



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

26th June, 2026

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

Dear Sirs,

Report and Accounts for the financial year ended 31st March, 2026

Further to our letter dated 21st May, 2026, 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 31st March, 2026 together with the Notice dated 21st May, 2026 convening the 115th Annual General Meeting of the Company on 23rd July, 2026.

The Report and Accounts include the Business Responsibility and Sustainability Report of the Company for the financial year ended 31st March, 2026, 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 2026

| | |
|--|---------------|
| Glossary | II |
| SECTION A GENERAL DISCLOSURES | III |
| SECTION B MANAGEMENT AND PROCESS DISCLOSURES | XII |
| SECTION C PRINCIPLE WISE PERFORMANCE DISCLOSURE | XV |
| <ul style="list-style-type: none"> ■ PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable | XV |
| <ul style="list-style-type: none"> ■ PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe | XVIII |
| <ul style="list-style-type: none"> ■ PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains | XXI |
| <ul style="list-style-type: none"> ■ PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders | XXVIII |
| <ul style="list-style-type: none"> ■ PRINCIPLE 5 Businesses should respect and promote human rights | XXXI |
| <ul style="list-style-type: none"> ■ PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment | XXXV |
| <ul style="list-style-type: none"> ■ PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent | XLIII |
| <ul style="list-style-type: none"> ■ PRINCIPLE 8 Businesses should promote inclusive growth and equitable development | XLIV |
| <ul style="list-style-type: none"> ■ PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner | XLVII |
| Independent Assurance Report | XLIX |

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
 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

General Terms

ATNI: Access to Nutrition Initiative
 AWS: Alliance for Water Stewardship
 CSR: Corporate Social Responsibility
 CSA: Climate Smart Agriculture
 DECTS: Digital End-to-End Human Rights Compliance Tracking System
 ECF: Elemental Chlorine Free
 EHS: Environment, Health and Safety
 ESG: Environment, Social and Governance
 FGD: Focus Group Discussion
 FPO: Farmers' Producer Organisation

FII: Foreign Institutional Investor
 FSC®: Forest Stewardship Council®
 FSSAI: The Food Safety and Standards Authority of India
 G.A.P.: Good Agricultural Practices
 FY: Financial Year
 HACCP: Hazard Analysis and Critical Control Point
 ISAE: International Standard on Assurance Engagements
 LCA: Life-Cycle Assessment
 LEED®: Leadership in Energy and Environmental Design
 NA: Not Applicable
 NEP: National Education Policy
 NGRBC: National Guidelines on Responsible Business Conduct
 NGO: Non-Governmental Organisation
 NOP: National Organic Programme
 NPOP: National Programme for Organic Production
 OHSAS: Occupational Health and Safety Assessment Series
 ICAR-NBAIM: Indian Council of Agricultural Research – National Bureau of Agricultural Inputs and Microbial Resources
 PAT: Perform, Achieve and Trade
 PRA: Participatory Rural Appraisal
 PPP: Public-Private Partnership
 PCR: Post Consumer Recycled
 RFA: Rainforest Alliance
 MCHN: Maternal, Child Health and Nutrition
 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
 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 | 2025-26 |
| 10. | Name of the Stock Exchange(s) where shares are listed | National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') |
| 11. | Paid-up capital | ₹ 1252.95 Crores (As on 31.03.2026) |
| 12. | Name and contact details of the person who may be contacted in case of any queries on the BRSR report | Ms. Madhulika Sharma Chief Sustainability Officer Madhulika.sharma@itc.in +91 33 2288 9371 |
| 13. | Reporting boundary | <i>This report is prepared on a Standalone basis, with data as on 31st March, 2026. The financial data included in the Report is consistent with the Company's Report and Accounts for 2026 or derived from underlying books of accounts, as applicable.</i> |
| 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 indicators |

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 | 45.88% |
| | | 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. | 29.93% |
| 2. | Agri Business | Agri-commodities such as wheat, rice, spices, coffee, soya and leaf tobacco. | 15.21% |
| 3. | Paperboards, Paper & Packaging | Paperboards, Paper including Specialty Paper and Packaging including flexibles. | 8.57% |

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 | 120004, 210099, 463007 | 45.88% |
| 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. | 103003, 103007, 105001, 105004, 105099, 106102, 106103, 106106, 106107, 106201, 107101, 107299, 107302, 107303, 107399, 107400, 107503, 107599, 107601, 107602, 107904, 107906, 110502, 202101, 202301, 202303, 202306, 202308, 202399, 202903, 210099, 464105, 464901, 464907, 464999, 476101, 476103, 463005, 472101, 011103, 011201 | 29.93% |
| 3 | Agri-commodities such as wheat, rice, spices, coffee, soya and leaf tobacco. | 102099, 103003, 104007, 106107, 107906, 120001, 462001, 462007, 463001, 463006, 467902, 473001, 712099 | 15.21% |
| 4 | Paperboards, Paper including Specialty Paper and Packaging including flexibles. | 170101, 170103, 170104, 170199, 170202, 170299, 222003, 467906 | 8.57% |

III. Operations

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

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 2026.

| Location | Number Of Plants | Number Of Offices | Total |
|---------------|------------------|-------------------|-------|
| National | 66 | 51 | 117 |
| 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) | 112 Countries |

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

| | |
|------------|-------|
| FY 2025-26 | 9.74% |
|------------|-------|

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, Fresh Food 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. 37,000 crores.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------------|---------------|---------------|------------|--------------|------------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| EMPLOYEES | | | | | | |
| 1 | Permanent (D) | 11,442 | 9,362 | 82% | 2,080 | 18% |
| 2 | Other than Permanent (E) | 636 | 440 | 69% | 196 | 31% |
| 3 | Total employees (D + E) | 12,078 | 9,802 | 81% | 2,276 | 19% |
| WORKERS | | | | | | |
| 4 | Permanent (F) | 11,051 | 10,368 | 94% | 683 | 6% |
| 5 | Other than Permanent (G) | 25,508 | 21,203 | 83% | 4,305 | 17% |
| 6 | Total workers (F + G) | 36,559 | 31,571 | 86% | 4,988 | 14% |

Note: Definition of employee clustering is as under:

- i. Permanent Employees include management and non-management staff. Other than permanent employees include Fixed Term Contract (FTC) personnel (Management and Non-Management)
- ii. Permanent Workers include only Workers who are on the rolls of the Company. • Other than Permanent Workers include workers engaged through third-party contractors • Trainees and apprentices have not been included in the Workforce. Point i and ii are both mutually exclusive categories.

b. Differently abled Employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|--------------------------------|------------|------------|------------|-----------|------------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1 | Permanent (D) | 14 | 10 | 71% | 4 | 29% |
| 2 | Other than Permanent (E) | 210 | 129 | 61% | 81 | 39% |
| 3 | Total employees (D + E) | 224 | 139 | 62% | 85 | 38% |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4 | Permanent (F) | 15 | 12 | 80% | 3 | 20% |
| 5 | Other than Permanent (G) | 217 | 185 | 85% | 32 | 15% |
| 6 | Total workers (F + G) | 232 | 197 | 85% | 35 | 15% |

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

21. Participation/Inclusion/Representation of women

| | Total (A) | No. and Percentage of Females | |
|---------------------------|-----------|-------------------------------|---------|
| | | No. (B) | % (B/A) |
| Board of Directors | 17 | 3 | 17.6% |
| Key Managerial Personnel* | 5 | 0 | 0 |

* Comprising Chairman & Managing Director, Wholetime Directors and Company Secretary

22. Turnover rate for permanent employees and workers

| | Fy 2025-26 (Turnover Rate In Current FY) | | | Fy 2024-25 (Turnover Rate In Previous FY) | | | Fy 2023-24 (Turnover Rate In The Year Prior To The Previous FY) | | |
|----------------------------|---|--------|-------|--|--------|-------|--|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 14.2% | 15.4% | 14.5% | 13.8% | 13.5% | 13.7% | 13.4% | 14.3% | 13.6% |
| Permanent Workers | 3.4% | 15.8% | 4.2% | 4.5% | 13.7% | 5.0% | 3.3% | 15.6% | 4.0% |

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

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

23. (a) Names of holding/subsidiary/associate companies/joint ventures (As on 31.03.2026)

Refer Note 30(iii) of Consolidated Financial Statements forming part of Report and Accounts 2026, for details on subsidiaries, associates and joint ventures. This 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 31st March, 2026 - ₹ 80,867.49 crores

(iii) Net worth of the Company as at 31st March, 2026 - ₹ 68,434.16 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 2025-26 Current Financial Year | | | Fy 2024-25 Previous Financial Year | | |
|---|---|--|--|---------|--|--|---------|
| | | 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 | 9 | 9 [#] | - | 7 | 7 [^] | - |
| Investors and shareholders | Yes | 1 | 0 | - | 1 | 0 | - |
| Employees and workers | Yes | 5 | 0 | - | 5 | 1 [^] | - |
| Customers | Yes | 25,362 | 3,576 ^{^^} | - | 19,812 | 2,505 [^] | - |
| Value Chain Partners | Yes | 0 | 0 | - | 0 | 0 | - |

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

[#]The process is undertaken annually in February / March, and resolution is initiated in April of next financial year. Hence, these appear as open as on 31st March 2026.

[^]Resolved after March 2025.

