



# Devyani International Limited



Corporate Office: Plot No-18, Sector-35, Gurugram - 122004, Haryana (India) • Tel.: +91-124-4566300, 4786000  
E-mail: devyani@dil-rjcorp.com • Website: www.dil-rjcorp.com;  
CIN: L15135DL1991PLC046758

January 6, 2026

To,

<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Email: <a href="mailto:cmlist@nse.co.in">cmlist@nse.co.in</a> Symbol: <b>DEVYANI</b>	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Email: <a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a> Security Code: <b>543330</b>
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## **Sub: Sustainability Report FY 2024-25**

Please find enclosed herewith the Sustainability Report for the FY 2024-25. The same is also being hosted on the Company's website at [https://dil-rjcorp.com/wp-content/uploads/2026/01/05012026\\_sr\\_fy24-25.pdf](https://dil-rjcorp.com/wp-content/uploads/2026/01/05012026_sr_fy24-25.pdf).

You are requested to take the above on record.

Yours faithfully,  
**For Devyani International Limited**

**Pankaj Virmani**  
Chief Sustainability Officer & Company Secretary

Encl: A/a



tealive



GOILA  
BUTTER CHICKEN



*Trending*  
**Tastes.**

*Fabulous*  
**Flavors.**

**DEVYANI**  
INTERNATIONAL LIMITED



**SUSTAINABILITY REPORT 2024-2025**

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# About the Report

Devyani International Limited (DIL, We, Us, Our, Company) values sustainability. As we expand our reach to serve an increasing customer base in India and globally, we recognize the responsibility that comes with our growth. Through the food we serve and the way we engage with our people and society at large, we are committed to managing our impact thoughtfully and responsibly. This year we are proud to present our first Sustainability Report, a reflection of our business philosophy and commitment to a sustainable future.

## REPORTING FRAMEWORK

The financial and non-financial information in this report includes our stores located throughout India, our commissary and the corporate office. This report has been prepared in reference to the Global Reporting Initiative (GRI) framework, Sustainability Accounting Standards Board (SASB) and the 17 Sustainable Development Goals of the United Nations Sustainable Development Group (UNSDG).

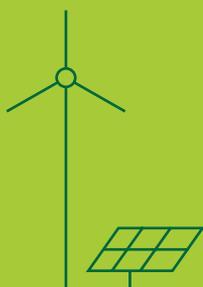
## REPORTING BOUNDARY

This report covers the ESG (Environmental, Social and Governance) performance of our Company on standalone basis for the reporting period 1 April 2024 to 31 March 2025 and outlines our ESG strategy, commitment, goals and disclosures. Additionally, we have included ESG data of FY 2023-24 wherever required to facilitate trend.



## REPORT ACCESS AND FEEDBACK

This report can also be accessed online on our website : [www.dil-rjcorp.com](http://www.dil-rjcorp.com). We believe in transparently communicating our progress and welcome any feedback or suggestions on the contents of this report. For any comments or clarifications, please write to us at [sustainability@dil-rjcorp.com](mailto:sustainability@dil-rjcorp.com)



# Message from the Chairman

*Dear Stakeholders,*

*I am delighted to present the first Sustainability Report of Devyani International Limited, a defining moment in our journey to becoming one of the leading Quick Service Restaurant (QSR) companies globally. Through this report, I am proud to share our vision — one that blends our passion for innovation with a deep commitment to sustainability.*

*Our theme “**Trending Tastes, Fabulous Flavors**” is not just about food innovation; it’s equally about doing so in a manner that respects our environment, supports our communities, and ensures that the meals we serve today contribute to a healthier planet tomorrow.*

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At DIL, sustainability is not just an afterthought – rather it is deeply embedded into our governance framework, our policies and our growth strategies. We are cognizant of the significant impact our industry has on both environmental outcomes and societal well-being. From the sourcing of ingredients to the meals we serve, every decision we make carries weight – and with it, the responsibility to act with purpose.

This report reinforces our belief that sustainability is not just a moral imperative, but a strategic investment in the future of our business.

This has been a remarkable year for us. We secured exclusive master franchise rights in India for three global names – Tealive, New York Fries, and Sanook Kitchen – playing a key role in strengthening our market presence and diversifying our offerings.

This report highlights the actions we have taken to embed ESG principles into our operations –from energy efficiency measures and expanding the share of renewable electricity, to managing emissions, reducing waste, and responsible sourcing. Our strengthened GHG emissions reporting, now covers our full value chain, showing our commitment towards environmental stewardship.

We are committed to integrating ESG across our operations – from sourcing to service. Our focus includes responsible practices, reducing environmental impact, and fostering a safe, inclusive, and ethical workplace.

As we celebrate these momentous occasions in our growth journey, I want to take this opportunity to acknowledge the efforts of the people who made this possible – our employees. We, at DIL, are dedicated to strengthening our workforce, making it skilled and future ready in every way possible. To this end, we clocked more than 4 million man-hours of training in FY 2024-25. We have also set up 110 women-led stores across the country, and have improved the ratio of women in our workforce to 29%. A dedicated workshop on self-defense techniques was also organized during the year for our women employees to learn life-saving skills and feel more confident and secure at work as well as outside of it.

As we move forward, we will continue to evolve our strategies, strengthen our practices, and align with the ever-changing expectations of our stakeholders. Our goal is clear: to drive meaningful, measurable change while consistently delivering food that is trusted, enjoyed, and accessible – without compromising on quality, affordability, or convenience.

This journey would not be possible without the support of various government authorities, our partners, franchisors, employees, and customers. Together, we will continue to innovate, lead with purpose, and create lasting value for all.

Thank you for being an integral part of this journey.

**Ravi Kant Jaipuria**  
Chairman

# Message from the Promoter and Non-Executive Director

*At Devyani, sustainability is not just a goal – it is a way of doing business. It shapes how we operate, grow, and create value for all our stakeholders. Our teams in the outlets across the country have embraced this journey with purpose and passion – ensuring that every initiative we undertake contributes meaningfully to a more responsible and inclusive future.*



During the year, we implemented several initiatives that bring our sustainability vision to life. Our green store designs reflect our focus on energy efficiency, water conservation, and environmentally conscious construction. The deployment of self-ordering kiosks across KFC outlets has not only improved customer convenience but also reduced paper usage and operational inefficiencies. Through KFC Kshamata and Sahyog, we continue to promote diversity, equity, and inclusion, empowering individuals from different walks of life and providing them with opportunities to learn, grow, and thrive within our organization. These efforts collectively enhance customer satisfaction, strengthen our culture of responsibility, and reduce our environmental footprint.

Collaboration has been key – whether with our suppliers, communities, or internal teams.

I am particularly proud of how we have integrated sustainability principles into everyday operations – from restaurant management and logistics to energy use and

waste handling, paving the way for long-term resilience. We value transparency, with improved disclosures and stakeholder engagement. The reporting framework used helps us stay accountable and forward-looking.

Looking ahead, we are focused on deepening our sustainability integration – reducing our environmental footprint, fostering a workplace culture that embraces and celebrates diversity and upholding the highest standards of ethics and governance. I believe our sustainability journey is a shared responsibility – and a shared opportunity. Thank you to everyone who's contributed to this progress. Together, we will continue to build a future that's responsible, resilient, and regenerative.

**Varun Jaipuria**  
Promoter and Non-Executive Director

# Message from the President & CEO

*Our inaugural Sustainability Report is a milestone moment demonstrating our unwavering commitment to responsible growth, transparency, and long-term value creation. This report is more than a document; it is a testament to our belief that sustainability is not just a moral obligation, but a strategic imperative. Under the banner of “Trending Tastes, Fabulous Flavors,” this report talks about our journey in pushing the boundaries of what’s delightful to the palate – while ensuring that every recipe, every ingredient, and every decision reflects our responsibility to people, planet, and progress.*



The quick-service restaurant (QSR) sector is growing at a rapid pace today – driven by evolving consumer preferences, increasing urbanization and rising demand for convenience. In this dynamic landscape, DIL is uniquely positioned to lead – not just in product innovation, but in forging a future where trending tastes go hand in hand with environmental responsibility and social well-being.

I am proud to present this milestone in our company’s journey toward long-term value creation and responsible leadership. We are India’s first QSR Company to undertake Double Materiality Assessment (DMA) – which has enabled us to identify the environmental, social and governance issues most relevant to our stakeholders as well as having the biggest financial impact. By assessing both financial materiality and impact materiality, we are aligning our strategy with the evolving expectations of regulators, investors, and communities. This dual lens of DMA equips us with deeper insights into emerging risks and opportunities, enabling smarter capital allocation, stronger risk management, and more informed decision-making.

Building on these insights, we have formalized our ESG strategy into four key pillars: Strong Governance for a Sustainable Business, Nourishing Trust: Ensuring Food Safety and Quality, Environmental Responsibility for a Resilient Future, and People-Centered Progress: Growth, Well-being & Inclusion. For each of our pillars, we have developed a structured approach – material topics, defining clear strategies, setting measurable goals, and outlining long-term ambitions to guide our progress.

This year, we took concrete steps to embed sustainability into our operations especially by optimizing energy usage and water consumption across our stores. To reduce wastage of time and resources, we successfully deployed 750 self-ordering kiosks at our KFC outlets, leading to streamlined ordering, reduced human errors

and shift in focus from routine transactions to meaningful customer engagement by our workforce. In FY 2024-25, 100% of our used cooking oil was sent for recycling. To curb our carbon footprint, we are accelerating our shift to renewable energy and plan to install solar rooftop systems across 26 stores in the next three years. We have also initiated the development of ‘Green Stores’ through setting up KFC store in Kerala, thereby beginning our journey towards integrating green building principles in our restaurants.

We take particular pride in empowering individuals via training and employment. Through National Apprenticeship Promotion Scheme (NAPS), we have positively influenced the lives of more than 4,000 youth. The aim of implementing the NAPS within DIL was to foster skill development among youth/freshers PAN India and enhance their employability. By participating in the NAPS, we aim to provide structured training opportunities that bridge the gap between theoretical knowledge and practical skills required in the workforce. These efforts don’t just uplift society and the environment – they drive our operations forward, mitigate risk, and open doors to innovation and lasting growth. All of these exemplify our vision – to serve food that is delicious and accessible, and responsibly sourced and prepared.

We understand that sustainability is not a destination, it is a continuous journey. While we celebrate our progress, we remain acutely aware that the journey ahead is long. We are committed to continuous improvement, transparent reporting, and bold action that drives real impact.

Thank you for your continued support as we move forward on this important journey toward a more sustainable and inclusive future.

**Virag Joshi**  
President & CEO

# Message from the CFO

*As a leading player in the global QSR space, we understand the significant responsibility we hold in driving a more sustainable and inclusive future. This inaugural Sustainability Report captures how our commitment to responsible growth, transparency, and governance continues to guide our business decisions and investment priorities.*



In today's evolving business landscape, the intersection of financial performance and ESG stewardship defines resilience. At DIL, we have seamlessly integrated ESG into our financial strategy, ensuring that our investments support both long-term profitability and positive environmental and social impact. Inclusive financial governance remains at the heart of our efforts to build a resilient, future-ready business. While the listed QSR industry recorded a revenue CAGR of 29.6% over the past five years, we outperformed with a CAGR of 44.5%. Our store network also grew at a 31% CAGR, well above the industry average of 22.5%. These results underscore the strength of our brands, business model, and disciplined execution.

Our financial strategy continues to emphasize capital efficiency and risk mitigation. During the year, we strategically invested in initiatives that enhance long-term competitiveness – including reducing packaging waste, improving energy and water efficiency, and expanding renewable energy usage across our operations. These investments, while addressing environmental priorities, also deliver measurable cost savings and operational resilience.

We added 235 net new stores across the country in FY 2025. Despite the continued pace of expansion, we achieved a ~6.5% reduction in energy consumption per store through enhanced operational efficiency measures. To reduce our carbon footprint, we increased our usage of renewable electricity by more than 28% and continue to enhance the share of renewable energy in our operations. Bringing efficiency in water consumption led to a reduction of ~7% in water consumption per store. To support a circular economy, we successfully transitioned 85% of our heavy-duty plastic

garbage bags to compostable bags and have largely phased out the use of single-use plastics at customer end.

We adhere to the most stringent food safety quality standards through implementing rigorous protocols, continuous employee training, and ensure that 100% of our stores are audited for food safety and quality. We continue to invest in menu innovation to delight our customers, while promoting ethical sourcing of materials to support deforestation-free supply chains.

Looking ahead, we remain focused on further integrating sustainability-linked KPIs into our business and financial reporting frameworks. By embedding ESG factors into our risk assessment and investment decisions, we aim to strengthen stakeholder confidence and ensure that every rupee invested generates shared value – for our shareholders, our communities, and the environment. While we celebrate the progress made, we also recognize that this is just the beginning. Our commitment to transparent reporting and continuous improvement remains steadfast. We will continue to evolve, and lead with integrity – delivering enduring value to our shareholders, franchisors, employees, and the communities we serve.

I invite you to read this report and engage with us by sharing your thoughts or feedback. Your insights are invaluable as we continue to refine our approach.

Thank you for your continued trust and partnership as we lead with purpose and accountability.

**Manish Dawar**  
CFO

# Message from Chief Sustainability Officer & Company Secretary

*As a prominent player in the QSR space, we understand the significant responsibility we hold in driving a more sustainable and inclusive future. This report goes beyond outlining our initiatives – it represents our core values, our commitment to transparency, and our determination to set a benchmark for responsible growth in the industry.*



We have made purposeful strides to integrate sustainability into our operations. To better represent our sustainability initiatives, we have developed a pillar-based approach which consists of our 15 material topics

- Strong Governance for a Sustainable Business
- Nourishing Trust: Ensuring Food Safety and Quality
- Environmental Responsibility for a Resilient Future
- People-Centered Progress: Growth, Well-being & Inclusion

As we look to the future, our resolve to create a more sustainable ecosystem is stronger than ever. In the years ahead, we envisage to fast-track our shift to renewable energy across our stores, broaden our menu choices, and make our supply chain even more sustainable. We are also channeling investments into circular packaging and piloting new technologies to reduce food waste at scale.

We recognize that transparency is key to building trust. Going forward, we will continue to further enhance our sustainability initiatives. Sustainability is not a destination – it's a journey, and it's one we must walk together. While we're proud of the progress so far, we recognize there's much more to achieve. We aspire to build a future where sustainability is not just part of our story – it is our story.

**Pankaj Virmani**

Chief Sustainability Officer & Company Secretary

# About Us

We are the largest franchisee of Yum! Brands in India and we operate renowned international QSR chains such as KFC, Pizza Hut, Costa Coffee, New York Fries and Tealive, along with our proprietary brands, Vaango, Food Street, Biryani by Kilo, and Goila Butter Chicken.



## OUR MISSION

To be a people-centric, customer focused and process-driven company pushing for excellence in operations and constantly striving for sustainable growth

## OUR PURPOSE

Spreading happiness and joy on all occasions

## OUR VALUES



Ownership



Customer  
First



Sustainable  
Growth



Financial  
Discipline



# Our Journey

JOURNEY ROADMAP OF DEVYANI – FROM ONE STORE TO **2,039** STORES



Opened the first KFC outlet in Kolkata

Signed the IDA with Costa Coffee

Launched our own South Indian brand – Vaango

Temasek (Dunearn) invested in DIL

Acquired PH delivery stores from Yum!

2005

2011

2015

1997

Opened first Pizza Hut in Jaipur



2010

Commenced operations in Nigeria & Nepal



2012

Investment by ICICI Ventures

Yum! India  
invested in DIL

2021

Surpassed  
1,000 stores

2023

2025

Surpassed 2,000 system-wide outlets

Introduced 3 new brands to the portfolio –  
Tealive, NYF and Sanook Kitchen

2020

Completed  
acquisition of KFC  
stores from Yum!

2022

DIL becomes  
public – Listed in  
August, 2021

2024

Acquired KFC  
franchise in Thailand



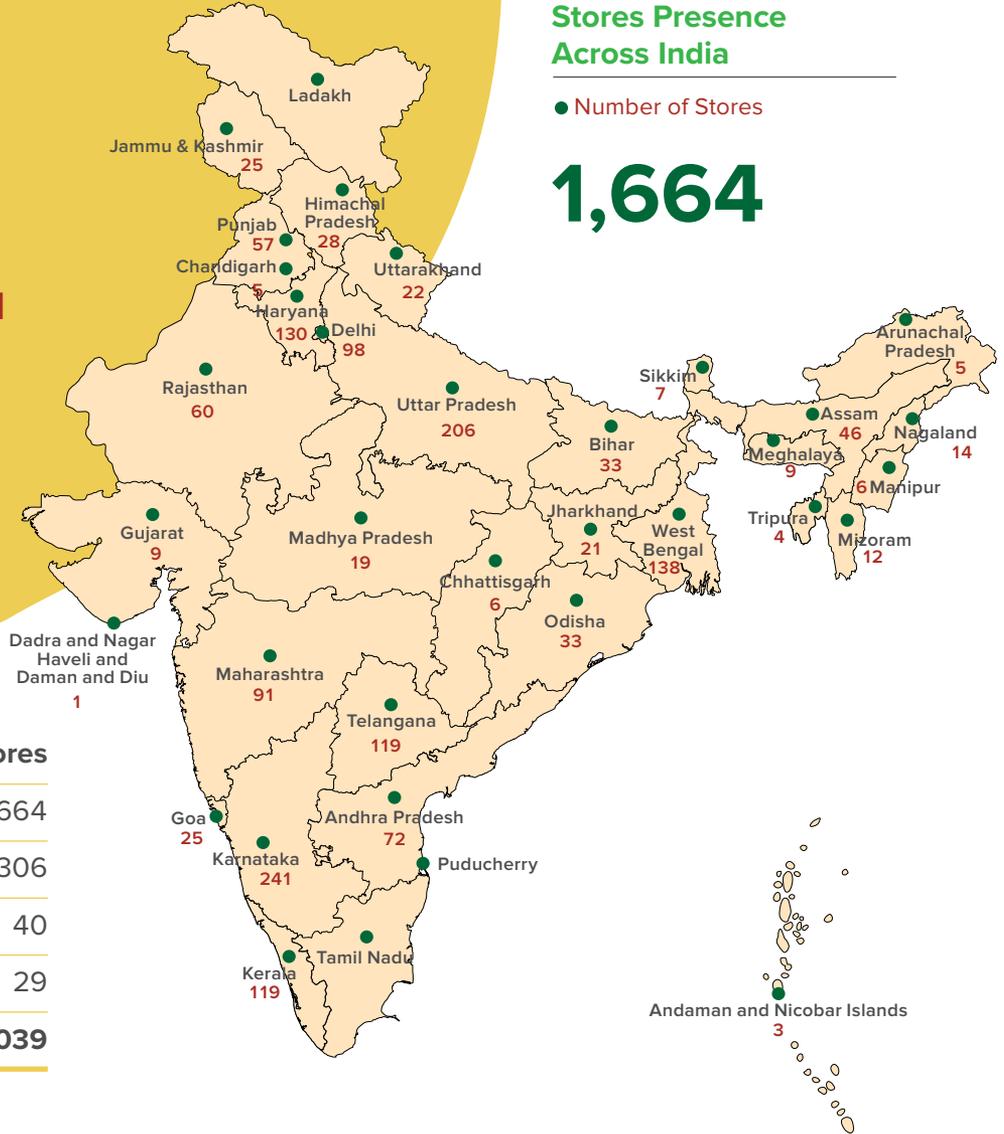
# Our Presence

We are proud to serve our customers across India, Thailand, Nepal, and Nigeria, bringing a taste of our offerings to them and satisfying cravings with every bite.

