

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2024-2025

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Principle 1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identification No. (CIN) of the Listed Entity	L16004MH1936PLC008587
2.	Name of the Listed Entity	GODFREY PHILLIPS INDIA LIMITED (hereinafter referred as 'GPIL' or 'the Company')
3.	Year of incorporation	1936
4.	Registered office address	Macropolo Building, Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai- 400033, Maharashtra.
5.	Corporate address	14, Omaxe Square, Jasola District Centre, New Delhi, Delhi 110025
6.	E-mail	isc@godfreyphillips.co.in
7.	Telephone	011 -26832155, 61119300
8.	Website	www.godfreyphillips.co.in
9.	Financial year for which reporting is being done	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	NSE and BSE
11.	Paid-up Capital	1,039.88 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Punit Kumar Chellaramani Company Secretary and Compliance Officer 011-61119428, isc@godfreyphillips.co.in
13.	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities that form a part of its consolidated financial statements, taken together).	The financial disclosures made in this report are on a standalone basis. The data related to social performance comprises information on the standalone entity and its wholly owned subsidiary - International Tobacco Co. Ltd. The environmental disclosures are of cigarette and tobacco business of the Company and its aforesaid subsidiary.
14.	Name of assurance provider	Not Applicable; the Company will go for assurance in due course when it is mandated.
15.	Type of assurance obtained	Not Applicable

II PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% Of turnover of the entity (FY 25)
1.	Manufacturing	Food beverages and tobacco products: GPIL is primarily engaged in the manufacturing and sale of cigarette.	67.70%
2.	Trading	Wholesale Trading: GPIL is also involved in the trading of unmanufactured tobacco. The Company procures tobacco leaves from farmers and traders and processes them for sale.	30.65%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed (FY 25)
1	Cigarette	12003	67.70%
2	Unmanufactured Tobacco	46202	30.65%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3 (Guldhar, Rabale and Ongole)	9	12
International	-	-	-

19. Markets served by the entity:

a. Number of locations:

Locations	Number
National (No. of States) *	25
International (No. of Countries)	37

**Note: GPIL has a wide network of offices across India to support its business operations. The Company has identified its office locations based on the Goods and Services Tax (GST) registration number for each location. As per the GST registration process, companies must register each office location separately, which allows for easy identification of office locations based on their respective GST registration number.*

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports constitute **31.48%** of the total turnover of the Company for FY25.

c. A brief on types of customers

GPIL caters to a diverse set of customers through its various products and services.

- The Company's primary business is manufacturing and selling of cigarette. The Company's principal customers are adult smokers who purchase its products directly through retail stores. Its B2B customers include wholesalers, retailers, and other distributors, including importers who purchase GPIL's products in bulk quantities and then resell them.
- GPIL procures tobacco leaves from farmers and traders in its trading unmanufactured tobacco. The Company processes these tobacco leaves and sells the processed tobacco leaves in the domestic market, as well as exports it to other manufacturers, traders, and aggregators in the tobacco industry.
- The International Division of the Company exports cigarette and manufactured tobacco (also known as cut tobacco or cut filler) to manufacturers and traders globally.

IV. Employees

20. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1041	979	94%	62	6%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D + E)	1041	979	94%	62	6%
WORKERS						
4.	Permanent (F)	36	36	100%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	Total workers (F + G)	36	36	100%	0	0%

b. Differently abled Employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	0	0	0%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	Total diffrently-abled workers (F + G)	0	0	0%	0	0%

21. Participation/Inclusion/Representation of Women:

GPIL now has three women directors on the Board, Dr. Bina Modi, Ms. Charu Modi, and Ms. Nirmala Bagri. Dr. Bina Modi as Chairperson and Managing Director of GPIL, leads the Company in all operational aspects.

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	3	33%
Key Management Personnel*	5	2	40%

*Comprising of Executive Director, Managing Director, Whole-time Director, Chief Financial Officer, and Company Secretary

22. Turnover rate for permanent employees and workers:

	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)			FY 2022-23 (Year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.9%	26.2%	23.1%*	14.0%	6.5%	13.6%	12.5%	7.0%	12.2%
Permanent Workers	-	-	-	-	-	-	-	-	-

*The Company's exit from the retail business led to a higher turnover rate for the year FY2024-25

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	International Tobacco Company Limited	Subsidiary	100	Yes
2	Chase Investments Limited	Subsidiary	100	No
3	Friendly Reality Projects Limited	Subsidiary	92.20	No
4	Unique Space Developers Limited	Subsidiary	66.67	No
5	Rajputana Infrastructure Corporate Limited	Subsidiary	92.20	No
6	White Horse Realty Limited*	Subsidiary	100	No
7.	KKM Management Centre Private Limited	Associate	36.75	No
8.	IPM India Wholesale Trading Private Limited	Associate	24.80	No

*Incorporated on 26th December 2024.

VI. CSR Details:

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes, CSR is applicable to the Company as per Section 135 of the Companies Act, 2013.

(ii) Turnover (in Rs. Lakhs) - 6,73,493.10

(iii) Net worth (in Rs. Lakhs) - 4,40,911.11



VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes , the Company through its Corporate Social Responsibility Programs engages with communities in the vicinity of its operations.	None of the complaints received violate any of the nine principles outlined in the BRSR.			None of the complaints received are violative of any of the nine principles of the BRSR.		
Investors (other than shareholders)	NA	GPIL does not have any investors other than shareholders.					
Shareholders	Yes. The Company through its Registrar and Transfer Agents (RTA), provides redressal to shareholder grievances. The Company has specific e-mail addresses earmarked for receiving shareholder complaints, viz rnt.helpdesk@in.mpms.mufg.com isc@godfreyphillips.co.in The web link for Whistleblower Policy is: https://godfreyphillips.co.in/sustainability/policies	5 complaints were received in the current financial year and all of them were suitably resolved. Also, please note that none of the complaints received violate any of the nine principles outlined in the BRSR.			None of the complaints received violate any of the nine principles outlined in the BRSR.		
Employees and workers	Yes. Through Grievance Redressal Policy and other related policy such as Whistle Blower Policy, POSH. https://godfreyphillips.co.in/sustainability/policies The Whistleblower Policy has been uploaded on the intranet and the Company’s website and is displayed at all the office facilities in regional languages. The Company also participates in Great Place to Work certification every year where employees receive survey links from external parties to share their feedback.	No complaints received.			No complaints received.		

Customers	<p>Yes.</p> <p>There is a mechanism in place to receive and redress customer complaints.</p> <p>The customer grievance cell number +91 22 27646216 and email ID cgcell-gpi@modi-ent.com are displayed on the product packaging.</p> <p>GPIL's customers include retailers. For them, there are hawkers/salesmen assigned by Wholesale Dealers (WDs), who service them and are trained to take feedback and complaints.</p> <p>In addition, for WDs who are GPIL's primary B2B customers, there are annual meets, besides regular business interaction with Company employees, wherein they can raise queries, provide feedback, etc.</p> <p>The Company's representatives also carry out regular market visits to take feedback and address issues.</p>	None of the complaints received violate any of the nine principles outlined in the BRSR.	None of the complaints received violate any of the nine principles outlined in the BRSR.
Value Chain Partners	<p>Yes.</p> <p>GPIL's Suppliers' Code of Conduct for value chain partners, allows them to approach managers directly. Such reports are treated confidentially.</p> <p>They can also utilize the Grievance Redressal Policy and Whistleblower Policy, or email ids mentioned on corporate website to raise complaints. The policies are hosted on the website https://godfreyphillips.co.in/sustainability/policies</p>	None of the complaints received violate any of the nine principles outlined in the BRSR.	None of the complaints received violate any of the nine principles outlined in the BRSR.

The Company's policies are hosted on the corporate website at: <https://godfreyphillips.co.in/sustainability/policies>

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format:

GPIL undertook a comprehensive materiality study to pinpoint the most critical issues across a wide range of topics relevant to their key stakeholder groups. These stakeholders include value chain partners, suppliers, investors and shareholders, employees, and the community.

After thoroughly analysing the needs and expectations of these stakeholders, GPIL identified the top 11 material topics that have the most significant impact on its business and stakeholders. These topics were selected based on their potential to affect the Company's long-term sustainability and align with its overall business objectives.

GPIL has classified elements related to responsible business conduct and sustainability matters, encompassing environmental, social, and governance factors, into either risks or opportunities. This classification is based on sound rationale, and the Company has developed strategies to either mitigate or adapt to the identified risks, considering the financial implications involved.

The Company will be conducting a double materiality assessment in the upcoming financial year. This exercise will help GPIL stay updated on its sustainability efforts and adopt processes and allocate resources effectively to make a significant impact while addressing the concerns of its stakeholders.



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Human Capital Development	Opportunity	Opportunity Perspective: <ul style="list-style-type: none"> Human capital development presents a significant opportunity for GPIL as it directly impacts the company's operational efficiency and long-term success. By focusing on the growth and development of its employees, GPIL can cultivate a skilled and motivated workforce that drives productivity and innovation. Investing in training and development helps the company attract and retain top talent, mitigating employee turnover rates and recruitment costs. Improved employee well-being and job satisfaction lead to a positive work environment, contributing to enhanced performance and profitability. Furthermore, a robust human capital strategy strengthens GPIL's reputation as an employer of choice, boosting customer and investor confidence. 	- - -	Positive <ul style="list-style-type: none"> Increased employee productivity and performance, leading to enhanced profitability and competitiveness. Decreased employee turnover rates, reducing costs related to recruitment and training. Improved capability to attract and retain top talent, driving innovation and superior business outcomes. Enhanced reputation as an employer, strengthening customer and investor confidence and loyalty. Better compliance with labour laws and regulations, thereby minimizing legal and regulatory risks and related expenses. Negative <ul style="list-style-type: none"> Substantial costs involved in conducting training and development programs.
2	Community Development	Opportunity and Risk	<p>Community development presents both opportunity and risk for GPIL.</p> Opportunity Perspective: <ul style="list-style-type: none"> On the opportunity side, investing in community development programs enables GPIL to create shared value for the Company and its communities. By promoting economic growth and improving living standards, GPIL can build stronger relationships with local stakeholders, which facilitates mutual trust and collaboration. Engaging with local communities provides valuable insights into stakeholder needs and preferences, helping GPIL tailor its initiatives to better meet these needs. This strategic involvement not only fosters goodwill but also sets the foundation for long-term business growth, as new partnerships and collaborations can lead to expanded opportunities and enhanced competitiveness. 	To ensure successful program implementation, GPIL prioritizes community alignment by conducting baseline studies, organizing community meetings to discuss findings, setting priorities, sharing implementation plans, and forming local committees to create sense of responsibility and ownership.	Positive <ul style="list-style-type: none"> Establishing meaningful partnerships and collaborations with local organizations and businesses, opening new business opportunities. Negative <ul style="list-style-type: none"> Higher operational costs

			Risk Perspective: <ul style="list-style-type: none"> There are also risks involved in community development, particularly if the community fails to appreciate and adopt new methods, technologies, or initiatives introduced by GPIL. Such a situation can lead to friction between the Company and the community on other issues, potentially hindering progress and damaging mutual relations. Additionally, failed projects could impact plans for other communities, necessitating careful strategic planning and execution. 		
3	Human Rights	Risk	Risk Perspective: <ul style="list-style-type: none"> GPIL's operations and supply chain could potentially impact the human rights of various stakeholders, including employees, suppliers, and local communities. Human rights violations can lead to legal and regulatory sanctions, resulting in operational disruptions and financial setbacks. Additionally, failing to uphold human rights standards could cause significant reputational damage if GPIL is perceived as not adhering to essential standards and laws. 	GPIL adopts a proactive approach to managing human rights issues, with a structured management framework encompassing policy, training, mitigation actions, and grievance management. At the policy level, the company integrates its 'People First' philosophy into policies covering all stakeholders, including value chain partners and farmers, reinforcing its commitment to human rights. The Company also conducts targeted training sessions for its employees on human rights matters, such as the Prevention of Sexual Harassment (POSH) and anti-discrimination practices, ensuring widespread awareness and adherence to human rights principles. GPIL's facilities are ISO certified and subject to regular audits to ensure compliance with human rights standards. In FY25, GPIL conducted a human rights assessment across its operations and tobacco supply chain to identify potential human rights risks and develop a targeted mitigation plan to address these risks.	Positive <ul style="list-style-type: none"> Positive brand identity for upholding human rights Negative <ul style="list-style-type: none"> Financial penalties for non-compliance and short-term operational costs associated with human rights training.
4	Corporate Governance	Risk and Opportunity	Risk Perspective: <ul style="list-style-type: none"> Failure to adhere to corporate governance standards poses a risk of reputational damage for GPIL. Inadequate corporate governance practices can expose the company to fraud, corruption, and mismanagement, potentially leading to significant operational and financial risks. 	GPIL is committed to responsible business practices and maintaining the highest standards of corporate governance. The Company has implemented governance policies that comply with relevant laws, ensuring integrity and transparency throughout the organization.	Positive <ul style="list-style-type: none"> Effective corporate governance can improve the Company's performance, leading to increased shareholder value and a stronger financial position.



