



**ITC Limited**  
Virginia House  
37 J. L. Nehru Road  
Kolkata 700 071, India  
Tel. : 91 33 2288 9371  
Fax : 91 33 2288 2258 / 2259 / 2260

27<sup>th</sup> June, 2025

The Manager  
Listing Department  
National Stock Exchange of  
India Ltd.  
Exchange Plaza  
Plot No. C-1, G Block  
Bandra-Kurla Complex  
Bandra (East)  
Mumbai 400 051

The General Manager  
Dept. of Corporate Services  
BSE Ltd.  
P. J. Towers  
Dalal Street  
Mumbai 400 001

The Secretary  
The Calcutta Stock  
Exchange Ltd.  
7, Lyons Range  
Kolkata 700 001

Dear Sirs,

**Report and Accounts for the financial year ended 31<sup>st</sup> March, 2025**

Further to our letter dated 22<sup>nd</sup> May, 2025, we hereby enclose, in terms of Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Report and Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2025 together with the Notice dated 22<sup>nd</sup> May, 2025 convening the 114<sup>th</sup> Annual General Meeting of the Company on 25<sup>th</sup> July, 2025.

The Report and Accounts include the Business Responsibility and Sustainability Report of the Company for the financial year ended 31<sup>st</sup> March, 2025, pursuant to Regulation 34(2)(f) of the Listing Regulations.

Yours faithfully,  
ITC Limited

(R. K. Singhi)  
Executive Vice President &  
Company Secretary

Encl. as above.

cc: Securities Exchange Commission  
Division of Corporate Finance  
Office of International Corporate Finance  
Mail Stop 3-9  
450 Fifth Street  
Washington DC 20549  
U.S.A.

cc: Societe de la Bourse de Luxembourg  
35A Boulevard Joseph II  
L-1840 Luxembourg



## Business Responsibility and Sustainability Report 2025

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## Glossary

### ITC Divisions/ Businesses

ABD: Agri Business Division  
 ESPB: Education & Stationery Products Business  
 FBD: Foods Business Division  
 ITD: India Tobacco Division  
 MAB: Matches and Agarbattis Business  
 PCPBD: Personal Care Products Business Division  
 PPB: Packaging & Printing Business  
 PSPD: Paperboards & Specialty Papers Division  
 TM&D: Trade Marketing & Distribution

### ITC Specific Terms

CAPP: Core Area Perspective Plan  
 CMC: Corporate Management Committee  
 CSAT: Customer Satisfaction  
 CISO: Chief Information Security Officer  
 CSO: Chief Sustainability Officer  
 FTC: Fixed Term Contract  
 Sustainability 2.0 Targets: Refer ITC  
 Sustainability Report 2025: Sustainability 2.0  
 Ambitions Section  
 ISC: Investor Service Centre  
 ITCMAARS: Metamarket for Advanced Agriculture  
 and Rural Services  
 LSTC: Life Sciences & Technology Centre  
 MSK: Mission Sunehra Kal  
 SBU: Strategic Business Unit  
 SCRC: Sustainability Compliance Review  
 Committee  
 SIP: Social Investments Programme  
 SPP: Service Provider Personnel  
 TPMs: Third-Party Manufacturers  
 WOW: Well-Being Out of Waste

### General Terms

ATNI: Access to Nutrition Initiative  
 ASCI: Advertising Standards Council of India  
 AWS: Alliance for Water Stewardship  
 BIS: Bureau of Indian Standards  
 CSR: Corporate Social Responsibility  
 ECF: Elemental Chlorine Free  
 EHS: Environment, Health and Safety

ESG: Environment, Social and Governance  
 FPO: Farmers' Producer Organisation  
 FPI: Foreign Portfolio Investor  
 FII: Foreign Institutional Investor  
 FSC®: Forest Stewardship Council®  
 FSSAI: The Food Safety and Standards  
 Authority of India  
 GAP: Good Agricultural Practices  
 GP: Gram Panchayat  
 HACCP: Hazard Analysis and Critical  
 Control Points  
 ISAE: International Standard on  
 Assurance Engagements  
 ISF: Industry Standards Forum  
 LCA: Life-Cycle Assessment  
 LEED®: Leadership in Energy and  
 Environmental Design  
 MOU: Memorandum of Understanding  
 NA: Not Applicable  
 NGRBC: National Guidelines on Responsible  
 Business Conduct  
 NOP: National Organic Programme  
 NPOP: National Programme for  
 Organic Production  
 OHSAS: Occupational Health and Safety  
 Assessment Series.  
 PAT: Perform, Achieve and Trade  
 PPP: Public-Private Partnership  
 PET: Polyethylene Terephthalate  
 PCR: Post Consumer Recyclate  
 RFA: Rainforest Alliance  
 SEBI: Securities and Exchange Board of India  
 SEDEX: Supplier Ethical Data Exchange  
 SC: Scheduled Caste  
 ST: Scheduled Tribe  
 SHG: Self Help Group  
 SOP: Standard Operating Procedure  
 STP: Sustainable Tobacco Programme  
 WASH: Water, Sanitation and Hygiene  
 UoM: Unit of Measurement

## Section A: General Disclosures

### I. Details of the Listed Entity:

|     |                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----|-------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | Corporate Identity Number (CIN) of the Company                                                        | L16005WB1910PLC001985                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 2.  | Name of the Company                                                                                   | ITC Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 3.  | Year of Incorporation                                                                                 | 1910                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 4.  | Registered office address                                                                             | Virginia House, 37 Jawaharlal Nehru Road, Kolkata 700 071                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 5.  | Corporate office address                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 6.  | E-mail id                                                                                             | enduringvalue@itc.in                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 7.  | Telephone                                                                                             | +91 33 2288 9371                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 8.  | Website                                                                                               | www.itcportal.com                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 9.  | Financial year for which reporting is being done                                                      | 2024-25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 10. | Name of the Stock Exchange(s) where shares are listed                                                 | National Stock Exchange of India Limited ('NSE'), BSE Limited ('BSE'), and The Calcutta Stock Exchange Limited ('CSE')                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 11. | Paid-up capital                                                                                       | ₹ 1251.41 Crores (As on 31.03.2025)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 12. | Name and contact details of the person who may be contacted in case of any queries on the BRSR report | Ms. Madhulika Sharma<br>Chief Sustainability Officer<br>Madhulika.sharma@itc.in<br>+91 33 2288 9371                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 13. | Reporting boundary                                                                                    | <p>This report is prepared on a standalone basis.</p> <p><i>During the reporting period, from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025, the Hotels Business<sup>1</sup> has been demerged into ITC Hotels Limited, and accordingly, the reporting boundary for current reporting year and previous reporting year have been readjusted to exclude the data for Hotels Business. The BRSR Core attributes for the Hotels Business for the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> December 2024 along with the comparative information for the previous year i.e., from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March, 2024 are presented separately in Exhibit A. This Exhibit A forms an integral part of BRSR.</i></p> <p><i>The financial data included in the Report is consistent with the Company's Report and Accounts for 2025 issued on 22<sup>nd</sup> May, 2025 or derived from underlying books of accounts, as applicable.</i></p> |
| 14. | Name of assessment or assurance provider                                                              | KPMG Assurance and Consulting Services LLP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 15. | Type of assessment or assurance obtained                                                              | Reasonable Assurance for BRSR Core attributes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

### II. Products/Services

#### 16. Details of business activities: (accounting for 90% of the entity's Turnover):

| S. No. | Description Of Main Activity   | Description Of Business Activity                                                                                                                                                                                                        | % Of Turnover Of The Entity |
|--------|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 1.     | FMCG                           | Cigarettes                                                                                                                                                                                                                              | 44.42%                      |
|        |                                | Others: Branded Packaged Foods Businesses (Staples & Meals; Snacks; Dairy & Beverages; Biscuits & Cakes; Chocolates, Coffee & Confectionery); Personal Care Products; Education and Stationery Products; Safety Matches and Agarbattis. | 29.91%                      |
| 2.     | Agri-Business                  | Agri-commodities such as wheat, rice, spices, coffee, soya and leaf tobacco.                                                                                                                                                            | 16.42%                      |
| 3.     | Paperboards, Paper & Packaging | Paperboards, Paper including Specialty Paper & Packaging including flexibles.                                                                                                                                                           | 9.02%                       |

<sup>1</sup>Except ITC Grand Central, Mumbai

**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      | Cigarettes                                                                                                                                                                                                                              | 12003, 21002, 46307                                                                                                                                                                                       | 44.42%                          |
| 2      | Others: Branded Packaged Foods Businesses (Staples & Meals; Snacks; Dairy & Beverages; Biscuits & Cakes; Chocolates, Coffee & Confectionery); Education and Stationery Products; Personal Care Products; Safety Matches and Agarbattis. | 10202, 10304, 10308, 10501, 10504, 10509, 10611, 10613, 10616, 10712, 10732, 10733, 10739, 10740, 10750, 10792, 10795, 10798, 20231, 20233, 20234, 20236, 20237, 20239, 46411, 46491, 46496, 46497, 46909 | 29.91%                          |
| 3      | Agri-commodities such as wheat, rice, spices, coffee, soya and leaf tobacco.                                                                                                                                                            | 12001, 10209, 10304, 10406, 10611, 10795, 46201, 46207, 46301, 46305, 46306, 47300, 47737, 71200                                                                                                          | 16.42%                          |
| 4      | Paperboards, Paper including Specialty Paper & Packaging including flexibles.                                                                                                                                                           | 17015, 17016, 17093, 46696<br>17022, 17029, 22203                                                                                                                                                         | 9.02%                           |

**III. Operations**

The Company's Businesses and operations are spread across the country. Details of Plant Locations are provided under the section 'Shareholder Information' in the Company's Report and Accounts 2025.

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

| Location      | Number Of Plants | Number Of Offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 63               | 49                | 112   |
| International | 0                | 1                 | 1     |

**19. Markets served by the entity**

**a. Number of Locations**

| Location                         | Number                            |
|----------------------------------|-----------------------------------|
| National (No. of States)         | 28 States and 7 Union Territories |
| International (No. of Countries) | 114 Countries                     |

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

|            |        |
|------------|--------|
| FY 2024-25 | 10.66% |
|------------|--------|

**c. A Brief on Types of Customers**

ITC is one of India's foremost private sector companies and a diversified conglomerate with businesses spanning FMCG, Paperboards, Paper & Packaging and Agri Businesses, covering B2C, B2B and D2C segments. ITC's world-class Indian brands in Foods, Personal Care Products, Education and Stationery Products, Matches and Agarbattis today represent a consumer spend of over Rs 34,000 crores, demonstrating the growing market standing of the Company's products.

#### IV. Employees

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

##### a. Employees and Workers (including Differently Abled):

| S. No.    | Particulars              | Total<br>(A) | Male    |         | Female  |         |
|-----------|--------------------------|--------------|---------|---------|---------|---------|
|           |                          |              | No. (B) | % (B/A) | No. (C) | % (C/A) |
| EMPLOYEES |                          |              |         |         |         |         |
| 1         | Permanent (D)            | 11,166       | 9,234   | 83%     | 1,932   | 17%     |
| 2         | Other than Permanent (E) | 525          | 369     | 70%     | 156     | 30%     |
| 3         | Total employees (D + E)  | 11,691       | 9,603   | 82%     | 2,088   | 18%     |
| WORKERS   |                          |              |         |         |         |         |
| 4         | Permanent (F)            | 10,875       | 10,197  | 94%     | 678     | 6%      |
| 5         | Other than Permanent (G) | 24,792       | 20,690  | 83%     | 4,102   | 17%     |
| 6         | Total workers (F + G)    | 35,667       | 30,887  | 87%     | 4,780   | 13%     |

Note: Definition of employee clustering is as under:

- Permanent Employees include management and non-management staff. Other than permanent employees include Fixed Term Contract (FTC) personnel (Management and Non-Management)
- Permanent Workers include only Workers who are on the rolls of the Company • Other than Permanent Workers include Service Provider Personnel • Trainees and apprentices have not been included in the Workforce.

Point i and ii are both mutually exclusive categories. There is a re-classification in these categories vis-à-vis last year's report.

##### b. Differently abled Employees and workers:

| S. No.                      | Particulars              | Total<br>(A) | Male    |         | Female  |         |
|-----------------------------|--------------------------|--------------|---------|---------|---------|---------|
|                             |                          |              | No. (B) | % (B/A) | No. (C) | % (C/A) |
| DIFFERENTLY ABLED EMPLOYEES |                          |              |         |         |         |         |
| 1                           | Permanent (D)            | 8            | 6       | 75%     | 2       | 25%     |
| 2                           | Other than Permanent (E) | 150          | 97      | 65%     | 53      | 35%     |
| 3                           | Total employees (D + E)  | 158          | 103     | 65%     | 55      | 35%     |
| DIFFERENTLY ABLED WORKERS   |                          |              |         |         |         |         |
| 4                           | Permanent (F)            | 13           | 10      | 77%     | 3       | 23%     |
| 5                           | Other than Permanent (G) | 199          | 167     | 84%     | 32      | 16%     |
| 6                           | Total workers (F + G)    | 212          | 177     | 83%     | 35      | 17%     |

Refer employee clustering note under 20 a (Under Section A).

##### 21. Participation/Inclusion/Representation of Women

|                           | Total<br>(A) | No. And Percentage Of Females |         |
|---------------------------|--------------|-------------------------------|---------|
|                           |              | No. (B)                       | % (B/A) |
| Board of Directors        | 16           | 3                             | 18.75%  |
| Key Managerial Personnel* | 5            | 0                             | 0       |

\*Comprising Chairman & Managing Director, Wholtime Directors and Company Secretary

##### 22. Turnover rate for permanent employees and workers

In FY 2024-25, the overall attrition (voluntary separation, retirement, termination and abandonment of services) across employees was 13.7% and across workers was 5%. Gender-wise attrition stood at 13.8% for male employees, 4.5% for male workers, 13.5% for female employees and 13.7% for female workers.

|                     | FY 2024-25 |        |       | FY 2023-24 |        |       | FY 2022-23 |        |       |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
|                     | Male       | Female | Total | Male       | Female | Total | Male       | Female | Total |
| Permanent Employees | 13.8%      | 13.5%  | 13.7% | 13.4%      | 14.3%  | 13.6% | 16%        | 16%    | 16%   |
| Permanent Workers   | 4.5%       | 13.7%  | 5.0%  | 3.3%       | 15.6%  | 4.0%  | 5%         | 17%    | 6%    |

Refer employee clustering note under table 20. a. for definitions.

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

**23. (a) Names of holding/subsidiary/associate companies/joint ventures (As on 31.03.2025)**

*Refer Note 30(ii) of Consolidated Financial Statements forming part of Report and Accounts 2025, for details on subsidiaries, associates and joint ventures. The report is prepared on a Standalone basis.*

**VI. CSR Details**

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

**(ii) Turnover of the Company for the year ended 31<sup>st</sup> March, 2025 - ₹ 73,464.55 crores**

**(iii) Net worth of the Company as at 31<sup>st</sup> March, 2025 - ₹ 65,607.71 crores** (computed as per the Companies Act, 2013)

**VII. Transparency and Disclosures Compliances**

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

| Stakeholder Group From Whom Complaint Is Received | Grievance Redressal Mechanism In Place (Yes/No) (If Yes, Then Provide Web-Link For Grievance Redress Policy)* | FY 2024-25                                 |                                                              |         | FY 2023-24                                 |                                                              |         |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                   |                                                                                                               | Number Of Complaints Filed During The Year | Number Of Complaints Pending Resolution At Close Of The Year | Remarks | Number Of Complaints Filed During The Year | Number Of Complaints Pending Resolution At Close Of The Year | Remarks |
| Communities                                       | Yes                                                                                                           | 7                                          | 7 <sup>#</sup>                                               | -       | 6                                          | 0                                                            | -       |
| Investors and shareholders                        | Yes                                                                                                           | 1                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |
| Employees and workers                             | Yes                                                                                                           | 5                                          | 1                                                            | -       | 16                                         | 1 <sup>^</sup>                                               | -       |
| Customers                                         | Yes                                                                                                           | 19,813                                     | 2,505                                                        | -       | 21,995                                     | 2,011 <sup>^</sup>                                           | -       |
| Value Chain Partners                              | Yes                                                                                                           | 0                                          | 0                                                            | -       | -                                          | -                                                            | -       |

*\*The details of grievance redressal mechanisms for each stakeholder group are provided in the table below.*

*<sup>#</sup> The process is undertaken annually in February / March, and resolution initiated in April, and hence they are still open as on 31<sup>st</sup> March 2025.*

*<sup>^</sup> Resolved after March 2024.*

| Stakeholder Group From Whom Complaint Is Received | Grievance Redressal Mechanism In Place                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Communities                                       | <p>The major stakeholders of ITC's Social Investments Programme (SIP) are communities for whom the programmes are implemented. ITC therefore, adopts a bottom-up approach by keeping community needs and priorities as the key driver for all its interventions. Detailed and structured community engagements are planned every 5 years to revisit the changing needs of the community and the emerging priorities, which then feed into designing of new interventions or re-designing of ongoing programmes. Additionally, annual household surveys are also undertaken to fine-tune the strategies formulated and ascertain any new needs that may come up.</p> <p>ITC's SIP team takes up Annual Community Engagement to capture the views, suggestions and grievances of community members pertaining to the programmes implemented by SIP team. This annual engagement is conducted typically during February/March every year, and the resolution of issues (if any) happens in the subsequent financial year. During 2024-25, 48 such community engagements were held across major States where SIP programmes are implemented. These were conducted by ITC SIP team's State level managers. Meetings were organised with community members in villages and urban catchments, wherein the NGOs</p> |

|                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   | <p>implementing the programme were also present. All meetings were planned and reviewed by the SIP team at Head Office. From the 48 engagements, 7 cases of grievances (mainly related to requests for further interventions and scope of improvement) were reported. The SIP State teams have taken cognisance of these and appropriate actions have been incorporated in the plans for the upcoming year.</p> <p>In addition to the grievance redressal mechanism for communities, there are other mechanisms also by internal SIP teams and implementation partners to ensure regular engagement with community. These are done through structured monitoring field visits done by ITC Managers from Head Office, Regional levels and State levels. Also, multiple meetings are conducted by implementation partners to gather feedback and suggestions. In addition to these, impact assessments are conducted annually, with third party evaluating agencies which helps in assessing the programmes and also gathering feedback from communities.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Investors and shareholders</b> | <p>Yes, <a href="https://www.itcportal.com/investor/index.aspx">https://www.itcportal.com/investor/index.aspx</a></p> <p>The Company has an Investor Service Centre ('ISC') which is registered with the SEBI as a Category II Share Transfer Agent for providing in-house share registration and related services to the shareholders and investors. ISC has effective systems and processes in place to ensure prompt redressal of investor grievances, as follows:</p> <ol style="list-style-type: none"> <li>ISC has a 'Complaint Identification Policy' for identification of investor complaints. ISC attends to shareholder / investor complaints within three working days, except where constrained by disputes or legal impediments.</li> <li>The Head of ISC is responsible for redressal of investor grievances.</li> <li>The Company has a specific e-mail ID earmarked for receiving investor complaints which is <a href="mailto:isc@itc.in">isc@itc.in</a></li> <li>The 'Investor Charter' of the Company and the status of investor complaints received by the Company are available on its website at <a href="https://www.itcportal.com/about-itc/shareholder-value/investor-relations/investor-charter.aspx">https://www.itcportal.com/about-itc/shareholder-value/investor-relations/investor-charter.aspx</a> and <a href="https://www.itcportal.com/about-itc/shareholder-value/pdf/investor-complaint.pdf">https://www.itcportal.com/about-itc/shareholder-value/pdf/investor-complaint.pdf</a>, respectively.</li> <li>A Board Level Committee viz., the Securityholders Relationship Committee has been mandated to oversee redressal of investor grievances.</li> <li>Details of investor complaints received by the Company are filed on a quarterly basis with the Stock Exchanges where the Company's shares are listed, and also with the SEBI on a half-yearly basis.</li> </ol> |
| <b>Employees and workers</b>      | <p>The Company, through its Grievance Redressal Policy, seeks to address employee concerns and complaints pertaining to human rights and labour practices. A Grievance Redressal Procedure with appropriate systems and mechanisms is available across ITC Units. It aims to facilitate open and structured discussions on grievances raised on labour practices and human rights. The implementation is ensured by Divisional/SBU Chief Executives, through members of the respective Management Committees of the Businesses.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Customers</b>                  | <p>Robust systems have been put in place across ITC Businesses to continuously engage with consumers for gathering feedback and address their concerns, if any, in a timely manner. A dedicated customer interactions team is in place to address any product related query/complaint. Several communication channels like email, telephone number and feedback forms are provided to the consumers. In addition, the Company has an online reputation management team which interacts with consumers via social media channels, and responds to their queries in real time. A Customer Relationship Management (CRM) platform has been implemented for capturing customer complaints, queries, feedback and suggestions received across channels. The CRM platform also provides consumer insights for bringing about process related changes, and system enhancements for improving the CSAT scores.</p> <ul style="list-style-type: none"> <li>Customer can reach out to ITC via following email in ITC Portal: <ul style="list-style-type: none"> <li><a href="mailto:webmaster@itc.in">webmaster@itc.in</a></li> <li><a href="mailto:Contactus@itc.in">Contactus@itc.in</a></li> <li><a href="mailto:itccares@itc.in">itccares@itc.in</a></li> </ul> </li> <li>Customers can also raise their grievances via Brand-specific websites.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Value Chain Partners</b>       | <p>As per the Company's Code of Conduct for Suppliers and Service Providers, they are expected to bring to the notice of the manager concerned at ITC, any actual or suspected breach of the Code. Suppliers and Service Providers are encouraged to report any known or suspected improper behaviour of ITC employees. Such reports are treated in a confidential manner.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## 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, approach to adapt or mitigate the risk along-with its financial implications