## Stores Presence Across India

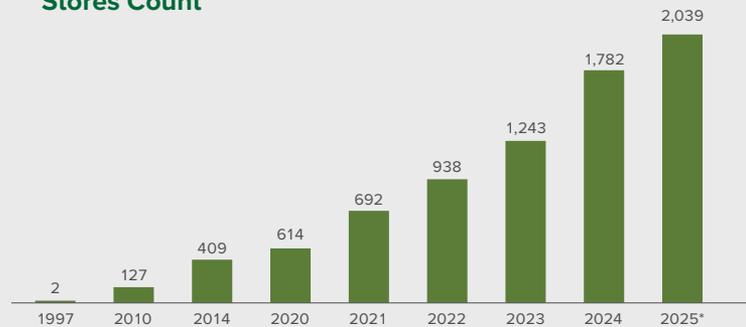
● Number of Stores

# 1,664



Country	No. of Stores
India	1,664
Thailand	306
Nigeria	40
Nepal	29
<b>Total</b>	<b>2,039</b>

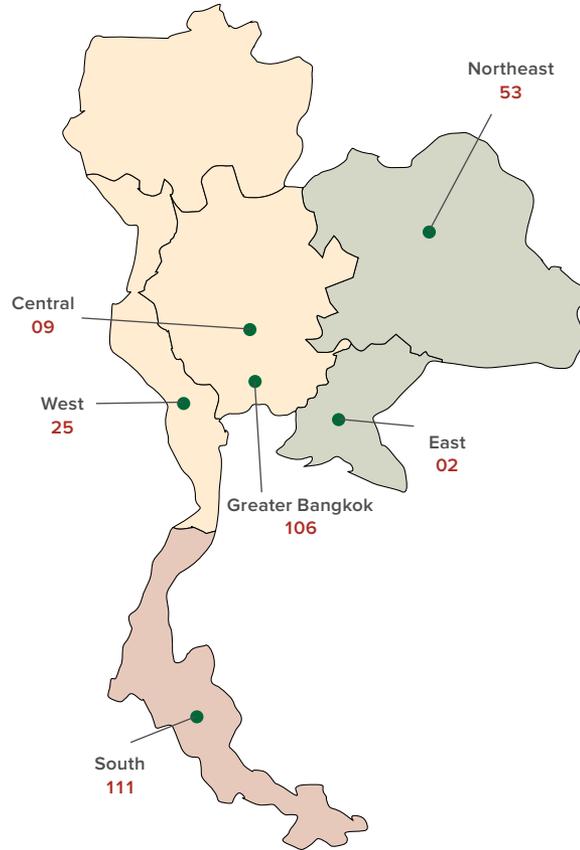
### Stores Count



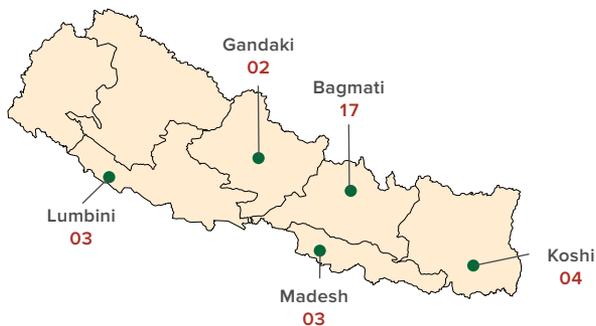
\*As of March'25

Map is not for scale. For illustration purposes only

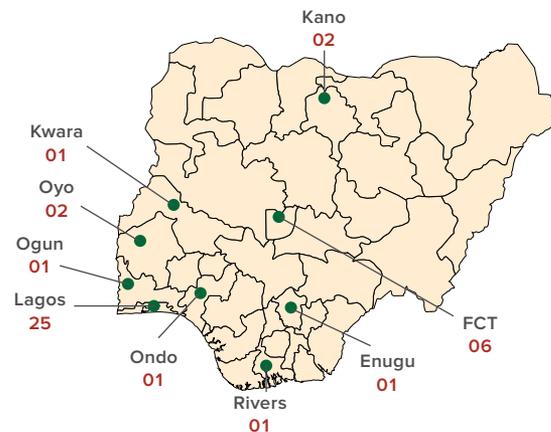
### Stores Presence Across Thailand



### Stores Presence Across Nepal



### Stores Presence Across Nigeria



Map is not for scale. For illustration purposes only

# Our ESG performance in FY 2024-25

We believe our ESG initiatives are a shared path, creating value for the planet, our people, and our bottom line. This section details our progress and efforts across key ESG areas

## 100%

recycling of used cooking oil

## ~7%

reduction in water consumption per store

## ~6.5%

reduction in energy intensity per store

## >28%

increase in renewable energy consumption

## 250+

hours of training per employee

## 100%

coffee beans through Rainforest Alliance Certified Suppliers



## 235

new outlets added

## Eco-friendly

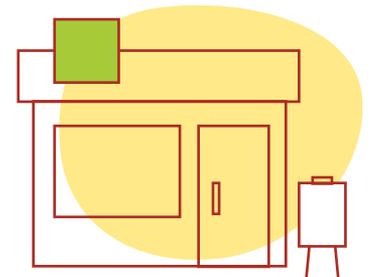
packaging materials

## Robust ESG

Governance and Policies

## India's first QSR

to undertake double materiality assessment



**100%**

usage of electric  
fryer in our outlets in  
Thailand

**99.9%**

customer complaints  
resolved

**>80%**

KFC store  
employees trained  
on sign language

**18%**

input material sourced  
from MSME

**29%**

representation of  
female employees  
in total workforce

**9**

trusted brands

**110**

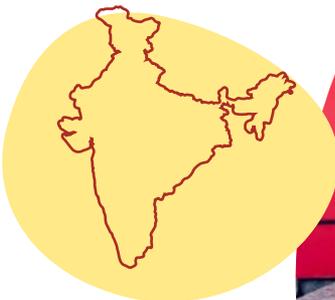
women-led stores

**4,000+**

Apprentice trainees



**Pan India  
presence**



# Awards & Accolades



Vaango awarded with **'Food Court Restaurant of the Year'** at the Indian Restaurant Awards 2024



Most Admired Retailer of the Year: **Market Expansion - KFC India @ Pepsi Food Service Awards**



Shafi - **Indian Barista of the Year for 2023-24** (Costa Coffee)



Pizza Hut - **Jury Award for Best Franchise Growth at the 20<sup>th</sup> Edition of the Star Franchisor Awards 2024**



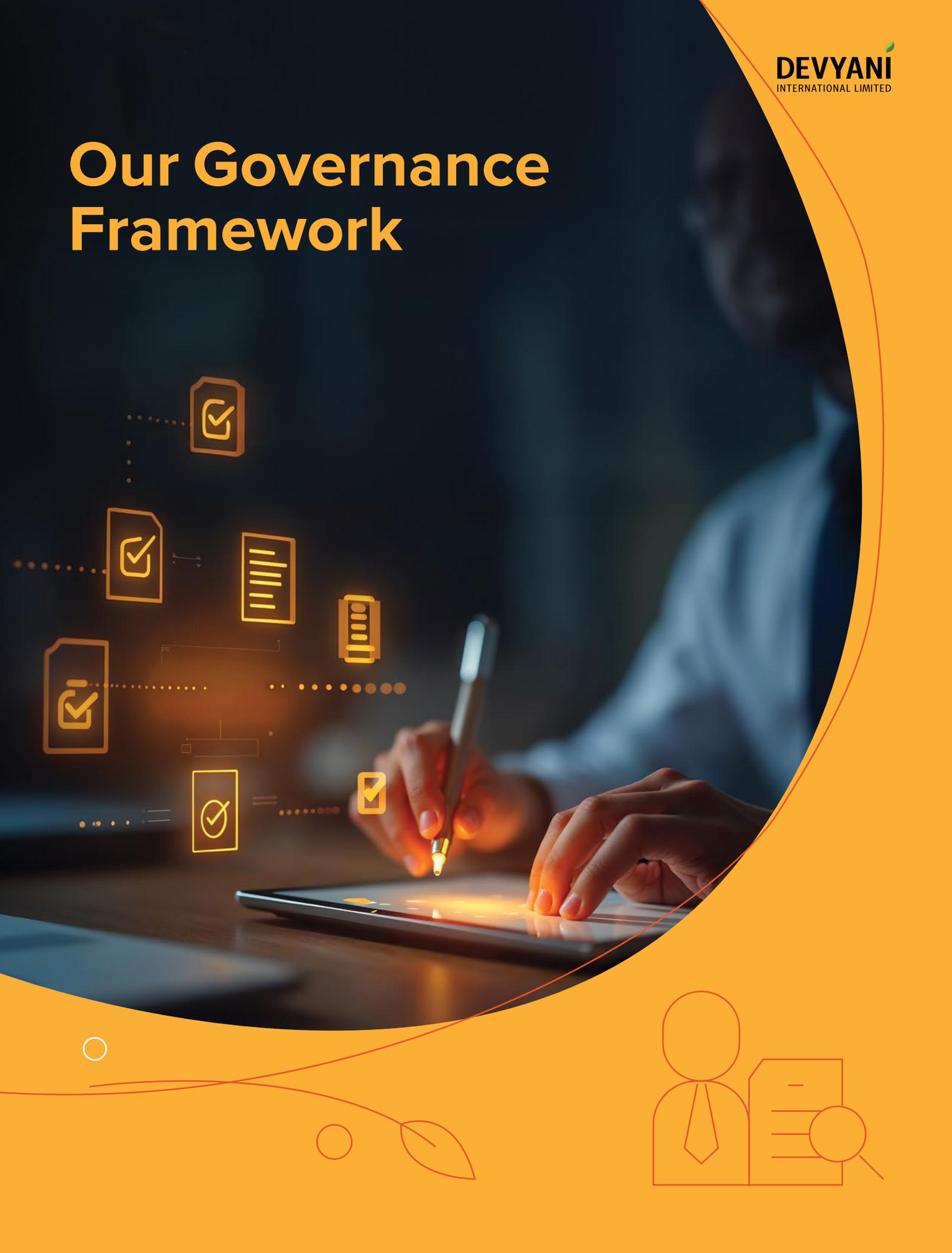
**KFC bags QSR Chain of the Year at the Indian Restaurant Awards 2024**



**Costa Coffee Cafe of the Year Award 2024**



# Our Governance Framework



# Our Governance Framework

We believe that ethics, transparency, and accountability are the bedrock of a resilient and future-ready organization. Our governance framework is designed to uphold these principles at every stage of our operations, translating directly into effective risk management, responsible marketing, sustainable economic value creation, and strong data protection mechanism. We operate under a professional management structure, with no involvement of the promoters in daily operations.

Through the Board Committees and active engagement of our Board of Directors, we ensure that our business strategies are implemented in alignment with our core values, stakeholder expectations, and long-term sustainability goals.

## BOARD COMMITTEES

We maintain the highest governance standards through our six Board-level committees. Each committee has specific roles and responsibilities, acting as a crucial pillar for oversight, transparency, accountability, and strategic guidance across all corporate governance functions.



Audit, Risk Management & Ethics Committee

Nomination & Remuneration Committee

Stakeholders Relationship Committee

Corporate Social Responsibility and ESG Committee

Investment and Borrowing Committee

Share Allotment Committee

## BOARD COMPOSITION

We have a single-tier Board comprising 10 directors, which includes five Independent Directors (including one woman) and three Non-Executive Directors. Our Board of Directors are seasoned industry experts, and they provide strategic direction and oversight to our operations. Their expertise span across sectors such as F&B, Governance, Finance, Risk Management and Sustainable Business Operations. Composition of the Board is governed by our **Policy on the Diversity of the Board** of Directors and the **Policy on Independence of Directors**. These policies stipulate the structure, independence criteria, representation and performance expectations of the Board. The average Board tenure for independent directors is ~5 years, and for non-executive directors (including non-executive chairman) is ~20 years and whole-time director ~12 years respectively. Refer our **Corporate Governance Report** for skills/expertise/competencies of the Board.



**Ravi Jaipuria**

Promoter &  
Non-Executive Chairman

M



**Varun Jaipuria**

Promoter &  
Non-Executive Director

M



**Raj Gandhi**

Non-Executive Director

C C M



**Virag Joshi**

Whole-time Director  
(President & CEO)

M M M



**Manish Dawar**

Whole-time Director & CFO

M M M



**Dr. Girish Kumar Ahuja**

Lead Independent Director

M



**Dr. Ravi Gupta**

Independent Director

C C C M



**Rashmi Dhariwal**

Independent Director

C M M M M



**Pradeep Khushalchand Sardana**

Independent Director



**Prashant Purker**

Independent Director

Audit, Risk Management  
& Ethics Committee

Nomination &  
Remuneration Committee

Stakeholders' Relationship  
Committee

Corporate Social  
Responsibility and ESG  
Committee

Investment and  
Borrowing Committee

Share Allotment  
Committee

C Chairperson

M Member

## OUR POLICIES AND CODES

Our policies and codes are the bedrock of our ethical conduct. They set clear expectations, ensuring all employees embody our core values and uphold the highest integrity. While employees must comply, we also actively encourage our wider stakeholders to adopt these standards. Key Policies and Codes include:

Policy on Diversity of the Board of Directors	Code of Conduct	POSH Policy	Risk Management Policy
Anti-Bribery Policy	CSR Policy	Human Rights and Equal Opportunity Policy	Responsible Marketing Policy
ESG Policy	Stakeholders Engagement Policy	Health and Safety Policy	Environment and Waste Management Policy
Sustainable Sourcing Policy	Supplier Code of Conduct	Shareholders' Rights Policy	Customer Grievance Redressal Policy

## OUR CODE OF CONDUCT

We are steadfast in our commitment to upholding the highest standards of ethical and professional behavior. We have a **Code of Conduct** in place, it outlines the general principles which our Board members and employees have to follow. All Board members and employees are required to confirm compliance to the Code of Conduct annually.

Our Code of Conduct includes provisions related to:



## RISK AND CRISIS MANAGEMENT

At DIL, we are committed to effective risk and crisis management, recognizing it as a foundation of our long-term resilience and sustained success. In an ever-evolving global landscape, proactively identifying, assessing, and mitigating potential risks is paramount. Our robust framework and dynamic strategies are designed not only to safeguard our operations and stakeholders but also to ensure our ability to navigate unforeseen challenges with agility and confidence, thereby protecting value and fostering continuous growth.

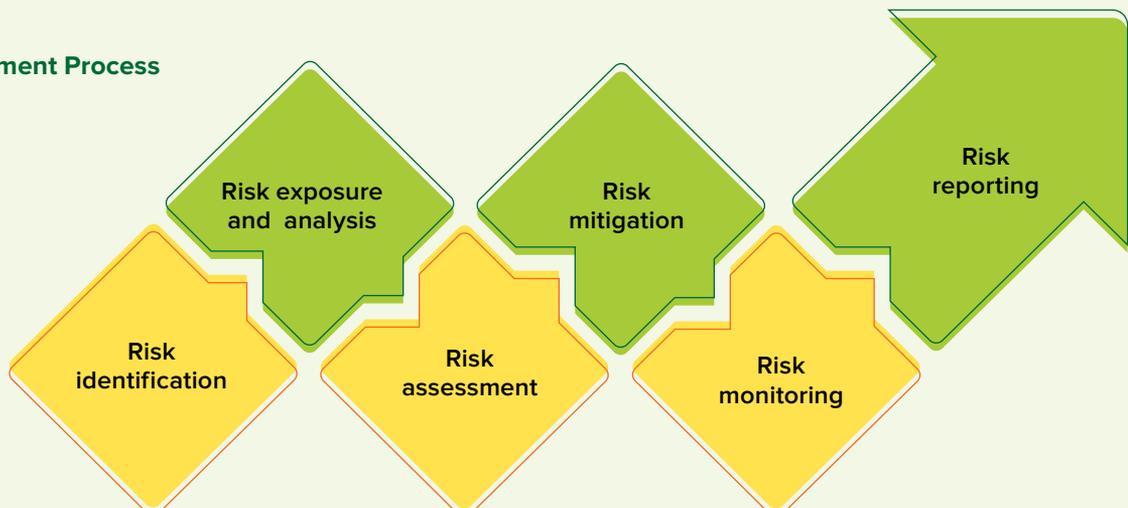
We have a comprehensive **Risk Management Policy** that identifies our key business and operational risks, along with strategies to address them. Our Audit, Risk Management and Ethics Committee is specifically tasked with oversight of risk management in the Company. This Committee continuously monitors our risk management framework to identify, assess, and address relevant risks, updating mitigation measures as needed.