			Opportunity Perspective: <ul style="list-style-type: none"> Adopting strong corporate governance practices presents an opportunity for GPIL to enhance its reputation and ensure long-term sustainability. Effective governance promotes transparency, accountability, and ethical behaviour, which can strengthen stakeholder trust and engagement across all facets of the business. 	<p>Central to its governance framework is the Code of Business Conduct, which defines the values and behaviors expected from the Board of Directors and senior management personnel. Additionally, GPIL conducts regular board evaluations to ensure effectiveness and accountability in decision-making, fostering continuous improvement. The Company also employs a robust risk management framework to proactively identify and mitigate potential risks, and safeguarding the Company against fraud and operational inefficiencies.</p>	<ul style="list-style-type: none"> Companies with good corporate governance practices generally experience lower costs associated with legal and regulatory compliance, as well as a reduced risk of fines and penalties. <p>Negative</p> <ul style="list-style-type: none"> Losses, fines, or penalties due to non-compliance.
5	Data Security and Privacy	Risk	Risk Perspective: <p>Mismanagement of data poses significant risks, potentially leading to reputational harm and regulatory challenges for the organisation. Data breaches can result in the loss of sensitive information, which can damage the Company's reputation, and cause substantial financial losses.</p>	<p>GPIL has implemented a comprehensive Information Security Policy to ensure robust data privacy and cybersecurity measures. This policy provides a framework for Information Security Management and fosters awareness about security concerns within the Company's IT infrastructure and data handling processes. Furthermore, GPIL is ISO 27001 certified, thereby demonstrating its commitment to maintaining high standards of information security. The Company has set annual targets to ensure continued compliance with this certification.</p>	<p>Positive</p> <ul style="list-style-type: none"> Effective data management enables the organisation to identify and mitigate potential risks, such as cybersecurity threats and regulatory compliance issues. This proactive approach helps avoid penalties for non-compliance and protects the Company's reputation. <p>Negative</p> <ul style="list-style-type: none"> Implementing privacy and cybersecurity measures may result in increased short-term costs. However, these investments are essential for safeguarding the Company against long-term risks and ensuring continuity.
6	Responsible Sourcing	Opportunity	Opportunity Perspective: <ul style="list-style-type: none"> Implementing responsible sourcing practices can help GPIL ensure that ethical, social, and environmental standards are met throughout its supply chain. By sourcing tobacco from suppliers who are sustainable and ethically compliant, the Company can meet consumer demand, thereby enhancing customer loyalty and expanding its market share. Collaborating with suppliers on sustainable practices fosters stable and reliable supply chains, while also improving product quality through innovative and eco-friendly approaches. 	-	<p>Positive</p> <ul style="list-style-type: none"> Strengthened supplier relationships and minimized supply chain disruptions can result in lower procurement costs and increased operational efficiency. Decreased legal and regulatory risks. Lower environmental impact and enhanced social responsibility can lead to cost savings and bolster brand value.

			<ul style="list-style-type: none"> Proactively adopting responsible sourcing ensures compliance with stringent regulations, reducing legal risks and safeguarding against supply chain disruptions. These sustainable practices drive innovation, leading to the development of eco-friendly products and providing competitive advantages in emerging market segments. 	-	<p>Negative</p> <ul style="list-style-type: none"> Failing to adhere to responsible sourcing practices may cause supply chain disruptions, product recalls, legal penalties, and reputational harm, all of which can lead to higher costs and reduced profitability.
7	Waste Management	Risk and Opportunity	<p>Opportunity Perspective:</p> <ul style="list-style-type: none"> Implementing effective waste management strategies can lead to significant cost savings by minimizing waste disposal expenses, reducing resource consumption, and enhancing operational efficiency. Adopting sustainable waste management practices can strengthen the Company's reputation, fostering stronger trust and engagement with stakeholders. Ensuring compliance with waste management regulations helps mitigate legal and financial risks that could arise from non-compliance. <p>Risk Perspective:</p> <ul style="list-style-type: none"> Waste management practices related to end-user disposal are difficult to track. Ineffective waste management can lead to increased costs, including higher disposal fees, fines for regulatory non-compliance, and potential legal liabilities. 	<p>The Company's waste management strategy aims to minimize waste generation and promote a circular economy through reuse and recycling. To achieve this, GPIL has undertaken several initiatives, including onboarding CPCB-certified vendors for responsible plastic waste disposal. Packaging innovations have been implemented, such as transitioning from paperboard boxes to wooden pallets and substituting plastic tie ropes with jute tie ribbons. To further enhance sustainability, the Company has introduced biodegradable packaging elements like paper blanks and TOR. Also, GPIL ensures compliance with Extended Producer Responsibility (EPR) norms, and the Plastic Waste Management Rules (2016).</p>	<p>Positive</p> <ul style="list-style-type: none"> Implementation of effective waste management practices can lead to cost savings by reducing waste generation and disposal expenses. It can also result in more efficient use of the materials thereby reducing the costs. <p>Negative</p> <ul style="list-style-type: none"> Non-compliance with waste management regulations can result in fines and penalties imposed by regulatory bodies. Poor waste management practices can lead to increased costs for waste disposal and potential environmental clean-up efforts.
8	Water Management	Risk and Opportunity	<p>Opportunity Perspective:</p> <p>GPIL can significantly improve water usage efficiency, cut costs, and showcase its commitment to environmental sustainability by adopting water-efficient technologies, reducing waste and pollution, and participating in community water stewardship initiatives.</p> <p>Risk Perspective:</p> <p>Climate change-induced water scarcity poses significant challenges to both the tobacco supply chain and operational processes. To ensure high product quality and maintain uninterrupted operations, a consistent and high-quality water supply is essential.</p>	<p>GPIL has been undertaking several initiatives to enhance water efficiency across its operations:</p> <ul style="list-style-type: none"> Installation of rainwater harvesting systems and effluent treatment plants at multiple manufacturing sites to ensure optimal water storage and reuse. Implementation of watershed initiatives, such as constructing check dams, recharging borewells, and developing ponds in the leaf tobacco operational areas. Introduction of waterless urinals in select sections of its manufacturing facilities. Adoption of adiabatic cooling towers for heat rejection in the compressed air system. Conduct of awareness sessions for employees and value chain partners to promote efficient water usage. 	<p>Positive</p> <ul style="list-style-type: none"> Cost savings through water efficiency. Adherence to compliances related to water consumption and discharge to avoid fines and penalties. <p>Negative</p> <ul style="list-style-type: none"> Increased short term operational costs.



9	Biodiversity Management	Risk and Opportunity	<p>Opportunity Perspective:</p> <ul style="list-style-type: none"> Biodiversity initiatives can bolster GPIL's reputation, showcasing its commitment to environmental sustainability. Engaging with local communities and biodiversity experts to develop programs can strengthen stakeholder relationships. Preserving natural resources and ecosystems vital to the Company's operations enhance long-term sustainability <p>Risk Perspective:</p> <ul style="list-style-type: none"> Biodiversity loss and degradation can disrupt supply chains, increase costs for GPIL, and negatively affect local communities and ecosystems. 	<p>GPIL is committed to conserving biodiversity and enhancing environmental sustainability. Through its CSR initiatives, the Company is actively increasing the green cover around its facilities and establishing dedicated biodiversity plantation parks. Additionally, GPIL takes meticulous measures to ensure its operations are not located in or near ecologically sensitive areas. It selects suppliers who prioritize biodiversity conservation and collaborates with them to ensure sustainable sourcing practices. By implementing biodiversity conservation measures, such as habitat restoration and protection, GPIL contributes to preserving natural resources and supporting local communities. Furthermore, this year, GPIL conducted a biodiversity assessment to evaluate the impact of its operations on biodiversity and vice versa. The assessment revealed that the Company's operations do not pose any major ecological risks.</p>	<p>Positive</p> <ul style="list-style-type: none"> Biodiversity conservation can lead to long-term cost savings by reducing reliance on external resources and boosting operational efficiency. Strengthening reputation and stakeholder engagement can enhance investor confidence, leading to potential financial benefits. <p>Negative</p> <ul style="list-style-type: none"> Operational costs may rise due to the need for additional resources to maintain or restore biodiversity.
10	Emission and Energy Management	Risk and Opportunity	<p>Opportunity Perspective:</p> <ul style="list-style-type: none"> Cost optimization and reduced consumption can be achieved through energy management, which helps to maximize resource efficiency and decrease costs. The management of energy and emissions reduces the amount of Green House Gases (GHG) that the Company emits. The Company's sustainability goals are directly tied to reducing GHG emissions. <p>Risk Perspective:</p> <ul style="list-style-type: none"> The consumption of non-renewable energy leads to an increase in emissions that contribute to GHG emissions. Energy-intensive manufacturing and production processes pose a risk of increasing GHG emissions. 	<p>GPIL is committed to environment management and has implemented various measures to reduce its GHG emissions by incorporating energy-efficient practices across its operations. The Company plans to use enhanced energy-efficient models and technologies consistently. To this end, the Company is turning to renewable energy sources and scaling up its solar energy consumption while constantly upgrading utilities at its different plants. The Company has also shifted to PNG for all its cigarette manufacturing operations. The Company is also exploring long term arrangements to use renewable energy. Company has also taken up large scale plantation drive to reduce the impact of its emissions in the long term.</p>	<p>Positive</p> <ul style="list-style-type: none"> Implementation of energy-efficient technologies and processes can result in long-term cost savings on energy bills. Reduction of greenhouse gas emissions may help avoid carbon taxes and other regulatory penalties. <p>Negative</p> <ul style="list-style-type: none"> Dependence on fossil fuels can expose the Company to price volatility and potential supply chain disruptions. Rising energy prices can adversely affect production costs and profitability. Implementing sustainable practices and technologies might require initial investments or incur higher operating costs.

11	Climate Risk Mitigation	Risk	<p>Risk Perspective: Climate change poses a significant risk to the Company's operations and supply chain. The overall risk perspective can be categorized into the following categories:</p> <ul style="list-style-type: none"> • Impact on Tobacco Supply: Climate change threatens tobacco leaf production, potentially disrupting cultivation and resulting in additional financial costs to the Company. • Regulatory Challenges: Stricter regulations concerning carbon emissions and energy usage may lead to higher compliance costs for the company. • Physical Effects: Extreme weather events and water scarcity due to climate change can disrupt the supply chain and operations, posing risks to both logistics and human resources. • Reputational Risk: The company may suffer reputational damage if it is perceived as inadequately addressing climate change impacts or failing to adapt effectively. 	<p>GPIL has conducted climate risk assessment to understand the climate risks relevant to the Company's operations and value chain and devised a comprehensive adaptation plan to safeguard its operations against climate impact.</p>	<p>Positive</p> <ul style="list-style-type: none"> • Reduction in legal and regulatory risks, including potential penalties and fines for non-compliance with environmental regulations. <p>Negative</p> <ul style="list-style-type: none"> • Increased regulatory scrutiny and carbon pricing may elevate operational costs. • Supply chain disruptions from extreme weather can result in production delays and additional expenses. • Rising insurance costs and potential reputational damage due to climate-related incidents could adversely affect the Company's financial performance.
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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

GPIL operates under a comprehensive set of Board-approved policies that encompass NGRBC principles (P1 to P9) and their core elements. GPIL will continue to update these systems and processes in accordance with evolving disclosure standards, locally relevant laws, best industry practices, and Environmental, Social, and Governance (ESG) requirements. The overall responsibility for implementing these policies lies with various committees designated to operationalize them. The policies covering these principles are available on the Company's corporate website under the 'Investor Relations' section at www.godfreyphillips.co.in

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the policies, if available**	https://www.godfreyphillips.co.in/sustainability/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes



4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	
P1	Quality Management System (9001:2015)
P2	Environmental Management System (14001:2015) Energy Management System (50001:2018) ISO 9001, ISO 45001 certification NABL certification (R&D) (17025:2017)
P3	Great Place to Work - Certification, Occupational Health and Safety Management System (45001:2018) ISO 26000 – Social Responsibility
P4	ISO 9001 certification
P5	Great Place to Work-Certification, Occupational Health and Safety Management System (45001:2018) ISO 26000 – Social Responsibility
P6	Environmental Management System (14001:2015) Energy Management System (50001:2018) ISO 9001, ISO 45001 certification ISO 26000 – Social Responsibility
P7	GPIL does not have any codes/ certifications/ labels/ standards aligning with principle 7 of the NGRBCs.
P8	ISO 9001 certification ISO 26000 – Social Responsibility
P9	ISO 9001, Information Security Management System (ISO 27001)
Additional remarks	GPIL's manufacturing facilities have well-defined Environment, Health, and Safety (EHS) and quality management systems in place and are aligned with International Standards like ISO 14001: Environment Management System, OHSAS 18001/ISO 45001: Occupational Health and Safety Management Systems, ISO 9001: Quality Management System, ISO 50001: Energy Management System, Information Security Management System (ISO 27001) and Social Responsibility (ISO 26000). GPIL is also NABL: ISO 17025 certified to carry out competent R&D. GPIL has also been certified as a 'Great Place to Work' consecutively for the past seven years.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>Environment:</p> <p>Energy and Emissions Carbon neutral in operations (cigarette and reconstituted tobacco manufacturing plants) by 2030. 1. 50% of the total electricity consumed across manufacturing operations to be from renewable sources by 2030; and 2. 30% reduction in Greenhouse Gas (GHG) emissions in manufacturing operations by 2030.</p> <p>Water Management 3. Replenish 30% of water consumed by 2030, and each year thereafter; and 4. 5% reduction in water consumption per unit of production in cigarette manufacturing by 2030.</p> <p>Waste Management 5. Zero waste to landfill across manufacturing operations by 2030.</p> <p>Biodiversity Management 6. 100% of the tobacco purchased from GPIL contracted farmers will continue to abide by the prohibition on the use of highly hazardous pesticides (HHPs) as defined by FAO and WHO guidelines (YoY). 7. Zero net deforestation in supply chain of paper used in cigarette sticks by 2030.</p> <p>Social:</p> <p>Community Development: 1. To ensure 100% of GPIL contracted farmers have access to clean drinking water within 3 km of their habitat by 2030.</p> <p>Human Capital Development 2. Zero accidents in factories and offices for more than 10 years; Continuous endeavor to maintain zero accidents at factories and office premises (YoY). 3. 100% of contracted farmers are to be trained in a safe working environment and Personal Protective Equipment (PPE) during the usage of Crop Protection Agents (CPA) and handling green leaf. 4. Continue to be an equal opportunity employer (YoY). 5. Continue to be a 'Great Place to Work' organization (YoY). 6. 20% increase in learning manhours by FY'25 and sustain thereafter.</p> <p>Human Rights 7. Endeavour to have zero child labour and no forced labour across operations (YoY).</p>



	<p>Governance:</p> <p>Corporate Governance:</p> <ol style="list-style-type: none"> 1. Establish an ESG Committee on Board. 2. Zero tolerance for violation of Company's Code of Conduct and 100% employee training on Code of Conduct. 3. Adherence to applicable laws and regulations. Zero tolerance for deviations. 4. Obtain ISO 26000 certification (Social Responsibility) for cigarette manufacturing facilities by 2028. 5. Ensure year-on-year compliance with ISO 27001 certification for Information Security.
<p>6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.</p>	<p>Environment</p> <p>Energy and Emissions</p> <p>The Company is working on its plan to achieve carbon neutrality in operations by 2030. The process of setting up a renewable energy plant is in progress. Furthermore, efficient use of energy is one of the key metrics for the Company. There has been a ~10% reduction in energy consumed per unit of cigarettes produced in Ghaziabad plant and a ~7% reduction on similar measure in the Navi Mumbai plant, over the respective baselines.</p> <p>Water Management</p> <p>GPIL works to reduce consumption of natural resources and water being the prime resource, several initiatives have been actioned in the Company. GPIL has already achieved the specific water reduction target; the Ghaziabad plant has reduced water consumption by 30% on a per unit cigarettes produced basis; a similar reduction of ~10% has been achieved by the Navi Mumbai plant, over their respective baselines. Additionally, the total of 47 check dams built by the Company in tobacco growing areas in Andhra Pradesh over the years, are replenishing water back to natural sources. The Company is well placed to achieve the target of replenishing 30% of water consumed.</p> <p>Waste Management</p> <p>GPIL is actively implementing measures to ensure safe management of operational waste like segregation practices to facilitate safe disposal. Additionally, the disposed construction waste is reused by civil contractors while the E-waste is disposed by authorized recycler from whom GPIL obtains formal certification confirming the waste's diversion for reuse. Furthermore, GPIL is extending effective waste management practices to all its offices.</p> <p>Biodiversity Management</p> <p>Like last year, the Company ensured that in FY2024-25 also, GPIL contract farmers did not use highly hazardous pesticides as defined by FAO and WHO guidelines. On the zero net deforestation in supply chain of paper used in cigarette sticks, the Company is exploring solutions both from its existing and alternative vendors to integrate sustainable packaging elements in the supply chain.</p> <p>Social</p> <p>Community Development</p> <p>The Company's leaf tobacco operations are located in Andhra Pradesh, a region with high fluoride contamination in drinking water, posing serious health risks. To strengthen access to clean drinking water, the Company undertook a comprehensive mapping and geotagging initiative across 839 villages, identifying all functioning RO water plants as well as secondary sources of potable water. This data-driven exercise is a critical enabler in planning future interventions, allowing the Company to focus efforts on regions and communities that require the most support. Currently, over 63 community RO water plants have been installed, benefiting thousands of people in the area.</p> <p>Given the region's rain shadow geography and susceptibility to drought, the Company has also prioritized water conservation. Check-dams have been key in ensuring water availability for irrigation and enhancing groundwater recharge. In FY 2024-25, 30 of the older 36 check-dams were repaired, restoring them to optimal use. These structures alone facilitated potential water storage of over 2 lakh kiloliters during the year. Additionally, the construction of 11 new check-dams is expected to significantly augment this capacity, further strengthening community resilience and agricultural sustainability.</p> <p>Human Capital Development</p> <p>The Company achieved all the set targets in FY2024-25 also and has established systems and processes to ensure that it continues to be sustainable and consistent. Further, the Company has enforced an Equal Opportunity Policy which prohibits discrimination based on gender, religion, caste, disability, etc. In line with this commitment, the Company issues gender-neutral Job Descriptions (JDs) and is encouraging hiring of women across positions while practicing objective interview styles. Consultants are also being prompted to send gender balanced number of resumes for all functions. The Company was awarded the 'Great Place to Work For' certificate for 7th year in a row, highlighting the importance that GPIL places on its 'People First' policy. The learning manhours have increased by more than 20% over the baseline of FY2022-23; the entire learning and development ecosystem within the Company is now more diversified with the extensive range of subjects being covered.</p>

Governance

Corporate Governance

The Company's corporate governance system is based on strong and robust fundamentals. As a result, again the Company successfully met all its targets for FY2024-25. Last year, the Board's ESG Committee (formed in FY 2023) convened to review various elements across the ESG spectrum and discussed the progress. Updates on initiatives such as stakeholder engagement, new workstreams such as climate risks assessment, biodiversity assessment, and human rights assessment, were shared with the Committee. The inputs were incorporated in the workings across the organization.

For ISO 26000, the Company has obtained a validation statement from TUV with regards to compliance standards for the cigarette manufacturing facilities. Additionally, the Company also achieved the ISO 26000 compliance for the corporate office in Delhi.

Governance, Leadership and Oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure):

Statement by Sharad Aggarwal, Whole-time Director & Functional Chief Executive Officer;

Dear Stakeholders,

We present to you our Business Responsibility and Sustainability Report (BRSR) for FY 2024-2025. I am pleased to share our progress towards our ESG commitments and our performance on the ESG KPIs.

Towards Sustainable Transformation

Our theme 'Together We are Limitless' encapsulates the boundless potential we possess when we come together. In a world facing unprecedented challenges, GPIL recognises the significance of a collective sense of responsibility, towards environment and sustainability. We acknowledge that all organisations, communities, and individuals must come together to preserve the natural world for the present and future generations.

Our organizational vision: ***"Working towards building sustainable and responsible business while promoting positive growth for all stakeholders."***

We believe that sustainability is not merely an obligation but an integral part of our business decisions, operations, and a vital value driver. To translate this belief into action, we have a comprehensive ESG strategy that outlines our targets across short, medium, and long-term time horizons.

Our short-term strategy focuses on efficiency, improvement in emissions, reduction in electricity, water and waste production and implementing better management practices. We intend to invest in renewable energy and formulate a decarbonisation roadmap for the long term. We are also in the process of conducting supplier assessments to identify and address potential ESG risks and implement a process to manage them.

Medium term efforts will include transition to renewable energy, become water positive, enhancing social initiatives under our CSR programs that impact our economically challenged stakeholders in the value chain. We intend to keep improving our Human Capital Development goals to ensure better productivity, engagement, attract and retain talent.

In the long term we want to achieve our ambitious goals and be recognised for our sustainable business practices that all want to emulate.

A clear roadmap on this strategy will enable us to minimise impact, maximise efficiencies, and foster sustained growth in short time too. Our commitment and dedicated efforts toward sustainability have been recognized, as evidenced by a consistent increase in our Dow Jones Sustainability Index (DJSI) score from 43 last year to 64 this year. This improvement is a testament to our rigorous approach to enhancing ESG performance and the collaborative efforts of our team and stakeholders. I'm delighted to share some of the key achievements of this year.

People First

Our Chairperson, Dr Bina Modi, is a vigorous proponent of empathetic leadership that puts the needs and goals of employees in the forefront and this 'People First' philosophy is an integral part of our core business strategy. We continue to foster a culture of learning and growth, inclusiveness, high engagement, and well-being in the workplace. This year the learning manhours increased by 20%, and the L&D ecosystem is now more diversified, covering an extensive range of subjects. We continue to encourage gender diversity and our total women



representation is at 6% of the total employees. Our efforts like deploying gender neutral Job Descriptions to consultants, asking for a balanced number of resumes from consultants for all functions and encouraging the practice of objective interview style, have helped us. To further strengthen our people-centric initiatives, we have undertaken a comprehensive Human Rights Assessment across our operations and IPS tobacco supply chain. We are happy to note that no significant risks reflected in the report, but we are increasing our awareness sessions on Human Rights and all policies related to them. We have formulated a standalone Grievance Redressal Policy along with an Ethics Committee for easier resolution of any issues that may arise. We have also upped efforts on wellbeing with small but well received initiatives like arrangement of medical tests, vaccinations, physiotherapist, and specialised health awareness camps in our offices. Our recognition as a "Great Place to Work" for the seventh consecutive year reflects this commitment to employee well-being and development.

Our 'People First' philosophy extends to our communities and marginalised stakeholders in the value chain. We have a robust CSR program to help farmers and their community and this year we built check dams to recharge ground water and create additional irrigation source for farmers. 30 older check dams built in the past were all repaired and desilted to maximise benefit to both environment and community and today we have 47 check dams in total enabling alternative irrigation source for our farmers. We have constructed 63 Community RO water plants in total for easy access to safe and clean drinking water and will continue to build more until all our areas under the program have access. We continue to maintain biodiversity parks and promote afforestation. Furthermore, nearly 3,000 people, including daily wage hawkers and their families, benefited from over 100 health camps organized in Delhi, Mumbai, Jammu, and Ahmedabad regions. These initiatives under our CSR program builds trust and strengthens the relationship between GPII and the communities we operate in, fostering positive change and sustainable development.

Sustainable Operations

We have made significant strides in minimizing our environmental impact by optimizing energy use, reducing waste, and increasing our reliance on renewable energy sources.

Our efforts in water and waste management have led to a reduction in waste and water intensity by 28% and 15% respectively, from last year. Recognizing the dual impact of climate change—both its environmental impact and its effects on our business activities—we have committed to becoming carbon-neutral in our operations by 2030. Furthermore, we conducted a climate risk assessment, and the ensuing adaptation plan are critical steps in safeguarding our business against climate-related risks. We also conducted a Biodiversity Risk Assessment and found no significant risks.

Responsible Business

Our commitment to responsible business practices underpins everything we do. Our robust governance frameworks ensure the highest standards of transparency and ethical conduct. This year, we met all our Governance targets. 100% of all employees are trained on Code of Business Conduct. We achieved ISO 26000 standards not only for our cigarette manufacturing facilities but also for our corporate office in Delhi. Additionally, our Company continues to be ISO 27001 certified year on year. Our culture of integrity and accountability has certainly contributed to our strong financial performance.

Together Towards a Sustainable Tomorrow

Looking ahead, we are committed to advancing our sustainability initiatives and broadening their impact.

We recognise the challenges of the industry and the growing expectations of us to adopt sustainable and ethical practices throughout our value chain, ramp up our efforts, innovate, or invest in technology to reduce the environmental impact of our operations. We assure all our stakeholders that our focus will remain on further integrating ESG principles into every aspect of our operations, driving innovation to achieve carbon neutrality and environmental conservation, and deepening our community engagement efforts. We are mindful that we cannot do this alone. Transformative change requires collaboration and unwavering commitment. Our united efforts and determination, collective strength, will truly make us unstoppable.

'Together we are truly limitless'.

Thank you for your continued support and trust!