^{^^}Will be resolved after March 2026.

| Stakeholder Group From Whom Complaint Is Received | Grievance Redressal Mechanism In Place |
|---|---|
| Communities | The Social Investments Programme (SIP) team conducts Annual Community Engagements to capture community members' views, suggestions, and grievances related to programme implementation. These engagements are typically held during February–March, with issue resolution undertaken in the subsequent financial year. All seven grievances raised during the February/March 2025 engagements were resolved within the year. During FY 2025–26, 71 community engagement meetings were conducted across major States where SIP programmes are implemented. These were facilitated by SIP State-level managers and involved community members from villages and urban catchments, with implementing NGOs also participating. All engagements were planned and |

| | |
|--|--|
| | <p>reviewed by the SIP Head Office team. From these, nine grievances—mainly related to requests for additional interventions and scope for improvement—were reported, and appropriate actions have been incorporated into plans for the upcoming year. Beyond formal grievance mechanisms, regular engagement is maintained through structured monitoring field visits by ITC managers at Head Office, Regional, and State levels, frequent interactions by implementation partners, and annual third-party impact assessments, which objectively evaluate programmes and capture community feedback.</p> |
| <p>Investors and shareholders</p> | <p>Yes, https://itcportal.com/investors.html</p> <p>The Company has an Investor Service Centre (ISC) which is registered with the SEBI 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> <ul style="list-style-type: none"> (a) 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. (b) The Head of ISC is responsible for redressal of investor grievances. (c) The Company has a specific e-mail ID earmarked for receiving investor complaints which is isc@itc.in. (d) The 'Investor Charter' of the Company and the details of investor complaints received by the Company are available on its website at https://itcportal.com/investors/investor-charter.html and https://itcportal.com/content/dam/itc-corporate/investors/investor-complaint.pdf, respectively. (e) A Board Level Committee viz., the Securityholders Relationship Committee has been mandated to oversee redressal of investor grievances. (f) 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. |
| <p>Employees and workers</p> | <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. The implementation is ensured by Divisional/SBU Chief Executives, through members of the respective Management Committees of the Businesses.</p> |
| <p>Customers</p> | <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"> • Customer can reach out to ITC via following email in ITC Portal: <ul style="list-style-type: none"> ○ webmaster@itc.in ○ Contactus@itc.in ○ itccares@itc.in • Customers can also raise their grievances via Brand-specific websites. |
| <p>Value Chain Partners</p> | <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, as per the following format

| 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>Risk Mitigation Strategy</p> <p>Physical Risk Management:</p> <ul style="list-style-type: none"> • 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 measures for improving climate resilience. • Map risks arising out of climate crisis, build adaptive capacity and invest in mitigative measures to strengthen resilience. • 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"> - Developing region-specific package of practices and promoting climate smart farming techniques to mitigate impact of weather; - 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; - Comprehensive programmes on social forestry, soil and moisture conservation and biodiversity conservation; - 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; | <p>Potential Impact</p> <ul style="list-style-type: none"> • 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. • Vagaries of weather caused by climate change may impact crop cycles, output and productivity resulting in disruption of operations / supply chains. • Availability of water for own operations as well as agri value chains may be adversely impacted by erratic precipitation patterns. • 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. • Besides physical risks, transition risks associated with climate change, may impact the Company's operations: <ul style="list-style-type: none"> - Additional levies may be imposed by regulatory authorities for emission / water intensive industries to |

| 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"> • 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. • Supply chain diversification and contingency planning <p>Transition Risk Management:</p> <ul style="list-style-type: none"> • Work towards achieving Net Zero Operations by 2050 with focused interventions towards decarbonisation of Scope 1 and Scope 2 emissions. Collaborate with value chain partners to accelerate the decarbonisation of Scope 3 emissions. • 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 agenda. • Strengthen governance mechanisms for reviewing performance and progress against Sustainability 2.0 targets by the Sustainability Compliance Review Committee (SCRC). • 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. | address climate 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 | Difficulty in complying with current or future regulation on plastic packaging and/or difficulty in meeting commitments on packaging and the environment. | <p>Risk Mitigation Strategy</p> <ul style="list-style-type: none"> • Pursue initiatives in line with ITC's holistic sustainable packaging strategy that entails: <ul style="list-style-type: none"> - 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 | <p>Potential Impact</p> <ul style="list-style-type: none"> • Non-compliance with plastic waste management regulations, if any, 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 |

| 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>sustainable alternatives, and exploring paper as a substrate for packaging, where possible;</p> <ul style="list-style-type: none"> - Less Plastics: Progressive reduction in plastic packaging intensity over time, and introducing Post-Consumer Recycled (PCR) content in plastic packaging, wherever permitted by regulations and wherever possible; - Better Plastics: 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. • Partner with upstream players and suppliers for supply of Post-Consumer Recycled (PCR) plastic for meeting regulatory / market demand for increasing recycled content in plastic packaging. • 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. • 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. | <p>give rise to multiple challenges such as redesign of product packaging, shelf life and product distribution related issues.</p> <ul style="list-style-type: none"> • 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. |
| 3 | Talent Management | Risk | Inability to attract and retain high quality talent in a highly competitive market. | <p>Risk Mitigation Strategy</p> <ul style="list-style-type: none"> • Strengthen and communicate ITC's talent proposition about 'Building Winning Businesses. Building Business Leaders. Creating Value for India'. | <p>Potential Impact</p> <ul style="list-style-type: none"> • Lack of requisite quality of management personnel could adversely affect business operations and long-term growth prospects. |

| 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"> • Provide meaningful and challenging roles which enrich individual capability and act as a powerful incentive to stay, learn and grow; • Build a robust talent pipeline across responsibility levels through requisite quality in key roles, depth of bench and reliable succession plans. • Invest in capability building of managers through access to the best-in-class upskilling programmes and development interventions. • 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. • 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. • 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. • Energise and nurture pride in membership through frequent leadership outreach to managers. • 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. • Promote Diversity, Equity and Inclusion through supportive policies based on principles of equity. • Implement measures to ensure sufficient representation of women in selection pools and deployment of the differently-abled across suitable opportunities towards meeting the diversity and inclusion goals of the organisation. • Agile HR practices to provide contemporary and relevant work policies to employees such as flexible work arrangements. | <ul style="list-style-type: none"> • Talent attrition beyond acceptable levels may impact ability to 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 |
|--|--|---|--|-----------|--|--|----------------|-----|---|
| Policy and Management Processes | | | | | | | | | |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | <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.</p> <p>The Sustainability Compliance Review Committee comprising senior and other members of management has the overall responsibility to monitor and evaluate compliance with these Policies. The responsibility for implementation of ITC's CSR Policy rests with the Corporate Social Investments Programme (SIP) Team.</p> | | | | | | | | |
| b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web Link of the Policies, if available | https://itcportal.com/about-itc/itc-policies.html | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Not Applicable | Yes | Yes |
| 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. | 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®), Farm Sustainability Assessment (FSA) 3.0 Certification, Global G.A.P. Certification, Fairtrade Certification | OHSAS 18001/ISO 45001: Occupational Health and Safety Management Systems | ISAE 3000 | SA 8000: Social Accountability, Sustainable Tobacco Programme, RFA, FSC® | ISO 50001, ISO 14001: Environment Management System, Alliance for Water Stewardship (AWS), LEED® Certification for Green Buildings | NGRBC | - | ATNI Framework, FSSAI, BRCGS, HACCP, Sedex, NPOP, NOP, Halal and Kosher |

| | |
|---|--|
| <p>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</p> | <p>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. 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.</p> |
| <p>6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.</p> | |

Governance, Leadership and Oversight

| |
|--|
| <p>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements <i>(listed entity has flexibility regarding the placement of this disclosure)</i></p> <p>Please refer to 'Report of the Board of Directors & Management Discussion and Analysis' section of ITC Report and Accounts 2026.</p> |
|--|

| | |
|---|---|
| <p>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p> | <p>The Board of Directors, on the recommendation of the CSR and Sustainability Committee, has approved the Sustainability Policies of the Company. The CSR and Sustainability Committee, chaired by the Chairman of the Company, reviews and oversees implementation of these Sustainability Policies on an annual basis. In addition, the CSR and Sustainability Committee and the Board of Directors review the progress of implementation of the Company's CSR Programmes on a half-yearly basis. The composition of the Committee as on 31st March, 2026 is given below:</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. | A. Kant | Independent Director | 00222708 |
| 3. | C. K. Mishra | Independent Director | 02553126 |
| 4. | S. Mohanty | Non-Executive Director | 08058830 |
| 5. | S. Mukherjee | Independent Director | 03024803 |
| 6. | A. Pande | Non-Executive Director | 10631871 |
| 7. | S. Panray | Non-Executive Director | 09251023 |
| 8. | N. Rao | Independent Director | 06954879 |
| 9. | A. Singh | Non-Executive Director | 00060943 |

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.

The Corporate Management Committee (CMC) of the Company is the management body responsible for compliance with the Sustainability Policies of the Company.

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.

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.

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 & Corporate Functions in implementing the sustainability initiatives.

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>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.</p> | <p>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.</p> <p>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.</p> | | | | | | | | |
|---|---|--|--|--|--|---|--|--|--|
| <p>10. Details of Review of NGRBCs by the Company:</p> | | | | | | | | | |
| 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 |
| <p>Performance against above policies and follow up action</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> |
| <p>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> | <p>Any other Committee</p> <p>On a quarterly basis</p> |
| <p>The Company is in compliance with the applicable laws and regulations.</p> | | | | | | | | | |
| <p>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.</p> | <ul style="list-style-type: none"> • ITC has a robust review mechanism supported by internal audit covering the implementation of the Policies. • ITC has been obtaining independent third-party assurance for its Sustainability Reports since 2004. The authenticity of the data and systems disclosed in the annual Sustainability Report 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. • 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 has been verified by an independent third-party assurance provider. • In addition to the above, relevant third-party assessments and certifications are conducted across Business Units periodically. | | | | | | | | |

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 | 7 | <p>The Directors and KMP are briefed on the sustainability initiatives of the Company from time to time. The Directors and KMP are also updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislation & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.</p> <p>During the financial year 2025-26, the Directors and KMP of the Company were, inter alia, briefed / updated on the following:</p> <ul style="list-style-type: none"> (a) Overview of the Company's businesses, ITC's globally acknowledged Sustainability Initiatives and Digital Interventions provided to newly appointed Directors. (b) Sustainability Initiatives of the Company, including the Company's Sustainability 2.0 vision and priority areas. (c) Overview of the global & Indian macro-economic scenario and rise in economic & market uncertainty. (d) Talent Management including remuneration strategy. (e) Periodic review of the Company's businesses. <p>In addition, plant visit to the Integrated Consumer Goods Manufacturing Facility at Pudukkottai, Tamil Nadu, was organised for the Directors and KMP of the Company.</p> <p>Further, the Directors of the Company attended a 'Strategy Session', spread over two days, where the global & Indian macro-economic environment, the 'ITC Next' strategy of building a future-ready portfolio and the Company's digital initiatives, amongst others, were discussed / reviewed.</p> | 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% |

Note: 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 conducted.