| 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.     | Climate Change & Sustainability | Risk                                       | Climate and nature related physical and transition risks may impact business operations, sourcing, supply chain and increase compliance costs. | <p><b>Risk Mitigation Strategy</b></p> <p><b>Physical Risk Management:</b></p> <ul style="list-style-type: none"> <li>• Use contemporary climate risk modelling tools for identifying high-risk/ vulnerable sites and agri value chains, and undertaking detailed assessments for developing locally contextual adaptation plans and undertaking measures for improving climate resilience of ITC's operations, people and value chains;</li> <li>• Promote climate smart agriculture, and development of heat/drought tolerant and high yielding varieties to improve productivity by adopting micro region-specific agronomic practices: <ul style="list-style-type: none"> <li>- Developing region-specific package of practices and promoting climate smart farming techniques to mitigate impact of weather;</li> <li>- Enhancing climate resilience of farmers through capacity building programmes by leveraging ITCMAARS and the Farmers' Producer Organisation (FPO) ecosystem, supported by field demonstrations under Choupal Pradarshan Khets;</li> <li>- Comprehensive programmes on social forestry, soil and moisture conservation and biodiversity conservation;</li> <li>- Adoption of water stewardship approach to achieve water security for all stakeholders within the defined catchment areas of units located in high water stress areas.</li> </ul> </li> <li>• Supply chain diversification and contingency planning;</li> <li>• Map risks arising out of climate crisis, build adaptive capacity and invest</li> </ul> | <p><b>Potential impact</b></p> <ul style="list-style-type: none"> <li>• As average temperatures rise, extreme weather events are expected to grow in terms of severity and frequency. These could have significant impact on the Company's operations including the health and safety of its workforce, its physical assets and agri value chains leading to complete or partial outage of operations. Further, these events may also adversely impact the availability and quality of agri raw materials and consequently, the production and sales of the Company's products;</li> <li>• Vagaries of weather caused by climate change may impact crop cycles, output and productivity resulting in disruption of operations/supply chain;</li> <li>• Availability of water for own operations as well as agri value chains may be adversely impacted by erratic precipitation patterns;</li> <li>• Changes in nature, biodiversity and / or ecosystem intactness (e.g., soil erosion and depletion, species diversity and composition) may adversely disrupt supply chains and operations;</li> <li>• Besides physical risks, transition risks associated with climate change, may impact the Company's operations: <ul style="list-style-type: none"> <li>- Additional levies may be imposed by regulatory authorities for emission/ water intensive industries to address climate</li> </ul> </li> </ul> |

| 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)                                                                                                                                                                                                                                                                                                                                                                      |
|--------|-------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                               |                                            |                                                                                                                                                  | <p>in mitigative measures to strengthen resilience across the value chain;</p> <ul style="list-style-type: none"> <li>• Conduct site-specific assessments for understanding the impacts and dependencies on biodiversity and ecosystem services in order to develop specific biodiversity management plans in vulnerable areas.</li> </ul> <p><b>Transition Risk Management:</b></p> <ul style="list-style-type: none"> <li>• Continue to focus on energy conservation, improving energy efficiency and enhancing the share of renewables in ITC's total energy requirement as part of ITC's Sustainability 2.0 targets;</li> <li>• Strengthen governance mechanisms for reviewing performance and progress against Sustainability 2.0 targets by the Sustainability Compliance and Review Committee (SCRC);</li> <li>• Adopt the Life-Cycle Assessment (LCA) approach to evaluate the potential environmental impacts of products during their entire lifecycle; leverage the same for designing sustainable products and offering the same to consumers anchored on scientific and robust claims.</li> </ul> | change, resulting in higher cost of compliance, and potential regulatory penalties and reputational risk in case of non-compliance.                                                                                                                                                                                                                                                                                                                                 |
| 2      | Product and Plastic Packaging | Risk                                       | Inability to comply with current or future regulations on plastic packaging and/or failure to meet commitments on packaging and the environment. | <p><b>Risk Mitigation Strategy</b></p> <ul style="list-style-type: none"> <li>• Pursue initiatives in line with ITC's holistic sustainable packaging strategy that entails: <ul style="list-style-type: none"> <li>o No Plastics: Leveraging synergies between ITC Life Sciences and Technology Centre, paper and packaging business, and FMCG businesses for developing solutions that enable complete or partial substitution of plastics with sustainable alternatives, and exploring paper as a substrate for packaging;</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p><b>Potential impact</b></p> <ul style="list-style-type: none"> <li>• Non-compliance with plastic waste management regulations could lead to imposition of environmental compensation, that may negatively impact Company's reputation. Additionally, stricter government laws around usage of plastics including bans may give rise to multiple challenges such as redesign of product packaging, shelf life and product distribution related issues;</li> </ul> |

| 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)                                                                                                                                                                                                                                                            |
|--------|---------------------------|--------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                           |                                            |                                                                                     | <ul style="list-style-type: none"> <li>o Less Plastics: Progressive reduction in plastic packaging intensity over time, and introducing Post-Consumer Recycled (PCR) content in plastic packaging, wherever permitted by regulations;</li> <li>o Better Plastics: Ensuring 100% of packaging is reusable, recyclable or compostable/ biodegradable by improving recyclability of multi-layer laminate packaging, phasing out hard to recycle plastics, and exploring alternative packaging materials with lower environmental impact including bio-based compostable plastics.</li> <li>• Partner with upstream players and suppliers for ensuring supply of Post-Consumer Recycled (PCR) plastic for meeting regulatory/market demand for increasing recycled content in plastic packaging;</li> <li>• Sustain plastic neutrality through behavioural change programmes to ensure segregation of waste at source, and creating replicable, scalable and sustainable models of plastic waste management; work with recycling partners for developing viable recycling options for Multi-Layered Plastic (MLP) packaging;</li> <li>• Ensure a robust compliance management system supported by internal and external process review; additionally, undertake third party assurance of underlying data related to plastic waste generation and collection.</li> </ul> | <ul style="list-style-type: none"> <li>• Disruptions in the supply chain for recycled plastic or plastic packaging substitutes as required by law, could impact the Company's ability to comply, produce and distribute products;</li> <li>• Inability to provide sustainable alternatives could have a negative impact on consumer sentiment.</li> </ul> |
| 3      | Talent Management         | Risk                                       | Inability to attract and retain high quality talent in a highly competitive market. | <b>Risk Mitigation Strategy</b> <ul style="list-style-type: none"> <li>• Strengthen and communicate ITC's talent proposition about 'Building Winning Businesses. Building Business Leaders Creating Value for India';</li> <li>• Provide meaningful and challenging roles which enrich individual capability</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Potential impact</b> <ul style="list-style-type: none"> <li>• Lack of requisite quality of management personnel could adversely affect business operations and long-term growth prospects;</li> <li>• Talent attrition beyond acceptable levels may impact ability to</li> </ul>                                                                       |

| 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) |
|--------|---------------------------|--------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
|        |                           |                                            |                                                | <p>and act as a powerful incentive to stay, learn and grow;</p> <ul style="list-style-type: none"> <li>• Build a robust talent pipeline across responsibility levels through requisite quality in key roles, depth of bench and reliable succession plans;</li> <li>• Invest in capability building of managers through access to the best-in-class upskilling programmes and development interventions;</li> <li>• Recognise and nurture specialism so that employees who wish to focus on niche, business critical skills can continue to grow in their area of expertise;</li> <li>• Benchmark compensation to the relevant market periodically, ensuring strong alignment with short-term and long-term performance, particularly at senior levels and ring-fencing top talent;</li> <li>• Ensure the talent quotient in the Company remains healthy and vibrant through annual segmentation supported by differential rewards and progression opportunities for industry leading talent;</li> <li>• Energise and nurture pride in membership through frequent leadership outreach to managers;</li> <li>• Engage with the country's premier academic institutions to communicate the Company's talent proposition through case-study competitions, knowledge-sharing programmes by senior managers and the annual internship programmes creating a compelling proposition for the best candidates to aspire for a career with the Company;</li> <li>• Promote Diversity, Equity and Inclusion through supportive policies based on principles of equity;</li> <li>• Implement measures to ensure sufficient representation of women in selection pools and deployment of the differently-abled across suitable opportunities in the value chain towards meeting the diversity and inclusion goals of the organisation;</li> <li>• Agile HR practices to provide contemporary and relevant work policies to employees such as flexible work arrangements.</li> </ul> | effectively fulfil organisational goals and customer expectations.                             |

## Section B: Management and Process Disclosures

The National Guidelines for Responsible Business Conduct (NGRBC) as brought out by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

|    |                                                                                                                                     |
|----|-------------------------------------------------------------------------------------------------------------------------------------|
| P1 | Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable        |
| P2 | Businesses should provide goods and services in a manner that is sustainable and safe                                               |
| P3 | Businesses should respect and promote the well-being of all employees, including those in their value chains                        |
| P4 | Businesses should respect the interests of and be responsive to all its stakeholders                                                |
| P5 | Businesses should respect and promote human rights                                                                                  |
| P6 | Businesses should respect and make efforts to protect and restore the environment                                                   |
| P7 | Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent |
| P8 | Businesses should promote inclusive growth and equitable development                                                                |
| P9 | Businesses should engage with and provide value to their consumers in a responsible manner                                          |

| 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                                                                                                             |
|                                                                                                                                                                                                                                                                  | <p>ITC has a comprehensive set of Board-approved Policies that cover NGRBC principles (P1 to P9) and the underlying core elements.</p> <p>To achieve its Sustainability 2.0 vision, the Company continues to strengthen its management approach which is guided by a comprehensive set of Sustainability Policies that are being implemented across the organisation. The Company continues to strengthen the mechanisms of engagement with key stakeholders, identification of material sustainability issues and progressively monitoring and mitigating the impacts along the value chain of each Business. The Company will continue to update these systems and processes in line with the evolving disclosure standards and Environmental, Social and Governance (ESG) requirements.</p> <p>The overall responsibility for ensuring the implementation of Sustainability Policies resides with the Divisional / Strategic Business Unit (SBU) Chief Executives and the Heads of Corporate Functions who work with their respective management teams. Various committees designated with specific responsibilities have also been constituted for operationalising these Policies. The Sustainability Compliance Review Committee comprising senior and other members of management has the overall responsibility to monitor and evaluate compliance with these Policies.</p> <p>The responsibility for implementation of ITC's CSR Policy rests with the Corporate Social Investments Programme (SIP) Team.</p> |                                                                                                                                                                          |                                                                           |           |                                                                                                                                          |                                                                                                                                           |                |     |                                                                                                                 |
| <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.itcportal.com/about-itc/policies/index.aspx">https://www.itcportal.com/about-itc/policies/index.aspx</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>                                                                                                                                                                                 | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Yes                                                                                                                                                                      | Yes                                                                       | Yes       | Yes                                                                                                                                      | Yes                                                                                                                                       | Not Applicable | Yes | Yes                                                                                                             |
| <b>4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b> | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Yes                                                                                                                                                                      | Yes                                                                       | Yes       | Yes                                                                                                                                      | Yes                                                                                                                                       | Yes            | Yes | Yes                                                                                                             |
|                                                                                                                                                                                                                                                                  | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Food Safety Management System (FSSC 22000/ISO 22000/HACCP) Responsible Supply Chain Certifications like Rainforest Alliance (RFA) and Forest Stewardship Council® (FSC®) | OHSAS 18001/ ISO 45001: Occupational Health and Safety Management Systems | ISAE 3000 | SA 8000: Social Accountability, United Nations Guiding Principles on Business and Human Rights, Sustainable Tobacco Programme, RFA, FSC® | ISO 14001: Environment Management System, Alliance for Water Stewardship (AWS), LEED® Certification for Green Building, LEED® Zero Carbon | NGRBC          | -   | ATNI Framework, FSSAI, BRCGS and Packaging Materials Global Standard, HACCP, Sedex, NPOP, NOP, Halal and Kosher |
|                                                                                                                                                                                                                                                                  | For more information on Environment, Social, Occupational Health and Safety, Food Safety Certifications and Sustainable Farming Certifications, refer to 'Certifications' section of ITC Sustainability Report 2025.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                          |                                                                           |           |                                                                                                                                          |                                                                                                                                           |                |     |                                                                                                                 |

| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.                                                                                                                                                                                                                | In line with its Sustainability 2.0 agenda, ITC has set short to medium targets for key priority areas like climate change, water stewardship, plastic waste and circular economy, sustainable agriculture, biodiversity conservation and sustainable livelihoods. In line with the above, ITC’s Businesses have targets for Key Performance Indicators (KPIs) like specific energy consumption, specific greenhouse gas emissions, specific water intake and specific waste generation. In order to achieve these targets, all ITC Units have established management systems which entail regular monitoring of environmental KPIs, development of an environmental management plan, and reviewing progress on a regular basis to ensure that Businesses are on track with respect to the agreed roadmap.<br><br>For more information on annual performance against the Sustainability 2.0 targets, refer to ‘Sustainability 2.0 Ambitions’ section of ITC Sustainability Report 2025.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                    |                      |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
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| 6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                    |                      |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 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)<br>Please refer to the ‘Chairman’s Message’ section in ITC Sustainability Report 2025 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                    |                      |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).                                                                                                                                                                               | <p>The CSR and Sustainability Committee of the Board, chaired by the Chairman of the Company, reviews and oversees implementation of the Sustainability Policies of the Company on an annual basis. In addition, the CSR and Sustainability Committee and the Board of Directors also review the progress of implementation of the Company’s CSR Programmes on a half-yearly basis. The composition of the CSR and Sustainability Committee as on 31st March, 2025 is given below:</p> <table><tr><th>Sl. No.</th><th>Name Of The Director</th><th>Designation/Nature Of Directorship</th><th>Din Of The Director</th></tr><tr><td>1.</td><td>S. Puri (Chairman of the Committee)</td><td>Chairman &amp; Managing Director</td><td>00280529</td></tr><tr><td>2.</td><td>C. K. Mishra</td><td>Independent Director</td><td>02553126</td></tr><tr><td>3.</td><td>S. Mohanty</td><td>Non-Executive Director</td><td>08058830</td></tr><tr><td>4.</td><td>S. Mukherjee</td><td>Independent Director</td><td>03024803</td></tr><tr><td>5.</td><td>A. Pande</td><td>Non-Executive Director</td><td>10631871</td></tr><tr><td>6.</td><td>S. Panray</td><td>Non-Executive Director</td><td>09251023</td></tr><tr><td>7.</td><td>N. Rao</td><td>Independent Director</td><td>06954879</td></tr><tr><td>8.</td><td>A. Singh</td><td>Non-Executive Director</td><td>00060943</td></tr></table> <p>At the highest level, the Board of Directors of the Company has the primary role of trusteeship to protect and enhance shareholder value through strategic supervision of ITC. As trustees, the Board ensures that the Company has clear goals aligned to shareholder value and its growth, and also in line with its Sustainability agenda.</p> <p>The Corporate Management Committee (CMC) of the Company is the management body responsible for compliance with the Sustainability Policies of the Company.</p> <p>The CMC has constituted the Sustainability Compliance Review Committee (SCRC), which monitors and evaluates compliance with these Policies and places a quarterly report thereon for review by the CMC.</p> <p>The Chief Executives of Divisions / Strategic Business Units (SBUs), through members of the respective Management Committees, and Heads of Corporate Functions are responsible for ensuring implementation of the Sustainability Policies of the Company within their respective Division / SBU / Corporate Function and communication of these Policies to the employees.</p> <p>In addition, the Chief Sustainability Officer (CSO) of the Company is responsible for scanning the external environment for evolving sustainability trends and regulations, monitoring the progress on sustainability targets and facilitating the Businesses &amp; Corporate Functions in implementing the sustainability initiatives.</p> <p>The CSO reports to the Group Head of Sustainability who is also a CMC Member and the Chairman of the SCRC. The CSO provides progress reportbacks on the Company’s sustainability initiatives to the senior leadership of the Company.</p> | Sl. No.                            | Name Of The Director | Designation/Nature Of Directorship | Din Of The Director | 1. | S. Puri (Chairman of the Committee) | Chairman & Managing Director | 00280529 | 2. | C. K. Mishra | Independent Director | 02553126 | 3. | S. Mohanty | Non-Executive Director | 08058830 | 4. | S. Mukherjee | Independent Director | 03024803 | 5. | A. Pande | Non-Executive Director | 10631871 | 6. | S. Panray | Non-Executive Director | 09251023 | 7. | N. Rao | Independent Director | 06954879 | 8. | A. Singh | Non-Executive Director | 00060943 |
| Sl. No.                                                                                                                                                                                                                                                                                                     | Name Of The Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Designation/Nature Of Directorship | Din Of The Director  |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 1.                                                                                                                                                                                                                                                                                                          | S. Puri (Chairman of the Committee)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Chairman & Managing Director       | 00280529             |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 2.                                                                                                                                                                                                                                                                                                          | C. K. Mishra                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Independent Director               | 02553126             |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 3.                                                                                                                                                                                                                                                                                                          | S. Mohanty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Non-Executive Director             | 08058830             |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 4.                                                                                                                                                                                                                                                                                                          | S. Mukherjee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Independent Director               | 03024803             |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 5.                                                                                                                                                                                                                                                                                                          | A. Pande                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Non-Executive Director             | 10631871             |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 6.                                                                                                                                                                                                                                                                                                          | S. Panray                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Non-Executive Director             | 09251023             |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 7.                                                                                                                                                                                                                                                                                                          | N. Rao                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Independent Director               | 06954879             |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |
| 8.                                                                                                                                                                                                                                                                                                          | A. Singh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Non-Executive Director             | 00060943             |                                    |                     |    |                                     |                              |          |    |              |                      |          |    |            |                        |          |    |              |                      |          |    |          |                        |          |    |           |                        |          |    |        |                      |          |    |          |                        |          |

|                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                 |                                                 |                                                 |                                                 |                                                                          |                                                 |                                                 |                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| 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, as stated under (8) above, the CSR and Sustainability Committee of the Board reviews, monitors and provides strategic direction to the Company's CSR and sustainability practices towards fulfilling its Triple Bottom Line objectives. The Committee seeks to guide the Company in crafting unique models to support creation of sustainable livelihoods together with environmental re-generation.<br><br>The CSR and Sustainability Committee of the Board also reviews the Business Responsibility and Sustainability Report of the Company and recommends the same to the Board for adoption, and approves the Sustainability Report of the Company.                                                                                                                                                                                                                                                                                                                                                               |                                                 |                                                 |                                                 |                                                 |                                                                          |                                                 |                                                 |                                                 |
| 10. Details of Review of NGRBCs by the Company:                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                 |                                                 |                                                 |                                                 |                                                                          |                                                 |                                                 |                                                 |
| Subject for Review                                                                                                                                                          | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                 |                                                 |                                                 |                                                 | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) |                                                 |                                                 |                                                 |
|                                                                                                                                                                             | P1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | P2                                              | P3                                              | P4                                              | P5                                              | P6                                                                       | P7                                              | P8                                              | P9                                              |
| Performance against above policies and follow up action                                                                                                                     | Any other Committee<br><br>On a quarterly basis                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis                          | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances                                                            | Any other Committee<br><br>On a quarterly basis                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis                          | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis | Any other Committee<br><br>On a quarterly basis |
|                                                                                                                                                                             | The Company is in compliance with the applicable laws and regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                 |                                                 |                                                 |                                                 |                                                                          |                                                 |                                                 |                                                 |
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.       | <ul style="list-style-type: none"><li>ITC has a robust review mechanism supported by both external and internal audits covering the implementation of key policies.</li><li>ITC has been obtaining independent third-party assurance for its Sustainability Reports since 2004. In the reporting year, authenticity of the data and systems disclosed in the Sustainability Report 2025 has been assured by an independent third-party assurance provider; the assurance has been provided as per the International Standard for Assurance Engagements (ISAE) 3000 at the 'Reasonable Assurance' level.</li><li>ITC has computed its Green House Gas (GHG) inventory, including GHG emissions, biogenic emissions and GHG removals, in accordance with ISO 14064:2018; the GHG inventory of FY 2024-25 has been verified by an independent third-party assurance provider.</li><li>In addition to the above, relevant third-party assessments and certifications are conducted across Business Units periodically.</li></ul> |                                                 |                                                 |                                                 |                                                 |                                                                          |                                                 |                                                 |                                                 |

## Section C: Principle-wise Performance Disclosure



### Principle 1

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

#### Essential Indicator

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

| Segment                                         | Total Number Of Training And Awareness Programmes Held | Topics / Principles Covered Under The Training And Its Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | %Age Of Persons In Respective Category Covered By The Awareness Programmes |
|-------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Board of Directors                              | 5                                                      | <p>The Directors are briefed on the sustainability initiatives of the Company from time to time. The Directors are also updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislation &amp; economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.</p> <p>During the financial year 2024-25, the Directors and KMP of the Company were briefed / updated on the following:</p> <ul style="list-style-type: none"> <li>(a) Overview of the Company's businesses and ITC's globally acknowledged sustainability initiatives provided to newly appointed Directors.</li> <li>(b) Sustainability Initiatives of the Company, including the Company's Sustainability 2.0 vision and priority areas.</li> <li>(c) Overall macro-economic scenario in India.</li> <li>(d) Usage of Artificial Intelligence (AI) across businesses and unlocking growth through AI and Gen AI.</li> <li>(e) Periodic review of the Company's businesses.</li> </ul> | 100%                                                                       |
| Key Managerial Personnel (other than Directors) |                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                            |
| Employees other than BoD and KMPs               | 11*                                                    | Health and Safety,** ITC Code of Conduct, Policy on Prevention of Sexual Harassment at the workplace, and Wellness programmes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 100%*                                                                      |
| Workers                                         | 11*                                                    | Health and Safety,** ITC Code of Conduct, Policy on Prevention of Sexual Harassment at the workplace, and Wellness programmes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 100%*                                                                      |

For definitions, please refer to the note below table 20a (Under Section A).

