Double Materiality Assessment

At GCPL, we uphold a strong commitment to people and the planet alongside our pursuit of profit. Our stakeholders include investors, customers, consumers, and communities, expect us to go beyond financial performance and demonstrate broader social and environmental responsibility.

We conduct a formal materiality assessment every two years or in response to significant changes in the business or regulatory landscape. In 2024, we enhanced our approach by adopting the double materiality framework to better understand which sustainability issues affect our business and how our operations impact stakeholders and the environment. This engagement helped us identify key impacts, risks, and opportunities.

Our assessment focused on identifying and evaluating Environmental, Social, and Governance (ESG) issues that are relevant to both our business and our stakeholders. We examined how these material topics align with our business risks, opportunities, and strategic objectives. The goal of the double materiality assessment was to prioritise ESG topics that are most significant to our internal operations and external stakeholder concerns, while recognising the mutual influence between our company and the broader sustainability ecosystem.

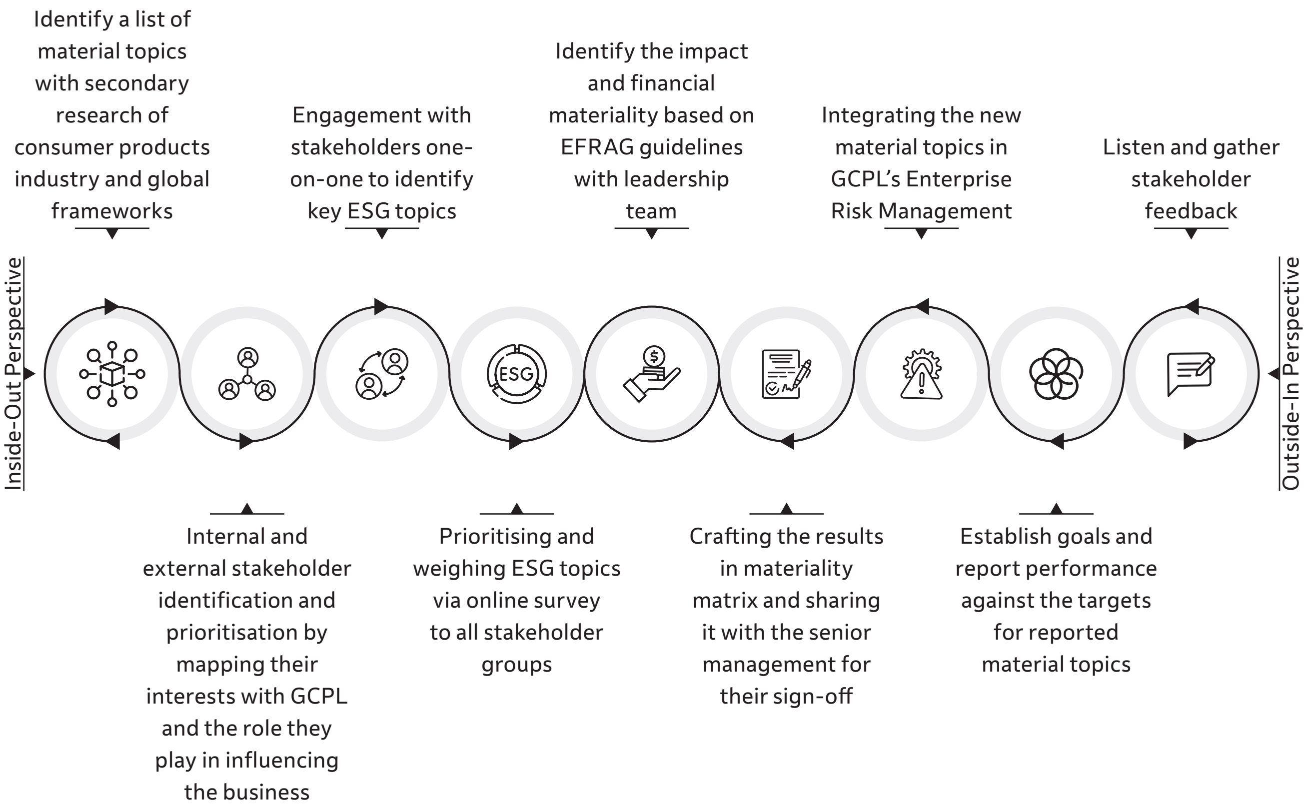
We conducted this assessment in accordance with the European Financial Reporting Advisory Group (EFRAG) materiality guidance issued in February 2024 and the draft European Sustainability Reporting Standard (ESRS 1 General Requirements) released in November 2022. It aligns with the Corporate Sustainability Reporting Directive (CSRD) and applies the double materiality lens to evaluate each sustainability topic from both an external impact and internal financial perspective.