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://itcportal.com/about-itc/code-of-conduct.html>

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;
- 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;
- not to indulge in any form of bribery or corruption that is intended to induce or reward improper conduct or influence any decision; and
- endeavour to have a policy pertaining to anti-corruption and anti-bribery.

The said [ITC's Code of Conduct for Suppliers and Service Providers](#) can be accessed on the Company's corporate website.

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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|-----------|-------------------------------------|--------------------------------------|
| Directors | Nil | Nil |
| KMPs | Nil | Nil |
| Employees | Nil | Nil |
| Workers | Nil | Nil |

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

| | FY 2025-26 (Current Financial Year) | | FY 2024-25 (Previous Financial Year) | |
|--|--|---------|---|---------|
| | 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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|-------------------------------------|-------------------------------------|--------------------------------------|
| Number of days of accounts payables | 41.62 | 37.44 |

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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|----------------------------|--|--|---|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | 0.31% | 0.67% |
| | b. Number of trading houses where purchases are made from | 47 | 45 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 88.35% | 91.59% |
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales | 81.16% | 79.60% |
| | b. Number of dealers / distributors to whom sales are made | 9,512 | 8,412 |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | 8.80% | 7.64% |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | 3.80% | 2.85% |
| | b. Sales (Sales to related parties / Total Sales) | 2.84% | 2.66% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | - | - |
| | d. Investments (Investments in related parties / Total Investments made) | 19.59% | 19.99% |

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 |
|--|--|---|
| <ul style="list-style-type: none"> 4 instructor led training sessions Online e-learning module for suppliers | <ul style="list-style-type: none"> Environmental compliance, fair business practices, corporate governance and ethics, occupational health and safety, fair labour practices and human rights | <ul style="list-style-type: none"> 26% (by spend value)*. Additionally, in last 3 years, more than 1,000 Tier-1 suppliers including 100% Critical Tier-1 suppliers have been trained as part of ITC's Sustainable Supply Chain initiative. |
| <ul style="list-style-type: none"> ~31,700 training programmes for farmers | <ul style="list-style-type: none"> Regenerative, sustainable and climate-resilient farm practices Human rights, farm safety Government schemes Access to finance | <ul style="list-style-type: none"> More than 278,000 farmers were trained in FY 2025- 26 across ITC's procurement catchments under various capacity building, field advisory and outreach programmes. |

*Spend value is estimated based on FY 2024-25 procurement spend data from domestic suppliers.

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 2025-26, 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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) | Details Of Improvements In Environmental And Social Impacts |
|--|--|---|--|
| Specific R&D to total R&D | 19.2% | 18.6% | For more details, refer to 'Report of the Board of Directors & Management Discussion and Analysis' section forming part of ITC's Report and Accounts 2026. |
| Specific Capex to total Capex | 16.8% | 28.7% | |

a) R&D

ITC's state-of-the-art Life Sciences and Technology Centre (ITC LSTC) in Bengaluru serves as the cornerstone of science-led product innovation, enabling the development and strengthening of ITC's portfolio of world-class products and brands. The Centre has completed five decades of industrial research and development (R&D), underscoring its legacy of scientific excellence. ITC LSTC hosts a research community of over 400 highly qualified scientists with diverse expertise and skill sets, collectively bringing over 4,000 years of cumulative R&D and innovation experience, working collaboratively on future-ready scientific platforms. The R&D programmes are strategically structured to create impactful business outcomes, ensure exceptional product experiences for Indian consumers at affordable price points, and offer a wide range of choices through a portfolio of products that meet global quality standards. Sustainability is integrated as a key guiding principle from the inception stage of new product development and process innovation.

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.

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 and third-party certifications like Rainforest Alliance (RFA), Forest Stewardship Council®, Fairtrade, Global G.A.P., Grown for Good (G4G), Farm Sustainability Assessment (FSA) 3.0, Organic (NPOP/NOP), among others. These certifications specify environmental and social standards for agricultural practices, and help ensure sustainability, traceability and transparency.

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

ITC procures ~51%* of its key crops through sustainable sourcing practices covering pulpwood, wheat, maize and tobacco. These commodities account for nearly 97% of ITC’s total volume of agri commodities procured. Pulpwood is 100% FSC®-certified and all tobacco is sourced from farms involved in the Sustainable Tobacco Programme and ITC’s sustainable agriculture initiatives. About 20% of wheat procurement is sourced sustainably through FPO-supported farms using ITCMAARS which supports climate resilient and regenerative practices and certified sourcing. Additionally, 12% of maize is procured sustainably from FPOs trained via ITCMAARS platform.

**Based on FY 2024–25 procurement data.*

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) | In FY 2025-26, the Company sustainably managed ~72,500 tonnes of plastic waste in line with its extended producer responsibility under Plastic Waste Management Rules, 2016 (as amended). Nearly 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. |

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)? If yes, provide details in the following format?

To support its sustainability strategy, ITC conducts Life Cycle Assessments (LCA) to evaluate and identify the environmental impact of its products and services. LCA studies have covered major segments like Paperboards, Personal Care, Educational & Stationery, Matches & Agarbatti, and Branded Packaged Foods. Additionally, ITC’s packaging teams use a specialised LCA tool to assess various packaging options for FMCG products, supporting sustainable packaging development.

Details of LCAs done in the last few 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 |
|----------|-----------------------------|---------------------------------|---|---|---|
| 476101 | Classmate Notebook | - | Cradle-to-Grave | Yes | No |
| 202301 | Savlon Powder Handwash | - | Cradle-to-Grave | Yes | No |
| 202301 | Savlon Liquid Handwash | - | Cradle-to-Grave | Yes | No |
| 202303 | Nimyle Floor Cleaner | - | Cradle-to-Gate | Yes | No |
| 170103 | CFKE Paperboard | - | Cradle-to-Gate | Yes | No |
| 202303 | Mangaldeep Sandal Agarbatti | - | Cradle-to-Grave | Yes | No |
| 106102 | Aashirvaad Whole Wheat Atta | - | Cradle-to-Grave | No | No |
| 103003 | B Natural Mango | - | Cradle-to-Grave | No | No |
| 476103 | Octane Pen | - | Cradle-to-Grave | No | No |
| 170103 | Recycled Paperboard | - | Cradle-to-Gate | 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 2025-26, the Kovai Unit of ITC's Paperboards & Specialty Papers Business sourced ~ 93,000 tonnes of waste paper from external sources, which constituted ~70% 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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
| Waste Paper used in Kovai Mill | Recycled paper used: ~93,000 tonnes | Recycled paper used: ~85,000 tonnes |
| Use of Recycled Plastic Content | Recycled Plastic content used in packaging: ~2,300 tonnes | Recycled plastic content used in packaging: ~300 tonnes |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

In FY 2025-26, the Company sustainably managed ~72,500 tonnes of plastic waste in line with its extended producer responsibility under Plastic Waste Management Rules, 2016 (as amended).

| | FY 2025-26* (Current Financial Year) | | | FY 2024-25* (Previous Financial Year) | | |
|--------------------------------|--------------------------------------|----------------|-----------------|---------------------------------------|----------------|-----------------|
| | Re-used | Recycled | Safely Disposed | Re-used | Recycled | Safely Disposed |
| Plastics (including packaging) | - | ~31,200 tonnes | ~41,300 tonnes | - | ~26,600 tonnes | ~37,900 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

* The Company has aligned its plastic neutrality commitment with achievement of 100% collection targets in line with its extended producer responsibility (EPR) under Plastic Waste Management Rules, 2016.

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

| Indicate Product Category | Reclaimed Products And Their Packaging Materials As % Of Total Products Sold In Respective Category |
|---------------------------|---|
| Plastic Packaging | 100% |

As ITC's products are consumables, data presented above pertains to plastic packaging which is managed in line with Company's extended producer responsibility under Plastic Waste Management Rules, 2016.

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 (A) | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits* | | Day Care Facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent Employees | | | | | | | | | | | |
| Male | 9,362 | 9,362 | 100% | 9,362 | 100% | NA | NA | 9,362 | 100% | - | - |
| Female | 2,080 | 2,080 | 100% | 2,080 | 100% | 2,080 | 100% | NA | NA | 2,080 | 100% |
| Total | 11,442 | 11,442 | 100% | 11,442 | 100% | 2,080 | 100% | 9,362 | 100% | 2,080 | 100% |
| Other Than Permanent Employees | | | | | | | | | | | |
| Male | 440 | 296 | 67% | 292 | 66% | NA | NA | NA | NA | - | - |
| Female | 196 | 113 | 58% | 99 | 51% | 196 | 100% | NA | NA | 196 | 100% |
| Total | 636 | 409 | 64% | 391 | 61% | 196 | 100% | NA | NA | 196 | 100% |

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

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

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

| Category | % Of Workers Covered By | | | | | | | | | | |
|-------------------------------------|-------------------------|------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-----------|---------------------|-------------|
| | Total (A) | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care Facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent Workers | | | | | | | | | | | |
| Male | 10,368 | 10,368 | 100% | 10,368 | 100% | NA | NA | NA | NA | - | - |
| Female | 683 | 683 | 100% | 683 | 100% | 683 | 100% | NA | NA | 683 | 100% |
| Total | 11,051 | 11,051 | 100% | 11,051 | 100% | 683 | 100% | NA | NA | 683 | 100% |
| Other than Permanent Workers | | | | | | | | | | | |
| Male | 21,203 | 21,203 | 100% | 21,203 | 100% | NA | NA | NA | NA | - | - |
| Female | 4,305 | 4,305 | 100% | 4,305 | 100% | 4,305 | 100% | NA | NA | 4,305 | 100% |
| Total | 25,508 | 25,508 | 100% | 25,508 | 100% | 4,305 | 100% | NA | NA | 4,305 | 100% |

Note: 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-

| | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|--|---|
| Cost incurred* on well-being measures as a % of total revenue of the company | 0.2% | 0.2% |

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

*Following costs are considered: Health and Accident insurance, maternity and paternity benefits, day care facility costs, and other staff welfare expenses. Accordingly, the previous year's number has been restated to ensure comparability.

