Independent Practitioner's Reasonable Assurance Report on Identified Sustainability Information in Godfrey Phillips India Limited's Business Responsibility and Sustainability Report

To the Board of Directors of Godfrey Phillips India Limited

1. We have undertaken to perform a reasonable assurance engagement, for Godfrey Phillips India Limited ("the Company") vide our engagement agreement dated February 2, 2026, in respect of the agreed Sustainability Information listed in the "Identified Sustainability Information" paragraph below in accordance with the criteria stated in the "Criteria" paragraph below. The identified Sustainability Information is included in the Business Responsibility And Sustainability Report ("BRSR") of the Company for the year ended March 31, 2026 pursuant to the requirement of Regulation 34(2)(f) of the Securities and Exchange Board of India's ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "LODR Regulations"). This engagement was conducted by a multidisciplinary team including assurance practitioners and specialists.

Identified Sustainability Information

2. The Identified Sustainability Information for the year ended March 31, 2026 is BRSR Core (sub-set of BRSR), the attributes of which are summarised in Appendix 1 to this report. The Reporting Boundary for BRSR is on standalone basis as disclosed under Question No. 13 of Section A: General Disclosures of the BRSR.

3. Our reasonable assurance engagement was with respect to the year ended March 31, 2026 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR (i.e. non- BRSR Core attributes) and, therefore, do not express any opinion thereon.

Criteria

4. The Criteria used by the company to prepare the Identified Sustainability Information is as under:

   i. Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended;

   ii. Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026

Management's Responsibility

5. The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information including the reporting boundary of BRSR, taking into account applicable laws and regulations including the SEBI circular, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error. The Management and the Board of Directors of the Company are also responsible for overseeing the Company's compliance with the requirements of LODR Regulations and the SEBI Circular in relation to the BRSR.

Inherent Limitations

6. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

7. Measurement of certain amounts and BRSR Core metrics, some of which are estimates, is subject to inherent measurement uncertainty, for example, GHG emissions, water footprint, energy footprint, waste. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

Our Independence and Quality Control

8. We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.
9. We apply Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

10. Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information listed in Appendix 1 based on the procedures we have performed and evidence we have obtained.
11. We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.
12. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

    Below is the informative summary of the procedures performed by us:

    - Obtained an understanding of the Identified Sustainability Information and related disclosures.
    - Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information.
    - Made inquiries of Company's management, including those responsible for preparing the BRSR report, finance team, human resource team amongst others and those with the responsibility for managing the Company's BRSR.
    - Obtained an understanding and performed an evaluation of the design of the key processes and controls for recording, processing and reporting on the Identified Sustainability Information on sample basis of different offices. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls.
    - Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures. Performed substantive testing on a sample basis of the Identified Sustainability Information to verify that the data had been appropriately measured with the underlying documents recorded, collated and reported. This includes reconciling the Identified Sustainability Information with the underlying records and recalculation on a sample basis.
    - Where applicable, for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2026 and the underlying trial balance.
    - Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the management in the preparation of the Identified Sustainability Information.
    - Obtained representations from Company's management.

We also performed such other procedures as we considered necessary in the circumstances.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

Exclusions

13. Our assurance scope excludes the following and therefore we do not express an opinion on the same:
    - Operations of the Company other than the Identified Sustainability Information.
    - Aspects of the BRSR and the data/information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information;
    - Data and information outside the defined reporting period i.e., April 01, 2025 to March 31, 2026;
    - The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Other Information

14. The Company's management is responsible for the other information. The other information comprises the information included within the BRSR other than Identified Sustainability Information and our independent assurance report thereon.
15. Our opinion on the Identified Sustainability Information does not cover the other information and we do not express any form of assurance thereon. In connection with our assurance engagement of the Identified Sustainability Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion

16. Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information listed in Appendix 1 for the year ended March 31, 2026 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria (as stated under "Criteria").

Restriction on Use

17. Our Reasonable Assurance Report has been prepared and addressed to the Board of Directors of Godfrey Phillips India Limited at the request of the Company solely, to assist the Company in reporting on its sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Reasonable Assurance Report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Naman Agarwal**
Partner
Membership Number: 502405
UDIN: 26502405YHJEQV1569

Place of Signature: New Delhi
Date: 30th June, 2026

GODFREY PHILLIPS INDIA LIMITED

Appendix-1

Identified Sustainability Information (BRSR Core KPIs)			
S. No	**Attribute**	**Principle and indicator reference**	**Parameter**
1.	Green-house Gas (GHG) footprint	Principle 6, E-7	1. Total Scope 1 and Scope 2 emissions 2. GHG Emission Intensity (Scope 1 +2) per rupee of turnover adjusted for Purchasing Power Parity (PPP) and in terms of physical output or services
2.	Water Footprint	Principle 6, E-3 and E-4	1. Total water consumption 2. Water consumption intensity per rupee of turnover adjusted for PPP and in terms of physical output or services 3. Water Discharge by destination and levels of Treatment
3.	Energy Footprint	Principle 6, E-1	1. Total energy consumed. 2. Percentage of energy consumed from renewable sources 3. Energy intensity per rupee of turnover adjusted for PPP and in terms of physical output or services
4.	Circularity	Principle 6 – E9	1. Total waste generated 2. Waste intensity per rupee of turnover adjusted for PPP and in terms of physical output or services 3. Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations. 4. For each category of waste generated, total waste disposed by nature of disposal method
5.	Enhancing Employee Wellbeing and Safety	Principle 3 – E1(C) Principle 3- E11	1. Spending on measures towards well-being of employees and workers 2. Details of safety related incidents for employees and workers
6.	Enabling Gender Diversity in Business	Principle 5 – E3(b) Principle 5 – E7	1. Gross wages paid to females as percentage of wages paid 2. Complaints on POSH
7.	Enabling Inclusive Development	Principle 8 – E4 Principle 8 – E5	1. Input material sourced from following sources as percentage of total purchases – Directly sourced from MSMEs/ small producers and from within India 2. Job creation in smaller towns
8.	Fairness in Engaging with Customers and Suppliers	Principle 9 – E7 Principle 1 – E8	1. Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events 2. Number of days of accounts payable
9.	Open-ness of Business	Principle 1 – E9	1. Concentration of purchases & sales done with trading houses, dealers, and related parties 2. Loans and advances & investments with related parties.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2025-2026

Section A	**General Disclosures**
Section B	**Management and Process Disclosures**
Section C	**Principle wise Performance Disclosure**
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
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**	2025-26
10.	**Name of the Stock Exchange(s) where shares are listed**	NSE and BSE
11.	**Paid-up Capital**	3119.64 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. Pumit Kumar Chellaramani Company Secretary and Compliance Officer 011-61119428, pchellaramani@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**	S.R. Batliboi & Co. LLP
15.	**Type of assurance obtained**	Reasonable assurance for BRSR core indicators.

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 26)
1.	**Manufacturing**	**Food beverages and tobacco products:** GPIL is primarily engaged in the manufacturing and sale of cigarettes and other tobacco product.	76.0%
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.	22.2%

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

S. No.	Product/services	NIC Code	% of total turnover contributed
1.	**Manufacturing of Cigarettes**	12003	76.0%
2.	**Trading of Unmanufactured Tobacco**	46202	22.2%

III. OPERATIONS

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

Locations	Number of plants	Number of offices	Total
National	3 (Guldhar, Rabale and Ongole)	19	22
International	0	0	0

19. Markets served by the entity:

a. Number of locations:

S. No.	Locations	Number
1.	**National (no. of states) ***	25
2.	**International (no. of countries)**	26

**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) numbers 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 numbers.*

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

Exports constitute **22.2%** of the entity's total turnover.

c. A brief on types of customers:

GPIL caters to a diverse range of customers through its products and services:

- **Cigarette Business:** The Company's primary customers are adult smokers who purchase products directly through retail outlets. Its B2B customers include wholesalers, retailers, distributors, and importers who buy in bulk and resell.
- **Tobacco Trading:** GPIL procures tobacco leaves from farmers and traders, processes them, and sells processed tobacco in the domestic market as well as exports it to manufacturers, traders, and aggregators globally.
- **International Division:** The Company exports cigarettes and cut filler to international manufacturers and traders, serving customers across global markets.

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	
			(B)	% (B / A)	(C)	% (C / A)
	Employees					
1.	Permanent (D)	1095	1027	93.8%	68	6.2%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total employees (D + E)**	**1095**	**1027**	**93.8%**	**68**	**6.2%**
	Workers					
4.	Permanent (F)	26	26	100%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	**Total workers (F + G)**	**26**	**26**	**100%**	**0**	**0%**

**Note: Workers include unionised workers.*

b. Differently abled employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			(B)	% (B / A)	(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 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, heads the CSR Committee on Board and leads the Company in operational aspect.

	Total (A)	No. and percentage of females	
		(B)	% (B / A)
Board of Directors	10	3	30%
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 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.1%	13.8%	16.9%	22.1%	27.7%	22.5%	13.6%	6.1%	13.1%
Permanent Workers	32.3%	0.0%	32.3%	38.2%	0.0%	38.2%	22.6%	0.0%	22.6%

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 Ltd.	Subsidiary	100	Yes
2.	Chase Investments Ltd.	Subsidiary	100	No
3.	Friendly Reality Projects Ltd.	Subsidiary	92.2	No
4.	Unique Space Developers Limited	Subsidiary	66.7	No
5.	Rajputana Infrastructure Corporate Limited	Subsidiary	92	No
6.	White Horse Realty Limited	Subsidiary	100	No
7.	KKM Management Centre Private Limited	Associate	36.8	No
8.	Philip Morris India Trading Private Limited (Formerly IPM India Wholesale Trading Private Limited)	Associate	24.8	No

VI. CSR Details:

24. (i) Whether CSR is applicable as per section 135 of the 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): 9,119,02.0

(iii) Net worth (in Rs. lakhs): 5,36,261.8

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 the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		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 program engages with communities in the vicinity of their operations.	Nil			None of the complaints received violate any of the nine principles outlined in 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 Agent (RTA), provides redressal to shareholder grievances. The Company has e-mail ids earmarked for receiving shareholder complaints. The two email ids available are rnt.helpdesk@in.mpms.mufg.com and isc@godfreyphillips.co.in. The web link for Whistleblower Policy is: https://godfreyphillips.co.in/sustainabililty/policies	40 complaints were received during the year from the Shareholders. Out of which 38 complaints were disposed off during the year. 2 complaints were pending for resolution as of 31st March 2026, which were subsequently resolved within statutory timeline.			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 available at https://godfreyphillips.co.in/sustainabililty/policies The Whistleblower Policy is uploaded on the intranet, the Company's official website and is physically displayed at all the facilities in regional language. The Company also participates in Great Place to Work certification every year where employees receive survey links from external parties to share feedback.	No complaints received.			No complaints received.		

Customers	**Yes.** There is a mechanism in place to receive and redress customer complaints. The Customer Grievance Cell number +91 22 27646216 and email id cgcell@godfreyphillips.co.in are displayed on the product packaging. GPIL's customers include retailers, for whom there are hawkers assigned by Wholesale Dealers (WD) who service them and are trained to take feedback / complaints and report them. In addition, for WDs who are also customers, there are annual meets besides regular business interaction with Company employees, wherein they can raise queries, provide feedback, etc. The Company's representatives also carry out regular market visits to take feedback and address issues.	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	**Yes.** GPIL's Suppliers Code of Conduct for value chain partners allows them to approach managers directly. Such reports are treated confidentially. They can also utilize the Grievance Redressal Policy and Whistleblower Policy or emails present on corporate websites to raise complaints. The policies are also present on the website https://godfreyphillips.co.in/sustainabililty/policies	1 complaint was received from a supplier, and the complaint has duly been resolved.	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/sustainabililty/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 undertakes a structured materiality assessment to identify sustainability issues most relevant to its business and stakeholders. This year, GPIL conducted a double materiality assessment to determine the significant impact of sustainability issues on GPIL's performance and their importance to stakeholders such as employees, customers, suppliers, communities, and regulators. The assessment is refreshed periodically to remain aligned with evolving global and Indian contexts, ensuring that both financial implications and environmental or social impacts are evaluated. This approach enables GPIL to design effective mitigation strategies and leverage opportunities that strengthen resilience while creating long term stakeholder value.