Where relevant, we integrated materiality insights into our Enterprise Risk Management (ERM) framework, particularly in priority areas such as occupational health and safety, governance, renewable energy, sustainable supply chain management, and sustainable packaging. Our Board-level ESG Committee oversees these areas. We identify and address significant risks and opportunities with potential financial impact as part of our ERM processes.

We maintain a structured double materiality engagement cycle and conduct it formally every two years in response to significant shifts in the internal and external environment. We ensure that key material issues are continuously monitored and addressed within our risk management framework.

The list of material topics identified through the 2024 double materiality assessment was evaluated, reviewed and approved by our senior management.

Process flow of Double Materiality



Stakeholder Engagement

To ensure a diverse representation of interests across the regions where GCPL operates, we actively engage all our stakeholders in our double materiality assessment. We understand that our success depends on how effectively we manage sustainability factors to create business value and deliver positive outcomes for our communities and the environment. Our objective with the double materiality assessment is to pinpoint and prioritise the sustainability factors that have the greatest impact on GCPL, while also acknowledging areas where GCPL can affect results. To achieve this, we initiated engagement with key stakeholder groups to compile a comprehensive list of material issues. Key stakeholders were identified based on their influence, interest, and effect on the business. These included Leadership, Employees, Suppliers, Customers, Investors, NGO Partners, and Industry Associations. We customized our questionnaire for stakeholders to assess their views and priorities.

We evaluated each material issue based on its relative significance among various stakeholder groups, and consolidated these findings through stakeholder analysis.

Stakeholder Prioritisation

We evaluated the significance of each stakeholder group using two key criteria: their ability to influence GCPL's performance and operations, and the extent to which GCPL's activities and outcomes impact them. We then assigned relative weightages based on these parameters. This approach helped us prioritise material topics that are grounded in stakeholder conversations and inputs, and which highlighted each stakeholder group's importance in our business context.

Stakeholder	**Stakeholder group**	**Ability of a stakeholder to strongly influence GCPL's performance and operations**	**Extent of influence on a stakeholder due to GCPL's performance and operations**
Internal stakeholders	Leadership Team (L4)	High	High
	Employees (L3-L1)	Medium	High
External stakeholders	Suppliers	Medium	Medium
	Customers	Medium	Medium
	Investors	Medium	High
	NGO Partners	Low	Medium
	Industry Associations	Low	Medium

Methodology & Findings

The double materiality assessment in FY 2024–25, covered GCPL's operations across both domestic and international markets, including India, Sri Lanka, Bangladesh, Argentina, Chile, Africa, Indonesia, and the USA.

We began by revisiting our last materiality assessment in 2020, and conducted secondary research on global sustainability frameworks and trends within the FMCG sector. The process helped us create a comprehensive list of 40 relevant sustainability topics for evaluation.

Preliminary universe of 40 identified material topics

Sr	Environment
1	Climate Change
2	Biodiversity & Land use
3	Forestation
4	Ecological Impacts
5	Energy Management
6	Emissions
7	Toxic Emissions
8	Product Carbon Footprint
9	Water Management
10	Waste Management
11	Environmental Policy &Management Systems
12	Community Relations
13	Product Safety & Quality
14	Labor Practice Indicators