\*11 Types of training programmes conducted, wherein all Employees/Workers were covered under at least one of the topics.

\*\*Detailed training programmes on various health and safety sub-elements were also provided

**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 on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) 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    | Nil             |                                                                     |                 |                   |                                        |
| 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  | Nil             |                                                                     |                   |                                        |
| Punishment    |                 |                                                                     |                   |                                        |

\*The above disclosure has been made in accordance with the Company's Policy for determination of materiality of events and information for disclosure to the Stock Exchanges, and in line with the disclosures made to the Stock Exchanges.

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision 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.**

The Company's Code of Conduct covers aspects relating to anti-corruption and anti-bribery. In terms of the said Code, the Company believes in conducting its business in a transparent manner and does not indulge in bribery or corruption. The ITC Code of Conduct can be accessed on the Company's corporate website at <https://www.itcportal.com/about-itc/values/index.aspx#sectionb5>

Further, in terms of the Company's Code of Conduct for Suppliers and Service Providers:

- all Suppliers and Service Providers of the Company are required to avoid any actual or potential conflicts of interest in their business dealings with the Company that could create a perception of unfairness or lead to uncompetitive favours. If any such instance arises, the Suppliers and Service Providers are also required to disclose any such situation of conflict of interest, including involvement or interest of any employee of the Company or his / her immediate family members in their business.
- all Suppliers and Service Providers, in their dealings with the Company, are prohibited to indulge in any form of bribery or corruption that is intended to induce or reward improper conduct or influence any decision. The Company expects and seeks confirmation in its commercial and contractual terms that Suppliers and Service Providers have not offered or promised or provided any benefit, either in cash or in kind, to any employee or any relative / associate of any employee of the Company or of any of its associate companies, in order to facilitate their existing or future business with the Company.

The said Code of Conduct for Suppliers and Service Providers can be accessed on the Company's corporate website at <https://www.itcportal.com/about-itc/policies/sustainability-policy.aspx#coc-vendor>

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

|           | FY 2024-25 | FY 2023-24 |
|-----------|------------|------------|
| Directors | Nil        | Nil        |
| KMPs      | Nil        | Nil        |
| Employees | Nil        | Nil        |
| Workers   | Nil        | Nil        |

**6. Details of complaints with regard to conflict of interest:**

|                                                                                              | FY 2024-25 |         | FY 2023-24 |         |
|----------------------------------------------------------------------------------------------|------------|---------|------------|---------|
|                                                                                              | 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      |            |         |            |         |

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

Not Applicable

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

|                                     | FY 2024-25 | FY 2023-24 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 37.44      | 43.50      |

The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A

**9. Open-ness of business**

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

| Parameter                  | Metrics                                                                                  | FY 2024-25 | FY 2023-24 |
|----------------------------|------------------------------------------------------------------------------------------|------------|------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                                 | 0.67 %     | 0.29%      |
|                            | b. Number of trading houses where purchases are made from                                | 45         | 48         |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses      | 91.59%     | 83.24%     |
| Concentration of Sales     | a. Sales to dealers / distributors as % of total sales                                   | 79.60%     | 83.76%     |
|                            | b. Number of dealers / distributors to whom sales are made                               | 8412       | 6718       |
|                            | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | 7.64%      | 7.41%      |
| Share of RPTs* in          | a. Purchases (Purchases with related parties / Total Purchases)                          | 2.85%      | 3.26%      |
|                            | b. Sales (Sales to related parties / Total Sales)                                        | 2.66%      | 2.79%      |
|                            | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | -          | 0.96%      |
|                            | d. Investments (Investments in related parties / Total Investments made)                 | 19.99%     | 7.87%      |

\*The financial figures for FY 2023-24 have been restated to align with the guidance provided by the Industry Standards Forum.

## Leadership Indicators

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

| Total Number Of Awareness Programmes Held | Topics/Principles Covered Under The Training                                                                                                                                                                                                                                                                                                                                                                                                                        | %Age Of Value Chain Partners Covered (By Value Of Business Done With Such Partners) Under The Awareness Programmes                                                                          |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4                                         | <ul style="list-style-type: none"> <li>Environment, Social, Governance (ESG) Landscape: Global &amp; Indian including National Guidelines on Responsible Business Conduct (NGRBC) Principles and SEBI's BRSR Core Value Chain Reporting Requirements</li> <li>Environmental Compliance</li> <li>Fair Business Practices</li> <li>Corporate Governance and Ethics</li> <li>Occupational Health and Safety</li> <li>Fair Labour Practices and Human Rights</li> </ul> | As part of ITC's sustainable supply chain initiative, more than 800 tier-1 suppliers have been trained including 100% critical tier- 1 suppliers on ESG as of 31 <sup>st</sup> March, 2025. |

**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 ITC 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 Code, inter alia, clarifies that conflict of interest may arise when (a) an employee or a family member (family member includes spouse, children, siblings and parents) has a material interest in an entity that has a business relationship with the Company or is being evaluated for a commercial transaction, or (b) an employee is in a position to benefit someone with whom he / she has a close relationship, in relation to the Company's business. However, this is an area in which it is impossible to provide comprehensive guidance but the guiding principle is that conflict, if any, or any potential conflict must be disclosed to higher management for guidance and action as appropriate.

Further, the Directors of the Company are required to disclose to the Board whether they, directly or indirectly or on behalf of third parties, have material interest in any transaction or matter directly affecting the Company. In addition, an annual confirmation is sought from the Directors in this connection. For the financial year 2024-25, all Directors of the Company have confirmed that they did not, either directly or indirectly or on behalf of third parties, have material interest in any transaction or matter, directly affecting the Company.



## Principle 2

**Businesses should provide goods and services in a manner that is sustainable and safe**

### 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.**

Details of investment in specific technologies to improve the environmental and social impacts of product and processes ("Specific R&D" and "Specific Capex") are as follows:

|                               | FY 2024-25 | FY 2023-24 |
|-------------------------------|------------|------------|
| Specific R&D to total R&D     | 18.6%      | 13.3%      |
| Specific Capex to total Capex | 28.7%      | 28.6%      |

#### a) R&D

##### LSTC - ITC's Innovation Engine

ITC's state-of-the-art Life Sciences and Technology Centre (ITC LSTC) in Bengaluru is at the core of driving science-led product innovation to support and build ITC's portfolio of world-class products and brands. It has completed five decades of industrial research and development (R&D). The research community at ITC LSTC comprises over 400 highly qualified scientists with diverse expertise base and skill sets with a mandate to work on future-ready science platforms, design differentiated products to address unique consumer needs and deliver superior benefits. The R&D programmes are designed to make impactful business outcomes, provide superlative product experience to Indian consumers at affordable price, and offer them multiple choices through a bouquet of products with world class quality. At the inception stage of designing new products and process innovation, sustainability is considered as a key guiding principle.

##### Future Ready Platforms for Driving Innovation across ITC Businesses

LSTC is equipped with world-class scientific infrastructure and state-of-the-art facilities to create deep knowledge base and build intellectual property for ITC through research, rapid prototyping and process development. Over 800 patents have been filed till date, bearing testimony to LSTC's innovation capabilities. In line with ITC's relentless focus on operational excellence and quality, each business is mandated to continuously innovate on materials, training, processes and systems to enhance their competitiveness. ITC has been in the frontline of introducing first-to-market innovative products for Indian consumers.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Healthy &amp; Sustainable Food Products</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <ul style="list-style-type: none"> <li>Innovative science-based platforms and superior sensory attributes continue to drive creation of healthier and superior foods. In addition, research efforts continue towards reduction in salt, sugar and fat without compromising on sensory attributes. Efforts are also underway to increase nutrients that are beneficial for health/nutrition like fibre, vitamins and minerals.</li> <li>LSTC, in collaboration with Agri and Branded Packaged Foods Businesses, endeavours to ensure that contemporary science-based outcomes are fully integrated across key agri value chains from farm to fork, including wheat, potato and spices.</li> <li>State of art analytical testing facilities at LSTC are deployed to ensure safety and superior quality of the products.</li> </ul>                                                                                  |
| <b>Sustainable Products in the Personal &amp; Home Care Segments</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <ul style="list-style-type: none"> <li>R&amp;D-Product Development team of Personal Care Products Business (PCPB) at LSTC continues to leverage science and technology led capabilities to build future product pipeline readiness in Health &amp; Hygiene, Personal Wash, Fragrances, Home Care and Skin Care categories.</li> <li>Further, the team has been developing products with sustainable formulation, efficient processing and sustainable packaging, which include high recycled content, lower packaging weight and recyclable packaging across personal care and home care categories.</li> </ul>                                                                                                                                                                                                                                                                                                   |
| <b>Sustainable Materials &amp; Packaging</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <ul style="list-style-type: none"> <li>ITC LSTC has developed proprietary patented innovative barrier solutions that serve as a sustainable alternative to conventional synthetic polymers. These advanced materials offer excellent barrier to oil, grease and water, making them an ideal choice for FMCG packaging.</li> <li>For Quick Service Restaurant (QSR) segment, these tailored-solutions not only enhance product performance but also align with global sustainability goals by reducing dependency on conventional fossil fuel derived materials.</li> </ul>                                                                                                                                                                                                                                                                                                                                        |
| <b>Agro-Forestry and Crop Sciences</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <ul style="list-style-type: none"> <li>LSTC has established different cutting-edge tools and platforms with an ambitious R&amp;D program for improving tree and crop species of interest to ITC for desired traits like yield, quality, abiotic and biotic stress. This supports securing raw materials given the rising challenges of climate change and depleting resources.</li> <li>Ongoing research has major emphasis on developing climate resilient crops and pulp wood species in order to address the security of raw material supplies across the Company's value chains while ensuring enhanced farmer profitability. As an example, in the past 5 years more than 10 million saplings of new hybrids with &gt;20% higher wood yields have been deployed in farmers' fields. This enables secured raw material supply while ensuring better farm income and enhanced carbon sequestration.</li> </ul> |

## **b) Capex investments**

Specific Capex include investments in the areas of renewable energy, green buildings, energy efficient equipment, pollution control equipment, water management and treatment system (including rain water harvesting) etc.

*For more details, refer to 'Report of the Board of Directors & Management Discussion and Analysis' section forming part of ITC's Report and Accounts 2025.*

### **2.a. Does the entity have procedures in place for sustainable sourcing?**

Yes, there are procedures in place for sustainable sourcing. ITC has a Board approved Policy on 'Sustainable Supply Chain and Responsible Sourcing' and a 'Code of Conduct for Suppliers and Service Providers'. The Code reflects ITC's commitment to environmental conservation, business integrity and human rights. All suppliers are encouraged to fully comply with the Code. Additionally, ITC businesses, including Agri, FMCG and Paper Businesses, depend on farm and forestry-based supply chains for key raw materials. Accordingly, focus of ITC's interventions in agri value chains has been largely around improving farmer livelihoods, increasing agricultural productivity, strengthening regional water security, and addressing the challenge of climate change and enhancing resilience. ITC's key agri value chains are also certified as per global standards like Rainforest Alliance (RFA), Forest Stewardship Council®, Fairtrade, India Organic and USDA Organic. These certifications specify environmental and social standards for agricultural practices, and help ensure sustainability, traceability and transparency.

*Note: For more details on ITC's sustainable sourcing practices pertaining to key agri value chains and key value chain partners like third-party manufacturers, refer to 'Sustainable and Climate Resilient Agriculture' and 'Sustainable Supply Chain and Responsible Sourcing' sections of ITC Sustainability Report 2025.*

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

ITC businesses, including Agri, FMCG and Paper Businesses, depend on farm and forestry-based supply chains for key raw materials. Accordingly, farmers constitute a vital part of ITC's supply chain, and the Company engages with farmers to ensure adoption of sustainable agriculture practices. ITC's key agri value chains are also certified as per global standards like Rainforest Alliance (RFA), Forest Stewardship Council®, Fairtrade, India Organic and USDA Organic.

*Note: For more details on ITC's sustainable sourcing practices pertaining to key agri value chains and key value chain partners like third-party manufacturers, refer to 'Sustainable and Climate Resilient Agriculture' and 'Sustainable Supply Chain and Responsible Sourcing' sections of ITC Sustainability Report 2025.*

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

|                                | Description Of Processes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Plastics (including packaging) | ITC first achieved Plastic Neutrality in FY 2021-22 by implementing an integrated solid waste management programme that incorporates unique and multi-dimensional initiatives including the Company's flagship waste management initiative 'ITC WOW – Well-Being Out of Waste'. In FY 2024-25, the Company collected and sustainably managed 76,000 tonnes of plastic waste across the Country. The amount of plastic waste managed exceeded the amount of plastic packaging utilised by ITC during the year, enabling the Company to maintain the milestone of Plastic Neutrality. |
|                                | More than 99% of the solid waste generated in ITC's operations including plastic waste is sent for recycling.                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| E-waste                        | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Hazardous waste                | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Other waste                    | All ITC Units have established systems and procedures to ensure that waste is disposed through authorised agencies in line with applicable regulations.                                                                                                                                                                                                                                                                                                                                                                                                                             |

*Note: For further details, refer to the 'Towards Circularity' section of ITC Sustainability Report 2025.*

**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, ITC is in compliance with the requirements of Extended Producer Responsibility (EPR) under the Plastic Waste Management Rules, 2016 (as amended).

## Leadership Indicators

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?**

In line with the overall strategy to embed principles of sustainability into various stages of product or service life cycle, ITC has been conducting Life Cycle Assessments (LCA) of its products and services with an objective of evaluating the impacts and identifying areas for improvement. Over the years, LCA studies have been carried out for some of the Company's key products from Paperboards and Specialty Papers Business, Personal Care Products Business, Educational & Stationery, Matches & Agarbatti and Branded Packaged Foods Businesses for identifying additional opportunities to reduce environmental impact across the value chain under various scenarios as well as quantifying the footprint improvement of planned product/packaging design interventions. These assessments have enabled identification of levers that have led to improvements like more efficient packaging designs and enhanced loading efficiencies in transportation. Further, packaging design teams across ITC businesses use a packaging-focussed Life Cycle Assessment-based tool to assess the environmental impact of different packaging formats/designs for various FMCG products and sustainable packaging solutions offered by Paperboards and Packaging Businesses. The insights from such assessments are considered during new product development and design stages.

Details of LCAs done in the last two years is given below:

| 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 |
|-------------|-----------------------------|---------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------|
| 46496       | Classmate Notebook          | -                               | Cradle-to-grave                                                         | Yes                                                       | No                                                                          |
| 20237       | Savlon Powder Handwash      | -                               | Cradle-to-grave                                                         | Yes                                                       | No                                                                          |
| 20237       | Savlon Liquid Handwash      | -                               | Cradle-to-grave                                                         | Yes                                                       | No                                                                          |
| 20239/46491 | Nimyle Floor Cleaner        | -                               | Cradle-to-gate                                                          | Yes                                                       | No                                                                          |
| 17016       | CFKE Paperboard             | -                               | Cradle-to-gate                                                          | Yes                                                       | No                                                                          |
| 17016       | OmegaBev Vio Paperboard     | -                               | Cradle-to-Gate with end-of life                                         | Yes                                                       | No                                                                          |
| 20238/46491 | Mangaldeep Sandal Agarbatti | -                               | Cradle-to-Grave                                                         | Yes                                                       | No                                                                          |
| 10611       | Aashirvaad Whole Wheat Atta | -                               | Cradle-to-Grave                                                         | No                                                        | No                                                                          |
| 10304       | B Natural Mango             | -                               | Cradle-to-Grave                                                         | No                                                        | No                                                                          |

**2. If there are any significant social or environmental concerns and/or risks arising from 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.**

No significant social or environmental risks were identified from the LCA studies carried out.

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

During FY 2024-25, the Kovai Unit of ITC's Paperboards & Specialty Papers Business sourced ~ 85,000 tonnes of waste paper from external sources, which constituted over 65% of Unit's total input materials. Additionally, ITC continues to integrate recycled plastic content in packaging across its leading brands.

| Indicate Input Material         | Recycled Or Re-used Input Material To Total Material                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                 | FY 2024-25                                                                                                                                                                                                                                                                                                                                                 | FY 2023-24                                                                                                                                                                                                                                                                                                                       |
| Waste Paper used in Kovai Mill  | Recycled Paper used:<br>~ 85,000 tonnes                                                                                                                                                                                                                                                                                                                    | Recycled Paper used:<br>~ 89,000 tonnes                                                                                                                                                                                                                                                                                          |
| Use of Recycled Plastic Content | Recycled plastic content used in packaging:<br>~300 tonnes<br><i>Few examples include:</i> <ul style="list-style-type: none"> <li>Fiama Shower gel and Handwash Portfolio with 50% PCR PET Bottles</li> <li>Candyman Fantastik jars with 50% PCR (Post-consumer Recycled Plastic)</li> <li>100% PCR in PET Trays in Sunfeast Biscuit Packagings</li> </ul> | Recycled plastic content used in packaging:<br>~170 tonnes<br><i>Few examples include:</i> <ul style="list-style-type: none"> <li>Mangaldeep Zip Lock Packs with 20% PCR (Post-consumer Recycled Plastic)</li> <li>Savlon Wet wipes with 70% PCR in PET Layer</li> <li>Engage EPS portfolio with 50% PCR PET Bottles.</li> </ul> |

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

During FY 2024-25, the Company collected and sustainably managed 76,000 tonnes of plastic waste across the Country. The amount of plastic waste managed exceeded the amount of plastic packaging utilised by ITC during the year, enabling the Company to sustain its plastic neutrality status for the third year in a row.

|                                | FY 2024-25 |                |                 | FY 2023-24 |                |                 |
|--------------------------------|------------|----------------|-----------------|------------|----------------|-----------------|
|                                | Re-used    | Recycled       | Safely Disposed | Re-used    | Recycled       | Safely Disposed |
| Plastics (including packaging) | -          | ~34,500 tonnes | ~41,500 tonnes  | -          | ~31,000 tonnes | ~39,000 tonnes  |
| E-waste                        | NA         | NA             | NA              | NA         | NA             | NA              |
| Hazardous waste                | NA         | NA             | NA              | NA         | NA             | NA              |
| Other waste                    | NA         | NA             | NA              | NA         | NA             | NA              |

NA: Not Applicable

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

Please refer to responses to Questions 3 and 4 above.



**Principle 3**

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

**Essential Indicators**

**1. a. Details of Measures for the Well-being of Employees:**

| Category                       | % Of Employees Covered By |                  |            |                    |            |                    |            |                     |            |                     |            |
|--------------------------------|---------------------------|------------------|------------|--------------------|------------|--------------------|------------|---------------------|------------|---------------------|------------|
|                                | Total<br>(A)              | Health Insurance |            | Accident Insurance |            | Maternity Benefits |            | Paternity Benefits* |            | Day Care Facilities |            |
|                                |                           | Number<br>(B)    | %<br>(B/A) | Number<br>(C)      | %<br>(C/A) | Number<br>(D)      | %<br>(D/A) | Number<br>(E)       | %<br>(E/A) | Number<br>(F)       | %<br>(F/A) |
| Permanent Employees            |                           |                  |            |                    |            |                    |            |                     |            |                     |            |
| Male                           | 9,234                     | 9,234            | 100%       | 9,234              | 100%       | NA                 | NA         | 9,234               | 100%       | -                   | -          |
| Female                         | 1,932                     | 1,932            | 100%       | 1,932              | 100%       | 1,932              | 100%       | NA                  | NA         | 1,932               | 100%       |
| Total                          | 11,166                    | 11,166           | 100%       | 11,166             | 100%       | 1,932              | 100%       | 9,234               | 100%       | 1,932               | 100%       |
| Other than Permanent Employees |                           |                  |            |                    |            |                    |            |                     |            |                     |            |
| Male                           | 369                       | 199              | 54%        | 217                | 59%        | NA                 | NA         | NA                  | NA         | -                   | -          |
| Female                         | 156                       | 81               | 52%        | 101                | 65%        | 156                | 100%       | NA                  | NA         | 156                 | 100%       |
| Total                          | 525                       | 280              | 53%        | 318                | 61%        | 156                | 100%       | NA                  | NA         | 156                 | 100%       |

\*The Company offers paternity leave to all eligible male employees in managerial cadre.

