

Godfrey Phillips India Limited
Biodiversity Policy

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I. Introduction

Biodiversity is the variability of living organisms inhabiting the earth, including the variability/diversity within the species, between the species and of ecosystems. The degradation of ecosystems and decline of biological diversity, identified by the scientific community as a direct consequence of the impact of human activities, entail serious environmental, economic and social risks and require collective action to reverse the loss.

Godfrey Phillips India Limited (hereinafter referred to as “GPIL” or “the Company”) believes that protecting biodiversity is critical for sustainability and acknowledges that protecting biodiversity will need commitment on the part of the Company’s business practices and operations.

Therefore, to formalise its commitment to protecting and conserving biodiversity, GPIL has formulated Biodiversity Policy (hereinafter referred to as “Policy”) to conduct its business operations sustainably while having minimal impact on the biodiversity components.

II. Scope

This Policy covers all the offices, facilities, and subsidiaries of GPIL. Further, all employees of the Company shall follow the principles and practices outlined in this Policy. We will encourage our suppliers and business partners to align their operations and activities with the provision of this policy.

III. Policy Statement

To abide by its commitment to protecting and conserving biodiversity, the Company will:

- i. Ensure that no offices and facilities of the Company shall be located or established within or in close proximity to any area declared as a biodiversity hotspot or ecologically sensitive area (such as National Parks, Wildlife Sanctuary, Reserved Forest, etc.).
- ii. Comply with all applicable biodiversity-related laws, rules and regulations
- iii. Adhere to applicable guidelines on land management degradation, ecological restoration and biodiversity conservation management.
- iv. Take a preventive approach (avoid, minimise, restore, and compensate as a last resort) to reduce or eliminate the adverse biodiversity impact through the right combination of best-in-class industry practices and state-of-the-art technologies.
- v. Achieve zero deforestation in the supply chain of paper used in cigarettes sticks by 2030, ensuring all cigarette paper sourcing is from certified, sustainable and responsibly managed forest sources
- vi. Work towards achieving no net loss of biodiversity by balancing project-related impacts (when applicable) through measures to avoid, minimise, restore on-site, and offset significant residual impacts on appropriate geographical scales.
- vii. Endeavour to prevent deforestation associated with the Company’s operations

- viii. Assess periodically the impact that Company operations and the tobacco supply chain have on biodiversity.
- ix. Engage with relevant stakeholders, including local communities, regulatory bodies, and supply chain partners, on biodiversity conservation initiatives and impact management.
- x. Promote awareness on biodiversity conservation among the Company employees, workers and anyone else associated with the Company's operations.
- xi. Undertake awareness activities on biodiversity value and conservation among local communities and supply chain partners.

IV. Governance

This Policy will have Management oversight, and the respective unit heads will be responsible for its proper implementation.

V. Communication of the Policy

The Policy will be available on relevant medium of communication, like the intranet and corporate website.

VI. Review

The Policy shall be reviewed by the Board-level ESG Committee through the Head of ESG as and when it deems necessary or in compliance with the amendment made to the applicable law, rules and regulations made thereunder.

VII. Version Control

Version	Change Description	Date
1.0	New Policy drafted	27/05/2023
1.1	Extended coverage of the Policy.	15/01/2026