We follow a structured risk assessment framework that evaluates each risk based on its potential impact on profitability and likelihood of occurrence. The risk register, developed through inputs from each function, is reviewed regularly by senior management and the Committee, with continuous monitoring of mitigation measures. Our risk register includes diverse firm-level risks, such as ESG/ sustainability risks, ensuring our risk management approach is both comprehensive and forward-looking.

### Our Risk Management Framework



### Our Risk Management Process



Risk type	Key risks	Mitigation strategies
<b>Business dynamics</b>	<ul style="list-style-type: none"> <li>• Competition and market saturation</li> <li>• Evolving consumer preferences and health trends</li> </ul>	<ul style="list-style-type: none"> <li>• Leverage technology and data for personalization</li> <li>• Constantly develop new and unique menu items that cater to current and emerging dietary trends</li> </ul>
<b>Business Operations Risks</b>	<ul style="list-style-type: none"> <li>• Food Safety and Quality Control including cross-contamination, improper temperature control</li> <li>• Technology and system failures</li> </ul>	<ul style="list-style-type: none"> <li>• Formation, implementation and development of proper policies for maintenance of inventories of raw materials, consumables etc.</li> <li>• Multiple audits to ensure food quality and safety</li> <li>• Robust IT Infrastructure and cybersecurity measures</li> </ul>
<b>Liquidity Risks</b>	<ul style="list-style-type: none"> <li>• Risks include financial insolvency, cash management, risks associated with borrowings etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Proper financial planning with detailed annual business/ operating plans to be discussed at appropriate levels within the organization</li> <li>• Preparation of annual budgets after detailed discussions along with variance analysis to have better financial planning and study of factors giving rise to variances</li> <li>• Preparation, implementation and monitoring of the daily and monthly cash flows to prevent undue loss of interest and utilize cash in an effective manner</li> <li>• Cash management services to be availed from Banks to avoid any loss of interest on collections</li> </ul>
<b>Credit Risks</b>	<ul style="list-style-type: none"> <li>• Food and commodity price volatility</li> <li>• Potential delay in receivables from credit card companies and online aggregator platforms</li> </ul>	<ul style="list-style-type: none"> <li>• Management of credit risk through credit approvals, establishing credit limits</li> <li>• Appropriate credit terms with vendors in the normal course of business</li> </ul>
<b>Logistics Risks</b>	<ul style="list-style-type: none"> <li>• Dependence on single suppliers</li> <li>• Fixed transportation methods</li> </ul>	<ul style="list-style-type: none"> <li>• Advanced inventory management systems, GPS tracking for deliveries, and predictive analytics</li> </ul>
<b>Market Risks/ Industry Risks</b>	<ul style="list-style-type: none"> <li>• Demand and supply risks</li> <li>• Quality and quantity risk</li> <li>• Risks related to raw material procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Diversify and nurture supplier relationships</li> <li>• Optimize demand-supply alignment and capacity</li> </ul>
<b>Human Resource Risks</b>	<ul style="list-style-type: none"> <li>• Occupational health and safety</li> <li>• Human resource management</li> <li>• High attrition rate</li> <li>• Inability to attract, retain, and develop skilled personnel critical to operations and growth</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure robust appraisal mechanism for revision of compensation on a periodical basis</li> <li>• Employee training at regular intervals to upgrade their skills</li> <li>• Undertaking welfare activities for employees</li> <li>• Effective onboarding, training &amp; career development</li> <li>• Maintain highest safety standards</li> <li>• Employee wellness programs and performance-linked rewards to drive engagement and retention</li> </ul>

Risk type	Key risks	Mitigation strategies
<b>Force Majeure Risks</b>	<ul style="list-style-type: none"> <li>Natural risks like Fire, Floods, Earthquakes, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Insurance of the Company's properties against natural risks, like fire, flood, earthquakes, etc. with periodical review</li> <li>Fire extinguishers at fire sensitive locations</li> <li>First aid training to watch and ward staff and safety personnel</li> <li>Audit of insurance policies to avoid later disputes</li> </ul>
<b>IT System Risks</b>	<ul style="list-style-type: none"> <li>System capability &amp; reliability</li> <li>Data integrity, coordinating and interfacing risks</li> </ul>	<ul style="list-style-type: none"> <li>Repair and upgradation of systems on a continuous basis by personnel who are trained in software and hardware</li> <li>Password protection at different levels to ensure data integrity</li> <li>Licensed software to be used in the systems</li> <li>Ensure "Data Security" by having access control/ restrictions</li> </ul>
<b>Legal Risks</b>	<ul style="list-style-type: none"> <li>Contract risks &amp; liability</li> <li>Frauds</li> <li>Judicial risks</li> </ul>	<ul style="list-style-type: none"> <li>Study of contracts with focus on contractual liabilities, deductions, penalties and interest conditions on a regular basis</li> <li>Finalization of all legal and contractual documents with legal advice from Legal professionals/outside counsels as per the requirement</li> <li>Internal control systems for proper control on the operations of Company to detect any frauds</li> </ul>
<b>Foreign Exchange and Interest Rate Risk Management</b>	<ul style="list-style-type: none"> <li>Currency exposures in the form of sundry creditors, external commercial borrowings etc.</li> <li>Exchange rate fluctuations</li> <li>Interest cost/rate fluctuation during the life of the loan</li> <li>Resetting of interest rates on an entity's loans from banks/lenders</li> <li>Impact of interest rate fluctuations on short-term and long-term investments, assets and liabilities</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with the Company's bankers/lenders and evolution of suitable exposures in the form of limited buyers' credit and other instruments</li> <li>Borrowing on fixed interest rate or floating interest rate for the period of the loan as may be suitable in view of prevailing conditions</li> <li>Avail interest rate cap or option, if borrowings are on floating interest rate to protect from rising interest rates</li> <li>Consider using an interest rate swap for borrowings on floating rates</li> </ul>
<b>ESG/ Sustainability Risk</b>	<ul style="list-style-type: none"> <li>Availability of raw materials</li> <li>Impact of climate change</li> <li>Financial risk</li> </ul>	<ul style="list-style-type: none"> <li>Diversifying sourcing geographically and implementing sustainable agricultural practices with suppliers</li> <li>Fostering strong supplier relationships and exploring ingredients more resilient to changing climatic conditions</li> </ul>

## SUSTAINABILITY GOVERNANCE

We have a three-tier structure for sustainability governance. At the top is our Board-level CSR and ESG Committee, which is responsible for decision-making on ESG/Sustainability related aspects. The CSR and ESG Committee is headed by an Independent Director, Dr. Ravi Gupta. The role of CSR and ESG Committee inter-alia includes providing oversight for key policies and ESG initiatives, strategy and reporting. Further, Mr. Virag Joshi, Whole-time Director (President & CEO) and Mr. Manish Dawar, Whole-time Director & CFO are responsible for ensuring implementation of the Committee's directions.

To ensure seamless execution of ESG agenda, we have constituted the ESG Steering Committee at management level with representative of brands and functions. The Committee has representation of the Independent Director and Group ESG Head. The ESG Steering Committee regularly reviews the progress on key ESG metrics to ensure that our ESG strategy is on track and effectively contributing to creating value for the Company.

Implementation is further driven at the operational level by the ESG Single Point of Contacts (SPOC), which includes dedicated representatives from each brand, key function, ensuring seamless integration of sustainability into day-to-day business practices across the organization.



### Sustainability in action

During the year, the CSR and ESG Committee has taken several strategic steps to ensure sustainability principles are embedded across the Company. This includes

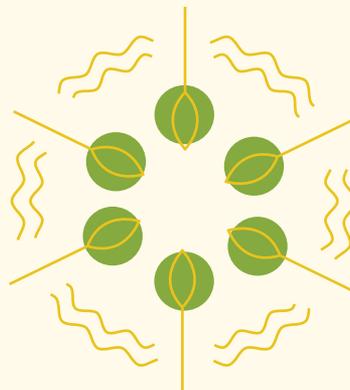
Updating ESG governance structure incorporating representatives from all brands and functions

In process of finalizing targets and commitments

Conducting materiality assessment based on principles of double materiality assessment

ESG communications: Publishing our first ESG report and enhanced disclosures in Business Responsibility and Sustainability Reporting (BRSR)

Implementation of ESG KPIs across brands and functions



Digitalizing the process of capturing ESG data

# Stakeholder Engagement



## STAKEHOLDER ENGAGEMENT

We recognize the dynamic nature of global landscape and the imperative for a resilient organization to adapt to continuous shifts. We believe in fostering open and continuous engagement with all our stakeholders – Management, Investors and Shareholders, Employees, Regulators & Government Bodies, Suppliers & Value Chain Partners, Retailers/Consumers, Communities, Business Partners (Franchisors & JV Partners), Media. These vital interactions help us identify existing and emerging material issues, address key concerns, uncover opportunities, and mitigate potential risks. Ultimately, fostering such strong collaborations allows us to thrive and support long-term sustainable growth. The stakeholder engagement is guided by the our **Stakeholders Engagement Policy**.

### Stakeholder engagement process

We have established a Stakeholder Engagement Framework designed to pinpoint and interact with both the stakeholders affected by our operations and those vital to our business. Our approach for engaging with stakeholders is detailed below:

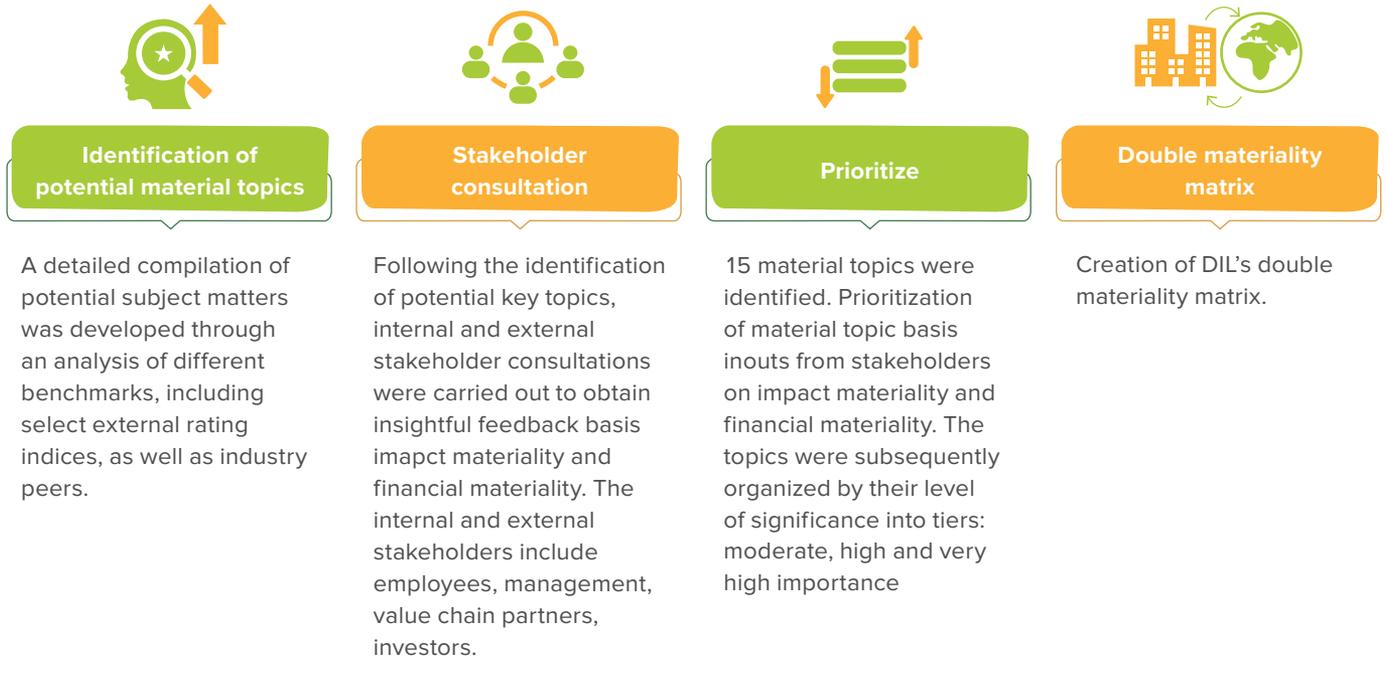


Key Stakeholders	Communication Channel	Focus Areas/Topic of discussions	Frequency of engagement
<b>Management</b> 	<ul style="list-style-type: none"> <li>Business performance &amp; growth</li> <li>Business strategy</li> <li>Risk management</li> <li>ESG strategy and performance</li> </ul>	<ul style="list-style-type: none"> <li>Business performance &amp; growth</li> <li>Business strategy</li> <li>Financial results</li> <li>Risk management</li> </ul>	Ongoing
<b>Customers</b> 	<ul style="list-style-type: none"> <li>Customer surveys</li> <li>Direct consumer calls &amp; feedback</li> <li>Grievance management &amp; helpline</li> <li>Marketing and Advertising</li> <li>Electronic Communication</li> <li>Website and social media</li> <li>Leadership visits</li> </ul>	<ul style="list-style-type: none"> <li>Food quality</li> <li>Dining experience</li> <li>Food services</li> <li>Pricing</li> <li>Feedback</li> </ul>	Ongoing
<b>Investors</b> 	<ul style="list-style-type: none"> <li>Shareholders' meetings</li> <li>E-mail communique/newspaper notices</li> <li>Quarterly investor presentations and Earnings calls</li> <li>Investor conferences and meets</li> <li>Press releases and newsletters</li> <li>Disclosures through stock exchanges and websites</li> <li>Annual Report</li> <li>Board/Committee Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Business performance &amp; growth</li> <li>Business strategy</li> <li>Financial results</li> <li>Risk management</li> </ul>	Quarterly

Key Stakeholders	Communication Channel	Focus Areas/Topic of discussions	Frequency of engagement
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Intranet Portal</li> <li>Cultural events &amp; engagements</li> <li>Training and development</li> <li>Performance Management System</li> <li>E-mails, written communications, feedback</li> <li>Townhalls</li> <li>Reward and recognitions</li> </ul>	<ul style="list-style-type: none"> <li>Talent management</li> <li>Employee engagement</li> <li>Training &amp; skill development</li> <li>Career development</li> </ul>	Ongoing
<b>Communities</b> 	<ul style="list-style-type: none"> <li>CSR interventions and initiatives</li> <li>Community development through various events</li> </ul>	<ul style="list-style-type: none"> <li>Employment (NAPS)</li> <li>Meals Distribution</li> <li>Supporting Underprivileged People</li> </ul>	Ongoing
<b>Suppliers &amp; Value Chain Partners</b> 	<ul style="list-style-type: none"> <li>Supplier/Vendor meets</li> <li>Regular interaction through calls, e-mail and in-person</li> <li>Supplier Audits and feedback</li> </ul>	<ul style="list-style-type: none"> <li>Product &amp; procurement innovation</li> <li>Business relationship</li> <li>Quality and contractual compliances</li> <li>Business continuity</li> <li>Food safety</li> <li>Sustainable sourcing</li> <li>Timely payment</li> </ul>	Ongoing
<b>Business Partners</b> 	<ul style="list-style-type: none"> <li>Flow of information to Franchisors</li> <li>Regular communication and formal meetings with Franchisors</li> <li>Market and store visits</li> <li>Formal &amp; Informal communications with Joint-venture Partners</li> </ul>	<ul style="list-style-type: none"> <li>Business performance &amp; growth</li> <li>Business strategy</li> <li>Financial results</li> <li>Risk management</li> </ul>	Ongoing
<b>Regulatory and Government Bodies</b> 	<ul style="list-style-type: none"> <li>Regulatory filings and returns</li> <li>Correspondence and meetings</li> <li>Chambers/industry associations</li> </ul>	<ul style="list-style-type: none"> <li>Submission of applications for obtaining Licenses</li> <li>Compliances submission</li> </ul>	Ongoing
<b>Media</b> 	<ul style="list-style-type: none"> <li>Press Releases &amp; regulatory disclosures</li> <li>Written Communication and media queries</li> <li>Investor presentations</li> <li>Interviews/interactions with media</li> </ul>	<ul style="list-style-type: none"> <li>Business communications</li> <li>New announcements</li> </ul>	Ongoing

## DOUBLE MATERIALITY ASSESSMENT

At DIL, our commitment to materiality assessment is resolute, strategically guiding our focus toward prioritized material topics. We are proud to be India's first QSR restaurant chain to identify and prioritize our ESG topics based on the principle of double materiality. This assessment reaffirms our efforts are strategically directed at areas yielding the greatest impact, thereby driving sustainable value and enhancing our resilience.



Outcomes of the double materiality assessment were approved by the Board and signed off by the CSR and ESG Committee. Further, we drafted a strategic framework for each material topic which is aligned with our ambition and established key initiatives and metrics to drive and measure progress. Additionally, the insights from this analysis have been integrated into our Enterprise Risk Management Framework to ensure a holistic approach to risk management.

### Double Materiality Matrix



The material topics were strategically categorized into four pillars, providing a clear framework for our sustainability efforts and ensuring our actions are impactful and cohesive. This approach allows us to effectively manage our sustainability agenda and report on our progress with precision.



