

# UNITED SPIRITS LIMITED

(Financial Year 2023-24)

<b>Contents</b>	<b>Page No</b>
Audit Report (BRSR Core)	1
BRSR Report	6
Management analysis on key sustainability and emission indicators	58

## Independent Practitioner’s Reasonable Assurance Report on Identified Sustainability Information in United Spirits Limited’s Business Responsibility and Sustainability Report pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of United Spirits Limited

We have undertaken to perform a reasonable assurance engagement for United Spirits Limited (the “Company”) vide our Engagement Letter dated November 4, 2023 read with addendum thereto dated May 13, 2024 in respect of the agreed Sustainability Information referred in “Identified Sustainability Information” paragraph below (the “Identified Sustainability Information”) in accordance with the Criteria stated in the “Criteria” paragraph below. The Identified Sustainability Information is included in the Business Responsibility and Sustainability Report (“BRSR”) Section of the Annual Report of the Company for the financial year ended March 31, 2024 pursuant to the requirement of Regulation 34(2)(f) of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the “LODR Regulations”). This engagement was conducted by a team comprising of assurance practitioners and engineers/environment experts.

### Identified Sustainability Information

The Identified Sustainability Information for the financial year ended March 31, 2024, is as summarised in Appendix 1 to this report.

Our reasonable assurance engagement was with respect to the financial year ended March 31, 2024 information only and we have not performed any procedures with respect to prior periods or any other elements included in the BRSR [other than those listed as BRSR Core Key Performance Indicators (“KPIs”) in Appendix 1] and, therefore, do not express any opinion thereon.

### Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is the “BRSR Core” as detailed in Appendix 1 to this report (the “Criteria”), which is a subset of the BRSR, consisting of a set of KPIs / metrics under nine Environmental, Social and Governance (“ESG”) attributes, as specified by SEBI vide its circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 (the “SEBI Circular”).

### Management’s Responsibilities

The Company’s Management is responsible for determining the Reporting Boundary of the BRSR, selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations including the SEBI Circular, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error. The Management and the Board of Directors of the Company are also responsible for overseeing the Company’s compliance with the requirements of LODR Regulations and the SEBI Circular in relation to the BRSR Core.

### Inherent limitations in preparing the Identified Sustainability Information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, Greenhouse Gas (“GHG”) quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

### Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) and the International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”) issued by the International Ethics Standard Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Price Waterhouse & Co Chartered Accountants LLP (the “Firm”) applies Standard on Quality Control 1, “Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements”, the International Standard on Quality Management (“ISQM”) 1 “Quality Management for Firms that perform Audits or Reviews of Financials Statements, or Other Assurance or Related Services Engagements” and ISQM 2 “Engagement Quality reviews”, and accordingly maintains a comprehensive

system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### Practitioner's Responsibilities

Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements ("SSAE") 3000, "Assurance Engagements on Sustainability Information" and the Standard on Assurance Engagements ("SAE") 3410, "Assurance Engagements on Greenhouse Gas Statements", both issued by the Sustainability Reporting Standards Board of the ICAI and the International Standard on Assurance Engagement ("ISAE") 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and the ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements" both issued by the International Auditing and Assurance Standards Board (collectively referred to as "the Standards"). These Standards require that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is prepared, in all material respects, in accordance with the Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures referred above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and /or measurements of the Identified Sustainability Information.
- Made enquiries of Company's Management, including those responsible for Sustainability, Environment Social Governance ('ESG'), Human Resources (HR) etc., and those with responsibility for managing the Company's BRSR.
- Obtained an understanding and performed an evaluation of the design of the key systems, processes, and controls for managing, recording and reporting on the Identified Sustainability Information with respect to all USL owned manufacturing sites and owned and leased offices and warehouses under the reporting boundary (as mentioned in the BRSR). Further, for select Identified Sustainability Information, in addition to obtaining an understanding and performing evaluation of certain Information Technology General Controls (ITGCs), operating effectiveness of the ITGCs was also tested.
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures
- Checked the consolidation for all USL owned manufacturing sites and owned and leased offices and warehouses under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported.
- Performed substantive testing on a sample basis of the Identified Sustainability Information for all USL owned manufacturing sites and owned and leased offices and warehouses under the reporting boundary (as mentioned in the BRSR) to verify that data had been appropriately measured with underlying documents recorded, collated and reported. This included assessing records and performing testing including recalculation of sample data.
- Assessed the level of adherence to the BRSR format issued by Securities and Exchange Board of India (SEBI) and followed by the Company in preparing the BRSR.
- Assessed the BRSR for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to Identified Sustainability Information and relevant source data/information.
- Where applicable for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2024 and the underlying trial balance.

- Evaluated the reasonableness and appropriateness of significant estimates and judgments made by the Management in the preparation of the Identified Sustainable Information.
- Obtained representations from Company's Management.

### Exclusions

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

- Operations of the company other than the Identified Sustainability Information listed in Appendix 1.
- Aspects of the BRSR and data/ information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e., April 1, 2023 to March 31, 2024.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company and testing or assessing any forward-looking assertions and/or data.

### Opinion

Based on the procedures performed and the evidence obtained, the Company's Identified Sustainability Information summarised in Appendix 1 and included in the BRSR for the financial year ended March 31, 2024 are prepared, in all material respects, in accordance with the Criteria.

### Emphasis of Matter

We draw attention to Section A (Question no. 13) of the BRSR, which describes the reporting boundary as the Company's Owned Manufacturing Sites and owned and leased Offices and Warehouses and does not include Third-Party Manufacturing Sites managed by the respective third parties for the reasons stated therein. Our opinion is not modified in respect of this matter.

### Restriction on use

Our work was performed solely to assist you in meeting the reporting requirements. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise.

This report has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, solely to comply with the requirement of Circular and LODR regulation, in reporting Company's sustainability performance and activities and for publishing the same as part of the Company's Annual Report. Accordingly, we accept no liability to anyone, other than the Company. Our report should not be used for any other purpose or by any person other than the addressees of our report. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009

Heman Sabharwal  
Partner  
Membership Number: 093263  
UDIN: 24093263BKFGJ3959

Place: Gurugram  
Date: June 27, 2024

Appendix 1

Identified Sustainability Information (BRSR Core KPIs)

Sr. No.	Principle and indicator reference*	Attribute	Parameters (KPIs) Assured
1.	Principle 6 - E7	Green-house gas (GHG) footprint <sup>#</sup>	<ol style="list-style-type: none"> <li>1. Total Scope 1 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</li> <li>2. Total Scope 2 emissions (Break-up of the GHG (CO<sub>2</sub>e) into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</li> <li>3. GHG Emission Intensity (Scope 1 +2)                             <ol style="list-style-type: none"> <li>a) Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP</li> <li>b) Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services</li> </ol> </li> </ol>
2.	Principle 6 - E3 and E4	Water footprint <sup>#</sup>	<ol style="list-style-type: none"> <li>1. Total water consumption</li> <li>2. Water consumption intensity                             <ol style="list-style-type: none"> <li>a) Water Intensity per rupee of turnover adjusted for PPP</li> <li>b) Water Intensity in terms of physical output</li> </ol> </li> <li>3. Water Discharge by destination and levels of Treatment</li> </ol>
3.	Principle 6 - E1	Energy Footprint <sup>#</sup>	<ol style="list-style-type: none"> <li>1. Total Energy Consumed</li> <li>2. % of energy consumed from renewable sources</li> <li>3. Energy intensity                             <ol style="list-style-type: none"> <li>a) Energy Intensity per rupee of turnover adjusted for PPP</li> <li>b) Energy Intensity in terms of physical output</li> </ol> </li> </ol>
4.	Principle 6 - E9	Embracing circularity- details related to waste management by the entity <sup>#</sup>	<ol style="list-style-type: none"> <li>1. Plastic waste (A)</li> <li>2. E-waste (B)</li> <li>3. Bio-medical waste (C)</li> <li>4. Construction and demolition waste (D)</li> <li>5. Battery waste (E)</li> <li>6. Radioactive waste (F)</li> <li>7. Other Hazardous waste (G)</li> <li>8. Other Non-hazardous waste generated (H)</li> <li>9. Total waste generated ((A+B + C + D + E + F + G + H)</li> <li>10. Waste intensity                             <ol style="list-style-type: none"> <li>a) Waste Intensity per rupee of turnover adjusted for PPP</li> <li>b) Waste Intensity in terms of physical output</li> </ol> </li> <li>11. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations</li> <li>12. For each category of waste generated, total waste disposed by nature of disposal method</li> </ol>

Sr. No.	Principle and indicator reference*	Attribute	Parameters (KPIs) Assured
5.	Principle 3 - E1(C) Principle 3 - E11	Enhancing employee wellbeing and Safety	<ol style="list-style-type: none"> <li>1. Spending on measures towards well-being of employees and workers-cost incurred as a % of total revenue of the company</li> <li>2. Details of safety related incidents for employees and workers                             <ol style="list-style-type: none"> <li>a) Number of Permanent Disabilities</li> <li>b) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</li> <li>c) No. of fatalities</li> </ol> </li> </ol>
6.	Principle 5 - E3(b) Principle 5 - E7	Enabling Gender Diversity in Business	<ol style="list-style-type: none"> <li>1. Gross wages paid to females as a % of wages paid</li> <li>2. Complaints on POSH                             <ol style="list-style-type: none"> <li>a) Total Complaints on Sexual Harassment (POSH) reported</li> <li>b) Complaints on POSH as a % of female employees / workers</li> <li>c) Complaints on POSH upheld</li> </ol> </li> </ol>
7.	Principle 8 - E4 Principle 8 - E5	Enabling Inclusive Development	<ol style="list-style-type: none"> <li>1. Input material sourced from following sources as % of total purchases -Directly sourced from MSMEs/ small producers and directly from within India</li> <li>2. Job creation in smaller towns- wages paid to people employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost</li> </ol>
8.	Principle 9 - E7 Principle 1 - E8	Fairness in Engaging with Customers and Suppliers	<ol style="list-style-type: none"> <li>1. Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events</li> <li>2. Number of days of accounts payable</li> </ol>
9.	Principle 1 - E9	Open-ness of business	<ol style="list-style-type: none"> <li>1. Concentration of purchases &amp; sales done with trading houses, dealers, and related parties                             <ol style="list-style-type: none"> <li>a) Purchases from trading houses as % of total purchases</li> <li>b) Number of trading houses where purchases are made from</li> <li>c) Purchases from top 10 trading houses as % of total purchases from trading houses</li> <li>d) Sales to dealers / distributors as % of total sales</li> <li>e) Number of dealers / distributors to whom sales are made</li> <li>f) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors</li> </ol> </li> <li>2. Loans and advances &amp; investments with related parties Share of RPTs (as respective %age) in-                             <ol style="list-style-type: none"> <li>a) Purchases</li> <li>b) Sales</li> <li>c) Loans &amp; advances</li> <li>d) Investments</li> </ol> </li> </ol>

Notes:

\* - 'E' denotes Essential Indicator

# - denotes data reported for USL owned manufacturing sites and owned and leased offices and warehouses

# Business Responsibility Sustainability Report

Section	Particulars	Page No
Section A	General Disclosure	6
Section B	Management and Process Disclosures	15
Section C	Principle wise Performance Disclosure	18
Principle 1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	18
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe	22
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains	25
Principle 4	Businesses should respect the interests of and be responsive to all its Stakeholders	32
Principle 5	Businesses should respect and promote human rights	35
Principle 6	Businesses should respect and make efforts to protect and restore the Environment	40
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	50
Principle 8	Businesses should promote inclusive growth and equitable development	53
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner	55

## Section A: General Information about the Company

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company	L01551KA1999PLC024991
2.	Name of the Listed Entity	UNITED SPIRITS LIMITED
3.	Year of incorporation	1999
4.	Registered office address:	UB TOWER', #24, Vittal Mallya Road, Bengaluru - 560 001
5.	Corporate address:	UB TOWER', #24, Vittal Mallya Road, Bengaluru - 560 001
6.	E-mail:	<a href="mailto:cosec.india@diageo.com">cosec.india@diageo.com</a>
7.	Telephone:	080-22210705
8.	Website:	<a href="http://www.diageoindia.com">www.diageoindia.com</a>
9.	Financial year for which reporting is being done:	April 01, 2023 to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited & BSE Limited
11.	Paid-up Capital	INR 1,45,47,01,706
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Jitendra Mahajan Chief Supply & Sustainability Officer Telephone: 080-22210705 Email: <a href="mailto:investor.india@diageo.com">investor.india@diageo.com</a>

13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	<p>The financial information presented in the report is for standalone legal entity, United Spirits Limited (USL). The non-financial information (environment, social and governance) presented in the report is for standalone legal entity, unless otherwise specified below.</p> <p>USL operates through its Own Manufacturing sites, Third-Party Manufacturing sites (which includes Tie-up Manufacturing Units and Leased Manufacturing Units), Owned and Leased Offices and Warehouses. USL's operations are subject to excise regulations. Under these regulations, USL as a brand owner is required to register brands with the excise authorities and only such registered brands can be supplied by USL either through its Own Manufacturing sites or Third-Party Manufacturing sites.</p> <p>For the purposes of financial reporting, in accordance with the applicable accounting standards, the Company includes revenue, cost of goods sold and applicable duties and taxes relating to the Third-Party Manufacturing sites into USL's Standalone Financial Statements. Further, the Company capitalizes Right of Use assets and the corresponding lease liabilities for the Third-Party Manufacturing sites in the Standalone Financial Statements. Please refer to notes 3.2 and 20 under Notes to the Audited Standalone Financial Statements in the Annual Report pg 140 and 163.</p> <p>The non-financial information has been reported for Owned Manufacturing sites, Owned and Leased Offices and Warehouses for indicators under the BRSR Core attributes of Green-house gas footprint, Water footprint, Energy footprint, Waste management and Total Output of Products considered for intensity across the same.</p> <p>The reporting boundary excludes the above mentioned non-financial information pertaining to Third-Party Manufacturing sites considering that the key sustainability activities of Third-Party Manufacturing sites are managed by respective parties themselves and the Company does not have operational control so far as it relates to such activities. Additional considerations for such exclusion include the complexities of USL's operating rights in relation to excise regulations as applicable to Third-Party Manufacturing sites and non-availability of specific guidance in the BRSR on reporting of non-financial information in relation to such Third-Party Manufacturing sites.</p> <p>The reporting boundary will be reviewed by the Company on an annual basis to align to any further guidance/clarity on the above matter.</p>
14.	Whether the company has undertaken reasonable assurance of the BRSR Core	Yes
15.	Name of assurance provider	Price Waterhouse & Co Chartered Accountants LLP
16.	Type of assurance obtained	Reasonable assurance on BRSR core indicators.

