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**13<sup>th</sup> August 2024**

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400001  
**SCRIP CODE: 500163**

**National Stock Exchange of India Limited**

Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai 400051  
**SYMBOL: GODFRYPHLP**

**Sub.: Submission of Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2023-24.**

Dear Sirs,

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Business Responsibility and Sustainability Report (BRSR) of the Company for the Financial Year 2023-24.

Kindly take the same on records.

Thanking you,  
Yours Faithfully,  
**For Godfrey Phillips India Limited**

**Sanjay Kumar Gupta**  
**Company Secretary**  
**M. No.: 7545**

Encl.: As above



GREAT PLACE TO WORK® CERTIFIED



## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2023-2024

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

### SECTION A: GENERAL DISCLOSURES

#### I. DETAILS OF THE LISTED ENTITY

1.	<b>Corporate Identification No. (CIN) of the Listed Entity</b>	L16004MH1936PLC008587
2.	<b>Name of the Listed Entity</b>	GODFREY PHILLIPS INDIA LIMITED
3.	<b>Year of incorporation</b>	1936
4.	<b>Registered office address</b>	Macropolo Building, Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai- 400033, Maharashtra.
5.	<b>Corporate address</b>	14, Omaxe Square, Jasola District Centre, New Delhi, Delhi 110025
6.	<b>E-mail</b>	<a href="mailto:isc@godfreyphillips.co.in">isc@godfreyphillips.co.in</a>
7.	<b>Telephone</b>	011 -26832155, 61119300
8.	<b>Website</b>	<a href="http://www.godfreyphillips.co.in">www.godfreyphillips.co.in</a>
9.	<b>Financial year for which reporting is being done</b>	2023-24
10.	<b>Name of the Stock Exchange(s) where shares are listed</b>	NSE and BSE
11.	<b>Paid-up Capital</b>	1,039.88 Lakhs
12.	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>	Mr. Sanjay Kumar Gupta, Company Secretary 011-61119418, <a href="mailto:skgupta@godfreyphillips.co.in">skgupta@godfreyphillips.co.in</a>
13.	<b>Reporting boundary</b> 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.	<b>Name of assurance provider</b>	Not Applicable; the Company will go for assurance in due course when it is mandated.
15.	<b>Type of assurance obtained</b>	Not Applicable



## II PRODUCTS/SERVICES

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

S. No.	Description of main activity	Description of business activity	% Of turnover of the entity (FY 24)
1.	<b>Manufacturing</b>	<b>Food, Beverages and Tobacco Products:</b> GPIL is primarily engaged in the manufacturing and sale of cigarettes and other tobacco product.	67.63%
2.	<b>Trading</b>	<b>Wholesale Trading:</b> GPIL is also involved in the trading of unmanufactured tobacco. The Company procures tobacco leaves from farmers and traders and processes them for sale.	23.68%
3.	<b>Trading</b>	<b>Retail Trading:</b> GPIL, through a chain of convenience stores called 24SEVEN offers a wide range of products.	7.38%

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

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Manufacturing of Cigarettes	12003	67.63%
2	Trading of Unmanufactured tobacco	46202	23.68%
3	Retail Store Products	47	7.38%

## III. OPERATIONS

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

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

### 19. Markets served by the entity:

#### a. Number of locations

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

\*Note: GPIL has a wide network of offices across India to support its business operations. The Company has identified its office locations based on the Goods and Services Tax (GST) 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 **25.6%** of the total turnover of the entity



**c. A brief on types of customers**

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

- For its cigarette manufacturing and selling business, the Company's primary customers are adult smokers, who purchase its products directly through retail stores. Its B2B customers include wholesalers, retailers, and other distributors including importers who purchase GPIL's products in bulk quantities and then resell them.
- In its trading of the unmanufactured and manufactured tobacco business, GPIL procures tobacco leaves from farmers and traders; GPIL also sells processed tobacco in the domestic market and exports to other manufacturers, traders, and aggregators in the industry.
- The retail store chain 24SEVEN enables GPIL to cater to a wide range of urban customers.
- The international division of the Company trades in cigarettes and cut filler with manufacturers and traders globally.

**IV. Employees**

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

**a. Employees and workers (including differently abled):**

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1,070	1,004	93.9%	66	6.6%
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total employees (D + E)</b>	<b>1,070</b>	<b>1,004</b>	<b>93.9%</b>	<b>66</b>	<b>6.6%</b>
<b>WORKERS</b>						
4.	Permanent (F)	53	53	100%	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	<b>Total workers (F + G)</b>	<b>53</b>	<b>53</b>	<b>100%</b>	<b>-</b>	<b>-</b>

**b. Differently abled Employees and workers**

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100%	-	0%
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total differently-abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>-</b>	<b>0%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	<b>Total differently-abled workers (F + G)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**21. Participation/Inclusion/Representation of Women:**

GPIL has two women directors on the Board, Dr. Bina Modi and Ms. Nirmala Bagri. Dr. Bina Modi as Chairperson and Managing Director of GPIL, heads various Board Committees and leads the Company in operational aspects

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22
Key Management Personnel*	5	1	20

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



**22. Turnover rate for permanent employees and workers:**

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)			FY 2021-22 (Year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.0%	6.5%	13.6%	12.5%	7.0%	12.2%	11.9%	10.2%	11.8
Permanent Workers	-	-	-	-	-	-	-	-	-

**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	66.67	No
5.	Rajputana Infrastructure Corporate Limited	Subsidiary	92.2	No
6.	Godfrey Phillips Middle East DMCC*	Subsidiary	100	No
7.	KKM Management Centre Private Limited	Associate	36.75	No
8.	IPM India Wholesale Trading Private Limited	Associate	24.8	No

\* Is in the process of closure

**VI. CSR Details:**

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

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

**(ii) Turnover (in Rs. Lakhs) - 523,887.9**

**(iii) Net worth (in Rs. Lakhs) - 384,117.9**



**VII. Transparency and Disclosures Compliances -**

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	<b>Yes.</b> The Company through its Corporate Social Responsibility Program engages with communities in the vicinity of their operations.	None of the complaints received are violative of any of the 9 principles of the BRSR.			None of the complaints received are violative of any of the 9 principles of the BRSR.		
Investors (other than shareholders)	NA	GPIL does not have any investors other than shareholders.					
Shareholders	<b>Yes.</b> The Company through its Registrar and Transfer Agent (RTA), provides redressal to shareholder grievances. The Company has specific e-mail addresses earmarked for receiving shareholder complaints, viz <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> and <a href="mailto:isc@godfreyphillips.co.in">isc@godfreyphillips.co.in</a>  The web link for Whistleblower Policy is: <a href="https://www.godfreyphillips.co.in/sustainability/policies">https://www.godfreyphillips.co.in/sustainability/policies</a>	None of the complaints received are violative of any of the 9 principles of the BRSR.			None of the complaints received are violative of any of the 9 principles of the BRSR.		
Employees and workers	<b>Yes.</b> Through Whistle Blower Policy. <a href="https://www.godfreyphillips.co.in/sustainability/policies">https://www.godfreyphillips.co.in/sustainability/policies</a> The Whistleblower Policy has been uploaded on the intranet and the Company's website and is displayed at all the facilities in regional languages.  The Company also participates in Great Place to Work certification every year where employees receive survey links from external parties to share their feedback.	None of the complaints received are violative of any of the 9 principles of the BRSR.			None of the complaints received are violative of any of the 9 principles of the BRSR.		



Customers	<p><b>Yes</b></p> <p>There is a mechanism in place to receive and redress customer complaints.</p> <p>The customer grievance cell number +91 22 27646216 and email ID <a href="mailto:cgcell-gpi@modi-ent.com">cgcell-gpi@modi-ent.com</a> are displayed on the product packaging. GPIL's customers include retailers. For them, there are hawkers assigned by Wholesale Dealers (WD), who service them and are trained to take feedback and complaints. 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.</p> <p>The Company's representatives also carry out regular market visits to take feedback and address issues.</p>	None of the complaints received are violative of any of the 9 principles of the BRSR.	None of the complaints received are violative of any of the 9 principles of the BRSR.
Value Chain Partners	<p><b>Yes</b></p> <p>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 Whistle blower Policy or emails present on corporate website to raise complaints. The policy is present on the website <a href="https://www.godfreyphillips.co.in/sustainability/policies">https://www.godfreyphillips.co.in/sustainability/policies</a></p>	None of the complaints received are violative of any of the 9 principles of the BRSR.	None of the complaints received are violative of any of the 9 principles of the BRSR.

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

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

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

GPIL conducted a meticulous materiality study to determine the most critical issues among a broad range of topics that concern their significant stakeholder groups. These stakeholders include value chain partners, suppliers, investors and shareholders, employees, and the community.

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

GPIL has categorized the elements concerning responsible business conduct and sustainability matters related to environmental, social, and governance factors, into either a risk or an opportunity. This classification is based on a sound rationale, and the Company has developed an approach to either mitigate or adapt to the identified risks, taking into consideration the financial implications involved. This exercise shall help GPIL to allocate its resources and efforts effectively,



focusing on the areas where it can make the most significant impact while addressing the concerns of its stakeholders.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Human Capital Development	Opportunity	<p><b>Opportunity Perspective:</b></p> <ul style="list-style-type: none"> <li>• Employees are critical to GPIL's operations.</li> <li>• Effective human capital management can lead to skilled resources and increased productivity.</li> <li>• Investing in employee development can attract and retain top talent.</li> <li>• Focusing on employee well-being can improve the work environment and increase employee satisfaction.</li> <li>• Human Capital Development is crucial for creating a sustainable business model that benefits GPIL and its employees.</li> </ul>	---	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>• Improved employee productivity and performance, leading to increased profitability and competitiveness</li> <li>• Lower employee turnover rates and associated costs, such as recruitment and training expenses</li> <li>• Enhanced ability to attract and retain top talent, leading to better innovation and business outcomes</li> <li>• Improved reputation as an employer, leading to increased customer and investor confidence and loyalty</li> <li>• Improved compliance with labour laws and regulations, leading to reduced legal and regulatory risks and associated costs</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>• High cost of training and development programs</li> </ul>
2	Community Development	Opportunity and Risk	<p><b>Opportunity Perspective:</b></p> <ul style="list-style-type: none"> <li>• Investing in community development programs is an opportunity for GPIL to create shared value for both the Company and the communities in which it operates.</li> <li>• GPIL can build strong relationships with local stakeholders by promoting economic growth and improving the standard of living for residents.</li> <li>• Working closely with local communities can provide valuable insights into stakeholder needs and preferences, helping GPIL tailor its community initiatives to better meet those needs.</li> <li>• Investing in community development results in long-term business growth.</li> <li>• GPIL can develop valuable partnerships and collaborations with local organizations and businesses, creating new opportunities for growth and expansion.</li> </ul> <p><b>Risk Perspective :</b></p> <ul style="list-style-type: none"> <li>• Failure to mobilise the community to adopt new methods, technology, or initiatives can lead to friction between the Company and the community on other issues.</li> <li>• The investments made for the project that fail, impacts plans for other communities.</li> </ul>	It is imperative for GPIL that the community is fully aligned with any programs to be implemented. GPIL ensures that before any initiative is undertaken in the community, there is baseline study followed by community meetings to discuss the findings, decide priorities, share of implementation plans and form local committees to manage the initiatives that build responsibility and ownership.	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>• Developing valuable partnerships and collaborations with local organizations and businesses, leading to new business opportunities.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>• Higher operational costs</li> </ul>