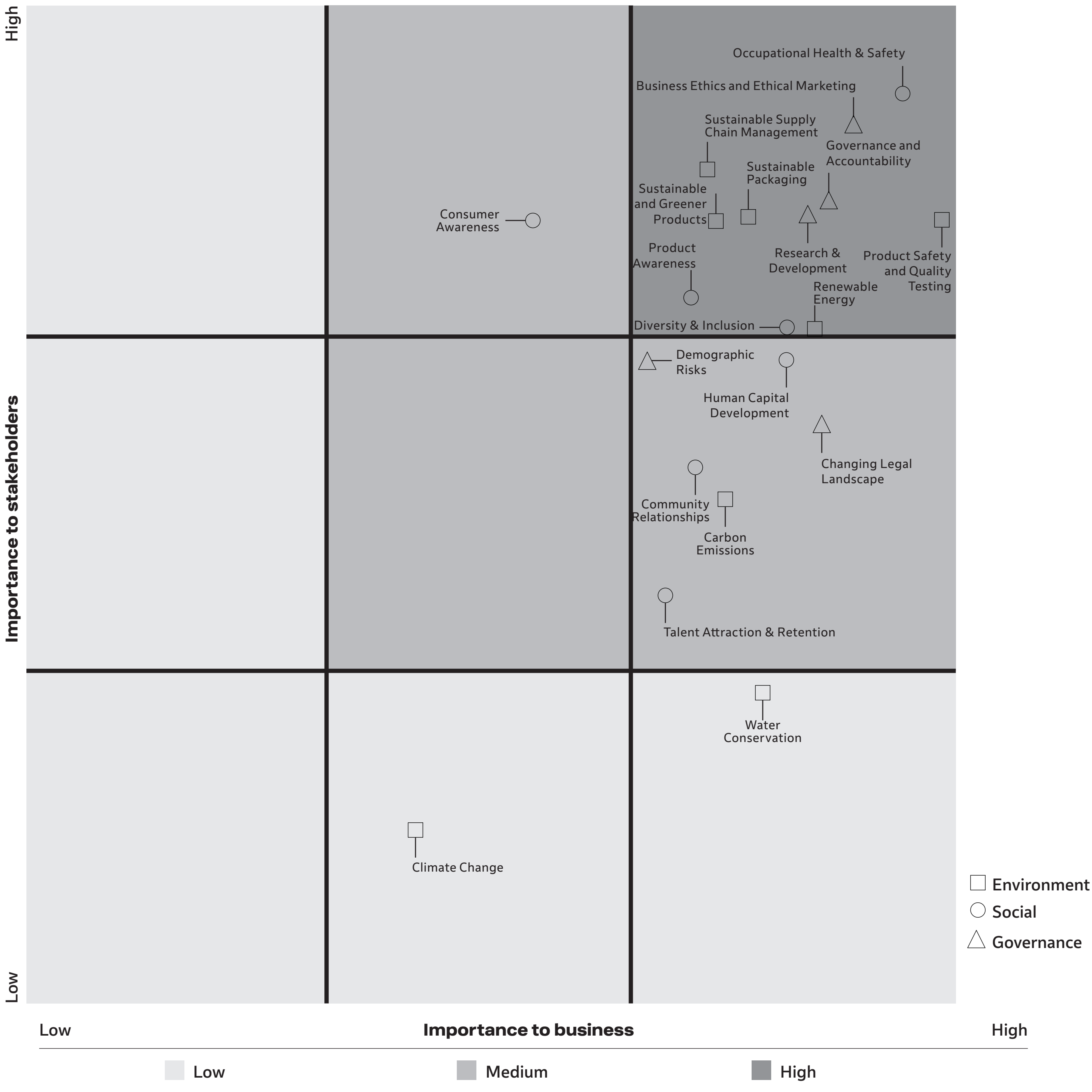
Sr	Social
15	Privacy & Data Security
16	Supply Chain Management
17	Chemical Safety
18	Health & safety
19	Human Capital Development
20	Materials Sourcing & Efficiency
21	Customer Relationship Management
22	Selling Practices & Product Labelling
23	Product Design & Lifecycle Management
24	Customer Privacy
25	Access & Affordability
26	Talent Attraction & Retention
27	Sustainable Agricultural Practices

Sr	Governance
28	Innovation Management
29	Business Ethics
30	Tax Transparency
31	Ownership & Control
32	Corporate Governance
33	Accounting
34	Competitive Behaviour
35	Management of Legal & Regulatory Environment
36	Critical Incident Risk Management
37	Systemic Risk Management
38	Policy Influence
39	Transparency & Reporting
40	Macro Economy & Geopolitical Risk

We used the initial list of 40 topics to guide our stakeholder engagement process, that included interactions with employees, suppliers, investors, consumers, industry partners, and NGO partners. We organised 47 one-on-one interviews both virtually and in person across all our geographies. These interviews helped us identify sustainability issues most important to our stakeholders. Based on these insights, we refined the preliminary list to a consolidated set of 20 material topics.

Following this, we conducted an online survey asking a wider set of our stakeholders to rank each topic by its significance. This exercise provided valuable input on perceived and emerging sustainability risks and opportunities. We received 184 responses and we applied appropriate weightages to each stakeholder group to and prioritised the top 20 topics based on stakeholder preferences.