Refer employee clustering note under 20a (Under Section A) for definitions

**b. Details of Measures for the Well-being of Workers:**

| Category                     | % Of Workers Covered By |                  |            |                    |            |                    |            |                     |            |                     |            |
|------------------------------|-------------------------|------------------|------------|--------------------|------------|--------------------|------------|---------------------|------------|---------------------|------------|
|                              | Total<br>(A)            | Health Insurance |            | Accident Insurance |            | Maternity Benefits |            | Paternity Benefits* |            | Day Care Facilities |            |
|                              |                         | Number<br>(B)    | %<br>(B/A) | Number<br>(C)      | %<br>(C/A) | Number<br>(D)      | %<br>(D/A) | Number<br>(E)       | %<br>(E/A) | Number<br>(F)       | %<br>(F/A) |
| Permanent Workers            |                         |                  |            |                    |            |                    |            |                     |            |                     |            |
| Male                         | 10,197                  | 10,197           | 100%       | 10,197             | 100%       | NA                 | NA         | -                   | -          | -                   | -          |
| Female                       | 678                     | 678              | 100%       | 678                | 100%       | 678                | 100%       | -                   | -          | 678                 | 100%       |
| Total                        | 10,875                  | 10,875           | 100%       | 10,875             | 100%       | 678                | 100%       | -                   | -          | 678                 | 100%       |
| Other than Permanent Workers |                         |                  |            |                    |            |                    |            |                     |            |                     |            |
| Male                         | 20,690                  | 20,690           | 100%       | 20,690             | 100%       | NA                 | NA         | -                   | -          | -                   | -          |
| Female                       | 4,102                   | 4,102            | 100%       | 4,102              | 100%       | 4,102              | 100%       | -                   | -          | 4,102               | 100%       |
| Total                        | 24,792                  | 24,792           | 100%       | 24,792             | 100%       | 4,102              | 100%       | -                   | -          | 4,102               | 100%       |

\*The Company offers paternity leave to all eligible male employees in managerial cadre

Refer employee clustering note under 20a (Under Section A) for definitions

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-**

|                                                                                     | <b>FY 2024-25</b> | <b>FY 2023-24</b> |
|-------------------------------------------------------------------------------------|-------------------|-------------------|
| <b>Cost incurred* on well-being measures as a % of total revenue of the company</b> | 0.1%              | 0.1%              |

\*Includes cost of accident insurance, health insurance, medical reimbursements, maternity leave benefit, paternity leave benefit and day-care facility cost.

Refer employee clustering note under 20a (Under Section A) for definitions.

Note: Reporting for permanent employees and workers of the Company. The other than permanent employees and workers include those deployed through Service Providers and their wages including well-being measures are provided by the service providers.

The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of Exhibit-A.

**2. Details of Retirement Benefits, for Current FY and Previous Financial Year.**

| <b>Benefits</b>               | <b>FY 2024-25</b>                                         |                                                       |                                                             | <b>FY 2023-24</b>                                         |                                                       |                                                             |
|-------------------------------|-----------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------------|
|                               | <b>No. Of Employees Covered As A % Of Total Employees</b> | <b>No. Of Workers Covered As A % Of Total Workers</b> | <b>Deducted And Deposited With The Authority (Y/N/N.A.)</b> | <b>No. Of Employees Covered As A % Of Total Employees</b> | <b>No. Of Workers Covered As A % Of Total Workers</b> | <b>Deducted And Deposited With The Authority (Y/N/N.A.)</b> |
| <b>PF</b>                     | 100%                                                      | 100%                                                  | Y                                                           | 100%                                                      | 100%                                                  | Y                                                           |
| <b>Gratuity</b>               | 100%                                                      | 100%                                                  | Y                                                           | 100%                                                      | 100%                                                  | Y                                                           |
| <b>ESI</b>                    | 2%                                                        | 17%                                                   | Y                                                           | 3%                                                        | 17%                                                   | Y                                                           |
| <b>Others, please specify</b> | NA                                                        | NA                                                    | NA                                                          | NA                                                        | NA                                                    | NA                                                          |

All eligible employees and workers are covered under ESI

Refer employee clustering note under 20a (Under Section A) for definitions

**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.**

As part of its commitment to enhancing diversity, ITC places particular emphasis on representation and inclusion of differently-abled persons. Most of the divisional head-quarters have enabling infrastructure such as:

- Elevators enabled with Braille signages for persons with visual difficulty
- Ramps, tactile pavers and handrails to facilitate movement of persons with motor disability
- Accessible parking places
- Accessible washrooms

**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, the Company has a Policy on Diversity, Equity and Inclusion which clearly articulates its emphasis on Equal Opportunity. The said Policy clearly states ITC's commitment towards providing equal opportunity. It also emphasizes the Company's Zero Tolerance Policy on discrimination, inter alia, on the grounds of disability. The aforesaid Policy can be accessed at <https://www.itcportal.com/about-itc/policies/sustainability-policy.aspx#EqualOpportunity>

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

| <b>Gender</b> | <b>Permanent Employees</b> |                       | <b>Permanent Workers</b> |                       |
|---------------|----------------------------|-----------------------|--------------------------|-----------------------|
|               | <b>Return To Work</b>      | <b>Retention Rate</b> | <b>Return To Work</b>    | <b>Retention Rate</b> |
| Male          | 100%                       | 92%                   | NA                       | NA                    |
| Female        | 98%                        | 100%                  | 88%                      | 100%                  |
| <b>Total</b>  | <b>99.6%</b>               | <b>94%</b>            | <b>88%</b>               | <b>100%</b>           |

Refer employee clustering note under 20a (Under Section A) for definitions.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? 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>              | Yes, ITC's Grievance Redressal Procedure is available to employees and workers. The objective of the policy is to facilitate open and structured discussion on employees' work-related grievances with the intent of ensuring that the grievance is dealt with in a fair and just manner whilst being in compliance with the Company's policies. ITC's open-door practices encourage amicable and fair resolution of grievances. Employees are encouraged to first discuss the grievance with their immediate reporting authority, and attempt to arrive at a resolution before invoking a formal grievance redressal mechanism. In Unionised Units, grievances of workmen are also taken up for discussion by Union Office Bearers and resolved through dialogue with human resources managers and other designated managers. Units also have Committees with joint representation of workers and managers, which address grievances raised by one or more workers. In addition, many Units have forums where workers interact with the unit leadership team in small groups and share any suggestions or grievances they may have, for resolution.<br>The Company's Whistleblower Policy is also available for the permanent employees. |
| <b>Other than Permanent Workers</b>   | The Whistleblower Policy of the Company encourages all employees to bring to the Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of the Company, or actual or suspected instances of leak of unpublished price sensitive information that could adversely impact the Company's operations, business performance and/or reputation. In terms of the said Policy, the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. This Policy can be accessed on the Company's corporate website at <a href="https://www.itcportal.com/whistleblower-policy">https://www.itcportal.com/whistleblower-policy</a>                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Permanent Employees</b>            | Same as stated for Permanent Workers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Other than Permanent Employees</b> | Same as stated for Other than Permanent Workers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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

| Category                         | FY 2024-25                                         |                                                                                              |         | FY 2023-24                                         |                                                                                              |         |
|----------------------------------|----------------------------------------------------|----------------------------------------------------------------------------------------------|---------|----------------------------------------------------|----------------------------------------------------------------------------------------------|---------|
|                                  | 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> | 11,166                                             | 0                                                                                            | 0%      | 10,608                                             | 0                                                                                            | 0%      |
| - Male                           | 9,234                                              | 0                                                                                            | 0%      | 8,944                                              | 0                                                                                            | 0%      |
| - Female                         | 1,932                                              | 0                                                                                            | 0%      | 1,664                                              | 0                                                                                            | 0%      |
| <b>Total Permanent Workers</b>   | 10,875                                             | 9,348                                                                                        | 86%     | 10,673                                             | 9,269                                                                                        | 87%     |
| - Male                           | 10,197                                             | 9,250                                                                                        | 91%     | 10,084                                             | 9,187                                                                                        | 91%     |
| - Female                         | 678                                                | 98                                                                                           | 14%*    | 589                                                | 82                                                                                           | 14%*    |

\*ITC's Freedom of Association Policy is applicable to 100% of its employees and workers.

The Policy on Freedom of Association is available on ITC Portal:

<https://www.itcportal.com/about-itc/policies/sustainability-policy.aspx#FreedomofAssociation>

\*A vast majority of women workers are based in manufacturing units which currently do not have union representation. These are units that were commissioned in the recent past. ITC believes that all employees are important stakeholders in the enterprise, and it is imperative to build a culture of mutual trust and respect, interdependence, and meaningful engagement. This approach helps in building, strengthening and sustaining harmonious employee relations across the organisation.

**8. Details of training given to Employees and Workers:**

| Category  | FY 2024-25 |                               |         |                      |         | FY 2023-24 |                               |         |                      |         |
|-----------|------------|-------------------------------|---------|----------------------|---------|------------|-------------------------------|---------|----------------------|---------|
|           | Total (A)  | On Health And Safety Measures |         | On Skill Upgradation |         | Total (D)  | On Health And Safety Measures |         | On Skill Upgradation |         |
|           |            | No. (B)                       | % (B/A) | No. (C)              | % (C/A) |            | No. (E)                       | % (E/D) | No.(F)               | % (F/D) |
| Employees |            |                               |         |                      |         |            |                               |         |                      |         |
| Male      | 9,234      | 3,703                         | 40%     | 6,870                | 74%     | 8,944      | 2,432                         | 27%     | 4,217                | 47%     |
| Female    | 1,932      | 630                           | 33%     | 1,467                | 76%     | 1,664      | 514                           | 31%     | 908                  | 55%     |
| Total     | 11,166     | 4,333                         | 39%     | 8,337                | 75%     | 10,608     | 2,946                         | 28%     | 5,125                | 48%     |
| Workers   |            |                               |         |                      |         |            |                               |         |                      |         |
| Male      | 10,197     | 6,015                         | 59%     | 4,893                | 48%     | 10,084     | 6,827                         | 68%     | 4,055                | 40%     |
| Female    | 678        | 636                           | 94%     | 286                  | 42%     | 589        | 535                           | 91%     | 115                  | 20%     |
| Total     | 10,875     | 6,651                         | 61%     | 5,179                | 48%     | 10,673     | 7,362                         | 69%     | 4,170                | 39%     |

*Note: The above includes formal Induction training upon joining and refresher trainings (Once in 3 years). Other forms of EHS trainings on the job, like safety briefings, tool box talks, drills etc. which would have covered most of the employees and workers have not been included.*

**9. Details of Performance and Career Development Reviews of Employees and Workers.**

| Category         | FY 2024-25             |               |             | FY 2023-24              |               |             |
|------------------|------------------------|---------------|-------------|-------------------------|---------------|-------------|
|                  | Current Financial Year |               |             | Previous Financial Year |               |             |
|                  | Total (A)              | No. (B)       | % (B/A)     | Total (C)               | No. (D)       | % (D/C)     |
| <b>Employees</b> |                        |               |             |                         |               |             |
| Male             | 9,234                  | 9,234         | 100%        | 8,944                   | 8,944         | 100%        |
| Female           | 1,932                  | 1,932         | 100%        | 1,664                   | 1,664         | 100%        |
| <b>Total</b>     | <b>11,166</b>          | <b>11,166</b> | <b>100%</b> | <b>10,608</b>           | <b>10,608</b> | <b>100%</b> |
| <b>Workers</b>   |                        |               |             |                         |               |             |
| Male             | 10,197                 | 7,863         | 77%         | 10,084                  | 7,327         | 73%         |
| Female           | 678                    | 665           | 98%         | 589                     | 575           | 98%         |
| <b>Total</b>     | <b>10,875</b>          | <b>8,528</b>  | <b>78%</b>  | <b>10,673</b>           | <b>7,902</b>  | <b>74%</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, the coverage of such system?**

Yes, ITC has implemented occupational health and safety management system in all its Factories, Offices and Warehouses. ITC endeavours that Environment, Health & Safety (EHS) standards at all its units are ahead of applicable legislation and regulations, Standards and Codes, and are benchmarked against international best practices across sectors in which it operates. ITC's approach to occupational health & safety standards is articulated in the Board approved Environment, Health and Safety Policy. It is based on an EHS management system that emphasises on enhancing EHS performance by setting objectives and targets and continually monitoring key performance indicators.

Further, the Company promotes a culture of safety through behavioural change programmes and by

providing appropriate training to employees as well as service providers' employees, while continually investing in state-of-the-art technology and in developing human capital.

EHS requirements are integrated at the design stage for all new investments. Compliance with EHS standards during the construction phase as well as in operational phase of ITC units, Warehouses and Offices is ensured by implementing project EHS management systems and through established EHS management systems with designated roles and responsibilities for competent resources, respectively.

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

ITC has identified EHS Risk Management framework as one of the integral steps towards building a robust safety management system in all its factories, offices and warehouses. This framework entails 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. In addition, all ITC Units undergo periodic Environment, Health & Safety audits at the Business as well as Corporate level which endeavours to identify additional latent risks besides verifying compliance with standards. Several national awards and certifications acknowledge ITC's commitment and efforts towards providing a safe and healthy workplace to all.

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

Yes. A system is in place across ITC factories and offices for workers to spot and report work-related hazards, and offer suggestions for improvements. This is further enabled through digitisation, enhancing worker participation.

Necessary training is given to all employees in recognising hazards and issues. Joint inspections by management representatives and employees on the shop floor are also carried out at regular intervals, and respective corrective and preventive measures are undertaken to mitigate the identified risks. In order to create an open and transparent safety culture across ITC Units, employees are encouraged to participate and discuss safety related issues in forums like periodic EHS Committee meetings and Departmental Open Forums.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, permanent employees and their family members have access to the Company provided or Company supported medical benefits. Workers have access to medical benefits through Company provided group insurance policies, Company funded medical support and where applicable, statutory benefits under the Employees' State Insurance Act.

**11. Details of safety related incidents.**

| Safety Incident/Number                                                        | Category* | FY 2024-25 | FY 2023-24 |
|-------------------------------------------------------------------------------|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0.04       | 0.05       |
|                                                                               | Workers   | 0.16       | 0.09       |
| Total recordable work-related injuries                                        | Employees | 2          | 3          |
|                                                                               | Workers   | 11         | 7          |
| No. of fatalities                                                             | Employees | 0          | 0          |
|                                                                               | Workers   | 2          | 0          |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0          | 0          |
|                                                                               | Workers   | 0          | 0          |

*\*Including in the contract workforce*

*Note: The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A*

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

In line with the Company's Environment, Health and Safety Policy, safety as a value-led concept has been institutionalised by inculcating a sense of ownership at all levels and driving behavioural change, leading to the creation of a cohesive safety culture. ITC has put in place comprehensive health and safety protocols for the safety and well-being of its stakeholders. ITC endeavours that EHS standards at all its units are ahead of applicable legislations, regulations, and Standards and Codes, and are benchmarked against international best practices across the diverse sectors in which it operates.

ITC continues to strengthen its safety processes, adopting globally recognised best practices, and ensuring that facilities are designed, constructed, operated and maintained in an inherently safe manner. ITC will continue to undertake efforts for creating a safe working environment and a strong safety culture by:

- Integrating safety at the design stage itself and ensuring it through design reviews, stage inspections and pre-commissioning audits, thereby strengthening the engineering control measures through 'design for safety' principles.
- Conducting pre-commissioning and periodic operational audits during construction and operational stages respectively.
- Implementing behaviour-based safety initiatives to facilitate engagement for collaborative work on improving safety performances.
- Adoption of keystone behaviours by individual units to demonstrate collective commitment and create a shared vision of safety and discipline.
- Embracing and leveraging the digital landscape for safety management system.
- Identifying solutions for strengthening the safety culture aligned with the goal of 'Zero Accidents'.

### 13. Number of Complaints on the following made by employees and workers.

Employees are encouraged to report work area related safety issues through various programmes.

|                    | FY 2024-25            |                                       |         | FY 2023-24            |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | Filed During The Year | Pending Resolution At The End Of Year | Remarks | Filed During The Year | Pending Resolution At The End Of Year | Remarks |
| Working Conditions | 0                     | 0                                     | -       | 12                    | 1*                                    | -       |
| Health & Safety    | 0                     | 0                                     | -       | 0                     | 0                                     | -       |

\*Resolved after 31<sup>st</sup> March, 2024

### 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 audits of ITC units at Divisional as well as corporate level are being conducted on a periodic basis. Corrective and preventive measures are taken based on the findings. Detailed investigations are carried out for all accidents to identify the root causes and to understand the measures required to prevent recurrence. Accident investigation findings with corrective and preventive measures form part of the report presented to the Corporate Management Committee (monthly) and the Board of Directors (generally at every meeting). The learnings from all accidents are disseminated across the organisation at periodic intervals and a formal compliance 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).

Yes. In the unfortunate event of the death of an employee/worker, the Company extends financial support to family members of the employee/worker.

### 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 ensures that statutory dues as payable by service providers for their employees are deposited on time and in full through periodic audits and controls.

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

|           | Total No. Of Affected Employees/Workers* |            | No. Of Employees/Workers That Are Rehabilitated And Placed In Suitable Employment Or Whose Family Members Have Been Placed In Suitable Employment* |            |
|-----------|------------------------------------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------|
|           | FY 2024-25                               | FY 2023-24 | FY 2024-25                                                                                                                                         | FY 2023-24 |
| Employees | 0                                        | 0          | 0                                                                                                                                                  | 0          |
| Workers   | 2                                        | 0          | 2                                                                                                                                                  | 0          |

\*Onsite Accidents

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

ITC continually invests in human capital development which includes building skills and capabilities that are contemporary while providing employees with a diversity of experiences. These enhance the employability of the workforce and enable a smooth transition to alternate opportunities where sought. The Company has in place a programme called ‘Making New Choices’ for retiring staff. In addition, the Company provides pension benefits and post-retiral medical benefits for those members of staff who qualify. Workers are provided with pension benefits, as per requirements of the relevant statute.

5. Details on assessment of value chain partners:

ITC’s Policy on Sustainable Supply Chain and Responsible Sourcing ensures integration of sustainability in its supply chains. ITC’s suppliers /value-chain partners are expected to adopt the principles enumerated in ITC’s Code of Conduct for Suppliers and Service Providers. ITC reserves the right to verify compliance with the Code of Conduct for Suppliers and Service Providers at any time through appropriate audit and assessment mechanisms, including self-certification. Health and safety audits conducted at ITC’s own manufacturing sites cover all contract workers within ITC’s operational premises. Additionally, ITC conducts third-party desktop assessment of its Critical Tier – 1\* suppliers which includes key aspects on Occupational Health and Safety, amongst other assessment criteria.

*\*All ITC Businesses have identified Critical Tier-1 suppliers based on aspects like buy value, ESG risk exposure and importance to business continuity, among others. ITC’s Sustainable Supply Chain Programme is focussed on working closely with the set of identified critical suppliers.*

| % of value chain partners* (by value of business done with such partners) that were assessed |                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Health and safety practices                                                                  | As of 31 <sup>st</sup> March, 2025, ~70% of the Company’s Critical Tier-I suppliers have been assessed by a third party on ESG aspects including health and safety practices and working conditions. |
| Working Conditions                                                                           |                                                                                                                                                                                                      |

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.

ITC’s Sectoral EHS Guidelines are shared by Businesses with their value chain partners, and periodic training is given to their concerned personnel. Periodic audits by ITC are conducted for some of its key value chain partners against the Sectoral EHS guidelines. Corrective and preventive measures are recommended based on the audit findings.



Principle 4

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

Essential Indicators

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

In line with the Board approved Policy on Stakeholder Engagement, ITC has evolved a structured framework for identifying and engaging with its key stakeholders across the value chain. ITC’s engagement approach is anchored on the principles of materiality, completeness and responsiveness. The engagement approach takes into cognisance the fact that each stakeholder group is unique and has a distinctive set of priorities. Insights gathered from stakeholder engagements, help validate the Company’s performance and shape new perspectives.

*Note: For details on ITC’s Process of Stakeholder Engagement, refer to ‘Stakeholder Engagement’ section of ITC Sustainability Report 2025.*

**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 |
|---------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Providers of financial capital        | No                                                             | For more details on consultation mechanisms and key issues discussed with the stakeholder groups, refer to 'Strengthening Relationships with All Stakeholders' section of ITC Sustainability Report 2025. |                                                                                   |                                                                                                 |
| Government and regulatory authorities | No                                                             |                                                                                                                                                                                                           |                                                                                   |                                                                                                 |
| Customers                             | No                                                             |                                                                                                                                                                                                           |                                                                                   |                                                                                                 |
| Employees                             | No                                                             |                                                                                                                                                                                                           |                                                                                   |                                                                                                 |
| Farmers                               | Yes                                                            |                                                                                                                                                                                                           |                                                                                   |                                                                                                 |
| Value chain partners                  | No                                                             |                                                                                                                                                                                                           |                                                                                   |                                                                                                 |
| Media                                 | No                                                             |                                                                                                                                                                                                           |                                                                                   |                                                                                                 |
| Civil Society                         | No                                                             |                                                                                                                                                                                                           |                                                                                   |                                                                                                 |
| Local communities                     | Yes                                                            |                                                                                                                                                                                                           |                                                                                   |                                                                                                 |

## 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.**

ITC believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth. In this context, the Company has laid down a four layered mechanism to deal with the aspect of stakeholder engagement.

The Board, through the CSR and Sustainability Committee, inter alia, reviews, monitors and provides strategic direction to the Company's CSR and sustainability practices towards fulfilling its Triple Bottom Line objectives. Half-yearly reports on the progress made by the Company in this regard are placed by the CMC before the CSR and Sustainability Committee. The CMC in turn has constituted the Sustainability Compliance Review Committee (SCRC), comprising senior and other members of management, which evaluates and monitors compliance with the Policy formulated in this connection. The SCRC places a quarterly report on the subject before the CMC.

