and carried out in a professional manner;
- Group companies shall financially support the community activities as per the needs of the communities. These activities may be either done directly by the company with support from GMRVF, or through donation to GMRVF. Board of each company will ensure that the company spends at least 2% of its average net profits made during the three immediately preceding financial years. The Group shall be driven by the long range vision of the community's development and invest as appropriate;
- The GMR Group will also contribute to reputed organizations who are involved in similar causes.

### 4.3 Environment

Sustainability and the triple bottom line is inherent in the concept of value creation. The Group will strive to protect environment, conserve natural resources, reduce energy consumption, improve occupational health and safety performance, and mitigate risks by adopting optimal production processes and services driven by environment friendly technologies.

### 4.4 Products and Services

GMR Group is committed to deliver products and services of superior quality based on the requirement of its Customers and built to National and International standards.

### 4.5 Employees

All employees of the group irrespective of community, race, grade and cadre shall be encouraged to voluntarily participate in various projects / programs related to CSR.

### 4.6 Legal and Ethical Standards

- The Group will comply and endeavor to exceed all applicable legal and other requirements.
- GMR Group expects its employees to maintain high moral and ethical standards. These standards are characterized by honesty, fairness, equity in interpersonal and professional relationships as well as in our day-to-day activities and are enumerated in the Code of Business Conduct and Ethics policy.

## 5. **APPLICABILITY AND RESPONSIBILITY**

**The policy is applicable to all employees including full time Advisors/Consultants.**

- ✓ The Group will actively influence all their business partners, service providers and contractors to align with the intent of this policy.
- ✓ Business CEOs, Head-Projects and Head-Assets have to take responsibility for performance of this policy in their respective Businesses, projects and plants.
- ✓ GMRVF will undertake the planning and implementation of the community activities, with contribution and ownership from the Businesses.

## 6. **IMPLEMENTATION & REVIEW**

- ✓ **It will be ensured that the initiatives under CSR are identified and planned in close association with the local communities and project/plant heads in a participatory manner that will ultimately result in better standards of living for surrounding communities.**
- ✓ All group companies which are required to implement the new CSR rules shall establish the necessary processes, systems and procedures to implement the new CSR rules.
- ✓ CSR Board level committees shall review the CSR activities at Group/Company level by going through the reports prepared in prescribed formats on quarterly basis.
- ✓ The initiatives will be fine-tuned from time to time to ensure their effectiveness.
- ✓ Various CSR initiatives anchored through GMRVF will be communicated effectively to create awareness and involvement of employees.

This policy will be in force until a review is made by the Board of Directors for accommodating the emerging requirements.

*[This Policy has been approved in the Board Meeting dated November 14, 2016]*