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.	**Energy Transition**	Opportunity	**Opportunity Perspective:** Transitioning to renewable energy and electric fleets reduces dependence on fossil fuels, mitigates exposure to volatile prices and carbon taxes, and enhances ESG performance.	- - -	**Positive** Lower OPEX, reduced emissions, improved ESG ratings. **Negative** Upfront capital costs for infrastructure and technology.
2.	**Water Stress**	Risk	**Risk Perspective:** Operations in water stressed regions and tobacco farming are vulnerable to scarcity, impacting yield, quality, and compliance with regulations. **Opportunity Perspective:** Efficient water management enhances long-term sustainability of operations in water-stressed regions. Investments in check-dams and rainwater harvesting structures (including pits in Guldhar, Ghaziabad), and borewell recharge improve groundwater levels and support agricultural productivity. These measures strengthen resilience of farming communities and industrial locations, stabilize supply chains, and align with ESG commitments and regulatory expectations.	Advanced technologies for water efficiency, recovery and reuse systems, infrastructure upgrades, and farmer training are complemented by CSR initiatives such as construction of check-dams, rainwater harvesting systems and pits in Guldhar near manufacturing operations, borewell recharge integrated with RO plants, desiltation and rejuvenation of water bodies, volumetric analysis of check-dams, expansion of conservation programs across rural and industrial geographies, and community engagement to ensure sustainable utilisation and maintenance.	**Positive** Improved efficiency, compliance, and community trust. **Negative** High capital expenditure for technology and infrastructure.
3.	**Climate Transition & Physical Risks**	Risk	**Risk Perspective:** Rising temperatures, erratic weather, and extreme events can impact water, soil and nature leading to disruption in crop cycles and agricultural output, resource and labour productivity, and supply chain and operations, and resulting in compliance and regulatory issues that may lead to revenue loss.	Climate risk assessments, adaptation planning, afforestation, resilient infrastructure, investment in technology and supply chain diversification.	**Positive** Enhanced resilience, continuity, and stakeholder confidence. **Negative** Increased short term costs for adaptation measures.
4.	**Corporate Governance & Ethics**	Opportunity	**Opportunity Perspective:** Strong governance ensures compliance, reduces reputational risks, and enhances stakeholder trust. Robust governance frameworks, transparent disclosures, and adherence to ethical codes of conduct.		**Positive** Strengthened corporate and brand reputation, reduced compliance risks and talent attrition. **Negative** Minimal additional costs for governance systems.

5.	**Human Capital Development**	Opportunity	**Opportunity Perspective:** Investing in employee growth and well being improves productivity, retention, and innovation, while strengthening GPIL's reputation as an employer of choice.		**Positive** Higher productivity reduced turnover costs, enhanced reputation. **Negative** Substantial costs for training and development programs and resource allocation or shift.
6.	**Human Rights**	Risk and Opportunity	**Risk and Opportunity Perspective:** Supplier labour practices can expose GPIL to reputational risks, while inclusive hiring improves business performance directly and enhances innovation and employee retention.	ISO 26000 guidance, human rights training, supply chain assessments, and farmer training on labour practices.	**Positive** Improved compliance, workforce diversity, stronger reputation. **Negative** Ongoing monitoring, training costs and resource requirement.
7.	**Waste & Pollutants**	Risk	**Risk Perspective:** Improper waste disposal can contaminate soil and water, attract regulatory penalties, and damage reputation.	Adoption of circular economy practices (reduce, reuse, recycle), compliance with EPR norms, and onboarding of CPCB/ SPCB authorized vendors. As part of these efforts, the Company has initiated the use of compostable inner liners at one of its factories, with plans to scale up implementation across units and/ products	**Positive** Resource efficiency, reduced compliance costs, stronger ESG performance. **Negative** Sustained investment in systems and monitoring.
8.	**Society & Community Relations**	Opportunity	**Opportunity Perspective**: Investing in community programs builds trust, supports sustainable farming, and enhances GPIL's social license to operate.		**Positive** Stronger community relations, diversified income sources, enhanced reputation. **Negative** CSR investments increase short term costs.
9.	**Occupational Health & Safety**	Risk and Opportunity	**Risk and Opportunity Perspective:** Farm workers face health risks from pesticide and nicotine exposure, which creates reputational and regulatory risks.	Regular training, awareness camps, PPE distribution, and monitoring of safe practices.	**Positive** Improved worker well being, productivity, and compliance. **Negative** Ongoing costs for training, PPE, and monitoring.
10.	**Sustainable Products & Services**	Risk and Opportunity	**Risk and Opportunity Perspective:** Post-consumer waste contributes to pollution, while biodegradable materials offer sustainable alternatives and enhance brand differentiation.	R&D for sustainable packaging, onboarding certified vendors, introduction of biodegradable elements	**Positive** Enhanced brand value reduced environmental footprint. **Negative** R&D and vendor costs.

11.	**Sustainable Raw Material**	Risk and Opportunity	**Risk and Opportunity Perspective:** Agrochemical use and land degradation threaten soil health and biodiversity, while unsustainable sourcing of non tobacco materials (such as packaging) can expose the business to regulatory, reputational, and supply chain risks. Adoption of sustainable farming practices and responsible sourcing of alternative and certified materials reduces environmental footprint and strengthens supply continuity.	Farmer training on GAP, soil and climate assessments, water conservation, exploration of alternate materials. Further, for non-tobacco suppliers, GPIL has onboarded FSC and PEFC certified suppliers to procure packaging material for cigarettes.	**Positive** Improved sustainability, stronger brand reputation. **Negative** Costs for training, assessments, and material innovation.

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://godfreyphillips.co.in/sustainabililty/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 such as ISO 14001 (Environmental Management System), OHSAS 18001/ISO 45001 (Occupational Health and Safety Management Systems), ISO 9001 (Quality Management System), ISO 50001 (Energy Management System), ISO 27001 (Information Security Management System), and ISO 26000 (Social Responsibility). GPIL is also NABL (ISO 17025) certified, demonstrating its capability to carry out competent R&D. Additionally, GPIL has been certified as a 'Great Place to Work' for the past eight years.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	**Environment**: **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 2. 30% reduction in Greenhouse Gas (GHG) emissions in manufacturing operations by 2030 **Water Management** 3. Replenish 30% of water consumed by 2030, and each year thereafter 4. 5% reduction in water consumption per unit of production in cigarette manufacturing by 2030 **Waste Management** 5. Zero waste to landfill across manufacturing operations by 2030 **Biodiversity Management** 6. 100% of the tobacco purchased from GPIL contracted farmers will continue abiding 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
	Social: **Community Development** 1. To ensure 100% of GPIL contracted farmers have access to clean drinking water within 3 km by 2030 **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 man-hours by FY'25 and sustain thereafter **Human Rights** 7. Endeavour to have zero child and no forced labour across operations (YoY)

	Governance: **Corporate Governance** 1. Established 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 (Information Security)
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	**Environment** **Energy and Emissions** The Company is working towards achieving carbon neutrality in its operations by 2030, and the process of setting up a renewable energy plant is currently underway. Energy efficiency continues to be a key performance metric for the Company. During the year, there was approximately a 3% reduction in energy consumption per unit of cigarettes produced compared to FY 2024–25. The Company is also committed to sourcing 50% of its electricity requirements for its cigarette manufacturing facilities at Rabale and Guldhar from renewable sources. In FY 2025–26, renewable electricity accounted for 33% of the total electricity consumption across its manufacturing sites. **Water Management** GPIL is committed to reducing the consumption of natural resources, with water being a key focus area, and has implemented several initiatives toward this objective. The Company has already achieved its water reduction targets, recording a 22% reduction in water consumption per unit of cigarette production compared to the respective baseline. In addition, the Company has prioritized water conservation through social programs. Significant investments have been made in check dams, desilting of tanks, and rainwater harvesting structures in the Leaf Division and at one of its factories. In FY 2025–26, 13 additional check dams were constructed, bringing the total to 57. These have facilitated potential water storage of over 3 lakh kilolitres during the year, enabling the Company to not only meet its 30% replenishment target but achieve 112.9% replenishment of water consumed in FY 2025–26. Additionally, three rainwater harvesting structures were constructed at one of the factories. **Waste Management** GPIL follows a structured waste management hierarchy to ensure efficient and responsible handling of all operational waste. The Company prioritises waste reduction at the source, followed by reuse, recycling, recovery and, finally, safe disposal through CPCB/SPCB-authorized vendors. Both cigarette manufacturing facilities are actively working towards achieving Zero Waste to Landfill status; one of the factories has already achieved this milestone and is currently awaiting certification. **Biodiversity Management** GPIL continued to meet its set targets in FY 2025–26, while also ensuring that contract farmers did not use highly hazardous pesticides, as defined by FAO and WHO guidelines. With regard to achieving zero net deforestation in the supply chain for paper used in cigarette sticks, the Company has already identified solutions in partnership with its existing vendors to integrate sustainable packaging elements into the supply chain.
	Social **Community Development** The Company's Leaf operations are in districts of Andhra Pradesh where potable water quality is poor with high fluoride levels and extreme TDS, posing serious health risks for local communities. Following a comprehensive mapping and geotagging initiative across 839 villages, identifying all functioning RO water plants as well as secondary sources of potable water, the Company has undertaken focused interventions in regions and communities that require the most support. During the year, 20 additional RO units were installed, taking the total number of community RO water plants to 83. In addition to continuing existing projects to drive sustained impact, the Company has initiated a new water conservation project involving the installation of rainwater harvesting pits and injection wells in Guldhar, Ghaziabad.

	Human Capital Development The Company continued to achieve its Human Capital targets in FY 2025–26. Standard operating systems and processes have been established to ensure sustained and consistent performance. The Company has also been certified as a 'Great Place to Work' for the eighth consecutive year. Learning man-hours have consistently exceeded the target of 20% over the FY 2022–23 baseline; in FY 2025–26, they were 95% higher than the baseline. The Company remains committed to being an equal opportunity employer and actively promotes workplace diversity and inclusion. Key initiatives include unconscious bias workshops for all employees, a structured women's leadership development program, facilitated role movements to support women's career growth and aspirations, and a dedicated women's mentorship program. Collectively, these efforts aim to create a more inclusive workplace and encourage greater representation across all levels.
	Governance **Corporate Governance** GPIL's governance approach is centred on continuous oversight, transparency and accountability across business operations. During FY 2025–26, the Company continued all its governance commitments. The Board's ESG Committee met during the year to review key areas including stakeholder engagement outcomes, the Double Materiality Assessment, the updated material topics, results of the Life Cycle Assessment and progress against existing targets. During the year, the Company again obtained ISO 27001 certification. Validation against ISO 26000 standards is planned in the coming financial year for both manufacturing units and the Corporate Office to maintain status.

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):

Dear Stakeholders,

It is our privilege to present Godfrey Phillips India Limited's Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2025–26. This report reflects our continued and unwavering commitment to sustainability and Environmental, Social, and Governance (ESG) principles as a core pillar of our long-term value creation. It also transparently showcases our progress against key performance indicators.