The Company has a practice of periodically assessing employee engagement through a Company-wide survey.

Since 2016, the Company has made concerted efforts to assess and improve engagement. The impact is visible in the consistent improvement of engagement over the years.

**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, the Company believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth. Accordingly, the Company anchors stakeholder engagement on the following principles:

**a) Materiality** – Prioritised consideration of the economic, environmental and social impacts identified to be important to the stakeholders as well as the organisation.

**b) Completeness** – Understanding key concerns of stakeholders and their expectations.

**c) Responsiveness** – Responding coherently and transparently to such issues and concerns. The Company has put in place systems and procedures to identify, prioritise and address the needs and concerns of its stakeholders across Businesses and Units in a continuous, consistent and systematic manner. It has

implemented mechanisms to facilitate effective dialogues with all stakeholders across Businesses, identify material concerns and their resolution in an equitable and transparent manner. These measures have helped the Company develop strong relationships, which have stood the test of time. Select examples of how stakeholder inputs have been incorporated into ITC's policies and activities are presented below:

**1. Investors:** The Company engages extensively with the investor ecosystem i.e., analysts representing institutional equity investors, fund/portfolio managers in top FIIs, Domestic Mutual Funds (MFs), Foreign Portfolio Investors (FPIs), Private Insurance Companies etc. A comprehensive Investor Presentation was made to the Investor community highlighting the broad contours of demerger of the Company's Hotels Business into ITC Hotels Limited, covering inter-alia overview of the Hotels Business, key growth strategies and financial performance. The Company sustained the intensity of interaction with analysts/fund managers of FPIs, domestic MFs, Insurance cos. etc. during the year leveraging both physical and virtual meeting platforms. The Company also engaged with investors with specific focus on ESG and investor presentations on other major events such as acquisitions by the Company were made available in the public domain, through the websites of the Company and the Stock Exchanges. The Company continues to communicate quarterly performance takeaways through press releases and detailed Investor presentations along with providing clarifications to analysts and others on such financial results. Key highlights of quarterly performance are also being shared with the shareholders by e-mail. The 'Investor Relations' section of the Company's website is also being updated on an ongoing basis. The Company is well-recognised for its ESG credentials, and is acknowledged as one of the pioneers of adopting the Triple Bottom Line philosophy in India.

**2. Customers & Value Chain Partners:** Customers, Consumers and Value Chain Partners are some of ITC's core stakeholders. Various tech-enabled avenues have been deployed to constantly receive feedback and ideas from these stakeholders.

A specialised team, 'Team Synthesis', has progressively evolved from being a 'Customer Interactions' team to a 'Customer Experience' team to 'Stakeholder Experience Team', and now into a 'Stakeholder Experience Management Team'. In its current avatar, in addition to keeping customer centricity as the base, SOPs and policies are designed and implemented in such a manner that the experience of all stakeholders is taken into equitable consideration. This has not just helped in achieving better experience for customers as well as the employees, but has also made every stakeholder accountable for the team's and the organisation's growth. Rapidly evolving consumer needs are constantly being monitored through social listening, in-depth immersions

and are being carefully synthesised to transform into relevant solutions. A few key initiatives that demonstrate the above are:

- The entire customer experience process has been incentivised for the associates, team leaders as well as for the Quality Analysts (QAs) in such a manner that each month they accumulate certain points for their monthly performance based on objective and quantitative parameters. This has given the primary stakeholders (the associates) an opportunity to perform better. The parameters include factors like ideation (KAIZEN) and initiatives taken beyond tasks to improve the process continuously.
- The scenarios related to matters like environment, product, packaging, ergonomics, quality engineering, etc. highlighted by the customers are answered as per the respective brand teams, and any new or unique scenario highlighted by the customers is shared with the respective stakeholders as a VOC (Voice of Customer).

**3. Community:** Presented ahead are some of the instances where inputs received from stakeholders were incorporated into interventions.

Social Investments team conducts a comprehensive **Core Area Perspective Plan (CAPP)** in ITC's catchments every 5 years to understand the need of the communities and design the interventions basis that. Participatory Rural Appraisal, Focused Group Discussions (separately with men, women and vulnerable groups), key informant interviews and household surveys are done to ascertain the needs of the community and prioritise the intervention areas under CAPP. CAPP 1.0 was developed and first done in 2015-16 and subsequently, CAPP 2.0 in 2021-22 which was across 21 factories and 7 agri locations.

In addition to CAPP every five years, sample household surveys are conducted annually to re-assess and reaffirm the continued relevance of the needs identified and also cognise for any operational changes that may be needed in the future plans. In FY 2024-25, over 3,000 households were surveyed. The survey was done engaging a mixed-method approach to collect both quantitative and qualitative data through structured questionnaires administered to households. Qualitative data was gathered through Participatory Rural Appraisals (PRA), Focused Group Discussions (FGDs) with Gram Panchayat members, and community members with representation also of marginalised groups and women members.

Forming large-scale long-term partnerships with Government to amplify reach & scale is one of the core tenets of SIP's implementation approach. These partnerships not only ensure that the Government programmes reach the community, but also enable cognisance and incorporation of the community perspective basis feedback received through consultations and interactions. During the year, new PPPs with Government and others were initiated incorporating insights from experiences in earlier phases of partnership

and basis appreciation of changing context, both of which were identified through extensive consultations and discussions with all concerned stakeholders. Few such examples are shared below:

- ITC had a partnership with Water Resource Department (WRD), Government of Maharashtra to implement water use efficiency and productivity improvement through capacity building of Water User Associations (WUA) across 5 Districts in Maharashtra. Based on the success of the partnership, Water Resource Department showed keen interest for amplification of partnership to cover other Irrigation Projects of Maharashtra, which also aligned with ITC's amplification strategy. Subsequently, ITC and WRD signed the second phase of the partnership for strengthening Water User Associations across 20 Districts of Maharashtra encompassing Godavari, Krishna and Tapi river basins. For designing the second phase of the partnership, wider consultations with WUAs, District level officials as well as WRD officials were conducted and feedbacks incorporated in the design. For example, WRD field teams suggested building Department staff's capability in training the Water User Groups and Water User Associations on water use efficiency in additional crops like Banana, Grapes and Pomegranate, which has been incorporated.
- A study was conducted by Indian Institute of Science (IISc) in South Pennar river basin which included survey and assessment of area. Recommendations of the study were discussed with Government stakeholders like Rural Development Department, Municipal and Panchayat bodies, etc. Thereafter, ITC has partnered with Department of Rural Development & Panchayat Raj (RDPR), Government of Karnataka and Vyakti Vikas Kendra India, for Water Resources Development in South Pennar river basin covering 12 Taluks and 238 Gram Panchayats in Bengaluru Urban, Bengaluru Rural, Kolar & Chikkaballapur Districts of Karnataka.
- In partnership with India Sanitation Coalition (ISC), ITC participated in the Light House Initiative (LHI), a priority of Department of Drinking Water and Sanitation (DDWS) to develop Open Defecation Free Plus (ODF+) "Model Villages" in sanitation and waste management. Of the 75 villages in LHI, ITC undertook responsibility for 36 villages across 10 States. After successfully completing Phase I of LHI, DDWS has now initiated Phase II of LHI with the objective of creating "Model Blocks". ITC had discussions with Swachh Bharat Mission (SBM) District teams, took views of State Mission Directors and then with feedback of DDWS and ISC, identified 18 Blocks in 16 Districts across nine States where it will participate as part of Phase II of LHI.

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

ITC's SIP adopts a bottoms-up approach to identify and address the emerging needs of the community, scaling up and strengthening existing programmes, initiating prototypes for testing newer solutions, expanding pilots to test implementation challenges, and leveraging partnerships and collaboratives for amplifying successful at scale interventions. Presented hereunder are a few instances wherein changing community needs were addressed either through modifications in the ongoing

programme or by introducing entirely new interventions.

- In India, only upto 55% of agricultural area has assured irrigation and even in that, only around 19% is under micro irrigation (drip and sprinklers). This results in close to half of Indian agriculture, mostly involving small & marginal farmers, to be at the mercy of rainfall and also spend more on purchase of water for surface irrigation. This also leads to wastage of purchased water. In this backdrop, ITC worked on designing a prototype of a solution that would provide both access and efficient irrigation to the small & marginal rainfed farmers. ITC along with its partner organisations and local plumbers and mechanics developed a prototype of Mobile Drip Irrigation System. Mobile Drip Irrigation System is a combination of water tanker along with solar panel and a foldable drip irrigation system attached to the tanker which can be moved from one field to another field along with the tanker. This system is designed to enable sharing of total drip Irrigation system by farmers and thus enabling procurement as a group rather than an individual farmer investing. Initial estimates suggested savings of upto Rs.2,500/- per acre and 45% lesser water consumption as compared to the conventional system of water purchase. Post prototype testing, it is now being replicated with 50 such mobile drip units benefitting around 3,000 acres. Basis the pilot experiences, ITC has plans to scale-up the system.
- ITC has been implementing Financial Literacy (FL) programme for SHG women to create financial literacy, help them in financial planning, and facilitate access to financial products as well as leverage Government schemes. After training, SHG women in Madhya Pradesh and Uttar Pradesh expressed need for support required by them to start livelihood intervention. Based on deeper assessments of these requirements, ITC consulted expert partners to initiate the livelihood intervention. ITC thereafter initiated a structured programme during the year, wherein women from low and middle-income backgrounds were provided with entrepreneurship development training along with mentoring to start, scale & successfully manage their enterprises. In West Bengal, basis feedback received during stakeholder engagements, WINGS (Women's Initiative for Nurturing Growth and Sustainability) initiative was started to address livelihood issue of urban poor women with financial inclusion, mentoring, enterprise development and capacity building for market access as the major components.
- Liquid waste management is a growing problem in rural areas in India. To address this, ITC has initiated work with Panchayats, helping them to plan for appropriate and cost-effective Liquid Waste Management structures and also supported them in the implementation. These solutions were contextualised based on inputs from expert knowledge agencies before implementation. As a result of this, construction of 16,000 soak pits and 300 other structures like vertical chambers, waste stabilisation ponds and horizontal filters was undertaken, both in LHI and other ITC project villages, facilitated by leveraging Swachh Bharat and Panchayat Funds.



## Principle 5

Businesses should respect and promote human rights

### 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:

| Category               | FY 2024-25    |                                       |             | FY 2023-24    |                                       |             |
|------------------------|---------------|---------------------------------------|-------------|---------------|---------------------------------------|-------------|
|                        | Total (A)     | No. Of Employees/ Workers Covered (B) | % (B/A)     | Total (C)     | No. Of Employees/ Workers Covered (D) | % (D/C)     |
| <b>Employees</b>       |               |                                       |             |               |                                       |             |
| Permanent              | 11,166        | 11,166                                | 100%        | 10,608        | 10,608                                | 100%        |
| Other than permanent   | 525           | 525                                   | 100%        | 522           | 522                                   | 100%        |
| <b>Total Employees</b> | <b>11,691</b> | <b>11,691</b>                         | <b>100%</b> | <b>11,130</b> | <b>11,130</b>                         | <b>100%</b> |
| <b>Workers</b>         |               |                                       |             |               |                                       |             |
| Permanent              | 10,875        | 10,875                                | 100%        | 10,673        | 10,673                                | 100%        |
| Other than permanent   | 24,792        | 24,792                                | 100%        | 24,501        | 24,501                                | 100%        |
| <b>Total Workers</b>   | <b>35,667</b> | <b>35,667</b>                         | <b>100%</b> | <b>35,174</b> | <b>35,174</b>                         | <b>100%</b> |

Refer employee clustering note under 20a (Under Section A) for definitions.

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

| Category                    | FY 2024-25    |                               |            |                                |             | FY 2023-24    |                               |               |                                |             |
|-----------------------------|---------------|-------------------------------|------------|--------------------------------|-------------|---------------|-------------------------------|---------------|--------------------------------|-------------|
|                             | Total (A)     | Equal to Minimum Wage No. (B) | % (B/A)    | More Than Minimum Wage No. (C) | % (C/A)     | Total (D)     | Equal to Minimum Wage No. (E) | % (E/D)       | More than Minimum Wage No. (F) | % (F/D)     |
| <b>Employees</b>            |               |                               |            |                                |             |               |                               |               |                                |             |
| <b>Permanent</b>            | <b>11,166</b> | <b>0</b>                      | <b>0%</b>  | <b>11,166</b>                  | <b>100%</b> | <b>10,608</b> | <b>0</b>                      | <b>0%</b>     | <b>10,608</b>                  | <b>100%</b> |
| Male                        | 9,234         | 0                             | 0%         | 9,234                          | 100%        | 8,944         | 0                             | 0%            | 8,944                          | 100%        |
| Female                      | 1,932         | 0                             | 0%         | 1,932                          | 100%        | 1,664         | 0                             | 0%            | 1,664                          | 100%        |
| <b>Other than Permanent</b> | <b>525</b>    | <b>0</b>                      | <b>0%</b>  | <b>525</b>                     | <b>100%</b> | <b>522</b>    | <b>129</b>                    | <b>24.71%</b> | <b>393</b>                     | <b>75%</b>  |
| Male                        | 369           | 0                             | 0%         | 369                            | 100%        | 388           | 97                            | 25%           | 291                            | 75%         |
| Female                      | 156           | 0                             | 0%         | 156                            | 100%        | 134           | 32                            | 23.88%        | 102                            | 76%         |
| <b>Workers</b>              |               |                               |            |                                |             |               |                               |               |                                |             |
| <b>Permanent</b>            | <b>10,875</b> | <b>295</b>                    | <b>3%</b>  | <b>10,580</b>                  | <b>97%</b>  | <b>10,673</b> | <b>0</b>                      | <b>0%</b>     | <b>10,673</b>                  | <b>100%</b> |
| Male                        | 10,197        | 61                            | 1%         | 10,136                         | 99%         | 10,084        | 0                             | 0%            | 10,084                         | 100%        |
| Female                      | 678           | 234                           | 35%        | 444                            | 65%         | 589           | 0                             | 0%            | 589                            | 100%        |
| <b>Other than Permanent</b> | <b>24,792</b> | <b>9014</b>                   | <b>36%</b> | <b>15,778</b>                  | <b>64%</b>  | <b>24,501</b> | <b>9,013</b>                  | <b>37%</b>    | <b>15,488</b>                  | <b>63%</b>  |
| Male                        | 20,690        | 6,477                         | 31%        | 14,213                         | 69%         | 20,595        | 6,666                         | 32%           | 13,929                         | 68%         |
| Female                      | 4,102         | 2,537                         | 62%        | 1,565                          | 38%         | 3,906         | 2,347                         | 60%           | 1,559                          | 40%         |

Refer employee clustering note under 20a (Under Section A) for definitions.

### 3. Details of remuneration/salary/wages

#### a. Median remuneration / wages:

|                                  | Male   |                                                                   | Female |                                                                   |
|----------------------------------|--------|-------------------------------------------------------------------|--------|-------------------------------------------------------------------|
|                                  | Number | Median Remuneration/ Salary/Wages Of Respective Category (In INR) | Number | Median Remuneration/ Salary/Wages Of Respective Category (In INR) |
| Board of Directors (BoD)         | 13     | 1,00,50,000                                                       | 3      | 66,79,508                                                         |
| Key Managerial Personnel*        | 5      | 10,00,04,041                                                      | -      | -                                                                 |
| Employees other than BoD and KMP | 9,229  | 10,60,502                                                         | 1,932  | 8,96,595                                                          |
| Workers                          | 10,197 | 5,31,788                                                          | 678    | 1,98,197 <sup>#</sup>                                             |

\* Comprising Chairman & Managing Director, Wholtime Directors and Company Secretary

<sup>#</sup> The majority of female workers are employed in new manufacturing units. Since a significant majority of these recruits are new entrants, the median remuneration appears lower.

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

|                                                      | FY 2024-25 | FY 2023-24 |
|------------------------------------------------------|------------|------------|
| Gross wages paid to females as % of total wages paid | 10%        | 9%         |

Note: Pertains to permanent employees and workers of the Company.

The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A.

#### 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. ITC has a long-standing commitment to human rights and it is reflected in its Code of Conduct. The Company has policies on human rights which are applicable to its employees, suppliers and service providers. The Company continues to work towards strengthening and introducing systems to ensure sound implementation of ITC's policies on human rights and decent workplace. All ITC contracts for the construction of factories and property upgrades incorporate the environment, health, safety and human rights clauses, including workplace environment and compliance of labour practices and are supervised by ITC managers for adherence.

Human Rights related policies of the Company are available on the ITC Portal. These include ITC Code of Conduct, Policy on Freedom of Association, Policy on Prohibition of Child Labour and Prevention of Forced Labour at the Workplace, and Policy on Diversity, Equity & Inclusion. The implementation of these Policies is ensured by Divisional/SBU Chief Executives, through members of the respective Management Committees of the respective Businesses.

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

ITC's open-door practices encourage amicable resolution of grievances. Employees are encouraged to first discuss the grievance with their immediate reporting authority and attempt to arrive at a resolution. If grievances persist, employees can fill up the Grievance Redressal Form and submit to the concerned HR Manager. The process of registering a grievance is by filling up a grievance form and submitting it to the concerned HR Manager which is then evaluated and analysed and a resolution is arrived and communicated to the employee. The grievance redressal guidelines and necessary forms are available on the Company intranet where employees can access the same directly. The ITC Whistleblower Policy (the Policy) encourages Directors and employees of the Company to promptly bring to the Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of the Company, or actual or suspected instances of leak of unpublished price sensitive information, that could adversely impact the Company's operations, business performance and/or reputation. The Company investigates such reported incidents in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. The Policy is available at <https://www.itcportal.com/about-itc/values/index.aspx#sectionb5>

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

|                                   | FY 2024-25            |                                       |         | FY 2023-24            |                                       |         |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                   | 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                 | 4                     | 1                                     | -       | 4                     | 0                                     | -       |
| Discrimination at workplace       | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Child Labour                      | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Forced Labour/ Involuntary Labour | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Wages                             | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Other Human Rights Related Issues | 0                     | 0                                     | -       | 0                     | 0                                     | -       |

*Note: ITC has a zero-tolerance approach to any behaviour that constitutes sexual harassment. There are Internal Complaints Committees to examine and investigate any complaints. In the past, where investigations have indicated any violations, appropriate disciplinary actions have been taken, reinforcing the Company's stated position and helping create an environment free of any harassment.*

*\*For further details, refer to Principle 5, Essential Indicator - Question 7*

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

|                                                                                                                                     | FY 2024-25 | FY 2023-24 |
|-------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 5          | 4          |
| Complaints on POSH as a % of female employees/workers                                                                               | 0.19%      | 0.18%      |
| Complaints on POSH upheld                                                                                                           | 4*         | 4          |

*\*Including one complaint pending at the end of the year*

*Note: Pertains to permanent employees and workers of the Company.*

*The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A.*

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

ITC is committed to a workplace free from harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. ITC encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. As part of the Policy, the complainant will not suffer any harassment, retaliation or adverse employment condition upon this reporting. All employees are made aware of this Policy through regular training and awareness on the subject and confidentiality clauses are clearly stated. Committees have been constituted across locations to enquire into complaints of sexual harassment and to recommend appropriate action, wherever required.

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

Yes, contract manufacturing agreements provide for compliance with accepted standards on issues related to EHS, human rights and labour practices. Additionally, ITC has a 'Code of Conduct for Suppliers and Service Providers'. This requires suppliers to comply with applicable laws, labour standards, environmental regulations, and uphold human rights and principles of ethics and integrity in their operations. All Suppliers are expected to meet the requirements of this Code. ITC also expects its Suppliers to hold their business associates to the same standards as enshrined in this Code.

**10. Assessments for the year:**

|                             | % Of Your Plants And Offices That Were Assessed<br>(By Entity Or Statutory Authorities Or Third Parties) |
|-----------------------------|----------------------------------------------------------------------------------------------------------|
| Child labour                | 100%                                                                                                     |
| Forced/involuntary labour   | 100%                                                                                                     |
| Sexual Harassment           | 100%                                                                                                     |
| Discrimination at workplace | 100%                                                                                                     |
| Wages                       | 100%                                                                                                     |
| Others-please specify       | -                                                                                                        |

*Note: The Company has Policies on Human Rights which are applicable to all its employees and value chain partners. The said Policies and their implementation are directed towards adherence to applicable laws and upholding the spirit of human rights.*

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

Please refer to response to Question 1 of Principle 5 under leadership indicators.

## Leadership Indicators

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

ITC's Code of Conduct for its employees as well as Suppliers and Service Providers, are adopted by the Board. The Code covers ITC's commitment to human rights aspects like self-respect and human dignity, child labour, gender friendly workplace, relationships with suppliers and customers, health & safety, environment, transparency, anti-bribery and corruption, and exemplary personal conduct. ITC constantly engages with the rightsholders and stakeholders across the supply chain for devising programmes that support Human Rights and Social Development in an integrated manner.

An illustrative example for ITC's leaf tobacco value chain is presented below. ITC coordinates Human Rights impact assessment with an independent party for its farm value chains. Sustainable Tobacco Programme 2.0 is an industry initiative to enhance agricultural supply chain due diligence and accelerate positive impacts on environmental, social and governance elements. The programme focuses on 8 themes demanding leaf suppliers' commitment on – Water, Human Rights, Crop, Soil, Climate Change, Natural Habitats, Livelihoods and Governance. The Human Rights Due Diligence focusses on identifying human rights risks and impacts covering farmers and communities. Some of the actions undertaken as an outcome of the assessment are:

**Training and Awareness on Human Rights:** Training and Awareness on Human Rights organised in 484 villages covering subjects such as Farm Safety, Child Labour, Wages, Fair Treatment, Freedom of Association, Water, Sanitation and Hygiene (WASH), No Discrimination and other areas pertaining to Human Rights.