Final list of 20 material topics



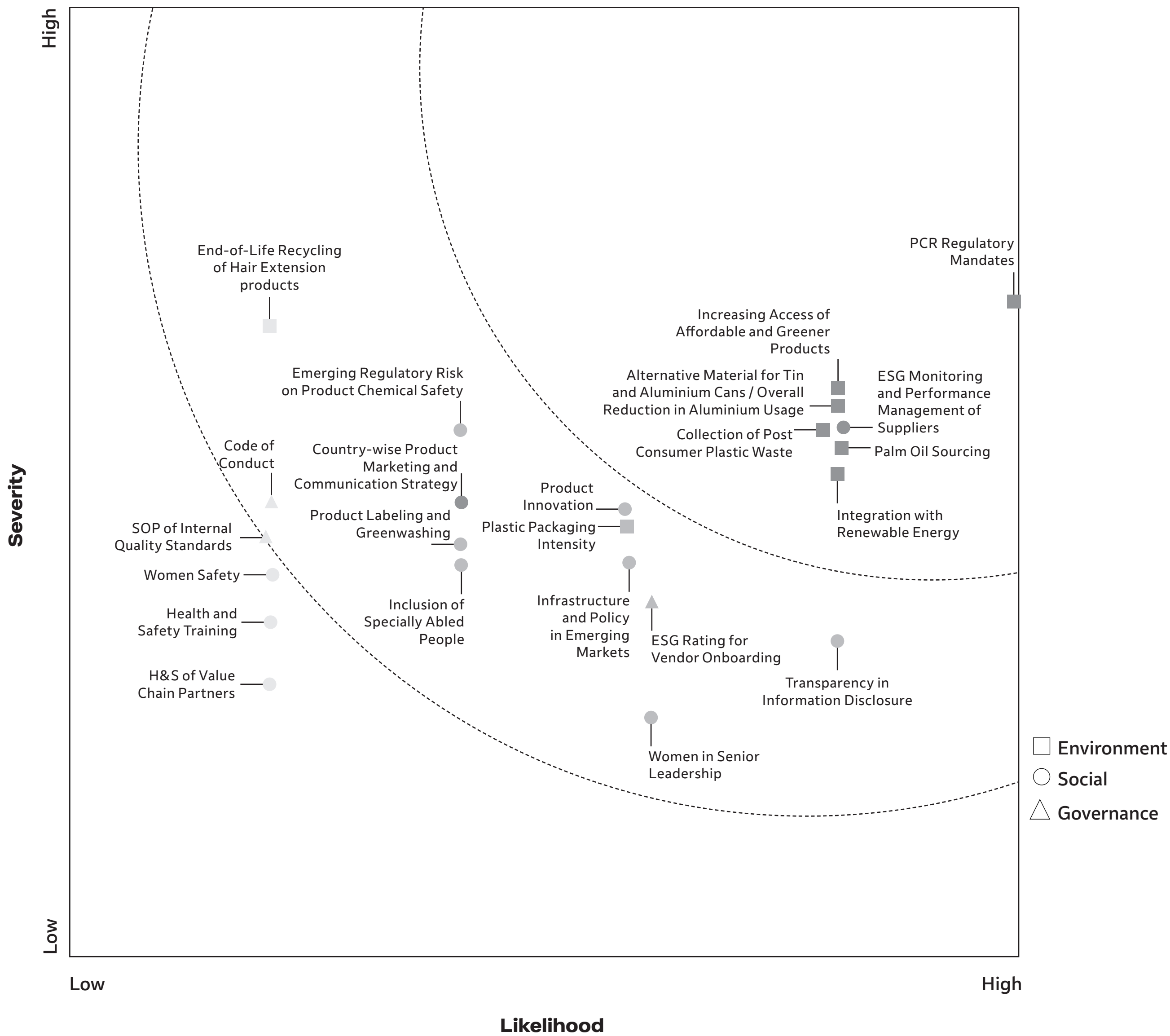
Double Materiality Assessment

Our stakeholder interactions revealed 23 subtopics related to the top 10 sustainability topics outlined above. We evaluated these subtopics further in consultation with internal stakeholders to understand their potential impact and financial materiality to our company.

To guide this evaluation, we developed a questionnaire that framed each subtopic within a realistic risk or opportunity scenario. This approach helped us to assess the potential impact and financial implications by examining both direct and indirect outcomes on GCPL's operations, value chain, services, the environment, and the broader society.