The report outlines our sustained efforts to manage environmental impact, reduce emissions, waste and water usage, and respond to climate-related challenges, while positively impacting the lives of key stakeholders such as employees, farmers, and local communities. We are pleased to share that our initiatives in responsible business practices have contributed to a significant improvement in our DJSI score, which has increased to 77.

Advancing Our Environmental Commitment

The challenges of climate change, compounded by geopolitical uncertainties, make it imperative for businesses across sectors to take decisive action. At GPIL, we recognize the need to strengthen resilience while contributing to global climate solutions and accelerating the transition to renewable energy.

We are committed to achieving carbon neutrality across our manufacturing operations by 2030. Currently, renewable energy accounts for 25% of our total energy consumption, and we are actively implementing plans to increase this share. We have achieved a 22% reduction in water intensity per unit of cigarette consumption, reaching our target ahead of the 2030 timeline.

We continue to maintain zero liquid discharge at our Leaf factory in Ongole. We have achieved Zero Waste to Landfill for one of our units, Guldhar, and are progressing toward achieving the same for the entire organization.

To better understand and manage water-related risks, we conducted a comprehensive water risk assessment across our operations and supply chain. This has enabled us to identify key vulnerabilities and develop targeted mitigation and adaptation strategies to ensure water security and long-term operational resilience.

Additionally, we conducted a sustainable packaging assessment to evaluate and optimize packaging materials. The outcomes are guiding us in adopting eco-friendly packaging solutions that reduce environmental impact without compromising product integrity, while aligning packaging innovation with our broader sustainability objectives.

Upholding 'People First' Principles

Our "People First" philosophy fosters a culture of transparency, ethical business conduct and accountability toward all stakeholders.

Our employees, farmers and their communities remain at the core of our programs and business decisions. We continued our alignment with ISO 26000 standards across our three manufacturing units and Corporate Office. Our people-centric initiatives demonstrate the practical application of these principles.

During the year, employee training hours increased by 95% over the baseline year 2023, significantly exceeding target. A total of 14 open houses were conducted across the organization to understand employee needs, with insights translated into region-specific and organization-wide action plan. To support smooth transitions, a structured 30-60-90-day connect program was implemented for new employees and those transitioning to new roles or locations.

Mandatory training programs on the Code of Business Conduct, Prevention of Sexual Harassment, Whistle Blower Policy and the Grievance Redressal Policy were conducted across 100% of locations. Additionally, a training on unconscious bias covered all management employees, reinforcing an ethical and inclusive workplace culture.

Dedicated engagement sessions with women employees helped identify career aspirations and workplace needs, shaping targeted development programs. Women now represent 6% of our workforce, and we continue to strengthen diversity and inclusion through focused recruitment, retention and advancement initiatives.

Community and Social Impact

Our CSR initiatives continue to create meaningful community impact, particularly for economically marginalised farmers and local populations around our areas of operation. Environmental sustainability remains a key priority.

During the year, we constructed 13 new check dams in Andhra Pradesh. Additionally, desilted and dredged 16 community ponds, and rejuvenated two village-level water tanks, enhancing water storage and agricultural availability. Rainwater harvesting pits with injection wells were installed in Guldhar, Ghaziabad, to support groundwater replenishment in a water-stressed region.

Further strengthening our ESG goals, 20 new community RO water plants with borewell recharge and wastewater management systems were installed to provide safe drinking water for marginalised farming communities. Newer biodiversity parks are being maintained by the Company itself while community is encouraged to maintain the plantation project. The Company has planted over 85 thousand trees in various villages of Andhra.

We continue to support agricultural infrastructure to safeguard our farmers;122 community agri-sheds were constructed this year, benefiting approximately 650 farmers by providing safe storage for crops and shelter for livestock, thereby reducing post-harvest losses due to climate variability.

We also expanded our social responsibility initiatives by introducing a pan-India healthcare outreach program. 320 health camps were conducted through mobile medical units, benefiting over 6,200 individuals, including daily wage earners and their families. The program provides preventive healthcare through diagnostics, consultations and awareness-building initiatives.

We believe our partnerships with stakeholders extend beyond transactions and are built on trust, respect and shared goals. Our focused and intensive implementation approach ensures community participation, addresses real needs and fosters long-term sustainability, thereby building enduring relationships.

Good Governance for Sustainable Growth

Responsible business conduct is integral to our decision-making processes and our operations. Our governance framework upholds the highest standards of ethical behaviour and accountability across the organization.

This commitment is reflected in our governance performance; 100% of employees completed Code of Conduct training, no complaints were reported during the year, and our ISO 27001 certification was successfully retained, reinforcing our commitment to robust cybersecurity and compliance. We also continue to adhere to ISO 26000 standards.

Supporting our strategic direction, we conducted a robust double materiality assessment during the year. This assessment evaluated both the financial impact of ESG risks on our business and GPIL's environmental and social impact on stakeholders. This dual perspective has strengthened our ability to identify risks and opportunities, enabling a resilient and forward-looking sustainability strategy.

Prepared for the Future

Our journey to integrate and embed sustainability into our business is continuous and evolving. We remain focused on increasing renewable energy adoption, achieving water positivity and plastic neutrality, deepening community engagement and driving innovation to minimise environmental impact.

We recognize that transformative change requires collective effort and we remain committed to collaborating with all stakeholders to build a more sustainable future.

Warm regards,

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 comprises experienced members who guide the integration of business and social responsibilities into the Company's vision and decision-making processes.

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 strategic guidance on vision and targets. The Committee also reviews long-term ESG investments to steer the organization toward 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
3. Mr. Subramanian Lakshminarayanan- Non-Executive, Independent

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								
Performance against the above policies and follow up action and frequency of review for performance against above policies and follow up action	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	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, ISO 50001, ISO 45001, and ISO 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 the implementation of related 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 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

GPIL is committed to upholding the highest standards of integrity and ethical conduct across all aspects of its operations. The Company has established robust governance frameworks, codes of conduct, and compliance mechanisms to ensure transparency and accountability in its business practices. Decision-making processes are guided by principles of fairness, responsibility, and adherence to applicable laws and regulations.

Through continuous monitoring, disclosures, and Board oversight, the Company safeguards stakeholder trust and strengthens its reputation as a responsible corporate citizen.

For a better understanding of disclosures related to this principle, please refer to the detailed question-by-question responses provided below.

ESSENTIAL INDICATORS

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

GPIL ensures that its Board of Directors and Key Management Personnel (KMPs) receive regular training and awareness sessions, while senior management is periodically briefed on the Company's sustainability initiatives. The leadership team is kept informed of developments in the local and global business environment, including legislative changes, economic trends, and industry-related issues relevant to the Company.

In addition, GPIL conducts role-specific training programs for employees and workers, enabling them to perform their responsibilities 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 the impact on the business segment of the Company. Role of Independent Directors and their Obligations as per SEBI LODR Regulations, 2015 and Companies Act, 2013. **Impact:** A strong governance structure continues to be in place because of all the 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 the impact on the business segment of the Company. **Impact:** These subjects help top management be more strategic in future business plans and identify the risks and opportunities, set tangible goals.	100%
Employees other than BoD and KMPs	226	Following are the various topics under which training across Company were held - • Leadership Development • Compliance, Ethics and Governance • Technical and Functional Trainings • Safety, Health and Environment • Systems, Processes and Quality • Cyber Security Training • Awareness of POSH and Human Rights **Impact**: These activities and initiatives help GPIL employees in their career trajectory, overall development, and achieving the Company's objectives.	98.8%
Workers	39	Training regarding various technical aspects and health and safety measures were provided. **Impact:** These activities and initiatives empower GPIL workers to enhance 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):

<table>
<tr><th colspan="6">Monetary</th></tr>
<tr><th></th><th>NGRBC Principle</th><th>Name of the regulatory/ enforcement agencies/judicial institutions</th><th>Amount (In INR)</th><th>Brief of the case</th><th>Has an appeal been preferred? (Yes/No)</th></tr>
<tr><td>Penalty/ Fine Compounding Fee</td><td colspan="5">During the financial year 2025–26, no fines, penalties, punishments, awards, compounding fees, or settlements, as specified under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were imposed on the Company or its Directors/KMPs.</td></tr>
<tr><td>Settlement</td><td colspan="5">Not Applicable</td></tr>
<tr><th colspan="6">Non-Monetary</th></tr>
<tr><th></th><th>NGRBC Principle</th><th>Name of the regulatory/ enforcement agencies/judicial institutions</th><th>Brief of the case</th><th colspan="2">Has an appeal been preferred? (Yes/No)</th></tr>
<tr><td>Imprisonment</td><td colspan="5" rowspan="2">Nil</td></tr>
<tr><td>Punishment</td></tr>
</table>

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:

<table>
<tr><th>Case Details</th><th>Name of the regulatory/ enforcement agencies/ judicial institutions</th></tr>
<tr><td colspan="2">Not Applicable</td></tr>
</table>

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:

Yes, GPIL has a comprehensive Anti-Bribery and Anti-Corruption (ABAC) Policy. The policy reflects the Company's commitment to conducting business with integrity, transparency and accountability, and explicitly prohibits bribery, corruption and unethical practices in any form.

This zero-tolerance policy applies to Directors, employees and suppliers, with a Supplier Code of Conduct reinforcing these expectations across the value chain. Oversight and effective implementation are ensured through an Ethics Committee, which monitors compliance and addresses concerns.

The policy can be viewed at https://godfreyphillips.co.in/sustainabililty/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:

During the reporting years, no disciplinary action was taken by any law enforcement agency against the Company's Directors, Key Managerial Personnel (KMPs), employees, or workers for charges of bribery or corruption.

<table>
<tr><th></th><th>FY 2025-26</th><th>FY 2024-25</th></tr>
<tr><td>Directors</td><td colspan="2">Nil</td></tr>
<tr><td>KMPs, Employees, Workers</td><td colspan="2">Nil</td></tr>
</table>

6. Details of complaints about conflict of interest:

	FY 2025-26		FY 2024-25	
	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 2025-26	FY 2024-25
Number of days of accounts payables	51	49

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 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses* as % of total purchases	0.1%	0.2%
	b. Number of trading houses where purchases are made from	1	4
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%
Concentration of Sales#	a. Sales to dealers/ distributors as % of total sales	86.5%	80.2%
	b. Number of dealers/distributors to whom sales are made	1349	1194
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	10.7%	12.0%
Share in RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	17.1%	11.9%
	b. Sales (Sales to related parties / Total Sales) #	36.7%	33.2%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	7.2%	8.2%
	d. Investments (Investments in related parties / Total Investments made)	4.4%	4.6%

**Purchase from trading house includes purchase of tobacco leaves from traders*

 # Total sales include sales of products and services.

Note: The comparative information for FY2024-25 has been restated to align with the guidance provided by the Industry Standards Forum.

LEADERSHIP INDICATORS

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

During FY 2025–26, GPIL continued its year-on-year engagement with Burley tobacco farmers in Andhra Pradesh through structured awareness and training programs. These initiatives are anchored in the Agricultural Labour Practices Code, aligned with International Labour Organization (ILO) standards, and focus on key principles including the prohibition of child labour, safe and healthy working conditions, fair treatment, freedom of association, and the prevention of forced labour and human trafficking. Regular workshops, community meetings, and interactive sessions were conducted to reinforce compliance and support the practical adoption of responsible agricultural practices at the farm level.