Reporting for permanent employees and workers of the Company. The other than permanent employees and workers include those deployed through third-party contractors and their wages including well-being measures are provided by the third-party contractors.

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

| Benefits | FY 2025-26 (Current Financial Year) | | | FY 2024-25 (Previous Financial Year) | | |
|-------------------------------|--|--|--|--|--|--|
| | No. Of Employees Covered As A % Of Total Employees | No. Of Workers Covered As A % Of Total Workers | Deducted And Deposited With The Authority (Y/N/N.A.) | No. Of Employees Covered As A % Of Total Employees | No. Of Workers Covered As A % Of Total Workers | Deducted And Deposited With The Authority (Y/N/N.A.) |
| PF | 100% | 100% | Y | 100% | 100% | Y |
| Gratuity | 100% | 100% | Y | 100% | 100% | Y |
| ESI | 2% | 17% | Y | 2% | 17% | Y |
| Others, please specify | NA | NA | NA | NA | NA | NA |

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

All eligible employees and workers are covered under ESI

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.

ITC's establishments are accessible to the differently abled, and we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

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://itcportal.com/content/dam/itc-corporate/pdfs/policy/policy-on-diversity-equity-and-inclusion.pdf>

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

| Gender | Permanent Employees | | Permanent Workers | |
|--------------|---------------------|----------------|---------------------|----------------|
| | Return To Work Rate | Retention Rate | Return To Work Rate | Retention Rate |
| Male | 100% | 86% | NA | NA |
| Female | 98% | 84% | 97% | 88% |
| Total | 100% | 86% | 97% | 88% |

Note: 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) |
|---------------------------------------|--|
| Permanent Workers | 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 workers 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. |
| Other than Permanent Workers | 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 https://itcportal.com/about-itc/itc-policies/whistleblower-policy.html |
| Permanent Employees | Same as stated for Permanent Workers. |
| Other than Permanent Employees | 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 2025-26 (Current Financial Year) | | | FY 2024-25 (Previous Financial Year) | | |
|----------------------------------|--|---|------------|--|---|------------|
| | Total Employees/ Workers In Respective Category (A) | No. Of Employees/ Workers In Respective Category, Who Are Part Of Association(s) Or Union (B) | % (B/A) | Total Employees/ Workers In Respective Category (C) | No. Of Employees/ Workers In Respective Category, Who Are Part Of Association(s) Or Union (D) | % (D/C) |
| Total Permanent Employees | 11,442 | 0 | 0% | 11,166 | 0 | 0% |
| - Male | 9,362 | 0 | 0% | 9,234 | 0 | 0% |
| - Female | 2,080 | 0 | 0% | 1,932 | 0 | 0% |
| Total Permanent Workers | 11,051 | 9,460 | 86% | 10,875 | 9,348 | 86% |
| - Male | 10,368 | 9,350 | 90% | 10,197 | 9,250 | 91% |
| - Female | 683 | 110 | 16%* | 678 | 98 | 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://itcportal.com/content/dam/itc-corporate/pdfs/policy/policy-on-freedom-of-association.pdf>

*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 2025-26 (Current Financial Year) | | | | | FY 2024-25 (Previous Financial Year) | | | | |
|------------------|-------------------------------------|----------------------------------|------------|-------------------------|------------|--------------------------------------|----------------------------------|------------|-------------------------|------------|
| | 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 | 9,362 | 6,541 | 70% | 5,941 | 63% | 9,234 | 3,703 | 40% | 6,870 | 74% |
| Female | 2,080 | 1,198 | 58% | 1,061 | 51% | 1,932 | 630 | 33% | 1,467 | 76% |
| Total | 11,442 | 7,739 | 68% | 7,002 | 61% | 11,166 | 4,333 | 39% | 8,337 | 75% |
| Workers | | | | | | | | | | |
| Male | 10,368 | 8,279 | 80% | 4,363 | 42% | 10,197 | 6,015 | 59% | 4,893 | 48% |
| Female | 683 | 615 | 90% | 373 | 55% | 678 | 636 | 94% | 286 | 42% |
| Total | 11,051 | 8,894 | 80% | 4,736 | 43% | 10,875 | 6,651 | 61% | 5,179 | 48% |

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 2025-26 | | | FY 2024-25 | | |
|------------------|------------------------|---------------|-------------|-------------------------|---------------|-------------|
| | Current Financial Year | | | Previous Financial Year | | |
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| Employees | | | | | | |
| Male | 9,362 | 9,362 | 100% | 9,234 | 9,234 | 100% |
| Female | 2,080 | 2,080 | 100% | 1,932 | 1,932 | 100% |
| Total | 11,442 | 11,442 | 100% | 11,166 | 11,166 | 100% |
| Workers | | | | | | |
| Male | 10,368 | 8,214 | 79% | 10,197 | 7,863 | 77% |
| Female | 683 | 668 | 98% | 678 | 665 | 98% |
| Total | 11,051 | 8,882 | 80% | 10,875 | 8,528 | 78% |

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 behaviour change programmes and by providing appropriate training to employees as well as workers engaged through third-party contractors, 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 operation phase of ITC Units, Warehouses and Offices is ensured by implementing EHS management systems with designated roles and responsibilities for competent resources.

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 the 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/ workers 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/ workers in recognising hazards and issues. Joint inspections by management representatives and employees/ workers 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/ workers 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 (where applicable), Company funded medical support (where applicable) and statutory benefits under the Employees' State Insurance (where applicable).

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

| Safety Incident/Number ^ | Category* | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|--|-----------|--|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0.02 | 0.04 |
| | Workers | 0.06 | 0.16 |
| Total recordable work-related injuries | Employees | 1 | 2 |
| | Workers | 4 | 11 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 1 | 2 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |

*Including injuries in contract workforce

^On-site accidents (On-site refers to place of work i.e., factory, office etc. which are under direct operational control of ITC.)

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 continuously undertakes 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 like hazard identification processes, suggestion schemes and EHS Committees.

| | FY 2025-26 (Current Financial Year) | | | FY 2024-25 (Previous Financial Year) | | |
|--------------------|-------------------------------------|---|---------|--------------------------------------|---|---------|
| | 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 | - | 0 | 0 | - |
| Health & Safety | 0 | 0 | - | 0 | 0 | - |

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 (quarterly). 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 endeavours to ensure that statutory dues as payable by contractors 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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
| Employees | 0 | 0 | 0 | 0 |
| Workers | 1 | 2 | 1 | 2 |

*On-site 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 | <ul style="list-style-type: none"> • 13% (by spend value)# Additionally, in last 3 years, more than 95% Critical Tier-1 suppliers have been assessed as part of ITC's Sustainable Supply Chain initiative. |
| Working Conditions | |

Spend value is estimated based on FY 2024-25 procurement spend data from domestic suppliers.

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

ITC conducts periodic audit of its critical value chain partners and corrective/preventive measures are recommended based on the audit findings. Some of the corrective actions include imparting EHS trainings and introducing health check-ups for employees of key value chain partners.

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.

ITC's stakeholder engagement approach is based on the following four key pillars

- Identify: Identification of key stakeholders who are directly/indirectly impacted by business activities as well as directly/ indirectly influence business activities.
- Engage: Consultation with key stakeholders with due weightage given to each stakeholder based on the nature of engagement with the organisation.
- Prioritise: Identification and prioritisation of concerns and needs.
- Address: Addressing the prioritised concerns and needs in a consistent and transparent manner.

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

| Stakeholder Group | Whether Identified As Vulnerable & Marginalized Group (Yes/No) | Channels Of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency Of Engagement (Annually/Half Yearly/Quarterly/ Others – Please Specify) | Purpose And Scope Of Engagement Including Key Topics And Concerns Raised During Such Engagement |
|---------------------------------------|--|--|---|---|
| Providers of financial capital | No | <i>Details of consultation mechanisms and key issues discussed with the stakeholder groups have been disclosed annually in the 'Strengthening Relationships with All Stakeholders' section of ITC's Sustainability Report.</i> | | |
| 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, comprising senior and other members of management, to evaluate and monitor compliance with the Policies 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 scores 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:

a) Investors: The Company engages extensively with the investor ecosystem i.e., analysts representing institutional equity investors, fund/portfolio managers in top FII's, Domestic Mutual Funds (MFs), Foreign Portfolio Investors (FPIs), Private Insurance Companies etc. 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 are 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 shared with the shareholders by e-mail. The 'Investor Relations' section of the Company's website is also updated on an ongoing basis.

b) 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 consistently receive feedback, ideas and concerns, and to respond in a timely and effective manner.

The team continues to place customer centricity at the core, while equitably addressing the expectations and experiences of all key stakeholders. Standard Operating Procedures (SOPs) and policies are designed and implemented through a balanced stakeholder lens, resulting in improved customer and employee experiences and strengthened accountability across the organisation.

Rapidly evolving consumer needs are continuously monitored through social listening, in-depth immersions, and structured feedback mechanisms. The insights generated are synthesised and translated into actionable improvements across products, services, processes, and policies.

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

The Social Investments team undertakes a comprehensive **Core Area Perspective Plan (CAPP)** every five years across ITC's catchments to understand community needs and design contextually relevant interventions. The CAPP process uses a combination

of Participatory Rural Appraisal (PRA), Focus Group Discussions (conducted separately with men, women, and vulnerable groups), key informant interviews, and household surveys to identify and prioritise intervention areas. CAPP 1.0 was first conducted in FY 2015–16, followed by CAPP 2.0 in FY 2021–22, covering 21 factories and 7 agri locations.