### Strong Governance for a Sustainable Business

- Business Ethics & Governance
- Economic Contribution
- Responsible Marketing & Customer Management
- Information Security & Data Privacy



### Nourishing Trust: Ensuring Food Safety and Quality

- Restaurant Food Safety & Quality
- Responsible Supply Chain
- Menu Innovation and Nutrition



### Environmental Responsibility for a Resilient Future

- Energy Management & Climate Action
- Water Conservation
- Waste Management
- Sustainable Packaging



### People-Centered Progress: Growth, Well-being & Inclusion

- Human Rights
- Diversity and Equal Opportunity
- Employee Training & Development and Talent Management
- Employee Health, Safety & Well-being

# Strong Governance for a Sustainable Business



At DIL, we consider governance as a foundational pillar of a sustainable business. We are deeply committed to upholding the highest standards in business ethics and governance, ensuring transparency and accountability across all operations. In alignment with our core values – sustainable growth and financial discipline, our commitment extends to generating sustainable economic contribution, engaging in responsible marketing and customer management, and rigorously safeguarding information through robust security and data privacy measures. This holistic approach drives long-term value creation and strengthens our resilience for the future.

## MATERIAL TOPICS ADDRESSED

<b>32</b> Business Ethics & Governance	<b>33</b> Economic Contribution	<b>35</b> Responsible Marketing & Customer Management	<b>36</b> Information Security & Data Privacy
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## KEY HIGHLIGHTS

Strong governance

Independent board

Zero complaints regarding breaches of customer privacy

## UNSDG GOALS



## KEY STAKEHOLDERS IMPACTED

- Regulators & Government Bodies
- Management
- Investors & Shareholders
- Media
- Customers



## BUSINESS ETHICS AND GOVERNANCE

Our commitment to ethical conduct is underscored by our **Anti-Bribery Policy**, which strictly enforces zero-tolerance stance against any form of bribery and corruption. This Policy applies to all dealings and transactions with every stakeholder, and we ensure all our employees and senior management receive comprehensive training on its guidelines. Furthermore, our **Vigil Mechanism Policy** and Whistleblower Mechanism actively encourage and provide channels for reporting of any behavior or actions that violate our established codes and policies.

During the reporting period, zero cases of non-compliance against the **Anti-Bribery Policy** was reported.

### Ensuring Compliance

We prioritize regulatory compliance above everything else. To ensure this, we have an online dedicated compliance management tool. This tool is accessible to all relevant stakeholders in the Company, including respective brand and function heads. The tool enables us to proactively track and manage our compliance obligations. During the reporting period, we had zero instances of non-compliance on account of anti-competitive, environmental, and social regulations.

We take utmost priority to address investor grievances on account of complaints and disputes raised by them on SCORES (SEBI Complaints Redress System) and ODR (Online Dispute Resolution) platforms. Our Secretarial team has a mechanism in place to receive, address and respond the complaints and disputes raised by Investors in a time-bound manner

### Compliance management tool

We have implemented a compliance management tool to streamline and enhance compliances at Corporate, Warehouse and Outlet level. The tool enables us to automate monitoring of over 2,000 laws and regulations, and real-time compliance tracking, improving accuracy and efficiency in documenting our environmental, social, and governance initiatives. The platform centralizes compliance data, provides automated alerts for regulatory changes, and supports transparent audit trails, ensuring robust governance and risk management.

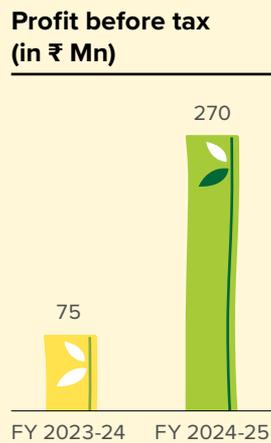
### Technology-driven lease management

We have implemented a technology-driven lease management module to automate and streamline lease administration across our existing and upcoming outlets. This centralized solution enhances tracking of lease agreements, ensures compliance with accounting standards, and enables accurate recognition of lease liabilities and assets across diverse locations – including airports, malls, food courts, highways, hospitals, and high-street properties. By digitizing the end-to-end lease lifecycle – from onboarding new outlets to managing renewals, escalations, and terminations – we have strengthened financial control, minimized manual errors, and improved transparency in real estate operations.

## ECONOMIC CONTRIBUTION

At DIL, we are committed to delivering strong and sustainable economic growth. We focus on generating long-term value for our shareholders through responsible growth and operational excellence. Our economic impact extends beyond creating jobs, supporting local economies, payment of taxes, to include menu innovation, wellbeing of our people thus leading to a prosperity and a resilient future. This year, we expanded our presence across the country by adding 235 new outlets, bringing our total to 1,664 outlets. Together with pan India presence of our outlets and aligning with customer preferences, our revenue from operations increased by 7% to ₹33,493 million. Our revenue per store stood at ~ ₹20 million.

### Economic Value



### Our Tax Strategy and Governance

We are committed to being compliant with tax laws of every country where we operate, always taking a conservative approach to ensure full compliance while also utilizing all available allowances, relaxations, and exemptions. We adhere to zero-tolerance for non-compliance of tax regulations.

### Our approach to Tax

We maintain strict tax compliance across all fronts – input, output, corporate, and withholding taxes – through a

dedicated team. The team’s expertise along with state-of-the-art digital applications ensures adherence to laws and accounting standards. Simultaneously, we proactively assess the impact of new tax regulations on our operations as and when it may happen.

### Our systems and technology for tax management

As digital governance and tax technology advance, we have invested significantly to ensure accurate and swift reporting of all tax transactions. This includes

Management of tax-related risks as part of the Enterprise Risk Management (ERM) framework

Oversight of key tax legislation updates, tax filing timelines, and engagement with tax authorities as required

Internal control framework includes periodic tax risk reviews conducted as part of internal audit and the ERM framework

### Our Contribution to Exchequer in FY 2024-25:

We contributed ₹1,015 Mn in terms of income tax/corporate tax and ₹2,087 Mn related to gross GST payments during FY 2024-25. In addition, thereto, the Company has also paid GST amounting to ₹2,913 Mn through its vendors.



## RESPONSIBLE MARKETING AND CUSTOMER MANAGEMENT

We ensure compliance with advertising laws, accuracy in presenting nutritional information, and avoid exaggerated or misleading claims. Our **Responsible Marketing Policy** outlines our commitment to ethical, transparent, and socially responsible communication with our customers. We take special care when marketing to impressionable audiences,

particularly children, by restricting targeted advertising, avoiding endorsements by minors, and limiting promotional content in schools. We integrate responsible nutrition messaging, highlighting our efforts to offer balanced food choices with more plant-based ingredients, lean proteins, and whole grains. By adhering to these principles, we aim to build trust, protect consumer well-being, and contribute positively to society.



For us, customer satisfaction is at the heart of our business strategy. We are committed to delivering an exceptional customer experience by actively seeking and acting on feedback across multiple touchpoints. We have a strong **Customer Grievance Redressal Policy** based on which we have prepared guidelines and SoPs to address customer grievances such as product quality, service delivery, billing, and other customer service issues.



### Pizza Hut's AI-powered Kitchen

To enhance delivery efficiency and elevate customer experience, Pizza Hut adopted an AI-powered kitchen and delivery management platform. This system streamlined kitchen operations, optimized preparation times, and improved order accuracy. This platform integrates seamlessly with third-party delivery partners enabling full end-to-end delivery integration. This advancement has significantly reduced delivery times, strengthened system coordination, and boosted operational efficiency, aligning with our broader commitment to leveraging technology for sustainable and agile operations.

Our tools such as Automated Guest Experience Survey (GES), post-service SMS links, brand websites, and social media platforms allow us to gather insights on key aspects like hospitality, cleanliness, and food quality. This feedback is not only used to enhance day-to-day service standards but is also integrated into our broader strategic decisions. We conduct mystery audits as well to identify service gaps and use customer ratings as a key performance indicator to assess store-level performance. These insights directly inform operational improvements, staff training, and customer

engagement strategies. In addition to digital channels, we have in-store feedback forms, enabling customers to share their experiences, ask questions, and voice concerns. Feedback is centrally analyzed and used in refining our offerings with evolving customer expectations.

During FY 2024-25, we have launched integrated complaint management system and received 154,255 customer feedback, i.e. approx. 93 complaints per store in a year, out of which 99.95% of feedbacks were addressed during the year.

## INFORMATION SECURITY & DATA PRIVACY

As a leading QSR with extensive operations and numerous digital touchpoints, information security and data privacy are critical to our business and essential for maintaining customer trust. With the increasing use of digital systems for payments, transactions, supply chain management, and employee operations, it's crucial to safeguard sensitive data and ensure compliance with all relevant regulations. Protecting Personally Identifiable Information (PII), preventing cyber threats, and managing IT risks are central to maintaining operational resilience and stakeholder confidence.

To address these risks, we have implemented a comprehensive approach:

- **Policy Oversight:** Our Information & Cybersecurity Policy reflects our commitment to protecting data and defines our approach to managing information security across the organization. We have implemented a robust framework to address data privacy risks, supported by comprehensive IT policies that govern and oversee the processing of information in a controlled and compliant manner. All employee-related policies, including those on data protection and cybersecurity, are readily accessible on

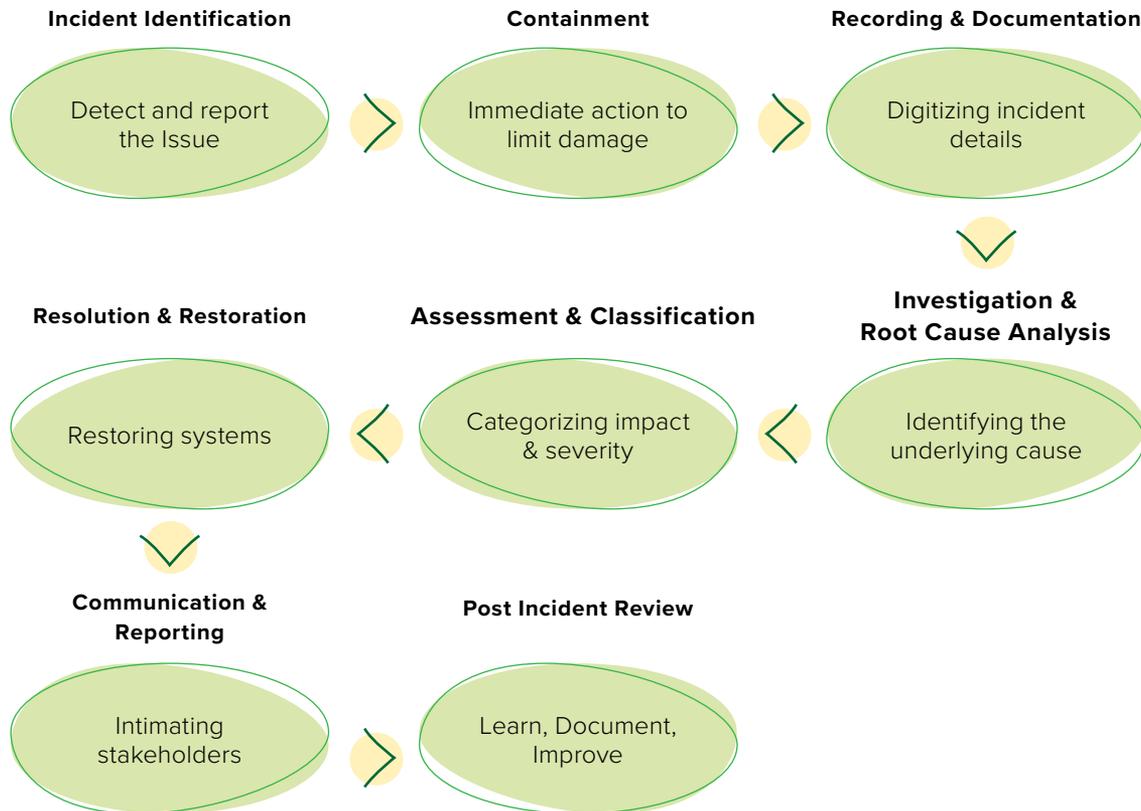
the Company's intranet portal, ensuring organization-wide awareness and accountability.

- **Standards and frameworks:** We have aligned our policies and processes to industry standards such as ISO 27001 framework and the IT General Controls (ITGC) framework to structure our data protection and information security controls.
- **Governance:** An internal Information Security (InfoSec) team is in place to monitor, manage, and respond to data security risks proactively.
- **Training and Awareness:** InfoSec awareness is embedded in our organizational culture through regular training conducted via our Learning Management System (LMS). We also run periodic phishing simulation exercises and distribute teasers and educational content to build employee awareness and vigilance against cyber frauds.
- **Investment in Technology:** We have invested in Extended Detection and Response solutions which enable automation and analytics to detect threats, investigate incidents, and initiate automated responses to security alerts.

Additionally, we maintain a robust Incident Management Framework to effectively address and resolve any operational disruptions. This framework ensures a swift and coordinated response to incidents, minimizing impact and facilitating rapid recovery. It also enables us to analyze root causes, driving continuous improvement in our systems and processes.

During FY 2024-25, there were zero substantiated complaints concerning breaches of customer privacy and losses of customer data.

### Incident Management Framework



# Nourishing Trust



## Ensuring Food Safety and Quality

We recognize that delivering a better future begins with the food we serve and the values we uphold throughout our supply chain. Our commitment to sustainability extends from ensuring the highest standards of food safety and quality, to sourcing ingredients responsibly, and continuously innovating our menu to offer healthier, delicious, diverse, and wholesome options that cater to evolving customer preferences and contribute to their well-being.

### MATERIAL TOPICS ADDRESSED

40

Restaurant Food Safety & Quality

43

Responsible Supply Chain

46

Menu Innovation & Nutrition

### KEY HIGHLIGHTS

FSSAI compliant restaurants

100% key suppliers with FSSC 22000 certification

Robust Supplier Code of Conduct

Meal options consistent with national dietary guidelines

### UNSDG GOALS



### KEY STAKEHOLDERS IMPACTED

- Regulators & Government Bodies
- Suppliers & Value Chain Partners
- Business Partners (Franchisors & JV Partners)
- Retailers/Consumers
- Media



## RESTAURANT FOOD SAFETY & QUALITY

At DIL, the safety and quality of our food is a non-negotiable priority, forming the core of customers' trust in us. We adhere to the most stringent hygiene and quality control standards, from responsible ingredient sourcing and preparation to storage and serving. Our rigorous SOPs and protocols, continuous staff training, and regular store audits ensure every meal consistently meets the highest benchmarks for deliciousness and safety. This multi-tiered mechanism enables us to proactively manage risks and deliver safe, high-quality food to our customers. Key components of food safety and quality consists of:



Restaurant Audits



Focused Employee training



Suppliers' training and assessment

### Restaurant Audits

To evaluate the effectiveness of the Food Safety Management System (FSMS) and ensure ongoing compliance, routine audits – internal and external, are conducted across all restaurants. The audit parameters include key raw materials sampling tests in restaurants, product checks on key menu items in restaurants and microbiological testing

- For KFC, Restaurant Operation Compliance Check (ROCC) audits are performed unannounced by a dedicated ROCC team. These audits follow a confidential schedule, determined based on operational significance, geographical coverage, and historical performance.
- For Pizza Hut, a similar process is followed under the Assured Customer Experience (ACE) audit protocol. Audit findings are documented online, and it is the auditee's responsibility to implement corrective actions within a defined timeframe. Follow-up audits are conducted by the ROCC and ACE teams, as needed.
- For Costa Coffee, Costa Checks are done by the external agencies every month for selected stores and covering all stores during the year.
- For Vaango, internal audits by quality team and external audits are done at regular intervals, monthly for selected stores and covering all stores during the year.

**100%**

stores audited on food safety and quality

**100%**

stores operated by FoSTaC certified No.1 Leaders

**>125**

Number of internal audits  
conducted in FY 2024-25

**>4,000**

Number of external audits  
conducted in FY 2024-25

Management Review Meetings (MRMs) are held to assess Food Safety Management System (FSMS) performance of restaurants. These reviews include discussions on critical customer complaints, audit outcomes (ROCC and ACE), major non-conformities, corrective and preventive actions, and system updates.



## CERTIFICATIONS

All our restaurants operate with valid FSSAI certifications, ensuring alignment with national food safety regulations. Compliance on food safety is further reinforced through:

- Daily in-store checks by restaurant managers and unannounced audits by area managers focused on hygiene, food handling, and process adherence
- Procurement of materials from suppliers certified under the Global Food Safety Initiative (GFSI), which sets internationally recognized benchmarks for food safety standards
- Quarterly unannounced audits conducted by Franchisor's globally approved food safety partner, covering end-to-end operations from raw material receipt to service and delivery

### Food Safety

Our employees across our restaurants are regularly trained on various topics to ensure they uphold the highest standards of food safety and quality. These trainings cover key aspects such as conducting daily checks on product expiration, adhering to food safety standard operating procedures (SOPs), maintaining optimal storage and cooking temperatures, and following strict personal hygiene protocols. By reinforcing these practices through regular on-the-job training and refresher sessions, we ensure that food served to our customers consistently meets our safety and quality benchmarks.

100% of our restaurants have a food safety supervisor trained under Food Safety Training & Certification (FoSTaC), an initiative by Food Safety and Standards Authority of India (FSSAI).

### Supplier Training and Assessments

We support our suppliers through structured quality training programs that build awareness and capabilities around food safety and quality management. As part of our commitment to maintaining the highest standards, we work exclusively with approved suppliers who participate in these trainings and undergo comprehensive quality audits. These audits cover critical parameters including quality culture, product quality risk assessment, document and process control, raw material and product quality management, storage and transportation practices, and personnel hygiene. Additionally, the audits assess systems for managing non-conforming products, food safety issues, and continuous improvement efforts.