Building on this engagement, GPIL expanded the scope of its value chain outreach during the year. Awareness programs were extended to include FCV tobacco farmers under the Tobacco Board, with two joint workshops conducted in collaboration with the Board to address ESG risk exposures, fair business practices, and social and environmental compliance. In addition, the Company broadened its focus beyond tobacco farming by extending ESG awareness training to 22 non-tobacco material suppliers and four key logistics partners through dedicated workshops, thereby strengthening responsible sourcing practices across the broader value chain

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 5 awareness programs for its farmers in IPS crops and Fuel Cured Virginia tobacco growing region.	Principle 5: Business should respect & promote human rights. **Topics Covered:** • Child Labour • Income and Work Hours • Fair Treatment • Forced Labour & Human Trafficking • Safe Work Environment • Freedom of Association • Terms of Employment	The Company currently has awareness programs for the farmer base in IPS crops which comprises of the 8% 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. GPIL has put in place robust mechanisms to identify, prevent, and manage potential conflicts of interest at the Board level. The Company's Code of Conduct requires Directors, senior management, and employees to avoid situations where personal interests may conflict with those of the Company, and it sets clear expectations for ethical behaviour in all dealings.

Directors and senior management provide annual declarations confirming compliance with the Code of Conduct. Directors also submit statutory disclosures, including Form DIR-8 in accordance with Section 164(2) of the Companies Act, 2013 and Rule 14(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, to confirm their continued eligibility and absence of disqualification.

In addition, the Board has approved a Policy on Related Party Transactions, under which any transaction involving Directors' interests is placed before the Audit Committee for review and approval, ensuring transparency and regulatory compliance.

Details of the relevant policies are available on the Company's website:

https://godfreyphillips.co.in/sustainabililty/policies

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

Over the years, GPIL has developed efficient business practices that support sustainable development and growth, informed by feedback from a diverse group of stakeholders. As the Company's operations continue to evolve, GPIL remains committed to further strengthening and enhancing its sustainability strategies.

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

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 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	**16.8%** (226.8 lakhs) **Environment: 77.8%** (176.6 lakhs) **Social: 22.2%** (50.3 lakhs)	**8.1%** (103.8 lakhs) **Environment: 78.3%** (81.3 lakhs) **Social: 21.7%** (22.5 lakhs)	GPIL operates a modern Research and Development facility focused on advancing environmentally responsible processes and improving product quality. The R&D team undertakes projects aimed at enhancing operational efficiency and developing innovative solutions that align with sustainability objectives.
Capex	**0.5%** (172 lakhs) **Environment: 82.8%** (142.5 lakhs) **Social: 17.1%** (29.5 lakhs)	**0.2%** (21 lakhs) **Environment: 78.6%** (16.5 lakhs) **Social: 21.4%** (4.5 lakhs)	GPIL has made targeted investments in advanced laboratory and process control infrastructure to strengthen quality assurance and support product development. This includes the installation of an auto-analyser module and automated meters to enable real-time monitoring, ensuring batch integrity and reducing the need for rework. Together, these investments enhance quality control, improve operational efficiency, and contribute to more sustainable manufacturing practices

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

Yes, GPIL has put structured processes in place to integrate sustainability principles into its sourcing practices. Preference is given to vendors located near manufacturing facilities to reduce transportation and inventory costs while supporting the local economy. A formal onboarding process ensures compliance with PAN, GST, and TDS requirements, along with an assessment of delivery performance and quality standards. Robust documentation and record-keeping systems ensure transparency, while defined process controls are used to address any non-conformities. All major raw material vendors are ISO-certified, and GPIL actively engages suppliers of raw and packaging materials on sustainability-related topics. ESG-based supply chain assessments are conducted for key suppliers to strengthen oversight and alignment with responsible business practices.

For tobacco leaves (excluding FCV), GPIL sources directly from contract farmers under agreements that require adherence to Sustainable Tobacco Production principles, including compliance with Good Agricultural Practices and Agricultural Labour Practices. Compliance is monitored through a customised digital application, and continuous support is provided to improve productivity, quality, environmental outcomes, and respect for human rights. During the year, in collaboration with the Tobacco Board, the Company also extended training to FCV farmers.

Additionally, selected packaging inputs, such as TOR and gum tapes, are procured using sustainable and compostable materials, supporting the Company's responsible sourcing approach.

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

The Company's procurement includes 8% of sustainable procurement during FY 2025-26.

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 Extended Producer Responsibility (EPR) norms and the Plastic Waste Management Rules, 2016, as well as 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.
0115	Burley Tobacco	10%	GPIL has conducted a comprehensive Life Cycle Assessment covering all stages from cultivation to end-use (cradle to grave), ensuring a thorough evaluation of environmental impacts associated with Burley tobacco and cigarettes. GPIL is committed to leveraging the insights gained to implement effective strategies to reduce environmental impact through the product life cycle.		
1200	Cigarette	76.0%			

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
No significant social and environment impacts have been identified as part of the assessment.		

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 2025-26	FY 2024-25
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:

GPIL's primary product packaging is largely composed of paper-based materials, which are biodegradable in nature. As a result, end-of-life reclamation of packaging materials is not considered applicable.

At present, the Company does not have a dedicated program for the collection and reclamation of cigarette filter waste, given the extensive scale, logistical complexity, and resources required to collect post-consumer filters in meaningful volumes.

	FY 2025-26			FY 2024-25		
	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 rooted in its commitment to the "People First" value. This philosophy extends beyond employees to include key stakeholders such as farmers, dealers, suppliers, retailers, and others within its ecosystem. Recognizing that a high-performing organization is built on strong people practices, effective management, talent development, and employee well-being, GPIL prioritises investments in forward-thinking business practices and the adoption of technology to enhance employee well-being and create a more efficient work environment.

Investing in Value Chain: GPIL acknowledges that every individual within its value chain is integral to its success. The Company actively promotes the development and progress of all stakeholders through various initiatives and programs designed to empower and support individuals across the GPIL ecosystem. To gain a clearer understanding of disclosures related to this principle, please refer to 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	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	(A)	(B)	% (B/A)	(C)	% (C/A)	(D)	% (D/A)	(E)	% (E/A)	(F)	% (F/A)
Permanent Employees											
Male	1,027	1,027	100%	1,027	100%	0	0%	0	0%	0	0%
Female	68	68	100%	68	100%	68	100%	0	0%	0	0%
Total	**1,095**	**1,095**	**100%**	**1,095**	**100%**	**68**	**6%**	**0**	**0%**	**0**	**0%**
Other than Permanent Employees											
Male	Not Applicable										
Female											
Total											

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

Category	Total	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	(A)	(B)	% (B/A)	(C)	% (C/A)	(D)	% (D/A)	(E)	% (E/A)	(F)	% (F/A)
Permanent Workers											
Male	26	26	100%	26	100%	0	0%	0	0%	0	0%
Female	0	0	0	0	0	0	0%	0	0%	0	0%
Total	**26**	**26**	**100%**	**26**	**100%**	**0**	**0%**	**0**	**0%**	**0**	**0%**
Other than Permanent Workers											
Male	Nil										
Female											
Total											

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

	FY 2025-26	FY 2024-25
The cost incurred on well-being measures as a % of the total revenue of the Company*	0.11	0.20

**The total employee well-being expenses were incurred for health insurance, accidental insurance, and other health/ medical benefits related expenses.*

2. Details of retirement benefits:

Benefits	FY 2025-26			FY 2024-25		
	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	15.9	0	Yes	9.1	0	Yes
Other (please specify)	1.0	0	Yes*	85.2	0	Yes*

** Deposited in GPIL's Superannuation Fund Trust; Employees have an option to opt out and take the same amount (15% of basic salary) as an allowance and employees have chosen the same this year.*

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:

Yes. Accessibility considerations have been integrated into the design of GPIL's offices and premises to support differently abled employees and visitors. In line with the Rights of Persons with Disabilities Act, 2016, facilities such as ramps, accessible entrances, and other enabling infrastructure have been provided to ensure ease of movement.

The Company regularly reviews its facilities and remains committed to making further improvements, wherever necessary, to strengthen inclusivity and ensure continued compliance with statutory requirements.

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's Equal Opportunity Policy and Human Rights Policy are aligned with the requirements of the Rights of Persons with Disabilities Act, 2016. These policies ensure that individuals with disabilities are not subjected to any form of discrimination and are provided equal access to opportunities, facilities, and amenities.

GPIL's approach to inclusivity extends beyond disability, with a strong emphasis on fair and equitable treatment in recruitment and employment practices. The Company prohibits discrimination based on age, colour, physical ability, religion, caste, region, marital status, or sexual orientation.

These policies reflect GPIL's commitment to fostering a diverse, inclusive, and respectful workplace culture, aligned with its core values and statutory obligations.

The policies are available on the Company's website: https://godfreyphillips.co.in/sustainabililty/policies

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

GPIL places strong emphasis on supporting employees in achieving a healthy work-life balance. While the Company does not have a specific parental leave provision for male employees, it offers a comprehensive leave policy that provides a higher-than-industry-average number of casual leave days. Male employees are encouraged to utilize these provisions to effectively balance their professional and personal responsibilities.

During the reporting year, three female employees availed maternity leave; accordingly, return-to-work and retention rates following parental leave were not applicable for this period

	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 established a Grievance Redressal Policy, complemented by other relevant policies such as the POSH Policy and Whistleblower Policy, to ensure that grievances are addressed in a fair, transparent, and timely manner. The framework provides all workers and employees with accessible mechanisms to raise concerns, supported by clear procedures for submission, investigation, and resolution. The process can involve mediation or other forms of conflict resolution if required, and strict measures are in place to prevent retaliation against individuals who raise complaints. For permanent workers, there are also periodical physical meetings held where workers, supervisors, and management employees discuss issues that can be addressed at an early stage. Importantly, the grievance system is available not only to permanent workers and employees but also to temporary, contractual, and non-permanent workers, ensuring inclusivity and equal access. Workers also have opportunities to engage with management through regular formal and informal sessions. Besides the Grievance Redressal process that provides an escalation matrix, employees are encouraged to first discuss concerns with their immediate supervisors before escalating matters to senior management. To foster open communication, GPIL promotes interactive dialogue across all levels of the organization through conferences, open houses, team meetings, and planning sessions. This multichannel approach ensures that feedback and grievances are heard, addressed promptly, and resolved fairly, reinforcing the Company's commitment to a respectful and transparent workplace culture. The Grievance Redressal Policy is open to business associates and value chain. The Company also has a Supplier Code of Conduct which also directs vendors, suppliers etc. to Whistleblower or Grievance Redressal Policy for raising any concerns. For retailers, dealers and customers there is a central tele-helpline available where complaints that are logged in are resolved at regional levels, and reports are shared on status.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2025-26			FY 2024-25		
	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	1,095	3	0.3%	1,041	4	0.4%
Male	1027	3	0.3%	979	4	0.4%
Female	68	0	0%	62	0	0%
Total Permanent Workers	26	23	88.5%	36	31	86%
Male	26	23	88.5%	36	31	86%
Female	0	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total	On health and safety measures		On skill upgradation		Total	On health and safety measures		On skill upgradation	
	(A)	(B)	% (B/A)	(C)	% (C/A)	(D)	(E)	% (E/D)	(F)	% (F/D)
Employees										
Male	1027	863	84%	802	78.1%	979	751	76.7%	761	77.7%
Female	68	65	95.6%	64	94.1%	62	56	90.3%	59	95.2%
Total	**1,095**	**928**	**84.7%**	**866**	**79.1%**	**1,041**	**807**	**77.5%**	**820**	**78.8%**
Workers										
Male	26	23	88.5%	26	100%	36	31	86.1%	31	86.1%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	**26**	**23**	**88.5%**	**26**	**100%**	**36**	**31**	**86.1%**	**31**	**86.1%**

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1027	926	90.2%	979	888	90.7%
Female	68	59	86.8%	62	55	88.7%
Total	**1,095**	**985**	**90.0%**	**1,041**	**943**	**90.6%**
Workers						
Male	26	26	100%	36	36	100%
Female	0	0	0%	0	0	0%
Total	**26**	**26**	**100%**	**36**	**36**	**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 has implemented an Occupational Health and Safety (OHS) Management System accredited to ISO 45001:2018, ensuring best practices and compliance across all factory operations. The system is strengthened and overseen by dedicated committees, meticulously documented, and subject to annual audits by certified external auditors to identify gaps and drive improvements. For the corporate office and branches, internal processes and assessment methods have been established, with adherence to ISO 26000 standards that provide guidance on health and safety as a core subject.