Beyond the five-yearly CAPP, annual sample household surveys are conducted to reaffirm the continued relevance of identified needs and to factor in any operational refinements required for future plans. In FY 2025–26, over 9,000 households across multiple States were surveyed using a statistically validated sampling methodology. A mixed-method approach was adopted, with quantitative data collected through structured household questionnaires and qualitative insights gathered through PRAs and FGDs involving Gram Panchayat members, community participants, women, and marginalised groups.

Forming large-scale, long-term partnerships with Government to amplify reach and scale is a core tenet of SIP's implementation approach. These partnerships help ensure effective last-mile delivery of Government programmes while incorporating community perspectives emerging from consultations and interactions. During the year, new public-private partnerships (PPPs) were initiated, drawing on learnings from earlier partnership phases and insights into evolving contexts identified through extensive stakeholder consultations.

One such example is the Phase II expansion of ITC's partnership with the Directorate of Women and Child Development, Government of Assam, which builds on Phase I interventions across eight districts (including seven Aspirational Districts) focused on strengthening Maternal, Child Health and Nutrition (MCHN). Phase II extends coverage to 11 districts and integrates early childhood stimulation and education, including responsive caregiving, play-based learning at Anganwadi Centres, caregiver counselling, and capacity building of frontline resources.

Another example is the expansion of the ITC Swaasth Kiran Mobile Medical Unit initiative in Kamrup Rural district of Assam, addressing access gaps in primary healthcare for geographically dispersed and remote communities as highlighted by the local administration and shared by the community. The outreach-based programme brings healthcare services closer to households, reduces out-of-pocket expenditure, supports early detection and management of illnesses, and complements the public health system by improving coverage, equity, and responsiveness.

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

ITC's Social Investments Programme (SIP) adopts a bottom-

up approach to respond to evolving community needs by strengthening and scaling existing programmes, piloting and refining new solutions, and leveraging partnerships to amplify impact. This adaptive approach enables SIP to modify ongoing interventions or introduce new ones based on grounded feedback and contextual shifts.

- In India, rising prices and uncertain availability of chemical fertilisers such as urea, DAP and potash have increased cost pressures and planning risks for farmers, particularly during peak sowing periods. Farmers articulated the need for solutions that could reduce fertiliser intensity without compromising productivity. In response, ITC partnered with the Indian Council of Agricultural Research – National Bureau of Agricultural Inputs and Microbial Resources (ICAR-NBAIM) to pilot a bio inoculum-based nutrient optimisation solution. These science-based microbial formulations enhance nutrient availability, improve soil biological activity and increase nutrient use efficiency, while complementing existing fertiliser practices to enable easy adoption. Following prototype testing, the pilot was implemented across 13,089 acres (15,789 cumulatively) in six states, covering multiple crops and agro-climatic regions. Farmers integrated bio inoculum alongside recommended fertiliser doses and achieved a reduction in chemical fertiliser use and input costs, with no adverse impact on crop productivity. These outcomes strengthened farmer confidence in biological inputs, and ITC plans to scale up the approach to support more sustainable and resilient agriculture systems.

- High dropout rates among girls at the secondary level continue to pose a major challenge, driven by domestic responsibilities, early marriage and financial constraints. To address this, and in alignment with NEP goals, ITC initiated an education intervention for Secondary and Higher Secondary grades in FY 2023–24 across Munger (Bihar), Pudukkottai (Tamil Nadu) and Kolkata (West Bengal). In Munger, Project Pragati addresses high adolescent NEET levels and low secondary school transitions by enabling out-of-school girls from low-income households to complete Class 10 through the Bihar Board of Open Schooling and Examination. Of the 286 girls who appeared for the examinations, 119 (including 55 married girls) cleared them in the first attempt.

- In Saharanpur, Uttar Pradesh, despite relatively high urban female literacy (69.12%), women's workforce participation is low at 7.52%, particularly in the male-dominated woodcraft sector. Addressing this gap, SIP has designed a women-centric urban livelihoods programme focused on entrepreneurship and resilience. Through a structured two-year ladder pathway—Akankshi, Lakhpati, Udhyami and Pragatisheel—the programme supports 1,227 women, with over 700 already emerging as Lakhpati Didis, supported by training, mentorship and market linkages, including digital.

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 2025-26 (Current Financial Year) | | | FY 2024-25 (Previous Financial Year) | | |
|------------------------|-------------------------------------|---------------------------------------|-------------|--------------------------------------|---------------------------------------|-------------|
| | Total (A) | No. Of Employees/ Workers Covered (B) | % (B/A) | Total (C) | No. Of Employees/ Workers Covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | 11,442 | 11,442 | 100% | 11,166 | 11,166 | 100% |
| Other than permanent | 636 | 636 | 100% | 525 | 525 | 100% |
| Total Employees | 12,078 | 12,078 | 100% | 11,691 | 11,691 | 100% |
| Workers | | | | | | |
| Permanent | 11,051 | 11,051 | 100% | 10,875 | 10,875 | 100% |
| Other than permanent | 25,508 | 25,508 | 100% | 24,792 | 24,792 | 100% |
| Total Workers | 36,559 | 36,559 | 100% | 35,667 | 35,667 | 100% |

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

| Category | FY 2025-26 (Current Financial Year) | | | | | FY 2024-25 (Previous Financial Year) | | | | |
|-----------------------------|-------------------------------------|-----------------------|------------|------------------------|-------------|--------------------------------------|-----------------------|------------|------------------------|-------------|
| | Total (A) | Equal to Minimum Wage | | More Than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Permanent | 11,442 | 0 | 0% | 11,442 | 100% | 11,166 | 0 | 0% | 11,166 | 100% |
| Male | 9,362 | 0 | 0% | 9,362 | 100% | 9,234 | 0 | 0% | 9,234 | 100% |
| Female | 2,080 | 0 | 0% | 2,080 | 100% | 1,932 | 0 | 0% | 1,932 | 100% |
| Other than Permanent | 636 | 0 | 0% | 636 | 100% | 525 | 0 | 0% | 525 | 100% |
| Male | 440 | 0 | 0% | 440 | 100% | 369 | 0 | 0% | 369 | 100% |
| Female | 196 | 0 | 0% | 196 | 100% | 156 | 0 | 0% | 156 | 100% |
| Workers | | | | | | | | | | |
| Permanent | 11,051 | 305 | 3% | 10,746 | 97% | 10,875 | 295 | 3% | 10,580 | 97% |
| Male | 10,368 | 91 | 1% | 10,277 | 99% | 10,197 | 61 | 1% | 10,136 | 99% |
| Female | 683 | 214 | 31% | 469 | 69% | 678 | 234 | 35% | 444 | 65% |
| Other than Permanent | 25,508 | 8,527 | 33% | 16,981 | 67% | 24,792 | 9,014 | 36% | 15,778 | 64% |
| Male | 21,203 | 5,951 | 28% | 15,252 | 72% | 20,690 | 6,477 | 31% | 14,213 | 69% |
| Female | 4,305 | 2,576 | 60% | 1,729 | 40% | 4,102 | 2,537 | 62% | 1,565 | 38% |

Note: 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) | 14 | 1,18,15,000 | 3 | 1,16,69,863 |
| Key Managerial Personnel* | 5 | 10,53,61,421 | - | - |
| Employees other than BoD and KMP | 9,357 | 11,35,490 | 2,080 | 9,46,718 |
| Workers | 10,368 | 5,30,593 | 683 | 2,25,424 [#] |

Note: Data reported for permanent employees and workers as on the last date of the reporting period.

*Comprising Chairman & Managing Director, Wholetime Directors and Company Secretary

[#]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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|--|-------------------------------------|--------------------------------------|
| Gross wages paid to females as % of total wages paid | 11% | 10% |

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

Total wages represent the aggregate wages disbursed to all permanent employees and workers during the reporting period, including individuals employed for only part of the year.

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).

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 construction of factories and property upgrades incorporate the environment, health, safety and human rights clauses, including workplace environment.

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 HR Manager concerned. The process of registering a grievance is by filling up a grievance form and submitting it to the HR Manager concerned 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://itcportal.com/about-itc/itc-policies/whistleblower-policy.html>

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

| | FY 2025-26 (Current Financial Year) | | | FY 2024-25 (Previous Financial Year) | | |
|-----------------------------------|-------------------------------------|---------------------------------------|---------|--------------------------------------|---------------------------------------|---------|
| | 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 | 5 | 0 | - | 4 | 1 | - |
| 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.

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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|-------------------------------------|--------------------------------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 5 | 5 |
| Complaints on POSH as a % of female employees / workers | 0.07% | 0.08% |
| Complaints on POSH upheld | 5 | 4 |

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

The approach has been revised to include both permanent and other than permanent employees and workers of the Company. Accordingly, the previous year's figures have been restated. This revision does not affect the number of cases reported for the prior year.

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 Code requires that Suppliers and Service Providers and their facilities comply with applicable laws, environmental regulations, respect human rights including minimum wages, occupational health and safety, as required by applicable laws and meet the requirements of this Code. ITC also expects that Suppliers and Service Providers will hold their business associates to the same standards as contained in this Code.

10. Assessments for the year:

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

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 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.

ITC facilitates structured human rights due diligence with an independent party across its leaf tobacco supply chain to identify, assess and address potential and actual impacts on farmers, workers and communities. This process is supported by field level monitoring, stakeholder engagement, timely corrective actions, and targeted interventions on human rights awareness, farm safety and responsible agricultural practices. Digital systems and structured monitoring mechanisms further strengthen traceability, transparency and governance of human and labour rights compliance across the value chain. As part of this framework, ITC works with farmers to implement internationally recognised sustainability standards, including the Sustainable Tobacco Programme (STP 2.0) and compliance with the Agricultural Labour Practices (ALP) Code. 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.

