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
	ITC is guided by a comprehensive set of Board-approved Policies that cover NGRBC principles (P1 to P9) and the underlying core elements. 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 is also strengthening 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 evolving disclosure standards and Environmental, Social and Governance (ESG) requirements. 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 teams. Various committees designated with specific responsibilities have also been constituted for operationalising these Policies. The Sustainability Compliance Review Committee comprising senior 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.								
b. Has the Policy been Approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	**https://www.itcportal.com/about-itc/policies/index.aspx**								
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®)	OHSAS 18001/ ISO 45001: Occupational Health and Safety Management Systems	ISAE 3000	SA 8000: Social Accountability, United Nations Guiding Principles on Business and Human Rights, Sustainable Tobacco Programme, RFA, FSC®	ISO 14001: Environment Management System, Alliance for Water Stewardship (AWS), LEED Certification for Green Building, Zero Carbon, Zero Water	NGRBC	-	ATNI Framework, ASCI, FSSAI, ISO 9001, BRCGS and Packaging Materials Global Standard, HACCP, Sedex, NPOP, NOP, Halal and Kosher
	For more information on Environment, Social, Occupational Health and Safety, Food Safety Certifications and Sustainable Farming Certifications, refer to 'Certifications' section of ITC Sustainability & Integrated Report 2023.								

5. Specific Commitments, Goals and Targets set by the Entity with defined Timelines, if any.	In line with its Sustainability 2.0 agenda, ITC has set short to medium targets for key priority areas like climate change, water stewardship, plastic waste and circular economy, sustainable agriculture, biodiversity conservation and sustainable livelihoods. In line with the above, ITC's Businesses have targets for Key Performance Indicators (KPIs) like specific energy consumption, specific greenhouse gas emissions, specific water intake and specific waste generation. In order to achieve these targets, all ITC Units have established management systems which entail regular monitoring of environmental KPIs, development of an environmental management plan, and reviewing progress on a regular basis to ensure that Businesses are on track with respect to the agreed roadmap.
6. Performance of the Entity against the Specific Commitments, Goals and Targets along with reasons in case the same are not met.	
	For more information on annual performance against the Sustainability 2.0 targets, refer to 'Sustainability 2.0 Ambitions: 2030 Targets' section of ITC Sustainability & Integrated Report 2023.

Governance, Leadership and Oversight

7. Statement by Director Responsible for the Business Responsibility Report, Highlighting ESG Related Challenges, Targets and Achievements *(listed entity has flexibility regarding the placement of this disclosure)*

Please refer to the 'Chairman's Statement' section in ITC Sustainability & Integrated Report 2023.

8. Details of the Highest Authority Responsible for Implementation and Oversight of the Business Responsibility Policy(ies).	The CSR and Sustainability Committee of the Board, chaired by the Chairman & Managing Director, reviews and oversees implementation of the Sustainability Policies of the Company on an annual basis. In addition, the CSR and Sustainability Committee and the Board of Directors also review the progress of implementation of the Company's CSR Programmes on a half-yearly basis. The composition of the CSR and Sustainability Committee as on 31st March, 2023 is given below:

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.	P. R. Chittaranjan	Non-Executive Director	09773278
3.	M. Gupta	Non-Executive Director	06638754
4.	S. Panray	Non-Executive Director	09251023
5.	N. Rao	Independent Director	06954879
6.	A. K. Seth	Independent Director	08504093
7.	M. Shankar	Independent Director	06374957
8.	D. R. Simpson	Non-Executive Director	07717430

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, inter alia, responsible for periodic review of material issues, 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.

9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, as stated under (8) above, the CSR and Sustainability Committee of the Board, inter alia, 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. 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 & Integrated Report of the Company.

10. Details of Review of NGRBCs by the Company:

	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee					Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)			
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance Against Above Policies and Follow-up Action	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis
	As stated under (8) above, the Sustainability Compliance Review Committee is responsible for monitoring and evaluating compliance with the Sustainability Policies of the Company and placing a quarterly report thereon for review by the CMC. The CSR and Sustainability Committee of the Board also reviews implementation of these Policies on an annual basis. The Chief Executives of Divisions/Strategic Business Units (SBU) and Heads of Corporate Functions are responsible for ensuring implementation of the Sustainability Policies of the Company within their respective Division/SBU/Corporate Function.								
Compliance with Statutory Requirements of Relevance to the Principles, and, Rectification of any Non-compliances	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis	Any other Committee On a quarterly basis
	The Company is in compliance with applicable laws and regulations.								

11. Has the Entity Carried out Independent Assessment/Evaluation of the Working of its Policies by an External Agency? (Yes/No). If yes, provide name of the agency.	• ITC has been obtaining independent third-party assurance for its Sustainability Reports since 2004, in the reporting year, authenticity of the data and systems disclosed in the Sustainability & Integrated Report 2023 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 of FY 2022-23 has been verified at the 'Reasonable Assurance' level by an independent third-party assurance provider • In addition to the above, relevant third-party assessments and certifications are conducted across Business Units periodically