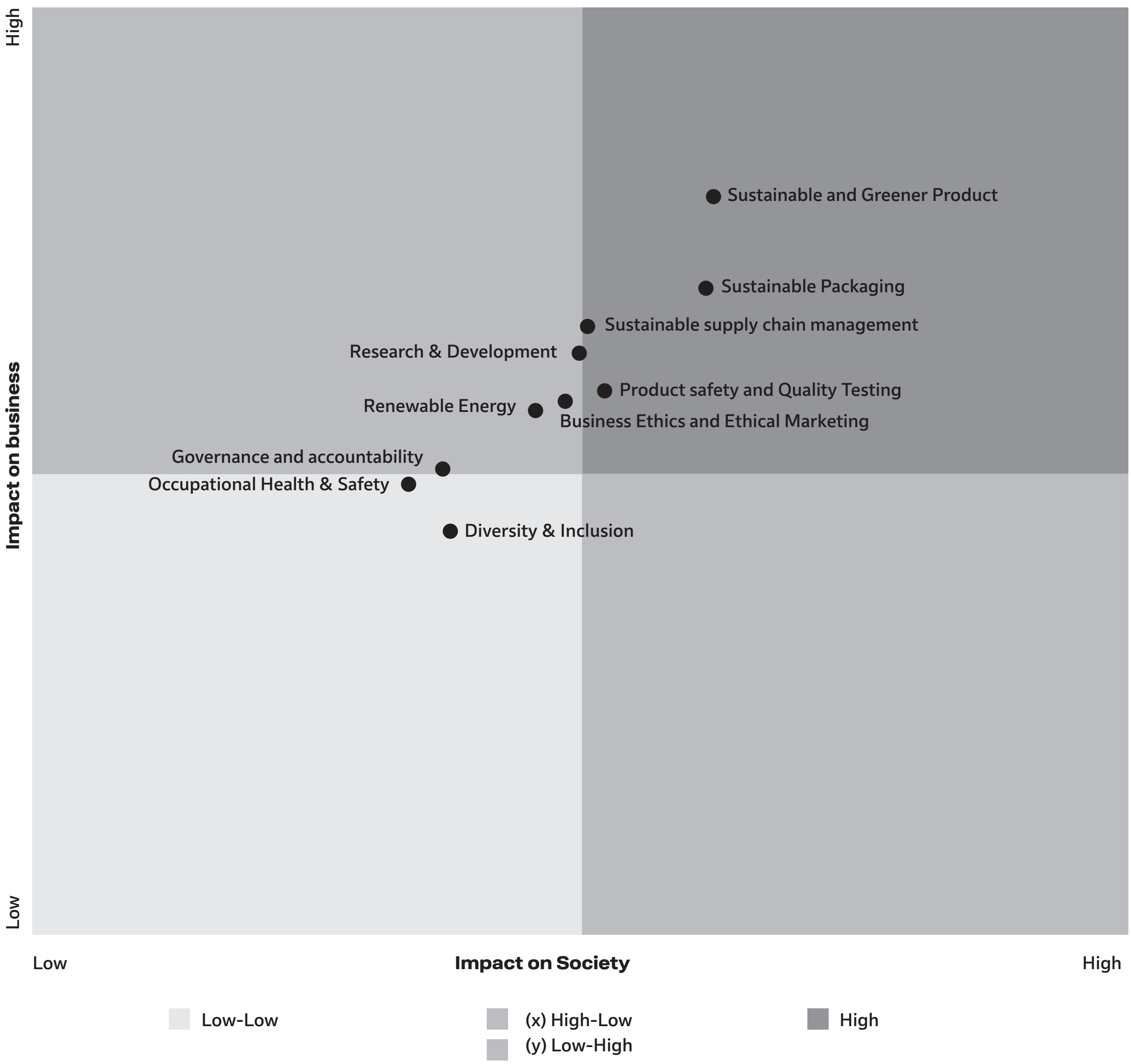
We conducted the exercise exclusively with members of the senior leadership team, given their central role in strategic decision-making, understanding of ESG-related business risks and opportunities, and insights into the company's financial operations. Each senior leader rated the subtopics based on three impact dimensions – scale, scope, and remediability, and two financial parameters – continuation of reliance and rating of adverse action. As a result we developed GCPL's double materiality matrix by plotting each subtopic across two axes of impact materiality and financial materiality.

Results of impact materiality assessment



After the final scoring, we developed a double materiality matrix plotting impact materiality against financial materiality at both the topic and subtopic levels to highlight GCPL's key sustainability priorities.

Financial Impact Materiality Matrix



The double materiality assessment identified GCPL's top 10 key priorities that include worker safety, product and quality testing, business ethics, governance and accountability, sustainable packaging, supply chain management, renewable energy R&D, sustainable and greener products, and diversity and inclusion. The final list of material issues for FY 2024–25 has been reviewed and approved by GCPL's senior management, based on the outcomes of the materiality assessment.