Sharad Aggarwal

Whole-Time Director & Functional Chief Executive Officer

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy/Policies:

The Company has a Board-level ESG Committee. Chaired by Mr. Sharad Aggarwal, Whole-time Director & Functional Chief Executive Officer, the Committee has experienced members guiding the integration of Business and Social responsibilities into the Company's vision and business decisions.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability-related issues? (Yes / No). If yes, provide details:

The Company has established a Board-level ESG Committee that facilitates the integration of ESG principles into business operations by providing guidance on the vision and targets. The Committee also reviews long-term ESG investments to steer the organization towards a sustainable future and provide the necessary impetus.

The composition of the Committee is as follows:

1. Mr. Sharad Aggarwal- Whole-time Director & Functional Chief Executive Officer
2. Mr. Atul Kumar Gupta- Non-Executive, Independent Director
3. Mr. Subramanian Lakshminarayanan- Non-Executive, Independent Director

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by Director / Committee of the Board/ Any other Committee								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against the above policies and follow up action and frequency of review for performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	Annually by Committee of the Board								
Compliance with statutory requirements of relevance to the principles, rectification of any non-compliances, and frequency of review	Indicate whether review was undertaken by the Director / Committee of the Board/ Any other Committee								
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	Annually by Committee of the Board								

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency?

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes, GPIL is certified in ISO 14001, 50001, 45001, and 27001, reflecting its commitment to excellence in environmental management, energy management, occupational health and safety, and information security. As part of the certification process, GPIL undergoes regular external audits to review and ensure the effectiveness of its management systems, including associated policies.								

12. If the answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable since the policies are aligned with all the principles.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that Ethical, Transparent and Accountable.

The Company prioritises maximising stakeholder value by adhering to the principles of good corporate governance in accordance with the applicable laws and regulations.

The Company’s Code of Business Conduct outlines the values and expected behaviour required of its Board of Directors and senior management personnel when dealing with various stakeholders. GPIL is committed to providing disclosures in reports and documents required to be filed or submitted to the regulatory authorities while protecting and maintaining confidentiality and disclosing price-sensitive information as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. GPIL’s **Whistleblower Policy** along with other policies such as Grievance Redressal Policy, POSH and Human Rights provide the required mechanism to highlight and report unethical behaviour.

For a better understanding of the disclosures related to this principle, please see the question-by-question inputs and responses below.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

GPIL ensures its Board of Directors and Key Management Personnel (KMPs) are periodically trained and made aware of the Company's sustainability initiatives. The Company also keeps its leadership team informed of developments and changes in the local and international business and industry environment, including legislation, the economy, and issues affecting the company. Additionally, it conducts various training programs for its employees and workers specific to their work profiles, helping them perform their tasks effectively and efficiently.

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	4	Corporate Governance, Social, Regulatory, Business Segment and ESG. Topics covered: Latest governance / regulatory requirements were discussed along with industry perspective and their impact on the business segment of the Company. Also, the role and responsibilities of the Independent Directors as per the SEBI LODR Regulations, 2015 and the Companies Act, 2013, were re-iterated. Impact: A strong governance structure continues to be in place because of all the aforementioned awareness activities, aiding GPIL in becoming a more focused, successful, and value-creating Company.	100%
Key Managerial Personnel	4	Corporate Governance, Social, Regulatory, Business Segment and ESG. Topics covered: Latest governance / regulatory requirements were discussed along with industry perspective and their impact on the business segment of the Company. Impact: These sessions help the top management to be more focussed in formulating strategic business plans and in identifying the risks and opportunities for achieving tangible business goals.	100%
Employees other than BoD and KMPs	108	<ul style="list-style-type: none"> • Software Training • Cyber Security Training • Environment Management Training • Fire Safety Training • Sales & Distribution Systems/Processes Training • Soft Skills Training • Business Operations Training • Health and Safety Training • Awareness of POSH and Human Rights Policies • ESG & Sustainability Training Impact: These activities and initiatives help GPIL employees in their career trajectory, overall development, and in achieving the Company's objectives.	83.81%
Workers	35	Training regarding various technical aspects and health and safety measures were provided. Impact: These activities and initiatives aid the GPIL workers in enhancing their technical skills, fostering overall development, and contributing to the Company's objectives.	100%

2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Office of the Commissioner of CGST and Central Excise Commissionerate, Belapur, Navi Mumbai	82.9 Crores	Alleged under valuation of supply of goods resulting in short payment of tax under the GST laws.	Yes
		Additional Commissioner (Central Goods & Services Tax), Delhi East	82.5 Crores	Alleged improper availment and utilization of input tax credit (ITC) under the GST laws.	Yes
Compounding Fee	Not Applicable				
Settlement					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Not Applicable				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1. Appeal has been successfully filed before the First Appellate Authority in Mumbai under Application Reference Number (ARN) AD2705250045357 dated 03.05.2025.	
2. Appeal has been successfully filed before the First Appellate Authority in Delhi under Application Reference Number (ARN) AD0705250004488 dated 01.05.2025.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

GPIL is committed to maintaining the highest standards of ethical conduct through its robust Anti-Corruption & Anti-Bribery Policy, which aligns with the applicable laws and regulations. This policy applies to employees, directors, and also to suppliers, with a separate Supplier Code of Conduct reinforcing these expectations. An Ethics Committee ensures effective policy implementation. The policy can be viewed at <https://godfreyphillips.co.in/sustainability/policies>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Directors	0	
KMPs, Employees, Workers	0	

6. Details of complaints about conflict of interest:

	FY 2024-25 (Current FY)		FY 2023-24 (Previous FY)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

Not applicable

8. Number of days of accounts payables (Accounts payable * 365) / Cost of goods/services procured) in the following format:

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Number of days of accounts payables	49	59

9. Open-ness of business

Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0.2%	0
	b. Number of trading houses where purchases are made from	4	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	0
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales*	74%	76%
	b. Number of dealers/distributors to whom sales are made	1178	962
	c. Sales to top 10 dealers / distributors as % total sales to dealers / distributors	14%	18%
Share in RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	12%	11%
	b. Sales (Sales to related parties / Total Sales)	43%	32%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	8%	22%
	d. Investments (Investments in related parties / Total Investments made)	5%	4%

* Total sales include the revenue generated from the operations of the Company.

LEADERSHIP INDICATORS

1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

GPIL actively engages its value chain partners through targeted awareness programs, especially focusing on farmers in the tobacco growing regions of Andhra Pradesh. The Company is committed to the principles outlined in the good Agricultural Labour Practices. These practices align with the labour standards of the International Labor Organization (ILO), such as the Rights at Work, the Declaration on Fundamental Principles, and other relevant conventions and cover principles essential for ensuring better labour practices, such as the prohibition of child labour, providing safe work environment to the workers in the farm, fair treatment, prohibition of forced labour and human trafficking, freedom of association, etc. To ensure compliance with the prescribed code of conduct in the value chain, GPIL conducts regular training sessions through different mediums like workshops, community meetings, and periodical interactions on best practices and solutions. Additionally, GPIL recognizes the importance of extending these programs to other value chain partners and is actively exploring opportunities to broaden the scope of these initiatives. This expansion aims to initiate focused discussions on ESG risk exposures, fair business practices, and environmental and social compliance.

Total number of awareness programs held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
GPIL conducted 7 awareness programs for its farmers in burley tobacco growing regions.	Principle 5: Business should respect & promote human rights. Topics Covered: <ul style="list-style-type: none"> • Child Labor • Income and Work Hours • Fair Treatment • Forced Labor & Human Trafficking • Safe Work Environment • Freedom of Association • Terms of Employment 	The Company currently has awareness programs for the farmer base in Vinukonda (Andhra Pradesh), which comprises of the 8.5% of the total value chain partners.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same:

Yes. The Company's Code of Conduct mandates that directors, senior management, and employees avoid any situations where their personal interests might conflict with the Company's interests. The Code of Business Conduct outlines the expected behaviour when interacting with internal or external stakeholders. Structures, procedures, and practices are in place to uphold this principle throughout the value chain. Directors and senior management personnel annually declare their compliance with the Company's Code of Conduct.

Additionally, directors are required to submit declarations, disclose their interests, and provide Form DIR 8 as per Section 164(2) and Rule 14(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014. This confirms they have not incurred any disqualification under Section 164(2) of the Companies Act, 2013, and remain eligible to serve as directors.

The Board has formulated and approved a policy on Related Party Transactions (RPT) and the determination of Material RPT. Details of these policies can be found at <https://godfreyphillips.co.in/sustainability/policies>.

Whenever there is a Related Party Transaction involving entities in which GPIL's directors have an interest, these transactions are reported to the Audit Committee for its information and to seek necessary approvals as needed.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

GPIL, over the years through feedback from diverse group of stakeholders, has developed efficient business practices that support sustainable development and growth. As the Company's operations continue to grow and change, GPIL remains committed to enhancing its sustainability strategies.

To gain a better understanding of the disclosures related to this principle, the detailed question-by-question inputs and responses provided below can be reviewed.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	FY 2024-25 Current FY	FY 2023-24 Previous FY	Details of improvements in environmental and social impacts
R&D	8.1% (103.8 lakhs) Environment: 78.3% (81.3 lakhs) Social: 21.7% (22.5 lakhs)	14.0% (182.8 lakhs) Environment: 93.7% (171.2 lakhs) Social: 6.3% (11.6 lakhs)	GPIL has state-of-the-art Research and Development facility to carry out research activities aimed at developing environmentally responsible processes and enhancing product quality.
Capex	0.2% (21 lakhs) Environment: 79% (16.5 lakhs) Social: 21% (4.5 lakhs)	2.6% (165.6 lakhs) Environment: 100% (165.6 lakhs) Social: 0% (0 lakhs)	GPIL has invested in advanced equipment with the objective of reducing the environmental impact of its operations and enhancing product quality. For instance, the Company has installed a metal detector to detect metal particles in tobacco, aimed at ensuring product quality. Similarly, the installation of a water activity meter assesses microbial growth potential, helping to ensure the optimal shelf life of tobacco and food products.

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company strives to integrate sustainability principles into all its business practices. Vendors located near the plants are prioritized wherever possible, as this not only helps reduce transportation and inventory carrying costs but also improves the local economy. Detailed documentation and records ensure adherence to the Company's code along with transparency in transactions. During the onboarding process, vendors' compliance with PAN, GST, and TDS requirements is thoroughly checked. They are also evaluated based on their ability to deliver goods on time and meeting quality standards. Any non-conformities are identified and addressed through appropriate process controls.

All major raw material vendors associated with the organization hold ISO certifications. For suppliers of raw materials and packaging materials, the Company also engages with them on sustainability topics.

The sustainably sourced products are:

- a. Tobacco Leaves** - GPIL sources tobacco leaves (excluding Flue Cured Virginia) directly from contracted farmers. These contracts mandate adherence to Sustainable Tobacco Production principles, requiring compliance with applicable labour laws, the ALP (Agriculture Labour Practices) Code, and GAP (Good Agricultural Practices). The Company has outlined these in the GPIL Farmers' Handbook to make it uniform and process driven. The Company equips field technicians with a customized digital application to collect data and monitor farmers' progress against the compliance checklist. GPIL actively works with farmers to implement GAP and sustainable agri- practices, which improve productivity, yield, and quality, reduce environmental impact, and ensure respect for human rights throughout the cultivation and sourcing process.

b. Input and Packaging Material – Certain packaging materials, such as TOR and gum tapes, are manufactured from sustainable materials which are compostable.

b. If yes, what percentage of inputs were sourced sustainably?

The Company's procurement includes 8.5% of sustainable procurement during FY 2024-25.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposal at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:

The Company has entered into agreements with CPCB / SPCB – approved recyclers and waste disposal vendors to ensure safe and sustainable disposal of materials such as e-waste, plastics, and hazardous waste. Additionally, certain types of waste are also disposed of through approved incinerators.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:

Yes, GPIL complies with both the EPR norms and Plastic Waste Management Rules, 2016 and with the regulations prescribed by the Central Pollution Control Board (CPCB).

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or its services (for the service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
No. GPIL fully acknowledges the importance of a Lifecycle Assessment (LCA) for measuring environmental impact. While the Company has not yet conducted a comprehensive LCA which limits their full understanding of the environmental impact, GPIL has implemented initiatives to optimize energy and water usage and reduce waste. Also, GPIL proposes to prepare for LCA in near future.					

2. If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (For the manufacturing industry) or providing services (for the service industry):

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Not Applicable		

4. Of the products and packaging reclaimed at the end of life of products, the amount (in metric tons) reused, recycled, and safely disposed of:

At present, the materials used in the Company's main products' packaging are mostly paper therefore biodegradable, so reclaiming is not applicable. The Company does not have a comprehensive program for reclaiming one of its products' packaging waste, which is cigarette filters, mainly due to the size and resources required for collecting disposed filters in large quantities.

In addition, in compliance with EPR regulations, the Company has ensured safe recycling of 31.2 metric tonnes of plastic waste of confectionary business through CPCB authorized third-party agency.