**Farm Safety:** ITC undertakes a holistic approach that address the farm safety challenges in farming. 10,316 farmers have been provided with Personal Protective Equipment (PPE) kits for safe spraying of chemicals and Secured Storage Box for safe storage of chemicals was provided for 7,830 farmers. Technology like drones were scaled up covering 30,900 acres minimising human interference while chemical spraying, besides increasing the efficacy of operation and water saving.

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

The scope and coverage of Human Rights Due Diligence extends to own operations (including manufacturing locations and offices) and value chain partners.

**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?**

Most of ITC's establishments are accessible to the

differently abled persons (including visitors), with facilities like Persons with Disabilities (PWD) friendly entrance, wheelchair, braille systems, tactile pavers, accessible washrooms etc.

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

ITC's Policy on Sustainable Supply Chain and Responsible Sourcing ensures integration of sustainability in its supply chains. ITC's suppliers /value-chain partners are expected to adopt the principles enumerated in ITC's Code of Conduct for Suppliers and Service Providers. ITC reserves the right to verify compliance with the Code of Conduct for Suppliers and Service Providers at any time through appropriate audit and assessment mechanisms, including self-certification.

ITC periodically coordinates third party Human Rights impact assessment for the tobacco farm supply chain. Additionally, ITC conducts third-party desktop assessment of its Critical Tier - 1\* suppliers which includes key aspects on Human Rights, Labour Rights and Occupational Health and Safety, amongst other assessment criteria.

For more details, refer to response to Question 1 (Principle 5) under leadership indicators.

|                                   | % Of Value Chain Partners* (By Value Of Business Done With Such Partners) That Were Assessed                                                                                   |
|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sexual Harassment                 | As of 31 <sup>st</sup> March, 2025, ~70% of the Company's Critical Tier-I suppliers have been assessed by a third party on ESG aspects including human rights-related aspects. |
| Discrimination at workplace       |                                                                                                                                                                                |
| Child Labour                      |                                                                                                                                                                                |
| Forced Labour/ Involuntary Labour |                                                                                                                                                                                |
| Wages                             |                                                                                                                                                                                |
| Others – please specify           |                                                                                                                                                                                |

*\*All ITC Businesses have identified Critical Tier-1 suppliers based on aspects like buy value, ESG risk exposure and importance to business continuity, among others. ITC's Sustainable Supply Chain Programme is focussed on working closely with the set of identified critical suppliers..*

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

Please refer to responses to Questions 1 and 4 of Principle 5 under Leadership Indicators.



## Principle 6

**Businesses should respect and make efforts to protect and restore the environment**

*The Purchasing Power Parity (PPP) conversion rate used in intensity ratio calculations across Principle 6 has been aligned with the guidance provided by the Industry Standards Forum for current reporting year and previous reporting year.*

## Essential Indicators

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

| Parameter<br>(All quantities in TJ except where specified)                                                                                                                          | FY 2024-25    | FY 2023-24    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>From renewable sources</b>                                                                                                                                                       |               |               |
| Total electricity consumption (A)                                                                                                                                                   | 868           | 803           |
| Total fuel consumption (B)                                                                                                                                                          | 12,383        | 11,869        |
| Energy consumption through other sources (C)                                                                                                                                        | 183           | 175           |
| <b>Total energy consumed from renewable sources (A+B+C)</b>                                                                                                                         | <b>13,434</b> | <b>12,847</b> |
| <b>From non-renewable sources</b>                                                                                                                                                   |               |               |
| Total electricity consumption (D)                                                                                                                                                   | 757           | 742           |
| Total fuel consumption (E)                                                                                                                                                          | 11,600        | 11,908        |
| Energy consumption through other sources (F)                                                                                                                                        | 0             | 0             |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b>                                                                                                                     | <b>12,357</b> | <b>12,650</b> |
| <b>Total energy consumed (A+B+C+D+E+F)</b>                                                                                                                                          | <b>25,791</b> | <b>25,497</b> |
| <b>Energy intensity per rupee of turnover</b><br>(Total energy consumed/Revenue from operations)<br>(in Giga Joules/Crore INR)                                                      | 347           | 379           |
| <b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total energy consumed/Revenue from operations adjusted for PPP)<br>(in GJ/Million USD) | 718           | 774           |
| <b>Energy intensity in terms of physical output*</b><br>(in GJ/tonne of production)                                                                                                 | 23            | 23            |

*\*Since ITC is a conglomerate with multiple businesses wherein physical output is reported in different units of measurement, hence the data for energy intensity in terms of physical output (tonnes of production) is reported only for PSPD which accounts for nearly 88% of ITC's total energy consumption. For data of other Divisions, refer to 'Climate Change' section of ITC's Sustainability Report 2025.*

*ITC's energy consumption data has been assured at the 'Reasonable Level' by an independent third-party assurance provider.*

*Note: The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A.*

**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.**

Three Units of ITC's Paperboards and Speciality Papers Business are covered under the PAT scheme. The details of Units under PAT scheme are available at <https://beeindia.gov.in/en/programmesperform-achieve-trade/pat-notifications>

ITC has made significant investments in reducing energy consumption and, accordingly, the performance of the Company's Units covered far exceeds the energy efficiency targets fixed under the PAT scheme. The Bhadrachalam Unit is the first pulp and paper mill and the second unit in the country overall, to be rated GreenCo Platinum+ by CII, as part of Green Company rating system.

*Note: Details of the energy efficiency initiatives measures implemented during the year are included in 'Disclosure on Conservation of Energy and Technology Absorption' section of the Report of the Board of Directors & Management Discuss and Analysis in ITC Report and Accounts 2025.*

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

| Parameter                                                                                                                                                                                    | FY 2024-25 | FY 2023-24 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| <b>Water withdrawal by source (in million kilolitres)</b>                                                                                                                                    |            |            |
| (i) Surface water                                                                                                                                                                            | 26.3       | 28.2       |
| (ii) Groundwater                                                                                                                                                                             | 4.1        | 4.2        |
| (iii) Third party water                                                                                                                                                                      | 0.8        | 0.9        |
| (iv) Seawater/desalinated water                                                                                                                                                              | 0          | 0          |
| (v) Others                                                                                                                                                                                   | 0          | 0          |
| <b>Total volume of water withdrawal (in million kilolitres) (i + ii + iii + iv + v)</b>                                                                                                      | 31.2       | 33.3       |
| <b>Total volume of water consumption</b><br>(in million kilolitres) [Total water withdrawal – total water discharged]                                                                        | 10.5       | 11.5       |
| <b>Water intensity per rupee of turnover</b><br>(Total water consumption/Revenue from operations)<br>(in kilolitres/Crore INR)                                                               | 142        | 171        |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total water consumption/Revenue from operations adjusted for PPP)<br>(in kilolitres/Million USD) | 293        | 349        |
| <b>Water intensity in terms of physical output*</b><br>(in kilolitres/tonne of production)                                                                                                   | 7.4        | 8.3        |

*\*Since ITC is a conglomerate with multiple businesses wherein physical output is reported in different units of measurement, hence the data for water intensity in terms of physical output (tonnes of production) is reported only for PSPD which accounts for 88% of ITC's total water withdrawal. For data of other Divisions, refer to 'Water Security' section of ITC's Sustainability Report 2025.*

*ITC's water withdrawal and consumption data has been assured at the 'Reasonable Level' by an independent third-party assurance provider.*

*Note: The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A*

Over the years, ITC has created rainwater harvesting potential through extensive investments in its Integrated Watershed Development Projects. The programme promotes the development and management of local water resources in water-stressed areas by facilitating community participation in planning and implementing such measures, whilst building, reviving and maintaining water-harvesting structures. As on 31<sup>st</sup> March 2025, ITC's watershed development projects covering over 1.8 million acres of land created a total rainwater harvesting potential (RWH) of 59.90 million kl (cumulative), which is over five times the net water consumed by ITC's operations.

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

| Parameter                                                                            | FY 2024-25  | FY 2023-24  |
|--------------------------------------------------------------------------------------|-------------|-------------|
| <b>Water discharge by destination and level of treatment (in million kilolitres)</b> |             |             |
| (i) To Surface water                                                                 | 10.9        | 11.5        |
| No treatment                                                                         | 0           | 0           |
| With treatment – please specify level of treatment                                   | Secondary   | Secondary   |
| (ii) To Groundwater                                                                  | 0           | 0           |
| No treatment                                                                         | NA          | NA          |
| With treatment – please specify level of treatment                                   | NA          | NA          |
| (iii) To Seawater                                                                    | 0           | 0           |
| No treatment                                                                         | NA          | NA          |
| With treatment – please specify level of treatment                                   | NA          | NA          |
| (iv) Sent to third-parties                                                           | 9.7         | 10.3        |
| No treatment                                                                         | 0           | 0           |
| With treatment – please specify level of treatment                                   | Tertiary    | Tertiary    |
| <b>Total water discharged (in million kilolitres)</b>                                | <b>20.6</b> | <b>21.8</b> |

*ITC's water discharge data has been assured at the 'Reasonable Level' by an independent third-party assurance provider.*

*Note: The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A*

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

ITC's approach to water stewardship focuses on reducing water intake by utilising treated wastewater within the process, thereby reducing demand for fresh water. ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable. 24 units of ITC have achieved zero effluent discharge.

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

| Parameter                           | Please Specify Unit | FY 2024-25 | FY 2023-24 |
|-------------------------------------|---------------------|------------|------------|
| NOx                                 | Tonnes              | 2,064      | 2,338      |
| SOx                                 | Tonnes              | 2,287      | 2,385      |
| Particulate matter (PM)             | Tonnes              | 553        | 559        |
| Persistent organic pollutants (POP) | NA                  | NA         | NA         |
| Volatile Organic Compounds (VOC)    | NA                  | NA         | NA         |
| Hazardous Air Pollutants (HAP)*     | Tonnes              | 7.8        | 8          |

\*The data is for PSPD Bhadrachalam Unit's Hydrogen Sulphide emissions (H<sub>2</sub>S)

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity.**

| Parameter                                                                                                                                                                                               | Please Specify Unit                                      | FY 2024-25 | FY 2023-24 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|------------|------------|
| <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)                            | kilo tonnes of CO <sub>2</sub> equivalent                | 1,101      | 1,127      |
| <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)                            | kilo tonnes of CO <sub>2</sub> equivalent                | 153        | 170        |
| <b>Total Scope 1 and Scope 2 emissions intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)                                                            | tonnes of CO <sub>2</sub> equivalent/<br>Crore INR       | 17         | 19         |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP) | tonnes of CO <sub>2</sub> equivalent/Million USD         | 35         | 39         |
| <b>Total Scope 1 and Scope 2 emission intensity in terms of physical output*</b>                                                                                                                        | tonnes of CO <sub>2</sub> equivalent/tonne of production | 1.06       | 1.10       |

Note: The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A.

ITC's PSPD has large-scale Farm Forestry programmes promoting sustainable forest management with primary aim of securing pulpwood requirement for Business continuity. ITC also has a large-scale Social Forestry programme, which, in addition to sequestering carbon, also benefits the stakeholders by improving productivity of wasteland, and de-risking poor rural households by diversifying farm portfolios through promotion of tree-based farming. During FY 2024-25, the Farm and Social forestry programmes have together sequestered over 6.4 million tonnes of CO<sub>2</sub>.

\*Since ITC is a conglomerate with multiple businesses wherein physical output is reported in different units of measurement, hence the data for Scope 1 and Scope 2 emission intensity in terms of physical output (tonnes of production) is reported only for PSPD which accounts for more than 80% of ITC's total Scope 1 and Scope 2 emissions. For data of other Divisions, refer to 'Climate Change' section of ITC's Sustainability Report 2025.

ITC's GHG emissions (Scope 1 and Scope 2) data has been assured at the 'Reasonable Level' by an independent third-party assurance provider.

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

As part of its Sustainability 2.0 ambitions, ITC is targeting a 50% reduction in Specific GHG Emissions (% Reduction in Scope 1 & 2 emission per Unit of Production) by 2030. Accordingly, actions are being undertaken to reduce greenhouse gas emissions by investing in energy efficiency and increasing share of renewable energy.

**Energy efficiency:**

All ITC Units focus on energy efficiency through process improvements and investment in new technologies. Over the years, ITC has implemented measures like installation of Vapour Absorption Machines (VAM), Automation in tube cleaning system of Heating, Ventilation and Air Conditioning (HVAC), installation of variable frequency drive for pumps, blowers etc. and installation of energy efficient equipment such as chillers, AHUs, motors, fans, pumps, and agitators. In FY 2024-25, the investments in energy conservation equipment have resulted in energy savings of about 40 TJ, which is equivalent to over 5,000 tonnes of GHG emissions in the year.

In line with ITC's focus on accelerating digitalisation across Businesses, ITC's PSPD is implementing several transformative projects leveraging Industry 4.0 technologies across key business areas, to enhance productivity, reduce carbon footprint, achieve strategic cost efficiencies and superior product performance.

Some of the major projects undertaken by ITC's PSPD as part of its Digital Transformation Programme include process debottlenecking and throughput improvement for productivity and Overall Equipment Effectiveness (OEE), process capability improvement leading to reduction in defects and resource optimisation.

### Renewable energy:

ITC has invested in renewable energy projects, for both renewable electricity and renewable thermal requirements. In line with ITC's continuous thrust on expanding renewable footprint across both thermal and electrical energy, this achievement was driven by the commissioning of state-of-the-art and future-ready High Pressure Recovery Boiler at the Bhadrachalam mill of the Company's Paperboards & Specialty Papers Business which replaced conventional soda recovery boilers thereby reducing carbon footprint through lower coal consumption. Similar investments of biomass boilers were also undertaken in Foods, Cigarette and Personal Care Businesses. In addition to this, ITC has installed and commissioned 174 MW<sup>2</sup> of solar and wind power capacity across the country to meet its electrical energy requirements. Based on the investments in renewable electricity and renewable thermal projects, ITC has been able to increase its renewable energy share to 52% despite significant increase in its output.

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

Total waste generated is mentioned in rows (A) to (H)

| Parameter (in kilo tonnes)                                                                                                                                                          | FY 2024-25    | FY 2023-24    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Plastic waste (A)*                                                                                                                                                                  | -             | -             |
| E-waste (B)                                                                                                                                                                         | 0.08          | 0.07          |
| Bio-medical waste (C)                                                                                                                                                               | 0.02          | 0.01          |
| Construction and demolition waste (D)#                                                                                                                                              | 6.07          | 5.24          |
| Battery waste (E)                                                                                                                                                                   | 0.23          | 0.11          |
| Radioactive waste (F)                                                                                                                                                               | 0             | ***           |
| Other Hazardous waste. Please specify, if any. (G)                                                                                                                                  | 22.55         | 21.86         |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)                                                 | 693.06        | 693.06        |
| <b>Total (A+B + C + D + E + F + G + H)</b>                                                                                                                                          | <b>722.01</b> | <b>720.35</b> |
| <b>Waste intensity per rupee of turnover (in MT/Crore INR)</b><br>(Total waste generated/Revenue from operations)                                                                   | 10            | 11            |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(in MT/million US\$)<br>(Total waste generated/Revenue from operations adjusted for PPP) | 20            | 22            |
| <b>Waste intensity in terms of physical output<sup>&amp;</sup></b><br>(in tonnes of waste generated/tonne of production)                                                            | 0.63          | 0.64          |
| Total waste recovered through recycling, re-using or other recovery operations                                                                                                      |               |               |
| (i) Recycled                                                                                                                                                                        | 718           | 716           |
| (ii) Re-used***                                                                                                                                                                     | -             | -             |
| (iii) Other recovery operations                                                                                                                                                     | -             | -             |
| <b>Total</b>                                                                                                                                                                        | <b>718</b>    | <b>716</b>    |
| Total waste disposed by nature of disposal method                                                                                                                                   |               |               |
| (i) Incineration                                                                                                                                                                    | 1.2           | 0.9           |
| (ii) Landfilling                                                                                                                                                                    | 1.6           | 1.3           |
| (iii) Other disposal operations                                                                                                                                                     | -             | -             |
| <b>Total</b>                                                                                                                                                                        | <b>2.8</b>    | <b>2.2</b>    |

\* Plastic waste is reported under Non-hazardous waste

\*\* Insignificant quantity of radioactive waste was generated.

\*\*\* Waste re-used is reported under waste recycled

<sup>&</sup> Since ITC is a conglomerate with multiple businesses wherein physical output is reported in different units of measurement, hence the data for waste intensity in terms of physical output (tonnes of production) is reported only for PSPD which accounts for 85% of ITC's total waste generation. For data of other Divisions, refer to 'Towards Circularity' section of ITC's Sustainability Report 2025.

ITC's waste data has been assured at the 'Reasonable Level' by an independent third-party assurance provider.

Note: There is reclassification of 'Composting' waste under 'Recycled' waste and 'Incineration with energy recovery' under 'Incineration' for FY 2023-24 data, without any change in the total waste recovered and total waste disposed.

The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A.

<sup>2</sup>Excluding 51 MW of renewable energy assets transferred to ITC Hotels Limited post demerger.  
Total commissioned capacity including that of ITC Hotels Limited is 225 MW.

In FY 2024-25, ITC continued to recycle over 99% of waste from its operations. In addition to this, the Company's PSPD recycled nearly 85,000 tonnes of externally sourced post-consumer waste paper, thereby creating a positive environmental footprint. The Company also collected and sustainably managed more than 100% of its post-consumer plastic packaging waste.

**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 waste**

The Company has initiated measures across Units to ensure waste minimisation, segregation of waste at source and recycling. During the year, the recycling level reached 99%. In addition, nearly 85,000 tonnes of externally sourced post-consumer waste paper was used as raw material during the year.

ITC follows a proactive approach to manage hazardous chemicals by actively looking for alternatives, which not only helps keep its operations safe, but also ensures safest products for customers. This approach is demonstrated in pioneering practices implemented by ITC like Elemental Chlorine Free (ECF) bleaching, and ozone bleaching technology in India in its Paper Business, and switching from solvent-based inks to water-based ones in its Packaging and Printing Business.

*Note: For more details, refer to 'Chemical Safety Management' section of ITC Sustainability Report 2025*

**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.**

| 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 |
|-------|--------------------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | Bhadrachalam                   | Paperboards Manufacturing | Yes                                                                                                                                                        |

The Plant is located at a distance of 3.47 Km from the boundary of Kinnerasani Wildlife Sanctuary Eco-Sensitive Zone and ~8Km from the core zone of the Kinnerasani Wildlife Sanctuary.

**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 | Relevant Web link |
|-----------------------------------|----------------------|------|-------------------------------------------------------------|---------------------------------------|-------------------|
| Nil                               |                      |      |                                                             |                                       |                   |

**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.**

ITC's existing operations/offices comply with applicable environmental regulations of the Country, and operate as per CTO conditions from the Central and State Pollution Control Boards.

## Leadership Indicators

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

ITC has developed the water risk assessment methodology for identifying water stressed areas based on WRI Aqueduct's Baseline Water Stress and Central Ground Water Board's (India) groundwater block classification. Site level assessment for water stress sites is done periodically using the above assessment framework and sites for interventions are prioritised on the basis of stakeholder consultation and business needs. ITC's water stewardship goals are available in

'Sustainability 2.0 Ambitions' section of ITC's Sustainability Report 2025.

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

- (i) Name of the area: Kolar, Kapurthala, Saharanpur, Ranjangaon, Kothagudem, Bengaluru and Kovai
- (ii) Nature of operations: Manufacture of FMCG products and Paperboards & Specialty Papers
- (iii) Water withdrawal, consumption and discharge in the following format

| Parameter                                                                                                                    | FY 2024-25  | FY 2023-24  |
|------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>Water withdrawal by source (in million kilolitres)</b>                                                                    |             |             |
| (i) Surface water                                                                                                            | 26.3        | 28.1        |
| (ii) Groundwater                                                                                                             | 0.1         | 0.1         |
| (iii) Third party water                                                                                                      | 0.4         | 0.5         |
| (iv) Seawater/desalinated water                                                                                              | 0           | 0           |
| (v) Others                                                                                                                   | 0           | 0           |
| Total volume of water withdrawal (in million kilolitres)                                                                     | 26.8        | 28.7        |
| <b>Total volume of water consumption (in million kilolitres)</b><br><b>(Total water withdrawal – Total water discharged)</b> | 7.8         | 8.4         |
| <b>Water intensity per rupee of turnover</b> (Water consumed/turnover)<br>(in kilolitre/crore INR)                           | 105         | 125         |
| <b>Water intensity (optional)</b> – the relevant metric may be selected by the entity                                        | -           | -           |
| <b>Water discharge by destination and level of treatment (in million kilolitres)</b>                                         |             |             |
| (i) Into Surface water                                                                                                       | 9.9         | 10.5        |
| No treatment                                                                                                                 | 0           | 0           |
| With treatment – please specify level of treatment                                                                           | Secondary   | Secondary   |
| (ii) Into Groundwater                                                                                                        | 0           | 0           |
| No treatment                                                                                                                 | NA          | NA          |
| With treatment – please specify level of treatment                                                                           | NA          | NA          |
| (iii) Into Seawater                                                                                                          | 0           | 0           |
| No treatment                                                                                                                 | NA          | NA          |
| With treatment – please specify level of treatment                                                                           | NA          | NA          |
| (iv) Sent to third-parties                                                                                                   | 9.1         | 9.8         |
| No treatment                                                                                                                 | 0           | 0           |
| With treatment – please specify level of treatment                                                                           | Tertiary    | Tertiary    |
| <b>Total water discharged (in million kilolitres)</b>                                                                        | <b>19.0</b> | <b>20.3</b> |

ITC's water withdrawal, discharge and consumption data has been assured at the 'Reasonable Level' by an independent third-party assurance provider.