Change in material topics

2020

Environment
- Sustainable Packaging

Social
- Building inclusive and prosperous communities
- Occupational health and safety
- Skill development and training

Governance
- Research & Development
- Responsible marketing and communication
- Governance and accountability

2024

Environment
- Sustainable Packaging
- Sustainable supply chain management
- Renewable Energy
- Sustainable and Greener Product

Social
- Occupational Health & Safety
- Product safety and Quality Testing
- Diversity & Inclusion

Governance
- Research & Development
- Business Ethics and Ethical Marketing
- Governance and accountability

**Note: The Double Materiality Assessment was carried out in 2024 and will be undertaken again next year as part of our periodic review of materiality, which is conducted once every 2 years.*

Top material issues

Sustainable and Greener Product	Product safety and Quality Testing	Sustainable supply chain management	Renewable Energy	Research & Development
Category develop existing portfolio		**Radical Simplification**		
We ensure our product offerings are sustainable, affordable, and accessible, maintaining a balance between environmental responsibility and consumer delight.	To ensure ongoing regulatory compliance and customer satisfaction, we follow stringent quality testing protocols and are committed to reducing the use of hazardous chemicals in our products, if not eliminating completely	We engage with suppliers to evaluate their sustainability practices, exchange best practices, and recommend measures to enhance ethical sourcing.	52% of our energy consumption comes from renewable sources. We are steadily expanding our investments in renewable energy, in line with our pledge to reach net zero Scope 1 and 2 emissions by 2035.	We regularly evaluate product sustainability across the lifecycle and continue to improve our product development processes to integrate sustainability as a key criterion.
Relevant Codes, Policies, Reports and Statements				
Product Stewardship Report	Product Stewardship Report Responsible Chemical Management Commitment	Policy for Responsible Supply	Integrated Environment Management Policy	Product Stewardship Report Product life cycle assessments

Occupational Health & Safety	Diversity & Inclusion	Business Ethics and Ethical Marketing	Governance and Accountability	Sustainable Packaging
People and planet alongside profit				
We place utmost importance on health and safety to sustain an incident-free workplace, demonstrated by our zero-fatality record and absence of major property damage over the last five years, underscoring our dedication to safety and protecting brand integrity.	At GCPL, we champion diversity and the advancement of women in leadership. We currently have 51% gender diversity and are working toward our target of 30% women in senior roles, reaching 27% in FY25-26. We carry out gender pay gap analysis and customise training initiatives at all organisational levels.	Our commitment to ethics shapes our decision-making. We voluntarily share information aligned with international frameworks, nurturing a culture rooted in values and ethics, and building stakeholder trust through ethical product labelling.	Our ESG committee at the board level provides oversight on sustainability matters, ensuring alignment with company values and objectives and driving progress on environmental, social, and governance commitments.	Currently, 48% of our plastic packaging is recyclable. We've reduced plastic packaging intensity by over 20% vs FY2019-20 baseline, yielding cost efficiencies and lowering our Extended Producer Responsibility (EPR) obligations.
Relevant Codes, Policies, Reports and Statements				
Safety and Health Policy Road Safety Policy	Board Diversity Policy Code of Conduct for Employees Human Rights Policy DEI Statement	Responsible Marketing Advertising and Sales Policy	Integrated Environment Management Policy Code of Conduct	Product Stewardship Report Policy for Responsible Supply

Priority Material Issues for Value Creation

Material Issue for Value Creation	Occupational Health and Safety
Boundary	Within and outside GCPL
Business Case	Ensuring health and safety remains a critical focus at GCPL, particularly due to the physical risks faced by personnel in manufacturing and distribution roles. Insufficient training in Occupational Health and Safety (OHS) can put employees at risk and exposes the company to a range of secondary consequences, including legal costs, operational disruptions, increased stakeholder scrutiny, lower employee morale, and damage to corporate reputation.
Impact	Risk
Relevant Stakeholders	Employees, workers, contractor workers and local community
Business Strategy/ Initiative	At GCPL, our vision is to bring about a strong Safety and Health culture and create an incident free organisation. We are committed to provide a safe and healthy work environment for the well–being of all GCPL employees, workers and our stakeholders. We have established a comprehensive Safety & Health policy, supported by well-defined Standard Operating Procedures and a structured governance framework. This ensures all incidents are thoroughly investigated and addressed to prevent recurrence. Safety procedures are reviewed periodically, and both the Central Safety Committee and plant-level committees conduct monthly reviews of occupational health and safety data. We are proud of our sustained record of zero fatalities across offices and manufacturing facilities that has contributed to strong employee morale and trust.
Target	**By 2026-27, we aim to have–** • Fatal accidents – 0 • Dangerous occurrence – 0 • LTIFR– 50% reduction from FY23 base year LTIFR of 1.01 • OHS training coverage – 100%
Progress as of FY26	• Fatal accidents – 0 • Dangerous occurrence – 0 • LTIFR – 0.54 • OHS training coverage – 100%
Link to executive compensation	At GCPL, 15% of executive compensation is directly linked to People & Planet goals, aligning with our broader mission to foster an inclusive workplace and support a more sustainable world. Specifically, health and safety targets tied to executive pay include the rollout of a human rights action plan with a focus on safety, reducing the frequency of workplace accidents, and ensuring no fatal incidents occur.