3	Human Rights	Risk	<p><b>Risk Perspective:</b></p> <ul style="list-style-type: none"> <li>The Company's operations and supply chain have the potential to impact the human rights of various stakeholders, including employees, suppliers, and local communities.</li> <li>Violations of human rights can lead to legal and regulatory sanctions, potentially resulting in operational disruptions and negative financial implications for the Company. The Company might face reputational damage if perceived as not adhering to set standards and laws for the protection of human rights.</li> </ul>	<p>GPIL takes a proactive approach in promoting human rights awareness and training among employees. GPIL conducts regular training for all employees on POSH and human rights. All GPIL's plants and facilities are ISO certified and are audited periodically for issues related to human rights. The Company's 'People First' philosophy extends to all its stakeholders, including value chain partners and farmers, and the Company's values are incorporated in various policies that ensure regard for human rights. In case of any grievances, the Company has well-established grievance redressal mechanisms for all stakeholders.</p>	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Positive brand identity for upholding human rights.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Financial repercussions such as fines and penalties for non-compliance.</li> <li>Short term operational costs for human rights trainings.</li> </ul>
4	Corporate Governance	Risk and Opportunity	<p><b>Risk Perspective:</b></p> <p>Failure to adhere to corporate governance standards can result in reputational damage. Inadequate corporate governance practices can expose the Company to risks such as fraud, corruption, and mismanagement.</p> <p><b>Opportunity Perspective:</b></p> <p>Good corporate governance practices provide an opportunity for GPIL to enhance its reputation and improve long-term sustainability. Effective corporate governance can promote transparency, accountability, and ethical behaviour, which can strengthen stakeholder trust and engagement.</p>	<p>The Company is committed to adhering to responsible business practices and upholding the highest standards of Corporate Governance. The Corporate Governance policies of the Company are well-researched and fall in line with all regulatory requirements.</p> <p>Additionally, the Company's Code of Business Conduct outlines the values and expected behaviour required by its Board of Directors and senior management personnel while dealing with various stakeholders.</p>	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Effective corporate governance can improve a Company's performance, leading to increased shareholder value and a stronger financial position.</li> <li>Companies with good corporate governance practices may experience lower costs associated with legal and regulatory compliance, as well as a reduced risk of fines and penalties.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Losses, fines, or penalties due to non-compliance.</li> </ul>
5	Data Security and Privacy	Risk	<p><b>Risk Perspective:</b></p> <p>Mismanagement of data might lead to reputational and regulatory issues. Data breaches can result in the loss of sensitive information, which can harm the Company's reputation and lead to significant financial damages.</p>	<p>The Information Security Policy has been designed to ensure data privacy and cybersecurity. It establishes a framework for implementing Information Security Management and raises awareness about security concerns related to the organization's IT infrastructure and data. The Company is ISO 27001 certified and has set annual targets to maintain this certification.</p>	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Effective data management can help organizations identify and mitigate potential risks, such as cybersecurity threats or regulatory compliance issues. This can help avoid costly penalties and reputational damage.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Increased cost in short term for implementing privacy and cybersecurity measures.</li> </ul>



6	Responsible Sourcing	Opportunity	<p><b>Opportunity Perspective:</b> Implementing responsible sourcing practices can help GPIL ensure ethical, social, and environmental standards being met throughout its supply chain. Responsible sourcing can also lead to cost savings by reducing risks associated with non-compliance or supply chain disruptions. By working closely with suppliers, GPIL can identify opportunities for innovation and continuous improvement, leading to long-term sustainability and growth. Responsible sourcing can help GPIL meet regulatory requirements and demonstrate compliance with international standards. Furthermore, it also enhances the Company's reputation and brand image, building trust and loyalty among customers, investors, and other stakeholders.</p>	---	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Improved supplier relationships and reduced supply chain disruptions can lead to lower procurement costs and improved efficiency.</li> <li>Reduced legal and regulatory risks</li> <li>Lower environmental impact and improved social responsibility can lead to cost savings and improved brand value.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Non-compliance with responsible sourcing practices can lead to supply chain disruptions, product recalls, legal penalties, and reputational damage, resulting in higher costs and lower profitability.</li> </ul>
7	Waste Management	Risk and Opportunity	<p><b>Opportunity Perspective:</b></p> <ul style="list-style-type: none"> <li>Effective waste management can result in cost savings by reducing waste disposal costs, minimizing resource consumption, and increasing operational efficiency. This can create long-term value for the Company and enhance its competitiveness in the market.</li> <li>Sustainable waste management practices can enhance the Company's reputation and strengthen stakeholder trust and engagement.</li> <li>Compliance with waste management regulations can mitigate legal and financial risks associated with non-compliance.</li> </ul> <p><b>Risk Perspective:</b></p> <ul style="list-style-type: none"> <li>Waste management practices related to end user disposal are difficult to track.</li> <li>Inefficient waste management practices can result in increased costs, such as higher disposal fees, fines for non-compliance with waste management regulations, and potential legal liabilities.</li> </ul>	<p>The Company's waste management approach focuses on reducing waste generation and promoting a circular economy by reusing and recycling waste. To maximize waste utilization, the Company has introduced biodegradable packaging materials such as cigarette packs and Biaxially Oriented Poly Propylene (BOPP). This not only helps in reducing the amount of waste generated but also promotes sustainability.</p> <p>GPIL further complies with Extended Producer's Responsibility (EPR) norms and Plastic Waste Management Rules (2016), along with all the regulations provided by Central Pollution Control Board (CPCB).</p>	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Implementation of effective waste management practices can lead to cost savings by reducing waste generation and disposal expenses.</li> <li>It can also improve the efficiency of resource use and reduce the need for new raw materials, leading to potential cost savings.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Non-compliance with waste management regulations can result in fines and penalties imposed by regulatory bodies.</li> <li>Poor waste management practices can lead to increased costs for waste disposal and potential environmental clean-up efforts.</li> </ul>



8	Water Management	Risk and Opportunity	<p><b>Opportunity Perspective:</b> GPII can enhance water usage efficiency, reduce costs, and demonstrate environmental commitment by integrating water-efficient technologies, minimizing waste and pollution, and participating in community water stewardship initiatives.</p> <p><b>Risk Perspective:</b></p> <ul style="list-style-type: none"> <li>•Tobacco farming and cigarette manufacturing are water-intensive processes that require continuous water provision, posing a risk to effective water management and mindful use of resources.</li> <li>•Water scarcity can also impact the availability of water in other areas of operations due to climate change.</li> <li>•Delays related to water availability can lead to production delays, as water is an essential component of growing and processing tobacco.</li> </ul>	<p>The Company is considering and working towards minimizing water discharge after treatment. Additionally, the Company has implemented rainwater harvesting facilities and effluent treatment plants in various manufacturing facilities to ensure optimal water storage and reuse. The Company has also implemented various water shed initiatives such as check dams, borewell recharges, pond development, etc. in its Leaf division area. The Company also conducts awareness sessions to encourage employees and value chain partners to use water resources consciously.</p>	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>• Cost savings through water efficiency.</li> <li>• Adherence to compliances related to water consumption and discharge to avoid fines and penalties.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>• Increased short term operational costs.</li> </ul>
9	Biodiversity Management	Risk and Opportunity	<p><b>Opportunity Perspective:</b> Biodiversity initiatives can enhance the reputation of GPII and demonstrate a commitment to environmental sustainability. Strengthening stakeholder relationships by engaging with local communities and biodiversity experts to develop conservation programs. Enhancing long-term sustainability by preserving natural resources and ecosystems that are critical to the Company's operations.</p> <p><b>Risk Perspective:</b> Biodiversity loss and degradation can disrupt supply chains and increase costs for GPII, as well as negatively impact local communities and ecosystems.</p>	<p>Through its CSR initiatives, GPII is increasing the green cover around its facilities and also created separate biodiversity plantations. Moreover, GPII has taken utmost care to not have any operations in and around ecologically sensitive areas. By selecting suppliers that prioritize biodiversity conservation and working with them to ensure sustainable sourcing practices. By implementing biodiversity conservation measures, such as habitat restoration and protection, the Company can contribute to the preservation of natural resources, support local communities.</p>	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>• Enhanced biodiversity conservation can result in long-term cost savings for GPII by reducing reliance on external resources and enhancing operational efficiencies.</li> <li>• Strengthened reputation and increased stakeholder engagement can positively impact investor confidence, potentially leading to financial gains for GPII.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>• Increased operational costs due to the need for additional resources to maintain or restore biodiversity.</li> </ul>
10	Emission and Energy Management	Risk and Opportunity	<p><b>Opportunity Perspective:</b></p> <ul style="list-style-type: none"> <li>• Cost optimization and reduced consumption can be achieved through energy management, which helps to maximize resource efficiency and decrease costs.</li> <li>• The management of energy and emissions reduces the amount of Green House Gases (GHG) that the Company emits.</li> <li>• The Company's sustainability goals are directly tied to reducing GHG emissions.</li> </ul> <p><b>Risk Perspective:</b></p> <ul style="list-style-type: none"> <li>• The consumption of non-renewable energy leads to an increase in emissions that contribute to GHG emissions.</li> <li>• Energy-intensive manufacturing and production processes pose a risk of increasing GHG emissions.</li> </ul>	<p>GPII is committed to environment management and has implemented various measures to reduce its Green House Gas (GHG) emissions by incorporating energy-efficient practices across its operations. The Company plans enhanced energy-efficient models and technologies consistently. To this end, the Company is turning to renewable energy sources and scaling up its solar energy consumption while constantly upgrading utilities at different plants. The Company has also shifted to PNG for all its cigarette manufacturing operations. The Company is also exploring long term arrangements to use renewable energy. Company has also taken up large scale plantation drive to reduce the impact of its emissions in the long term.</p>	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>• Implementation of energy-efficient technologies and processes can result in cost savings on energy bills in the long run.</li> <li>• Reduction of greenhouse gas emissions can lead to the avoidance of carbon taxes and other regulatory penalties.</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>• Dependence on fossil fuels can expose the Company to price volatility and supply chain disruptions.</li> <li>• An increase in energy prices can negatively impact production costs and profitability.</li> <li>• Implementing more sustainable practices and technologies may require initial investments or higher operating costs.</li> </ul>



11	Climate Risk Mitigation	Risk	<p><b>Risk Perspective:</b></p> <ul style="list-style-type: none"> <li>Impact on tobacco supply: Climate change poses a risk to tobacco leaf supply causing a disruption in cultivation and production which could lead to financial losses for the Company.</li> <li>Regulatory challenges: Stricter regulations on carbon emissions and energy use may result in additional costs and compliance for the Company.</li> <li>Physical effects: Extreme weather events and water scarcity, driven by climate change, could disrupt the Company's supply chain and operations. It can also impact the employees directly leading to human resource risks.</li> <li>Reputational risk: The Company might face reputational damage if perceived as not adequately addressing climate change impact or adopting to them.</li> </ul>	<p>GPIL has a comprehensive risk mitigation plan for climate change impact, which ensures all functions synergistically work towards defined ESG vision.</p>	<p><b>Positive</b></p> <ul style="list-style-type: none"> <li>Reduced legal and regulatory risks, including penalties and fines for non-compliance with environmental regulations</li> </ul> <p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Increased regulatory scrutiny and carbon pricing can lead to increased costs for the Company.</li> <li>Disruptions in the supply chain due to extreme weather events can lead to production delays and increased costs.</li> <li>Increased insurance costs and reputational damage due to climate-related incidents can negatively impact the Company's financial performance.</li> </ul>
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**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