In addition, GPIL periodically organizes health screenings, vaccination drives, safety trainings, and sessions on fitness and wellbeing at its manufacturing facilities and offices. These initiatives reinforce a safe, hygienic, and supportive work environment for all employees and workers.

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

GPIL's "People First" value places employee health and safety as a top priority. The Company manages work-related hazards through a comprehensive EHS Risk Management framework focused on manufacturing facilities. This framework covers routine and non-routine activities, ensuring regulatory compliance and fostering a safety-oriented culture.

For routine operations, the Company employs hazard identification, suggestion schemes, daily safety briefings, and engages employees through regular EHS committee meetings. Near-miss incidents are meticulously logged, with corrective measures promptly implemented to avoid recurrence. Non-routine tasks undergo systematic evaluation via Hazard Identification and Risk Assessment (HIRA) and Job Safety Analysis (JSA).

Additionally, adherence to ISO standards, Aspect Impact analysis and Occupational Control Plans complement targeted training programs. Together, these measures integrate proactive hazard management and risk mitigation into everyday processes, reinforcing a safe and sustainable workplace environment.

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

Yes. GPIL has formal processes in place that allow workers to report work-related hazards and withdraw from unsafe situations. A Near Miss Report form is available to document and communicate incidents to management, ensuring timely corrective action. Workers are encouraged to raise concerns during departmental safety meetings and safety committee sessions, which serve as structured platforms for dialogue. In addition, emergency response procedures and escalation matrix are established across all units, reinforcing the Company's commitment to maintaining a safe and secure workplace environment.

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

Yes, GPIL provides employees and workers with access to non-occupational medical and healthcare services. First aid facilities are available within factories and premises, supported by regular doctor's visits for easy access. Employees can also utilize the Company's medical benefits for hospitalization expense reimbursements through special sanctions.

Staff grade employees are covered under a Mediclaim policy premium reimbursement scheme up to a specified limit, along with group insurance policies that include accidental benefits and a medical allowance equivalent to one month of basic pay, which can be carried forward if unused. For other categories of employees and workers, statutory benefits under ESIC are available.

This framework ensures that all employees and workers have access to medical support beyond occupational health, reinforcing GPIL's commitment to overall wellbeing.

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

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
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:

GPIL prioritises the health and safety of its workforce through a comprehensive Environment, Health, and Safety (EHS) Policy that fosters ownership and accountability at all organizational levels. The Company actively engages with employees and workers to encourage them to safeguard their own wellbeing as well as that of their colleagues.

Training and awareness form a cornerstone of this commitment. Regular safety training sessions, fire and first aid programs, specialized health camps addressing women's health, and events such as Safety Day and Safety Week are conducted to build a strong culture of safety awareness. Health initiatives include periodic check-ups with gender-specific screenings, vaccination drives, yoga sessions, and fitness programs offered across offices and manufacturing sites. The Corporate Office also provides free access to a professional physiotherapist twice weekly, alongside wellness measures such as scheduled nap times and provision of healthy meals and snacks.

To ensure preparedness for emergencies, GPIL has established a detailed Emergency Response Procedure based on risk management studies. This is supported by regular mock drills, equipment testing, and ready availability of Personal Protective Equipment. Fire safety equipment and evacuation protocols are maintained at all manufacturing units, while office safety procedures are firmly in place.

Employee involvement is encouraged through a Safety Committee comprising representatives from management, employees, and contractors, meeting quarterly to discuss and resolve safety issues. On the shop floor, hazard spotting tours, suggestion schemes, daily safety briefings, and near miss reporting are rigorously practiced maintaining a safe working environment.

The Company also invests in workplace infrastructure that promotes health and comfort, including proper lighting, ventilation, air conditioning, ergonomic furniture, recreational and refreshment areas, safe drinking water, and well-maintained hygienic washrooms designed for employee wellbeing.

Compliance and monitoring play a vital role. GPIL strictly adheres to Work Permit Rules and maintains thorough records of first aid cases and near miss incidents, ensuring appropriate follow-up actions. Annual external audits conducted under ISO 45001:2018 and ISO 26000 standards help sustain continuous improvement and feedback loops.

Through this layered and proactive EHS framework, GPIL demonstrates its strong commitment to creating a safe, healthy, and supportive workplace that underpins operational excellence and employee wellbeing.

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 2025-26			FY 2024-25		
	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	0	0	No complaints were received
Health & Safety	0	0	No complaints were received	0	0	No complaints were received

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:

GPIL regularly conducts internal assessments to ensure ongoing safety and compliance. Safety related incidents are carefully 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 information and data collected 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 are ISO 45001:2018 compliant while both corporate office and factories are ISO 26000 compliant, with 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) employee (Y/N) (B) worker (Y/N):

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

B. No, GPIL does not extend term life insurance to workers; they are covered under a Group Personal Accident Policy, which provides protection in the event of accidental death at work.

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

GPIL continuously endeavours to collaborate with vendors who demonstrate a proven track record of compliance with all applicable laws and regulations. The Company has established internal control mechanisms to ensure statutory dues payable by service providers for their employees is deposited accurately and on time. As part of the payment process, GPIL requires contractors and third parties to submit challan copies confirming the deposit of Provident Fund (PF) and Employees' State Insurance (ESI) contributions. In addition, the Company conducts online verification of GST returns and proof of PF and ESI deposits to strengthen compliance oversight.

Further, GPIL enforces a Supplier Code of Conduct, which mandates that all suppliers conduct their business in strict compliance with applicable laws, regulations, and ethical standards. This Code reinforces accountability across the supply chain and ensures that vendors uphold the same principles of integrity, transparency, and responsibility that GPIL applies within its own operations.

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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	**0.** In the current and previous years, 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)

GPIL recognizes the importance of supporting employees during career transitions and provides comprehensive assistance to facilitate continued employability and the effective management of career endings. The Company invests in human capital development programs to enhance, reskill, and upskill employees, including initiatives focused on new-age skills and evolving industry competencies. These efforts ensure that employees remain relevant and competitive in a rapidly changing business environment.

In cases of layoffs, terminations, or early retirements, supervisors and management provide recommendations to support re-employment, enabling employees to transition smoothly to new opportunities where required.

To support retirement planning and financial security, GPIL offers an optional superannuation fund under which the Company contributes 15% of an employee's basic salary. Upon retirement or separation, employees may utilize the accumulated corpus to subscribe to annuity plans offered by the Life Insurance Corporation of India (LIC), providing a regular post-retirement income. Additionally, all employees are eligible for a monthly pension from the Employees' Provident Fund Organisation (EPFO), based on their contributions and tenure.

When highly skilled or experienced employees retire, critical roles may be retained on a consultancy or retainer basis to facilitate knowledge transfer. These individuals serve as mentors and trainers to new employees, ensuring continuity of expertise within the organization.

GPIL's comprehensive employee support extends across the entire employee lifecycle, including thoughtfully designed retirement transition programs that offer personalized guidance and financial support. This includes assistance with retirement planning, continued access to health insurance benefits (including coverage for pre-existing conditions), and recognition initiatives that celebrate employees' contributions and legacy. The HR team remains actively involved throughout the transition process, ensuring employees receive the necessary support and guidance, reflecting GPIL's commitment to treating every employee with dignity and respect throughout their journey with the Company.

5. Details on assessment of value chain partners:

GPIL is committed to upholding ethical practices across its supply chain. The Company enforces a Supplier Code of Conduct, requiring all supply chain partners to operate in full compliance with applicable laws and regulations.

For GPIL contracted tobacco farmers, adherence to the Agricultural Labour Practices (ALP) Code is mandatory, covering health, safety, and working conditions for self and workers. Compliance is monitored through regular assessments conducted by Field Technicians (FTs) using a digital application to identify and flag any non-compliance.

Other suppliers, governed by signed contracts, undergo periodic compliance checks, including verification of statutory obligations. For non-tobacco suppliers, GPIL also conducts ESG-aligned assessments, including evaluations of health and safety parameters, to ensure responsible and sustainable practices across the value chain

	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety conditions	Approximately 75%
Working conditions	Approximately 75%

**This includes our burley tobacco farmers and non-tobacco suppliers.*

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:

No significant risks or violations have been identified during the reporting period. GPIL has established processes across its supply chain to prevent such incidents. For instance, in the tobacco supply chain, farmers under the Integrated Production System (Flue Cured Virginia is assessed by PMI) undergo periodic internal and external assessments, including audits by international organizations such as Control Union, Peterson, Nielson and PwC to evaluate health, safety, and working conditions along with other human and labour rights like child and forced labour, safe working environment. Key risks such as Green Tobacco Sickness and harmful effects of chemicals (CPA application without PPE) are mitigated through workshops, training, education programs, strict monitoring and enforcement of safe practices. Key measures include proper use of PPE, safe handling and disposal of empty CPA containers and fertilizer bags and access to first aid. Farmers are also provided with safe drinking water, emergency assistance, and encouraged to resolve labour issues through local representatives.

This structured approach ensures a safer and healthier environment across the tobacco supply chain.

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

GPIL recognizes that long term sustainability depends on building trust and fostering meaningful engagement with both internal and external stakeholders, including employees, workers, workers, customers, suppliers, investors, shareholders, retailers, tobacco farmers and labourers, civil society organizations and local communities in its areas of operation. The Company is committed to listening to stakeholder concerns, addressing them with transparency, and integrating their expectations into decision making. By maintaining open channels of dialogue, ensuring ethical practices across the value chain, and prioritising health, safety, and social well being, GPIL strives to create inclusive and responsible growth.

ESSENTIAL INDICATORS

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

GPIL believes that identifying and engaging with stakeholders involves a thorough and iterative process. It is important for the Company to understand and adapt to the interests and needs of groups or individuals impacted by its activities. The process includes:

- **Internal Stakeholder Mapping:** Identifying and categorizing individuals within the organization who play critical roles or interact directly with external stakeholders. This includes employees, managers, executives, and board members.
- **External Stakeholder Mapping:** Recognizing and categorizing individuals or groups outside the organization who have a high level of influence, are affected by or interested in GPIL's sustainability activities. These include customers, bankers, suppliers, investors, tobacco farmers, retailers, hawkers and local communities.
- **Stakeholder Prioritization:** Prioritizing stakeholders based on their level of influence and impact on the business, as well as the effect of business activities on them. This ensures deeper engagement with critical, vulnerable, and marginalised groups.

This structured approach enables GPIL to address sustainability challenges and opportunities by engaging with the right stakeholders in a transparent and accountable manner.

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 & marginalised 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, website	Quarterly and annually	Build trust, enhance transparency, secure capital, influence shareholder decisions, comply with regulations. Topics include financial performance and ESG disclosures.
Suppliers	Yes	Emails, onboarding assessments, one-on-one sessions, supplier surveys, training programs and workshops, grievance redressal mechanism, conferences and meetings	Continuous	Strengthen relationships, ensure reliable supply chains, manage risks, foster innovation. Focus on sustainable supply chain practices and human rights concerns.
Customers	No	Emails, town hall meetings, conferences and events, annual reports and sustainability reports, website	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, open houses & townhalls, intranet, meetings, conferences and events, team-building activities, workshops and training sessions, employee surveys company social media handles, website, engagement and well-being programs and one-on-one meetings with HR and leadership	Continuous	Retain talent, cultivate leadership, boost productivity, and drive innovation. Engagement focuses on creating a positive work environment.
Other Employees	No	Periodical emails, open houses & townhalls, intranet, meetings, conferences and events, team-building activities, workshops and training sessions, employee surveys company social media handles, website, engagement and well-being programs and one-on-one meetings with HR and leadership	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)	Surveys, field visits, 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 marginalised sections.
Government Bodies	No	Industry association evidence and data-based advocacy, direct engagement through industry bodies, annual report, compliance reporting, website	Need Based	Engage proactively with authorities through evidence and data-based advocacy, directly or via industry bodies, to address sectoral impacts on stakeholders and livelihoods.