Material Issue for Value Creation	Sustainable Packaging
Boundary	Within and outside GCPL
Business Case	The tightening of regulations around plastic use, waste generation & disposal, particularly in regions like India and Africa, could lead to increased short-term compliance costs.
Impact	Cost
Relevant Stakeholders	Investors, Employees, Customers
Business Strategy/ Initiative	Given that plastic packaging is a key component of most GCPL products, we are actively working to reduce our plastic packaging intensity, defined as the ratio of packaging weight to total product weight. Since the FY2019-20 baseline, we have achieved a reduction of over 20% in plastic intensity, resulting in cost savings and lower Extended Producer Responsibility (EPR) obligations.
Target	**By 2027, for our India operation, we aim to –** • Have 80% of our plastics be recyclable • Reduce plastic intensity by 20% • Replace 30% category I (rigid plastic) with post-consumer recycled plastic, replace 10% category II (flexible plastic) with post-consumer recycled plastic, and replace 5% category III (multi-layer plastics) with post-consumer recycled plastic
Progress as of FY26	• Recyclable plastics at 48% • Reduced plastic intensity by over 20% • Replaced 17% of category I (rigid plastic) and 3% of category II (flexible plastic) with post-consumer recycled plastic
Link to executive compensation	At GCPL, 15% of all leaders' executive compensation is tied to the attainment of People & Planet goals, reflecting our commitment to building a sustainable and inclusive future. Regarding renewable energy, these performance-linked goals include increasing the share of renewables in our energy mix, reducing specific energy consumption, and lowering overall emissions.

Material Issue for Value Creation	Renewable Energy
Boundary	Within GCPL
Business Case	Transitioning to renewable energy sources not only helps lower GCPL's emissions but also delivers substantial long-term cost benefits.
Impact	Revenue
Relevant Stakeholders	Investors, Employees
Business Strategy/ Initiative	We use renewable energy sources including briquette-fired boilers, microturbines for steam generation, co-generation systems, rooftop solar PV, and open access green power wherever available.
Target	We had set a target to increase the share of renewable energy in our overall energy mix to 35% by FY2026
Progress as of FY26	52% of GCPL's energy is from renewable sources which achieves our FY2026 target
Link to executive compensation	At GCPL, 15% of all leaders' executive compensation is tied to the attainment of People & Planet goals, reflecting our commitment to building a sustainable and inclusive future. Regarding renewable energy, these performance-linked goals include increasing the share of renewables in our energy mix, reducing specific energy consumption, and lowering overall emissions.

Our R&D teams focus on new product development that have lower environmental

Material Issues and Materiality Metrics for External Stakeholders

Material Issue for External stakeholders	Carbon emissions and climate change impact
Cause of impact	Operations and our products
External Stakeholder(s)/Impact Area(s) Evaluated	Environment and Society
Type of impact	Both positive and negative impact
Relevance for external stakeholder(s)	The year 2025 was one of the warmest years on record, resulting in above-average temperatures and extreme rainfall across several regions where we operate. Climate change continues to disproportionately impact populations in emerging markets, many of which fall within our operational footprint. To address our environmental impact, we follow a proactive three-pronged strategy to reduce carbon emissions: 1. Upgrading to more energy-efficient and green technologies 2. Transitioning to renewable energy sources 3. Conducting regular energy audits to identify and act on improvement opportunities
Output metrics	% of GHG emission reduction in India - We are committed to reducing our GHG emissions intensity by 45% by FY2026, using FY2011 as the baseline. As of FY2026, we have reduced our GHG emission intensity by 57%.
Impact valuation	We assess the environmental impact of our operations and products by applying an internal carbon price of $10 per tCO2e emitted/reduced, based on shadow pricing to evaluate the environmental value lost/ gained. This pricing covers all three GHG scopes and is applied across all manufacturing-related business decision-making processes, with the objective of minimizing emission impact.
Impact metric	In FY2026, we reduced our India Scope 1 and 2 emissions by 15,211 tCO_2e compared to FY2025, equating to an estimated environmental value of $152,110.