**II. Products/Services**

**17. Details of business activities (accounting for 90% of the turnover):**

Description of main activity	Description of business activity	% of Turnover of the entity
Manufacturing (Main Activity Group Code - C1)	The company is involved in the manufacture, sale, and distribution of alcoholic beverages.	100%



**18. Products/Services sold by the entity (accounting for 90% of the entity's turnover)**

Product / service	NIC Code	% of Total Turnover contributed
Alcoholic Beverages, Indian Made Foreign Liquor, Extra Neutral Alcohol	11011	100%

**III. Operations**

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

Businesses and operations are spread across the country.

Location	No of plants/Operations	No of offices	No of Warehouses/Depot	Total
National	12	19	14	45
International	0			

Note: Above disclosed number of plants/operations does not include 9 Own Manufacturing sites that were non-operational throughout the year and Third-Party Manufacturing sites.

**20. a Markets served by the entity - No of locations**

Location	Number
National (No of States)	27 states and 6 union territories
International (No of Countries)	23

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

0.57%

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

USL focuses on customers who are like an intermediary (such as a distributor, government corporations like Canteen Store's Department (CSD), wholesaler's and direct retailers).

**IV. Employees**

**21. Details as at the end of the financial year:**

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

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>					
Permanent (D)	1402	1,019	73%	383	27%
Other than Permanent (E)	70	59	84%	11	16%
<b>Total Employees (D+E)</b>	<b>1,472</b>	<b>1078</b>	<b>73%</b>	<b>394</b>	<b>27%</b>
<b>Workers</b>					
Permanent (F)	1196	1128	94%	68	6%
Other than Permanent (G)	3184	2523	79%	661	21%
<b>Total Workers (F+G)</b>	<b>4380</b>	<b>3651</b>	<b>83%</b>	<b>729</b>	<b>17%</b>

Note: The definition of employees and workers is as follows:

- Permanent Employees include regular executive on roll of the company
- Other than Permanent Employees include Service Provider Personnel (SPP)
- Permanent Workers include only USL workers
- Other than Permanent Workers include Service Provider Personnel (worker), and Full Time Contract (worker)
- Trainees and Apprentices not included in the workforce

**b. Differently abled Employees and workers**

Particulars	Total (A)	Male		Female	
		No(B)	%(B/A)	No(C)	%(C/A)
<b>Differently Abled Employees</b>					
Permanent (D)	0	0	0%	0	0%
Other than Permanent (E)	0	0	0%	0	0%
<b>Total Employees (D+E)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Differently Abled Workers</b>					
Permanent (F)	0	0	0%	0	0%
Other than Permanent (G)	52	52	100%	0	0%
<b>Total Workers (F+G)</b>	<b>52</b>	<b>52</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

**22. Participation/Inclusion/Representation of women - BOD/KMP**

Particulars	Total (A)	No. and % of Females	
		No(B)	%(B/A)
Board of Directors*	12	4	33%
Key Management Personnels	3	1	33%

\*Two of Key Management Personnel are also part of Board of Directors.

**23. Turnover rate for permanent employees and workers - Past 3 years**

Particulars	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.74%	21.33%	14.32%	19.00%	28.20%	21.20%	13.90%	33.50%	18.50%
Permanent Workers	28.50%*	1.50%	27.20%	12.20%	71.40%*	15.50%	9.60%	4.80%	9.20%

Note 1: FY2022-23, and FY2021-22 turnover rate has been reinstated as per the updated calculation method recommended by SEBI in the latest FAQ published on 10<sup>th</sup> May 2024.

Note 2: \* The turnover rate is higher on account of VRS/closure of units as part of the ongoing supply agility program, under which USL has been consolidating its manufacturing footprint across India.

In the financial year 2022-23, a voluntary separation scheme was offered to permanent workers across multiple sites, out of which 191 permanent workers opted for this scheme.

In the financial year 2023-24, USL closed two of its manufacturing operations, in which 348 permanent workers availed closure compensation / voluntary separation from the company.

**V. Holding, Subsidiary and Associate Companies**
**24. Names of holding / subsidiary / associate companies / joint ventures**

Sl No	Name of the holding / Subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Diageo PLC	Ultimate Holding company	-	No
2	Tanqueray Gordon & Company Ltd., United Kingdom (Holding Company of Diageo Relay B V)	Holding Company of Diageo Relay B V	-	No
3	Diageo RELAY BV	Holding Company	55.88%	No
4	Asian Opportunities & Investments Limited (AOIL)	Subsidiary	100%	No

SI No	Name of the holding / Subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
5	Palmer Investment Group Limited	Subsidiary	100%	No
6	Shaw Wallace Overseas Limited	Subsidiary	100%	No
7	USL Holdings Limited	Subsidiary	100%	No
8	USL Holdings (UK) Limited	Subsidiary	100%	No
9	United Spirits (UK) Limited	Subsidiary	100%	No
10	United Spirits (Great Britain) Limited	Subsidiary	100%	No
11	McDowell & Co (Scotland) Limited	Subsidiary	100%	No
12	Royal Challengers Sports Private Limited	Subsidiary	100%	No
13	Nao Spirits & Beverages Private Limited	Associate	30%*	No

Note: \*The company holds a 30% ownership interest on a fully diluted basis as of March 31, 2024.

**VI. CSR Details**

25. (i)	Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
25. (ii)	Turnover	25,389 Crores
25. (iii)	Net Worth	6,963 Crores

Note: The turnover (24 ii) of INR 25,389 Crores includes the total revenue from the operations as mentioned in note 20 of audited standalone financial statements.

**VII Transparency & Disclosures Compliances**

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

Stakeholder Group from Whom complained received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 (Current Financial Year)			FY 2022-23 (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
Investors (Other than Shareholders)	Not Applicable	Not Applicable	Not Applicable	USL is a listed entity and does not have any other investor type apart from Equity.	Not Applicable	Not Applicable	USL is a listed entity and does not have any other investor type apart from Equity.
Shareholders	Yes	16	0	The Company has empowered a Board-level Stakeholders Relationship and General Committee ("SRGC") to examine and redress complaints by shareholders. The status of complaints is reported to the Committee on quarterly basis. SRGC meets every quarter and reviews the shareholders grievances.	17	01	01 case pending closure on 31 <sup>st</sup> March 2023 stands closed

Stakeholder Group from Whom complained received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 (Current Financial Year)			FY 2022-23 (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	0	0	<p>USL has a grievance management system called "SpeakUp" in place for employees, contractors, community members for raising their concerns. This system (telephone &amp; website) is managed and operated by an independent agency "Navex".</p> <p>An individual is free to raise any concerns pertaining to USL without fear of retaliation. An individual raising a concern is free to disclose his/her details or remain anonymous. USL takes all concerns reported through SpeakUp seriously. All concerns reported are reviewed and investigated by trained investigators. Based on their investigative findings, further actions are initiated by the company.</p>	0	0	
Employees and workers	Yes	58	2		36	6	06 case pending closure on 31 <sup>st</sup> March 2023 stands closed
Value chain Partners (Vendors, Distributors, Retailers, Suppliers, etc)	Yes	3	0		0	0	

Stakeholder Group from Whom complained received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 (Current Financial Year)			FY 2022-23 (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
Customers/ Consumer	Yes	436	71	USL mentions details of customer care no. on our packs / labels for consumers to register their complaints (if any). Consumers can raise their concerns by calling on our Toll-free No. 1800-425-2433 or email us at <a href="mailto:customercare@unitedspirits.in">customercare@unitedspirits.in</a> .  The customer care (telephone) is managed independently by a third party and is operational all working days (except Public Holidays). We register all complaints on our SAP-CC (Customer Complaints) portal for further actionable / investigation as per process.	197	20	No consumer complaints are open from last year.

Note 1: Customer/Consumer complaints include complaints pertaining to Product Quality only. 436 complaints found validated & closed during reporting period & 71 complaints are under investigation as on 31<sup>st</sup> Mar'2024.

Note 2: Financial institutions/Banks providing loans to USL are not considered under the definition of "Investor". The Company has proper complaints and grievance redressal system to address complaints from such financial institutions and banks.

**27. Overview of the entity's material responsible business conduct issues**

To identify material issues on Environment and Social related to our business, we conducted materiality assessment which guided us to develop our Society 2030: Spirit of Progress plan to support sustainable growth over the critical decade until 2030. This assessment looked at the external trends shaping our operating environment and how we can most effectively align our work with the UN Sustainable Development Goals.

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)
Promoting moderation	Opportunity	USL is a proactive organization who is conscious of its impacts and hence has a prime focus on implementing various programmes for promoting responsible consumption of alcohol and awareness on drink driving.	-	Positive

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)
Including and empowering women, minorities, and under-represented groups	Opportunity	Championing Inclusion & Diversity is one of our Must Dos of Society 2030: Spirit of progress strategy. It nurtures an inclusive culture, diverse supply chain and builds an inclusive F&B sector that works for all.	-	Positive
Ensuring access to clean water, sanitation, and hygiene	Opportunity	Under our strategy on "Preserve Water for Life" we strive for provision of access to clean water, health and sanitation facilitates resulting in a healthy society/community therefore improving the overall health.	-	Negative
Ensuring responsible marketing/ retailing of alcohol	Opportunity	One of our strategic pillars under Society 2030: Spirit of progress is to do the business in the right way from "Grain to Glass". Promoting positive drinking through responsible marketing and encouraging our consumers to drink better not more is our constant endeavour.	-	Positive
Preventing harmful use of alcohol	Opportunity	Under promoting positive drinking, we focus on raising awareness on about nature and impacts of alcohol through our DrinkIQ platform to promote moderation.	-	Positive
Mitigating or adapting to climate change	Risk and opportunity	<p>Risk - Climate change poses risk to raw material availability and conducting operations, particularly in water stress regions, resulting in supply chain disruption and increased operation costs.</p> <p>Opportunity - Climate change adaption and mitigation measures can help Company minimise the current impact and also anticipate current and future adverse effects and take appropriate actions.</p>	Invest in climate adaption (WASH - Water, Health and Sanitation, Smart agriculture, Sustainable sourcing practices) and mitigation (renewable energy, energy efficient technologies) measures.	Negative
Protecting the natural ecosystems our business relies on	Risk and opportunity	<p>Risk- Environmental degradation can impact the availability of key ingredients.</p> <p>Opportunity- Ensures long-term sustainability of supply chains.</p>	Engage in sustainable sourcing, environment and biodiversity protection	Negative
Corporate Governance	Opportunity	Good governance practices contribute towards improving our ESG ratings and attract Investors and ensure regulatory compliance.	-	Positive

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)
Strengthening security of agri-food chains	Risk	Risk- Disruptions in supply chains can lead to increased costs and production losses.  Opportunity- Protects against disruptions and ensures quality and stability in supplies.	Diversify suppliers and invest in supply chain resilience.	Negative
Supporting good livelihoods and working conditions	Opportunity	Nurtures a culture that is conducive towards the overall growth of the Organization, its people and the society at large.	-	Positive
Reducing or eliminating waste	Risk and opportunity	Risk- Inefficient waste management leads to environmental harm and potential regulatory penalties.  Opportunity- Effective waste management reduces costs and environmental impact.	Invest in waste reduction and recycling programmes.	Negative

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

Policy and management processes		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	<a href="https://www.diageoindia.com/en/about-us/corporate-governance">https://www.diageoindia.com/en/about-us/corporate-governance</a>								
2.	Whether the entity has translated the policy into procedures.  (Yes / No)	Yes. Every function within USL has implemented the working of our policies. These are governed / monitored by the respective functional heads.								
3.	Do the enlisted policies extend to your value chain partners?  (Yes/No)	Yes. USL’s documentation (Agreements, Contracts, Purchase Orders) with our value chain partners (for both supply and services) contain compliance clauses along with an annexure on “USL’s Guidance Note to Business Associates”. Value chain partners are required to comply with our Code of Conduct and the guidance note prior to or on signing of the agreement, understand the policies contained therein and agree to act in accordance with the standards and principles.								
4.	Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	<ol style="list-style-type: none"> <li>1. USL is aligned with Alliance for Water Stewardship Standard (AWS) and Alwar is our first distillery which is certified against AWS core standard. This site is Asia’s first Spirits distillery to be certified.</li> <li>2. During the reporting year, 10 of our own units were certified for Food Safety management System FSSC 22000 standards (of this 1 unit became non-operational). Further 1 more unit is planned for FSSC 22000 certification and will be completed by June-2024.</li> <li>3. Nimapara unit received Silver Award in CII -SR EHS Excellence Award 2023.</li> <li>4. Baramati unit was awarded Gold Award by Quality Circle Forum of India (QCFI) for improvement in water factor and overall equipment efficiency.</li> <li>5. In last financial year Baramati, Nashik, and Kumbalgodu units were awarded by OHSSAI for Safety Category.</li> <li>6. Nimapara unit was awarded Gold Award by Quality Circle Forum of India (QCFI) for manpower productivity improvement.</li> <li>7. Kumbalgodu unit received award from Confederation of Indian Industry (CII) for Best Implementation of Project (Foreign matter reduction project).</li> <li>8. Nasik unit received Gold medal from Confederation of Indian Industry (CII) for Best Kaizen on Food Safety &amp; Quality digitalization.</li> <li>9. Baramati unit received two awards (Distinguish &amp; Excellent) at national convention on Quality Concepts Forum by Quality Circle Forum of India (QCFI) for Nurture Quality Concepts for a better future.</li> </ol>								