Based on the outcomes of human rights assessments and ongoing monitoring, key process enhancements undertaken during the year include:

- **Training and Awareness on Human Rights:** Human rights, farm safety and responsible agricultural practices were strengthened through field-level engagement across tobacco procurement 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. During the year, personal protective equipment was provided to 24,382 farmers and secured crop protection agent (CPA) storage boxes to 5,442 farmers. Safe collection and disposal of empty CPA containers was facilitated across approximately 16,000 farmers. Drone-based spraying was further scaled up to over 42,500 acres, reducing human exposure, besides increasing the efficacy of operation and supporting improved farm safety outcomes.
- **Digitalisation of Human Rights Compliance:** In FY 2025–26, ITC introduced a Digital End-to-End Human Rights Compliance Tracking System (DECTS) for its Non-Flue Cured Virginia (NFCV) tobacco value chain. The system replaced fragmented manual and digital processes and enables real-time monitoring, digital tagging and risk-based governance of human and labour rights and farm safety parameters across the farm-to-factory continuum. Integrated with ITCMAARS, SAP and UMANG platforms, DECTS supports dashboards, alerts and traceability controls to ensure that only fully compliant tobacco proceeds for processing, covering over 28,000 farmers.

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 key 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?

ITC's establishments are accessible to the differently abled, and we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

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 Question 1 (Principle 5) under leadership indicators.

| | % Of Value Chain Partners* (By Value Of Business Done With Such Partners) That Were Assessed |
|----------------------------------|---|
| Sexual Harassment | <ul style="list-style-type: none"> • 13% (by spend value)# Additionally, in last 3 years, more than 95% Critical Tier-1 suppliers have been assessed as part of ITC's Sustainable Supply Chain initiative. |
| 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.

#Spend value is estimated based on FY 2024-25 procurement spend data from domestic suppliers.

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

Third-party assessments are undertaken for key suppliers, with findings used to identify nonconformities and improvement areas. Suppliers scoring below a pre-defined threshold are required to implement corrective and preventive action plans, supported by ITC. Follow up assessments are conducted to ensure effective closure and compliance. Some of the key corrective actions recommended are institutionalising policies on human rights and strengthening implementation of POSH Act.

Principle 6

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

Essential Indicators

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

| Parameter (All quantities in TJ except where specified) | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|--|---|
| From renewable sources | | |
| Total electricity consumption (A) | 964 | 868 |
| Total fuel consumption (B) | 11,182 | 12,383 |
| Energy consumption through other sources (C) | 187 | 183 |
| Total energy consumed from renewable sources (A+B+C) | 12,334# | 13,434 |
| From non-renewable sources | | |
| Total electricity consumption (D) | 761 | 757 |
| Total fuel consumption (E) | 10,930 | 11,600 |
| Energy consumption through other sources (F) | 0 | 0 |
| Total energy consumed from non-renewable sources (D+E+F) | 11,691 | 12,357 |
| Total energy consumed (A+B+C+D+E+F) | 24,025 | 25,791 |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (in Giga Joules/Crore INR) | 294 | 347 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (in GJ/Million USD) | 599 | 718 |
| Energy intensity in terms of physical output - PSPD* (in GJ/tonne of production for PSPD) | 21.0 | 23.0 |
| Energy intensity in terms of physical output - FBD* (in GJ/tonne of production for FBD) | 2.9 | 2.9 |

ITC's energy consumption data has been independently assured by a third-party assurance provider at a reasonable assurance level.

*Since ITC is a conglomerate with multiple Businesses, data for energy intensity in terms of physical output (tonnes of production) is reported for PSPD and FBD which together account for nearly 94% of ITC's total energy consumption.

#Share of renewable energy continues to remain more than 50% of total energy (51%). There is a marginal reduction in FY 2025-26 on account of planned maintenance shutdown of green boiler at PSPD Bhadrachalam.

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.

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 to be rated GreenCo Platinum+ by CII, as part of Green Company rating system.

Note: Details of the energy efficiency initiatives 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 Discussion and Analysis in ITC Report and Accounts 2026

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

| Parameter | FY 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
|--|--|---|
| Water withdrawal by source (in million kilolitres) | | |
| (i) Surface water | 25.2 | 26.3 |
| (ii) Groundwater | 4.1 | 4.1 |
| (iii) Third party water | 0.8 | 0.8 |
| (iv) Seawater / desalinated water | 0 | 0 |
| (v) Others | 0 | 0 |
| Total volume of water withdrawal (in million kilolitres) (i + ii + iii + iv + v) | 30.1 | 31.2 |
| Total volume of water consumption (in million kilolitres) (Total water withdrawal – total water discharged) | 11.0 | 10.5 |
| Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (in kilolitres/Crore INR) | 134 | 142 |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (in kilolitres/Million USD) | 273 | 293 |
| Water intensity in terms of physical output – PSPD* (in kilolitres/tonne of production for PSPD) | 7.6 [#] | 7.4 |
| Water intensity in terms of physical output – FBD* (in kilolitres/tonne of production for FBD) | 0.6 | 0.6 |

ITC's water withdrawal and water consumption data has been independently assured by a third-party assurance provider at a reasonable assurance level.

**Since ITC is a conglomerate with multiple Businesses, data for water intensity in terms of physical output (tonnes of production) is reported for PSPD and FBD which together account for over 95% of ITC's total water withdrawal.*

#During the year, significant measures were taken by PSPD to reduce water intake which included recycling of wastewater. This also led to reduction in overall water discharge. Water consumption is computed as difference between water intake and water discharge and due to significant reduction in overall water discharge, there is a marginal increase in water consumption and water intensity.

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 31st March 2026, ITC's watershed development projects covering over 1.98 million acres leading to a total rainwater harvesting potential (RWH) of 66.31 million kl (cumulative), which is six times the net water consumed by ITC's operations.

4. Provide the following details related to water discharged:

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|--|--|---|
| Water discharge by destination and level of treatment (in million kilolitres) | | |
| (i) To Surface water | 9.8 | 10.9 |
| 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 | 9.4 | 9.7 |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | Tertiary | Tertiary |
| Total water discharged (in million kilolitres) | 19.2 | 20.6 |

ITC's data for total water discharged has been independently assured by a third-party assurance provider at a reasonable assurance level.

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. 26 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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|-------------------------------------|---------------------|---|--|
| NOx | Tonnes | 2,006 | 2,064 |
| SOx | Tonnes | 1,700 | 2,287 |
| Particulate matter (PM) | Tonnes | 594 | 553 |
| Persistent organic pollutants (POP) | NA | NA | NA |
| Volatile Organic Compounds (VOC) | NA | NA | NA |
| Hazardous Air Pollutants (HAP)* | Tonnes | 6.9 | 7.8 |

Separately, as part of its Sustainability Report, covering ITC Limited on a standalone basis, as well as its subsidiaries, associates, and third-party manufacturers, ITC obtains reasonable assurance from an independent third-party assurance provider on GRI 305-7 (Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions).

*The data is for PSPD Bhadrachalam Unit's Hydrogen Sulphide emissions (H₂S)

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

| Parameter | Please Specify Unit | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|--|--|---|--|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | kilo tonnes of CO ₂ equivalent | 1,045 | 1,101 |
| Total Scope 2 emissions[^] (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | kilo tonnes of CO ₂ equivalent | 151 | 153 |
| Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | tonnes of CO ₂ equivalent/ Crore INR | 14.6 | 16.9 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | tonnes of CO ₂ equivalent/Million USD | 29.8 | 34.9 |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output - PSPD* | tonnes of CO ₂ equivalent/tonne of production | 1.01 | 1.06 |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output - FBD* | tonnes of CO ₂ equivalent/tonne of production | 0.16 | 0.18 |

ITC's GHG emissions (Scope 1 and Scope 2) data has been independently assured by a third-party assurance provider at a reasonable assurance level.

[^] Scope 2 emissions are market based, while location-based scope 2 emissions are 170 Kilotonnes of CO₂ equivalent

*Since ITC is a conglomerate with multiple Businesses, data for Scope 1 and Scope 2 emission intensity in terms of physical output (tonnes of production) is reported for PSPD and FBD which together account for more than 90% of ITC's total Scope 1 and Scope 2 emissions.

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 2025-26, the Farm and Social forestry programmes have together sequestered ~7.6 million tonnes of CO₂.

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

As part of its 2030 Sustainability 2.0 ambitions, ITC is working towards reducing its Specific GHG Emissions by 50% (Reduction in Scope 1 & 2 emission). Additionally, the Company has also committed to Net Zero Operations by 2050. 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 2025-26, the investments in energy conservation equipment have resulted in energy savings of over 50 TJ, which is equivalent to nearly 6,000 tonnes of GHG emissions in the year.

In line with ITC's focus on accelerating digitalisation across Businesses, 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 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. Investments of biomass boilers were also undertaken in Foods and Cigarette Businesses. In addition to this, ITC has installed and commissioned 177 MW of solar and wind power capacity across the country to meet its electrical energy requirements. During the year, ITC has been able to maintain its renewable energy share of over 50%.

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 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|--|--|---|
| Plastic waste (A)* | 12.6 | - |
| E-waste (B) | 0.08 | 0.08 |
| Bio-medical waste (C) | 0.02 | 0.02 |
| Construction and demolition waste (D) | 6.4 | 6.1 |
| Battery waste (E) | 0.25 | 0.23 |
| Radioactive waste (F) | 0 | 0 |
| Other Hazardous waste. Please specify, if any. (G) | 24.3 | 22.5 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 678 | 693 |
| Total (A+B + C + D + E + F + G + H) | 721 | 722 |
| Waste intensity per rupee of turnover (in MT/Crore INR) (Total waste generated / Revenue from operations) | 8.8 | 9.7 |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (in MT/million US\$) (Total waste generated / Revenue from operations adjusted for PPP) | 18.0 | 20.1 |
| Waste intensity in terms of physical output - PSPD^{&} (in tonnes of waste generated/tonne of production) | 0.62 | 0.63 |
| Waste intensity in terms of physical output - FBD^{&} (in tonnes of waste generated/tonne of production) | 0.09 | 0.08 |
| Total waste recovered through recycling, re-using or other recovery operations | | |
| (i) Recycled | 713 | 718 |
| (ii) Re-used** | NA | NA |
| (iii) Other recovery operations | NA | NA |
| Total | 713 | 718 |
| Total waste disposed by nature of disposal method | | |
| (i) Incineration | 6.7 | 1.2 |
| (ii) Landfilling | 1.5 | 1.6 |
| (iii) Other disposal operations | NA | NA |
| Total | 8.2 | 2.8 |

ITC's waste related data has been independently assured by a third-party assurance provider at a reasonable assurance level.