**100%**

Store employees covered by food and safety training

**100%**

Key suppliers with FSSC 22000 certification

**99%**

GFSI-certified suppliers

**99%**

Key suppliers assessed through third-party food quality audits

**100%**

Poultry/dairy suppliers covered under animal husbandry awareness program

**27%**

Suppliers were assessed on human rights topics



## RESPONSIBLE SUPPLY CHAIN

We are committed to fostering a sustainable and responsible value chain, understanding that our sourcing decisions directly impact not only product quality, but also the well-being of people, animals, and the planet. At the core of this commitment is our **Supplier Code of Conduct** and **Sustainable Sourcing Policy**, which clearly outlines our expectations from suppliers in terms of ethical behavior, compliance with applicable laws, and responsible environmental and social practices – including freedom of association, fair labor, anti-competitive behavior, and environmental stewardship.

Our suppliers commit to the **Supplier Code of Conduct** before engaging in business with us as well as on annual basis. We ensure that all our operations and interactions are transparent, and we hold our suppliers to the same. We are committed to ensuring our facilities, suppliers and contractors meet and exceed applicable laws and standards, ensuring health and safety at work, protecting the environment, and safeguarding human rights. Key elements of our Supplier Code of Conduct consist of:

**100%**  
palm oil sourced from Round table on Sustainable Palm Oil (RSPO) certified suppliers

Compliance with Applicable Laws	Anti-Competitive Practices	Confidentiality of Information	Food Safety & Quality Standards
Environmental Management	Safe & Healthy Working Conditions	No Child Labor	Zero Tolerance to Discrimination & Harassment
Equal Opportunity & Fair Wages	No Forced or Compulsory Labor	True and Fair disclosure of Financial Information	Anti-Corruption and Anti-Bribery

We encourage our suppliers to embrace our values. We partner with suppliers who follow government regulations, uphold human rights, and adopt sustainable practices. Achieving shared success depends on strong partnerships across the supply chain. We value our suppliers' dedication and believe that together, they can build a sustainable future. During the year, we initiated assessment of our value chain partners on account of ESG parameters.

Additionally, we focus on sourcing packaging materials that conserve resources and promote sustainability. Our approach to sourcing packaging material focuses on significantly reducing our waste footprint. We plan to achieve this by partnering with responsible suppliers and utilizing packaging solutions that are reusable, recyclable, or compostable. In the right step towards sustainability, we have largely eliminated single-use plastic from customer facing packaging at our stores. Other initiatives include transition to sustainable materials for glasses, containers, garbage bags, lids, etc.



Transition from 120-micron heavy duty garbage bags made out of recycled plastic to compostable bags. During FY 2024-25, we successfully transitioned 85% of our heavy-duty plastic garbage bags to compostable bags. Methodology adopted: Systematically phased out the plastic garbage bags.



Animal Welfare



Better Packaging



Sustainable Sourcing



Forest Stewardship

In alignment with Yum! Global guidelines, we engage exclusively with Yum! approved vendors for respective franchise restaurants. These suppliers are certified by GFSI and are evaluated through SEDEX (Supplier Ethical Data Exchange), a globally recognized platform for ethical sourcing. The SEDEX framework assesses supplier performance across four key pillars:

Labor Standards

Health & Safety

Environmental Management

Business Ethics

In addition to SEDEX, our suppliers undergo rigorous food quality and animal welfare audits. These assessments ensure that products meet Yum!'s stringent safety and welfare standards.

Preserving Biodiversity

We believe in the mutual coexistence of nature and humanity, recognizing that our well-being is intrinsically linked to the health of the planet, and we stand committed to preserving biodiversity.

We actively engage with our value chain partners to promote sourcing practices that help preserve biodiversity and protect natural ecosystems. We aim to ensure that agricultural and procurement activities do not contribute to deforestation or habitat loss.

We procure 100% palm oil from Roundtable on Sustainable Palm Oil (RSPO) certified suppliers and 100% Coffee beans from Rainforest Alliance certified coffee suppliers. These certifications are our commitment to support the transition towards deforestation-free supply chains and ethical farming practices.



## Traceability from Farm to Fork



**Farming**



**Manufacturing**



**Transportation**



**Market**

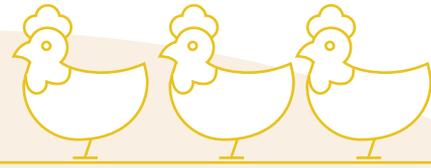


**Customer**

We view traceability as a critical enabler of food safety, responsible sourcing, and transparency across our supply chain. We are committed to knowing where our ingredients come from and ensuring their quality and safety every step. To uphold the highest standards in agricultural sustainability and product integrity, our vegetables like lettuce and tomato are mostly sourced from farms certified under Good Agricultural Practices (GAP). This globally recognized certification ensures that crops are grown using methods that protect the environment, safeguard farm workers' health and welfare, and prevent contamination at every stage – from soil to harvest.

As part of our commitment to responsible sourcing and sustainable food practices, we fully adhere to Costa Coffee's Global Sustainability Guidelines on the use of cage-free eggs. We acknowledge both the ethical responsibility and growing consumer expectation for higher animal welfare standards across the food and beverage value chain. We source eggs exclusively from cage-free origins.

**100%**  
cage-free eggs



### Animal Welfare

Animal welfare is an important aspect of our responsible sourcing strategy. We are committed to upholding the highest ethical standards across our supply chain, guided by **Yum! Brands' Global Animal Welfare Policy** and Sustainable Animal Protein Principles.

Our poultry suppliers undergo animal husbandry training conducted by Yum! Brands to ensure humane treatment and care. Third-party animal welfare audits are conducted quarterly, assessing indicators such as:

#### Living conditions

#### Access to food and water

#### Humane handling

#### Medication protocols

In addition, annual broiler husbandry audits are conducted to evaluate the entire lifecycle of broiler chickens – from chick to hatch - focusing on breed health, rearing environments, and growth conditions. Suppliers are onboarded through a structured assessment process and are required to comply with Yum! guidelines, acting as responsible stewards of the animals raised for food.

Our approach is anchored in the Five Freedoms of Animal Welfare, which guides continuous improvements across our operations:

- Freedom from hunger and thirst – through access to fresh water and a nutritious diet
- Freedom from discomfort – by providing appropriate shelter and a comfortable resting environment
- Freedom from pain, injury, or disease – through prevention and prompt treatment
- Freedom to express natural behavior – with adequate space, proper facilities, and social interaction
- Freedom from fear and distress – by ensuring conditions that minimize mental suffering

We remain committed to enhancing animal welfare outcomes and regularly review practices to align with evolving scientific and ethical standards.

**100%**  
poultry/dairy suppliers covered under animal husbandry awareness program

**100%**  
of our poultry suppliers assessed through third-party audits

## MENU INNOVATION AND NUTRITION

Recognizing evolving consumer preferences and driven by one of our core values to “Customer First”, we prioritize continually refreshing our offerings to keep them exciting and relevant. Our internal team of brand chefs and food technology experts leads this process, while continuous customer feedback helps us refine and enhance our menu, all while preserving our brands’ signature flavors.

In line with our commitment for menu innovation and evolving consumer preferences, we have recently launched a range of exciting new options. These additions reflect our continuous efforts to offer fresh, diverse, and high-quality choices while

maintaining the signature flavors our customers love. From pizzas, burgers, coffee and dosa, these new offerings aim to further delight our patrons and expand our market appeal.

KFC has successfully deployed over 750 self-ordering kiosks across 370+ outlets, enhancing the customer experience while driving operational excellence. These kiosks streamline the ordering process, reduce wait times, and offer greater customization options to customers. The initiative also supports data-driven decision-making by capturing valuable consumer insights right at the point of sale.



## Health-Conscious Offerings

We strive to provide options that balance enjoyment with nutrition. Across all our brands, we are introducing healthier choices that cater to consumers seeking to manage their sugar, sodium, and fat intake:



Offer lighter options such as grilled chicken



Offer lighter options such as low-fat wraps (paneer and chicken) with fat content under 20g



Serves beverages like Americano, Espresso, and Ristretto, known for their lower calorie and fat content



Focuses on rice and dal-based meals with no added sugar and minimal fat and sodium, including options like idli, lemon rice, curd rice, and bisibele bhaat



Offers traditional, wholesome meals like rajma rice, tandoori roti, and raita

These choices reflect our commitment to catering to health-conscious consumers without compromising on taste or variety.

### New dish on the plate

Our dedication to innovation is supported by a robust research and development infrastructure to bring new dishes on our customer’s plate:

- Dedicated development kitchens at Yum! and Costa operate under international standards for new product introduction
- Trials for new products are conducted at DIL-operated restaurants, following strict procedural guidelines
- Our centralized commissary in Gurugram, Haryana, certified under International Organization for Standardization 22000 (ISO 22000) and Food Safety System Certification 22000 (FSSC 22000), serves as the hub for New Product Development (NPD) for brands

This facility enables our team to develop, test, and refine recipes, ensuring that we continue to meet and exceed consumer expectations with every new offering

- Vaango product strategy for FY 2024-25 focused on value, variety, and versatility, resulting in successful launches across core meal formats, retail snacking, and innovation-driven dishes
- Value combo meals were introduced at attractive price points, offering complete meal options that cater to budget-conscious consumers without compromising on taste
- Retail snack range featuring Madras Mixture, Murukku, and Banana Chips were launched with an introductory offer of ₹99, enabling customers to take home the brand experience while driving visibility and impulse purchases
- New menu innovations such as Ghee Podi Idli, Mini Tadka Idli, Thatte Idli, and Dosa Rolls were launched starting at ₹169, targeted towards customers seeking elevated yet accessible South Indian flavors in modern, convenient formats
- This diversified pricing approach allowed the brand to stay competitive, expand its reach, and cater to a broader customer base



**FOOD TRAILER**

Launched food trailer at DLF Building 9B, Gurugram targeting high footfall corporate hub



**KIOSK**

Launched Kiosk store in Cocoon Hospital, Jaipur, catering to a captive audience



**Collaboration and Expertise**

In addition to our internal efforts, we leverage the expertise and collaboration of our franchisor. This collaborative approach allows us to share insights, best practices, and new product development ideas, ensuring that we stay at the forefront of food technology and culinary trends.



**Crispy Outside  
Chocolaty Inside**

Introducing  
Chocolaty Nirvana Dosa

**₹ 199\***



Innovative dessert fusion capturing the sweet cravings of younger demographics



Ghee Podi Idli



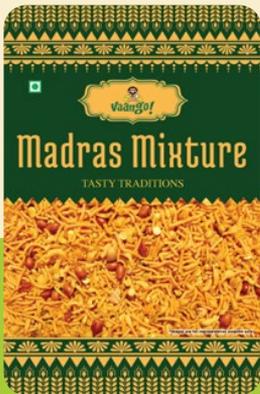
Thatte Idli



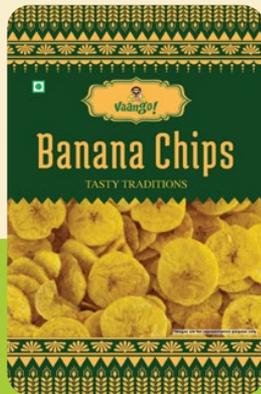
Dosa Rolls



Mini Tadka Idli



Madras Mixture



Banana Chips



Murukku



Coffee Decoction



Brass Dawara



## Nutritional Transparency

At DIL, we are committed to ensuring that our customers have access to accurate and transparent nutritional information. We inform and educate consumers through in-store digital display screens, which highlight current offers and product details.

Each of our restaurant outlets provides nutritional charts that are easily accessible to both consumers and team members. These charts include information on:

### Nutritional values (per serving)

### Allergen content

### Health and safety warnings

By 2030, 50% of core menu food options across main dishes, combos and sides will offer lower calorie options to be consistent with **Yum!’s Nutrition Strategy & Policy** that aligns with the World Health Organization and the Dietary Guidelines for Americans.\*

As part of Yum’s ongoing clean labeling initiatives, they aim to eliminate artificial colors, artificial flavors, and partially hydrogenated oils (PHOs) from its core food ingredients globally by the end of 2025. In CY 2024, Yum made significant progress by removing 94% of artificial colors, 90% of artificial flavors, and 96% of PHOs.\*

To further promote informed choices, this information is also available through our digital platforms, including our brand websites and social media channels.

We believe that nutritional transparency empowers customers to make healthier dietary decisions and enhances overall customer satisfaction.

## Where to find our product information

Detailed product and nutritional information for each brand operated by us can be accessed via the following platforms:



Nutritional information for all menu items



Complete nutrition chart for menu offerings



Food dietary and allergen guide



Brand insights and product highlights



\*Source: Yum! Brands 2024 Global Citizenship & Sustainability Report

# Environmental Responsibility for a Resilient Future



We understand our role in safeguarding the planet. Our commitment encompasses rigorous energy management and climate action, focusing on reducing our carbon footprint through efficiency and adoption of renewable solutions. We actively implement water conservation strategies across our operations and uphold robust waste management practices. Furthermore, we are dedicated to advancing our sustainable packaging solutions, aiming to reduce the environmental footprint of our operations and help in building a more resilient future.

## MATERIAL TOPICS ADDRESSED

**54** Energy Management & Climate Action    **59** Water Conservation    **60** Waste Management    **63** Sustainable Packaging

## KEY HIGHLIGHTS

~7% reduction in water consumption per store

~6.5% reduction in energy intensity per store

28% increase in renewable energy consumption

100% usage of electric fryers in our outlets in Thailand

## UNSDG GOALS



## KEY STAKEHOLDERS IMPACTED

- Regulators & Government Bodies
- Suppliers & Value Chain Partners
- Investors & Shareholders
- Communities



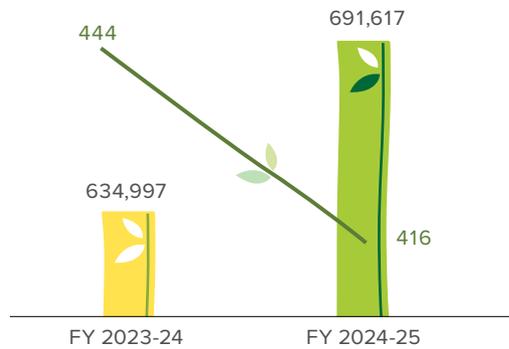
## ENERGY MANAGEMENT & CLIMATE ACTION

We recognize the critical need to mitigate the adverse impacts of climate change, and are therefore focused on optimizing our energy consumption, transitioning to greener energy sources, and addressing our environmental footprint through more sustainable operations. Our **Environment, Social & Governance (ESG) Policy** reinforces our commitment to climate action by recognizing that sustainability, social responsibility, and strong governance are key to our lasting success.

### Energy Efficiency

At DIL, we are committed to minimizing our energy footprint by integrating energy-efficient practices and use of sustainable construction material in our outlets. We continuously explore innovative solutions to further enhance energy efficiency. During the year, we launched several initiatives to shrink our energy footprint, successfully cutting our energy consumption per store by ~6.5% to ~416 GJ. Additionally, our electricity consumption per store dropped by ~6% to 243 GJ.

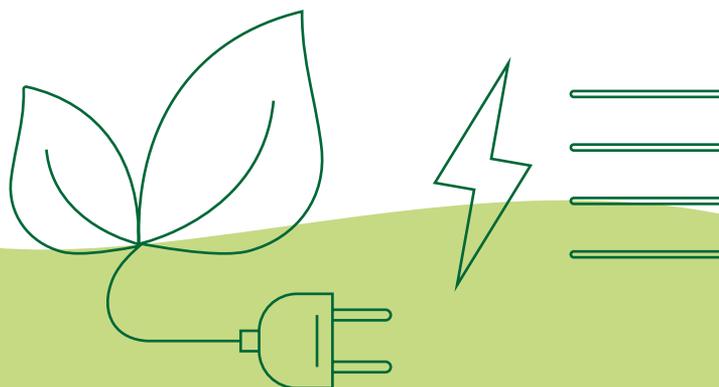
### Energy consumption (GJ) and intensity (GJ/store)



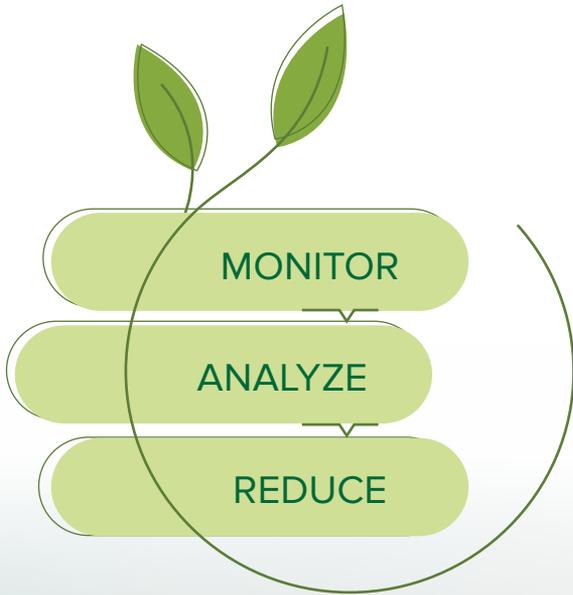
Energy intensity per store

### Energy Efficiency Initiatives

<p>LED lighting in all stores</p> 	<p>Store designs are based on the “store specific” heat load calculations to enhance HVAC performance and reduce energy consumption</p> 	<p>Energy-efficient kitchen equipment</p> 
<p>Variable Frequency Drives (VFDs) in kitchen exhausts to dynamically adjust motor speeds</p> 	<p>Replacement of LPG fryers to electric fryers</p> 	<p>Oven efficiency through optimization of operations</p> 



More than 200 stores have been equipped with Energy Management Systems (EMS), enabling real-time monitoring and control of energy use, anomaly detection, and performance optimization.