Policy and management processes	P1	P2	P3	P4	P5	P6	P7	P8	P9																											
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>‘Society 2030: Spirit of Progress’ is our 10-year ESG action plan to help create a more inclusive and sustainable world. Our strategic priorities are to promote positive drinking, champion inclusion and diversity and pioneer grain-to-glass sustainability, all underpinned by doing business the right way. Building on the legacy, we want to create a positive impact on our company, within our communities and for society. To lead our business through the next decade, we have set ourselves goals which align with the United Nations’ Sustainable Development Goals.</p> <p>The details of the Diageo PLC Society 2030 goals can be referred from the below link -</p> <p><a href="https://media.diageo.com/diageo-corporate-media/media/ik3arjvx/diageo-society-2030-spirit-of-progress-targets.pdf">https://media.diageo.com/diageo-corporate-media/media/ik3arjvx/diageo-society-2030-spirit-of-progress-targets.pdf</a></p>																																			
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	<p>The USL’s performance against the specific targets established for financial year 2023-24 is as follows:</p> <table border="1"> <thead> <tr> <th>Categories</th> <th>Unit</th> <th>Performance</th> </tr> </thead> <tbody> <tr> <td>Promote Positive Drinking (Act Smart India)</td> <td>No of young people educated on the dangers of underage drinking</td> <td>1,91,861 (The achievement is ahead of target)</td> </tr> <tr> <td>Positive Drinking (Wrong Side of the Road)</td> <td>No. of consumers educated on the dangers of drink driving</td> <td>4,35,164 (The achievement is ahead of target)</td> </tr> <tr> <td>Learning for Life</td> <td>No. of people trained in business &amp; Hospitality skills</td> <td>2,060 (The achievement is ahead of target)</td> </tr> <tr> <td>Water Replenishment</td> <td>Cu. M.</td> <td>9,928 Cu. M. water replenished (The achievement is ahead of target)</td> </tr> <tr> <td>Water use efficiency (Packaging)</td> <td>Kiloliter of water used / Kiloliter of Beverage packed</td> <td>1.08* (98% achievement vs target**)</td> </tr> <tr> <td>Water use efficiency (Distillation)</td> <td>Kiloliter of water used / Kiloliter of spirit distilled</td> <td>13.06*( The achievement is ahead of target)</td> </tr> <tr> <td>Carbon Emission CO2e (Scope 1)</td> <td>Mt</td> <td>4,324* (The achievement is ahead of target)</td> </tr> <tr> <td>Renewable energy (After offsetting the non-renewable energy consumption through I-Rec (International - Renewable Energy certificates)</td> <td>%</td> <td>98.6%* (100% achievement vs target)</td> </tr> </tbody> </table>									Categories	Unit	Performance	Promote Positive Drinking (Act Smart India)	No of young people educated on the dangers of underage drinking	1,91,861 (The achievement is ahead of target)	Positive Drinking (Wrong Side of the Road)	No. of consumers educated on the dangers of drink driving	4,35,164 (The achievement is ahead of target)	Learning for Life	No. of people trained in business & Hospitality skills	2,060 (The achievement is ahead of target)	Water Replenishment	Cu. M.	9,928 Cu. M. water replenished (The achievement is ahead of target)	Water use efficiency (Packaging)	Kiloliter of water used / Kiloliter of Beverage packed	1.08* (98% achievement vs target**)	Water use efficiency (Distillation)	Kiloliter of water used / Kiloliter of spirit distilled	13.06*( The achievement is ahead of target)	Carbon Emission CO2e (Scope 1)	Mt	4,324* (The achievement is ahead of target)	Renewable energy (After offsetting the non-renewable energy consumption through I-Rec (International - Renewable Energy certificates)	%	98.6%* (100% achievement vs target)
Categories	Unit	Performance																																		
Promote Positive Drinking (Act Smart India)	No of young people educated on the dangers of underage drinking	1,91,861 (The achievement is ahead of target)																																		
Positive Drinking (Wrong Side of the Road)	No. of consumers educated on the dangers of drink driving	4,35,164 (The achievement is ahead of target)																																		
Learning for Life	No. of people trained in business & Hospitality skills	2,060 (The achievement is ahead of target)																																		
Water Replenishment	Cu. M.	9,928 Cu. M. water replenished (The achievement is ahead of target)																																		
Water use efficiency (Packaging)	Kiloliter of water used / Kiloliter of Beverage packed	1.08* (98% achievement vs target**)																																		
Water use efficiency (Distillation)	Kiloliter of water used / Kiloliter of spirit distilled	13.06*( The achievement is ahead of target)																																		
Carbon Emission CO2e (Scope 1)	Mt	4,324* (The achievement is ahead of target)																																		
Renewable energy (After offsetting the non-renewable energy consumption through I-Rec (International - Renewable Energy certificates)	%	98.6%* (100% achievement vs target)																																		

Note: \* - The performance reported for water, GHG emissions and renewable percentage is covering USL owned manufacturing sites during the year. This is consistent with the Society 2030: Spirit of Progress ambitions of USL.

\*\* The water use efficiency (Packaging) is marginally behind the target primarily driven by timing of implementation of water saving projects, which are being taken in FY 2024-25.

**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 message in the Annual report page “3”

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

At the highest level, the Board of Directors of the Company, led by the Chairman & Managing Director, has the primary role of trusteeship to protect and enhance shareholder value through strategic supervision. As trustees, the Board ensures that the Company has clear goals aligned to shareholder value and its growth, and in line with its sustainability agenda.

The CSR and ESG Committee of the Board reviews and oversees implementation of the Sustainability Policies of the Company on an annual basis. In addition, the Committee and the Board also review the progress of implementation of the Company’s CSR Programmes, on a quarterly basis against Society 2030 vision and targets.

**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, Corporate Social Responsibility and Environmental, Social and Governance Committee (CSR & ESG Committee) of the Board is responsible for decision making on sustainability related issues. The CSR and ESG Committee has various responsibilities, including reviewing, overseeing, and monitoring the Company’s CSR and ESG matters.

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	P1	P2	P3	P4	P5	P6	P7	P8	P9
Subject for Review																		
Performance against above policies and follow up action	USL’s Code of Business Conduct (COBC) covers all the principles laid down under NGRBC guidelines. The code of business conduct is refreshed annually and approved by our Board prior to publication to all our employees. The latest Code of business conduct document was approved by the Board in January 2023.  The performance is measured in the below ways - Annually, USL conducts an Annual Compliance Certification for all its employees wherein employees need to certify that they have read and abide by the COBC. Yearly declarations are also taken from our Board members on the same.  Any Code violation or deviation reported to the company are investigated and actioned on our breach management standards. The Board is briefed every quarter on any violations reported to the code or its aligned policies.									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The company monitors its regulatory compliance requirements through a compliance reporting software, wherein stakeholders report on the compliance status for their respective areas.  Certification on these regulatory compliances is generated on the said software, signed off by the functional heads and presented to the Board.									Annually								

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	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No, A periodic review is performed by the respective Policy owners and Control Assurance and Risk Excellence team (CARE - internal team).								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**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 Indicators**

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 by the awareness programmes
Board of Directors	7	USL conducts a familiarization program for all Board members on key areas of the company to be attended by the Board. The attendance / number of hours of training completed by the board is regularly updated on the below link - <a href="https://media-diageocms.diageoplatform.com/diageo-corporate-media/media/q2zfzox/directors-familiarisation-program-details_31mar2024.pdf">https://media-diageocms.diageoplatform.com/diageo-corporate-media/media/q2zfzox/directors-familiarisation-program-details_31mar2024.pdf</a>	100%
Key Managerial Personnel	2	USL conducts annual policy awareness sessions on key policies for all its Employees. Training sessions cover the following policies - Anti Bribery and Corruption, Gifts & Entertainment, Data Privacy, Anti-trust & Competition, Conflict of Interest, Speakup, Employee Alcohol policy, Employee Health & Safety, External Communications, Human Rights & Dignity at Workplace and Information Management and Security.	100%
Employees other than BOD and KMPs	2	Each Policy owner conducts 02 training sessions on each of the above policies. Employees are expected to attend one out of 02 sessions.  As a testing mechanism for gauging understanding of our policies amongst employees, Business Integrity team also conducts a Policy understanding test (PUT) post completion of policy refresher trainings. The test is applicable to employees who've joined the organisation prior to 31 <sup>st</sup> October 2023. Employees of USL are required to undertake the test and correctly answer minimum of 13 out of 15 questions.  In F24 PUT was launched in February 2024 and completed in March 2024. Where 99.92% employees have passed the test.	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category by the awareness programmes
Workers	35	<p>Associate Ambassador Network is an initiative by USL to spread policy awareness at grassroot levels. As part of this initiative, 01 employee from each owned manufacturing unit is nominated as Ambassador and is trained on one key policy each month (specifically applicable for manufacturing units).</p> <p>The policies include - Anti-Bribery and Corruption, Employee Health and Safety, Prevention of Sexual harassment at workplace, Quality, Employee Alcohol, and Speakup. The training material is prepared and translated into five local languages (Hindi, Marathi, Telugu, Kannada and Bengali) for ease of understanding at grassroot level.</p> <p>The ambassadors / employees are required to train 02 blue collared employees (associate ambassadors), in regional language who in turn train all blue collared employees at the unit. Both the ambassadors and the associate ambassadors play a vital role in dissemination of awareness on our policies both at a functional and unit level.</p>	50%

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 Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fines	During the year, the Company had received 25 directions/ orders. Of these, the Company has paid in eight instances and has preferred appeal for the remaining instances in various jurisdictions. Details of the same have been filed with stock exchanges under Regulation 30 of SEBI Listing Regulations and also hosted on the website of the Company at <a href="https://www.diageoindia.com/en/investors/shareholder-centre/notice-board">https://www.diageoindia.com/en/investors/shareholder-centre/notice-board</a> .				
Settlement					
Compounding fee					

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	N/A	N/A	N/A	N/A	N/A
Punishment	N/A	N/A	N/A	N/A	N/A

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
During the year, the Company had received 25 directions/ orders. Of these, the Company has paid in eight instances and has preferred appeal for the remaining instances in various jurisdictions. Details of the same have been filed with stock exchanges under Regulation 30 of SEBI Listing Regulations and also hosted on the website of the Company at <a href="https://www.diageoindia.com/en/investors/shareholder-centre/notice-board">https://www.diageoindia.com/en/investors/shareholder-centre/notice-board</a> .	

**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.**

Yes. Our Code of Business Conduct is the key guiding document governing the compliance and ethics framework of the Company and its subsidiaries. Further, USL has a Global Countering Corruption Policy that encompasses Anti-Bribery & Corruption, Anti- Money Laundering, Anti-Facilitation of Tax Evasion and Sanctions, and includes guidelines on Gifts & Entertainment. The Anti Bribery & Corruption policy is based on 5 core principles to be followed by employees.

- a. Principle on dealing with Government Officials and Politically Exposed Persons
- b. Principle on dealing with non-Government business partners.
- c. Principle on Corporate Hospitality, Gifts and Sponsorships
- d. Trade Incentives
- e. Charitable, Community and Political contributions

In addition to our Code and Policies, the compliance program at USL is also anchored by mandatory and exhaustive Know Your Business Partner (KYBP) process. All Business partners have to undergo KYBP as part of their onboarding process. The KYBP process, inter alia, assesses the Business Partners on various parameters including corruption & bribery, and categorizes the risk that USL is exposed to through such Business Partner. A detailed mitigation plan is then implemented with the Business Partner.

The policy can be provided on request.

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

Particulars	FY 2023-24 (Current Financial Year)	FY 2022 - 23 (Previous Financial Year)
Directors	0	0
KMPs		
Employees / Workers		

**6. Details of Complaints with regard to conflict of interest**

Particulars	FY2023 -24 (Current Financial Year)		FY2022 - 23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	None	0	None
Number of complaints received in relation to issues of Conflict of Interest of the KMP's	0	None	1	Unsubstantiated and closed

**7. Provide details of any corrective action taken or underway on conflicts of interest.**

None, as the case was unsubstantiated.

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

Particulars	FY 2023 -24 (Current Financial year)	FY 2022 -23 (Previous Financial year)
Number of days of accounts payable	77 Days	71 Days

Note 1: The above indicator has been calculated as 365/ (Trade payables turnover ratio). The Trade payable turnover ratio is taken as disclosed in the audited standalone financial statements (Note 51.XIV).

Note 2: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicator in the table above for FY 2023-24.

**9. Openness 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 2023 -24 (Current Financial year)	FY 2022 -23 (Previous Financial year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	100%	100%
	b. Number of dealers / distributors to whom sales are made	1,846	2,169
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	49%	57%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	11%	13%
	b. Sales (Sales to related parties / Total Sales)	0%	0%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	85%
	d. Investments (Investments in related parties / Total Investments made)	27%	45%

Note 1: USL has considered 'trading house' as a business entity that specializes in facilitating transactions between a home country and a foreign country. Such an entity acts as an intermediary between buyers and sellers across different countries, connecting them and facilitating the exchange of goods and services.

In line with the above, USL does not have any supplier falling under the category of a 'trading house'.

Note 2: All sales have been made by USL to dealers and distributors. Sales considered above as per the revenue from operations in the Note 20 of the audited standalone financial statements of USL for the year ended March 31, 2024.

Note 3: For the purpose of calculating the Cost of goods/ services procured, all procurements including capital expenditures are considered and, rates & taxes, exchange (gain)/loss, allowance for trade receivable and other assets (net) are excluded.

Note 4: All the amounts relating to related parties disclosed above are as per Note 36 of the audited standalone financial statements of USL for the year ended March 31, 2024.

Note 5: For Loans & advances and Investments (current and non-current), closing balances disclosed in the audited standalone financial statements for the year ended March 31, 2024 have been considered.

Note 6: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above for FY 2023-24.

**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
<p>USL’s documentation (Agreements, Contracts, Purchase Orders) with our value chain partners for supply and services, contains mandatory compliance clauses including a link to our Global “Partnering with Supplier Standards”, and “Code of Business Conduct”. These standards cover all the principles laid under National Guidelines on Responsible Business Conduct</p> <p>During onboarding of new vendors and renewal of contract with existing vendor, they are required to go through the “Partnering with Suppliers Standard” and the “Code of Business Conduct”, understand the policies contained therein and agree to act in accordance with the standards and principles, prior signing of their Agreements.</p> <p>Additionally, as part of USL’s Know your Business Partner (KYBP) program, we undertake compliance trainings for High/Medium risk business partners as part of KYBP Process</p>		

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

Yes, the Company has Code of Conduct for Board of Directors and Senior management personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company.

The Company receives an annual declaration from its Board of Directors on the entities they are interested in, and ensures requisite approvals as required under the applicable laws are taken prior to entering transactions with each entity.

**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.**

USL has a state-of-the art R&D and Innovation facility located at Bengaluru. The center drives product and process innovation to create improved performance portfolio of brands. The innovation hub is housed with leading scientists who work to create products which will be in pace with consumer insights. USL also has a Packaging Technology Centre (PTC) to innovate and develop packaging materials that are sustainable by design and powers circularity.

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of Improvement
R&D	3%	9%	Invested towards innovation and renovation of products to achieve high manufacturing quality and safe products
Capex	3%	7%	Energy efficiency, water efficiency, rainwater harvesting projects, low carbon technology, renewable infrastructure

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

Yes, USL has a policy in place which describes guidelines and recommendations to outline the requirement to partner with suppliers.

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

USL has initiated processes addressing the need for sustainable sourcing. In line with Diageo’s global statement of intent on sustainable procurement, USL has issued its own refreshed guideline on Partnering with Suppliers (PWS), covering engaging with vendors on ethical business practices, protection of human rights, health, and safety standards as well as reduction of environmental impact. Additionally, USL is implementing the roll out of Sedex, a global collaborative platform for sharing of responsible sourcing data, across its vendor base in a phased manner.

During financial year 2023-24, 62% of the inputs (by Value) used in the products, are from suppliers governed under Responsible sourcing programme.