	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous Waste	-	-	-	-	-	-
Other Waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Nil

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

GPIL's People First Approach: The Company's cultural legacy is its commitment to the value of "People-First". This philosophy extends beyond its employees to include primary stakeholders like farmers, dealers, suppliers, retailers and all other stakeholders within its ecosystem. Recognizing that a high-performing organization is built on strong people practices & management, talent development and wellbeing, GPIL prioritizes investments in forward-thinking business practices and the adoption of technology to enhance employee well-being and create an efficiency-prone work environment.

Investing in Value Chain: GPIL understands that every individual within its value chain is crucial to its success. The Company also actively promotes the development and progress of all stakeholders through various initiatives and programs designed to empower and support individuals within the GPIL ecosystem.

To gain a clearer understanding of the disclosures related to this principle, please review the detailed question-by-question inputs and responses provided below.

ESSENTIAL INDICATORS

1.a. Details of measures for the well-being of employees:

Category	Total (A)	% Of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	979	979	100%	979	100%	-	-	-	-	-	-
Female	62	62	100%	62	100%	62	100%	-	-	-	-
Total	1,041	1,041	100%	1,041	100%	62	6%	-	-	-	-
Other than Permanent employees											
Male	Not Applicable										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	36	36	100%	36	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	36	36	100%	36	100%	-	-	-	-	-	-
Other than Permanent workers											
Male	Nil										
Female											
Total											

c. Spending on measures towards the well-being of employees and workers:

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
The cost incurred on well-being measures as a % of the total revenue of the Company	0.20*	0.23

*The total employee well-being expense incurred is INR 1345.8 Lakhs. This includes the expenses incurred for health insurance, accidental insurance, and other health/ medical benefits related expenses.

2. Details of retirement benefits:

Benefits	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes*	100%	100%	Yes*
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	9.1%	-	Yes	6.3%	-	Yes
Other (Please specify)	85.2%	-	Yes**	81.4%	-	Yes**

* To this purpose the Company had an in-house Trust for managing the employer and employee contributions. Subsequent to the year end, the Company has liquidated the PF Trust and transferred the employee account balances to the Government Provident Fund Scheme and transitioned to a contribution scheme.

**Company's contribution under the GPIL's Superannuation Fund scheme is deposited with a separate Trust; employees also have an option to opt out of the scheme and instead take the same amount (15% of basic salary) as an additional allowance in lieu thereof.

3. Accessibility of workplaces- Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

GPIL acknowledges the significance of inclusivity and the need to make its premises accessible to everyone, including differently abled employees and workers. In compliance with the Rights of Persons with Disabilities Act 2016, the Company has implemented measures to provide adequate access facilities for its employees and persons with disabilities whenever and wherever needed. GPIL remains committed to continually fostering an inclusive workplace.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

Yes, GPIL has an Equal Opportunity Policy and Human Rights Policy that adhere to the Rights of Persons with Disabilities Act 2016, ensuring that individuals with disabilities are not subjected to any form of discrimination. GPIL focuses on recruiting talented individuals who align with the Company's values, without causing any discrimination based on age, colour, physical abilities, religion, caste, region, marital status, or sexual orientations.

The link to the policy <https://godfreyphillips.co.in/sustainability/policies>

5. Return to work and retention rates of permanent employees and workers who took parental leave:

GPIL, as an organisation, understands the importance of enabling and encouraging all employees to achieve a healthy work-life balance. Although there is no specific parental leave provision for male employees, the Company offers a comprehensive leave policy that includes more than the average number of casual leave days, in line with the industry standards. Male employees have been encouraged to utilize these leave options to manage their work and personal responsibilities effectively.

In this reporting year, no female employees availed of maternity leave, thus this question does not apply to us.

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable			
Female	Nil			
Total	Not Applicable			

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief:

	Yes/ No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes , GPIL has a Grievance Redressal Policy with other relevant policies including POSH and Whistleblower Policy along with mechanisms in place which are available to all employees and workers. It ensures that the grievance is handled in a fair and just manner while adhering to the Company's standards.
Other than Permanent Workers	The policy defines a clear and accessible procedure for submitting grievances or complaints, as well as guidelines for investigating and resolving them in a timely and effective manner. The process may involve mediation or other forms of conflict resolution and include measures to prevent retaliation against those who raise concerns. For other than permanent workers too, this grievance system is available and accessible for logging in any complaints and feedback without prejudice or discrimination.
Permanent Employees	Employees are encouraged to initially discuss their concerns with their immediate supervisors before escalating issues to senior management. Workers also have opportunities to engage with management through regular formal and informal sessions.
Other than Permanent Employees	Furthermore, the Company fosters interactive dialogues among all employees and workers through various formal and informal channels, such as conferences, town halls, team meetings, and planning sessions. The Company also has policies and a grievance system in place for temporary, contractual, and non-permanent employees. All issues are addressed promptly and fairly.

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1,041	4	0.4%	1,070	5	0.5%
Male	979	4	0.4%	1,004	5	0.5%
Female	62	-	0%	66	-	0%
Total Permanent Workers	36	31	86%	53	48	90.6%
Male	36	31	86%	53	48	90.6%
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2024-25 (Current FY)					FY 2023-24 (Previous FY)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	979	751	76.7%	761	77.7%	1,004	163	16.2%	774	77.1%
Female	62	56	90.3%	59	95.2%	66	4	6.1%	35	53%
Total	1,041	807	77.5%	820	78.8%	1,070	167	15.6%	809	75.6%
Workers										
Male	36	31	86.1%	31	86.1%	53	48	90.6%	48	90.6%
Female	0	-	-	-	-	-	-	-	-	-
Total	36	31	86.1%	31	86.1%	53	48	90.6%	48	90.6%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	979	888	90.7%	1,004	926	92.2%
Female	62	55	88.7%	66	54	81.8%
Total	1,041	943	90.6%	1,070	980	91.6%
Workers						
Male	36	36	100%	53	53	100%
Female	0	0	-	0	0	-
Total	36	36	100%	53	53	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes. GPIL's occupational health and safety management system is accredited to ISO 45001:2018 which ensures best practices and compliance. Bolstered and monitored by various committees, the system and processes actively promote safety initiatives and adherence to occupational health and safety standards. This system is meticulously documented and implemented across all factory operations and annual audits are conducted by certified external auditors for gaps and improvements.

For the corporate office and sales branches, internal processes and assessment methods have been established for health and safety. The Corporate office adheres to ISO 26000 standard that provides guidance on health and safety as a core subject.

Additionally, the Company periodically organizes health screenings, vaccination drives, safety trainings, and sessions on fitness and wellbeing at its manufacturing facilities and offices, maintaining a safe and hygienic work environment.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company prioritises safety through a comprehensive EHS Risk Management framework, particularly for its manufacturing facilities. This proactive approach, in line with our 'People First' value, not only ensures compliance with regulations but also fosters a culture of safety and sustainability. This framework includes ongoing processes for risk identification, assessment, and mitigation, with active involvement from the workforce at each facility. It also covers comprehensive details on the various aspects of Actions and Reactions based on threat perceptions. On the shopfloor, this includes hazard spotting tours, suggestion schemes, daily briefings, and regular EHS committee meetings involving employees. Additionally, GPIL has instituted Hazard Identification and Risk Assessment (HIRA) to systematically identify potential hazards and risks and conducts periodical Job Safety Analysis for specific tasks. The Company also has processes for ISO, ASPECT IMPACT, OCP, and Training and Awareness programs to address work-related hazards. To manage near-miss incidents, GPIL has implemented control measures to mitigate identified workplace hazards, which are recorded in the risk register.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes. GPIL has established processes for workers to report work-related hazards and to withdraw from risky situations. Additionally, there is a near-miss report form for reporting and informing management about near-miss incidents. GPIL also encourages workers to raise hazards and issues during central department safety meetings and safety committee meetings. Emergency response procedures are in place for all units.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, First aid facilities are available to employees and workers within the factories and office premises, with regular visits by a doctor for easy access. They can also seek reimbursement of hospitalisation expenses under the Company's medical benefits scheme through special sanctions. Staff grade employees benefit from a mediclaim policy premium reimbursement scheme provided by the Company, up to a specified limit. Additionally, employees are covered by group personal accident insurance policies that cover accidents at or outside of workplace and are entitled to seek re-imbursement of domiciliary medical expenses incurred in a year equivalent to one month of basic pay, which entitlement can be carried forward to the extent unused. For other categories of employees and workers, statutory benefits under ESIC are available.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The Company places a high priority on the health and safety of its workforce. The Company's comprehensive Environment, Health, and Safety (EHS) Policy goes beyond standard protocols to instill a sense of ownership and accountability at all levels. GPIL's safety culture promotes the active participation of every individual in ensuring the well-being of themselves and their colleagues. Through robust protocols and regular training programs, employees are equipped with the necessary knowledge and skills to operate safely and effectively. Along with awareness, the employees are also supported by periodic health check-ups, vaccinations, and specialized camps, such as women-specific tests. The Company has also tied up with medical institutions to enable easy access and economical medical treatment for employees. Over and above, the Company also provides special medical sanctions in severe cases. The corporate office has programs like slotted nap time everyday and free physiotherapy sessions available weekly for employee wellbeing. Offices also promote fitness and health through activities like yoga days and other engagement programs.

GPIL's comprehensive Emergency Response Procedure (E.R.P), based on a detailed Risk Management study, outlines actions and reactions to various threats. The Company conducts periodical equipment tests and mock drills to ensure system efficacy, maintain easy access to Personal Protective Equipment on the shop floor, and install fire extinguishers and hydrants for fire safety. A Safety Committee of 12 members, representing management, associates, and contractors, holds quarterly meetings to address urgent safety concerns. There is a strict adherence to Work Permit Rule, recording of first aid cases and near-miss incidents to prevent recurrence. Regular training on fire and safety, celebrations of Safety Day/Week and first aid training for at least 20 people annually also contribute to making safe workplaces.

To ensure a safe and healthy work environment, the Company also ensures proper lighting, ventilation, air conditioning, ergonomic furniture, recreation and refreshment areas, safe drinking water, and clean toilets with aesthetically done décor.

13. Number of complaints on the following made by employees and workers:

No complaints were received regarding working conditions and occupational health and safety concerns

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	No complaints were received in the reporting year	0	0	No complaints were received in the reporting year
Health & Safety	0	0	No complaints were received in the reporting year	0	0	No complaints were received in the reporting year

14. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:

The Company regularly conducts internal assessments to ensure ongoing safety and compliance. Information about safety-related incidents is meticulously recorded through near-miss reporting and safety tickets. In the event of an accident, a thorough investigation is carried out, and corrective and preventive measures are implemented based on the findings.

The collected information and data are shared across the organization at regular intervals, ensuring transparency and formal compliance. This systematic approach helps maintain a safe and healthy work environment for all employees. Additionally, all factories and corporate office are also ISO 26000 compliant, that has a strong focus on the health and safety of employees.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):

A. Yes, GPIL offers the benefit of group term life insurance to all its employees.

B. No, GPIL does not offer term life insurance to workers, however, they are covered under a Group Personal Accident Policy in case of accidental death at workplace or outside of it.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:

GPIL collaborates with vendors who have a proven track record of full compliance with applicable laws. The Company ensures that necessary checks are in place and that statutory dues payable by service providers for their employees are deposited on time and in full, through an internal control mechanism. GPIL requires a challan copy regarding the deposit of PF and ESI for employees and workers engaged by contractors and third parties while processing their bills for payment. Additionally, online verification of GST returns and proof of PF and ESI deposits by the contractors or third parties is also conducted.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Employees	Nil. In the current and previous year, no employees/ workers have suffered any high consequence work-related injury/ ill-health/ fatalities			
Workers				

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No):

Yes. The Company recognises the need to support and encourage employees during career transitions and the importance of providing full assistance through the change. At the factories, retired employees are given the opportunity to work as trainers for the new generation of operators and technicians. In cases of layoffs, terminations, or early retirements, supervisors and management provide recommendations to facilitate re-

employment. The Company also invests in human capital development programs to reskill and upskill employees that enable smooth transition to new opportunities when sought.

Furthermore, GPIL offers an optional superannuation fund scheme to its management grade employees. For those who choose to participate in the scheme, the Company contributes 15% of their basic salary to the fund. Upon retirement or severance, employees can utilize two-thirds or the full amount of the accumulated balance to subscribe to an annuity plan offered by the Life Insurance Corporation of India (LIC) or any other life insurance company, and thereby earn a regular income in form of pension. Additionally, all employees are eligible for a monthly pension from the Employees' Provident Fund Organization (EPFO) based on their contributions and length of service. This comprehensive approach ensures financial security for employees after leaving the Company.

5. Details on assessment of value chain partners:

GPIL is committed to ensuring ethical practices throughout its supply chain. The Supplier Code of Conduct outlines guidelines for value chain partners and their operations. Additionally, tobacco farmers are required to adhere to the Agricultural Labor Practices (ALP) Code, which includes criteria for health, safety, and working conditions for workers and labourers. To ensure compliance with the Code, the Company conducts regular assessments of its tobacco farmers through Field Technicians (FTs) who are equipped with a digital application to flag non-compliance, while other suppliers with signed contracts on adherence go through occasional checks on their compliance. The Company intends to set up a formal training and assessment framework for all suppliers in near future.