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

GPIL is guided by a comprehensive set of Board-approved Policies that cover NGRBC principles (P1 to P9) and the underlying core elements. GPIL will continue to update these systems and processes in line with evolving disclosure standards, locally relevant laws, best industry practices and Environmental, Social and Governance (ESG) requirements. The overall responsibility for ensuring the implementation of policies resides with various committees designated for operationalizing the policies. The policies covering these principles are available on the Company's corporate website [www.godfreyphillips.co.in](http://www.godfreyphillips.co.in) under 'Investor Relations' section.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
<b>1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>b. Has the policy been approved by the Board? (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>c. Web Link of the Policies, if available**</b>	<a href="https://www.godfreyphillips.co.in/sustainability/policies">https://www.godfreyphillips.co.in/sustainability/policies</a>								
<b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>3. Do the enlisted policies extend to your value chain partners? (Yes/No)</b>	<b>Yes</b> , all the relevant Company policies extend to the value chain partners. The Company encourages that all its partners adhere to the same high standards and measures of GPIL.								
<b>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.</b>									
<b>P1</b>	Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ("ICAI") Quality Management System (9001:2015)								
<b>P2</b>	Environmental management System (14001:2015) Energy Management System (50001:2018), ISO 9001, ISO 45001 certification NABL certification (R&D) (17025:2017)								
<b>P3</b>	Great Place to Work-Certification, Occupational Health and Safety Management System (45001:2018) ISO 26000 – Social Responsibility								
<b>P4</b>	ISO 9001 certification								
<b>P5</b>	Great Place to Work-Certification, Occupational Health and Safety Management System (45001:2018) ISO 26000 – Social Responsibility								



<b>P6</b>	Environmental Management System (14001:2015) Energy Management System (50001:2018) ISO 9001, ISO 45001 certification, ISO 26000 – Social Responsibility
<b>P7</b>	GPIL does not have any codes/ certifications/ labels/ standards aligning with principle 7 of the NGRBCs
<b>P8</b>	ISO 9001 certification ISO 26000 – Social Responsibility
<b>P9</b>	ISO 9001, Information Security Management System (ISO 27001)
<b>Additional remarks</b>	GPIL's manufacturing facilities have well-defined Environment, Health, and Safety (EHS) and quality management systems in place and are aligned with International Standards like ISO 14001: Environment Management System, OHSAS 18001/ISO 45001: Occupational Health and Safety Management Systems, ISO 9001: Quality Management System, ISO 50001: Energy Management System, Information Security Management System (ISO 27001) and Social Responsibility (ISO 26000). GPIL is also NABL: ISO 17025 certified to carry out competent R&D. GPIL has also been certified as a 'Great Place to Work' for the past several years.
<b>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>	<p><b>Environment:</b> <b>Energy and Emissions</b> 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.</p> <p><b>Water Management</b> 1. Replenish 30% of water consumed by 2030, and each year thereafter; 2. 5% reduction in water consumption per unit of production in cigarette manufacturing by 2030</p> <p><b>Waste Management</b> 1. Zero waste to landfill across manufacturing operations by 2030.</p> <p><b>Biodiversity Management</b> 1. 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)* 2. Zero net deforestation in supply chain of paper used in cigarette sticks by 2030.</p> <p><b>Social:</b> <b>Community Development:</b> To ensure 100% of GPIL contracted Vinukonda Burley (VKBU) tobacco farmers have access to clean drinking water within 3 km by 2030.</p> <p><b>Human Capital Development</b> 1. Zero accidents in factories and offices for more than 10 years; Continuous endeavor to maintain zero accidents at factories and office premises (YoY). 2. 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. 3. Continue to be an equal opportunity employer (YoY). 4. Continue to be a 'Great Place to Work' organization (YoY). 5. 20% increase in learning manhours by FY'25 and sustain thereafter.</p> <p><b>Human Rights</b> 1. Endeavour to have zero child and no forced labour across operations (YoY).</p> <p><b>Governance:</b> <b>Corporate Governance:</b> 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).</p>
<b>6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.</b>	<p><b>Environment</b> <b>Energy and Emissions</b> Post accounting for the operational emissions (Scope 1 and 2), the Company has created a robust plan to achieve carbon neutrality in operations by 2030. With the help of the GPIL's internal energy efficiency measures, the Company has been able to reduce emissions. Further, a key step to achieving the Company's medium-term targets is setting up renewable plants that would power the Company's operations. GPIL has identified the potential partners who would help them in this journey and have initiated the process.</p> <p><b>Water Management</b> GPIL has been undertaking several initiatives to reduce water consumption at the operational level. Some of the major initiatives undertaken by the Company are, a switchover from Reverse Osmosis (RO) water to softening provision (Raw water) in HVAC cooling tower, 100% shift to upgraded AHU design with adiabatic humidification resulting in non-usage of conventional humidification, reuse of reject water for non-critical usages, like cleaning and horticulture operations. These initiatives have resulted in increasing the water efficiency measures of the Company. Additionally, the Company has conducted a third-party assessment of the check dams and is undertaking measures to ensure that it meets/ achieves the replenishment target in the medium-term.</p> <p><b>Waste Management</b> GPIL has been undertaking measures to ensure the safe management of waste being generated during the operations. The Company continues the segregation of waste to ensure safe disposal. Further, for the construction, e-waste, the Company sends the waste to an authorized third-party recycler. The Company obtains formal declaration from the recycler certifying the diversion of waste from the landfill to other designated activities. For instance, construction waste was used for road construction activity. Further, GPIL continues to assess other initiatives that could be used for effective waste management.</p>



	<p><b>Biodiversity Management</b> In FY 2023-24, the Company has ensured that 100% of the GPIL contracted farmers did not use highly hazardous pesticides as defined by FAO and WHO guidelines. Further, the Company plans to continue the initiative to maintain the same.</p> <p><b>Social</b> <b>Community Development</b> The Company has its Leaf operations in Andhra Pradesh. The area of its operations has very high fluoride contamination in water that leads to severe medical problems. The water also has high TDS and most filtration methods do not work. The Company therefore has been setting up Community RO water plants year-on-year to ensure access to safe drinking water for contracted farmers and their community. The water plants have borewell recharge and wastewater tanks for community use to ensure that it is sustainable. Further, the Company has been setting up a monitoring mechanism to quantify the reach and impact. Based on the results, the number of final RO plants required will be mapped and implemented by 2030. The Company has already installed 63 water plants over the years and is continuing to install year on year. Of this total 63 plants, 9 were installed by the Company in this FY. The communities continue to enjoy clean drinking water positively impacting their health.</p> <p><b>Human Capital Development</b> In FY 2023-24, the Company has achieved all the set targets and is ensuring that it continues to maintain its status. Further, the Company has enforced an equal opportunity policy which prohibits discrimination based on gender, religion, caste, disability etc. In line with this commitment, the Company has started developing gender-neutral Job Descriptions (JDs), is open to hiring women across positions and encouraging consultants to send gender balanced number of resumes while practicing objective interview styles. The Company has been awarded the “Great Place to Work” certificate for 6th year in a row and remains committed to its guiding principle of ‘People First’.</p> <p><b>Governance</b> <b>Corporate Governance</b> The Company has a robust corporate governance system in place. Resultantly, the Company has achieved all set targets during FY2023-24. The ESG Committee on Board met last year to discuss the elements across the ESG spectrum. They received updates and progress on initiatives like stakeholder engagement, materiality matrix, policies, targets and implementation. Their feedback was taken on board for drafting the road map. For ISO 26000, the Company has obtained Validation statement from TUV as regards to compliance standards for the cigarette manufacturing facilities. Additionally, the Company is also seeking validation for corporate office that is underway.</p>
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**Governance, Leadership and Oversight**

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

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

**Dear Stakeholders,**

I am pleased to present to you our second Business Responsibility and Sustainability Report (BRSR), focusing on our commitment and performance on key ESG indicators.

**Committed to a Sustainable Future**

A confident future requires a thriving environment and an equitable society. Recent times have seen full exposure to risks like pandemic, climate change, and conflicts. Corporations need to strive harder for environmental responsiveness and an inclusive society.

As a Company, Godfrey Phillips India Limited is committed to create a more sustainable and responsible future. Our vision inspires our business strategy and operations: **“Working towards building sustainable and responsible business while promoting positive growth for all stakeholders.”** -A growth that is consistent, inclusive, equitable, and sustainable. Our core values of ‘Sustainable Operations’, ‘People First’, and ‘Responsible Business’ are an extension of this philosophy. We have developed a dedicated ESG strategy to enable us to transform our vision into reality, while promoting environmental stewardship, social responsibility, and economic growth. This strategy includes short, medium, and long-term targets on areas that are material to our business and stakeholders. The key focus areas are climate change, resource management, human capital development, community development, human rights, etc. I firmly believe that, as a result of our collective effort, we will be able to achieve our targets within the stipulated time frame. For GPIL, sustainability isn’t an option; it’s the cornerstone of conscious growth and success.





## **People First**

We are committed to improving the lives of everyone connected to GPIL, ranging from our employees to the communities we serve. Being recognized as a “Great Place to Work” for six consecutive years is a testament to our rich culture and a validation of our best practices. We invest heavily in our employees’ wellbeing and growth. We offer exceptional benefits and prioritise continuous learning and development. From skill upgrades to knowledge sharing and practical experience, we empower our people to thrive. To further uphold this commitment, we are aiming for a 20% increase in employee learning hours by 2025. We also have a robust CSR program for marginalised communities in the areas where the Company operates. The program focuses on diverse yet impactful themes, including access to safe & clean drinking water, sanitation, eliminating child labour, and encouraging education through access to better educational facilities, and livelihood opportunities. Additionally, the Company is focusing on mitigating risk of climate change impact on water and soil through environment conservation projects like check dams and pond development, plantations, biodiversity parks, etc. GPIL has built a culture of trust, respect, and shared responsibility. In alignment with our target, we continue to ensure zero child and forced labour so far at GPIL. This culture has been instrumental in achieving sustained success over time.

## **Responsible Business**

GPIL has always been committed to maintaining a robust corporate governance system. We firmly believe that good corporate governance is not just about compliance; it is also a fundamental pillar that guides our decision-making, enhances transparency, and fosters trust amongst stakeholders. The corporate governance system at GPIL consists of an experienced and diverse Board providing strong oversight and strategic directions; maintaining increased transparency through robust reporting mechanisms and regular engagements; and an effective and robust risk management system. Our strong code of conduct acts as a guidance framework for our employees. We ensure compliance with our code of conduct, through periodic training and monitoring mechanisms.

## **Sustainable Operations**

We are actively reducing our environmental impact by adopting sustainable practices. This includes focusing on energy-efficient solutions, optimizing resource use, and minimizing waste generation.

One key area of focus is reducing carbon emissions to achieve Carbon Neutrality in our operations by 2030 through reducing our reliance on traditional energy sources. Additionally, GPIL has plans to optimize water consumption at per unit level of production. Our treatment plants eliminate significant amounts of water waste for reuse in various processes.

Furthermore, GPIL invests in expanding greenery around facilities and our communities through biodiversity plantations. This project enhances biodiversity while aiding in carbon reduction as well.

## **Creating Shared value for all**

We firmly believe that the value of a corporate is defined by a fine balance of economic value with social value. Both need to grow together. This is possible when we display responsible behaviour, care, and empathy for people and safeguard resources with agility. Our ESG strategy hopes to achieve this successfully. We have commenced on a journey and our commitment is firm.

We present our Business Responsibility and Sustainability Report. This comprehensive report details our environmental, social, and governance (ESG) performance indicators, following the format prescribed by the Securities and Exchange Board of India (SEBI).