We have established comprehensive systems and protocols to reinforce our dedication to sustainability among our suppliers. Our goal is to achieve sustainable sourcing targets by 2030, and key components of these systems include:

- 1) Contractual Commitment: We actively secure contractual commitments on sustainability targets from our high impact vendors, aligning them with our Society 2030 sustainability targets.
- 2) Vendor Segmentation: Our segmentation process categorizes vendors based on their performance across various KPIs, with sustainability holding a pivotal role. Vendors demonstrating strong sustainability performance are prioritized over those with lower performances.
- 3) Supplier "Grain to Glass Award": Annually, we host a supplier award ceremony where high impact vendors are scored on their sustainability performance. The best performer is honored with the "Supplier Grain to Glass Sustainability Award", emphasizing the significance of sustainability in this category.
- 4) Tier Meetings: Our leadership team conducts monthly reviews of sustainability KPI performances to drive continuous improvement in processes and progress toward our Society 2030 targets.
- 5) Source Outcome: We use standardized templates for selecting new vendors, incorporating questions related to their sustainability performance. Before awarding a contract, we rigorously review these aspects to ensure alignment with our commitments to Society 2030 standards.

**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.**

- a) Plastics (including packaging): USL is committed to collect back and safely manage 100% plastics we use through the Extended Producers Responsibility (EPR) by introducing across all regions. In the year 2023-24, the Company has collected and managed 24,132 tonnes of plastic waste (the EPR credits for the same are under issuance from the recyclers. The same shall be filed with the CPCB within the mandated timelines).
- b) Hazardous Waste: The quantity of Hazardous waste generated is insignificant in terms of quantity of overall waste generated (0.02% of overall waste). However, we ensure that all the hazardous waste generated are disposed only through State or Central Pollution Control Board Authorized waste aggregators for safe disposal.
- c) E-waste: As part of the E-waste disposal for USL, all procured IT assets like Server, Storages, Racks, Networks devices and other Communication devices etc. are considered for E-waste disposal. The other Leased Assets are not included in the scope since these assets will be returned to the leased vendor after the lease period. To ensure proper E-waste disposal, a certified E-waste partner has to be identified. They should have an authorized certificate by the respective state government to carry out E-waste handling and disposal. The vendor shall provide a Green Certificate post the activity is completed. For assets which are re-distributed / re-sold, appropriate documentation to be shared so that E-waste compliance is met. The above process has been implemented by the company.
- d) Other waste: All USL Units have established systems and procedures to ensure that waste is disposed of through authorized 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. Extended Producer Responsibility (EPR) requirement under Plastic waste rule, 2016 (amended to date) is applicable to USL and we are complying with requirement under the rule.



**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.**

USL has initiated Lifecycle assessment (LCA) of its key products to identify areas of improvement across its value chain. The LCA is conducted as per ISO 14040/44 standard within Cradle-to-grave boundary. The details of the LCA study under process is provided in the table below.

NIC Code	Name of Product/Service	% of Total Turnover	Boundary for which LCA was conducted	Whether conducted by external agency	Results communicated in Public Domain
11011	Smirnoff Vodka	1.9%	Cradle to Grave	Yes	No
11011	Godawan Whisky	0.1%	Cradle to Grave	Yes	No
11011	Malt Spirit	49.0%*	Cradle to Grave	Yes	No

Note: \* The turnover percentage for malt spirit provided covers the products categories into which the malt spirit is further used.

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.**

Name of Product/service	Description of risk/concern	Action Taken
NIL		

The LCA study results did not reveal any environmental or social concern arising from the products assessed. We have used the life cycle assessment results to identify opportunities to reduce product carbon footprint as part of our scope 3 climate action plan.

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).**

USL is continuously working on strengthening our collaboration with value chain partners to increase recycled material use across our packaging. We have a system for the use of returnable glass bottle which help avoid use of virgin resource and reduce carbon emission. Total % of recycled content used are as below.

Indicate input material	Recycled or re-used input material to total material	
	FY 2023 - 24 (Current Financial Year)	FY 2022 -23 (Previous Financial Year)
Packaging material	55%	57%

Note 1: The recycled glass (cullet) percentage considered as per the percentage declared by the glass vendors.

Note 2: The Outer Cartons (Corrugate) and market bottle use quantity packaging are considered 100% recycled.

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

USL recognizes the importance of sustainable packaging to reduce the environmental impacts and to do so, we need to become sustainable by design. Which means, eliminating waste, developing solutions to reuse materials, caring for land and its resources, and creating innovative solutions to grow sustainably.

Glass is the largest packaging material used at USL. To create more circular model, we have implemented end-of-life glass bottle return system where we buy usable empty bottles from a Market bottle vendor and reuse it to the level it can be consumed.

Plastic packaging after the end-of life being collected and recycled through Extended Producer Responsibility (EPR) system covering all region across India to collect and recycle all plastic waste categories. We have collected and sustainably managed 24,132 MT of plastics across all States and Union Territories.

Particulars	FY 2023 - 24 (Current Financial Year)			FY 2022 -23 (Previous Financial Year)		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Glass (Mt)	43,590	0	0	37,625	0	0
Plastic Waste (EOL) - (Mt)	0	17,763	6,369	0	12,440	10,250

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

Reclaimed and reused glass packaging are distributed between different products and details of % of reclaimed packaging material are as given below.

Particulars	% Reclaimed Packaging Material	
	FY 2023 - 24 (Current Financial Year)	FY 2022 -23 (Previous Financial Year)
Glass (Market bottles reclaimed as percentage of total glass used)	13%	12.5%
Plastic Waste under EPR (Covering Solid, Flexible and MLPs)	100%	100%

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

**Essential Indicators**

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

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Benefits	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	1,019	1,019	100%	1,019	100%	0	0%	1,019	100%	1,019	100%
Female	383	383	100%	383	100%	383	100%	0	0%	383	100%
<b>Total</b>	<b>1,402</b>	<b>1,402</b>	<b>100%</b>	<b>1,402</b>	<b>100%</b>	<b>383</b>	<b>27%</b>	<b>1,019</b>	<b>73%</b>	<b>1,402</b>	<b>100%</b>
<b>Other than Permanent Employees</b>											
Male	59	59	100%	59	100%	0	0%	0	0%	0	0%
Female	11	11	100%	11	100%	11	100%	0	0%	0	0%
<b>Total</b>	<b>70</b>	<b>70</b>	<b>100%</b>	<b>70</b>	<b>100%</b>	<b>11</b>	<b>16%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Benefits	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	1128	1128	100%	1128	100%	0	0%	0	0%	1128	100%
Female	68	68	100%	68	100%	68	100%	0	0%	68	100%
<b>Total</b>	<b>1196</b>	<b>1196</b>	<b>100%</b>	<b>1196</b>	<b>100%</b>	<b>68</b>	<b>6%</b>	<b>0</b>	<b>0%</b>	<b>1196</b>	<b>100%</b>
<b>Other than Permanent Workers</b>											
Male	2,523	2,523	100%	2,523	100%	0	0%	0	0%	2,523	100%
Female	661	661	100%	661	100%	661	100%	0	0%	661	100%
<b>Total</b>	<b>3184</b>	<b>3184</b>	<b>100%</b>	<b>3184</b>	<b>100%</b>	<b>661</b>	<b>21%</b>	<b>0</b>	<b>0%</b>	<b>3184</b>	<b>100%</b>

\*Other than permanent workers: Covered for Health and Accident insurance through ESIC (Employee State Insurance Corporation).

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

Particulars	FY 2023 -24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on wellbeing measures as a % of total revenue of the company	0.06%	0.05%

Note: The wellbeing cost consists of cost incurred by USL towards:

1. Employee Insurance which is not recoverable from employees
2. Creche reimbursements
3. Employee Assistance Programme (employee mental wellness programme)
4. Hustle by RCB (Employee wellness programme)
5. Salary paid to the employees during parental leave.

Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above for FY 2023-24.

**2. Details of retirement benefits, for Current Financial Year and Previous Financial Year**

Benefits	FY 2023 – 24 (Current Financial Year)			FY 2022 -23 (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

**3. 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.**

Most of our 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 equal opportunity which can be provided on request.

**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%	100%	-	-
Female	100%	100%	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	-	-

\* All employees who has availed maternity/paternity leave are active in system hence % updated as 100%.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees?**

If yes, give details of the mechanism in brief.

Particulars	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, we have introduced "SpeakUp", a confidential service to raise concerns about non-compliance to law, code of conduct and policies. This service is available 24*7 and managed independently.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2023 - 24 (Current Financial Year)			FY 2022-23 (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)
<b>Total Permanent Employees</b>	<b>1402</b>	<b>0</b>	<b>0%</b>	<b>1,391</b>	<b>0</b>	<b>0%</b>
Male	1019	0	0%	1,025	0	0%
Female	383	0	0%	366	0	0%
<b>Total Permanent Workers</b>	<b>1196</b>	<b>1185</b>	<b>99%</b>	<b>1,566</b>	<b>1,555</b>	<b>99%</b>
Male	1128	1117	99%	1,498	1,487	99%
Female	68	68	100%	68	68	100%

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

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (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)
<b>Employees</b>										
Male	1019	956	94%	538	53%	1,025	956	93%	459	45%
Female	383	344	90%	250	65%	366	292	80%	136	37%
<b>Total</b>	<b>1402</b>	<b>1300</b>	<b>93%</b>	<b>788</b>	<b>56%</b>	<b>1,391</b>	<b>1,248</b>	<b>90%</b>	<b>595</b>	<b>43%</b>
<b>Workers</b>										
Male	1128	793	70%	652	58%	1,498	765	51%	843	56%
Female	68	56	82%	38	56%	68	18	26%	29	43%
<b>Total</b>	<b>1196</b>	<b>849</b>	<b>71%</b>	<b>690</b>	<b>58%</b>	<b>1,566</b>	<b>783</b>	<b>50%</b>	<b>872</b>	<b>56%</b>

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

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	1019	968	95%	1,025	852	83%
Female	383	341	89%	366	264	72%
<b>Total</b>	<b>1402</b>	<b>1309</b>	<b>93%</b>	<b>1,391</b>	<b>1,116</b>	<b>80%</b>
<b>Workers</b>						
Male	1128	0	0%	1498	0	0%
Female	68	0	0%	68	0	0%
<b>Total</b>	<b>1196</b>	<b>0</b>	<b>0%</b>	<b>1566</b>	<b>0</b>	<b>0%</b>

Note: Workers are mostly governed through long term settlements. USL has P4G (Partner for growth running from July - June) process. Data shown for F24 is as per current update available as on 31<sup>st</sup> March, 2024.

10.a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Yes, USL is committed to a good Health and Safety Culture in all our operations by creating a Proactive Health and Safety Environment and Wellbeing culture in which all occupational illness and injuries are foreseeable and preventable. We expect everyone to act in a manner that demonstrates their personal commitment.

Our health and safety policy encapsulates our responsibility to protect the workplace health, safety, and wellbeing of our people. We comply with all health and safety laws and regulations prescribed by the Indian Government. Our occupational health and safety programmes are managed at the local level and driven by the Line management and the Head EHS which ensures a strong governance system, and which includes supporting implementation of Safety Standards as per our GRMS (Global Risk Management System, which is Diageo’s own internal System). USL’s EHS initiatives are in all operations in India and drive various engagement and capability building initiatives and consistently communicate progress to the Management team, USL has put in place a robust Occupational Health and Safety (OHS) management system that covers all employees and workers and is built on a systems-based approach that seeks to integrate OHS management into overall business processes. It promotes leadership through meaningful consultation and participation of employees at all levels in the organization. This system comprises of 54 standards including 11 critical, non-negotiable ‘Life Saving Rules’. As per our GRMS process, each of the locations, at a defined frequency, does a self-assessment against the requirement of 11 Standards under Severe & Fatal Incident Prevention (SFIP) and the gap identified is corrected by taking appropriate actions. The Organization provides resources including capital to improve the safety management system and mitigate the risk.

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

Our health and safety standard captures hazard identification, risk assessment and incident investigations as a process. It describes hazards as an event or series of events, resulting in one or more undesirable consequences such as harm to people, damage to the environment, or asset/business losses. It ensures compliance with local Indian government’s risk management standards. We continually monitor health and safety parameters and analyze them as per the standard procedures. It enables us not only to identify and rectify unsafe conditions or at-risk behaviors but also to recognize positive behaviors of employees. All the employees are encouraged to report work-related hazards and remove them from their workplace which could cause injury or ill health. We also train our employees regularly to identify, report unsafe conditions, near misses and investigate work-related incidents and assess the risks post corrective actions.

There is well layered system of capturing and reporting safety concerns on shop floor including through SIRC (Safety Improvement Report Cards) and conduct SAM (Safety Action Meeting) for identifying solutions at shopfloor level through engagement of the shopfloor team/ employees and identifying solution collectively. SAM (Safety Action Meeting) process is very focused consulting/ idea generation process ensuring solution is coming from the shopfloor team and there is greater buy-in for the actions identified for mitigating the risk.

Company recognizes & encourage employees to look after not only their safety but also co-worker’s safety in their working area and this is led by the Line manager/Unit Head and his/her team of executives who on a periodic frequency does a focus safety walk-about in the work premises and look for safe and at-risk behavior including unsafe conditions and interacts with work person on safety. The Behavioral Based Safety (BBS)/Safety Observation process in the long run helps build safe work culture.

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

Yes, we have robust systems of reporting work-related hazards through various mechanisms.

- As part of daily work management in Unit, during T-1 review at shopfloor all work persons/shopfloor team does a focus review under Safety Quality Cost Delivery Morale and Sustainability where safety is first discussion point and any concern on safety is brought to everyone’s notice and gets corrected.
- Another well-established practice is through documented reporting of work-related hazard in the form of SIRC (Safety Information Report Card). Worker (person) reports hazard through SIRC cards and submit the concerns for corrections. The SIRC can also be submitted through QR Code making handy for reporting.
- As a part of Department Head review (T2 Reviews) safety is discussed and finally during Unit management review (T3 Reviews), status on safety and any concern stated (SIRC and closure) is monitored.
- In addition, each unit has a Central safety committee which has equal representation from workers and management and is chaired by Unit Head. In addition to various safety and health KPI reviews, any pending/unattended concern on workplace hazard can be escalated in this Committee meeting. Actions are noted and tracked till closure.

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

Yes, USL promotes worker health and encourages workers to access local services and systems as and when required through several channels:

- The USL Benefits Team facilitates non-occupational medical and healthcare services. We provide optional medical insurance, which is communicated to employees through internal communication channels.
- We offer an Employee Assistance Program (workplace options) as well as access to voluntary health promotion training courses on My Learning Hub, such as our DRINKiQ e-learning program on positive drinking behaviors.
- Our employee engagement team run Health and Wellbeing Awareness capability weeks covering subjects including mental health, mindfulness techniques and nutrition.

Each Unit has Occupational Health Centre, which also provides services to employees including contractor persons for non-occupational health and on periodic manner run campaigns on building awareness on personal health in addition to routine occupational services.