## 2. Please provide details of total Scope 3 emissions & its intensity

| Parameter                                                                                                                                                                    | Unit                                           | FY 2024-25 | FY 2023-24 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------|------------|
| <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) | Kilo tonnes of CO <sub>2</sub> equivalent      | 1062*      | 244        |
| Total Scope 3 emissions per rupee of turnover                                                                                                                                | Tonnes of CO <sub>2</sub> equivalent/crore INR | 14         | 3.63       |

The scope of coverage for Scope 3 emission is mentioned in 'Climate Change' section of ITC's Sustainability Report 2025.

\* Scope 3 emissions for FY2024-25 have increased due to expansion in the reporting boundary such as inclusion of key supply chain partners, embedded emissions of raw materials and fuels/energy, end of life of plastics etc. For details refer to the 'Climate Change' section of ITC's Sustainability Report 2025

**3. With respect to the ecologically sensitive areas reported at Question 10 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.**

ITC's Bhadrachalam Unit has necessary systems and processes to manage and mitigate any, environmental impact related to air, water, waste, noise, soil and dust pollution. For sustainable sourcing of wood, the social and farm forestry programme was started for promoting sustainable forests management practices in the value chain. Apart from sequestering carbon, this programme provides significant environmental benefits such as improving productivity of wasteland and has greened more than 1.3 million acres till date. For conserving biodiversity, the business in collaboration with Telangana Forest Department has created a "Sarapaka Biodiversity Conservation and Development" plot in ~440 hectares of Kistasagar Reserve Forest for greening and regenerating the natural ecosystem including flora and fauna.

ITC's Bhadrachalam Unit is the first pulp & paper plant in the country to be rated 'GreenCo Platinum+' by CII. The Unit has also achieved platinum-level certification as per Alliance for Water Stewardship (AWS) Standard. These recognitions highlight the facility's commitment to environmental conservation and its strong performance on various green parameters, including energy efficiency, renewable energy, water and waste management.

**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.**

The Company has undertaken a number of initiatives, and also deployed innovative technologies across its operations for improving resource efficiency and minimising environmental impact. For details, refer to 'Disclosure on Conservation of Energy and Technology Absorption' forming part of the Report of the Board of Directors & Management Discussion and Analysis in ITC Report and Accounts 2025, and 'Climate Change', 'Water Security', 'Towards Circularity', 'Chemical Safety Management', and 'Air Emissions Management' sections of ITC's Sustainability Report 2025.

**5. Does the entity have a business continuity and disaster management plan?**

Yes, all Business Divisions within ITC have Business Continuity Plans (BCPs) that are duly approved by the Management Committee of their respective Businesses. The BCPs have been drawn up to encompass all operational aspects and undergo testing at scheduled intervals.

**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?**

ITC has a Board approved Policy on 'Sustainable Supply Chain and Responsible Sourcing' and a 'Code of Conduct for Suppliers and Service Providers'. The Code is shared and accepted by supply chain partners and service providers. ITC has a robust process of evaluating its Suppliers and Service Providers before engaging with them, proactively making them aware of its expectations/ requirements, and seeking commitment for compliance through contractual agreements. Additionally, ITC facilitates its value chain partners in handling any adverse impacts. For example, managing hazardous chemicals is not only important within ITC factories, but also in the supply chain. Within the supply chain, farmers working with hazardous pesticides is an area of special attention. ITC's approach is to eliminate or reduce the use of hazardous pesticides. Intensive training is conducted on Integrated Pest Management (IPM), which helps adopt a holistic approach in reducing pesticide usage as well as substituting such pesticides with nature-based solutions. The training programmes also cover the safe handling of pesticides used and the responsible management of waste generated.

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

Key value chain partners like third-party manufacturers are encouraged to adopt management practices detailed under International Standards such as ISO 9001, ISO 14001, OHSAS 18001 and ITC's Environment, Health and Safety (EHS) Guidelines. Contract manufacturing agreements also include aspects of EHS. Systems are in place for monitoring and reporting on key Third-Party Manufacturers' (TPMs) environmental performance, including energy, water and waste management. ITC's leading Agri value chains are assessed for certification standards such as Forest Stewardship Council® (FSC)®, Rainforest Alliance, Sustainable Tobacco Programme (STP 2.0), G.A.P., etc. These standards, among others, also include environmental criteria. Additionally, ITC conducts third-party assessment of its Critical Tier-1\* suppliers on an ongoing basis, and this assessment covers key aspects on environmental compliance and management practices. As on 31<sup>st</sup> March, 2025, ~70% of ITC's critical tier 1 suppliers have been assessed.

*\*All ITC Businesses have identified Critical Tier-1 suppliers based on buy value, ESG risk exposure and importance to business continuity, among others. ITC's Sustainable Supply Chain Programme is focussed on working closely with the set of identified Critical suppliers.*

**8. How many Green Credits have been generated or procured:**

|    |                                                                                              |     |
|----|----------------------------------------------------------------------------------------------|-----|
| a. | By the listed entity                                                                         | Nil |
| b. | By the top ten (in terms of value of purchases and sales, respectively) value chain partners |     |



## Principle 7

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

### Essential Indicators

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

ITC's Policy on Responsible Advocacy (<https://www.itcportal.com/about-itc/policies/sustainability-policy.aspx>) provides the framework for necessary interface with Government/Regulatory Authorities on matters concerning various sectors in which the Company operates. The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance the interests of diverse stakeholders. The Company works with apex industry institutions that are engaged in policy advocacy as well as various other forums. The Company had active affiliations with 89 such trade and industry chambers/associations.

#### b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such 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      | ASSOCHAM                                               | National                                                            |
| 2      | All India Management Association                       | National                                                            |
| 3      | Confederation of Indian Industry                       | National                                                            |
| 4      | Madras Management Association                          | State                                                               |
| 5      | Indian Merchants Chamber of Commerce                   | National                                                            |
| 6      | Mahratta Chamber of Commerce, Industries & Agriculture | State                                                               |
| 7      | PHD Chamber of Commerce & Industry                     | National                                                            |
| 8      | Bombay Management Association                          | State                                                               |
| 9      | Federation of Indian Chambers of Commerce & Industry   | National                                                            |
| 10     | Retailers Association 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.**

The Company has not engaged in any anti-competitive conduct.

## 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 Public Domain? (Yes/No)                                                                                                   | Frequency Of Review By Board (Annually/Half-Yearly/Quarterly/ Others – Please Specify) | Web Link, If Available |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|------------------------|
| 1.     | The Company's Policy on Responsible Advocacy approved by the Board provides the framework for necessary interface with Government/ Regulatory Authorities on matters concerning various sectors in which the Company operates. Sector-wise matters taken up are in line with national priorities to strengthen domestic industry, promoting sustainable agriculture and business practices. | <p>The Company works with apex industry institutions that are engaged in policy advocacy, like the Confederation of Indian Industry, Federation of Indian Chambers of Commerce &amp; Industry, Associated Chambers of Commerce and Industry of India, and various other forums including regional Chambers of Commerce.</p> <p>The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and taking into consideration interests of all stakeholders.</p> | For more details, refer to 'Report of the Board of Directors & Management Discussion and Analysis' section forming part of ITC's Report and Accounts 2025. | Annual                                                                                 | -                      |



## Principle 8

**Businesses should promote inclusive growth and equitable development**

## 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                    |                      |                      |                                                           |                                                |                   |

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

| 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 | Amount Paid To PAFs In The FY (In INR) |
|----------------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|----------------------------------------|
| Not Applicable |                                          |       |          |                                         |                          |                                        |

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

Details on mechanisms to receive and redress grievances of the community are provided under Question 25 (of Section A).

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

|                                             | FY 2024-25 | FY 2023-24 |
|---------------------------------------------|------------|------------|
| Directly sourced from MSMEs/small producers | 29.72%     | 25.76%     |
| Directly from within India                  | 92.86%     | 92.48%     |

*Note: The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A.*

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

| Location     | FY 2024-25 | FY 2023-24 |
|--------------|------------|------------|
| Rural        | 14 %       | 15 %       |
| Semi-urban   | 10 %       | 11 %       |
| Urban        | 18%        | 19%        |
| Metropolitan | 57%        | 54%        |

*Note: Pertains to permanent employees and workers of the Company. There is a reclassification of one site leading to re-statement of data for the previous reporting period.*

*The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A.*

## 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):**

Not Applicable

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

| State                 | Aspirational District | Amount (Rs. In Lakhs) |
|-----------------------|-----------------------|-----------------------|
| Telangana             | Bhadradi Kothagudem   | 2,170.16              |
| Uttarakhand           | Haridwar              | 526.86                |
| Madhya Pradesh        | Vidisha               | 294.46                |
| Assam                 | Darrang               | 273.30                |
| Odisha                | Malkangiri            | 267.66                |
| Rajasthan             | Jaisalmer             | 263.61                |
| Rajasthan             | Baran                 | 193.08                |
| Bihar                 | Begusarai             | 182.89                |
| Odisha                | Koraput               | 154.42                |
| Uttar Pradesh         | Bahraich              | 146.54                |
| Chhattisgarh          | Sukma                 | 110.00                |
| Haryana               | Nuh                   | 97.93                 |
| Bihar                 | Muzaffarpur           | 90.40                 |
| Multiple* (12 states) | Multiple*             | 839.76                |

*\*Spends in balance 50 Aspirational Districts of the total 63 where ITC had CSR project spends*

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

The Board approved Policy on Sustainable Supply Chain and Responsible Sourcing defines the supply chain partners which includes farmers. ITC is committed to collaborating with farmers to make them more sustainable and help build their adaptive capacity and resilience to emerging risks like climate change, water stress and other extreme weather events. ITC is also raising awareness and working with farmers on crop quality, safety, protection, integrity and traceability, as applicable.

**b. From which marginalized /vulnerable groups do you procure?**

Farmers including women farmers and small landholders have been identified as marginalised/vulnerable group.

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

During FY 2024-25, ITC consumed over 2.33 million tonnes of agri raw materials, which is nearly 68% of overall raw materials' consumption.

**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.**

Nil

**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.**

Nil

**6. Details of beneficiaries of CSR Projects:**

In the social sector, the two most important stakeholders of ITC are:

- Rural communities with whom the Company's Agri-Business has forged long and enduring partnerships; and
- Communities residing in close proximity to our manufacturing Units, situated in urban and semi-rural locations

The beneficiaries of ITC's CSR programmes mostly belong to the under privileged sections of the society and small & marginal farmers who face the challenges of securing sustainable livelihoods. These challenges are addressed through the Two Horizon strategy of making today's dominant source(s) of livelihoods sustainable; and strengthening capabilities for tomorrow.

The Two Horizon strategy ensures an integrated strategy to development involving several interventions. Presented ahead are the total number of approximate beneficiaries for key interventions and estimated proportion of beneficiaries belonging to vulnerable and marginalised groups.

| CSR Projects                                                              | No. Of Beneficiaries From CSR Projects (2024-25 ) | % Of Beneficiaries From Vulnerable And Marginalised Groups |
|---------------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------|
| Climate Smart Agriculture                                                 | 12 Lakhs <sup>#</sup>                             | SC / ST – 13%; Female – 15%                                |
| Natural Resources Management - Water Stewardship                          | 60,200                                            | SC / ST – 14%; Female – 27%                                |
| On-Farm Livelihood Diversification - Social Forestry                      | 10,500                                            | SC / ST – 21%; Female – 21%                                |
| Off-Farm Livelihood Diversification - Improved Animal Husbandry Practices | 1.91 Lakhs                                        | SC / ST – 16%; Female – 40%                                |
| Support to Education                                                      | 6.57 Lakhs                                        | Children – 100%; ~50% Girl Children                        |
| Skilling of Youth                                                         | 15,600                                            | SC / ST – 26%; Female – 52%                                |
| Improving Health & Sanitation - Waste Management                          | 24.62 Lakhs                                       | SC / ST – 2%                                               |
| Improving Health & Sanitation - Maternal and Child Health and Nutrition   | 15.24 Lakhs                                       | 100% - Women, Adolescents And Children                     |
| Women Empowerment                                                         | 10.10 Lakhs <sup>**</sup>                         | 100% Women                                                 |

<sup>#</sup> Excludes farmers covered under NITI Aayog partnership programme or any other PPPs

<sup>\*\*</sup> Includes Self Help Group (SHG) members and Financial Literacy programme SHG members

The table ahead presents the 2030 targets for key initiatives undertaken by SIP and progress made till FY 2024-25, which indicates that the progress is on track.

| Objective                                                                                                                                        | Initiatives                                                               | UoM                        | Target 2030 | Achieved Till FY 2024-25 |
|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------|-------------|--------------------------|
| <b>Horizon I - Sustainable Livelihoods Today</b>                                                                                                 |                                                                           |                            |             |                          |
| Climate Smart Agriculture for climate risk assessments, climate change adaptation, and actions for sustainable improvement of yields and incomes | Climate Smart Agriculture area <sup>1</sup>                               | Lakh Acres                 | 40.00       | 31.70                    |
|                                                                                                                                                  | Climate Smart Village Area (Sub-part of above) <sup>1#</sup>              | Lakh Acres                 | 30.00       | 21.80                    |
| Natural Resources Management to conserve and replenish natural resources critical for agriculture                                                | Natural Resources Management - Water Stewardship                          | Lakh Acres                 | 22.00       | 18.16                    |
|                                                                                                                                                  | Water harvesting structures (including ground water recharge structures)  | Nos.                       | 50,000      | 35,900                   |
|                                                                                                                                                  | Storage Potential <sup>**</sup>                                           | Million KL                 | 60.00       | 59.90                    |
|                                                                                                                                                  | Crop Water Use Efficiency <sup>#</sup>                                    | Million KL                 | 2,000       | 1,400                    |
|                                                                                                                                                  | Bio-Diversity Conservation <sup>#</sup>                                   | Lakh Acres                 | 10.00       | 6.47                     |
| Livelihood Diversification to improve incomes and de-risk livelihoods from climate change                                                        | On-farm livelihood Diversification – Social Forestry <sup>#</sup>         | Lakh Acres                 | 6.30        | 5.28                     |
|                                                                                                                                                  | Off-farm livelihood diversification - Improved Animal Husbandry Practices | Household coverage (Lakhs) | 10.00       | 8.90                     |
| Institutional Support for risk mitigation and reduction of costs of cultivation                                                                  | Link farmers with Government schemes                                      | No. of linkages (Lakhs)    | 50          | 42                       |
|                                                                                                                                                  | Agri Business Centres                                                     | Nos.                       | 2,000       | 1,850                    |
|                                                                                                                                                  | Farmer Producer Organisations                                             | Nos.                       | 4,000       | 2,050                    |
| <b>Horizon II - Creating Capabilities For Tomorrow</b>                                                                                           |                                                                           |                            |             |                          |
| Support to Education for improving quality of education and creating conducive learning environment                                              | Improvement in learning outcomes – Children covered*                      | Nos. (Lakhs)               | 20.00       | 21.80                    |
|                                                                                                                                                  | Infrastructure support to Government Schools and Anganwadis*              | Nos.                       | 4,000       | 4,100                    |
| Skilling of youth for enabling livelihood and employability                                                                                      | Vocational Training – Youth trained                                       | Nos. (Lakhs)               | 2.25        | 1.27                     |

| Objective                                                                      | Initiatives                                                          | UoM                        | Target 2030 | Achieved Till FY 2024-25 |
|--------------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------|-------------|--------------------------|
| Provide access to sanitation and waste management services to improve habitats | Improving Health & Sanitation - Household Toilets constructed*       | Nos.                       | 40,000      | 43,840                   |
|                                                                                | Improving Health & Sanitation - Waste Management*                    | Household coverage (Lakhs) | 75          | 75.21                    |
| Provide healthcare and nutrition services to women and children                | Beneficiaries covered under Maternal and Child Health and Nutrition* | Nos. (Lakhs)               | 15          | 15.24                    |
| Empowering women for reduction in economic and social discrimination           | Women covered through livelihood and other microenterprises          | Nos. (Lakhs)               | 5           | 4.51                     |

Note:

<sup>1</sup>Figures on Climate Smart Village and Climate Smart Agriculture area pertains to scale in the FY

<sup>#</sup>These indicators also contribute to five of the Company's Sustainability 2030 (S 2.0) commitments

\*Target 2030 to be revised during FY 2025-26





## Principle 9

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

### Essential Indicators

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

A well-established system continues to be in place for dealing with consumer feedback. Consumers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc. In addition, the Company's Businesses have a dedicated consumer response cell to respond to their queries and receive feedback on products so as to be able to continuously improve upon its products and services.

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

All products/services of the Company contain relevant information as required under applicable laws.

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

|                                 | FY 2024-25               |                                   | Remarks | FY 2023-24               |                                   | Remarks |
|---------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                 | Received During The Year | Pending Resolution At End Of Year |         | Received During The Year | Pending Resolution At End Of Year |         |
| Data privacy                    | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Advertising                     | 6                        | 2                                 |         | 15                       | 1                                 |         |
| Cyber-security                  | 0                        | 0                                 |         | 0                        | 0                                 |         |
| Delivery of essential Services* | 578                      | 169                               |         | 591                      | 135                               |         |
| Restrictive Trade Practices*    | -                        | -                                 |         | 967                      | 38                                |         |
| Unfair Trade Practices*         | 14                       | 4                                 |         | 28                       | 8                                 |         |
| Others*                         | 19,215                   | 2,330                             |         | 20,394                   | 1,829                             |         |

\*Definition of complaints under various categories is given below

| Category                       | Complaints Related to                                                                                                                                   |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Delivery of essential services | The Company is not engaged in the delivery of essential services. These complaints are in relation to availability of the Company's goods and services. |
| Restrictive trade practices    | Quantity and weightage related, duplicate pack and complaints made on account of fraudulent calls/e-mails offering ITC's distributorship                |
| Unfair trade practices         | High pricing (product sold above MRP)                                                                                                                   |
| Others                         | Product quality related complaints and service-related complaints against distributor / retailer / salesperson                                          |

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

|                   | Number | Reasons For Recall |
|-------------------|--------|--------------------|
| Voluntary Recalls | Nil    | Not Applicable     |
| Forced Recalls    | Nil    | Not Applicable     |

#### 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.

A Cyber Security Committee, led by the Chief Information Security Officer (CISO), is established to focus specifically on cyber security risks. Its primary responsibility is to monitor emerging practices and technologies and provide recommendations to

enhance the security of the organisation's IT systems and infrastructure. Further, the CISO actively participates in meetings of the Risk Management Committee whenever matters related to cyber security are discussed.

ITC's Information Management Policy defines the framework/policy on cyber security and risks related to data privacy.

ITC's Privacy Policy is part of Information Management Policy and is available on ITC Portal at

<https://www.itcportal.com/about-itc/policies/privacy-policy.aspx>

**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 customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Robust systems have been put in place to identify the issues faced by the consumers and ensure timely resolution of the same. Efforts are in place to continually strengthen the quality assurance system and to improve delivery timelines.

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches:** Nil

**b. Percentage of data breaches involving personally identifiable information of customers:** Nil

**c. Impact, if any, of the data breaches:** Nil

*Note: The above data point does not include information for Hotels Business. The data for Hotels Business has been disclosed separately as a part of the Exhibit-A.*

## Leadership Indicators

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

| Products/Initiative                        | Link                                                                                                                                                        |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bingo! on Instagram                        | <a href="https://www.instagram.com/bingo_snacks/">https://www.instagram.com/bingo_snacks/</a>                                                               |
| YiPPee! on Instagram                       | <a href="https://www.instagram.com/sunfeast_yippee/">https://www.instagram.com/sunfeast_yippee/</a>                                                         |
| Aashirvaad on Instagram                    | <a href="https://www.instagram.com/aashirvaad/">https://www.instagram.com/aashirvaad/</a>                                                                   |
| Sunfeast Dark Fantasy on Instagram         | <a href="https://www.instagram.com/sunfeastdarkfantasy/">https://www.instagram.com/sunfeastdarkfantasy/</a>                                                 |
| Mom's Magic on Instagram                   | <a href="https://instagram.com/sfmomsmagic/">https://instagram.com/sfmomsmagic/</a>                                                                         |
| Classmate on Instagram                     | <a href="https://instagram.com/classmatebyitc/">https://instagram.com/classmatebyitc/</a>                                                                   |
| ITC: Abiding Commitment to Nation-Building | <a href="https://youtu.be/oP8d-Q8AD1w">https://youtu.be/oP8d-Q8AD1w</a>                                                                                     |
| Quarterly Media Statement                  | <a href="https://www.itcportal.com/investor/pdf/ITC-Press-Release-Q4-FY2025.pdf">https://www.itcportal.com/investor/pdf/ITC-Press-Release-Q4-FY2025.pdf</a> |

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

All Businesses of the Company comply with the regulations and relevant voluntary codes concerning marketing communications, including advertising, promotion and sponsorship. The Company's communications are aimed at enabling consumers to make informed purchase decisions. The Company also makes efforts to educate consumers on responsible usage of its products and services.