*Till FY 2024-25, Plastic waste was reported under Non-hazardous waste. From FY 2025-26 onwards, plastic waste generated in factories due to operations is being reported in the 'plastic waste' field.

**Waste re-used is reported under waste recycled

[&]Since ITC is a conglomerate with multiple Businesses, data for waste intensity in terms of physical output (tonnes of production) is reported for PSPD and FBD which together account for over 90% of ITC's total waste generation.

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 93,000 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 its Paper Business, and switching from solvent-based inks to water-based ones in its Packaging and Printing Business.

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

| S. No. | Location Of Operations/Offices | Type Of Operations | Whether The Conditions Of Environmental Approval / Clearance Are Being Complied With? (Y/N) If No, The Reasons Thereof And Corrective Action Taken, If Any |
|--------|--------------------------------|---------------------------|--|
| 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 ~8 Km 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 |
|--|---|--------------------------------|---|---------------------------------------|---|
| 8(a) Building / Construction Environmental Clearance for Expansion in Factory Building on Plot No. B-27, MIDC, Ranjangaon, Pune, Tal -Shirur, District - Pune, 412220 by M/s. ITC Limited-India Tobacco Division | 1. EC Identification No. EC25C3806MH5540772N 2. File No. SIA/MH/INFRA2/552102/2025 | 1. 08/01/2026 2. 24/09/2025 | Yes | Yes | https://parivesh.nic.in/newupgrade/#/trackYourProposal/proposal-details?proposalId=SIA%2FMH%2FINFRA2%2F552102%2F2025&proposal=136538053 |

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

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).

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

Facilities/plants in areas of water stress are identified using Central Ground Water Board's (India) groundwater block classification and WRI Aqueduct's Baseline Water Stress.

- (i) Name of the area: Bengaluru, Chennai, Chirala, Haridwar, Howrah, Kapurthala, Kolar, Kovai, Medak, Ranjangaon and Saharanpur
- (ii) Nature of operations: Manufacture of FMCG products and Paperboards, Specialty Papers and Packaging products and Processing of agri commodities
- (iii) Water withdrawal, consumption and discharge in the following format

| Parameter | FY 2025-26 (Current Financial Year) | FY 2024-25* (Previous Financial Year) |
|---|--|--|
| Water withdrawal by source (in million kilolitres) | | |
| (i) Surface water | 0.97 | 0.83 |
| (ii) Groundwater | 0.54 | 0.53 |
| (iii) Third party water | 0.44 | 0.45 |
| (iv) Seawater/desalinated water | 0 | 0 |
| (v) Others | 0 | 0 |
| Total volume of water withdrawal (in million kilolitres) | 1.9 | 1.8 |
| Total volume of water consumption (in million kilolitres) (Total water withdrawal – Total water discharged) | | |
| | 1.9 | 1.8 |
| Water intensity per rupee of turnover (Water consumed/turnover) (in kilolitre/crore INR) | | |
| | 23 | 24 |
| Water intensity (optional) – the relevant metric may be selected by the entity | | |
| | - | - |
| Water discharge by destination and level of treatment (in million kilolitres) | | |
| (i) Into Surface water | 0.01 | 0.01 |
| 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 | 0.05 | 0.02 |
| No treatment | 0 | 0 |
| With treatment – please specify level of treatment | Tertiary | Tertiary |
| Total water discharged (in million kilolitres) | 0.06 | 0.03 |

Separately, as part of its Sustainability Report, covering ITC Limited on a standalone basis, as well as its subsidiaries, associates, and third-party manufacturers, ITC obtains reasonable assurance from an independent third-party assurance provider on GRI 303-3 (Water withdrawal), GRI 303-4 (Water Discharge), and GRI 303-5 (Water Consumption).

**During the year, ITC reassessed the Units located in water-stressed areas based on the latest data from the Central Ground Water Board (CGWB) and World Resources Institute (WRI). As part of this reassessment, certain new sites have been included and one site has been excluded. Accordingly, the FY 2024-25 figures have also been restated to enable like-to-like comparison.*

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

| Parameter | Unit | FY 2025-26* Current Financial Year | FY 2024-25 Previous Financial Year |
|--|---|---|---|
| Total Scope 3 emissions (Break-up of the GHG into CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, if available) | Kilo tonnes of CO ₂ equivalent | 1,442 | 1,062 |
| Total Scope 3 emissions per rupee of turnover | Tonnes of CO ₂ equivalent/crore INR | 17.7 | 14.3 |

Separately, as part of its Sustainability Report, covering ITC Limited on a standalone basis, as well as its subsidiaries, associates, and third-party manufacturers, ITC obtains limited assurance from an independent third-party assurance provider on GRI 305-3 (Other indirect (Scope 3) GHG emissions).

**ITC has been working on enhancing Scope 3 emission coverage and improving the accuracy of emission factor. In FY 2025-26, boundary of logistics has been expanded to include entire downstream logistics managed by ITC. In addition, logistics emissions have been aligned to Global Logistics Emissions Council (GLEC) framework. For FY 2024-25, road and air transportation emission factors were taken from the India GHG Programme, shipping emission factor from the Department of Business, Energy & Industrial Strategy, UK and rail emission factor shared by Indian Railways.*

The increase in reported logistics emissions in FY 2025-26 is primarily attributable to boundary expansion (approximately 70%), with the balance (approximately 30%) arising from the adoption of updated emission factors.

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

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 ~1.5 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' and 'Sustainability 2.0' forming part of the Report of the Board of Directors & Management Discussion and Analysis in ITC Report and Accounts 2026.

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

Yes, all Businesses within ITC have Business Continuity Plans (BCPs). The BCPs have been drawn up to encompass all operational aspects and undergo testing at scheduled intervals. The plans and the test outcomes are reviewed by the Management Committee of the respective Businesses.

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 more details on ITC's initiatives for mitigating environmental impacts across value chain, refer to 'Risk and Impact Management' section of [ITC's Nature Report](#).

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

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 part of ITC's Sustainable Supply Chain initiative, 13% suppliers (by spend value)# have been assessed over last 3 years including more than 95% Critical Tier-1 suppliers.

Spend value is estimated based on FY 2024-25 procurement spend data from domestic suppliers.

**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.*

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](#) 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 has 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. | 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 & Industry, Associated Chambers of Commerce and Industry of India, and various other forums including regional Chambers of Commerce. 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. | https://itcportal.com/content/dam/itc-corporate/pdfs/policy/policy-on-responsible-advocacy.pdf | 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 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
|---|-----------------------------------|------------------------------------|
| Directly sourced from MSMEs/small producers | 32.38% | 29.72% |
| Directly from within India | 92.59% | 92.86% |

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

| Location | FY 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
|--------------|-----------------------------------|------------------------------------|
| Rural | 15% | 15% |
| Semi-urban | 10% | 10% |
| Urban | 18% | 17% |
| Metropolitan | 57% | 58% |

Note: Coverage is defined with reference to the segmentation of total wages disbursed to all permanent employees and workers during the reporting period, including those who were associated with the Company for part of the year.

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 Spent (In Rs. Lakhs) |
|-----------------------|-----------------------|-----------------------------|
| Telangana | Bhadradi Kothagudem | 2,992.35 |
| Uttarakhand | Haridwar | 624.50 |
| Odisha | Malkangiri | 305.98 |
| Madhya Pradesh | Vidisha | 302.13 |
| Assam | Darrang | 275.08 |
| Bihar | Begusarai | 256.31 |
| Rajasthan | Jaisalmer | 229.68 |
| Uttar Pradesh | Bahraich | 217.66 |
| Rajasthan | Baran | 177.44 |
| Uttar Pradesh | Chandauli | 172.86 |
| Maharashtra | Washim | 141.11 |
| Chhattisgarh | Sukma | 123.17 |
| Maharashtra | Nandurbar | 114.40 |
| Multiple* (17 States) | Multiple* | 1,016.94 |

*Spends in balance 53 Aspirational Districts of the total 66 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?

ITC procures from farmers including women farmers and small landholders.

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

During FY 2025-26, ITC consumed over 2.2 million tonnes of agri raw materials, which is over 65% 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 Three Pathways strategy of making today's dominant source(s) of livelihoods sustainable; and strengthening capabilities for tomorrow.