For Godfrey Phillips India Limited, the Business Responsibility and Sustainability Report serves as a vital tool for communicating with stakeholders about our non-financial performance and our commitments to environmental, social, and economic well-being. Our report goes beyond just reporting; it provides transparency by including leadership indicators and other essential data, fostering accountability and openness in our operations.

## **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 which is chaired by Mr. Sharad Aggarwal, Whole-Time Director & Functional Chief Executive Officer.

**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:**

Yes, the Company has a Board level ESG Committee which enables the integration of ESG into businesses by providing inputs for envisioning the journey and targets. The Committee will also review ESG investments for long term purposes to steer and provide impetus to the organization into a sustainable future.

The composition of the Committee is as follows:

1. Mr. Sharad Aggarwal- Whole-Time Director, Functional Chief Executive Officer
2. Dr. Lalit Bhasin- Non-Executive, Independent
3. Mr. Atul Kumar Gupta- Non-Executive, Independent
4. 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								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Performance against above policies and follow up action and frequency of review for performance against above policies and follow up action</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	Annually by Committee of the Board								
<b>Compliance with statutory requirements of relevance to the principles, rectification of any non-compliances and frequency of review</b>	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
GPIL has not carried out an independent assessment. However, the Company, as and when required, monitors, reviews, identifies, and evaluates gaps in policies. Any opportunities for improvement are addressed and implemented as per the industry's best management practices.								





**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
<b>The entity does not consider the principles material to its business (Yes/No)</b>	Not Applicable, since the policies are aligned with all principles.								
<b>The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)</b>									
<b>The entity does not have the financial or/human and technical resources available for the task (Yes/No)</b>									
<b>It is planned to be done in the next financial year (Yes/No)</b>									
<b>Any other reason (please specify)</b>									

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

The Company is committed to maximizing the value for its stakeholders by adopting the principles of good Corporate Governance in line with the provisions of applicable laws and regulations.

The Company's **Code of Business Conduct** outlines the values and expected behaviour required by its Board of Directors and senior management personnel while dealing with various stakeholders. GPIL is committed to providing disclosure in reports and documents required to be filed/ submitted to regulatory authorities while protecting and maintaining confidentiality and disclosure of price-sensitive information as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

GPIL's '**Whistle Blower Policy**', provides a mechanism to highlight and report unethical behaviour.

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



## ESSENTIAL INDICATORS

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

GPI provides relevant training and awareness programs for its Board of Directors and KMPs and periodically conducts briefings for senior management on the Company's sustainability initiatives. The Company also keeps its leadership team informed of developments and changes in the local and international business and industry environment, including legislation, the economy, and issues affecting the Company. In addition, it undertakes several training programs for its employees and workers specific to their work profile, aiding them to perform their tasks effectively and efficiently.

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	5	Corporate Governance, Social, Regulatory, Business Segment and ESG. <b>Topics covered:</b> 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 were updated to the members of the Independent Directors' meeting. <b>Impact:</b> A strong governance structure continues to be in place because of all the awareness activities, aiding GPI in becoming a more focused, successful, and value-creating Company.	100%
Key Managerial Personnel	5	Corporate Governance, Social, Regulatory, Business Segment and ESG. <b>Topics covered:</b> Latest Governance / regulatory requirements were discussed along with industry perspective and the impact on the business segment of the Company. <b>Impact:</b> 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	156	<ul style="list-style-type: none"> <li>• Software Trainings</li> <li>• Cyber Security Trainings</li> <li>• Food Safety and Management</li> <li>• Environment Management Training</li> <li>• Fire Safety Trainings</li> <li>• GCSD (GPI College of Sales &amp; Distribution) Trainings</li> <li>• Soft Skill Trainings</li> <li>• Business Operation Trainings</li> <li>• Health and Safety Trainings</li> <li>• Awareness of POSH and Human Rights</li> <li>• ESG &amp; Sustainability Trainings</li> </ul> <b>Impact:</b> These activities and initiatives help GPI employees in their career trajectory, overall development, and achieving Company objectives.	82.6%
Workers	35	Training regarding various technical aspects and health and safety measures were provided. <b>Impact:</b> These activities and initiatives empower GPI workers to enhance their technical skills, fostering overall development and contributing to the Company's objectives.	90.6%



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

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	During the Financial Year 2023-24, no fines/ penalties/ punishment/ award/ compounding fees/ settlement as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been imposed by any authority on the Company or its Directors				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Not Applicable				
Punishment					

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

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

GPIL prioritizes ethical conduct with a strong Anti-Corruption & Anti-Bribery Policy aligned with relevant laws. This zero-tolerance policy applies to employees, directors, and suppliers, with a Supplier Code of Conduct reinforcing these expectations. An Ethics Committee ensures effective policy implementation. The policy can be viewed at <https://www.godfreyphillips.co.in/sustainability/policies>

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

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Directors	No disciplinary action was taken regarding corruption and bribery against the directors, KMPs, employees and workers of GPIL in current as well as previous financial year	
KMPs		
Employees		
Workers		

**6. Details of complaints about conflict of interest:**

	FY 2023-24 (Current FY)		FY 2022-23 (Previous FY)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-



**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:**

Since there were no complaints received by the Company with regard to corruption and conflict of interest, against any of the Directors, KMPs and employees, no corrective action on this aspect was necessitated.

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

	<b>FY 2023-24 (Current FY)</b>	<b>FY 2022-23 (Previous FY)</b>
<b>Number of days of accounts payables</b>	59	73

**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:**

<b>Parameter</b>	<b>Metrics</b>	<b>FY 2023-24 (Current FY)</b>	<b>FY 2022-23 (Previous FY)</b>
<b>Concentration of Purchases</b>	a. Purchases from trading houses as % of total purchases*	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
<b>Concentration of Sales</b>	a. Sales to dealers/ distributors as % of total sales#	76%	81%
	b. Number of dealers/distributors to whom sales are made	962	943
	c. Sales to top 10 dealers / distributors as % total sales to dealers / distributors	18%	23%
<b>Share in RPTs in</b>	a. Purchases (Purchases with related parties / Total Purchases)	11%	10%
	b. Sales (Sales to related parties / Total Sales)	32%	22%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	22%	3%
	d. Investments (Investments in related parties / Total Investments made)	4%	5%

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

# Total sales include the revenue generated from the operations of the organization.



## LEADERSHIP INDICATORS

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

GPIL conducts awareness programs for its value chain partners, mainly for the farmers in the Burley tobacco-growing region of Andhra Pradesh. The Company strictly adheres to the principles outlined in the Agricultural Labour Practices. The Code is following the labour standards of the International Labor Organization (ILO), such as Rights at Work, the Declaration on Fundamental Principles, and other relevant conventions. The Code covers principles essential for ensuring better labour practices, such as the prohibition of child labour, fair treatment, prohibition of forced labour and human trafficking, freedom of association, etc. To ensure compliance with the Code in the value chain, GPIL conducts regular training sessions through different mediums like workshops, community meetings, and periodical interaction on best practices and solutions. Further, GPIL understands the importance of extending these programs to other value chain partners and is actively exploring opportunities to expand the scope of these programs to initiate focused discussions on ESG risk exposures, fair business practices, environmental and social compliance.

Total number of awareness programs held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
GPIL conducted 7 awareness programs for its farmers in burley tobacco growing region.	Principle 5: Business should respect & promote human rights <b>Topics Covered:</b> <ul style="list-style-type: none"> <li>• Child Labor</li> <li>• Income and Work Hours</li> <li>• Fair Treatment</li> <li>• Forced Labor &amp; Human Trafficking</li> <li>• Safe Work Environment</li> <li>• Freedom of Association</li> <li>• Terms of Employment</li> </ul>	The Company currently has awareness programs for the farmer base in Vinukonda, which comprises of the 25% of the total value chain partners.

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

**Yes.** The Company's Code of Conduct requires the Directors, senior management, and employees to avoid situations in which their personal interests could conflict with the interests of the Company. The processes are outlined in the Code of Business Conduct of the Company which explains expected behaviour while dealing with internal or external stakeholders. There are structures, procedures, and practices to promote this principle across the value chain. The Board of Directors and senior management personnel are required to give annual declaration of compliance with the Code of Conduct of the Company.

Further, the Board of Directors are also required to furnish declarations, disclosure of interest and intimate vide Form DIR 8 pursuant to Section 164(2) and Rule 14(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming that they have not incurred disqualification u/s 164(2) of the Companies Act, 2013, and that they stand free from any disqualification from being a Director.

A policy on Related Party Transactions (RPT) and determination of Material RPT has been formulated and approved by the Board. Details of such policies are available at <https://www.godfreyphillips.co.in/sustainability/policies>

Whenever, there is a Related Party Transaction with entities in which GPIL's Directors have interest, such transactions are reported to the Audit Committee for their information and for seeking necessary approvals from time to time.

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

GPIL has streamlined business practices that align with sustainable development, which the Company has built over the years by taking inputs from a wide range of stakeholders. As the Company's business operations evolve, GPIL will continue to strengthen its sustainability strategies.

For a better understanding of the disclosures related to this principle, see the question-by-question inputs and responses 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 2023-24 Current FY	FY 2022-23 Previous FY	Details of improvements in environmental and social impacts
R&D	<b>14.0%</b> (182.8 lakhs)  <b>Environment:</b> 93.7% (171.2 lakhs)  <b>Social: 6.3%</b> (11.6 lakhs)	<b>8.4%</b> (101.5 lakhs)  <b>Environment: 57.9%</b> (58.7 lakhs)  <b>Social: 42.1%</b> (42.8 lakhs)	<p>GPIL continually undertakes research activities to develop environmentally friendly processes and products.</p>
Capex	<b>2.6%</b> (165.6 lakhs)  <b>Environment: 100%</b> (165.6 lakhs)  <b>Social: 0%</b> (0 lakhs)	<b>1.1%</b> (89.9 lakhs)  <b>Environment: 60.0%</b> (54 lakhs)  <b>Social: 40.0%</b> (35.95 lakhs)	<p>GPIL has invested in testing equipment for conducting several tests; keeping in mind their energy-efficiency to reduce the environmental impact during its operation. An example would be purchase of Newtronic Stability Chamber for conducting shelf-life studies. This uses CFC free cooling systems which prevent atmospheric ozone layer depletion and greenhouse effects.</p> <p>GPIL also invests in equipment that check product quality simultaneously while the processing is in progress; thereby ensuring no re-work and resource wastage. An example is the recently installed online moisture meter which checks tobacco moisture as it is being processed, thereby eliminating the need to reprocess or waste tobacco later.</p>

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

**Yes,** Yes, the Company endeavours to embed the principles of sustainability in all its business practices. Vendors operating from close vicinity to the plant location are given preference to the extent possible, as it helps save on transportation and inventory carrying costs. Systematic documentation and records are maintained to ensure that the Company's codes are honoured, and transactions are transparent & ethical. Vendors' compliance for PAN/ GST and TDS is investigated while onboarding them. They are also assessed based on their expertise in delivering the goods on time and meeting quality requirements. Non-conformities are identified & addressed through appropriate process controls.

All significant raw material vendors engaged with the organisation have ISO certifications. For suppliers of raw material and packaging materials, the Company engages with the vendors on subjects of sustainability.