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:

GPIL has established structured processes to ensure stakeholder perspectives on economic, environmental, and social topics are integrated into Board deliberations. A materiality assessment was conducted in FY 2022-23 to identify and prioritize issues significant to both stakeholders and the business.

Building on it, in FY 2024-25 the Company undertook a double materiality assessment, evaluating both financial and non financial impacts. This exercise involved direct engagement with key stakeholder groups through surveys and workshops. Insights were consolidated and formally reported to senior management and the Board through review meetings, and periodic updates.

The Company has also established a governance structure that ensures a two-way flow of information on ESG programs, enabling feedback from stakeholders to reach the Board and guiding decisions to be communicated back to stakeholders. GPIL intends to continue conducting such assessments periodically to strengthen transparency and accountability.

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 development, business decisions, and activities.

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

GPIL is committed to support vulnerable and marginalised stakeholder groups, particularly farmers, retailers, and hawkers within its community. Through its CSR programs, the Company has implemented targeted initiatives to address their concerns and improve livelihoods.

Key actions include:

- **Climate resilience projects** focused on conserving water, soil, and the environment to mitigate climate change risks.
- **Health and education initiatives** promote awareness on better health practices, access to safe drinking water, elimination of child labour, and encouraging children's education.
- **Good Agricultural Practices (GAP) training** covering sustainable farming methods, mechanization, and health and safety awareness, including prevention of green tobacco sickness, use of PPE, and safe disposal of empty CPA containers.
- **Community workshops** on labour rights, dispute management, and other relevant social topics.

By engaging directly with these groups and prioritising their needs, GPIL fosters a more sustainable, equitable, and supportive environment across its value chain.

Principle 5: Businesses should respect and promote human rights

GPIL places the highest priority on human rights and has established a robust framework of policies, including its Human Rights Policy, Code of Business Conduct, Equal Opportunity Policy, Health & Safety Policy, Prohibition of Sexual Harassment Policy, Suppliers' Code of Conduct, Whistle Blower Policy and Grievance Redressal Policy. These policies, supported by training, monitoring and grievance mechanisms, ensure fair treatment, safe working conditions and respect for labour rights across operations and the value chain. The Company also complies with all applicable national and regional laws, reinforcing its commitment to dignity, equality, and accountability for all stakeholders.

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 ensures that all employees and workers are made aware of its Human Rights Policy and related frameworks such as the Equal Opportunity Policy, Code of Business Conduct, and POSH Policy. New employees undergo an intensive induction program where these policies are introduced and shared, with copies made available on the intranet and corporate website. The Whistleblower Policy is also accessible in regional languages both online and physically on notice boards to ensure awareness and inclusivity. Awareness is also reinforced throughout the year through periodic trainings and workshops, enabling employees and workers to understand their rights, responsibilities and the Company's expectations for ethical conduct.

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1,095	1,067	97.4	1,041	640	61.5%
Other than Permanent	0	0	0	0	0	0
Total Employees	**1,095**	**1,067**	**97.4%**	**1,041**	**640**	**61.5%**
Workers						
Permanent	26	26	100%	36	0	0%
Other than Permanent	0	0	0%	0	0	0%
Total Workers	**26**	**26**	**100%**	**36**	**0**	**0%**

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

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		(B)	% (B/A)	(C)	% (C/A)		(E)	% (E/D)	(F)	% (F/D)
Employees										
Permanent										
Male	1027	0	0%	1027	100%	979	0	0%	979	100%
Female	68	0	0%	68	100%	62	0	0%	62	100%
Other than Permanent										
Male	Nil									
Female										
Workers										
Permanent										
Male	26	0	0%	26	100%	36	0	0%	36	100%
Female	0	0	0%	0	100%	0	0	0%	0	100%
Other than Permanent										
Male	Nil									
Female										

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

a. Median remuneration / wages in INR:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	7,00,000	3	60,26,50,217
Key Managerial Personnel (other than BoD)	2	2,25,33,390	-	-
Employees other than BoD and KMP	1024	8,61,557	68	9,91,529
Workers	26	11,08,302	-	-

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages*	7.3%	5.8 %

**The gross wages excludes remuneration paid to the members of the promoter group.*

Note: The comparative information for FY2024-25 has been restated to align with the guidance provided by the Industry Standards Forum.

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 designated focal points responsible for addressing human rights impacts and issues. The Audit Committee, Ethics Committee and Internal Committees for Prevention of Sexual Harassment collectively oversee these matters, supported by policies such as the Human Rights Policy, Code of Business Conduct, Equal Opportunity Policy, POSH Policy, Whistle Blower Policy, and Grievance Redressal Policy. This governance framework ensures that concerns are addressed promptly and effectively, while reinforcing the Company's commitment to safeguarding human rights across its operations and value chain.

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

GPIL is committed to providing clear and accessible grievance mechanisms for its employees, workers, and supply chain partners. The Company has a Grievance Redressal Policy along with supporting frameworks such as the POSH Policy, Equal Opportunity Policy and Whistle Blower Policy, which outline procedures for reporting and resolving concerns. These mechanisms are available in regional languages to ensure inclusivity and awareness.

Employees and workers are empowered to raise issues confidentially through committees such as the Audit Committee, Ethics Committee and Internal Complaints Committee, with all grievances investigated promptly and fairly. In addition, GPIL monitors its tobacco supply chain under the Agriculture Labour Practices (ALP) code to identify and address human rights violations. Based on the severity of the concern, appropriate corrective actions are undertaken to safeguard rights and uphold ethical practices.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	0	0	No complaints were received regarding sexual harassment by employees and workers	0	0	No complaints were received regarding sexual harassment by employees and workers
Discrimination at workplace	0	0	No complaints were received regarding discrimination at workplace by employees and workers	0	0	No complaints were received regarding discrimination at workplace by employees and workers
Child Labour	0	0	No complaints were received regarding child labour by employees and workers	0	0	No complaints were received regarding child labour by employees and workers
Forced Labour/ Involuntary Labour	0	0	No complaints were received regarding forced labour by employees and workers	0	0	No complaints were received regarding forced labour by employees and workers
Wages	0	0	No complaints were received regarding sexual harassment by employees and workers	0	0	No complaints were received regarding wages by employees and workers
Other human rights related issues	0	0	No complaints were received regarding discrimination at workplace by employees and workers	0	0	No complaints were received regarding any human rights issues by employees and workers

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

	FY 2025-26	FY 2024-25
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	0	0
Complaints on POSH upheld	0	0

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

GPIL is committed to maintaining a safe, respectful, and harassment free workplace with zero tolerance for inappropriate conduct. The Company encourages employees to report any concerns and ensures timely responsiveness to complaints. Committees such as the central and local Internal Committees and Ethics Committee are constituted to enquire into cases of sexual or other forms of harassment and recommend appropriate action. GPIL also safeguards complainants by ensuring protection in their normal working environment and preventing any discrimination during performance appraisals 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, GPIL ensures that human rights requirements form an integral part of its business agreements and contracts. These requirements are embedded within the Company's standard terms and conditions and stated in the Suppliers' Code of Conduct, which all service providers are required to sign. In addition to upholding human rights, suppliers are mandated to comply with applicable laws, labour standards, and environmental regulations, while adhering to principles of ethics and integrity in their operations. This framework ensures that GPIL's supply chain consistently aligns with its commitment to responsible and sustainable business practices.

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:

No significant risks/ concerns have been identified in the assessment.

LEADERSHIP INDICATORS

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

GPIL has strengthened its internal processes to ensure effective handling of human rights grievances. The Code of Business Conduct, Human Rights Policy, Equal Opportunity Policy and POSH Policy have been implemented across the Company, supported by the Grievance Redressal Policy and Whistle Blower Policy which provide clear and accessible mechanism for not only employees and workers, but also external stakeholders to raise concerns. The Ethics Committee and Internal Committee meet periodically to check if any grievances or complaints have been raised. While no human rights violation complaints have been received to date, the Company has institutionalized this process to ensure preparedness, transparency and accountability. This framework reinforces GPIL's commitment to safeguarding rights and ensures that any future grievances can be addressed promptly and effectively.

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

GPIL is committed to upholding human rights and conducting periodic assessments across its operations and tobacco supply chain. Within the IPS framework, the Company follows the Agricultural Labour Practices (ALP) Code, which addresses key issues such as child and forced labour, minimum wages, employee benefits, grievance redressal, and workplace safety. Due diligence is carried out through workshops, farmer training, and monitoring by field technicians to ensure compliance.

The ALP Code emphasizes three core principles, child labour, income and work hours and a safe working environment, along with the following:

- 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

Audits by international organisations like Control Union, Nielson, Peterson, PwC have highlighted positive impacts such as zero incidences of child labour, improved workplace safety and heightened awareness of occupational risks. Additionally, in FY25, GPIL conducted a Human Rights assessment covering 100% of its operations and part of supply chain that included tobacco farmers, women workers and labourers during the year. The assessment had no violations reported. This reinforces GPIL's commitment to ethical, transparent, and sustainable practices across its value chain.

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 having adequate policies that protect and support differently abled persons and has ensured accessible infrastructure wherever necessary.

4. Details on assessment of value chain partners:

GPIL is committed to ethical practices and sustainability across its value chain. The Supplier Code of Conduct guides all partners, requiring adherence to human rights, labour standards and environmental regulations. Within the IPS framework, tobacco farmers are mandated to comply with the Agricultural Labour Practices (ALP) Code, which covers child labour, forced/involuntary labour, discrimination, wages and safe working conditions. Compliance is ensured through periodic assessments by Field Technicians, regular awareness and training programs conducted by supervisors and managers and third party audits. In FY25, GPIL conducted Human Rights Assessment for farmers and daily wage labourers under IPS, reinforcing its commitment to responsible sourcing and sustainable supply chain practices.

	% of value chain partners (by value of business done with such partners) that were assessed*
Sexual harassment	8%
Discrimination at workplace	8%
Child labour	8%
Forced/involuntary labour	8%
Wages	8%

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

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 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 and integrates sustainability into its operations and value chain. The Company emphasizes efficient resource utilization, reduction of emissions, and compliance with environmental regulations. Initiatives include promoting sustainable agricultural practices under the IPS framework, monitoring energy and water usage, and implementing waste management systems to minimize ecological impact. GPIL also invests in awareness programs and training to encourage employees, farmers, and partners to adopt ecofriendly practices. Through these measures, the Company strives not only to protect the environment but also to contribute to its restoration, ensuring long term resilience and sustainability.