**11. Details of safety related incidents**

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
		(Current Financial Year)	(Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.55	0.33
	Workers	0.43	0.14
Total recordable work-related injuries	Employees	4	1
	Workers	4	6
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (Excluding fatalities)	Employees	0	0
	Workers	0	0

Note 1: The BRSR Core requires disclosure of “Number of Permanent Disabilities”, however, it does not include the definition of ‘Permanent Disabilities’. The company has considered High Consequence Work-related injury or ill health, which results in an injury from which the employee / worker cannot or is not expected to recover fully to the previous health status, this does not include fatalities.

Note 2: The reported number of LTI is considered for the case where the Injured Person was not able to resume back to his duty within 24 hours. Post treatment all injured persons were fit and back to normal health.

Note 3: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above for FY 2023-24, other than on ‘Total recordable work-related injuries.

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

With a vision of zero harm where all employees and associates are injury free, USL as a strategy has the following 7 priority areas:

**1. Visible Felt Leadership: Setting Tone from the Top & focusing on Leading Indicator on safety**

As a practice of visible felt leadership, leadership team in manufacturing conducts focus safety walkabouts at workplace and interact and provide feedback to work persons there by exhibiting consistent message that safety is of utmost importance. Organization tracks and monitors proactive/Leading indicator on safety at all levels.

**2. Behavioral safety program: With a view to transforming and driving a culture of safety**

We have a well-established Behavioral Based Safety (BBS) program across all units. As part of this program all line managers undergo orientation on BBS covering BBS tools and techniques. All trained employees conduct Focus Safety Observations by taking round at shopfloor/workplace and report the same in dedicated portal. Intention is to identify safe and at-risk behavior at shopfloor/workplace and interact with workmen/employee and engage them on the same.

In FY2023-24 USL launched SBO 2.0 (Safety Behaviour Observations) programme with three prong strategy involving building capability of new employee- on boarding them with three-day certification programme, defining qualitative way of doing things in consistent with safety observation week on week basis and monitoring the same, and analytical tool which provide insights for action for units. Safety Observers increased from 78% to 84% (6% Improvement).

**3. SFIP (Severe & Fatal incident Prevention) Program – Focus on 11 High Risk Areas**

The SFIP Program comprises of 11 critical safety standards basis the risks. The SFIP program covers fall from heights, confined spaces, exposure to hazardous energies, electrical systems - exposure to high voltage electricity, in-plant traffic, explosive atmospheres, asphyxiating and toxic gases, lifting operations & collapsing loads, management of contractors. Also, 11 lifesaving rules are communicated to all employees ensuring sensitivity and compliance with these lifesaving rules. Compliance with the SFIP standards is done through self-check by the business unit and accordingly actions are identified for bridging the gap. Tracked through central reporting tool a scorecard is maintained for all business unit. Organizations have also rolled out key policies for safe travel, business events and progressive discipline to reinforce existing awareness that safety is the highest priority in all situations.

**4. Engagement & Capability Building – Focus in mass engagement on Safety and Training**

As a part of Training and Capability building focused training is conducted for targeted sets of employees on following areas:

- Work at height
- Confined space entry
- First aid
- Risk assessment and permit to work
- Job safety training
- Safety induction training to all visitors, new employees & contractors

The training programmes delivered to all employees are:

- EHS awareness
- Mock evacuation drills, etc.

Organization makes the most through celebrating National Road Safety month in January and National safety month in March and during themed months ensuring maximum engagement amongst the employees.

**5. Safety Learning Organization – Communication and Collective learnings**

In addition to several structured communication process of Townhall meeting where safety performance is communicated to all, Organization does focused communications on Hazard Alert across all business with clear expectations on maximum communication downwards to all and horizontal deployment on lessons learnt from incidents, thereby focus on maturing organization on safety Sensitivity. As a learning organization, we participate in external recognition events to learn the best practices and showcase our good practices on Safety. In last financial year, 3 of our Units were awarded Gold Five Star Rating from OHSSAI in last financial year.

**6. Strong Governance, Audit programme:**

USL has matured and structured Audit mechanism which starts with pre-defined schedule of self-assessment by all units on the various standards and identifying the area of improvement and draw up actions plan to close the gap, which is tracked and monitored in various review meetings. In addition, Organization continually carries out internal and external audit on various Safety Theme including - SFIP Audits, ISO Audits, Risk Based audit including electrical Audits, in plant Traffic Risk assessments, Thermography, Fire Risk Surveys to name a few. These are planned basis the identified risk and improvement plan at each of the locations.

**7. Process Safety Management & Driving Safety**

These are the focus area USL has embarked on, maturing to the next level of Safety in Process Safety Management and building in Safe Driving behaviors amongst USL employees and associates. Recently Company launched a Long-term initiative i-Drive Safe focusing on building Defensive Driving behavior amongst all.

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

	FY 2023-24 (Current Financial Year)			FY 2022-23 (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	4	0	None	0	0	None
Health & Safety	5	0	None	1	0	None

Note: Based on the investigative findings by investigation team, the Grievance Committee recommended certain actions consequently.

**14. Assessments for the year**

All our manufacturing units are adhering our Global Risk Management Systems (GRMS) including Severe Fatality Incident Prevention (SFIP) which are in alignment with International Standards including ISO 45001 and in addition as part of assurance process all our sites undergo annual 3<sup>rd</sup> party audit compliance Health and Safety compliance.

% 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.**

At USL, we practice Global Risk Management System (GRMS), a common codified standard across our operations and facilities which include safety standards. To provide, focused approach there are 11 SFIP (Severe & Fatality Incident Prevention) standards which provide controls to minimize the safety risk and self-check on regular frequency to assess the adherence to these controls. Through this assessment corrective actions are developed and implemented on-going basis to mitigate the gaps.

**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, the company covers all the employees and permanent workers under the Group Term Life Insurance to cover the risk of any unfortunate events.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Under the Responsible sourcing program, all the High-Risk Value chain partners are audited as per the SEDEX protocol under SMETA four pillar Audit. All are covered under this audit process which has a focus check point on Statutory dues.



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.

As per our process, all incidents/injuries at the workplace are reported and investigated. Any injured person is provided support till full recovery and as per the process are rehabilitated post review by OHC Doctor.

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

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)

Yes. USL 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. On a case-to-case basis we extend outplacement support to impacted employees through our service partners.

5. Details on assessment of value chain partners

Under the Responsible sourcing program, all the high-risk value chain partners are audited as per the SEDEX protocol under SMETA four pillar audit. All are covered under this audit process which has a focus check point of health & safety and working conditions.

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	66%
Working Conditions	78%

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.

Under the Responsible sourcing program, all the High-Risk Value chain partners are audited as per the SEDEX protocol under SMETA four pillar audit. Critical pillars are health & safety and working conditions assessment. After the audit, we work closely with suppliers to help them address any non-compliances identified during the audit. This may involve providing support to suppliers to help them comply with applicable laws and regulations or to implement best practices to improve their operations. Additionally, we do regular follow-ups to ensure that the suppliers are maintaining compliance with our organization’s standards and making progress towards implementing the corrective action plan. In case of repetitive non-compliances with the suppliers, the business with the supplier will be phased out.

**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.

USL identifies its stakeholder groups through Stakeholder Engagement and Materiality Assessment process. As part of the process, we look at the external trends shaping our operating environment and how we can most effectively align our work with these trends and the sentiment of relevant stakeholders. Our key stakeholders include customers, investors, community, employees, suppliers & policy makers.

## 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
Consumers	No	<ul style="list-style-type: none"> <li>• Corporate website,</li> <li>• LinkedIn</li> <li>• YouTube</li> <li>• Consumer complaints on corporate Mail ID - 'contact us' &amp; corporate communications</li> <li>• Advertisements and Advertorials on ESG in print media</li> <li>• Annual report</li> <li>• Logo presence/Banners/ Panels at industry events</li> <li>• Press Release and announcements</li> </ul>	Throughout the year	Updates on Corporate & Corporate brand / business / performance / Responsible Consumption / ESG / Sustainability / Community projects/brands/careers
Employees	No	<ul style="list-style-type: none"> <li>• Email</li> <li>• Employee Your Voice</li> <li>• Survey</li> <li>• Yammer</li> <li>• Internal Employee Portal</li> <li>• Employee townhalls &amp; celebrations</li> </ul>	Throughout the year	Employee Satisfaction
Communities	No	<ul style="list-style-type: none"> <li>• Community meetings</li> <li>• Annual CSR Booklet</li> </ul>	Throughout the year	Positive Drinking programmes, Inclusion & Diversity projects, Environmental protection & regeneration projects such as Water Replenishment (through Check dams, pond desilting, rainwater harvesting structures etc.), provision of WASH, and Regenerative Agriculture with farmers.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	<ul style="list-style-type: none"> <li>• Annual general meetings</li> <li>• Annual Report</li> <li>• Shareholder meets.</li> <li>• Postal Ballot</li> <li>• Email, stock exchange intimations</li> <li>• Company, stock exchange websites</li> <li>• ESG reporting index.</li> <li>• Statutory filings including result announcements with respective stock exchanges/ regulatory bodies.</li> <li>• Quarterly post results management call</li> <li>• Exclusive section in Corporate Website on 'Investor Relations'</li> <li>• Investor conferences</li> <li>• One-on-one and Group engagements/meetings</li> <li>• For shareholders to raise their concerns, a dedicated contact channel has been assigned - <a href="mailto:investor.india@diageo.com">investor.india@diageo.com</a></li> </ul>	Throughout the year	Communication on financial performance, and any other material information
Supply Chain Partners	No	<ul style="list-style-type: none"> <li>• Supplier meetings</li> <li>• Supply Performance Management</li> </ul>	Throughout the year, Quarterly and Half yearly for strategic and key suppliers	ESG Performance, Service performance, Quality expectations, Cost benefit terms, Compliance
Government/ regulators	No	<ul style="list-style-type: none"> <li>• Direct meetings</li> <li>• Website through trade bodies and other associations</li> </ul>	Throughout the year	Regulatory compliances, creation of a holistic policy environment in the industry and positively contribute to the nation's development goals by making suitable changes internally

**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.**

Our Executive committee headed by the CEO is responsible for day-to-day management of ESG aspects. The Management team reports to the Board of Directors who oversee the overall governance of the organization. We have also created the Diageo India Leadership Team (DILT), a cross functional team consisting of functional heads. DILT is responsible for embedding ESG in our business Processes and reports to the Executive Committee on a quarterly basis and the stakeholder feedback is incorporated during these quarterly meetings and appropriate decisions are taken.

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.**

Society 2030: Spirit of Progress is our 10-year ESG action plan to help create a more inclusive and sustainable world. Its priorities, reflect the most material issues affecting our Company, our people, our brands, our suppliers and our communities. Our strategic priorities are to promote positive drinking, champion inclusion and diversity and pioneer grain-to-glass sustainability. Doing business, the right way underpins everything we do.

This ESG strategy is an outcome of stakeholder consultation and a rigorous materiality assessment. This assessment looked at the external trends shaping our operating environment and how we can most effectively align our work with the UN Sustainable Development Goals. The team consulted many internal and external stakeholders and explored the findings in workshops with experts from our business functions. The stakeholder feedback was incorporated and as an outcome Society 2030-Spirit of Progress was developed and implemented.

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

Social Responsibility is an inherent component of organization's corporate strategy. The CSR Programmes are targeted towards creating a positive impact in the lives of the communities where we live, work, source and sell. We believe in strategic and a need-based CSR, wherein each programme is designed in consultation with the community members. A robust stakeholder engagement process is conducted for each CSR programme. These outcomes act as a valuable input in programme design. Women empowerment is one of our core agendas and a central focus area in all our programmes. 50 % of beneficiaries from our community interventions are women. We work towards providing them with an opportunity to lead a dignified life. Through our Water Conservation and 'Water for Life' programme we work towards increasing the availability of portable drinking water and WASH facilities to communities in which we work, while enabling an environment to facilitate sustainable water management. In addition, through our skilling programme "Learning for Life. A hospitality skills programme" we target those individuals who are seeking employment in the hospitality industry, but who may have faced barriers to employment in their lives. The objective is to provide equal access to business and hospitality skills and resources to increase an individuals' employability, improve livelihoods and support a thriving hospitality sector. Further, as a proactive organization, USL is committed to tackle alcohol related harm and promote positive drinking through various programmes addressing underage consumption, impacts of drink driving and alcohol moderation programme. The focus is on creating an attitude change towards alcohol.

**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 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1402	1402	100%	1,391	511	37%
Other than permanent	70	27	39%	411	201	49%
<b>Total Employees</b>	<b>1472</b>	<b>1429</b>	<b>97%</b>	<b>1,802</b>	<b>712</b>	<b>40%</b>
<b>Workers</b>						
Permanent	1196	255	21%	1,566	260	17%
Other than permanent	3184	0	0%	3221	0	0%
<b>Total Workers</b>	<b>4380</b>	<b>255</b>	<b>6%</b>	<b>4,787</b>	<b>260</b>	<b>5%</b>

The Company has policies on Human Rights which are applicable to all its employees and value chain partners. The said Policies and their implementation are directed towards adherence to applicable laws and upholding the spirit of human rights, as enshrined in existing International Standards such as the Universal Declaration and the Fundamental Human Rights Conventions of the International Labour Organisation (ILO). Awareness on these subjects is also decimated through emailers, notices, employee communication meetings. Data listed above captures only specific sessions conducted under the heading of issues under Human Rights.

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

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (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)
<b>Employees</b>										
Permanent	1,402	0	0%	1,402	100%	1,391	0	0%	1,391	100%
Male	1,019	0	0%	1,019	100%	1,025	0	0%	1,025	100%
Female	383	0	0%	383	100%	366	0	0%	366	100%
Other than Permanent	70	0	0%	70	100%	411	0	0%	411	100%
Male	59	0	0%	59	100%	174	0	0%	174	100%
Female	11	0	0%	11	100%	34	0	0%	34	100%
Did not Disclose	0	0	0%	0	0%	203	0	0%	203	100%
<b>Workers</b>										
Permanent	1,196	0	0%	1,196	100%	1,566	0	0%	1,566	100%
Male	1,128	0	0%	1,128	100%	1,498	0	0%	1,498	100%
Female	68	0	0%	68	100%	68	0	0%	68	100%
Other than Permanent	3184	3184	100%	0	0%	3,221	3,221	100%	0	0%
Male	2523	2523	100%	0	0%	2,467	2,467	100%	0	0%
Female	661	661	100%	0	0%	754	754	100%	0	0%

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

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	52,00,000	2	4,83,92,264
Key Managerial Personnel	2	2,64,74,257	1	9,14,84,528
Employees other than BoD and KMP	1017	14,66,469	382	14,27,213
Permanent Workers	1128	3,80,686	68	3,95,849

Note 1: The board of Directors comprises remuneration paid to Key Managerial Personnel and Independent Directors and excludes Non-Executive Directors

Note 2: Employee and Permanent workers who have exited during year are not considered for Median remuneration.