The sustainably sourced products are:

- a. Burley Tobacco Leaves** - GPIL directly sources burley tobacco leaves through contract farmers. These contracts require compliance with Sustainable Tobacco Production principles requiring them to comply with the applicable labour laws, practices as per the ALP (Agriculture Labour Practices) Code and good agricultural practices prescribed in the GPIL Farmer's Handbook. The Company provides field technicians with a customised digital application to collect data and monitor the progress of the farmer against the compliance checklist. The Company actively collaborates with farmers to implement Good Agricultural Practices (GAP) which enhances productivity, yield, and quality, minimizes environmental impact, and ensures respect for human rights throughout the cultivation and sourcing process.
- b. Input and packaging material** – Few packaging materials such as TOR and gum tapes are sustainably sourced from vendors that practice sustainability in their operations.



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

The Company's procurement includes 25% of sustainable procurement during FY 2023-24.

**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 ensures safe disposal of materials like e-waste, plastics & hazardous waste for which an agreement is entered with CPCB approved recyclers and waste disposal vendors. Further, certain waste is 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 the EPR norms and Plastic Waste Management Rules, 2016 along with the regulations provided by 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.
<p><b>No.</b> GPIL recognises a Lifecycle Assessment (LCA) is crucial for environmental impact measurement. However, GPIL hasn't conducted a comprehensive LCA yet. This limits their understanding of the full environmental impact. Despite this, GPIL remains committed to sustainability and has implemented initiatives to optimise the use of energy, water, and reduction of waste.</p>					

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

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

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Not Applicable		





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

At present, the materials used in the Company's main products' packaging, such as paper and BOPP, are entirely biodegradable, so reclaiming is not applicable. The Company does not have a comprehensive program for reclaiming its products' packaging waste in relation to cigarette filters due to the size, and resources required for collecting disposed filters in large quantities.

However, in compliance with EPR regulations, the Company has reclaimed and ensured safe recycling of 100.7 metric tonnes of plastic waste through CPCB authorized third-party agency.

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous Waste	-	-	-	-	-	-
Other Waste	-	-	-	-	-	-

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

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

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

**GPIL's People's First Approach:** The Company embraces a core value of "People-First". This philosophy extends beyond its employees to encompass farmers, suppliers, retailers, and all stakeholders within its ecosystem. Recognizing that a high performing organization is built upon a foundation of strong people management and talent development, the Company prioritizes investments in future oriented business practices and the adoption of technology to enhance employee well-being and create a more efficient work environment.

**Investing in Value Chain:** Understanding that every individual within its value chain is critical to success, GPIL actively promotes the well-being and development of all stakeholders. This commitment is manifested through various initiatives and programs designed to empower and support individuals through GPIL ecosystem. For a better understanding of the disclosures related to this principle, see the question-by-question inputs and responses below.

**ESSENTIAL INDICATORS**

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

Category	Total (A)	% Of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
<b>Permanent employees</b>											
Male	1,004	1,004	100%	1,004	100%	-	-	-	-	-	-
Female	66	66	100%	66	100%	66	100%	-	-	-	-
<b>Total</b>	<b>1,070</b>	<b>1,070</b>	<b>100%</b>	<b>1,070</b>	<b>100%</b>	<b>66</b>	<b>6.2%</b>	-	-	-	-
<b>Other than Permanent employees</b>											
Male	Not Applicable										
Female											
<b>Total</b>											





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

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	53	53	100%	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>53</b>	<b>53</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent workers</b>											
Male	Nil										
Female											
<b>Total</b>											

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

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>The cost incurred on well-being measures as a % of the total revenue of the Company</b>	0.2	0.3

**2. Details of retirement benefits:**

Benefits	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes*	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	6.3	-	Yes	5.0	-	Yes
Other (Please specify)	81.4	-	Yes**	83	-	Yes*

\* To this purpose the Company has a Trust for the deposits.

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

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

GPIL recognizes the importance of inclusivity and ensures that its premises are accessible to everyone, including differently abled employees and workers in accordance with the requirements of the Rights of Persons with Disabilities Act 2016. The Company has taken steps to provide adequate accessibility facilities to its own employees and persons with disabilities wherever and whenever required. The Company will continue to make efforts in creating an inclusive workplace.



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

Yes, GPIL has an Equal Opportunity Policy which complies with the Rights of Persons with Disabilities Act 2016 and ensures that individuals with disabilities are not discriminated against in any form. GPIL prioritizes recruiting talented individuals who align with the Company’s values and do not discriminate based on age, colour, physical capabilities, religion, caste, region, marital status, or orientations.

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

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

The organisation recognises the importance of supporting all employees in achieving a healthy work-life balance. While currently, there is no separate parental leave provision specifically for male employees; the Company offers a comprehensive leave policy that includes more than average casual leave provisions in line with industry practices. The male employees have availed themselves of these leave options to balance their work and personal responsibilities.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable			
Female	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Total</b>	Not Applicable	Not Applicable	Not Applicable	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)
<b>Permanent Workers</b>	<b>Yes</b> , GPIL has a grievance redressal mechanism in place which is available to all employees and workers. It ensures that the grievance is handled in a fair and just manner while adhering to the Company's standards.
<b>Other than Permanent Workers</b>	The system includes a clear and accessible procedure for submitting grievances or complaints, as well as guidelines for investigating and resolving them in a timely and effective manner. The process may involve mediation or other forms of conflict resolution, as well as measures to prevent retaliation against those who raise concerns. For other than permanent workers too, the grievance system is available and accessible for logging in any complaints and feedback without prejudice or discrimination.
<b>Permanent Employees</b>	Before meeting with senior management on their issues, employees are encouraged to first discuss their concerns with their immediate reporting authority and try to come to a resolution. Workers have access to management through periodic formal and informal sessions.
<b>Other than Permanent Employees</b>	Additionally, the Company has interactive dialogues among all employees and workers through formal and informal mediums like conferences, townhalls, team and planning meetings. Various policies and the grievance system and process is also present for any temporary or contractual or other than permanent employees if present in office. All issues are addressed on priority and in a fair manner.



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

Category	FY 2023-24 (Current FY)			FY 2022-23(Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	1070	5	0.5	1046	6	1
- Male	1004	5	0.5	989	6	1
- Female	66	-	-	57	-	-
<b>Total Permanent Workers</b>	53	48	90.6	65	60	92
- Male	53	48	90.6	65	60	92
- Female	-	-	-	-	-	-

**8. Details of training given to employees and workers:**

Category	FY 2023-24 (Current FY)					FY 2022-23 (Previous FY)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	1,004	163	16.2%	774	77.1%	989	311	31	738	75
Female	66	4	6.1%	35	53%	57	21	37	19	33
<b>Total</b>	<b>1,070</b>	<b>167</b>	<b>15.6%</b>	<b>809</b>	<b>75.6%</b>	<b>1,046</b>	<b>332</b>	<b>32</b>	<b>757</b>	<b>72</b>
<b>Workers</b>										
Male	53	48	90.6%	48	90.6%	65	60	92	60	92
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>53</b>	<b>48</b>	<b>90.6%</b>	<b>48</b>	<b>90.6%</b>	<b>65</b>	<b>60</b>	<b>92</b>	<b>60</b>	<b>92</b>

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

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	1,004	926	92.2%	989	907	92
Female	66	54	81.8%	57	44	77
<b>Total</b>	<b>1,070</b>	<b>980</b>	<b>91.6%</b>	<b>1,046</b>	<b>951</b>	<b>91</b>
<b>Workers</b>						
Male	53	53	100%	65	65	100
Female	-	-	-	-	-	-
<b>Total</b>	<b>53</b>	<b>53</b>	<b>100%</b>	<b>65</b>	<b>65</b>	<b>100</b>



**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 a management system for occupational health and safety that is accredited to ISO 45001:2018. The system is thoroughly documented and used throughout GPIL’s factory operations. The system is effectively supported by several committees, which promote safety activities to go along with the objective of compliance with occupational health and safety measures. Certified external auditors conduct audits of this system annually.

For corporate office and branches, we have a process and an internal assessment method for health and safety.

For manufacturing facilities and offices, the Company also periodically organizes health screenings, vaccination drives, and sessions on fitness and wellbeing, and maintain a safe and hygienic work environment.

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

GPIL takes a proactive approach to safety with a comprehensive EHS Risk Management framework especially for their manufacturing and operation units. This framework includes a set of processes for continual risk identification, assessment, and mitigation, with active participation of the workforce in each of its facilities. Shop floor processes in this regard include hazard spotting tours, suggestion schemes, daily briefings, and periodic EHS committee meetings in which employees participate. Furthermore, GPIL has a Hazard Identification and Risk Assessment (HIRA) and regularly conducts Job Safety Analysis for individual tasks. A process for ISO, ASPECT IMPACT, OCP and Training and Awareness programs are present to cater to work-related hazards. To address near-miss incidents, the Company has created control measures that are intended to reduce the identified workplace hazards and record them in the risk register.

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

**Yes.** GPIL has processes for workers to report work-related hazards and to remove themselves from such risks. There is also a provision for a Near Miss Report form to report and inform the management in case of a near miss incident. Furthermore, GPIL encourages its workers to report hazard and their issues in central department safety meeting, safety committee meeting as well. Emergency response procedures are also in place for units.

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

**Yes,** employees and workers have access to first aid available within the factories and premises along with a doctor visiting the premises on a regular basis. Employees have access to the Company’s medical benefits for hospitalization expenses reimbursements through special sanctions. The staff grade employees have access to medical benefits through Company provided Mediclaim policy premium reimbursement scheme up to a certain ceiling. Furthermore, the employees have group insurance policies with accidental benefits, medical allowance up to one month of basic pay which also gets carried forward in case of unutilized amount, and for other category of employees and workers, statutory benefits under ESIC.

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

Safety Incident/Number	Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		



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

The Company's robust Environment, Health, and Safety (EHS) Policy transcends protocol to foster a sense of ownership and accountability at all levels. GPIL's safety culture encourages every individual to play a vital role in safeguarding the well-being of themselves and their colleagues.

The Company prioritizes the health and safety of its workforce through comprehensive health and safety protocols. Regular training programs and awareness campaigns equip employees with the knowledge and skills necessary to operate safely. Periodical health check-ups and vaccinations and few specialized camps are also held, for example women specific tests that further bolster employee well-being. Various offices also undertake individual activities like yoga day and engagement programs to encourage employee fitness and health.

Furthermore, the Company provides a safe and healthy work environment with proper lighting, ventilation, air conditioning, well-spaced workstations with ergonomic furniture, recreation and refreshment areas, safe drinking water, and access to clean toilets for all employees. Mandates like installation of firefighting and emergency equipment, etc. are ensured and regularly checked.

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

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

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

**14. Assessments for the year**

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

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

Internal assessments in the Company are conducted periodically. Information about safety-related incidents is captured through near miss reporting and safety tickets. There is a process for in-depth investigation to be carried out in case of any accidents and corrective preventive measures to be taken based on the findings.

The information and data collected are disseminated across the organisation at periodic intervals and a formal compliance is obtained.

**LEADERSHIP INDICATORS**

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

**A. Yes,** GPIL provides group term life insurance for all employees.

**B. No,** GPIL does not provide term life insurance to workers. However, the workers are covered under Group Personal Accident Policy 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:**

The Company engages vendors who are fully compliant with applicable laws based on their track record. GPIL ensures necessary checks are in place and statutory dues as payable by service providers for employees are deposited on time and in full through a process of internal control mechanism. The Company takes challan copy regarding deposit of PF and ESI of employees and workers engaged by contractors and third parties while processing their bills for payment. Furthermore, online checking of GST returns or deposit proof of PF and ESI by the said contractor or third party is also carried out.