ESSENTIAL INDICATORS

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

Parameter	Unit	FY 2025-26	FY 2024-25
From renewable sources	Megajoule		
Total electricity consumption (A)	Megajoule	3,37,45,993.2	2,31,27,897.6
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	**3,37,45,993.2**	**2,31,27,897.6**
From non-renewable sources	Megajoule		
Total electricity consumption (D)	Megajoule	7,28,22,066.3	7,15,76,999.5
Total fuel consumption (E)	Megajoule	2,78,08,842.7	2,63,34,636.7
Energy consumption through other sources (F)	Megajoule	0	0
Total energy consumption from non-renewable sources (D+E+F)	Megajoule	**10,06,30,908.9**	**9,79,11,636.2**
Total energy consumed (A+B+C+D+E+F)	Megajoule	**13,43,76,902.1**	**12,10,39,533.8**
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	KJ/INR	**1.47**	**1.79**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (USD)	KJ/USD	29.97	37.00
Energy intensity in terms of physical output	GJ/ million cigarette sticks	5.63	5.81
Energy intensity (optional) – the relevant metric may be selected by the entity			

In FY 2024-25, Diesel and other fuels (LDO, Petrol, and PNG) were reported separately, However, this year, we have reported the consolidated number under "Total Fuel Consumption".

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: **Yes,** *please refer to the assurer of core BRSR elements of this report*

For PPP, 20.34 National currency units/US dollar has been used. Source: IMF (2026), Purchasing power parities (PPP) indicator.

Energy intensity in terms of physical output has been restated to align with the guidance provided by the Industry Standards Forum. Further, it includes only cigarettes that account for substantial part of the total revenue of the Company.

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 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water:	0	0
(ii) Groundwater	34,983.3	29,970.9
(iii) Third party water (Municipal water supplies)	43,282.9	46,392.3
(iv) Seawater / desalinated water	0	0
(v) Others – Rain water	2,148	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	**80,414.3**	**76,363.2**
Total volume of water consumption (in kilolitres) *(Total water consumption is calculated by deducting total water discharge from total water withdrawal)*	**77,134.3**	**69,561.4**
Water intensity per rupee of turnover (Water consumed / revenue from operations) (Litre / K INR)	**0.85**	**1.03**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) – Litre / K USD	17.20	21.26
Water intensity in terms of physical output (KL/ million cigarette sticks)	3.23	3.34
Water intensity (optional)	-	-

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. ***Yes,*** *please refer to the assurer of core BRSR elements of this report*

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

For PPP, 20.34 National currency units/US dollar has been used. Source: IMF (2026), Purchasing power parities (PPP) indicator.

Water intensity in terms of physical output has been restated to align with the guidance provided by the Industry Standards Forum. Further, it includes only cigarettes that account for substantial part of the total revenue of the Company.

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
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	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	1,825.8
(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	1,127.4 (Tertiary Treatment)	753.5 (Tertiary Treatment)
(v) Others		
- No treatment	2,152.6	4,222.5
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**3,279.9**	**6,801.8**

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: ***Yes,*** *please refer to the assurer of core BRSR elements of this report*

Water discharge data for FY 2024-25 have been restated to align with the guidance provided by the Industry Standards Forum.

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 respective pollution boards.

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

Parameter	Unit	FY 2025-26	FY 2024-25
NOx	Kg	792.4	1,050.5
SOx	Kg	309.06	382.9
Particulate Matter (PM)	Kg	1165.1	4,237.0
Persistent Organic Pollutants (POP)	Kg	0	0
Volatile organic Compounds (VOC)	Kg	0	0
Hazardous air pollutants (HAP)	Kg	0	0
Others- please specify	Kg	0	0

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. ***Yes,*** *please refer to the assurer of core BRSR elements of this report*

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,622.5	2,460.01
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	14,362.7	14,454.6
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**	**1.86**	**2.50**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for PPP (USD)	Tonne per million USD	3.79	5.17
Total Scope 1 and Scope 2 emission intensity in terms of physical output	**Emission tCO2e/ million cigarette sticks**	**0.71**	**0.81**
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) If yes, name of the external agency: ***Yes,*** *please refer to the assurer of core BRSR elements of this report*

For PPP, 20.34 National currency units/US dollar has been used. Source: IMF (2026), Purchasing power parities (PPP) indicator.

Emission intensity in terms of physical output has been restated to align with the guidance provided by the Industry Standards Forum. Further, it includes only cigarettes that account for substantial part of the total revenue of the Company.

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

Yes. GPIL has launched multiple initiatives aimed at reducing greenhouse gas emissions through energy efficiency, renewable energy augmentation, and afforestation projects.

Energy efficiency and process improvements:

- Achieved over 33% renewable energy share cumulatively across Guldhar and Rabale sites, advancing organizational ESG commitments.
- Installed modular UPS systems to optimize energy use and minimize losses.
- Upgraded two belt driven vacuum pumps (75 kW) to high efficiency screw driven systems (37 kW), delivering ~51% energy savings.
- Integrated IE3 rated energy efficient motors in new DRF systems and chiller installations, enhancing overall efficiency and reducing long term energy consumption.
- Optimized condensate recovery systems, improving recovery rates from 49% to 55%.
- Modernized air conditioning infrastructure by replacing R22 based 20 TR PAC units with R410A inverter technology and adding 75 TR R410A inverter PAC capacity at the ring site.

Afforestation and biodiversity projects:

- Plantation of 5,000 trees within the Thane Municipal Corporation area.
- Maintenance of biodiversity parks in Andhra Pradesh with over 9,000 trees.
- Afforestation project of 70,000 saplings .
- Distribution of 310,000 eucalyptus saplings to farmers as part of wood sustainability

Through these measures, GPIL actively contributes to carbon sequestration, reduced emissions, and long-term environmental sustainability, reinforcing its commitment to climate responsibility.

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	33.8	21.7
E-waste **(B)**	1.04	2.12
Bio-medical waste **(C)**	0.16	0.15
Construction and demolition waste **(D)**	135.8	35.8
Battery Waste **(E)**	16.8	0.35
Radioactive waste **(F)**	0	0
Other Hazardous waste. Used oil and sludge **(G)**	38.7	18.8
Other Non-hazardous waste generated **(H). Paper waste, wood waste, etc.** (Break-up by composition i.e., by materials relevant to the sector)	4,255.4	3,511.9
Total (A + B + C + D + E + F + G + H)	**4,481.7**	**3,590.9**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)—MT/Lakh INR	0.0049	0.005
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / million USD)	1.00	1.09

Waste intensity in terms of physical output – MT/million cigarette sticks	0.19	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	2,683.5	2,843.1
(ii) Re-used	1,753.9	725.4
(iii) Other recovery operations	0	1.5
Total	**4,437.4**	**3,569.9**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	32.6	10.8
(ii) Landfilling	3.7	3.8
(iii) Other disposal operations	8.1	2.6
Total	**44.4**	**17.1**

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: ***Yes,*** *please refer to the assurer of core BRSR elements of this report*

For PPP, 20.34 National currency units/US dollar has been used. Source: IMF (2026), Purchasing power parities (PPP) (indicator).

Waste intensity in terms of physical output has been restated to align with the guidance provided by the Industry Standards Forum. Further, it includes only cigarettes that account for substantial part of the total revenue of the Company.

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 manufacturing process does not fall under hazardous category, so no toxic chemicals are used during manufacturing process. The hazardous waste generated is consistently and continuously monitored at its manufacturing units. The Company has established processes to manage waste within regulatory limits and ensured safe disposals. It has also implemented standard measures across all units, offices to minimize waste, segregate waste at the source, and ensure disposal through authorised 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 all applicable Acts, 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 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	25,401.6	26,163.4
(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)	**25,401.6**	**26,163.4**
Total volume of water consumption (in kilolitres)	**24,274.2**	**25,410**
Water intensity per rupee of turnover (Litre/ K INR)	0.28	0.39
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	0	0
(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	1,127.4 Tertiary Treatment	753.5 Tertiary Treatment
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**1,127.4**	**753.5**

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 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 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 operating 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**	• Optimized in house condensate recovery system, improving recovery rates from 49% to 55%. • Strengthened conservation practices through precise O&M controls and adoption of an enthalpy based HVAC system. • Upgraded two belt driven vacuum pumps (75 kW) to high efficiency screw driven pumps (37 kW), achieving ~51% energy savings. • Installed modular UPS systems to optimize energy use and reduce losses. Integrated IE3 rated energy efficient motors in DRF systems and chillers, enhancing efficiency and reducing long term consumption. Installed an IE3 motor for Cooling Tower fans and converted from belt to direct drive, reducing transmission losses and delivering substantial savings.	Collectively, these initiatives enhanced energy efficiency, reduced overall consumption and losses, and strengthened long term operational sustainability while supporting GHG emission reduction efforts.
2.	**Waste Management**	• 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. • 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. • Plastic tie rope has been substituted with jute tie ribbon for incoming CFC bundles, again eliminating corresponding plastic waste generation. • Have used technology to reuse PP straps in incoming material • Recycling activity of wooden pallets & pallet tops has been extended to additional supplier locations for some incoming packaging material.	GPIL is systematically encouraging recycling and reuse of intermediary packaging which is reducing the over all waste in supply chain. This is part of process.

3.	**Water Management Practices**	• Created an annual water recharge potential of ~65,000 KL through development of ponds in two villages. • Adopted adiabatic cooling towers for compressed air system heat rejection, saving 1,030 KL of water. • Replaced conventional water ring vacuum pumps with high efficiency screw pumps, eliminating continuous water consumption. • Reduced Cooling Tower sump operating level by 10%, lowering water usage without impacting performance. • Implemented waterless urinals in sections of manufacturing facilities. • Upgraded float valve systems in cooling towers to arrest overflow. • Replaced RO water with soft/raw water where feasible, reducing reject water and wastage.	These measures reinforce long term water sustainability and support the Company's water positive objectives.
4.	**Green Initiative**	• 5000 trees planted in Thane Municipal Corporation area as an initiative by the Rabale facility. • Addition of green refrigerant system for capacity augmentation (75 TR unit of R-140A installed for new requirement) at a cigarette production site. • CSR program continues to maintain plantations in Andhra	

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

Yes, GPIL has a dedicated Business Continuity and Disaster Management Policy supported by a robust framework to identify risks, analyse processes, and prepare mitigation strategies across all functional areas. The plan evaluates potential worst case scenarios and defines clear action steps to ensure operational resilience. It includes periodic reviews, and training to strengthen preparedness.

Further, in FY25, GPIL also conducted a climate risk assessment to evaluate the impact of climate related events on its operations and value chain, further integrating environmental considerations into its continuity planning.

For more details, visit policies at: https://www.godfreyphillips.co.in/sustainabililty/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 recognizes that its value chain, particularly the Leaf operations, can have environmental impacts such as fertilizer and Crop Protection Agent (CPA) use, which may release greenhouse gases and affect ecosystems. To mitigate these risks, GPIL places IPS farmers and workers at the core of its sustainability efforts and has implemented the following measures:

- **Farmer training and monitoring:** Guidance on proper dosage of fertilizers and CPAs, elimination of Highly Hazardous Pesticides (HHPs), safe disposal of empty CPA containers in collection bins, recycling of plastics and hazardous waste, incorporation of crop residues into soil which further improves soil fertility. Field monitoring ensures containers are not left in fields or homes.
- **Environmental testing:** Quarterly ambient air and wastewater quality tests by authorized laboratories to ensure pollutants remain within permissible limits.
- **Sustainable agriculture practices:** Promotion of Good Agricultural Practices (GAP) to preserve, reuse, and recycle soil, water, air, and wood resources.
- **Wood sustainability and afforestation:** Distribution of eucalyptus saplings annually, and biodiversity parks in Andhra Pradesh (Darsi, Kurichedu, Parchur, Sangapuram, P. Venkatapuram, and Kalavalapalle) with over 25,000 local species.
- **Infrastructure improvements:** Construction of permanent community sheds and burley tobacco curing barns using iron frameworks and reducing reliance on wood.
- **Water conservation:** Development of farm ponds, check dams, and desilting of tanks to restore capacity, recharge groundwater, and improve soil health.

These initiatives collectively reduce environmental impact, enhance resilience against climate risks, and promote sustainable livelihoods for farmers while safeguarding ecosystems and biodiversity.