Note 3: The remuneration is calculated as per the latest guidelines published by SEBI.

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

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	22%	23%

Note 1: For the purpose of calculation of gross wages paid to females and total wages, the actual payouts made to the employees (i.e., as per payroll register) for the year ended 31<sup>st</sup> March 2024 has been considered. The actual payouts have been reconciled to the amount of salaries, wages, and bonus as per the audited standalone financial statements for the year ended 31<sup>st</sup> March 2024.

Note 2: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP on the indicators in the table above for FY 2023-24.

**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)**

There is no separate committee, Human Rights issues are addressed by Business Integrity ambassadors.

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

Company has established whistle-blower mechanism known as SpeakUp, which is being independently operated by a third-party agency. We encourage our employees or representatives acting on behalf of the Company, to raise their compliance concerns through this mechanism, apart from other internal reporting channels viz. Line Manager, HR Business Partner, Legal Business Partner and Business Integrity Partner.

The SpeakUp channel is available on the Company’s website at <https://www.diageoindia.com/en/about-us/corporate-governance/speak-up> Services available in English and 5 other regional languages, and compliance concerns can be raised by any aggrieved person through webpage or toll-free number. During the year, we have introduced QR code to facilitate the access to SpeakUp channel.

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

Category	FY 2023 -24 (Current Financial Year)			FY 2022-23 (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	2	0	Investigated and closed.	2	0	
Discrimination at workplace	3	0	Investigated and closed.	1	0	
Child Labour	0	0	Investigated and closed.	1	0	
Forced Labour/ Involuntary Labour	0	0	Investigated and closed.	0	0	
Wages	0	0	Investigated and closed.	0	0	
Other human rights related issues	0	0	Investigated and closed.	1	0	

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

Particular	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	2
Complaints on POSH as a % of female employees / workers	0.45%	0.44%
Complaints on POSH upheld	2	2

Note 1: During the year ended 31<sup>st</sup> March 2024, 2 cases upheld pertains to the complaints reported during the year. Additionally, 1 case upheld during the year ended 31<sup>st</sup> March 2024 pertains to a complaint reported during the year ended on 31<sup>st</sup> March 2023 but not included in the above table.

Note 2: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above for FY 2023-24.

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

At USL, we encourage reporting a concern in good faith and do not tolerate any act of retaliation against anyone reporting a problem/ concern or assisting in an investigation. Anyone found to be engaging in retaliation against an individual (includes Communities, Employees, Workers, Value chain partners & Others) who has raised a concern, will be subject to disciplinary action as per breach management standards.

In addition to the above rules, USL also provides individuals (defined as above) the option to report their concern anonymously. All concerns raised through SpeakUp are assigned to trained investigators who conduct investigations with utmost confidentiality and integrity.

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

Yes. The company has policies on Human Rights which are applicable to all its value chain partners and is also committed to champion the value of inclusion and diversity. The said policies and their implementation in legal documentation are directed towards adherence to applicable laws and upholding the spirit of human rights, labour rights, non-discrimination, harassment, and other areas pertaining to Human Rights. We believe a serious commitment to respecting human rights is fundamental to our way of business not only in our workplaces but also in the communities in which we operate and thus, require suppliers and other third parties with whom we partner to adopt similar standards with respect to human rights as enshrined in existing International Standards of the International Labour Organisation.

We also include clauses in relation to Inclusion & Diversity as our Spirit of Progress: Society 2030 clauses which forms a part of agreements (such as raw material supply and services agreements) as an annexure. A sample clause as defined under USL's Spirit of Progress: Society 2030 which is included within our agreements as a USL Code is as follows -

**Inclusion and Diversity**

1. The Supplier acknowledges that Diageo is committed to championing value chain inclusion and diversity, working closely with our suppliers to advance sustainable economic impact in the diverse communities where we source. We encourage all of our Suppliers to promote Inclusion and Diversity within their organisations and provide access to opportunities for underrepresented groups including (but not limited to) women, people with disabilities, LGBTQIA+, ethnic minorities and other minorities in the geography where they operate.
2. Diageo has committed to increase the share of our global spend with diverse owned and disadvantaged businesses to 10% by 2025 and 15% by 2030. Diageo may request that the Supplier provides anonymised and aggregated details of their ownership, leadership and wider employee minority composition in order to measure the progress against this target and identify opportunities to progress opportunities for underrepresented groups across our value chain.
3. Diageo's commitment to champion inclusion and diversity is throughout our entire value chain, and we encourage our suppliers to consider creating their own Supplier Diversity program. Diageo can help to connect our suppliers with advocacy organisations and chambers of commerce to help establish such programmes and identify diverse owned businesses they can work with. Diageo may request that the Supplier provides their spend value with diverse owned businesses to establish the economic impact our value chain has in underrepresented groups globally.
4. Diageo encourages any diverse owned supplier to verify their diverse status through an authorised third-party certification body. Diageo works with many certifying organisations such as WEConnect International, NGLCC, OutBritain, MSDUK and DisabilityIN, and can direct diverse businesses to a suitable certifying body. Should the Supplier be certified/registered as diverse in accordance with such certifying organisations, the Supplier shall ensure their registration/certification is kept up to date and shared with Diageo."

We have also revised our manpower services and security services agreement to remove gender-based requirements, for e.g., in security/ manpower services agreement, we have revised the terminologies from gunman to gunperson, workman to worker, service men to service personnel, etc. to make our agreements gender neutral and have removed gender-based requirements including but not limited to minimum height requirements for male and female. Within such agreements, we have further included clauses in relation to compliance by the service provider with applicable labour and employment laws regarding child labour or other exploitation of children to ensure that personnel who have been deployed have attained age of majority as per the applicable law.

**10. Assessments for the year**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Other please specify	N/A

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

We continue to focus on training and awareness of labour rights, non-discrimination, harassment, and other areas pertaining to Human Rights. We also conduct annual policy refresher trainings to all employees. Our Code of Conduct is applicable to all employees in the Company and any violation of the Code renders the person liable for disciplinary action. Employees can raise complaints / issues if any through our whistle-blower mechanism known as SpeakUp, which is being independently operated by a third-party agency. We also ensure compliance to above parameters through regular audits.

**Leadership Indicators:**

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

We continue to focus on training and awareness of labour rights, non-discrimination, harassment and other areas pertaining to Human Rights. We also conduct annual policy refresher trainings to all employees. Our Code of Conduct is applicable to all employees in the Company and any violation of the Code renders the person liable for disciplinary action.

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

Human rights impact assessment was conducted across USL covering own manufacturing, Tie Up Manufacturing, Sales and marketing employees and value chain partners.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Most of our 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**

The assessment of value chain partners involves conducting SMETA 4 pillar audits, which assess compliance with the four pillars of labour, environmental, health, and business ethics. The continuous follow-up and support provided to value chain partners is important to help them improve their performance and maintain compliance with the organization’s standards.

The suppliers selected under this program are based on several factors, including the level of risk associated with their operations, their geographic location, and their importance to our organization’s supply chain.

**Step 1: Planning and Scheduling Audits**

We start by assisting the suppliers help plan and schedule SEDEX audits with 3<sup>rd</sup> party independent auditors.

**Step 2: Conducting SEDEX Audits**

The SEDEX audit covers the four pillars of labour, environmental, health, and business ethics. During the audit, the suppliers’ compliance is assessed with applicable laws and regulations. The audit typically includes a review of documents, interviews with suppliers’ employees, and site inspections. After completing the audit, auditors generate a detailed report that outlines the findings and recommendations which are uploaded on SEDEX portal for visibility to USL.



**Step 3: Follow-up and Support**

After the audit, we work closely with suppliers to help them address any non-compliances identified during the audit. This may involve providing support to suppliers to help them comply with applicable laws and regulations or to implement best practices to improve their operations. We also provide guidance on how suppliers can address any issues identified in the audit report, and we work with them to develop a corrective action plan. Additionally, we conduct regular follow-up audits to ensure that the suppliers are maintaining compliance with our organization’s standards and making progress towards implementing the corrective action plan.

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	89%
Discrimination at workplace	89%
Child Labour	89%
Forced Labour/Involuntary Labour	89%
Wages	79%
Other please specify*	89%

Note 1: \* - Others means other working conditions related to facilities.

Note 2: % = Value chain partners that were assessed / Total suppliers under responsible sourcing program

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

As a responsible organization, we take steps to address any significant risks or concerns arising from our audits (SMETA) along with suppliers. Here are few examples of the corrective/preventive actions that our suppliers have taken or are underway to address the following areas of concern:

Wages: We understand the importance of paying fair wages to workers and have implemented a range of measures to address this. The auditors review wages as compared to labour laws (to match the minimum wages paid by suppliers) and overtime and any issues arising where the overtime is not paid or wages paid is not explainable to the workers (in vernaculars language) are raised during audits. Only when these issues are fixed, the non-compliances are closed. There are 9 suppliers, having 14 issues related to overtime premium, payment of wages & deductions. We’re closely working with suppliers to ensure compliance.

**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.**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
<b>Energy Consumption in Giga Joules (GJ)</b>		
<b>From Renewable Sources</b>		
Total electricity consumption (A)	9,535	9,677
Total fuel consumption (B)	8,89,078	8,05,917
Energy consumption through other sources (C)	-	-
Total renewable energy consumption (A+B+C)	8,98,613	8,15,594
<b>From Non-Renewable Sources</b>		
Total electricity consumption (D)	49,415	36,333
Total fuel consumption (E)	13,504	12,047
Energy consumption through other sources (F)	-	-
Total non-renewable energy consumption (D+E+F)	62,919	48,380
<b>Total energy consumption (renewable and non-renewable)</b>	<b>9,61,532</b>	<b>8,63,974</b>
<b>Energy Intensity</b>		
Energy intensity per rupee of turnover (Total energy consumption/ turnover in crores) (GJ/Cr)	37.87	31.33
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity - PPP) - (Total energy consumed / Revenue from operations adjusted for PPP)	866.59	716.86
Energy intensity by physical output (GJ/KL)	4.13	3.81

Note 1: The energy consumption in the above table is reported in Giga Joules (GJ). To maintain uniformity the last year values are converted from Terra Joules ('TJ') to 'GJ'.

Note 2: The energy consumption reported in the table above includes data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 3: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per note no. 20 of Audited Standalone Financial Statements.

Note 4: The Purchasing Power Parity (PPP) factor considered is 22.882 as recommended by OECD.

(Link: <https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>).

Note 5: Total physical output has been considered as beverage packed at USL Owned Manufacturing sites and spirits produced and sold.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

Yes, Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above for FY 2023-24.

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.**

Not Applicable, as the Company does not fall in the category (as Designated Consumer) of industries mandated under the Performance, Achieve and Trade (PAT) scheme.

3. **Details of Disclosures related to water.**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	4,20,808	5,30,909
(ii) Groundwater	1,31,073	90,020
(iii) Third party water	1,61,775	1,38,180
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>7,13,656</b>	<b>7,59,109</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>6,99,838</b>	<b>7,51,729</b>
<b>Water intensity</b>		
Water intensity per rupee of turnover (Water consumed / turnover) (KL/Cr)	27.56	27.26
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	630.73	623.72
Water intensity by Physical output (KL/KL)	3.01	3.32
<b>Optional Indicator</b>		
Water intensity (per kiloliter of beverage packed) (KL/KL)	1.08	1.12
Water intensity (per kiloliter of spirit distilled) (KL/KL)	13.06	14.01

Note 1: The water withdrawal and consumption reported in the table above includes data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: Surface water reported in the table includes water withdrawn from river source and rainwater.

Note 3: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per note no. 20 of Audited Standalone Financial Statements.

Note 4: The Purchasing Power Parity (PPP) factor considered is 22.882 as recommended by OECD

(Link - <https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>).

Note 5: Total physical output has been considered as beverage packed at USL Owned Manufacturing sites and spirits produced and sold.

**Optional Indicator Notes:**

Note 6: The water intensity (per liter of Beverage packed) (KL/KL) is reported for the water consumed in the packaging operations in 'KL' to the volume of Beverage packed in 'KL' across USL Owned Manufacturing sites (Reported to keep it consistent with Society 2030: Spirit of Progress ambitions of USL).

Note 7: The water intensity (per liter of spirit distilled) (KL/KL) is reported for the water consumed in the distillation operations in 'KL' to the volume of spirits distilled in 'KL' across USL Owned Manufacturing sites (Reported to keep it consistent with Society 2030: Spirit of Progress ambitions of USL).

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

Yes, Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the total volume of water consumption, water intensity per crore rupee of turnover, water intensity per crore rupee of turnover adjusted for Purchasing Power Parity (PPP) and water intensity in terms of physical output (KL/KL) for FY 2023-24 in the table above.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
<b>Water discharge by destination and level of treatment (in kilolitres) -</b>		
<b>(i) To Surface water</b>	-	-
- No treatment		
- With treatment - please specify level of treatment		
<b>(ii) To Groundwater</b>	-	-
- No treatment		
- With treatment - please specify level of treatment		
<b>(iii) To Seawater</b>	-	-
- No treatment		
- With treatment - please specify level of treatment		
<b>(iv) Sent to third parties</b>		
- No treatment	13,638	7,380
- With treatment - please specify level of treatment - pH Neutralization	180	-
<b>(v) Others</b>	-	-
- No treatment		
- With treatment - please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>	<b>13,818</b>	<b>7,380</b>

Note 1: Water discharge details reported in the table above include data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: The USL owned plants wastewater discharged is as per the treatment consent. For the owned and leased Offices, Warehouse (Depots) and Asansol unit domestic water consumption, water discharged is estimated as 80% of the total water withdrawal and reported for FY 2023-24 (Source: CPCB report on waste water discharge for domestic use - <https://cpcb.nic.in/openpdffile.php?id=UmVwb3J0RmlsZXMvTmV3SXRIbV8xNTNfRm9yZXdvcmQucGRm>)

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

Yes, Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above for FY 2023-24.

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

Yes, we have implemented mechanism for Zero Liquid Discharge recognizing the importance of preserving water as a resource. We focus on maximizing recycling and reusing treated wastewater on-site, effectively reducing the need for freshwater intake. As of 31<sup>st</sup> March, 2024, 9 out of 12 of our own manufacturing units are Zero Liquid Discharge, i.e., they recycle and reuse 100% of the wastewater within the site. Such recycled water is used in cooling towers, bottle washing, toilet flushing, and gardening. The remaining three units discharge water to common effluent treatment plants (CETP)/municipal drainages as per the consent to operate conditions issued by the Pollution Control Board.