**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 2023-24 (Current FY)	FY 2022-23 (Previous FY)	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Employees	Nil. In the current and previous year, no employees/ workers have suffered any high consequence work-related injury/ ill-health/ fatalities			
Workers				

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

**Yes,** The organization recognizes the importance of supporting employees during career transitions. In cases of layoffs, terminations, or early retirements, supervisors and management provide recommendations to enable employment. The Company also invests in human capital development programs to enhance employee skillsets and facilitate a smooth transition to new opportunities when sought.

Furthermore, GPIL offers an optional superannuation fund. Employees can choose to participate, and the Company contributes 15% of their basic salary to the fund. Upon retirement or severance, the employee can utilize a portion of the accumulated amount to subscribe to an annuity plan offered by the life Insurance Corporation of India (LIC) to the extent of 2/3 or full of the balance lying in his/her account; this provides with a monthly income/ pension from the retiral plan. Additionally, all employees are eligible for a monthly pension from the Employees' Provident Fund Organization (EPFO) based on their contributions and service length. This comprehensive approach ensures financial security for employees after leaving the company.

**5. Details on assessment of value chain partners:**

GPIL's Supplier Code of Conduct lays out guidelines for value chain partners and their operations. Further, the burley tobacco farmers are required to comply with the Agricultural Labor Practices (ALP) Code, which includes health and safety, and farmer's working conditions as one of the criteria of the principles. To monitor the compliance of the Code, the Company conducts regular assessments of its burley tobacco farmers through Field Technicians (FTs).

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	Approx 25%
Working conditions	Approx 25%

*\*This is in relation to burley tobacco farmers*

**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:**

GPIL prioritizes the well-being of its burley tobacco farmers. Periodical internal and external assessments, conducted by independent auditors, like Control Union, evaluate working conditions and health & safety standards within the farming communities.



These assessments are conducted to identify potential health hazards such as Green Tobacco Sickness and exposure to pesticides and fertilizers. GPIL mitigates these risks through ongoing education programs, monitoring practices, and enforcing strict procedures for farmers and workers. Specific areas of focus include proper use and disposal of Personal Protective Equipment (PPE) and hazardous materials during harvesting, safe handling of pesticides and fertilizers, utilizing safety gear during tasks like stitching, trainings and easy access to first aid etc. GPIL ensures these practices are followed through stringent monitoring processes and addresses any identified issue on high priority. This commitment fosters a safer and healthier environment for all involved in the tobacco value chain.

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

The Company maps, manages, and promotes the interests of its internal and external stakeholders across its value chain. GPIL engages and communicates consistently with employees, workers, customers, suppliers, investors, shareholders, retailers, tobacco farmers and labourers, civil society organisations, and local communities of areas the Company operates in.

**ESSENTIAL INDICATORS**

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

The process of identifying stakeholders typically involves a systematic and iterative approach to understanding the various groups or individuals who have an interest or may be affected by an organisation’s activities.

Following are the steps that were followed to identify key stakeholders’ group:

- a. Internal stakeholder mapping: The Company conducted internal stakeholder mapping exercise to determine and categorise groups or individuals within the organisation who are part of the critical functions in the organisation and who have a direct connection with external stakeholders. This includes employees, managers, executives, and board members.
- b. External stakeholder mapping: The Company also conducted an external stakeholder mapping exercise to identify and categorise groups or individuals outside the organisation who have an interest in or impact on its sustainability activities. This primarily includes customers, bankers, suppliers, investors and communities that include burley tobacco farmers, retailers, and hawkers.
- c. Stakeholder prioritisation: Once the stakeholders were identified, the Company prioritised them based on their level of influence and impact on the business and the level of impact that the business activities have on them. This helped the Company determine the most critical, vulnerable and marginalised stakeholders it needed to engage more deeply with.

Through this process, the Company aims to ensure that it is addressing the most important sustainability challenges and opportunities facing the organisation by engaging with the right set of 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 & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Notices, Newspapers, Email, telecalls, websites	Quarterly and Annually	By engaging with its investors, GPIL aims to build trust, improve transparency, get access to capital, influence shareholders, and fulfil mandatory regulations. The topics raised during such engagements ranged from financial performance to ESG disclosures.





<b>Suppliers</b>	Yes (Farmers)	Letters, emails, meetings, events, websites	Continuous	GPIL's engagement with its supplier is aimed at building stronger relations, ensuring reliable supply chains, managing risk, and fostering innovation to develop sustainable supply chains. The topics addressed during interactions with suppliers pertained to ensuring a sustainable supply chain and human rights issues.
<b>Customers</b>	No	Emails, telecalls, conferences, mails, events, websites	Depending on the medium, it occurs weekly.	The Company engages with its customers with the aim of building trust, understanding customer needs, developing new products, increasing sales, and enhancing its reputation.
<b>Senior Employees</b>	No	Periodical emails, townhalls, intranet, meetings, workshops, trainings, internal social media groups, events	Continuous	Engagement with the senior management is key for GPIL to retain its top talent, develop leadership skills, improve productivity among the workforce, and foster innovation. The discussions with senior employees pertain to development of a positive work environment.
<b>Other Employees</b>	No	Periodical emails, townhalls, Intranet, meetings, workshops, trainings, internal social media groups, events, notice board	Continuous	By engaging with its employees, GPIL aims to boost employee morale, increase talent retention, improve performance, enhance innovation, and improve customer experience. Key concerns and topics raised during such engagements pertain to work-life balance, fair wages, and rewards & recognition.
<b>Community (Retailers, Farmers, Hawkers)</b>	Yes (Farmers and retailers)	Emails, telecalls, community meetings, local programs, workshops, trainings,	Continuous	GPIL's engagement with its immediate community 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.
<b>Government Bodies</b>	No	Industry Association	Need Based	In the interest of stakeholders and millions of people whose livelihood is dependent on the industry, the Company engages with Govt. authorities through evidence and data based advocacy, directly or through industry bodies.

## 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 gives utmost importance to stakeholder engagement to ensure sustainable operations, while mitigating risks and identifying opportunities for the Company.

The Company conducted a comprehensive stakeholder engagement and materiality assessment exercise with the assistance of an external consultant in FY23. The process involved gathering feedback and input from all identified key stakeholders to determine the topics significant to the business. The identified gaps and observations from this extensive evaluation process were analyzed, materiality matrix, targets and implementation roadmap were finalized and communicated internally and externally. The update on the process, the targets and way forward were formally presented to the Board. The Company has also established a governance structure that ensures the flow of information and feedback on the ESG program upwards and downwards.

### 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 have an impact on GPIL's sustainability strategy and priorities have been conducted recently at an organisational level, and the Company strives to include the viewpoints of all groups of stakeholders in its policy development and other business decisions and activities.





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

GPIIL's community (farmers, retailers, and hawkers) are among the vulnerable/marginalised stakeholder groups of the Company. The limited resources and opportunities are often challenging for these groups. The Company prioritises assistance and support for them. The Company's CSR program has put in place several projects to help vulnerable and marginalised burley tobacco farmers. The initiatives under the program range from mitigating climate change risk through the conservation of water, soil and environment while creating awareness and educating on the issues through activities that aid better health, access to safe drinking water, eliminating child labour and encouraging education of children. The Company also educates and monitors farmers on the Agriculture Labour Practices that Good Agriculture Practices that include topics of best practices on sustainable agriculture, technology, mechanisation, health & safety awareness on subjects of green tobacco illness, using and disposing off PPE, CPA containers etc. Regular workshops are also held to discuss labour rights, dispute management and other relevant subjects.

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

#### Principle 5: Businesses should respect and promote human rights

The Company gives utmost importance to human rights issues and has various policies pertaining to the same. **Policies on Human Rights, Code of Business Conduct, Equal Opportunity Policy, Health & Safety, Prohibition of Sexual Harassment at Workplace, Suppliers' Code of Conduct, Whistle Blower Policy** along with a Grievance Redressal System has been established to uphold human rights at GPIIL. The Company also complies with all applicable national and regional laws and regulations to uphold its human rights commitments.

#### ESSENTIAL INDICATORS

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

GPIIL gives utmost importance to upholding human rights and thus undertakes several initiatives to uphold and safeguard it. The Company has enforced a standalone Human Rights policy, which clearly outlines the principles to be adhered to by the internal stakeholders of the Company.

Additionally, the Company has an intensive process of induction and all employees who join the Company are first taken through all the policies, Code of Conduct, values and ways of working. All queries and clarifications are addressed proactively. Over and above, awareness and reinforcement of the guidelines are conducted in the Financial Year.

Category	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	1,070	125	12%	1,046	252	24
Other than permanent	-	-	-	-	-	-
<b>Total employees</b>	<b>1,070</b>	<b>125</b>	<b>12%</b>	<b>1,046</b>	<b>252</b>	<b>24</b>
<b>Workers</b>						
Permanent	53	-	-	65	-	-
Other than permanent	-	-	-	-	-	-
<b>Total workers</b>	<b>53</b>	<b>-</b>	<b>-</b>	<b>65</b>	<b>-</b>	<b>-</b>



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

Category	FY 2023-24 (Current FY)					FY 2023-23 (Previous FY)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	1,004	-	-	1,004	100%	989	-	-	989	100%
Female	66	-	-	66	100%	57	-	-	57	100
<b>Other than Permanent</b>										
Male	Nil									
Female	Nil									
<b>Workers</b>										
<b>Permanent</b>										
Male	53	-	-	53	100%	65	-	-	65	100%
Female	-	-	-	-	100%	-	-	-	-	100%
<b>Other than Permanent</b>										
Male	Nil									
Female	Nil									

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

**a. Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	14,00,000	2	17,33,63,300
Key Managerial Personnel (other than BoD)	2	2,02,07,593	-	-
Employees other than BoD and KMP	1,001	9,51,170	66	13,02,382
Workers	53	9,29,756	-	-

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

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Gross wages paid to females as % of total wages	6.2 %	5.3%

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

**Yes**, GPIL has an Audit Committee and other committees that address all human rights issues through the Whistle Blower Policy, Human Rights Policy, POSH Policy and Equal Opportunity Policy to name a few.



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

**Yes**, the Company has a structured Grievance Redressal Procedure, and the process is available to employees and workers in various languages for ease of access. Additionally, the Whistle Blower mechanism is also available to all employees which empowers the complainant to bring to the attention of the management, any concerns related to human rights violations. GPIL ensures that the tobacco supply chain follows ethical practices and abides by the human right requirements as prescribed in the Agriculture Labour Practices (ALP) code. The Company has a monitoring system on ground to identify human rights violations, if any. Based on the severity of the violation, GPIL undertakes appropriate action to resolve the concern.

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

	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	No complaints were received regarding sexual harassment by employees and workers during FY 2023-24			No complaints were received regarding sexual harassment by employees and workers during FY 2022-23		
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

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

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 (POSH)</b>	-	-
<b>Complaints on POSH as a % of female employees/ workers</b>	-	-
<b>Complaints on POSH upheld</b>	-	-

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

GPIL is committed to a workplace that is free of harassment, including sexual harassment at the workplace, and has zero tolerance for any such conduct. It encourages reporting of any harassment concerns and is responsive to complaints about harassment. The Company has constituted committees to enquire into complaints of sexual harassment and to recommend appropriate action, wherever required. GPIL ensures that the complainant would be protected from his/her normal working facilities and ensures that there would be no discrimination against him/her during appraisal or allotment of work. Further information about the policy can be found here: <https://www.godfreyphillips.co.in/sustainability/policies>



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

**Yes**, the Company has included compliance with human rights requirements as a part of its standard terms and conditions of its Agreements/ Contracts entered with the Suppliers and as a part of its Code of Conduct for suppliers and service providers. Additionally, the Company requires suppliers to comply with applicable laws, labour standards, environmental regulations, and uphold human rights and principles of ethics and integrity in their operations.