	% Of value chain partners (by value of business done with such partners) that were assessed*
Health and safety conditions	Approx 8.5%
Working conditions	Approx 8.5%

**This is in relation to tobacco farmers under the Integrated Production System (IPS) following sustainable practices*

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:

One of the critical value chain partners for the Company are the tobacco farmers under the Integrated Production System (excluding Flue Cured Virginia (FCV) tobacco farmers) and therefore, ensuring the health and safety of these farmers is a top priority for GPIL. Periodic internal and external assessments, conducted by independent auditors such as Control Union, evaluate working conditions and health & safety standards within the farming communities. These assessments aim to identify potential health hazards like Green Tobacco Sickness and exposure to pesticides and fertilizers. GPIL mitigates these risks through ongoing education programs, monitoring practices, and enforcing strict procedures for farmers and workers.

Specific areas of focus include the proper use of Personal Protective Equipment (PPEs) during insecticide application, while handling wet green tobacco, safe handling and disposal of pesticides and fertilizers, and providing training and easy access to first aid. GPIL ensures adherence to these practices through stringent monitoring processes and addresses any identified gaps with high priority. Over and beyond, farmers are encouraged to resolve labour issues through local representatives and village elders. This dedicated approach creates a safer and healthier environment for everyone involved in the tobacco value chain.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

GPIL actively identifies, manages, and advocates for the interests of both internal and external stakeholders throughout its value chain. The Company maintains periodical, sustained, and open communication with a diverse group, including employees, workers, customers, suppliers, investors, shareholders, retailers, tobacco farmers and farm labourers, civil society organizations, and the local communities in its areas of operation.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity:

The Company believes that identifying and engaging with stakeholders involves a thorough and iterative process. It is important for the Company to understand and constantly adapt to the interests, needs of the various groups or individuals that may be affected or impacted by the organization's activities. The steps taken to identify key stakeholder groups are as follows:



- a. Internal Stakeholders Mapping: The Company undertook an internal stakeholder mapping exercise to identify and categorise individuals or groups within the organization who are from critical functions, play essential roles and or have direct interactions with external stakeholders. This included employees, managers, executives, and board members.
- b. External Stakeholders Mapping: The Company also carried out an exercise to identify and categorise individuals or groups outside the organisation who are interested in or are affected by its sustainability activities. This primarily includes customers, bankers, suppliers, investors, and communities such as burley tobacco farmers, retailers, and hawkers.
- c. Stakeholder Prioritisation: After identifying the stakeholders, the Company prioritised them based on their level of influence and impact on the business, as well as the impact of the Company's business activities on them. This helped the Company identify the most critical, vulnerable, and marginalized stakeholders that required deeper engagement.

This process enables the Company to tackle key sustainability challenges and opportunities by engaging with the right stakeholders in a transparent and accountable way.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Notices, Newspapers, Email, telecalls, websites	Quarterly and Annually	GPIL engages with its investors to build trust, enhance transparency, secure capital, influence shareholder decisions, and comply with mandatory regulations. Discussions during these engagements cover a wide range of topics, including financial performance and ESG disclosures.
Suppliers	Yes (Farmers)	Letters, emails, meetings, events, websites	Continuous	GPIL actively engages with its suppliers to strengthen relationships, ensure reliable supply chains, manage risks, and foster innovation for sustainable development. Discussions with suppliers focus on maintaining a sustainable supply chain and addressing human rights concerns
Customers	No	Emails, telecalls, conferences, mails, events, websites	Depending on the medium, it occurs weekly.	The Company periodically interacts with its customers to foster trust, gain insights into their needs, innovate new products, boost sales, and strengthen its reputation.
Senior Employees	No	Periodical emails, townhalls, intranet, meetings, workshops, trainings, internal social media groups, events	Continuous	Continuous and sustained interaction with senior management personnel is crucial for GPIL to retain top talent, cultivate leadership skills, boost workforce productivity, and drive innovation. Conversations with senior employees focus on creating a positive work environment.

Other Employees	No	Periodical emails, townhalls, Intranet, meetings, workshops, trainings, internal social media groups, events, notice board	Continuous	GPIL prioritises engagement and interaction with its other employees to enhance morale, retain talent, boost performance, foster innovation, and improve customer experience. Discussions during these engagements focus on wellbeing, work-life balance, fair wages, and recognition and rewards.
Community (Retailers, Farmers, Hawkers)	Yes (Farmers and retailers)	Emails, telecalls, community meetings, local programs, workshops, trainings,	Continuous	GPIL is deeply committed to fostering positive relationships with the communities in its operating areas. GPIL's engagement with the communities is aimed at addressing community needs, creating shared value, and building trust among the community and the Company. The main issues addressed during these engagements pertain to community health and safety and extending adequate support to vulnerable and marginalized sections.
Government Bodies	No	Industry Association	Need Based	With the significant impact of the industry on stakeholders and their livelihoods, the Company is committed to a proactive engagement with the government authorities. GPIL engages with the government authorities through evidence and data-based advocacy, directly or through industry forums.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

The Company is dedicated to continuously improving its sustainability practices and stakeholder engagement. GPIL ensures sustainable operations, while mitigating risks and identifying opportunities for the Company. The Company conducted a comprehensive stakeholder engagement and materiality assessment exercise with the assistance of an external consultant in FY'23. The process included collecting feedback and input from all key stakeholders to identify topics significant to the business and the stakeholders. The identified gaps and observations from this thorough evaluation were analysed, and the materiality matrix, targets, and implementation roadmap were finalised and communicated both internally and externally. The Board was formally presented with an update on the process, the targets, and the proposed way forward. The Company has also established a governance structure that ensures the flow of information and feedback on the ESG program upwards and downwards. Additionally, the Company intends to conduct its double materiality assessment soon, and this process will remain periodical.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

Yes. Surveys with stakeholders who influence, and impact GPIL's sustainability strategy and priorities are conducted at an organizational level. The Company strives to include the viewpoints of all groups of stakeholders in its policy document, business decisions, and operating activities.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:

GPIL is committed to supporting its community, which includes farmers, retailers, and hawkers, who are among the vulnerable and marginalized stakeholder groups of the Company. GPIL prioritises providing assistance and support to them. GPIL's CSR program has implemented several projects to aid the vulnerable and marginalized tobacco farmers and their family & community.

These initiatives range from large scale programs on mitigating climate change risks through the conservation of water, soil, and the environment, to projects on creating awareness around issues such as healthcare, safe drinking water, child labour and education of children. The Company also educates and monitors farmers on Good Agriculture Practices (GAP) which include best practices on sustainable agriculture, technology, mechanization, and health & safety awareness on topics such as green tobacco sickness, use of PPE, and disposal of empty CPA containers. Regular workshops are also held to discuss labour rights, dispute management, and other relevant subjects.

By supporting these vulnerable stakeholders, GPIL fosters a more sustainable and equitable environment for all.

Principle 5: Businesses should respect and promote human rights.

The Company places the highest priority on human rights issues and has established various policies to address them. These include the Human Rights Policy, Code of Business Conduct, Equal Opportunity Policy, Health & Safety Policy, Prohibition of Sexual Harassment at Workplace Policy, Suppliers' Code of Conduct, Whistleblower Policy, and Grievance Redressal Policy. These policies with defined framework on process & system for management, collectively ensure the upholding of human rights at GPIL. Additionally, the Company complies with all applicable national and regional laws and regulations to maintain its human rights commitments.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

GPIL is deeply committed to upholding human rights and actively undertakes several initiatives to safeguard them. The Company has a standalone Human Rights Policy, which clearly outlines the principles to be adhered to by its internal stakeholders. Other policies such as Equal Opportunity, Code of Business Conduct and POSH also enforce clear guidelines to respect rights of all stakeholders.

The Company has an intensive induction process for all new employees who are introduced to the policies and receive their own copies of it separately. These policies are available on both intranet and corporate website for easy access. Code of Business Conduct ensures that the Company values and ways of working are clearly communicated. Whistleblower Policy is also available in regional languages to ensure no employee or worker is bereft of the information. All queries and clarifications are addressed proactively. Furthermore, awareness and reinforcement of these guidelines are conducted throughout the year through trainings and workshop.

Category	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1,041	640	61.5%	1,070	125	12%
Other than permanent	0	0	-	0	0	-
Total employees	1,041	640	61.5%	1,070	125	12%
Workers						
Permanent	36	0	-	53	0	-
Other than permanent	0	0	-	0	0	-
Total workers	36	0	-	53	0	-

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current FY)					FY 2023-24 (Previous FY)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	979	0	-	979	100%	1,004	0	-	1,004	100%
Female	62	0	-	62	100%	66	0	-	66	100%
Other than Permanent										
Male	Nil									
Female										
Workers										
Permanent										
Male	36	0	-	36	100%	53	0	-	53	100%
Female	0	0	-	-	-	0	0	-	0	-
Other than Permanent										
Male	Nil									
Female										

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	6	1450000	3	424114783
Key Managerial Personnel (other than BoD)	2	7196123.52	0	NA
Employees other than BoD and KMP	976	954191	62	971322.5
Workers	36	1087122	0	NA

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Gross wages paid to females as % of total wages	7.7%	6.2%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, GPIL has an Audit Committee and other committees like Ethics Committee, Internal Complaints Committee that address all human rights issues through the Whistleblower Policy, Human Rights Policy, POSH Policy and Equal Opportunity Policy to name a few.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

The Company is committed to providing clear and accessible grievance mechanisms for its employees and workers. The Company has a Grievance Redressal Policy along with other policies that include the POSH Policy and the Equal Opportunity Policy, which outline the procedures and processes available to employees and workers. Additionally, the Whistleblower Policy and mechanism is available to all employees, empowering them to bring any concerns related to human rights violations to the attention of the management. This policy is also available in regional languages to ensure that workers are aware of the mechanism.

GPIL ensures that its tobacco supply chain follows ethical practices and adheres to the human rights requirements prescribed in the Agricultural Labour Practices (ALP) code. The Company has a monitoring system in place to identify any human rights violations. Based on the severity of the violation, GPIL undertakes appropriate actions to resolve the concern.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current FY)			FY 2023-24 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	
Sexual Harassment	No complaints were received regarding sexual harassment by employees and workers during FY 2024-25			No complaints were received regarding sexual harassment by employees and workers during FY 2023-24		
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	-	-
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

GPIL is dedicated to maintaining a safe and respectful workplace environment. To ensure that its workplace is free of harassment, including sexual harassment, and that it has zero tolerance for any such conduct, the Company encourages reporting of any harassment concerns and is responsive to complaints about harassment. The Company has constituted committees to enquire into complaints of sexual and other forms of harassment and to recommend or take appropriate action, wherever required. GPIL ensures that the complainant is protected in their normal working environment and that there is no discrimination against them during appraisal or work allocation.

Further information about the policy can be found here <https://www.godfreyphillips.co.in/sustainability/policies>.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, The Company ensures that human rights compliance is integral to its agreements and contracts with suppliers and human rights requirements are a part of its standard terms and conditions. These requirements are stated in its Code of Conduct for Suppliers and all service providers sign off on the Code also. Additionally, the Company requires suppliers to comply with the applicable laws, labour standards, environmental regulations besides upholding human rights and principles of ethics and integrity in their operations.

10. Assessments of the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above:

Currently, no significant risks or concerns have been raised. The Company has a zero-tolerance policy, and should any concerns arise, the Company will implement appropriate improvement measures and take corrective actions, ensuring that necessary checks and balances are in place to address significant risks and concerns. The process for handling complaints is clearly defined in the various policies and Company has mandated training on POSH for all employees.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced because of addressing human rights grievances/complaints:

The Code of Business Conduct and Human Rights Policy have been implemented throughout the Company and to date, the Company has not received any human rights complaints. The Company has also instituted a Grievance Redressal Policy to enable easy process for any complaints.

2. Details of the scope and coverage of any Human rights due diligence conducted:

GPIL is committed to upholding human rights, and periodic assessments are conducted and reported. Within GPIL's tobacco supply chain, which falls under IPS, the principal code of ALP (Agricultural Labour Practices) is followed. This code addresses issues such as child labour, minimum wages, employee benefits, and grievance redressal. The ALP code identifies and mitigates risks through regular discussions and workshops, training of farmers, and stringent monitoring and reporting by field technicians to ensure compliance. The program emphasizes three key ALP principles: income and work hours, fair treatment, and a safe working environment. Additionally, the following ALP Code principles are considered:

- ALP Code Principle 1: Child labour
- ALP Code Principle 2: Income and work hours
- ALP Code Principle 3: Fair treatment
- ALP Code Principle 4: Forced labour and human trafficking
- ALP Code Principle 5: Safe work environment
- ALP Code Principle 6: Freedom of association
- ALP Code Principle 7: Terms of employment

In the past, an audit conducted by an international body, Control Union, highlighted positive impacts such as increased workplace safety, zero incidences of child labour, and heightened danger awareness in the

IPS tobacco supply chain of the Company. Additionally, this year, the Company conducted a Human Rights assessment covering 100% of its operations and IPS tobacco supply chain. The objective of the study was to identify human rights risks so that effective measures could be taken to mitigate them. According to the assessment, no human rights violations have occurred or reported.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, GPIL strives to create an inclusive workplace environment by supporting differently abled persons and providing them with accessible infrastructure, wherever necessary.