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

5 % farmers were assessed for environmental impact through a third party assurance exercise conducted by PwC on FCV farmers' wood sustainability practices. The primary objective of the study was to demonstrate that annual firewood harvesting rates in plantations and Tree Outside Forest (TOF) areas across tobacco growing and wood sourcing districts do not exceed the annual potential growth rate of forests, while meeting wood demand for tobacco curing and other industries. The study confirmed that fuel sourcing districts in both Andhra Pradesh and Karnataka are compliant with PMI's Zero Deforestation Manifesto (ZDM). Importantly, no farmer or vendor was found sourcing wood from restricted forest areas. Findings further highlighted that TOF cover increased by 9% between 2018 and 2025, indicating stable to improving wood resource availability. Current assessments confirm wood sufficiency for the next six years in Andhra Pradesh and eight years in Karnataka. The majority of farmers sourced wood through vendors, with a smaller proportion relying on their own or fellow farmers' plantations.

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 constructively with relevant authorities to balance stakeholder expectations with its stringent governance standards. GPIL also participates in industry forums that address governance, economic reforms, environmental safety, energy security, sustainable business principles, taxation, and water management. These forums provide a platform for evidence based advocacy, ensuring that GPIL's positions are represented responsibly and transparently, while reinforcing its commitment to ethical conduct and sustainable development.

ESSENTIAL INDICATORS

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

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	Public Affairs Forum of India	National
5	The Tobacco Institute of India	National
6	The Advertising Standards Council of India	National
7	Indo American Chamber of Commerce	National
8	International Chamber of Commerce India	National
9	Indian Chamber of Commerce & Industry	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: In strict compliance with legislation for our industry, GPIL does not engage in any public policy advocacy activities.

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

GPIL is committed to fostering inclusive growth by embedding equity, sustainability and community development into its business practices. The Company prioritises responsible sourcing, fair labour standards, and opportunities for smallholder farmers and local enterprises within its value chain. Through initiatives such as skill development programs, afforestation projects, water conservation structures, and sustainable agriculture practices, GPIL supports livelihood enhancement while safeguarding natural resources. CSR interventions further strengthen rural infrastructure, education, and health, ensuring that communities benefit directly from the Company's operations. By aligning business success with social progress, GPIL contributes to equitable development and long-term resilience.

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
No project requiring SIA was undertaken in the reporting year, thus this question is not applicable to us.					

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 2025-26 (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 central to GPIL's commitment to sustainable development. The Company recognizes the vital role of tobacco farmer communities in its operations and places emphasis on cultivating collaborative and transparent relationships that foster long-term trust and resilience.

Under the Integrated Production System (IPS), GPIL organizes regular engagements and workshops. These sessions provide farmers with a platform to share challenges, exchange ideas, and strengthen awareness of preferred labour practices across social, health, and safety dimensions. They also reinforce adherence to best agricultural practices, ensuring productivity and sustainability across farming operations.

For dispute resolution, GPIL adopts a harmonious and inclusive approach. Guidance is sought from village elders, progressive farmers, and local representatives to ensure that issues are resolved constructively and with community consensus. This collaborative model strengthens social cohesion while maintaining fairness and transparency.

Acknowledging the unique social needs of farming communities, GPIL implements targeted interventions aligned with its CSR policy. These programs empower communities to raise concerns in open forums, enhance transparency in decision-making, and build progressive relationships that advance both community well-being and sustainable business growth.

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	42%	50%
Directly from within India	82%	85%

** Total purchases include the total expenditure on the purchase of goods and services 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 2025-26	FY 2024-25
Rural	0.0%	0.0%
Semi-urban	0.0%	0.4%
Urban	1.9%	5.2%
Metropolitan	98.1%	94.4%

Note: Places are 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 marginalised /vulnerable groups? (Yes/No)

GPIL does not have a dedicated preferential procurement policy. Within its contracted farmer base, the Company identifies small farmers, defined as those cultivating less than one hectare of land, as a marginalised and vulnerable group. GPIL also recognizes women farmers as underrepresented contributors to the agricultural sector. The Company regularly sources from both small and women farmers, ensuring their inclusion in the supply chain and reinforcing its commitment to equity, sustainability, and community empowerment.

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

GPIL sources part of its raw material from small tobacco farmers, defined as those with less than one hectare of landholding, including women farmers identified as marginalised and vulnerable groups. As part of the Integrated Production System (IPS), these farmers receive support through training on Good Agricultural Practices (GAP) and Agricultural Labour Practices (ALP), along with participation in environmental initiatives that help improve yields and enhance earnings.

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

3% of the total procurement is from marginalised 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:

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.				

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.

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 marginalised groups
1.	Biodiversity parks	1900	33%
2.	Check dams	3810	28%
3.	Desilting of community ponds	1188	62%
4.	Tank management program	2804	63%
5.	Installation of community RO Plants to provide safe drinking water	17417	81%
6.	Borewell recharge installation	17417	81%
7.	Health camps	6248	13%
8.	Community agri-produce sheds	622	56%
9.	Plantation	NA	NA
10.	Rainwater harvesting structures	500	30%

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

GPIL views Corporate Social Responsibility as a key channel for engaging with communities and addressing local development priorities, while reinforcing responsible business practices. Over the years, the Company has implemented a focused portfolio of CSR initiatives across water conservation, agricultural infrastructure, environmental sustainability and social welfare, delivering measurable outcomes. In FY26, these programs continue to strengthen community resilience through targeted, high-impact interventions.

The Company has further expanded its water conservation efforts in the water-stressed and rain shadow regions of Andhra Pradesh. During the year, 13 new check-dams were constructed, bringing the total to 60 structures. These structures support irrigation, enable marginalised tobacco farmers to cultivate secondary crops, and contribute to groundwater recharge. Volumetric analysis of 45 of the existing check-dams indicated that more than 2,72,954 kilolitres of water were conserved during the year, directly benefiting farming communities and reviving ground water levels.

To enhance storage capacity, desiltation activities were undertaken at 16 sites in tobacco-growing regions, improving water retention while providing farmers with nutrient-rich soil. GPIL also completed the rejuvenation of two large natural water tanks, benefitting hundreds of community members and supporting local ecosystems.

The Company continued its environmental stewardship through the maintenance of two biodiversity parks, with two parks already handed over to local communities after achieving self-sustenance. These spaces support native biodiversity, ecological restoration, and community engagement. The Company had also undertaken an afforestation project planting 70000 trees across three villages, Sangapuram, P. Venkatapuram, and Kalavalapalle. The areas identified were mostly barren land with the objective of reviving the soil quality and strengthen water holding capacity to impact nearby farming land.

Aligned with its ESG commitment to improving access to safe drinking water for farmer communities, the Company installed 20 new RO water plants with borewell recharge and waste-water management systems, taking the total installations to over 80 across its operational areas. These initiatives continue to address the issue of drinking water quality and availability in rural communities.

To support farmer livelihoods, 122 community agri-sheds were constructed during the year, providing secure storage for agricultural produce and shelter for livestock, particularly during extreme weather conditions. These interventions help reduce post-harvest losses and improve income stability.

Expanding its water stewardship efforts to new geographies, GPIL constructed 3 rainwater harvesting structures in the water-stressed Guldhar region of Ghaziabad. These structures are intended to improve groundwater recharge and long-term water availability in areas surrounding the Company's manufacturing operations.

Recognising the importance of preventive healthcare, the Company scaled its health screening initiative, Swasth Pehal 2.0, through mobile medical units deployed across multiple locations. The program covered over 100 health parameters, including blood diagnostics, non-invasive screening, and eye examinations. During the year, more than 6,000 beneficiaries across nearly 200 locations were reached, supporting early detection of health conditions and promoting preventive healthcare awareness.

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. The Company has established a structured complaint redressal system, with contact details printed on all products and available on its website for easy access. Complaints are received via email and telephone, managed through Standard Operating Procedures. Retailer and consumer grievances are logged at the grievance cell number, acknowledged by telecallers, and forwarded to the respective Area Manager for investigation and resolution. Once resolved, complaints are documented and closed, with monthly reports reviewed by the Regional Sales Manager. For Wholesale Dealers (WD), GPIL runs a dedicated WD Performance Management program, under which Area Sales Managers visit WD points quarterly to discuss performance, address concerns, and capture feedback. WDs can also escalate issues directly to the Sales Manager, Regional Sales Manager, or Head Office Sales Team. In addition, GPIL has policies such as the Whistle Blower Policy and Grievance Redressal Policy that provide further avenues for addressing complaints and ensuring transparency.

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

	As a percentage of total turnover
Environmental and social parameters relevant to the product	GPIL propagates responsible usage and disposal on product packaging, going beyond mandated requirements. 100% of domestic cigarette products carry pictorial health warnings and the "not for sale to minors" message as required by law. In addition, the cigarette brand FSS carries an awareness message on all its packs in a specific market to promote safe disposal, accounting for 6% of total turnover. The Company also mobilizes retailers from time to time to educate consumers about responsible disposal of used packs. In its non-tobacco segment, GPIL promotes sustainable post-purchase behaviour through candy packaging. These packs carry pictorial information encouraging consumers to dispose responsibly and keep surroundings clean, along with disclosure of the percentage of recycled material used in the packaging. Currently, these products account for about 1% of total turnover.

Safe and responsible usage	100% of the domestic cigarette products carry pictorial health warning and not for sale to minors' message, as mandated by law. Signages for same are also placed on all point-of-sale outlets and retailers are communicated to not permit sale to minors or minors to be present at or operating the outlet. All domestic cigarette packs carry information about safe and responsible usage, and these amount to 75% of total turnover.
Recycling and/or safe disposal	GPIL promotes sustainable post purchase behaviour across both tobacco and non tobacco segments, going beyond mandated requirements. The cigarette brand FSS carries an awareness message on all its packs in a specific market to promote safe disposal, accounting for 6% of total turnover. In its non tobacco segment, GPIL promotes sustainable post purchase behaviour through candy packaging. These packs carry pictorial information encouraging consumers to dispose responsibly and keep surroundings clean, along with disclosure of the percentage of recycled material used in the packaging. Safe disposal messaging is also integrated to reinforce consumer awareness. Currently, these products account for about 1% of total turnover.

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

<table>
<tr><th rowspan="2"></th><th colspan="2">FY 2025-26</th><th rowspan="2">Remarks</th><th colspan="2">FY 2024-25</th><th rowspan="2">Remarks</th></tr>
<tr><th>Received during the year</th><th>Pending resolution at end of year</th><th>Received during the year</th><th>Pending resolution at end of year</th></tr>
<tr><td>Data privacy</td><td colspan="2" rowspan="7">Nil</td><td rowspan="3">-</td><td colspan="2" rowspan="7">Nil</td><td rowspan="3">-</td></tr>
<tr><td>Advertising</td></tr>
<tr><td>Cyber-security</td></tr>
<tr><td>Delivery of essential services</td><td>Tobacco products do not qualify as essentials.</td><td>Tobacco products do not qualify as essentials.</td></tr>
<tr><td>Restrictive Trade Practices</td><td>-</td><td>-</td></tr>
<tr><td>Unfair Trade Practices</td><td>-</td><td>-</td></tr>
<tr><td>Other</td><td></td><td>-</td></tr>
</table>

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, corporate reputation and sustaining long term success. To achieve this, the Company has implemented a robust Quality Management System aligned with ISO 9001 standards across its operations. This ensures that all products meet best in class industry standards, guaranteeing safety and quality. As a result of these stringent processes, GPIL has reported zero product recalls due to safety issues (DND stock) 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 the 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 under consideration, 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 applicable legislation 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 COTPA (Cigarettes and Other Tobacco Products Act, 2003 (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution). 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:

Not applicable as 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

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