### Transportation Optimization

To reduce emissions from logistics and transportation:

- Routes are continually optimized
- Fuel-efficient vehicles and alternative fuels are being explored

### Sustainable Construction and Material Use

As part of our broader sustainability commitment, we integrate low-carbon materials and vernacular design in store development:

- Block work usage in construction instead of traditional red bricks, helping to minimize air pollution
- Use of low-VOC paints to improve indoor air quality
- Kota stone flooring is encouraged in all kitchen areas to reduce dependence on ceramic tiles and promote durability
- Local sourcing of construction materials is coordinated for all stores pan India through third-party contractors, reducing transportation emissions and supporting local economies





## GREEN STORE DEVELOPMENT

### KFC CHERTHALA, KERALA STORE

This store has been designed in alignment with the IGBC green-building principles. KFC in Cherthala incorporates eco-friendly design principles aimed at optimizing energy efficiency and minimizing environmental impact. It serves as an example of our ongoing efforts to integrate green building practices within our restaurant network.

This KFC green store integrates solar panels to harness renewable energy, employs natural and LED lighting for enhanced energy efficiency, and utilizes local clay tiles alongside sustainable materials in its construction. The store also features advanced water conservation methods, including the reuse of wastewater, low flow faucet.



We have used vernacular materials like Bamboo elements in Façade & interiors and other Sustainable interior materials like terra cotta tiles, low VOC paint, Kota flooring. Together, these materials selection contributes towards energy efficiency and optimization of resources, reflecting DIL's journey towards growth backed by environmental consciousness and sustainable design practices.

### KFC PATTAM, KERALA STORE AND KFC GUWAHATI, ASSAM STORE

Our recent renovations focus on replacing traditional finishes with more eco-friendly and durable alternatives. Specifically, we have moved away from wooden paneling and mild steel partition, which will be phased out and replaced with terracotta tiles, cork sheet paneling, or texture paint – all of which have lower environmental footprints. For our flooring, we are transitioning from conventional options to more sustainable choices like wooden flooring and In-situ Polished Stone (IPS) flooring, which offer longevity and a more natural aesthetic. A significant design change also includes the elimination of ceilings in the Front of House (FOH) area, which not only reduces material usage but also contributes to an open, modern aesthetic while simplifying future maintenance. These changes collectively reflect our dedication to building a more sustainable and resilient store environment.

As we work closely with our Partner Yum! Brands, these efforts align with KFC's global commitment to reducing the Brand's carbon footprint.



### Reducing GHG emissions: Our strategic approach

We are committed to reducing our GHG emissions in our operations and value chain. Our strategic approach focuses on operational efficiencies and transitioning to renewable energy sources. We believe this proactive stance is essential for mitigating climate change impacts and building a more sustainable future. Our Board-level CSR and ESG Committee, which is responsible for decision-making on ESG/ sustainability-related aspects, has complete oversight of climate-related issues in the Company.

We adhere to guidelines of the GHG Protocol to calculate our Scope 1, 2 and 3 greenhouse gas emissions. Additionally, we have referred databases from the Intergovernmental Panel on Climate Change (IPCC), the Department for Environment, Food and Rural Affairs (DEFRA) and USEEIO supply chain emission factors to access standard emission factors for compiling our GHG emissions. Our absolute Scope 1 & 2 emissions increased due to opening of new stores during the year, with many of them in Tier 2 & 3 cities, highways where reliance on grid power electricity is limited and including emissions from sources like refrigerants and fire extinguishers.

Our store-wise Scope 1 & 2 emission intensity stands at 66 tCO<sub>2</sub>e per store.

### Our sustainability reporting efforts are aligned with our franchisor's targets

We are aligned

With



target of reducing Scope 3 GHG emissions by 46% per franchise restaurant by 2030.

With

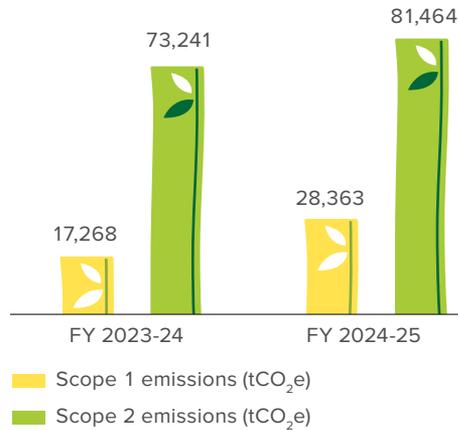


target of 50% emissions reduction per coffee serving by 2030.

**Achievement:** We have achieved Costa's global commitment of sourcing 100% cage-free eggs by 2025, ahead of the target date.



### GHG Scope 1 & 2 emissions



### INVESTMENT IN GENERATION OF RENEWABLE ELECTRICITY

We are steadily shifting to utilization of renewable electricity and reduce our dependence on fossil fuels. So far, we have installed rooftop solar panels maintaining a capacity of 424 kW leveraging existing infrastructure.

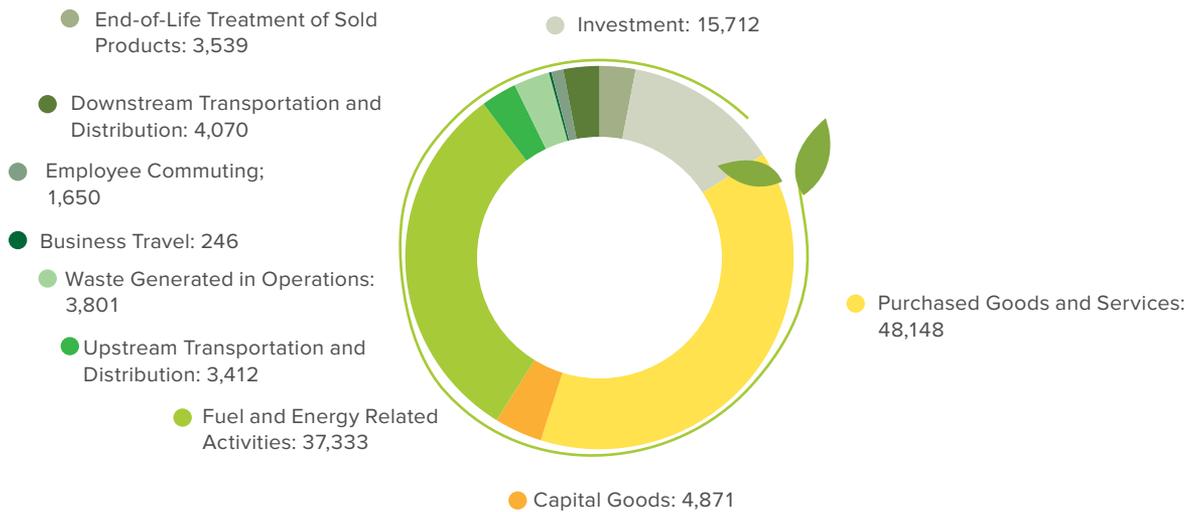
As part of our commitment to minimize installation of renewables, we plan to install solar panels in 26 stores in the next three years.



### Scope 3 Emissions: Working with our partners to foster a sustainable value chain.

This year, we undertook a critical step in advancing our climate strategy by estimating our Scope 3 emissions across key categories. This assessment reflects our commitment to understanding and addressing the broader environmental impact of our value chain. These indirect emissions, which occur throughout our value chain, represent a significant portion of our overall emissions. For FY 2024-25, our Scope 3 emissions are 122,782 tCO<sub>2</sub>e. Our comprehensive emissions assessment spans 10 categories within Scope 3, reflecting our deep commitment to sustainable management.

### Scope 3 emissions (in tCO<sub>2</sub>e)



Building on this foundation, we are now embedding emission tracking into our supplier assessment program. Through this collaborative approach, we aim to identify reduction opportunities, share best practices, and work jointly with our suppliers to reduce emissions across the entire value chain – strengthening both our climate impact and supplier relationships.

#### Other air pollutants

We monitor non-GHG air pollutants such as SO<sub>x</sub>, NO<sub>x</sub> and PM generating at our operations. They are emitted during the running owned diesel gensets installed at our stores across the country.

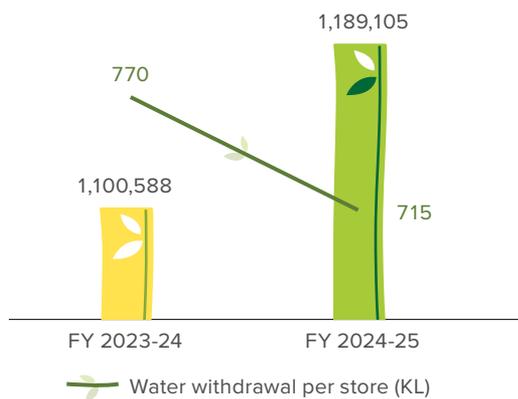
Air Pollutants	Quantity (MT)
SO <sub>x</sub>	0.44
NO <sub>x</sub>	2.36
PM	0.41



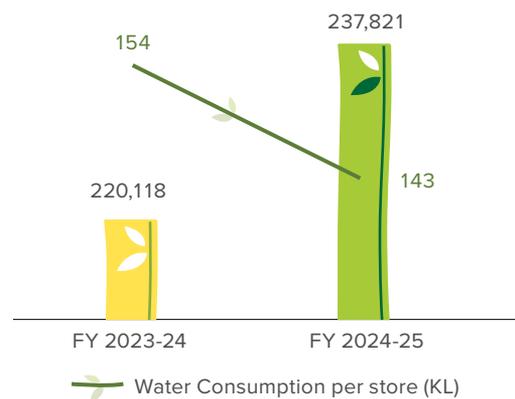
## WATER CONSERVATION

We recognize that water is a finite and scarce resource. It remains an essential input across our operations. In a food service business like ours, water is indispensable – not only for food preparation, but also for sanitizing equipment, maintaining hygiene, cleaning facilities, and ensuring customer safety. As part of our commitment to responsible resource use, we have prioritized both effective monitoring and optimization of water usage across our network. In FY 2024-25, we observed a rise in overall water withdrawal and consumption because of addition of new stores. Nonetheless, our efficiency measures across our brands led to a notable reduction of ~7% in water consumption per store, bringing it down to 143 KL per store. Additionally, our store-wise water discharged also reduced by 7% to 572 KL per store.

### Total water withdrawal (KL) and intensity (KL/store)



### Water consumption (KL) and intensity (KL/store)



**~7%**  
reduction in water  
consumption per store

### Our Water Efficiency Measures



#### Water-Efficient Fixtures

Our stores are equipped with low-flow aerators, sensor-activated taps, and low-pressure faucets to minimize water consumption without compromising hygiene or performance.



#### Wastewater Treatment

Our stores are equipped with Sewage Treatment Plants (STPs) and Effluent Treatment Plants (ETPs) and, where applicable, discharge treated wastewater into municipal drains or sewers, ensuring responsible disposal in full compliance with environmental regulations.



#### Water Recycling & Reuse

RO reject water is repurposed for flushing in toilets and non-potable uses like cleaning, reducing dependency on fresh water sources. High-street stores with washroom facilities utilize RO reject water for flushing and plantation purposes, promoting water reuse.

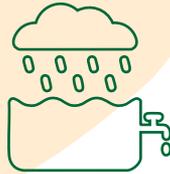


#### Trainings and Workshops

We conduct periodic regional workshops where restaurant managers collaborate to identify process-level water saving opportunities. The initiatives are deliberated, and SoPs are developed for other stores for effective implementation.

## INVESTING IN RAINWATER HARVESTING

Our corporate office building is equipped with sustainable rainwater harvesting systems that captures and channels rainwater to recharge underground aquifers contributing to local water conservation efforts.



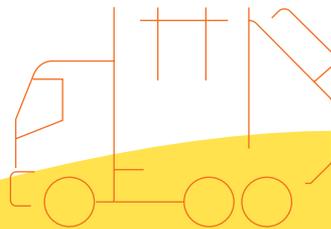
## Strengthening Water Monitoring and Data-Driven Management

To improve visibility and accountability in water use, we are enhancing our water monitoring capabilities. Water meters are being installed across our stores, enabling us to track consumption and make informed operational decisions. This year, we utilized the WRI Aqueduct Water Risk Atlas to assess the water risk exposure of our restaurant network. The analysis helped us identify outlets operating in high water stress zones, allowing us to prioritize interventions where they are most needed.

## WASTE MANAGEMENT

At DIL, we are dedicated to managing and disposing of waste generated from our restaurants in a responsible manner, fully complying with all local waste management regulations. This year, we established system and procedures to ensure all types of wastes, namely plastic waste, e-waste, battery waste, hazardous waste and different types of non-hazardous waste are recorded along with its disposal methods.

In FY 2024-25, we generated 6,385 MT of waste. Non-hazardous waste consisting of food waste, paper waste and waste cooking oil consists of ~92% of the total waste. Our store-wise waste intensity stands at 3.84 MT per store in FY 2024-25. From the total waste, more than 13% is sent for recycling and the remaining waste is handed over to authorized vendors of local government bodies.



### How we reduce our waste

To minimize our environmental footprint and use of plastics, we have established multiple systems in place in our stores. In our back of house section, we use bio-compostable garbage bags and in our front of house section, we have largely eliminated single-use plastics across all stores (plastic bags, cups/lids, straws) and are using only paper-based recyclable and compostable materials.

We adhere to our franchisors Yum!'s packaging guidelines such as sourcing materials from Yum!-approved vendors. Yum! Brands promote a circular approach to packaging and waste reduction, prioritizing Forest Stewardship Council (FSC) certified paper from responsibly managed forests. Reducing packaging and operational waste such as corrugated board, food, and used cooking oil is a top priority. Yum! Brands such as KFC and Pizza Hut are transitioning and developing new packaging solutions like recyclable or compostable packaging to reduce landfill waste and support sustainability goals.

### Saving paper with digitalization initiatives

KFC has successfully deployed over 750 self-ordering kiosks and integrated digital assets to enhance customer experience while driving operational excellence. This digital transformation streamlines ordering, reduces errors, and supports a seamless, contactless, and paperless service model. Beyond efficiency gains, this initiative advances our ESG commitments by minimizing waste and optimizing resource use. It also empowers our workforce – shifting their focus from routine transactions to meaningful customer interactions and skill development.

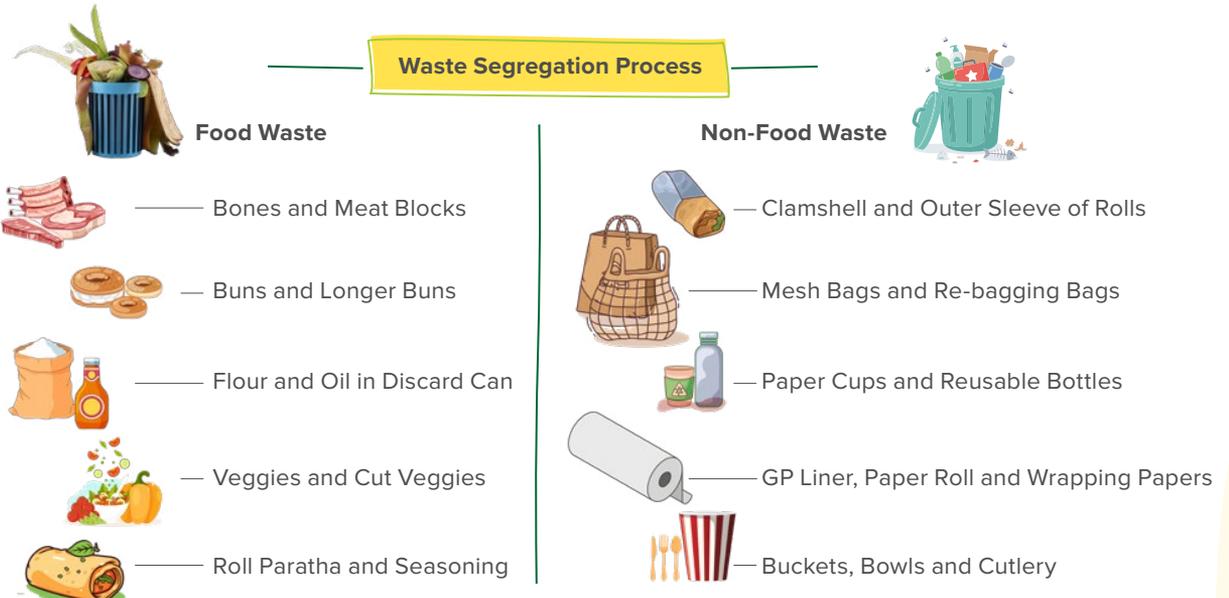
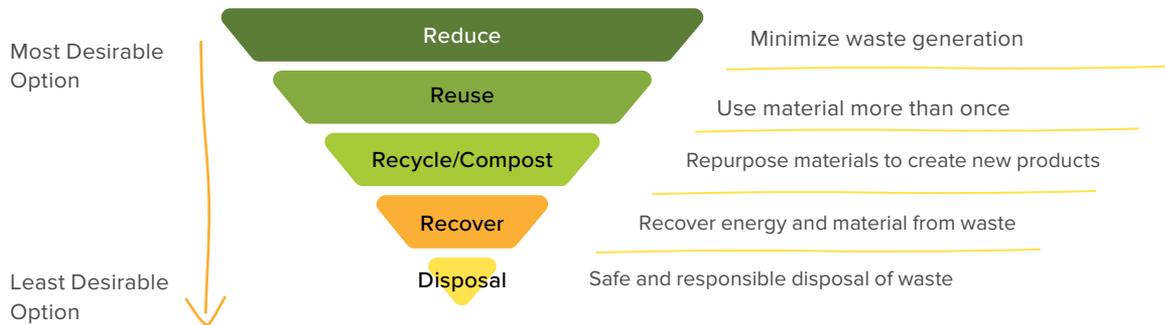


Across our brands, we display the information related to responsible disposing of paper-based packaging at the back of each packaging. As a best practice to reduce the environmental load, we have eliminated the use of 'single use plastic' from our stores. We are ensuring to drive sustainability into our practices by using recyclable packaging, which is Forest Stewardship Council (FSC) certified and sourced from Food Safety and Standards Authority (FSSAI) licensed sources.