**10. Assessments of the year:**

	<b>% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
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:**

At present, no such concerns have been raised. In case concerns arise, the Company will undertake appropriate improvement measures and corrective actions and keep necessary checks and balances in place to address significant risks/concerns. There is a process defined for the complaints in the various policies.

**LEADERSHIP INDICATORS**

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

Code of Business Conduct and Human Rights Policy has been deployed across the Company. The Company has not received any human rights complaints.

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

GPIL upholds human rights in its burley tobacco supply chain, addressing child labour, minimum wages, employee benefits, and grievance redressal through the Agriculture Labour Practices (ALP) Code. The ALP Code tackles identified risks and the periodical discussions and training of farmers and stringent monitoring by field technicians ensures compliance. The program focuses on three key ALP principles: income and work hours, fair treatment, and a safe working environment. Additionally, the following code principles are considered:

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

In the past, an audit conducted by an international body, Control Union, highlighted positive impacts like increased workplace safety, minimized incidences child labour, and heightened danger awareness in the burley tobacco supply 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 supporting differently abled visitors and providing them with accessible infrastructure wherever necessary.



#### 4. Details on assessment of value chain partners:

GPIL's Supplier Code of Conduct guides value chain partners, prioritizing sourcing from responsible suppliers with a strong focus on human rights and sustainability. In addition to this, the contracted burley tobacco farmers are also required to comply with the Agricultural Labor Practices (ALP) Code, which specifically includes principles on child labour, forced/involuntary labour, discrimination-related aspects, wages, etc. To ensure compliance with the Codes, the Company periodically conducts assessment through Field Technicians (FTs) and has supervisors and managers conducting regular awareness programs.

	<b>% Of value chain partners (by value of business done with such partners) that were assessed*</b>
Sexual harassment	Approx 25%
Discrimination at workplace	Approx 25%
Child labour	Approx 25%
Forced/involuntary labour	Approx 25%
Wages	Approx 25%

\*This is in relation to burley tobacco farmers

#### 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; thus the corrective/mitigation actions were not necessitated.

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

GPIL aims to lead the path of environmental stewardship, constantly striving to minimize its footprint. The Company embraces best practices, fostering a culture of continuous improvement in environmental practices, systems, and operations. Across its facilities, a strategic shift unfolds – a gradual upgrade of utilities to embrace energy-efficient models and technologies. All these measures are aimed at conserving natural resources and reducing wasteful consumption.

#### ESSENTIAL INDICATORS

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

Parameter	Unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>From renewable sources</b>	Megajoule		
Total electricity consumption (A)	Megajoule	2,41,74,137	1,83,86,971
Total fuel consumption (B)	Megajoule	0	0
Energy consumption through other sources (C)	Megajoule	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	Megajoule	<b>2,41,74,137</b>	<b>1,83,86,971</b>
<b>From non-renewable sources</b>	Megajoule		
Total electricity consumption (D)	Megajoule	5,91,49,359	6,52,41,531
Total fuel consumption (E)- Diesel	Megajoule	2,509,528	2,952,013
Energy consumption through other sources (F)- PNG, Petrol, and LDO	Megajoule	2,14,46,712	24,276,085
<b>Total energy consumption from non-renewable sources (D+E+F)</b>	Megajoule	<b>8,31,05,598</b>	<b>9,24,69,629</b>



<b>Total energy consumed (A+B+C+D+E+F)</b>	Megajoule	<b>10,72,79,735</b>	<b>11,08,56,600</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/ Revenue from operations)	KJ/INR	<b>2.05</b>	<b>2.6</b>
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	KJ/INR adjusted for PPP	45.9	58.7
<b>Energy intensity in terms of physical output</b>	GJ/ million cigarette sticks	5.7	6.1
Energy intensity (optional) – the relevant metric may be selected by the entity			

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

\*Energy consumption data for previous year is updated due to change in reporting categories.

For PPP, 22.4 National currency units/US dollar has been used. Source: IMF (2024), Purchasing power parities (PPP) (indicator).

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

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

**No**

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

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water:	Nil	Nil
(ii) Groundwater	34,310	36,539
(iii) Third party water (Municipal water supplies)	42,565	38,609
(iv) Seawater / desalinated water	Nil	Nil
(v) Others (Recycled)	21,619	19,249
<b>Total volume of water withdrawal (in kilolitres)</b> <b>(i + ii + iii + iv + v)</b>	<b>76,875</b>	<b>75,148</b>
<b>Total volume of water consumption (in kilolitres)</b> <i>(Total water consumption is calculated by deducting total water discharge from total water withdrawal)</i>	<b>70,388</b>	<b>67,661</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / revenue from operations) (Litre / K INR)	<b>1.3</b>	<b>1.6</b>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) – Litre /	30.1	35.85
<b>Water intensity in terms of physical output (KL/ million cigarette sticks)</b>	3.77	3.83
<b>Water intensity (optional)</b>	-	-

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

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

For PPP, 22.4 National currency units/US dollar has been used. Source: IMF (2024), Purchasing power parities (PPP) (indicator).

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



**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water:</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	1,533	2,559
<b>(ii) To Groundwater</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	4,954	4,928
<b>(iii) To Seawater</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>(iv) Sent to third parties</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>(v) Others</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>6,488</b>	<b>7,487</b>

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

\*Total water discharge data has been updated for the previous year due to change in reporting categories.

**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 is a Zero Liquid Discharge facility while other facilities have adopted various water management practices to recycle, reuse wastewater, reduce water discharge rate, and operate as per Consent to Operate (CTO) conditions by respective pollution boards.

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

Parameter	Please specify unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
NOx	Kg	1,061	943
SOx	Kg	362	403
Particulate Matter (PM)	Kg	4,093	5,993
Persistent Organic Pollutants (POP)	Kg	-	-
Volatile organic Compounds (VOC)	Kg	-	-
Hazardous air pollutants (HAP)	Kg	-	-
Others- please specify	Kg	-	-

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



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

Parameter	Unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,210*	1,595
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	11,764	12,867
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	<b>Tonne per Crore INR</b>	<b>2.6</b>	<b>3.3</b>
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	Tonne per Crore INR adjusted for PPP	59.8	76.6
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	<b>Emission tCO<sub>2</sub>e/ million cigarette sticks</b>	<b>0.72</b>	<b>0.80</b>
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	-

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

\* Scope 1 emissions for reporting year has increased due to the inclusion of fugitive emissions and emissions from petrol. In addition to that, Scope 1 emissions for previous year has been updated due to change in methodology adopted.

For PPP, 22.4 National currency units/US dollar has been used. Source: IMF (2024), Purchasing power parities (PPP) (indicator).

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

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

**Yes**, GPIL focuses on energy efficiency through process improvements and investments in new technologies. Over the years, the Company has implemented measures to reduce GHG emissions like installation of dry screw vacuum generation technology (VFD based), installation of energy efficient equipment such as chillers, AHUs, motors, fans, pumps, agitators. Recently, GPIL has installed a dual fuel kit in the running DG set of 1250 KVA which runs on 70 % gas & 30 % HSD, hence reduces the emissions of greenhouse gases. Additionally, in Andhra Pradesh, a park with 114 trees, two 7 acre bio-diversity parks at Darsi with 2077 trees, and Kurichedu with 2498 trees and another 8 acre at Parchur with 4761 trees have been developed. In this FY 23-24, the Company has recently planted another 70,000 trees in Andhra Pradesh; spread over 300 acres across 3 sites.

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

Parameter	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste <b>(A)</b>	144	86
E-waste <b>(B)</b>	0.6	0.3
Bio-medical waste <b>(C)</b>	0.07	0.024
Construction and demolition waste <b>(D)</b>	28	55
Battery Waste <b>(E)</b>	0.8	1.0
Radioactive waste <b>(F)</b>	0.0	0.0
Other Hazardous waste. Used oil and sludge <b>(G)</b>	17.7	11.6
<b>Other Non-hazardous waste generated (H). Paper waste, wood waste, dust generated during tobacco processing</b> (Break-up by composition i.e., by materials relevant to the sector)	3,016	2,675
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>3,207</b>	<b>2,830</b>





<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)—MT/Lakh INR	0.006	0.007
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.14	0.15
<b>Waste intensity in terms of physical output – MT/million cigarette sticks</b>	0.18	0.17
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled (Non-hazardous, battery, lube oil and metal)	3,029	66
(ii) Re-used (construction waste)	29	21
(iii) Other recovery operations	-	-
<b>Total</b>	<b>3,058</b>	<b>86</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration (non-hazardous, hazardous and biomedical waste)	8	5
(ii) Landfilling (construction waste)	5	8
(iii) Other disposal operations	130	1,129
<b>Total</b>	<b>144</b>	<b>1,142</b>

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

\* The inclusion of new waste categories has resulted in a slight increase in waste generation and disposal data for FY 2022-23. For PPP, 22.4 National currency units/US dollar has been used. Source: IMF (2024), Purchasing power parities (PPP) (indicator). Waste intensity in terms of physical output includes only cigarette manufacturing factories.

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

GPIL continuously monitors for any hazardous waste in manufacturing units and have built-in processes to manage the waste within the permissible limit as laid down by regulations. The Company has standard measures across units to ensure waste minimization, segregation of waste at source and disposal through authorized recyclers.

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

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

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

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

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

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or courts	Corrective action taken if any
Yes, GPIL's operations and offices comply with applicable environmental regulations and the Company follows the regulations and guidelines mandated by the Central and State Pollution Control Boards. We have Consent to Operate (CTO) as per 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 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	25,670	27,699
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others (Recycled) Recovered water from Treated Effluent	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>25,670</b>	<b>27,699</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>24,137</b>	<b>25,141</b>
<b>Water intensity per rupee of turnover</b> (Litre/ K INR)	0.5	0.5
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) Into Surface water</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	1,533	2,559
<b>(ii) Into Groundwater</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>(iii) Into Seawater</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>(iv) Sent to third parties</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>(v) Others</b>		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>1,533</b>	<b>2,559*</b>

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



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

**GPII is in the process of calculating its Scope 3 emissions:**

Parameter	Unit	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	-
<b>Total Scope 3 emissions per rupee of turnover</b>	Metric tonnes of CO <sub>2</sub> equivalent	-	-
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO <sub>2</sub> 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:**

The disclosure on this indicator would not be applicable to GPII – All of GPII’s operating units are in industrial estates or business districts and not in ecologically sensitive areas.