4. Details on assessment of value chain partners:

GPIL is committed to ethical practices and sustainability throughout its supply chain. GPIL's Supplier Code of Conduct guides value chain partners, prioritizing sourcing from responsible suppliers with a focus on human rights and sustainability.

In addition to this, the tobacco farmers under IPS are required to comply with the Agricultural Labor Practices (ALP) Codes, which specifically includes principles on child labour, forced/involuntary labour, discrimination-related aspects, wages, etc. To ensure compliance with the Codes, the Company periodically conducts assessments through Field Technicians (FTs) and has supervisors and managers conducting regular awareness programs. There are third party assessments also held periodically and reported. The Company included farmers and daily wage labourers under the IPS for the Human Rights Assessment held this year.

	% Of value chain partners (by value of business done with such partners) that were assessed*
Sexual harassment	Approx 8.5%
Discrimination at workplace	Approx 8.5%
Child labour	Approx 8.5%
Forced/involuntary labour	Approx 8.5%
Wages	Approx 8.5%

**This is in relation to tobacco farmers under Integrated Production System (IPS).*

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:

No risk/ concerns were identified during the assessment process; and therefore, no corrective/mitigation measures were necessitated.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

GPIL is committed to environmental stewardship, continually striving to minimize its ecological footprint. The Company continuously strives to adopt best practices, while fostering a culture of continuous improvement in environmental practices, systems, and operations. GPIL is gradually upgrading utilities to incorporate energy-efficient models and technologies while creating awareness amongst employees to adopt good practices. These measures are designed to conserve natural resources and reduce wasteful consumption.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
From renewable sources	Megajoule		
Total electricity consumption (A)	Megajoule	2,31,27,897.6	2,41,74,137
Total fuel consumption (B)	Megajoule	0	0
Energy consumption through other sources (C)	Megajoule	0	0

Total energy consumed from renewable sources (A+B+C)	Megajoule	2,31,27,897.6	2,41,74,137
From non-renewable sources	Megajoule		
Total electricity consumption (D)	Megajoule	7,15,76,999.5	5,91,49,359
Total fuel consumption (E)- Diesel	Megajoule	33,73,969	25,09,528
Energy consumption through other sources (F)- PNG, Petrol, and LDO	Megajoule	2,26,63,686.6	2,14,46,712
Total energy consumption from non-renewable sources (D+E+F)	Megajoule	9,76,14,655.3	8,31,05,598
Total energy consumed (A+B+C+D+E+F)	Megajoule	12,07,42,553	10,72,79,735
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	KJ/INR	1.79	2.05
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	KJ/INR adjusted for PPP	37.03	45.9
Energy intensity in terms of physical output	GJ/ million cigarette sticks	4.47	5.7
Energy intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N), if yes, name of the external agency.: **No**

For PPP, 20.66 National currency units/US dollar has been used. Source: IMF (2025), Purchasing power parities (PPP) (indicator).

Energy intensity in terms of physical output includes only cigarette manufacturing factories.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)
If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water:	0	0
(ii) Groundwater	29,971	34,310
(iii) Third party water (Municipal water supplies)	46,392	42,565
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	76,000	76,875
Total volume of water consumption (in kilolitres) (Total water consumption is calculated by deducting total water discharge from total water withdrawal)	76,363	70,388
Water intensity per rupee of turnover (Water consumed / revenue from operations) (Litre / K INR)	1.1	1.3
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) – Litre / K USD	22.6	30.1

Water intensity in terms of physical output (KL/ million cigarette sticks)	3.2	3.77
Water intensity (optional)	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) **No**. If yes, name of the external agency. **Not Applicable**.

Water withdrawal and consumption data for the previous year is updated due to change in reporting categories.

For PPP, 20.66 National currency units/US dollar has been used. Source: IMF (2025), Purchasing Power Parities (PPP) (indicator).

Water intensity in terms of physical output includes only cigarette manufacturing factories.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water:		
- No treatment	0	0
- With treatment – please specify level of treatment	753.5	2,559
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	1,825.8	4,928
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	2,579	7,487

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) **No**. If yes, name of the external agency: **Not Applicable**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Yes, the Reconstituted Tobacco manufacturing facility of GPIL operates as a Zero Liquid Discharge facility. Other GPIL facilities have implemented various water management practices, including recycling and reusing wastewater, reducing water discharge rates, and adhering to Consent to Operate (CTO) conditions set by the respective state pollution boards.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
NOx	Kg	1,051	1,061
SOx	Kg	383	362
Particulate Matter (PM)	Kg	4,237	4,093
Persistent Organic Pollutants (POP)	Kg	-	-
Volatile organic Compounds (VOC)	Kg	-	-
Hazardous air pollutants (HAP)	Kg	-	-
Others- please specify	Kg	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) **No**. If yes, name of the external agency. **Not Applicable**.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2,460	2,210
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	14,455	11,764
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Tonne per Crore INR	2.5	2.6
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Tonne per Crore INR adjusted for PPP	51.8	59.8
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Emission tCO₂e/ million cigarette sticks	0.74	0.72
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N)

No. If yes, name of the external agency: **Not Applicable**

For PPP, 20.66 National currency units/US dollar has been used. Source: IMF (2025), Purchasing power parities (PPP) (indicator).

Emission intensity in terms of physical output includes only cigarette manufacturing factories.

8. Does the entity have any project related to reducing Greenhouse Gas emissions? If yes, then provide details:

Yes, GPIL has launched several initiatives to reduce greenhouse gas emissions. To achieve this, the Company has been focusing on energy efficiency and process improvements, augmenting renewable energy capacity, and engaging in plantation activities.

For energy efficiency, GPIL has installed technologies such as a 250KVA modular UPS and a 3MW transformer at its manufacturing facilities and is optimizing energy use and reducing losses. Additionally, the installation of a Ring Main Unit in its cigarette production facility has led to a reduction in high-speed diesel consumption during power failures. GPIL has also implemented PLC-based systems to efficiently manage energy for the canteen AC units and installed ducted exhaust systems in the UPS and compressor rooms to remove excess heat. To further enhance efficiency, interlocking mechanisms have been put in place to ensure machine heaters are shut off during periods of non-use, thereby decreasing wasteful energy consumption. Furthermore, GPIL has transitioned to the use of green refrigerants at its cigarette manufacturing facility, implementing a 75 TR unit of R-140A to promote environmentally friendly operations.

In addition to these efforts, GPIL has actively engaged in afforestation by planting 5,000 trees within the Thane Municipal Corporation area, thereby significantly boosting carbon sequestration and contributing to environmental sustainability. The Company continues to maintain biodiversity parks it created in the leaf tobacco regions of Andhra Pradesh with over 9000 trees and an afforestation project of 70,000 trees of local species. In addition, GPI has distributed 3,10,000 eucalyptus saplings to the farmers as a part of wood sustainability.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	21.7	144
E-waste (B)	2.1	0.6
Bio-medical waste (C)	0.15	0.07
Construction and demolition waste (D)	35.8	28



Battery Waste (E)	0.35	0.8
Radioactive waste (F)	0	0.0
Other Hazardous waste. Used oil and sludge (G)	18.8	17.7
Other Non-hazardous waste generated (H). Paper waste, wood waste, etc. (Break-up by composition i.e., by materials relevant to the sector)	3,512	3,016
Total (A + B + C + D + E + F + G + H)	3591	3207
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)—MT/Lakh INR	0.005	0.007
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.11	0.15
Waste intensity in terms of physical output – MT/million cigarette sticks	0.17	0.17
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled (Non-hazardous, battery, lube oil and metal)	2,843	3,029
(ii) Re-used (construction waste)	725.4	29
(iii) Other recovery operations	1.48	-
Total	3,570	3,058
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration (non-hazardous, hazardous and biomedical waste)	10.8	8
(ii) Landfilling (construction waste)	3.8	5
(iii) Other disposal operations	2.6	130
Total	17	144

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) No.
If yes, name of the external agency: Not Applicable
The inclusion of new waste categories has resulted in a slight increase in waste generation and disposal data for FY 2024-25 For PPP, 20.66 National currency units/US dollar has been used. Source: IMF (2025), Purchasing Power Parities (PPP) (indicator).
Waste intensity in terms of physical output includes only cigarette manufacturing factories.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

GPIL consistently and continuously monitors hazardous waste generation and safe disposal for its manufacturing facilities. The Company has established processes to manage waste within regulatory limits and has also implemented standard measures across all units, offices to minimize waste, segregate waste at the source, and ensure disposal through authorized recyclers.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The entity does not have any offices or plants in ecologically sensitive areas			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable, as GPIL is not required to conduct these assessments as it is in orange category					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or courts	Corrective action taken if any
Yes, GPIL's operations and offices comply with applicable environmental regulations and the Company follows the regulations and guidelines mandated by the Central and State Pollution Control Boards. We have Consent to Operate (CTO) as per the applicable laws and these are renewed as required.				

LEADERSHIP INDICATORS

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Guldhar, Meerut Road, Ghaziabad 201003

(ii) Nature of operations: Cigarette Manufacturing

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	26163.4	25,670
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others (Recycled) Recovered water from Treated Effluent	0	0
Total volume of water withdrawal (in kilolitres)	26163.4	25,670
Total volume of water consumption (in kilolitres)	25410	24,137
Water intensity per rupee of turnover (Litres/ K INR)	0.37	0.5
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	753.52	1,533
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	753.52	1,533

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

GPIL is in the process of calculating its Scope 3 emissions.

Parameter	Unit	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO ₂ equivalent	-	-

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

This indicator is not applicable to GPIL, as all its manufacturing units are located in industrial estates or business districts. No GPIL operating units are in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy Efficiency	<ol style="list-style-type: none"> 1. A Ring Main Unit for HT was installed to reduce high-speed diesel consumption during a power failure. 2. A modular energy-efficient 250KVA UPS was installed in one of the cigarette manufacturing facilities. 3. An energy efficient 3MW transformer was also installed in in one of the cigarette manufacturing facilities for saving in transformer losses. 4. A PLC-based system has been installed for canteen AC units (based on operative time) to reduce energy consumption. 5. To remove excess heat, the exhaust for UPS & Compressor Room was ducted. 6. Interlocking of Making & Packing m/c's heaters and blowers with operation for turning off system during non-utilisation. 	

2	Waste Management	<ol style="list-style-type: none"> 1. Onboarded vendor for plastic waste disposal thereby leading to a tangible benefit from responsible disposal, against previous procedure involving safe disposal with charges being incurred. 2. For new supplier locations, packaging of blanks has changed to wooden pallets instead of boxes - eliminating paper board waste altogether and ensuring pallets are being recycled. 3. Plastic tie rope has been substituted with jute tie ribbon for incoming CFC bundles, again eliminating corresponding plastic waste generation. 4. Have used technology to reuse PP straps in incoming material. 5. Recycling activity of wooden pallets & pallet tops has been extended to additional supplier locations for some incoming packaging material. 	
3	Water Management Practices	<ol style="list-style-type: none"> 1. Adopted adiabatic cooling tower for compressed air system heat rejection resulting in water saving of 1030 KL at cigarette manufacturing site. 2. Condensate recovery improved from 44% to 53% resulting in reduced freshwater requirement at cigarette manufacturing facility. 3. Increased ETP utilisation by ~9% resulting in reduced water extraction. 4. Implementation of waterless urinals in few sections of manufacturing facilities. 5. Float valve system upgradation in cooling tower with proper alignment / settings for arresting overflow. 6. FRP coating for arresting AHU sump leakages in the cigarette production site. 	
4	Green Initiative	<ol style="list-style-type: none"> 1. 5000 trees planted in Thane Municipal Corporation area as an initiative by the Rabale manufacturing facility. 2. Addition of green refrigerant system for capacity augmentation (75 TR unit of R-140A installed for new requirement) at a cigarette manufacturing facility. 3. CSR program continues to maintain plantations in Andhra Pradesh leaf tobacco areas. 	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:

Yes, GPIL has a dedicated policy for business continuity and disaster management, supported by a robust framework to comprehensively identify risks, analyse, and assess processes across the Company's functional areas. This approach helps evaluate potential worst-case scenarios and develop necessary action plans to mitigate them. For more details, visit policies at: <https://www.godfreyphillips.co.in/sustainability/policies>.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

GPIL is committed to promoting environmental sustainability and it is especially relevant to the Company's leaf tobacco operations and it places the IPS tobacco farmers and workers at the core of its environmental sustainability. The mitigation and adaptation measures involve protecting ecosystems and biodiversity, reducing the use of natural resources, and managing potential environmental impacts like the usage of fertilizers and Crop Protection Agents (CPAs) in tobacco production which release certain GHG emissions. The Company has implemented several mitigation measures to minimize environmental impact:

Training farmers on best practices such as applying recommended fertilizers and CPAs in proper dosage, eliminating use of HHPs, disposing of empty containers in CPA collection bins, and reusing, recycling, and safely disposing of plastics, hazardous waste, and non-NGRBC waste. Farmer monitoring ensures empty CPA containers are not left in the field or stored at home. Company also conducts quarterly ambient air and wastewater quality tests by authorized environmental laboratories to ensure pollutants are within tolerance limits in GPIL factories.