**Bins for segregation into dry and wet wastes**



**The Waste Management Hierarchy**



### Food Waste

We recognize that food waste has far-reaching consequences – not only for the environment, but also for operations and for the society. Our **Environment and Waste Management Policy** guides us in limiting waste, including food waste through multiple systems and process. We have implemented a range of targeted measures to minimize food waste across our operations. One of the key initiatives involves the deployment of an automated forecasting tool that analyzes order expectancy across all our restaurants. Powered by advanced data analytics and machine learning, this tool leverages historical sales data, seasonal patterns, and contextual factors to accurately predict customer demand. By aligning daily food preparation with these predictive insights, we are able to reduce overproduction and waste in our back-of-house kitchens – enhancing both resource efficiency and sustainability outcomes.

### Accurate Demand Forecasting

Provides precise predictions of daily order volumes, helping stores prepare the right amount of food and resources, thereby reducing over-preparation and waste.

### Cost Efficiency

By minimizing waste, the tool helps in reducing costs associated with excess inventory and disposal, leading to significant savings.



### Inventory Management

By anticipating order patterns, the system ensures optimal inventory levels, preventing both shortages and excess stock.

### Real-Time Adjustments

The tool continuously updates its predictions based on real-time data, allowing stores to adjust their operations dynamically throughout the day.

## SUSTAINABLE PACKAGING

We firmly believe that packaging in a sustainable way is a crucial step towards reducing our environmental footprint. Our strategy focuses on identifying and adopting packaging solutions that are reusable, recyclable, or compostable, minimizing waste throughout our operations. We continuously explore environment-friendly materials and designs to ensure our packaging choices reflect our dedication to a circular economy.

We ensure that packaging across all our brands – KFC, Pizza Hut, Costa Coffee, Vaango and other brands are sourced from the suppliers with certifications like FSC including these are designed to be recyclable or made from recycled materials in line with our **Sustainable Sourcing Policy** as well as Franchisors Yum! Brands and Costa Coffee guidelines.



## Key programs for sustainable packaging in our brands



### Circular Packaging Approach

100% of paper-based packaging is made from FSC-certified fiber sourced from responsibly managed forests and recycled content.

We prioritize suppliers approved by Yum! and licensed by the FSSAI, ensuring safety, compliance, and sustainability.

Across our operations, packaging displays clear information to encourage proper disposal by our customers.



### Initiatives by Costa Coffee

Uses plant-based, renewable materials in takeaway cups and lids.

Ensures at least 50% recycled content in single-use packaging.

Encourages customers to bring reusable cups, promoting a culture of reuse.



### Elimination of Single-Use Plastics

We have eliminated plastic bags, straws, cutlery, stirrers, cups, and lids from all stores.

Garbage bags in our restaurants are replaced with biodegradable alternatives.

Bio-PBS biodegradable beverage cups are used in select markets.



### End-to-End Responsibility

Our sustainability strategy extends beyond restaurants to include delivery services and office operations, ensuring eco-friendly practices across all touchpoints.



**KFC** as a brand has moved from expanded polystyrene plastic (Styrofoam) to more fiber-based containers for its side items and has sourced most of its paper-based packaging with fiber from responsibly managed forests and recycled sources.



At **Pizza Hut**, all our corrugated pizza boxes packaging is crafted from recycled food-grade paper.



At **Vaango**, Plastic cutlery replaced by cutlery made from corn starch-based biodegradable materials.

Packaging and cutlery used across brands at DIL:

**“DELICIOUSLY SUSTAINABLE,  
RESPONSIBLY PACKAGED”.**



# People-Centered Progress: Growth, Well-being & Inclusion

At DIL, people-centered progress is fundamental to our vision of growth. We are deeply committed to fostering a workplace that champions Diversity & Equal Opportunity for all, ensuring every individual feels valued and empowered. Our robust programs for Employee Training & Development and Talent Management cultivate a skilled and engaged workforce; while prioritizing Employee Health, Safety & Wellbeing remains paramount. Our dedication to upholding Human Rights across our operations and value chain ensures a respectful environment for everyone connected with us.

## MATERIAL TOPICS ADDRESSED

68	Human Rights	70	Diversity & Equal Opportunity	72	Employee Training & Development and Talent Management	76	Employee Health, Safety & Wellbeing
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## KEY HIGHLIGHTS

250+ hours of training per employee in FY 2024-25

Zero cases of human rights violation

29% females in workforce

~ ₹ 73 Mn spent on training

110 women led stores

## UNSDG GOALS



## KEY STAKEHOLDERS IMPACTED

- Management
- Employees
- Investors & Shareholders





### HUMAN RIGHTS

At DIL, we firmly believe that respecting and protecting human rights is fundamental to the way we operate. Our **Human Rights and Equal Opportunity Policy** underscore our commitment to treating all stakeholders with dignity and respect, which we consider essential for our success.

Our approach to human rights aligns with the United Nations Guiding Principles on Business and Human Rights’ “Protect, Respect, and Remedy” Framework and reflects the principles

of the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. We are dedicated to fostering a diverse and inclusive workplace, free from harassment and discrimination, where all individuals are treated with dignity. Our policy applies to all employees, whether full-time, part-time, permanent, probationary, trainee, retainer, temporary, or contractual, with the policy also being extended to our suppliers.



Our commitment to human rights includes several key tenets:



Our **Human Rights and Equal Opportunity Policy** is accessible to all employees through the Company’s Website at <https://dil-rjcorp.com/policies/> as well as on the intranet. To ensure meaningful implementation, we provide comprehensive training on this policy to all employees during induction and at regular intervals thereafter. These sessions are designed to raise awareness about the importance of respecting and upholding not only their own rights but also the rights and dignity of others. Through this training, employees gain a deeper understanding of the policy's core principles and are equipped to apply them responsibly in their day-to-day roles, fostering a respectful, inclusive, and equitable workplace. During FY 2024-25, ~96% of our workforce received training on human rights.

We encourage all employees, suppliers, and stakeholders to report any violations of this policy through designated grievance reporting channels: **employeegrievance@dil-rjcorp.com** or report concerns to the Chief Human Resources Officer (CHRO). All complaints are handled confidentially and fairly. DIL guarantees protection to complainants with no retaliatory actions against the stakeholder reporting any violation. Any person who believes they have been subjected to discrimination based on the aforementioned areas can also bring the matter to the attention of the CSR & ESG Committee.



## DIVERSITY AND EQUAL OPPORTUNITY

At DIL, we are committed to fostering a workplace culture that embraces and celebrates diversity. Our **Human Rights Policy and Equal Opportunity Policy** ensure we do not discriminate any employee or applicant basis age, color, disability, origin/place of birth, nationality, religion, marital status, race, gender, or sexual orientation. We believe that a diverse workforce is a powerful driver of creativity, innovation, and high performance. We are committed to maintaining a workplace free from any form of discrimination or harassment. This includes setting of maximum working hours, equal remuneration for our male and female employees and provision of paid earned leaves.



We are actively working to increase female representation across all levels of our organization. Our commitment ensures a workplace free from any bias, where every individual is treated with respect and provided opportunities for growth and success. We provide a supportive and inclusive environment where differences are respected, valued, and championed. Our commitment to equal opportunity ensures that all employees have access to career growth, continuous learning, and personal development – regardless of background or identity. By cultivating a culture of belonging, we empower our people to thrive and contribute meaningfully to our collective success. As a way forward, our aim is to achieve 30% representation of women employees in our workforce by FY 2025-26.

### KFC Kshamata

We are proud to be part of KFC India's Kshamata program. KFC India's Kshamata initiative is a focused effort aimed at feeding people's potential and bridging the gender & ability gap. To achieve the desired goal, a 360-degree approach which works right through hiring to the career progression – through training, enabling work environment, engaging with them and assisting their development for growth.

Through Kshamata, KFC is committed towards empowering women and the speech and hearing-impaired across restaurants. During the year, >7,000 employees (including 100% of our differently-abled employees) were trained in our 696 KFC outlets.



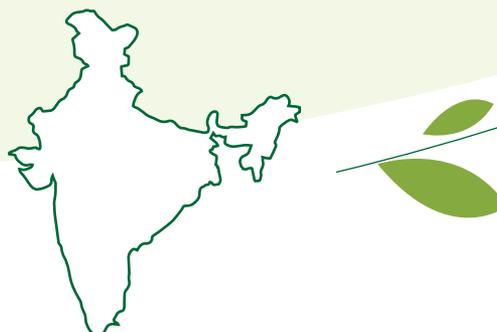
## Our workforce

At DIL, our workforce is the cornerstone of our operations, directly driving our success and embodying our commitment to excellence. Their dedication and hard work are vital to achieving our strategic goals and serving our customers effectively. As of FY 2024-25, we employ 14,802 dedicated individuals who bring a diverse range of skills and experiences to our organization. This includes 77 differently abled employees.

Particular	Male	Female	Total
Below 30 years	7,614	3,665	<b>11,279</b>
30 to 50 years	2,849	622	<b>3,471</b>
More than 50 years	49	3	<b>52</b>

Particular	Number
Senior Management	36
Middle Management	502
Junior Management	4,478
Non-Management Employees	9,786

## All our employees are citizens of India



## Hiring and onboarding

Our recruitment strategies are meticulously designed to align with our diversity goals. We aim to attract a broad spectrum of talent from various backgrounds, ensuring that our workforce reflects the rich diversity of the communities we serve. Transparency in our hiring processes is paramount, and we are dedicated to eliminating biases to ensure fairness and equality in all employment decisions. In FY 2024-25, we onboarded 13,673 new hires, enriching our team with fresh perspectives.

Particular	Male	Female	Total
Below 30 years	8,961	3,414	<b>12,375</b>
30 to 50 years	1,013	277	<b>1,290</b>
More than 50 years	8	0	<b>8</b>

Particular	Number
Senior Management	7
Middle Management	87
Junior Management	1,311
Non-Management Employees	12,268

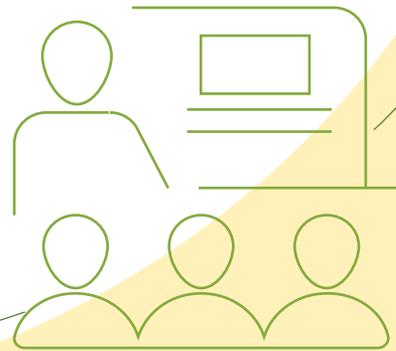
## EMPLOYEE TRAINING & DEVELOPMENT AND TALENT MANAGEMENT

We are committed to ensuring our employees have the access to latest work-related and personal development trainings. We recognize these as vital for both individual growth and organizational success. Our robust trainings programs are designed to empower our workforce with the skills and knowledge needed to excel, adapt to evolving challenges, and advance their careers. By investing in continuous learning and strategic talent management, we ensure our teams are well-equipped to drive innovation and deliver exceptional performance, fostering a culture of excellence and lifelong learning.

### Learning and development initiatives

Continual employee development is a cornerstone of our organizational philosophy. We believe that investing in the professional growth of our people not only empowers them as individuals but also drives collective success across the organization. Our training approach blends online, virtual instructor-led, and classroom-based learning, offering a flexible and engaging experience for every learner. At the store level, brand trainers and HR talent specialists work in close partnership to deliver structured, role-specific training that equips team members with the skills and knowledge needed to consistently uphold our standards of excellence.

**250+ hours** Training per employee  
**~₹ 73 Mn** Cost of training



### Various Training Management Systems for our employees



DIL Academy (Disprz)

Vault

Hut University

On Job Trainings (OJT)



We ensure learning is relevant and timely for our employees. Consequently, we follow a structured Training Need Identification (TNI) process that aligns individual aspirations with organizational goals. This enables us to deliver targeted training in areas such as product knowledge, process excellence, behavioral skills, and leadership development, empowering employees to perform at their best and grow within their roles.

### Store employees



### Corporate employees



### LEAP Emerging Leader Program

The LEAP emerging leader program is a comprehensive 12-month initiative designed to cultivate internal leadership talent for future roles within the organization. This program targets employees in operations and Restaurant Support Center (RSC) support functions. Participants are nominated based on their prior year's performance, as well as their demonstrated ability, agility, and aspiration for growth. The selection process involves an online assessment center to determine eligibility, followed by a development center to pinpoint specific competencies for individual focus throughout the program.

The LEAP program's curriculum includes master class workshops covering critical leadership skills such as emotional intelligence, situational leadership, communication excellence, and decisive leadership. To ensure practical application, an external coach facilitates group coaching and check-in sessions. Participants also develop Individual Development Plans (IDPs) and action plans after each master class, with progress reviewed in subsequent check-in sessions. A key component of the program is the assignment of business projects, providing participants with opportunities to apply their learning in real-time scenarios.

### Employee Growth Journey - Stores

We follow a structured growth path that promotes talent from within. After 12 months and certification in "Leading a Shift", team members undergo a Board of Review (BOR) and move to Shift Manager. Progression to Assistant Restaurant Manager and Restaurant Manager follows similar steps – each requiring 12 months in role, learning module completion, and multi-department BOR clearance.

After a year as Restaurant Manager, employees are promoted to Restaurant General Manager (RGM), and after 2–3 years and certification in "Leading Multiple Restaurants", they are eligible for the Area Coach role through a final BOR with senior leadership. This journey strengthens our leadership pipeline and supports internal career growth.



### “EDGE” – Market Manager to COO Program

Launched in collaboration with Deloitte and IIM Lucknow, this initiative aimed to prepare market managers for enterprise-level leadership. The program focused on strategic leadership, financial stewardship, innovation, and people management, delivered through immersive modules, 2-day on-campus learning at IIM Lucknow, executive mentoring, and enterprise-level projects.

In addition to leadership initiatives, focused training programs were rolled out to build essential functional capabilities. These included “Finance and Investment for Women”, conducted as part of women's day celebrations to promote financial awareness and empowerment, and excel proficiency sessions aimed at strengthening everyday digital skills across roles.



### Women's Safety Training

Safety and freedom are essential yet often overlooked. At DIL, we're grateful to the Haryana Police Women's Special Cell, Inspector Geeta, Sub-Inspector Poonam, DCP Karan Goel, and Shri Vikas Arora for leading a powerful self-defense workshop. The participants gained vital skills and confidence. This initiative reflects our commitment to empowering female employees and creating a secure workplace. We're excited to continue this journey, ensuring every woman at DIL is equipped with life-saving self-defense techniques.



## COSTA COFFEE: BARISTA OF THE YEAR 2024

🗨️ Representing our nation and DIL on a global platform as Costa Barista of the Year was a truly humbling experience. It allowed me to embody and promote the core values of excellence, leadership, and integrity, and I'm proud to have contributed to our shared mission with such distinction. 🗨️

### Mohd Shafi

(Costa Lulu Mall, Kochi)



### “DIL Aspire” – Internal Talent Acceleration Program

This 12-month structured development journey focused on building future-ready leaders across two levels. Participants were selected based on business performance and potential, assessed through a 9-box grid framework. The Store No. 1 to Area Manager program equipped frontline leaders with core competencies through classroom sessions, on-the-job learning and mentorship and live business projects. The Area Manager to Market Manager program enhanced strategic thinking, cross-functional collaboration, and business acumen through classroom sessions, peer learning, and coaching interventions with and live business projects. Throughout the program, participants received regular coaching from facilitators to reinforce learning and drive business outcomes.



### Promotions and Employee Benefits

Regular internal promotions and well-defined career progression pathways are key pillars of our human capital strategy. These practices foster motivation, enhance retention, and empower employees to grow both vertically and laterally within the organization. To support this, we have a robust employee evaluation and feedback mechanisms, ensuring that performance appraisals are transparent, objective, and closely aligned with the Company’s strategic goals. This approach not only recognizes individual contributions but also cultivates a high-performance culture driven by clarity, opportunity, and accountability. In FY 2024-25, 100% of our total employees received performance and career development review.

### Promotions in DIL



### EMPLOYEE HEALTH, SAFETY & WELL-BEING

At DIL, we firmly believe that our employees are our greatest asset, and their health, safety, and well-being are central to our values and operations. We are committed to providing a hazard-free, safe, and supportive work environment that protects the physical and mental well-being of everyone across our workplaces – including our employees, partners, and customers.

Our approach is grounded in the principle of “**prevention first**”, with a goal of eliminating all types of safety incidents. We have implemented rigorous safety protocols, conducted regular audits, and maintained a robust system of equipment checks and risk assessments to uphold safety across all restaurant locations. These practices are reinforced through regular safety reviews and audits conducted, ensuring alignment with global best practices and internal standards.