**6. Please provide details of air emissions (other than GHG emissions) by the entity**

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	Mt	25.49	28.40
Sox	Mt	14.96	12.02
Particulate matter (PM)	Mt	23.37	27.30

Note: Air emission details in the table above include data pertaining to USL owned plants.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
<b>GHG Emissions in Metric Tonnes (MT) of CO<sub>2</sub>e -</b>		
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	4,442	4,196
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	9,828	7,176
<b>Emissions Intensity</b>		
Total Scope 1 and Scope 2 emissions per rupee of turnover Total emissions / turnover in rupees) (MT CO <sub>2</sub> e/Cr)	0.56	0.41
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	12.86	9.44
Total Scope 1 and Scope 2 emission intensity in terms of physical output (MT CO <sub>2</sub> e/KL)	0.06	0.05

Note 1: The GHG emissions reported in the table above includes data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: The Scope 1 emissions for USL own operating units is 4,324 MT (including fugitive emissions) to keep it consistent with Society 2030: Spirit of Progress ambitions of USL.

Note 3: Market based Scope 2 Emission from Imported Electricity reported in the table above has been offset through International Renewable Energy Certificates (i-RECs).

Note 4: For financial year 2023-24 the biogenic CO<sub>2</sub>e emissions from combustion of biomass (rice husk & briquettes) from our direct operations were 80,469 MT.

Note 5: The Scope 1 emissions reported in the table is as per DEFRA 2022, version 2 emissions factors for Diesel, LPG, Petrol and Biomass.

Note 6: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per note no. 20 of Audited Standalone Financial Statements.

Note 7: The Purchasing Power Parity (PPP) factor considered is 22.882 as recommended by OECD.

(Link - <https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>).

Note 8: Total physical output has been considered as beverage packed at USL Owned Manufacturing sites and spirits produced and sold.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

Yes, Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above for FY 2023-24.

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

USL through Parent Company (Diageo Plc) fully supports the Paris Agreement, the COP 26 Glasgow Climate Pact and we are a proud signatory to the Business Ambition for limiting global warming to 1.5°C above pre-industrial levels and the High-Level Climate Champions Race to Resilience. Accelerating to a low carbon world is part of Society 2030: Spirit of Progress - our 10- year ESG action plan for creating a more inclusive and sustainable world. Society 2030 encompasses our goal to mitigate and adapt to climate change through our commitment to pioneer ‘Grain to Glass’ sustainability. We’re proud to have committed to achieving net zero emissions across our direct operations by 2030 or sooner and have built our targets to align with a pathway that limits the global temperature rise to less than 1.5°C. Our emission reduction strategy recognizes the inherent linkages between moving to a low carbon world and our other priorities such as protecting water resources, enhancing biodiversity, and driving innovation throughout our supply chain to reduce emissions and our reliance on the earth’s finite resources.

We are taking the following actions to support our goal of achieving net zero emissions across our direct operations:

- We have embarked on a journey to substitute the fossil fuel requirement with green fuels and already eliminated coal from all our distillation operations. We have introduced biomass instead of coal, helping us achieve 100% renewable thermal energy.
- We have implemented solar power projects across 5 of our operating units. This has enabled us to improve our in-house renewable electricity generation to 8.4%. As of 31<sup>st</sup> March 2024, the overall renewable energy share (both electrical and thermal combined) stands at 98.6% for our own manufacturing units (this is including the grid power electricity offset through i-REC certificates).
- Under the supply chain GHG emissions, we are focusing on building long-lasting partnerships with our suppliers and helping our business partners to join us on this journey. Rethinking our way of doing business to embed a more collaborative and circular way of sourcing our materials and services will enable us to deliver significant emission reductions within our value chain.

**9. Provide details related to waste management by the entity.**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	700.1	765.90
E-waste (B)	3.5	2.41
Bio-medical waste (C)	0.6	2.45
Construction and demolition waste (D)	78.8	0.0
Battery waste (E)	3.2	5.25
Radioactive waste (F)	0.0	0.0
Other Hazardous waste. (Used oil, used chemical container, and used resins) (G)	13.8	27.76
Other Non-hazardous waste generated (H). (By products of process, spent grains, broken glasses, paper wastes, metal scrapes and fly ash)	60,235.2	58,388.00
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>61,035.2</b>	<b>59,191.77</b>

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
<b>Waste intensity</b>		
Waste intensity per rupee of turnover (Total waste generated /Revenue from operations) (MT/Cr)	2.40	2.15
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated /Revenue from operations adjusted for PPP)	55.01	49.11
Waste intensity in terms of physical output (MT/KL)	0.26	0.26
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
<b>Category of waste</b>		
(i) Recycled	60,575.0	8,791.62
(ii) Re-used	78.8	50,374.10
(iii) Other recovery operations	368.0	0.0
<b>Total</b>	<b>61,021.8</b>	<b>59,165.72</b>
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
<b>Category of waste</b>		
(i) Incineration	12.7	25.45
(ii) Landfilling	0.0	0.6
(iii) Other disposal operations	0.7	0.0
<b>Total</b>	<b>13.4</b>	<b>26.05</b>

Note 1: The waste details reported in the table above includes data pertaining to Owned Manufacturing sites, owned and leased Offices and Warehouses.

Note 2: The waste quantity reported in the table above is accounted for at the time of disposal and therefore waste disposed has been considered as waste generated.

Note 3: The quantity of waste recycled and reused has been determined based on the market understanding and agreement with the recycler and/or the waste aggregators.

Note 4: The method of disposal of waste for few categories reported in the table above are revised from last year to this year. The waste covering garbage, fly ash, sludge and spent grain were reported as 'Re-used' basis the disposal certificate received from the waste handlers in the previous year. However, these are changed to 'Recycled' in FY 2023-24 reporting, basis the disposal method definition adopted from GRI 306: Waste Standards document, in line with the disposal certificates from the waste handlers.

Note 5: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per note no. 20 of Audited Standalone Financial Statements.

Note 6: The Purchasing Power Parity (PPP) factor considered is 22.882 as recommended by OECD.

(Link - <https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>).

Note 7: Total physical output has been considered as beverage packed at USL Owned Manufacturing sites and spirits produced and sold.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

Yes, Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above for FY 2023-24.

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

As with most products, making alcoholic beverages has the potential to generate waste at many stages of the product lifecycle. If left unmanaged, waste from our operations and supply chain has the potential to create negative environmental and social impacts, including contributing to greenhouse gas emissions, air pollution, biodiversity loss and harm to human health. Given these risks, waste

is seen as a material issue for us. As part of our Society 2030: Spirit of Progress plan, we have committed to achieving zero waste in our direct operations and zero waste to landfill in our supply chain by 2030.

We monitor waste streams, promote awareness of the need to increase resource efficiency. To ensure the waste is not sent to landfilling, we work with certified waste handlers and, together, operate a hierarchy of actions: omit, reduce, reuse, recycle and dispose. We monitor levels of waste recycling and waste-to-energy recovery. For more information about our waste minimization initiatives, see our website and our Environment Policy. Our performance against our Society 2030: Spirit of Progress targets, including those that contribute to waste minimization, are reported on a monthly and quarterly basis. Performance is reviewed at the market, regional and global level by market and regional leadership teams throughout the business, as well as at our quarterly Executive Committee and CSR & ESG Committee meetings. Compliance with our Environment Policy is measured and monitored at quarterly Supply Chain and Procurement Environmental Compliance reviews, managed by our Governance function.

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
	All our operations and offices are in designated industrial parks/areas. None of them are in or around ecologically sensitive areas. Environmental clearance is not required for any manufacturing facility or offices of USL.		

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain. (Yes / No)	Relevant Web link
USL has not undertaken any project which requires Environmental impact assessment in financial year 2023-24					

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.

S. No.	Specify the law /regulation /guidelines which was not complied with	Specify the law / regulation / guidelines which was not complied with	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	USL operations/offices comply with applicable environmental regulations of the Country and operate as per CTO (Consent to Operate) 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:

- (i) Name of the area

**Plant site**

- a. Alwar (Rajasthan)
- b. Kumbalgodu (Bangalore- East, Karnataka)
- c. Udaipur (Rajasthan) (Non-operating Unit)

**Offices**

- d. Bangalore HO (Karnataka)
- e. Bangalore Technical Centre (Karnataka)
- f. Gurgaon Office (Haryana)

**(ii) Nature of operations**

Packaging of Alco Beverage products and Distillation of Extra Neutral alcohol (from Molasses and Grains), Fresh Malt Spirits and Grapes Spirits.

**(iii) Water withdrawal, consumption, and discharge in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	1,284	4,046
(ii) Groundwater	39,570	32,804
(iii) Third party water	21,156	15,120
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>62,010</b>	<b>51,970</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>58,794</b>	<b>51,970</b>
Water Intensity:		
Water intensity per rupee of turnover (Water consumed / turnover) (KL/₹ Cr)	2.32	1.88
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
<b>(ii) To Groundwater</b>	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
<b>(iii) To Seawater</b>	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
<b>(iv) Sent to third parties</b>	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
<b>(v) Others</b>	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	<b>-</b>	<b>-</b>

Note 1: Water stress sites classified above are based on the Central Ground water Boards, National Compilation of Dynamic Ground Water Resources of India, 2023

Note 2: Water details considered in the table above include data pertaining to water stressed sites of USL own manufacturing units.

Note 3: Surface water includes rainwater harvested and used.

Note 4: Over-exploited and Critical regions by the Central Groundwater Board, fall under area of water stress

(Reference: <http://cgwb.gov.in/gwresource.html>)



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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	16,64,677	16,06,055
Total Scope 3 emissions per rupee of turnover	Tonnes of CO2e/Cr	65.57	58.24

Note 1: Categories covered are: Purchased Goods (Input materials) and Services (Third-Party Manufacturing sites), Capital Goods, Waste Generated in Operations, Fuel & Energy use, Upstream & Downstream logistics, Business Travel and Employee Commuting, End-of-life treatment of products sold, Franchise.

Note 2: The principal greenhouse gases (as CO2e) are carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O) and hydrofluorocarbons (HFCs).

Note 3: The latest industry standards and best practices were used for calculation and reporting, to establish the most complete, consistent, and accurate GHG emission footprint.

Note 4: USL will progressively engage & collaborate with all value chain partners to ensure Global Warming Potential (GWPs)/ Emission factors applied are consistent to estimate Scope 3 Emission data.

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.

Not applicable since we don't have operations located in Ecologically Sensitive area.

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

The Company has undertaken several initiatives, and also deployed innovative technologies across its operations for improving resource efficiency and minimizing environmental impact.

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Doubling the Solar Electricity Potential	Company has doubled its Solar Potential from 1.3 MW to 2.7 MW by installing Solar System across 5 operating units through Solar Power Purchase Agreement (PPA).	Avoided 2,239 tons of GHG emissions in FY 2023-24.
2	Boiler automation - Installation of economized at boiler	Installed economizer to recover heat from waste flue gas to reduce fuel consumption by 12.9%.	Reduction of 0.05 tons of GHG emissions annually.
3	Automation of steam distribution network	Installation of flow element and control valves to reduce steam consumption & equivalent fuel reduction	6% reduction in steam consumption there by reducing fuel consumption
4	Biogas burner Installation	Installation of biogas burner & auto flare system to recover energy from distillery waste stream.	Savings of 30 tons of fuel per annum leading to resource conservation.  Saving of 0.84 million kWh per annum.
5	Rainwater harvesting at Nasik unit	Installation of rainwater collection system to harvest monsoon water and utilize for various process needs like utilities etc.	The system has potential of saving 11,000 m3 per annum of fresh water
6	Rainwater harvesting at Baramati unit	Installation of rainwater collection system to harvest monsoon water and utilize for various process needs like utilities etc.	Saving of 786 KL per annum of fresh water

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

USL has a business continuity and disaster management plan which has been adopted As-is from Diageo Global Standards. The Business Continuity Management Standard sets out Diageo's framework and minimum standards for Business Continuity Management (BCM) to which all its markets and functions adhere to. It incorporates current industry best-practice to support Diageo's core business, customers, markets, relationships with our vendors and partners.

It is one of the critical pillars of the Global Security Program and Policy and is implemented by all the Diageo entities, business units and major joint ventures where USL has management control. The program is designed to improve resiliency and ability to meet its business objectives, by protecting its People, Environment, Products, Property, Business and Reputation through building a capability to withstand, absorb or recover from business disruption. With regards to disaster management, we follow the 'FACTS' process to address the crisis disruption event and its ITDR program which encompasses critical IT infrastructure, network and application unavailability. This entire activity works seamlessly in consonance with the Business Continuity Plan to ensure overall organization resiliency.

**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.**

Under the Responsible sourcing program, all the High-Risk Value chain partners are audited as per the SEDEX protocol under SMETA four pillar Audit. One of the High focus and critical pillar is Environment. After the audit, we work closely with suppliers to help them address any non-compliances identified during the audit. This may involve providing support to suppliers to help them comply with applicable laws and regulations or to implement best practices to improve their operations. We also provide guidance on how suppliers can address any issues identified in the audit report, and we work with them to develop a corrective action plan. Additionally, we conduct regular follow-up audits to ensure that the suppliers are maintaining compliance with our organization's standards and making progress towards implementing the corrective action plan.

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

Environment - 88%

The assessment of value chain partners involves conducting SMETA 4 pillar audits, which assess compliance with the four pillars of labour, environmental, health, and business ethics. The continuous follow-up and support provided to value chain partners is important to help them improve their performance and maintain compliance with the organization's standards.

The suppliers selected under this program are based on several factors, including the level of risk associated with their operations, their geographic location, and their importance to our organization's supply chain.

**Step 1: Planning and Scheduling Audits**

We start by assisting the suppliers help plan and schedule SEDEX audits with 3<sup>rd</sup> party independent auditors.

**Step 2: Conducting SEDEX Audits**

The SEDEX audit covers the four pillars of labour, environmental, health, and business ethics. During the audit, the suppliers' compliance is assessed with applicable laws and regulations. The audit typically includes a review of documents, interviews with suppliers' employees, and site inspections. After completing the audit, auditors generate a detailed report that outlines the findings and recommendations which are uploaded on SEDEX portal for visibility to USL.

**Step 3: Follow-up and Support**

After the audit, we work closely with suppliers to help them address any non-compliances identified during the audit. This may involve providing support to suppliers to help them comply with applicable laws and regulations or to implement best practices to improve their operations. We also provide guidance on how suppliers can address any issues identified in the audit report, and we work with them to develop a corrective action plan. Additionally, we conduct regular follow-up audits to ensure that the suppliers are maintaining compliance with our organization's standards and making progress towards implementing the corrective action plan.

**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: 7
- 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

Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
International Spirits and Wines Association of India (ISWAI)	National
Confederation of Indian Industry (CII)	National
UK India Business Council (UKIBC)	National
Federation of Indian Chamber of Commerce (FICCI)	National
Public Affairs Forum of India (PAFI)	National
Karnataka Brewers and Distillers Association (KBDA)	State
Association of Liquor and Beer Suppliers (ALBS)	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of Authority	Corrective action taken	Brief of the case
	Not Applicable	

**Leadership Indicators:**

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

We are represented by our Industry association on policy matters that are important for Alco - Beverage sector.