GPIL encourages farmers to practice GAP & sustainable agri practices to preserve, reuse, and recycle natural resources including soil, air, water, and wood. The goal is to help farmers grow quality tobacco with minimal environmental impact. Some initiatives include:

1. Developing wood sustainability initiatives including an afforestation program. The Company distributes eucalyptus saplings to farmers annually to ensure harvested wood is used specifically for barn construction and to provide a long-term source of income. GPIL has also undertaken extensive plantation efforts in the leaf tobacco growing areas of Andhra Pradesh, including the development of two 7-acre biodiversity parks at Darsi and Kurichedu with over 4500 local species, and another 8-acre land at Parchur with over 4700 trees. Last fiscal year, the Company additionally planted 70,000 trees.
2. Building permanent community agri-product sheds and dedicated burley tobacco curing barn structures are being installed by the Company along with distribution of cement poles to reduce wood use in barn construction. Each wooden structure shed requires 14 eucalyptus trees, therefore for 103 sheds built under CSR, a total of 1,442 trees were saved. All structures are built with iron frameworks, weighing 495 kg per shed. This reusable material enhances durability while minimizing environmental impact. Permanent barns help safeguard tobacco against natural calamities like heavy rains and are also used to store other crops or as sheds for livestock and other household purposes during off season.
3. Company is also constructing farm ponds to provide a reliable source of irrigation for tobacco crops, helping farmers overcome drought conditions and achieve desired yields. This also provides irrigation for other crops, generating additional income for farmers.
4. Under CSR program, accumulated silt and sediment are being removed to restore water tank/pond's original capacity for storage and to recharge ground water. The desilted soil is further used on the farms to improve soil structure, soil health and its water holding capacity.
5. Company is also constructing check dams to accumulate excess runoff water and recharge ground water while providing irrigation source for surrounding crops and thus improving crop productivity and increasing returns for farmers who depend on local water sources.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

8.5 % farmers were assessed for environmental impact at the burley tobacco growing region in Vinukonda, Andhra Pradesh.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

GPIL adheres to all applicable government regulations and ensures responsible product marketing. The Company engages with relevant authorities to balance stakeholder expectations with its stringent governance standards. Additionally, GPIL participates in forums that address industry and stakeholder interests in areas such as governance, economic reforms, environmental safety, energy security, sustainable business principles, taxes, and water. These esteemed industry bodies also represent GPIL through evidence-based advocacy, when necessary.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations: 6 nos.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	PHD Chamber of Commerce and Industry	National
3	ASSOCHAM (The Associated Chambers of Commerce & Industry of India)	National
4	International Chambers of Commerce	National

5	Indo-American Chamber of Commerce	National
6	The Tobacco Institute of India	National
7	Indian Council of Arbitration	National
8	Indian Chambers of Commerce & Industry	National
9	Advertising Standards Council of India	National
10	Public Affairs Forum of India	National
11	The Indian Society of Advertisers	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
Not applicable as GPIL does not have any adverse orders against it.		

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Not Applicable					

Note: With strict compliance to legislation for the industry, GPIL does not engage in any public policy advocacy activities.

Principle 8: Businesses should promote inclusive growth and equitable development.

GPIL believes that supporting communities is essential for fostering sustainable development and ensuring long-term success. Company remains committed to enabling inclusive, equitable, and sustainable growth in the communities intrinsically linked to its industry and operations. The Board of Directors formulated the Corporate Social Responsibility (CSR) policy, and it oversees the CSR program outcomes and impact through the CSR Committee of Board in accordance with Section 135 of the Companies Act, 2013. All details of the programs including budget, region, beneficiaries, impact, etc. are documented in the Annual Report, CSR Report and Integrated Report. The Company's CSR programs have been recognized with various awards from time to time.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not applicable, as there were no projects that required SIA as per law in the current year.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the 2022-23 (In INR)
GPIL does not have any projects/activities that would necessitate R&R.						

3. Describe the mechanisms to receive and redress grievances of the community:

Building strong partnerships with local communities is essential for sustainable development and GPIL values cultivating a collaborative relationship with the tobacco farmer communities central to its operations. For all the farmers under the IPS (Integrated Production System), periodical engagement and workshops are held to provide a platform for sharing and discussing challenges and issues, create awareness on preferred labour practices across social, health, and safety aspects, while also ensuring adherence to best agri practices. For dispute resolution, GPIL emphasizes a harmonious approach through collaboration and guidance from village elders, progressive farmers, and local representatives. Acknowledging the unique social needs within these communities, GPIL focuses on targeted interventions. These social programs, aligned with the Company's CSR policy, empower communities to address their concerns in large forums to ensure transparency and build a progressive relationship.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024-25 (Current FY)	FY 2023-24* (Previous FY)
Directly sourced from MSMEs/ small producers	10%	3%
Directly from within India	85%	60%

* Total purchases include the total expenditure on the purchase of goods by the organization.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Rural	0.0	0.0
Semi-urban	0.4	0.4
Urban	5.2	1.9
Metropolitan	94.4	97.7

(Places to be categorized as per RBI Classification System – rural/ semi-urban / urban/metropolitan)

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable, as there were no projects that required SIA as per law in the current year.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
GPIL's CSR programs are not located in any aspirational districts.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, GPIL does not have a dedicated preferential procurement policy. Within the contracted farmer base, small farmers (farmers with less than 1 hectare land) are considered the marginalised and vulnerable group, and we source from them regularly.

(b) From which marginalized /vulnerable groups do you procure?

GPIL procures part of its raw material from small tobacco farmers (farmers with less than 1 hectare landholding),

including female farmers that are categorized as marginalized/ vulnerable groups. As these farmers are under the IPS, we enable them with awareness on GAP, ALP and include them in various initiatives for environment to help improve their yields and earnings.

(c) What percentage of total procurement (by value) does it constitute?

3% of the total procurement is from marginalized communities (farmers).

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Note: Traditional Knowledge refers to any indigenous, technical, ecological, scientific, medical, or cultural knowledge that is not necessarily documented but is in use by or generally known to communities. Typical examples include antiseptic properties of neem, turmeric, etc.

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable, since GPIL has not acquired any intellectual property based on traditional knowledge.				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the Case	Corrective action taken
Not applicable, since GPIL does not use traditional knowledge.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects*	% Of beneficiaries from vulnerable and marginalized groups
1.	Biodiversity Parks	7500	15%
2.	Check Dams	2139	20-25%
3.	Tank Management program	891	0
4.	Installation of Community RO Plants to provide safe drinking water	161483	0
5.	Health camps	2798	65%
6.	Community Agri-produce sheds	2022	30%
7.	Plantation	3795	32%

**The numbers include the cumulative beneficiaries of the CSR projects.*

Godfrey Phillips India Limited (GPIL) believes that Corporate Social Responsibility is an obligation rather than compliance and has achieved significant milestones in its CSR programs. With commitment to safe drinking water, the Company undertook mapping and geotagging of RO water plants in 839 villages of Andra Pradesh. This detailed study will support optimum planning for future initiatives. 11 new check-dams were constructed to create additional sources for irrigation for the marginalised tobacco growing community in the region. Simultaneously, existing 36 check-dams were repaired to improve their capacity and provide maximum benefit to the farmers. Volumetric analysis of 32 check-dams built earlier showed that 2.1 lac kiloliters of water is being conserved.

103 community agri-produce sheds were constructed, aiding over 700 farmers in safeguarding their crops and livestock. Environmental conservation efforts included maintaining 3 biodiversity parks spanning 23.5 acres with over 9,400 trees and maintenance of 70,000 saplings planted in Prakasam district of Andhra Pradesh.

Additionally, close to 3,000 people including daily wage hawkers and their families benefitted from over 100 health camps organized in Delhi, Mumbai, Jammu and Ahmedabad.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

The Company prioritises its customers, including channel partners and value chain partners, in all its decisions, aiming to deliver top-quality products, services, and experiences to foster customer satisfaction and loyalty. Operating in strict compliance with the Cigarette and Other Tobacco Products Act (COTPA), the Company responsibly adheres to all relevant rules and regulations. It ensures that all mandatory information is clearly displayed on product labels, as required by applicable laws governing product packaging and labelling.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

Ensuring customer satisfaction is a top priority for GPIL. To address customer complaints effectively, the Company has established a structured complaint redressal system. Customers can connect with GPIL through email and telephone, with contact details printed on all products and available on the Company website for easy access. All complaints are managed according to Standard Operating Procedures. Retailer and consumer complaints are received at the grievance cell number, where tele-callers acknowledge and record them before forwarding them to the respective area manager for investigation and resolution. Once resolved, complaints are documented and closed, with monthly reports sent to the Regional Sales Manager for review. For Wholesale Dealers (WDs), GPIL runs an internal program called WD Performance Management. Area Sales Managers (ASM) visit WD points quarterly to discuss performance and address concerns. The WDs use the platform also to raise complaints, provide feedback, and suggestions and share information. Additionally, WDs can directly contact the Sales Manager, Regional Sales Manager, and Head Office Sales Team if their grievances are not adequately addressed. The Company also has various other policies like Whistleblower Policy and Grievance Redressal Policy that can also be used to address pending issues.

2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	GPIL propagates responsible usage and disposal on packages (over and above the mandate) to the customers. The cigarette brand - FSS carries an awareness message on all its packs in a specific market, and the brand in this market accounts for 7% of total turnover. The Company also from time to time mobilizes retailers to educate consumers about disposal of used packs responsibly
Safe and responsible usage	All packs carry pictorial health and not for sale to minors warning, as mandated by law. Signages are also placed on all point-of-sale outlets and retailers are communicated to not permit sale to minors or not let the minors to operate the outlet. All domestic cigarette packs carry information about safe and responsible usage, and these amount to 67% of total turnover.
Recycling and/or safe disposal	GPIL promotes sustainable post-purchase behaviour in its non-tobacco segments of candy. These packs carry pictorial information that nudge consumers to dispose packs responsibly and thereby keep surroundings clean. Currently these account for about 1% of the total turnover.

3. Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil		-	Nil		-
Advertising			-			-
Cyber-security			-			-
Delivery of essential services			Tobacco products do not qualify as essentials.			Tobacco products do not qualify as essentials.
Restrictive Trade Practices			-			-
Unfair Trade Practices			-			-
Other			-			-

4. Details of instances of product recalls on account of safety issues:

GPIL recognizes that delivering high-quality products is crucial for enhancing customer experience and essential to the Company's success. To achieve this, we have implemented a robust quality management system aligned with ISO 9001 standards across our operations. This alignment ensures that our products meet best-in-class industry standards, guaranteeing their safety and quality. Consequently, GPIL has reported zero product recalls due to safety issues in the current reporting year.

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes. GPIL places a high priority on data privacy and cybersecurity and is ISO27001 compliant. The Company's Information Security Policy provides a comprehensive framework for managing information security and raising awareness among stakeholders about IT infrastructure risks. This policy designates key roles for personnel such as the Head of IT and Head of Cybersecurity.

In addition, the Cyber Crisis Management Plan complements the policy by detailing a response strategy for cyberattacks and cyberterrorism. This plan focuses on the rapid identification of threats, information sharing, and swift action to mitigate and recover from cyber incidents that impact critical business functions. Both the Information Security Policy and the Cyber Crisis Management Plan are readily accessible on the Company's intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of consumers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

GPIL operates fully in compliance with applicable laws. There have been no instances or cases that relate to corrective action on issues relating to advertising, delivery of services, cyber security and data privacy of consumers or relating to product recall or any penalty/ action by regulatory authorities.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

During the reporting year, there have been zero instances of data breaches.

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable

c. Impact, if any, of the data breaches

Not applicable

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):

In compliance with the applicable legislations for both domestic and international markets, complete information about the organization's products and services is available on its corporate website at www.godfreyphillips.co.in.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:

The Company strictly adheres to all applicable laws and legislations, especially the Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 which is commonly known as COTPA. This legislation, along with its associated rules and regulations, mandates that all tobacco products display pictorial health warnings and in adherence all cigarette packs manufactured by the Company feature the required statutory pictorial health warnings.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

Tobacco and cigarette products do not fall under the criteria of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No