The Three Pathways strategy ensures an integrated approach 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 Benefitted From CSR Projects (2025-26) | % Of Beneficiaries From Vulnerable And Marginalised Groups |
|---|---|--|
| Natural Resources Management - Water Stewardship | 66,870 | SC/ST – 9%; Female – 23% |
| Climate Smart Agriculture | 12.09 Lakhs | SC/ST – 17%; Female – 19% |
| On-Farm Livelihood Diversification - Social Forestry | 8,950 | SC/ST – 28%; Female – 23% |
| Off-Farm Livelihood Diversification - Improved Animal Husbandry Practices | 2.16 Lakhs | SC/ST – 21%; Female – 50% |
| Support To Education | 10.94 Lakhs | Children – 100%; ~50% Girl Children |
| Skilling Of Youth | 17,600 | SC/ST – 24%; Female – ~49% |
| Improving Health & Sanitation - Waste Management | 7.13 Lakhs | SC/ST – 1.61% |
| Improving Health & Sanitation - Maternal And Child Health And Nutrition | 17 Lakhs | 100% - Women, Adolescents And Children |
| Women Empowerment | 9.48 Lakhs* | 100% Women |

*includes women gainfully employed and women in SHGs covered under Financial Literacy programme during the year

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 enables consumers to engage with the Company through multiple channels, including email, telephone, website, social media, and feedback forms. Dedicated consumer response cells within Businesses address queries and feedback, supporting continuous improvement of 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 2025-26 (Current Financial Year) | | Remarks | FY 2024-25 (Previous Financial Year) | | Remarks |
|--------------------------------|--|-------------------------------------|---------|---|------------------------------------|---------|
| | Received During The Year | Pending Resolution At End Of Year^^ | | Received During The Year | Pending Resolution At End Of Year^ | |
| Data privacy | 0 | 0 | - | 0 | 0 | - |
| Advertising | 12 | 1 | | 6 | 2 | |
| Cyber-security | 0 | 0 | | 0 | 0 | |
| Delivery of essential Services | 0 | 0 | | 0 | 0 | |
| Restrictive Trade Practices | 0 | 0 | | 0 | 0 | |
| Unfair Trade Practices | 0 | 0 | | 0 | 0 | |
| Others | 25,350 | 3,575 | | 19,806 | 2,503 | |

^ Resolved after March 2025.

^^ Will be resolved after March 2026.

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://itcportal.com/about-itc/itc-policies/privacy-policy.html>

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

Leadership Indicators

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

<https://www.itcportal.com>

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 designed to enable consumers to make informed purchase decisions, while also promoting awareness on the responsible usage of its products and services.

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.

Best in Class ESG Credentials: Recognition of ITC's Sustainability Performance

 **CDP Water**

'A List' for the third consecutive year

 **CDP Climate**


'Leadership level' score of 'A-' for the fourth consecutive year

 **CDP Forest**

Achieved 'A List' in first year of participation

 **Dow Jones Best-in-Class Emerging Markets Index**

Continued to feature in the prestigious Index

 **MSCI ESG**

Sustained 'AA' rating for 8 years in a row

 **Alliance for Water Stewardship**

9 ITC Units certified at Platinum level



KPMG Assurance and Consulting Services LLP
Building No. 10, 4th Floor, Tower-B & C
DLF Cyber City, Phase - II
Gurugram - 122 002 (India)
Tel: +91 124 307 4000
Fax: +91 124 254 9101

Independent Practitioners’ Reasonable Assurance Report

To the Board of Directors of ITC Limited

Assurance report on the sustainability disclosures in the Business Responsibility and Sustainability Reporting (BRSR) disclosures

Assurance report on the sustainability disclosures in the Business Responsibility and Sustainability Reporting (BRSR) Core format¹ (called ‘Identified Sustainability Information’ (ISI) of ITC Limited (the ‘Company’) for the period from 1 April 2025 to 31 March 2026. The ISI is included in the Business Responsibility and Sustainability Reporting section of the Company’s Report and Accounts 2026 for the period from 1 April 2025 to 31 March 2026.

Opinion

We have performed a reasonable assurance engagement on whether the Company’s sustainability disclosures in the BRSR Core Format (refer Appendix 1 of this report) for the period from 1 April 2025 to 31 March 2026 have been prepared in accordance with the reporting criteria (refer table below).

| Identified Sustainability Information (ISI) subject to assurance | Period subject to assurance | Reference Section in the Report and Accounts 2026 | Reporting criteria |
|--|---|---|---|
| <i>BRSR Core (refer Appendix 1)</i> | <i>From 1 April 2025 to 31 March 2026</i> | <i>“Business Responsibility and Sustainability Report” (BRSR) section of Company’s Report and Accounts 2026</i> | <ul style="list-style-type: none"> - <i>Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR)</i> - <i>Master Circular for compliance with the provisions of the SEBI LODR by listed entities, dated January 30, 2026 (Master Circular) prescribing</i> <ul style="list-style-type: none"> o <i>Format of the BRSR</i> |

¹ As per SEBI Master circular number *SEBI/HO/49/14/14(7)2025-CFD-POD2/I/3762/2026*

ISO Certifications: ISO 14001:2015-Environmental Management System, ISO 45001:2018-Occupational Health & Safety Management System, ISO 22301:2019-Business Continuity Management System, ISO 27001:2022-Information Security Management System, ISO 27017:2015-Cloud Security Management System, ISO 27701:2019-Personal Information Management System, ISO 20000-1:2018- Information Technology System Management and ISO 42001: 2023- Artificial Intelligence Management System

KPMG Assurance and Consulting Services LLP, an Indian limited liability partnership and a member firm of KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee

KPMG (Registered) (a partnership firm with Registration No. BA-62445) converted into KPMG Assurance and Consulting Services LLP (a Limited Liability Partnership with LLP Registration No. AAT-0367), with effect from July 23, 2020

Registered Office:
2nd Floor, Block T2 (B Wing)
Lodha Excelus, Apollo Mills
Compound, N M Joshi Marg,
Mahalaxmi, Mumbai - 400 011



| | | | |
|--|--|--|--|
| | | | <ul style="list-style-type: none"> ○ Guidance notes for BRSR format issued by SEBI - Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard) (Revised) developed by World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) |
|--|--|--|--|

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 the *Business Responsibility and Sustainability Reporting (BRSR) section of its Report and Accounts 2026* for the period 1 April 2025 to 31 March 2026, is prepared, in all material respects, in accordance with the Regulation 34(2)(f) of SEBI LODR, *Master Circular of SEBI LODR, Master Circular, the Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard) (Revised) developed by World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) and as per the Reporting Boundary as set out in BRSR - Section A: General Disclosures 13 of the BRSR.*

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 our 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 2026 (but



does not include the BRSR Core and assurance report thereon). The Company's Report and Accounts 2026 is expected to be made available to us after the date of this Assurance Report.

Our reasonable assurance on the BRSR Core attributes does not cover the other information and we are not expressing any form of assurance conclusion thereon.

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

When we read the Report and Accounts 2026, 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 attributes, the Reporting Criteria and ISI 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 so that it 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 Report and Accounts 2026;
- preparing/fairly stating/properly calculating the ISI in accordance with the Reporting Criteria;
- ensuring the Reporting Criteria is available for the intended users with relevant explanation;
- 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 take ownership of the ISI disclosed in the Report and Accounts 2026;
- ensuring compliance with laws, regulations 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 relevancy of information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts and BRSR Core 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 BRSR Core disclosures are free from material misstatement, whether due to fraud or error, in accordance with the Reporting Criteria in line with the section above;
- 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 ITC Limited.

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 ISI 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 controls relevant to the ISI covered by the 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 the internal controls. In carrying out our engagement, we:



- assessed the suitability of the criteria used by the Company in preparing the ISI covered by the reasonable assurance;
- evaluated the appropriateness of reporting policies, quantification methods and models used in the preparation of the ISI covered by the reasonable assurance and the reasonableness of estimates made by the Company;
- relied on the audited standalone financial statements for the year ended 31 March 2026, audited by the Company's statutory auditors, for financial data included in BRSR Core attributes as per Appendix 1; and
- evaluated the overall presentation of the ISI covered by the reasonable assurance.

Exclusions

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

- Any form of review of the commercial merits, technical feasibility, accuracy of claims, compliance with applicable legislations. We have not verified any of the judgements in relation to commercial risks associated with the business activities.
- Operations of the Company other than those under the *Reporting Boundary set out in the section A of BRSR section of the Report and Accounts 2026* (Scope of Assurance).
- The Company's statements that describe the strategy, progress on goals (other than those listed under the scope of assurance as mentioned above), 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.
- Aspects of the BRSR and the data or information (qualitative or quantitative) other than the ISI.
- Data and information outside the defined reporting period i.e., from 1 April 2025 to 31 March 2026.

Shivananda Shetty
Partner

For KPMG Assurance and Consulting Services LLP

Date: 10 June 2026

Place: Gurugram



Appendix 1: BRSR Core attributes

| Principle | Attribute/Area | Parameter/Metric | Type of Assurance |
|--------------------|---|---|-------------------|
| Principle 1 - E8 | Fairness in Engaging with Customers and Suppliers | Number of days of accounts payable | Reasonable |
| Principle 1 - E9 | Open-ness of business | Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties | Reasonable |
| Principle 3 - E1 c | Enhancing Employee Wellbeing and Safety | Spending on measures towards well-being of employees and workers (including permanent and other than permanent) | Reasonable |
| Principle 3 - E11 | | Details of safety related incidents (LTIFR, Recordable Injuries, Fatalities, High Consequence Injuries) | Reasonable |
| Principle 5 - E3 b | Enabling Gender Diversity in Business | Gross wages paid to females as % of total wages paid by the entity | Reasonable |
| Principle 5 - E7 | | Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 | Reasonable |
| Principle 6 - E1 | Energy Footprint | Total energy consumption | Reasonable |
| | | Energy intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output) | Reasonable |
| Principle 6 - E3 | Water Footprint | Provide details of water withdrawal by source | Reasonable |
| | | Total water consumption | Reasonable |
| | | Water consumption intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output) | Reasonable |
| Principle 6 - E4 | Water Footprint | Water Discharge by destination and levels of Treatment | Reasonable |
| Principle 6 - E7 | GHG Footprint | Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Reasonable |
| | | Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Reasonable |
| | | GHG Emission Intensity (Scope 1+2) (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output) | Reasonable |
| Principle 6 - E9 | Embracing circularity - waste details | Provide details related to waste generated by category of waste | Reasonable |
| | | Waste intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output) | Reasonable |
| | | Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations | Reasonable |
| | | For each category of waste generated, total waste disposed by nature of disposal method | Reasonable |
| 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) | Reasonable |
| Principle 8 - E5 | | Job creation in smaller towns: Wages paid to persons employed in smaller towns as % of total wage cost | Reasonable |
| 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 | Reasonable |