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

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy Efficiency	<ol style="list-style-type: none"> <li>1. Installed energy efficient latest generation boiler with economiser &amp; automatic control.</li> <li>2. Installed dual fuel conversion (PNG + HSD) of gensets for reduction in emission.</li> <li>3. Installed Automatic Condenser Tube Cleaning System for Screw Chillers to improve condenser efficiency.</li> <li>4. Absorption of eco-friendly fuel PNG technology for both boiler and domestic usage.</li> <li>5. Use of Li-ion batteries for UPS for improved energy efficiency.</li> <li>6. Waste heat recovery option in screw vacuum pump for heating boiler feed water installed at one of the factories.</li> <li>7. Installed VFD on chillers at one of the factories for energy-efficient operations.</li> <li>8. Acoustic treated powerhouse for noise control.</li> <li>9. Transitioned from conventional lights to LED lights in offices with location specific lumen control.</li> </ol>	
2	Waste Management	<ol style="list-style-type: none"> <li>1. Company has engaged with an external entity that recycles wastepaper and filter into alternative boiler fuel.</li> <li>2. Use of Li-ion batteries for UPS for improved energy efficiency &amp; reduced battery waste generation due to high life cycle of these batteries.</li> </ol>	



3	Water Management Practices	<ol style="list-style-type: none"> <li>1. Adopted new technology for water reduction: Air cooled screw vacuum pumps, AHU upgradation with humidification provision.</li> <li>2. Upliftment of entire water distribution stream with section wise monitoring to control any deviation or wastage (40% reduction in last 3-4 years).</li> <li>3. Two-way SCADA with three-way valve - to avoid discharging of polluted water outside the factory.</li> <li>4. Online monitoring of ETP outlet parameters - to keep good water quality.</li> <li>5. Rainwater storage tank to collect rainwater and its utilisation in regular operations (120 KL).</li> <li>6. Increased utilisation of ETP treated water within factory.</li> <li>7. Condensate recovery from HVAC &amp; Compressor for reuse with treatment.</li> </ol>	
4	Green Initiative	<ol style="list-style-type: none"> <li>1. Planted 70,000 trees in the Leaf Division area of operations, Andhra Pradesh.</li> <li>2. Increased usage of Renewable Energy in the operations (renewable energy increased by 31% since last year).</li> <li>3. Absorption of green refrigerant system in any new requirement (100 TR unit of R-140A installed for new requirement).</li> </ol>	

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

**Yes,** GPIL has a specific policy for business continuity and disaster management. There is a robust system in place to comprehensively identify risk, analyse and assess processes across functional areas of the Company. This helps in evaluating the worst-case scenarios that Company may be posed with and the necessary action plans to be undertaken to mitigate them. Web link to policies: <https://www.godfreyphillips.co.in/sustainability/policies>

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

Mitigation and adaptation measures are especially relevant to GPIL's Leaf plants. Due to usage of fertilizers & CPAs in the tobacco production certain GHG emissions are released. The Company has taken several mitigation measures to ensure minimal impact of the same on the environment by:

1. Training farmers on good agricultural practices in the Leaf Division (E.g., Application of recommended fertilizer & Crop protection agents (CPAs) in recommended dosages, disposal of empty containers in CPA collection bin, Reuse, recycle & safe disposal of plastics, empty CPA containers, hazardous waste, non-NGRBC waste, Water reduction plan etc.),
2. Developing wood sustainability initiatives in the Leaf Division – Afforestation program, permanent community agriproduct sheds and dedicated burley tobacco curing barn structures,
3. Getting quarterly ambient air & waste-water quality tested by the authorised environmental laboratory to check whether pollutants are within tolerance limits in GPIL factories,
4. GPIL has undertaken plantation in Leaf division areas of operation in Andhra Pradesh. Two 7-acre bio-diversity parks each at Darsi and Kurichedu in Vinukonda area with over 4500 local species have been developed with another 8-acre land at Parchur with over 4700 trees. This FY the Company has additionally planted 70000 trees in 3 villages, Prakasam district. As the specific operation area of Leaf in Andhra Pradesh is also water stressed, GPIL has an extensive water conservation program with check dams being built, along with other initiatives like borewell recharges, tank desiltations, pond development, farm ponds etc.



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

25% farmers are assessed for environmental impact at the burley tobacco growing region in Vinukonda, Andhra Pradesh.

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

GPII complies with all applicable regulations mandated by the government authorities and ensures responsible product marketing. It engages with relevant government authorities while ensuring that there is a balance of stakeholder’s expectations from the Company and its stringent governance standards. The Company also participates in forums that impact the interest of industry and its stakeholders in broad areas relating to governance and administration, economic reforms, environmental safety, energy security, sustainable business principles, taxes, water, etc. These renowned industry bodies also represent the Company with evidence and data based advocacy as and when required.

**ESSENTIAL INDICATORS**

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

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	PHD Chamber of Commerce and Industry	National
3	ASSOCHAM (The Associated Chambers of Commerce & Industry of India)	National
4	Confederation of Indian Industry	National
5	Indo-American Chamber of Commerce	National
6	The Tobacco Institute of India	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 GPII does not have any adverse orders against it.		

**LEADERSHIP INDICATORS**

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

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

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

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

The Company is committed to supporting inclusive, equitable and sustainable growth development of the communities that are intrinsically linked to the industry and its operations. The Board of Directors has formulated a Corporate Social Responsibility policy, and its impact is contained in the Annual Report, CSR report and Integrated Report separately. The Company has also constituted a CSR Committee of the Board in accordance with the provisions of Section 135 of the Companies Act, 2013.



The Company's CSR programs have been recognised by the office of the District Magistrate, Andhra Pradesh Government. It has received awards like Mahatma CSR Awards for Excellence 2020, Greentech Foundation CSR Award 2020 & 2019, Apex Awards 2019, ET Now CSR Leadership Award 2019, CMO Asia 2018.

## ESSENTIAL INDICATORS

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

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

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the 2023-24 (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:

GPIL fosters a spirit of partnership with the burley tobacco farmer communities at the heart of its operations. Through regular engagement and collaborative workshops, GPIL works together with farmers and labourers under the Integrated Sustainable Production (ISP) program. These interactive sessions serve as a platform to not only understand their challenges and desired labour practices across social, health, and safety aspects, but also to ensure alignment with best practices.

Dispute resolution prioritizes an amicable approach, leveraging village elders' advice, progressive farmers, and local representatives. Recognizing the unique social needs within these communities, GPIL prioritizes targeted interventions. These social programs, designed in accordance with the Company's CSR policy, empower communities to address their grievances and build a brighter future.

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

	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Directly sourced from MSMEs/ small producers	4%	3%
Directly from within India	71%	60%

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

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

Location	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Rural	0.0	0.0
Semi-urban	0.4	0.4
Urban	1.9	1.8
Metropolitan	97.7	97.8

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



## LEADERSHIP INDICATORS

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

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

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

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

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

**No**, GPIL does not have a dedicated preferential procurement policy. Within the contracted farmer base, small farmers are considered the marginalised and vulnerable group, and we source from them regularly.

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

GPIL procures part of its raw material from small burley tobacco farmers (farmers with less than 1 hectare landholding), including female farmers that are categorized as marginalized/ vulnerable groups the Company engages with.

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

5% of the total procurement is from marginalized communities (farmers).

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

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

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

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

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





## 6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Biodiversity Parks	7,500	15
2.	Check Dams	0	0
3.	Desilting of community ponds	0	0
4.	Tank Management program	0	0
5.	Installation of Community RO Plants to provide safe drinking water	4,775	65
6.	Borewell recharge installation	4775	65
7.	Health camps	770	62
8.	Child Labour elimination program	10,510	76
9.	Community Agri-produce sheds	265	7
10.	Plantation	3,795	32

Godfrey Phillips India Limited (GPIL) is committed to Corporate Social Responsibility and has achieved significant milestones. With commitment to safe drinking water, the Company built 9 new community RO water plants with wastewater tank and borewell recharge, reaching a total of 63 nos. and impacting over a lac beneficiaries. Additionally, 6 health camps were organized, benefiting 770 individuals by diagnosing and supporting the treatment of various ailments. 52 nos. of community agri-produce sheds were constructed, aiding over 265 farmers in safeguarding their crops and livestock. With focus on elimination of child labour and promoting education, awareness camps were held in 70 villages with 420 students receiving scholarships. Environmental conservation efforts included maintaining 4 biodiversity parks spanning 24.5 acres with over 9400 trees and plantation of 70,000 saplings in Prakasam district of Andhra Pradesh,

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

The Company places its customers (channel partners and value chain partners) at the focal point of all its decisions and strives to deliver best quality products, services, and experiences to create customer satisfaction and loyalty.

The Company operates strictly under COTPA (Cigarette and Other Tobacco Products Act) and adheres to all rules and regulations with responsibility. It displays all the requisite information on product labels as is mandatory as per applicable laws governing product packaging and labeling.

### ESSENTIAL INDICATORS

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

A structured customer complaint redressal system is in place to address all complaints from customers. Customers are provided options to connect with the Company through email and telephone. Email id and customer grievance cell number are printed on all products along with various other email ids in Company website for easy access for customers. All complaints received from the customers are managed as per the Standard Operating Procedures.

As a practice, retailer and consumer complaints are received at the grievance cell number. Tele-callers receive, acknowledge and record the complaints and forward it to the respective area manager who investigates and addresses them directly with customers. Once a complaint is resolved, it gets reported, recorded with details, and closed. At the end of every month, the reports with the complaints and resolutions are sent to the Regional Sales Manager for his sign off.





For complaints by Wholesale Dealers (WD) the Company runs an internal program called WD performance management. The program has the ASM visit the WD point on a quarterly basis and interacts with the WDs on performance. Majority of WD's use this platform to raise their concern, complaints feedback & suggestions.

In addition, WD can reach out directly to the Sales Manager, Regional Sales Manager and the Head Office Sales Team in case of any grievances have not been adequately addressed.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	GPIL propagates responsible usage and disposal on packages (over and above the mandate) to the customers. The cigarette brand - FSS carries an awareness message on all its packs in a specific market, and the brand in this market accounts for 8% of total turnover. The Company also from time to time mobilizes retailers to educate consumers about disposal of used packs responsibly.
Safe and responsible usage	All packs carry pictorial health and not for sale to minors warning, as mandated by law. Signages are also placed on all point-of-sale outlets and retailers are communicated to not permit sale to minors or to operate the outlet. All domestic cigarette packs carry information about safe and responsible usage, and these amount to 66% of total turnover.
Recycling and/or safe disposal	GPIL promotes sustainable post-purchase behaviour in its non-tobacco segments of candy and savouries. These packs carry pictorial information that nudge consumers to dispose packs responsibly and keep surroundings clean. Currently these account for about 1% of the total turnover.

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

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil		-	Nil		
Advertising						
Cyber-security						
Delivery of essential services			Tobacco products do not qualify as essentials.			Tobacco products do not qualify as essentials.
Restrictive Trade Practices			-			-
Unfair Trade Practices			-			-
Other			-			-

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

GPIL acknowledges that developing and supplying best quality products is essential to ensure to enhanced customer experience. As a result, we have established a robust quality management system, aligned with ISO 9001 across our operations to ensure development of products aligned with best-in-class industry standards. Conforming to best-in-class standards ensures the safety and best quality of our products. As a result, GPIL has received zero (0) product recalls in the current reporting year on account of safety (DND) stock.

	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 prioritizes data privacy and cybersecurity. ISO27001 certification is in place for the Company. The Information Security Policy outlines a framework for managing information security and raising awareness among stakeholders about IT infrastructure risks. This policy assigns roles to key personnel like the Head of IT and Head of Cybersecurity.

Furthermore, a Cyber Crisis Management Plan complements the policy by outlining a response strategy for cyberattacks and cyberterrorism. This plan emphasizes rapid identification, information sharing, and swift action to mitigate and recover from cyber incidents impacting critical business functions.

Both policies 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, zero instances of data breaches have happened.

**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):**

The complete information on the products and services of the organisation is available in accordance with the applicable legislations for both domestic and international markets at its website [www.godfreyphillips.co.in](http://www.godfreyphillips.co.in)

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

The Company fully complies with all applicable laws and in particular the Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 (COTPA) and the rules and regulations made thereunder which require all tobacco products to carry pictorial health warning. The cigarette packs manufactured by the Company carry the statutorily mandated pictorial health warnings.

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

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

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

No

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