Material Issue for External stakeholders	Water consumption in water-stressed areas
Cause of impact	Operations and our products
External Stakeholder(s)/Impact Area(s) Evaluated	Environment and Society
Type of impact	Both positive and negative impact
Relevance for external stakeholder(s)	Nearly half of the global population faces severe water scarcity for at least part of the year. Unsustainable industrial water use can jeopardize local community access to this essential resource. This issue is especially material to GCPL due to the significant water stress in many of our operational geographies and the critical reliance of both our business and stakeholders on water availability. At GCPL, we are actively working to reduce our water footprint, both within our operations and across the lifecycle of our products. We conduct regular water assessments at our facilities and in the communities where we operate, implementing targeted initiatives to protect shared water resources.
Output metrics	% of water intensity reduction in India Compared to FY2024-25, we increased our water intensity in FY2025-26 by 17%. This was due change in product mix and increased production of water intensive products.
Impact valuation	To measure the environmental impact of our operations and products, we use an internal water pricing mechanism based on a risk-adjusted pricing model to quantify the environmental value lost or gained.
Impact metric	In FY2026, as we consolidated and expanded our manufacturing footprint in India, we increased our India water consumption by 88,795 kilolitres compared to FY2025, translating into an environmental value loss of $221,215 for the communities we serve. To counter this impact, we invested in water rejuvenation project in the water stressed region of Malanpur, Madhya Pradesh, covering 11 communities focusing on improving the quantity and quality of water. In this project, we have created rainwater harvesting structures, soak pits and trained communities. In FY 2025-26, we have conserved around 9,500 kilolitres of water, which will help recharge the ground level and create a long-term positive impact.

We actively engage with our stakeholders and incorporate their feedback into our decision-making. Below is an overview of our stakeholder engagement approach and the key steps we follow to understand the expectations and priorities of each stakeholder group.

Stakeholder group	Leadership Team	Employees	Suppliers
Whether identified as Vulnerable & Marginalized Group	No	No	No
Frequency and manner of stakeholder engagement	• Periodic meetings • Quarterly Reviews • Open communication & direct visits	• Weekly/monthly reviews • HR forums • Town halls • Small group discussions • Employee engagement surveys • 360-degree feedback • Webinars on sustainability topics	• Sustainable supply chain initiative • Supplier meets • Audits • Annual suppliers conference • Webinars on sustainability topics
Sustainability and other concerns	• Embed sustainability in leadership discussions • Regularly share reports and updates on the company's sustainability efforts, including achievements, challenges, and future goals	• Health, safety, and mental well-being • Skill development and learning • Circular economy principles • Water recycling and reuse • Sustainable packaging	• Product safety and quality • Responsible supply chain • Reducing environmental footprint • Waste management and circular economy • Sustainable packaging
Our engagement approach	• Collaborative Decision-Making • Familiarisation of leadership on sustainability related matters	• Ensuring a safe and productive place to work where employees can be their whole selves • Prioritizing learning and development • Highlighting employee feedback mechanisms through a variety of channels • Enabling medical facilities for employees and their families	• Supporting and enhancing their capabilities through skill development, growth opportunities, and safe operations

Customers	Investors	NGO Partners	Industry Associations
No	No	No	No
• Customer meets • Customer surveys • Feedback calls • Direct visits	• Investor meets • Investor calls • Roadshows and grievance forums for shareholders and investors	• Project planning and review meetings • Need assessment surveys • Field visits • Feedback surveys	• Periodic meetings and active participation in industry association meetings, conferences, and events
• Greater market penetration • Responsible marketing and communication	• Profitability and growth • Focus on carbon emission, renewable and clean energy, and air pollution • Technology, product, and process innovation • Embedding sustainability in the operations, governance and supply chain	• Building inclusive and prosperous communities	• Advocacy for Sustainability: Engage with industry associations to promote environmentally responsible practices and policies that support both ecological and sectoral progress • Collaborative Initiatives: Collaborating with industry peers through industry associations to address sustainability challenges collectively
• Using technology to assess and respond in an agile manner • Providing high-quality, safe products that delight consumers • Ensuring responsible consumer engagement	• Communicating progress transparently	• Creating and scaling up programs that meet the needs of communities in terms of livelihoods, public health, waste management, and water conservation	• Stay informed about industry standards and regulations related to sustainability and other concerns and actively engage with industry associations to ensure compliance and advocate for sensible regulations