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
West Bengal: Payment of Additional Excise Duty (AED) at the First Point for Distributors	Discussions & representation through various associations	Yes	Annually	Excise.wb.gov.in
West Bengal: Reducing of payment release duration by WB-BeVCO from 7 days to 4 days	Discussions & representation through various associations	Yes	Annually	Excise.wb.gov.in
West Bengal: New Long Hologram introduced as additional security measure. Cost per hologram ₹ 0.70.	Discussions & representation through various associations	Yes	Annually	Excise.wb.gov.in
West Bengal: Introduction of impregnated QR code Starting from 1 <sup>st</sup> December 2023 for additional security priced more than ₹ 1200/- for 750 ml pack size.	Discussions & representation through various associations	Yes	Annually	Excise.wb.gov.in

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
Arunachal Pradesh: First Point payment of Tax & Duty introduced for local as well as imported liquor	Discussions & representation through various associations	Yes	Annually	Eabkari.arunachal.gov.in
Odisha: WB Excise allowed export of tetra pack from WB.	Discussions & representation through various associations	Yes	Annually	Excise.odisha.gov.in
Assam: 90 ml pack size introduced across all segments.	Discussions & representation through various associations	Yes	Annually	Stateexcise.assam.gov.in
Assam: Tetra-packs allowed for liquor	Discussions & representation through various associations	Yes	Annually	Stateexcise.assam.gov.in
Assam: ENA transit loss allowed & Blending loss enhanced	Discussions & representation through various associations	Yes	Annually	Stateexcise.assam.gov.in
Assam: 'Retail sale limit' increased. Additional retails allowed through tendering system to add to retail density. Premium outlets in malls allowed.	Discussions & representation through various associations	Yes	Annually	Stateexcise.assam.gov.in
Tripura: Local Export Permit system converted to online	Discussions & representation through various associations	Yes	Annually	Taxes.tripura.gov.in
Meghalaya: Allow import of IMFL including Rum from Assam	Discussions & representation through various associations	Yes	Annually	Excise.meghalaya.gov.in
Goa: Reduction of duty for Scotch	Representation and discussions	Yes	Annually	goaexcise.gov.in/docs/Notifications/
Tamil Nadu: ICON Pack Preferred Price approval.	Direct follow up	NO	Pricing approvals -Annual	-
Karnataka: Regulatory cost to end consumer by loading it on the MRP - E.g., HEAL Cost and Transportation	Periodical Meetings by the Local Industry association	NO	Annual	-
Karnataka: Allow Label approval for BIO Brands with Brand related Information Website detail & QR Codes on the label.	Periodical Meetings / representations - By Company and by ISWAI.	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
Telangana: IML price Approval to mitigate inflation.	Submissions to TSBCL Price negotiation Committee.  Company and Local association & persistent follow ups.	NO	Monthly	-
FSSAI: Increases validity of licenses period for upto 5 years as part of Ease of doing business	Representation through various associations	Yes	Annually	Fssai.gov.in
GST council: ENA for human consumption exempted from GST and also reduced GST on molasses to 5%.	Representation through various associations	Yes	Annually	-
Delhi: Pricing, retail, procurement / ordering policy & EODB recommendations	Representation through associations	No. WIP for next year policy	-	-
Uttarakhand: Rationalisation of prices in line with increase of input cost	Representation through ISWAI	NO. WIP-recommendation for 2024-25.	-	-
Rajasthan: Recommendation for liquor sourcing policy 2024-25	Representation through ISWAI	NO. WIP-recommendation for 2024-25.	-	-
Rajasthan: inflation link price increase, bottling fee, retail policy etc.	Representation through ISWAI	NO. WIP-recommendation for 2024-25.	-	-
Punjab: criteria of minimum EDP to be done away with	Representation through ISWAI	NO. WIP-recommendation for 2024-25.	-	-
Chandigarh: Inflation linked price increase, retail policy and EODB	Representation through ISWAI	NO. WIP-recommendation for 2024-25.	-	-

**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.**

None of the projects undertaken by USL in financial year 2023-24 required Social Impact Assessments (SIA).

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, in the following format:**

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts for Paid to PAFs in the financial year (INR)
Not Applicable					

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

As part of our CSR engagement with the communities, we have various forums through which community grievances can be received and addressed. Periodic and well-organized community level engagements are scheduled to reassess the evolving requirements of the community. The emerging priorities are incorporated into the development and improvement of current and future programmes.

At each of our locations, our local NGO partner acts as a medium of communication. During regular stakeholder consultations, the grievances and needs from communities are discussed and a formal written request is submitted to the NGO partner who in turn shares the same with the respective teams.

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

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
Directly sourced from MSME/ small producers	36%	36%*
Directly from within India	90%	86%

Note 1: As per guidelines issued by SEBI for BRSR core, 'Input material' includes all types of procurement such as raw material, spares, services, capex procurement items etc. Further, the numerator is basis input materials directly sourced only from MSME.

Note 2: \*The previous year numbers are reinstated to incorporate the above disclosure requirements.

Note 3: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators in the table above for FY 2023-24.

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

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
Rural	10%	14%
Semi-Urban	5%	5%
Urban	16%	13%
Metropolitan	69%	68%

Note 1: The locations have been categorised as per RBI Classification System – rural/semi-urban/urban/metropolitan.

Source: <https://censusindia.gov.in/nada/index.php/catalog/42560/download/46186/2011-IndiaStateDistSbDistTwnWrd-0000.xlsx>

Note 2: All manufacturing locations (Plants), depots, sales offices and regional offices are mapped based on their respective actual address.

Note 3: For the purpose of calculation of total wages, the actual payouts made to the employees (i.e., as per the payroll register) for the year ended 31<sup>st</sup> March 2024 have been considered. The actual payouts have been reconciled to the amount of salaries, wages and bonus as per standalone financial statements for the year ended 31<sup>st</sup> March 2024.

Note 4: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the indicators the table above for FY 2023-24.

**Leadership Indicators**

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

Aspirational District	Amount spent (INR)
Nanded, Maharashtra	1,19,14,747

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

Yes, we recognise that diverse suppliers can often deliver greater agility, as well as access to fresh ideas, experiences and better cost structures that can result in accelerated product and process innovations. This mindset is one that we actively encourage at USL – both with our own employees and the partners and suppliers with whom we work. We have set an ambitious goal to increase the share of our global spend with diverse owned and disadvantaged businesses. We are also committed to supporting our supplier’s embedding inclusion and diversity throughout their own value chains. We encourage our suppliers to activate inclusion and diversity programmes within their leadership teams and employees, employees, as well as embedding their own supplier diversity programme within their supply chains.

- 3.b **Which marginalized /vulnerable groups do you procure?**

We are also committed to shaping broader societal change by promoting equality and an inclusive culture through our brands, in our industry, across our value chain, and in the communities where we live, work, source and sell. We view diversity in the broadest possible sense, including gender, ethnicity, ability, age, sexual orientation, social class, education, experience, ways of thinking and more. Diversity of thought and experience fuels growth and innovation and ensures we reflect the consumers who enjoy our brands. A diverse supplier is defined as a company that is at least 51% owned and operated by one or more individuals belonging to any traditionally underrepresented minority group: women, people with disabilities, LGBTQIA+, ethnic minorities or any other underrepresented group.

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

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial year)
% of Business given underrepresented minority group: women, people with disabilities, LGBTQIA+, ethnic minorities or any other underrepresented group	6%	6.7%

Note: 6% spends of diversity suppliers over total procurement influential spends for the financial years.

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:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable. We do not use any traditional knowledge.				

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable. We do not use any traditional knowledge.		

6. Details of beneficiaries of CSR Projects:

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Promote Positive Drinking: "Act Smart India", a programme to educate stakeholders in the age group of 13-17 years on the dangers of Underage consumption	1,91,861	100%
Promote Positive Drinking: "Wrong Side of the Road", a programme to create awareness on Anti drink drive amongst consumers	4,35,164	The beneficiaries include consumers who are above legal drinking age including men, women, and elderly.
Learning for Life: a business and hospitality skills programme	2,060	100%

**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.

USL is having robust customer complaint handling process to receive and address consumer concerns related to our product.

At USL, we have details of our customer care executive on our packs for consumers to register their complaints. Consumer can raise their concern to USL by calling on our Toll-free No. 1800-425-2433 or through [customercare@unitedspirits.in](mailto:customercare@unitedspirits.in). We manage our customer care center through third party and its operational all working days (except Public Holiday) with support of Live agent caller (Morning 10 AM to midnight 12 and having IVR system after midnight 12 to morning 10 AM. We have opened IVR for consumer to connect and raise their concern).

We register all complaints on our SAP based complaint portal, and this is a real time visibility portal. Our Customer care team shall send acknowledgement of the complaint to the customer as per SLA i.e., within 24 hours of initial contact either by mail or phone call. Next course of action will be communicated to the customer in the acknowledgment.

Post Registration of complaint USL internal team will take further action and resolve customer concern at the earliest. The team would ensure that sample is collected from consumer who has raised concern for investigation. Investigation result will be communicated to consumer and concern will be addressed as per our consumer policy.

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

All products of USL contain relevant information as required under applicable laws.

Particulars	As a percentage of total turnover
Environmental and social parameters relevant to the beverage	100% of Our products will carry the information as "Consumption of alcohol is injurious to health" to provide warning message to consumer.
Safe and responsible usage	
Recycling and/or safe disposal	100% All our Plastic Container used for Packaging will carry the Embossed Symbol of recyclability.



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

Particulars	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during year	Pending resolution at the year end		Received during year	Pending resolution at the year end	
	Data Privacy	-		-	-	
Advertising	2	-	-	-	-	
Cyber Security	-	-	-	-	-	
Delivery of essential services	-	-	-	-	-	
Restrictive Trade Practices	-	-	-	-	-	
Unfair Trade Practices	-	-	-	-	-	
Other*	436	71*	71 open complaints are open as on 31 <sup>st</sup> March-24	197	20	No complaint pending for resolution for year 2022-2023

Note: \*Other include complaints pertaining to Product Quality. 436 complaints found Validated & closed during reporting period & 71 complaints are under investigation as on 31<sup>st</sup> Mar'2024.

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

Particulars	Number	Reasons for Recall
Voluntary recalls	0	0
Forced recalls	0	0

Note: Product recalls which is mentioned over here are related to any product quality issue only.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, which can be provided on request.

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.

No such Incidents and hence it is not applicable.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact - 0
- b. Percentage of data breaches involving personally identifiable information of customers – 0
- c. Impact if any, of the data breaches – 0

Note: Reasonable Assurance has been undertaken by Price Waterhouse & Co Chartered Accountants LLP, on the 'Percentage of data breaches involving personally identifiable information of customers' above.

**Leadership Indicators**

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

<https://www.diageoindia.com/en>

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

Our commitment to promoting positive drinking is a core pillar of our 'Society 2030: Spirit of Progress' action plan. We want to change the way the world drinks for the better. That means promoting moderation and continuing to address the harmful use of alcohol by changing attitudes and expanding our programmes that tackle underage drinking, drink driving and binge drinking. As a CSR initiative, we are implementing the following programmes:

- Wrong Side of the Road: A programme to create awareness about anti drink drive amongst consumers.
- Act Smart India: A programme to educate young people on the dangers of underage consumption.
- DrinkIQ: Promoting moderation.

In addition, there is consumer awareness information available on the labels of every bottle as prescribed by the law.

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

We will notify you through our website i.e., [www.diageoindia.com](http://www.diageoindia.com) of any disruption/discontinuation of essential services.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)**

The entity follows all the applicable regulation w.r.t. display of product information.

If yes, provide details in brief. Did your entity carry out any survey regarding 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)

Yes. USL conducts various research to make sure the best-in-class offer goes in the market; and also, there is a regular survey in place to track consumer feedback on brand equity metrics. We use multiple and different research methodologies across quantitative and qualitative, a mix of online and face-to-face to evaluate blends, packs, communication for our core brands, overall consumer sentiment, culture understanding, consumption and recruitment, social listening, and ongoing measurement and evaluation of the performance and effectiveness of our brand, marketing and innovation activities in the market. All of this is done in strict adherence to USL's Responsible Research policy and with Industry Research Guidelines in India.

**Management analysis on key sustainability and emission indicators (Principle 6: related to environment)**

Principle	Indicator No	BRSR Core KPI	FY 2023-24 (Reported)	FY 2022-23 (Rebased)#	FY 2022-23 (Reported)	Reference
Environment	P6.E.1	Energy intensity per rupee of turnover (GJ/Cr)	37.87	37.39	31.33	Note 1
Environment	P6.E.1	Energy intensity by physical output (GJ/KL)	4.13	-	3.81	Note 2
Environment	P6.E.3	Water intensity per rupee of turnover (KL/Cr)	27.56	32.53	27.26	Note 3
Environment	P6.E.3	Water intensity by physical output (KL/KL)	3.01	-	3.32	Note 4
Environment	P6.E.4	Water Discharge (KL)	13,818	-	7,380	Note 5
Environment	P6.E.7	Emission intensity per rupee of turnover (MT CO2e/Cr)	0.56	0.49	0.41	Note 1
Environment	P6.E.7	Emission intensity by physical output (MT CO2e/KL)	0.06	-	0.05	Note 2

# Revenue intensity, referred to as 'Rebased', is adjusted for slump sale and franchising of the strategically reviewed popular portfolio that was divested / franchised for a like for like comparison.

Note 1: The energy intensity (GJ/Cr) and emission intensity (MT CO2e/Cr) per rupee of turnover has increased from the previous year (rebased) by 1.3% and 14.2%, respectively. These are influenced by changes in product volume and product mix ratio.

Note 2: The energy intensity (GJ/KL) and emission intensity (MT CO2e/KL) by physical output has increased from the previous year by 21% and 36%, respectively. The intensity per liter of beverage packed has improved by 4% and 14%, respectively. However, energy and emission intensity per liter of spirit distilled have risen by 16% and 28%, respectively, due to changes in product volume, mix ratio and operationalization of dry ice byproduct plant.

Note 3: The water intensity per rupee of turnover (KL/Cr) has reduced by 15% from the previous year (rebased), which is driven by multiple water efficiency improvement projects implemented during the year.

Note 4: The water intensity by physical output (KL/KL) has reduced from the previous year by 9%. Further, the water intensity per liter of spirit distilled and beverage packed have dropped by 3.2% and 6.8% respectively. These improvements are due to water efficiency and conservation measures like rainwater harvesting, waterless cooling systems, and enhanced condensate recovery.

Note 5: The water discharge (KL) rate increased by 87%, mainly due to new discharge sites like offices and warehouses reported for 2023-24. However, for a like to like comparison, excluding these new sites water discharge decreased by 30%, (FY 2023-24 water discharge excluding offices and warehouses is 5,180 KL).