*Note: For more information, refer to 'Product Sustainability' section of ITC's Sustainability Report 2025.*

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

The Company is not engaged in providing essential services. However, the Company has necessary mechanisms in place to inform consumers if any major

discontinuation happens in relation to its products and 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 with regard to 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)**

As an integral part of ITC's consumer satisfaction focus, attention is paid to product information and labelling and consumer engagement by the Businesses. ITC's Businesses have an established system for monitoring customer satisfaction and it ensures that their feedback is addressed in a systematic manner.

*Note: For more information on Product Information, Labelling and Consumer Feedback Management, refer to 'Product Sustainability' section of ITC Sustainability Report 2025.*

## Exhibit A

On account of demerger of the Hotels Business from ITC Limited on 1<sup>st</sup> January 2025 to ITC Hotels Limited, the BRSR Core attributes for Hotels Business for the period 1<sup>st</sup> April 2023-31<sup>st</sup> December 2024 are presented below:

### Principle 1

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

|                                     | FY 2024-25 (1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|-------------------------------------|--------------------------------------------------------------------------|------------|
| Number of days of accounts payables | 95.75                                                                    | 98.18      |

9. Open-ness of business

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

| Parameter                  | Metrics                                                                                  | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|----------------------------|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                                 | 0.10%                                                                       | 0.38%      |
|                            | b. Number of trading houses where purchases are made from                                | 7                                                                           | 17         |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses      | 100%                                                                        | 99.69%     |
| Concentration of Sales     | a. Sales to dealers / distributors as % of total sales                                   | -                                                                           | -          |
|                            | b. Number of dealers / distributors to whom sales are made                               | -                                                                           | -          |
|                            | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | -                                                                           | -          |
| Share of RPTs* in          | a. Purchases (Purchases with related parties / Total Purchases)                          | 1.88%                                                                       | 1.45%      |
|                            | b. Sales (Sales to related parties / Total Sales)                                        | 0.55%                                                                       | 0.36%      |
|                            | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | -                                                                           | -          |
|                            | d. Investments (Investments in related parties / Total Investments made)                 | 100%                                                                        | 100%       |

\*The financial figures for FY 2023-24 have been restated to align with the guidance provided by the Industry Standards Forum

### Principle 3

1c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

|                                                                              | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------|
| Cost incurred* on well-being measures as a % of total revenue of the company | 0.4%                                                                        | 0.3%       |

\*Includes cost of accident insurance, health insurance, medical reimbursements, maternity leave benefit, paternity leave benefit and day-care facility cost.

Note: Reporting for permanent employees and workers of the Company. The other than permanent employees and workers include those deployed through Service Providers and their wages including well-being measures are provided by the service providers.

11. Details of safety related incidents.

| Safety Incident/Number                                                        | Category* | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup><br>December, 2024) | FY 2023-24 |
|-------------------------------------------------------------------------------|-----------|--------------------------------------------------------------------------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0                                                                              | 0          |
|                                                                               | Workers   | 0                                                                              | 0          |
| Total recordable work-related injuries                                        | Employees | 0                                                                              | 0          |
|                                                                               | Workers   | 0                                                                              | 0          |
| No. of fatalities                                                             | Employees | 0                                                                              | 0          |
|                                                                               | Workers   | 0                                                                              | 0          |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0                                                                              | 0          |
|                                                                               | Workers   | 0                                                                              | 0          |

\*Including the contract workforce

## Principle 5

3b. Gross wages paid to females as % of total wages paid by the entity, in the following format

|                                                      | FY 2024-25 (1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|------------------------------------------------------|--------------------------------------------------------------------------|------------|
| Gross wages paid to females as % of total wages paid | 18%                                                                      | 18%        |

Note: Pertains to permanent employees and workers of the Company.

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

|                                                                                                                                     | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 1                                                                           | 1          |
| Complaints on POSH as a % of female employees / workers                                                                             | 0.2%                                                                        | 0.2%       |
| Complaints on POSH upheld                                                                                                           | 1                                                                           | 1          |

Note: Pertains to permanent employees and workers of the Company.

## Principle 6

The Purchasing Power Parity (PPP) conversion rate used in intensity ratio calculations across Principle 6 has been aligned with the guidance provided by the Industry Standards Forum for current reporting year and previous reporting year.

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

| Parameter                                                                                                                                                                      | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------|
| Total energy consumed                                                                                                                                                          | 582                                                                         | 740        |
| % of energy consumed from renewable sources                                                                                                                                    | 46%                                                                         | 43%        |
| Energy intensity per rupee of turnover<br>(Total energy consumed / Revenue from operations)<br>(in Giga Joules/Crore INR)                                                      | 255                                                                         | 256        |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)<br>(Total energy consumed / Revenue from operations adjusted for PPP)<br>(in GJ/Million USD) | 529                                                                         | 525        |
| Energy intensity (optional) –the relevant metric may be selected by the entity (in MJ/ m <sup>2</sup> built up area)                                                           | 0.64                                                                        | 0.81       |

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

| Parameter                                                                                                                                                                                      | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------|
| <b>Total volume of water consumption (in million kilolitres)</b>                                                                                                                               | 1.3                                                                         | 1.8        |
| <b>Water intensity per rupee of turnover</b><br>(Total water consumption / Revenue from operations)<br>(in kilolitres/Crore INR)                                                               | 542                                                                         | 582        |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total water consumption / Revenue from operations adjusted for PPP)<br>(in kilolitres/Million USD) | 1,122                                                                       | 1,193      |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity (Litres/m <sup>2</sup> built up area)                                                                    | 1.35                                                                        | 1.84       |

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

| Parameter                                             | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24  |
|-------------------------------------------------------|-----------------------------------------------------------------------------|-------------|
| (i) To Surface water                                  | 0                                                                           | 0           |
| No treatment                                          | NA                                                                          | NA          |
| With treatment – please specify level of treatment    | NA                                                                          | NA          |
| (ii) To Groundwater                                   | 0                                                                           | 0           |
| No treatment                                          | NA                                                                          | NA          |
| With treatment – please specify level of treatment    | NA                                                                          | NA          |
| (iii) To Seawater                                     | 0                                                                           | 0           |
| No treatment                                          | NA                                                                          | NA          |
| With treatment – please specify level of treatment    | NA                                                                          | NA          |
| (iv) Sent to third-parties                            | 0.09                                                                        | 0.10        |
| No treatment                                          | 0                                                                           | 0           |
| With treatment – please specify level of treatment    | Tertiary                                                                    | Tertiary    |
| <b>Total water discharged (in million kilolitres)</b> | <b>0.09</b>                                                                 | <b>0.10</b> |

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity.**

| Parameter                                                                                                                                                                                                    | Please specify unit                                           | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------------|------------|
| <b>Total Scope 1 emissions</b>                                                                                                                                                                               | kilo tonnes of CO <sub>2</sub> equivalent                     | 10                                                                          | 14         |
| <b>Total Scope 2 emissions</b>                                                                                                                                                                               | kilo tonnes of CO <sub>2</sub> equivalent                     | 50                                                                          | 61         |
| <b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b><br>(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)                                                                      | tonnes of CO <sub>2</sub> equivalent/<br>Crore INR            | 26                                                                          | 26         |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | tonnes of CO <sub>2</sub> equivalent/<br>Million USD          | 54                                                                          | 54         |
| <b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity                                                                                           | Kg of CO <sub>2</sub> equivalent/m <sup>2</sup> built up area | 65                                                                          | 83         |

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

Total waste generated is mentioned in rows (A) to (H)

| Parameter (in kilo tonnes)                                                                                                                                    | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------|
| Plastic waste (A)*                                                                                                                                            | -                                                                           | -           |
| E-waste (B)                                                                                                                                                   | 0.01                                                                        | 0.02        |
| Bio-medical waste (C)                                                                                                                                         | 0.0004                                                                      | 0.0010      |
| Construction and demolition waste (D)                                                                                                                         | 2.7                                                                         | 7           |
| Battery waste (E)                                                                                                                                             | 0.01                                                                        | 0.02        |
| Radioactive waste (F)                                                                                                                                         | 0                                                                           | 0           |
| Other Hazardous waste. Please specify, if any. (G)                                                                                                            | 0.003                                                                       | 0.005       |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)                           | 2.6                                                                         | 3           |
| <b>Total (A+B + C + D + E + F + G + H)</b>                                                                                                                    | <b>5.3</b>                                                                  | <b>10</b>   |
| <b>Waste intensity per rupee of turnover</b><br>(Total waste generated / Revenue from operations)                                                             | <b>2</b>                                                                    | <b>3</b>    |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total waste generated / Revenue from operations adjusted for PPP) | <b>5</b>                                                                    | <b>7</b>    |
| <b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity (kg/ m <sup>2</sup> built up area)                                      | <b>5.8</b>                                                                  | <b>10.9</b> |
| (i) Recycled                                                                                                                                                  | 5.34                                                                        | 9.92        |
| (ii) Re-used                                                                                                                                                  | -                                                                           | -           |
| (iii) Other recovery operations                                                                                                                               | -                                                                           | -           |
| <b>Total</b>                                                                                                                                                  | <b>5.34</b>                                                                 | <b>9.92</b> |
| (i) Incineration                                                                                                                                              | 0                                                                           | 0           |
| (ii) Landfilling                                                                                                                                              | 0                                                                           | 0           |
| (iii) Other disposal operations                                                                                                                               | 0                                                                           | 0           |
| <b>Total</b>                                                                                                                                                  | <b>0</b>                                                                    | <b>0</b>    |

\* Plastic waste is reported under Non-hazardous waste.

There is reclassification of 'Composting' waste under 'Recycled' waste for FY 2023-24 data, without any change in the total waste recovered and total waste disposed.

## Principle 8

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

|                                                    | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|----------------------------------------------------|-----------------------------------------------------------------------------|------------|
| <b>Directly sourced from MSMEs/small producers</b> | 7.22%                                                                       | 5.60%      |
| <b>Directly from within India</b>                  | 94.67%                                                                      | 91.10%     |

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

| Location            | FY 2024-25<br>(1 <sup>st</sup> April, 2024-31 <sup>st</sup> December, 2024) | FY 2023-24 |
|---------------------|-----------------------------------------------------------------------------|------------|
| <b>Rural</b>        | 6%                                                                          | 6%         |
| <b>Semi-urban</b>   | 2%                                                                          | 2%         |
| <b>Urban</b>        | 28%                                                                         | 29%        |
| <b>Metropolitan</b> | 64%                                                                         | 63%        |

Note: Pertains to permanent employees and workers of the Company.

There is a reclassification of one site leading to re-statement of data for the previous reporting period.

## Principle 9

**7. Provide the following information relating to data breaches:**

|          |                                                                                               |     |
|----------|-----------------------------------------------------------------------------------------------|-----|
| <b>1</b> | <b>Number of instances of data breaches</b>                                                   | Nil |
| <b>2</b> | <b>Percentage of data breaches involving personally identifiable information of customers</b> | Nil |
| <b>3</b> | <b>Impact, if any, of the data breaches</b>                                                   | Nil |



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## Independent Practitioners' Reasonable Assurance Report

### To the Board of Directors of ITC Limited

### Assurance report on the select sustainability disclosures in the Business Responsibility and Sustainability Report (BRSR) of ITC Limited

Assurance report on the BRSR Core Attributes (hereafter called 'Identified Sustainability Information' (ISI)) in the Business Responsibility and Sustainability Report (BRSR)<sup>1</sup> of ITC Limited (the 'Company'). The ISI is presented in the Business Responsibility and Sustainability Report including Exhibit-A, of the Company for the period from 1 April 2024 to 31 March 2025.

### Opinion

We have performed a reasonable assurance engagement on whether the Company's select sustainability disclosures in BRSR Core Format (refer to Annexure-1) for the period from 1 April 2024 to 31 March 2025, have been prepared in accordance with the reporting criteria (refer table below).

| Identified Sustainability Information (ISI) subject to assurance | Period subject to assurance               | Section in the Report and Accounts 2025                                                                     | Reporting criteria                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>BRSR Core Attributes<br/>(refer Annexure- 1)</i>              | <i>From 1 April 2024 to 31 March 2025</i> | <i>Business Responsibility and Sustainability Report (BRSR) section including the Exhibit-A to the BRSR</i> | <ul style="list-style-type: none"> <li>- <i>Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR), Regulations 2015 read with the SEBI circular dated 12 July 2023 and master circular dated 11 November 2024.</i></li> <li>- <i>Guidance notes for BRSR format issued by SEBI.</i></li> <li>- <i>World Resource Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standards).</i></li> </ul> |

This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers, and environmental and social professionals.

In our opinion, the Company's Identified Sustainability Information covered in *Business Responsibility and Sustainability Report (BRSR) section including the Exhibit-A to the BRSR, in the Report and Accounts 2025 of ITC Limited* for the period from 1 April 2024 to 31 March 2025 is prepared, in all material respects, in accordance with the reporting criteria *and as per the Reporting Boundary set out in Section A: General Disclosures 13 of the BRSR.*

<sup>1</sup> Notified by SEBI vide Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023, and master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11 November 2024.



### **Basis for opinion**

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements* issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the “Our responsibilities” section of this report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

KPMG Assurance and Consulting Services LLP (the Firm) applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the Firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

### **Other information**

Management and the Board of Directors of the Company are responsible for the other information. The other information comprises the information included in the Company’s Report and Accounts 2025 (but does not include the BRSR Core attributes *including the Exhibit-A to BRSR* and assurance report thereon). The Company’s Report and Accounts 2025 is expected to be made available to us after the date of this assurance report.

Our reasonable assurance on the BRSR Core attributes *including the Exhibit-A to BRSR*, does not cover the other information and we are not expressing any form of assurance conclusion thereon.

In connection with our assurance on the BRSR Core attributes *including the Exhibit-A to BRSR*, our responsibility is to read the other information identified above when it becomes available, and in doing so, consider whether other information is materially inconsistent with the BRSR Core *including the Exhibit-A to BRSR*, or our knowledge obtained in the assurance, or otherwise appears to be materially misstated.

When we read the Report and Accounts 2025, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and describe actions applicable under the applicable laws and regulations.

### **Intended use or purpose**

The ISI and our reasonable assurance report are intended for users who have reasonable knowledge of the BRSR Core attributes *including the Exhibit-A to BRSR*, the reporting criteria and who have read the information in the ISI with reasonable diligence and understand that the ISI is prepared and assured at appropriate levels of materiality.

Our opinion is not modified in respect of this matter.



### Management's Responsibilities for the Identified Sustainability Information (ISI)

The management of the Company acknowledges and understands their responsibility for:

- designing, implementing and maintaining internal controls relevant to the preparation of the ISI that is free from material misstatement, whether due to fraud or error;
- selecting or establishing suitable criteria for preparing the ISI, taking into account applicable laws and regulations, if any, related to reporting on the ISI, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the ISI in accordance with the reporting criteria; disclosure of the applicable criteria used for preparation of the ISI in the relevant report;
- preparing, fairly stating and properly calculating the ISI in accordance with the reporting criteria;
- ensuring the reporting criteria is available for the intended users with relevant explanations;
- establishing targets, goals and other performance measures, and implementing actions to achieve such targets, goals and performance measures;
- providing the details of the management personnel who takes ownership of the ISI disclosed in the report;
- ensuring compliance with law, regulation or applicable contracts;
- making judgements and estimates that are reasonable in the circumstances;
- identifying and describing any inherent limitations in the measurement or evaluation of information covered by assurance in accordance with the reporting criteria;
- preventing and detecting fraud;
- selecting the content of the ISI, including identifying and engaging with intended users to understand their information needs;
- informing us of other information that will be included with the ISI; and
- supervision of other staff involved in the preparation of the ISI.

Those Charged With Governance are responsible for overseeing the reporting process for the Company's ISI.

### Inherent limitations

The preparation of the Company's BRSR information requires the management to establish or interpret the criteria, make determinations about the relevance of information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts and BRSR Core attributes *including the Exhibit-A to BRSR* metrics, some of which are estimates, is subject to substantial inherent measurement uncertainty, for example, GHG Footprint, Water Footprint, Energy Footprint. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.



## Our responsibilities

We are responsible for:

- Planning and performing the engagement to obtain reasonable assurance on the sustainability disclosures in the BRSR Core, *including the Exhibit-A to BRSR*, are free from material misstatement, whether due to fraud or error, in accordance with the Reporting Criteria;
- Forming an independent opinion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our reasonable assurance opinion to the Board of Directors of the Company.

### Summary of the work we performed as the basis for our opinion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

The nature, timing, and extent of the procedures selected depended on our judgement, including an assessment of the risks of material misstatement of the information covered by reasonable assurance, whether due to fraud or error. We identified and assessed the risks of material misstatement through understanding the ISI covered by reasonable assurance and the engagement circumstances. We also obtained an understanding of the internal control relevant to the ISI covered by reasonable assurance in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls. In carrying out our engagement, we:

- assessed the suitability of the criteria used by the Company in preparing the ISI covered by reasonable assurance;
- evaluated the appropriateness of reporting policies, quantification methods and models used in the preparation of the information covered by reasonable assurance and the reasonableness of estimates made by the Company;
- performed substantive testing of data related to ISI, limited to 20 operational locations of the Company (namely, Integrated Consumer Goods Manufacturing and Logistics (ICML) Mysore; ICML Kapurthala; ICML Panchla; ICML Haridwar; ICML Pune; Branded Packaged Foods business (FBD) Munger, ITC Maurya; Sheraton, New Delhi, Paperboards and Specialty Papers Division (PSPD) Tribeni; PSPD Kovai; PSPD Bhadrachalam; Personal Care Products Business Division (PCPBD) Manpura; PCPB Haridwar; India Tobacco Division (ITD) Bangalore; ITD Pune; ITD Munger; KGLT Mysore; Packaging and Printing Business (PPB)Munger; PPB Nadiad; PPB Haridwar);
- relied on the audited standalone financial statements for the year ended 31 March 2025, audited by Company's statutory auditors, for financial data included in the BRSR Core format as per Annexure-1 namely- Principle 1- E8, Principle 1 - E9, Principle 3 - E1c, Principle 8 - E4 and Principle 8 - E5; and
- evaluated the overall presentation of the information covered by reasonable assurance.



### **Exclusions**

Our assurance scope excludes the following and therefore we do not express an opinion on the same:

- Any form of review of the commercial merits, technical feasibility, accuracy, compliance with applicable legislation for the project. We are not required to verify any of the judgements and commercial risks associated with the project, nor comment upon the possibility of the financial projections being achieved.
- The Company's statements that describe the strategy, progress on goals (other than those listed under the scope of assurance), expression of opinion, claims, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Operations of the Company other than those mentioned in the scope of assurance.
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the ISI.
- Data and information outside the defined reporting period i.e., from 1 April 2024 to 31 March 2025.

**For KPMG Assurance and Consulting Services LLP**

A handwritten signature in blue ink, appearing to read 'Shivananda Shetty', with a large, stylized flourish extending from the bottom right.

**Shivananda Shetty**  
*Partner*

Date: June 13, 2025

Place: Gurugram



Annexure – 1

**BRSR Core Attributes of ITC Limited**

| Principle          | Attribute/Area                                    | Parameter/Metric                                                                                                                                   |
|--------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Principle 1 - E8   | Fairness in Engaging with Customers and Suppliers | Number of days of accounts payable                                                                                                                 |
| Principle 1 - E9   | Open-ness of business                             | Concentration of purchases & sales done with trading houses, dealers, and related parties<br>Loans and advances & investments with related parties |
| Principle 3 - E1 c | Enhancing Employee Wellbeing and Safety           | Spending on measures towards well-being of employees and workers-cost incurred as a % of total revenue of the company                              |
| Principle 3 - E11  |                                                   | Details of safety related incidents (LTIFR, Recordable Injuries, Fatalities, High Consequence Injuries)                                            |
| Principle 5 - E3 b | Enabling Gender Diversity in Business             | Gross wages paid to females as % of total wages paid by the entity                                                                                 |
| Principle 5 - E7   |                                                   | Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013                               |
| Principle 6 - E1   | Energy Footprint                                  | Total energy consumption<br>Energy intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output)                  |
| Principle 6 - E3   | Water Footprint                                   | Provide details of water withdrawal by source                                                                                                      |
|                    |                                                   | Total water consumption                                                                                                                            |
|                    |                                                   | Water consumption intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output)                                   |
| Principle 6 - E4   | Water Footprint                                   | Water Discharge by destination and levels of Treatment                                                                                             |
| Principle 6- E7    | GHG Footprint                                     | Total Scope 1 emissions                                                                                                                            |
|                    |                                                   | Total Scope 2 emissions                                                                                                                            |
|                    |                                                   | GHG Emission Intensity (Scope 1+2) (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output)                            |
| Principle 6 - E9   | Embracing circularity - waste details             | Provide details related to waste generated by category of waste                                                                                    |
|                    |                                                   | Waste intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output)                                               |
|                    |                                                   | Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations                                   |
|                    |                                                   | For each category of waste generated, total waste disposed by nature of disposal method                                                            |
| Principle 8 - E4   | Enabling Inclusive Development                    | Percentage of input material (inputs to total inputs by value) sourced from suppliers (MSMEs/small suppliers and directly within India)            |
| Principle 8 - E5   |                                                   | Wages paid to persons employed in smaller towns as % of total wage cost                                                                            |
| Principle 9 - E7   | Fairness in Engaging with Customers and Suppliers | Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events                             |