To strengthen a culture of safety, we:

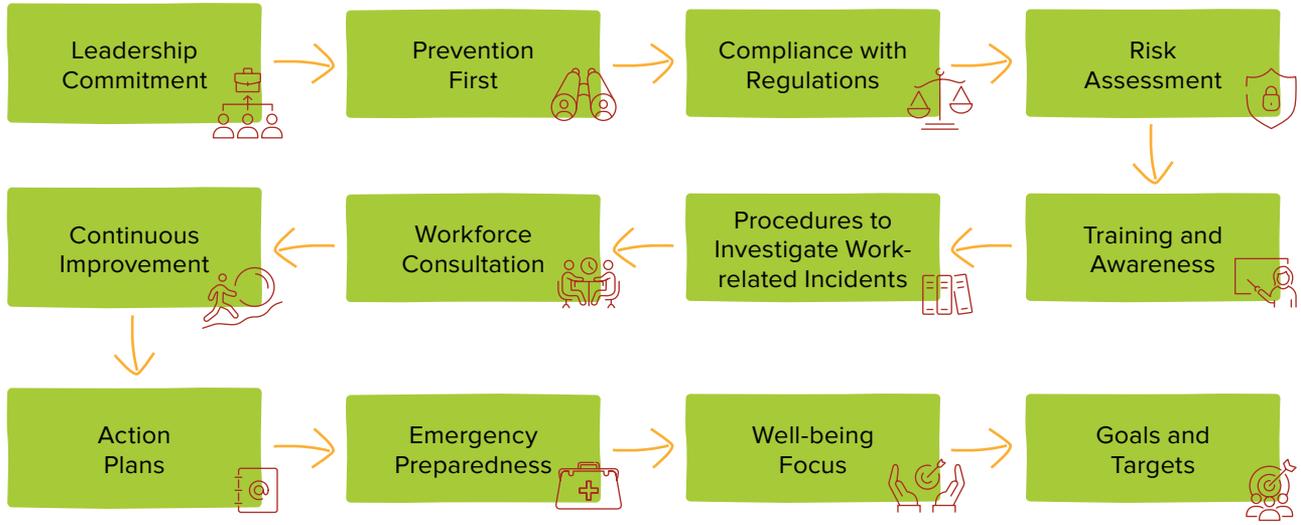
- Conduct ongoing safety training programs to equip employees with practical knowledge and skills
- Promote accountability, where every employee is responsible for upholding safety for themselves and others
- Maintain robust emergency preparedness, incident reporting, and equipment maintenance systems to minimize risk
- Comply fully with all applicable health, safety, and regulatory standards



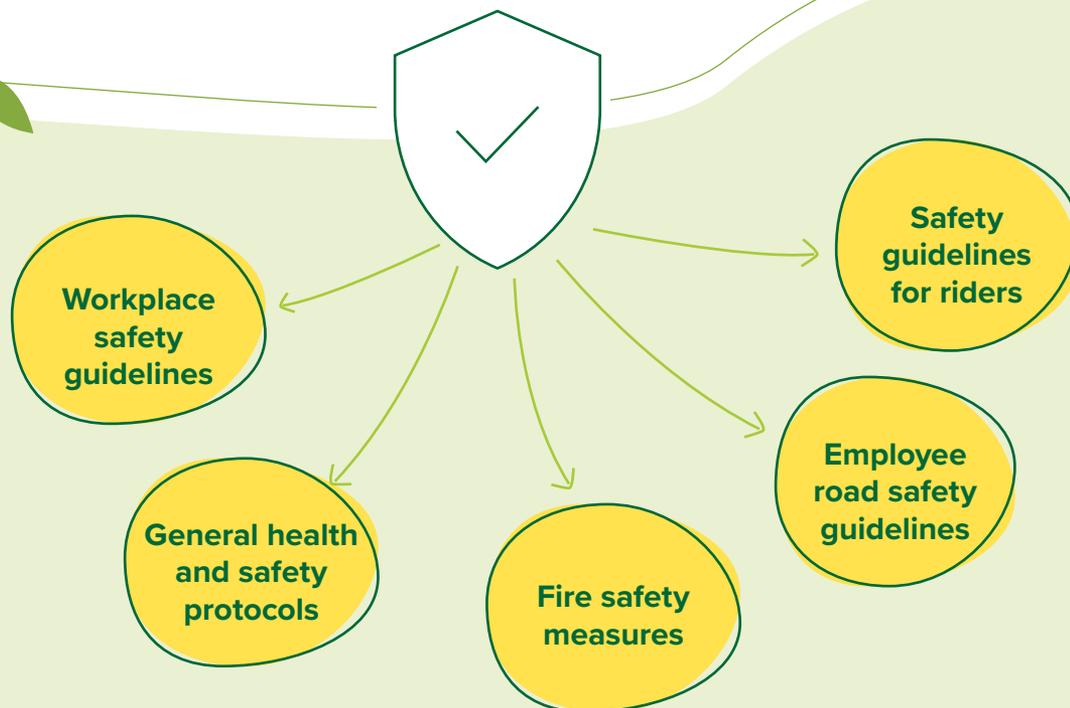
Beyond physical safety, we recognize the importance of mental health and emotional well-being. We foster a supportive and inclusive work culture by offering wellness resources, encouraging healthy work habits, and providing mental health awareness training and initiatives aimed at reducing stigma and promoting resilience.



Our **Health and Safety Policy** reflects our unwavering commitment to protecting our people and ensuring a safe and secure experience for both employees and customers – across our locations.



Our workforce is covered with comprehensive Group Mediclaim Policy and Employee State Insurance (ESI) scheme ensuring their healthcare needs are adequately met. To support immediate medical assistance, our restaurants and commissary are fully equipped with first-aid kits. We have a comprehensive Health and Safety module that outlines the following:



As part of our commitment to employee health and well-being, we organize an annual health camp that offers employees access to comprehensive medical check-ups. This initiative supports early detection and prevention of potential health issues and includes health screenings, consultations with medical professionals, and wellness activities – reinforcing our dedication to a healthier workforce. Additionally, our leave policy is designed to support work-life balance, offering parental leave – three days of paternity leave and six months of maternity leave, offering parental leave ensuring that employees can manage their professional responsibilities while caring for their families.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	80%
Female	100%	39%
Total	100%	58%



In FY 2024-25, our LTIFR was 0.43 per one million-person hours worked compared to 0.24 last year. While we observed a rise in our LTIFR, we are actively working to reduce it. Our efforts include specific workplace safety training such as fire safety, electrical safety, ensuring safety while working in the kitchen, implementation of wellness initiatives, and promoting the proactive reporting of unsafe acts and conditions. During FY 2024-25, 100% of our store employees received training on health and safety. Simultaneously, during onboarding of employees, we cover crucial safety protocols, ensuring they are well-prepared from the start.

**Fire protection system available at our kitchens:**

Gas Leak Detection and Control System

Kitchen Hood Automatic Suppression System

ABC & CO2 Type Fire Extinguishers

Bonpet Fire Extinguisher



**Fire Safety Compliance**

All stores across India adhere to fire safety norms. Low-side firefighting systems are being installed pan-India to enhance fire readiness.

**Employee wellbeing and engagement**

We are deeply committed to fostering a culture where every employee thrives, both personally and professionally. We understand that a healthy and supported workforce is fundamental to our collective success, and we continuously invest in comprehensive wellbeing initiatives that address physical, mental and emotional wellbeing. From offering robust health benefits and wellness programs to promoting work-life balance and psychological safety, we strive to create an inclusive environment where everyone feels valued, respected, and empowered to bring their best at work. This ensures our team feels supported, engaged, and ready to achieve their full potential.

## Celebrating Women's Day

Women's Day was celebrated across our outlets. The leadership team and department heads visited stores to recognize the contributions of our women employees and express heartfelt gratitude for their dedication and impact. Beyond celebrations we have also rolled out focused training programs to build essential functional capabilities for our women employees. These included "Finance and Investment for Women", conducted as part of Women's Day celebrations to promote financial awareness and empowerment, and Excel proficiency sessions aimed at strengthening everyday digital skills across roles.



We organized Family Day bringing employees and their loved ones together for a full day of joy and bonding. The event featured engaging activities for kids, games for all age groups, delicious lunch arrangements, and interactive brand stalls that showcased our vibrant work culture. It was a meaningful initiative to celebrate the extended DIL family and reinforce the support system behind every team member.

## Family day





We organized multiple health camps for our employees, providing convenient access to essential health screenings and consultations and promoting a culture of preventive care and early detection.

### Health camps



### Local communities and CSR

We are committed in cultivating meaningful connections with the communities we serve, focusing on driving long-term, positive change through our wide-ranging initiatives. Our CSR initiatives are guided by a comprehensive and clearly defined **CSR Policy**. To ensure effective oversight, we have a Board-level CSR and ESG Committee that directly supervises these activities.



# 1,500+

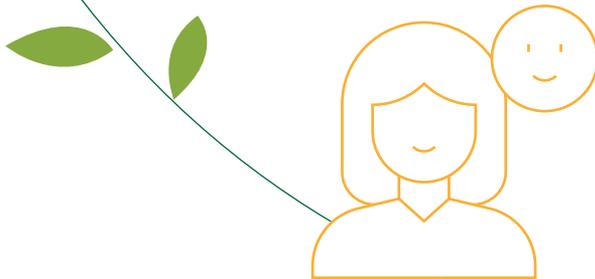
beneficiaries in FY 2024-25

# ₹ 23.32 Mn

spent on CSR activities in FY 2024-25

The community initiative by our Nepal team resonates with DIL's commitment to community engagement. Our pre-opening celebrations at the new Pizza Hut in Boudha took on a special meaning as we welcomed the wonderful young monks and students from Nyingmapa Montessori, Tunchuli. We were thrilled to provide them with a delicious Pizza Hut meal and share in their smiles and laughter. It's a privilege to be part of the Boudha community and to support local initiatives.

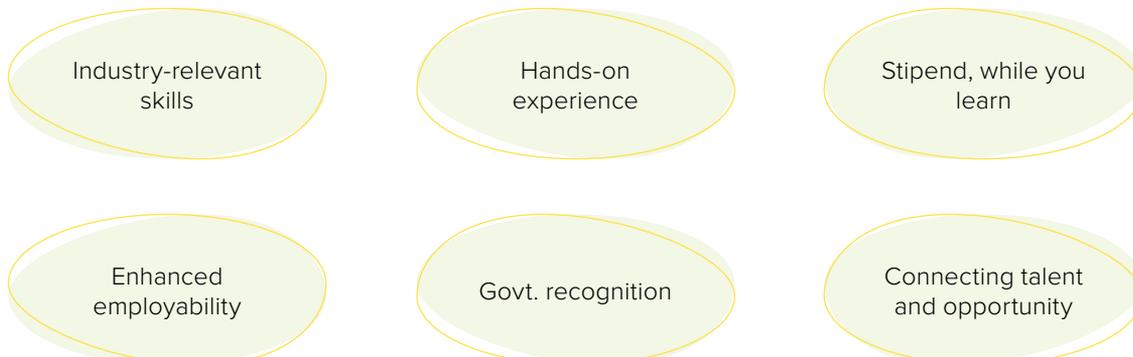
Our Women Champions at Pizza Hut went above and beyond to bring joy to the children of Sahasra Deepika, a grassroots organization dedicated to empowering young girls through housing and education. From crafting the perfect pizzas to delivering them with love, our incredible team made this experience truly special. The joy on the children's faces was priceless! This initiative goes beyond food – it's about spreading happiness, building connections, and creating lasting memories.



### National Apprenticeship Promotion Scheme (NAPS)

At DIL, we believe in empowering India's youth by offering them opportunities to build meaningful careers in the QSR industry. As part of this commitment, we actively participate in the National Apprenticeship Promotion, an initiative by the Government of India launched in 2016 under the Ministry of Skill Development and Entrepreneurship (MSDE). The Scheme is designed to promote apprenticeship training in the country by providing stipend support to apprentices operating under the Apprentice Act, 1961. The primary goal is to enhance skill development, increase employment opportunities, and bridge the gap between industry requirements and workforce capabilities. The apprenticeship program under NAPS in the Company is for a fixed duration of 12 months, aligned with government guidelines and the Company's operational structure. During the year, more than 4,000 apprenticeships were part of NAPS in the Company.

### Benefits to apprentices under NAPS



# ESG Factsheet

## ECONOMIC PERFORMANCE

### Economic Value

Category	Unit	FY 2024-25	FY 2023-24
<b>Economic value generated</b>			
Total Revenue	₹ Million	33,493	31,162
<b>Economic value distributed and retained</b>			
Total expenses	₹ Million	27,249	25,169
EBITDA	₹ Million	6,245	5,994
Total employee-related expenses	₹ Million	4,550	4,220
Community investments including CSR spent	₹ Million	23	18

### Philanthropic Contributions & Business Ethics

Category	Unit	FY 2024-25	FY 2023-24
Political contributions	₹ Million	Nil	Nil
Fines or settlements related to anti-competitive practices	₹ Million	Nil	Nil
Ongoing investigations related to anti-competitive practices	No.	Nil	Nil
Confirmed cases of corruption and bribery	No.	Nil	Nil
Current involvement in any ongoing corruption and bribery cases	No.	Nil	Nil
Contributions to and spending for political campaigns, political organizations, lobbying, trade associations, tax-exempt entities	₹ Million	Nil	Nil
No. of incidents of discrimination (excluding sexual harassment)	No.	Nil	Nil
No. of cases of breach of code of conduct	No.	Nil	Nil
Complaints concerning breaches of customer privacy and losses of customer data	No.	Nil	Nil

## ENVIRONMENTAL PERFORMANCE

### Energy Consumption

Category	Unit	FY 2024-25	FY 2023-24
Electricity consumption (renewable)	GJ	1,355	1,053
Electricity consumption (non-renewable)	GJ	403,398	368,249
Total Fuel consumption (non-renewable)	GJ	286,864	265,695
Total Energy consumption	GJ	691,617	634,997
Energy intensity in terms of physical output (Total energy consumption/Number of stores)	GJ/store	416	444

## Emissions

Category	Unit	FY 2024-25	FY 2023-24
Scope 1: Direct emissions	tCO <sub>2</sub> eq	28,363	17,268
Scope 2: Indirect emissions	tCO <sub>2</sub> eq	81,464	73,241
Total Scope 1 & 2 GHG emissions	tCO <sub>2</sub> eq	109,827	90,509
GHG emission intensity (Total Scope 1 and Scope 2 GHG emissions/ Number of stores)	tCO <sub>2</sub> eq/store	66	63
Scope 3: Indirect emissions	tCO <sub>2</sub> eq	122,782	Not Tracked

## Water Management

Category	Unit	FY 2024-25	FY 2023-24
Water Withdrawal	KL	1,189,105	1,100,588
Water Consumption	KL	237,821	220,118
Water Discharged	KL	951,284	880,470
Water Intensity (Total water consumption/ Number of stores)	KL/store	143	154

## Waste Management

Category	Unit	FY 2024-25	FY 2023-24
<b>Total Waste Generated</b>	<b>MT</b>	<b>6,385</b>	<b>827</b>
Plastic Waste	MT	521	Not Tracked
E-waste	MT	-	0.4
Battery Waste	MT	9	Not Tracked
Waste Cooking Oil	MT	844	827
Paper Waste	MT	1,867	Not Tracked
Food Waste	MT	3,144	Not Tracked
<b>Total Waste Recycled*</b>	<b>MT</b>	<b>853</b>	<b>827</b>

\*Note: Remaining waste is handed over to the authorized vendors of local government bodies

## SOCIAL PERFORMANCE

### People

Category	Employees	Unit	FY 2024-25	FY 2023-24
Board of Directors	<b>Total</b>	<b>No.</b>	<b>10</b>	<b>12</b>
	Male	No.	9	11
	Female	No.	1	1
Employees	<b>Total</b>	<b>No.</b>	<b>14,802</b>	<b>16,371</b>
	Male	No.	10,512	11,753
	Female	No.	4,290	4,618
	Age <30 Years	No.	11,279	13,049
	Age 30-50 Years	No.	3,471	3,269
	Age >50 Years	No.	52	53
Senior Management	<b>Total</b>	<b>No.</b>	<b>36</b>	<b>50</b>
	Male	No.	34	48
	Female	No.	2	2
	Age <30 Years	No.	-	-
	Age 30-50 Years	No.	27	37
	Age >50 Years	No.	9	13
Middle Management	<b>Total</b>	<b>No.</b>	<b>502</b>	<b>463</b>
	Male	No.	459	416
	Female	No.	43	47
	Age <30 Years	No.	20	19
	Age 30-50 Years	No.	470	432
	Age >50 Years	No.	12	12
Junior Management	<b>Total</b>	<b>No.</b>	<b>4,478</b>	<b>4,403</b>
	Male	No.	3,513	3,530
	Female	No.	965	873
	Age <30 Years	No.	2,602	2,668
	Age 30-50 Years	No.	1,857	1,720
	Age >50 Years	No.	19	15
Non-Management	<b>Total</b>	<b>No.</b>	<b>9,786</b>	<b>11,455</b>
	Male	No.	6,506	7,759
	Female	No.	3,280	3,696
	Age <30 Years	No.	8,657	10,362
	Age 30-50 Years	No.	1,117	1,080
	Age >50 Years	No.	12	13

## New Employee Hire

Category	Employees	Unit	FY 2024-25	FY 2023-24
Employees	<b>Total</b>	<b>No.</b>	<b>13,673</b>	<b>16,013</b>
	Male	No.	9,982	11,750
	Female	No.	3,691	4,263
	Age <30 Years	No.	12,375	14,546
	Age 30-50 Years	No.	1,290	1,457
	Age >50 Years	No.	8	10
Senior Management	<b>Total</b>	<b>No.</b>	<b>7</b>	<b>17</b>
	Male	No.	7	16
	Female	No.	-	1
	Age <30 Years	No.	-	-
	Age 30-50 Years	No.	6	14
	Age >50 Years	No.	1	3
Middle Management	<b>Total</b>	<b>No.</b>	<b>87</b>	<b>135</b>
	Male	No.	83	120
	Female	No.	4	15
	Age <30 Years	No.	10	9
	Age 30-50 Years	No.	75	124
	Age >50 Years	No.	2	2
Junior Management	<b>Total</b>	<b>No.</b>	<b>1,311</b>	<b>1,626</b>
	Male	No.	1,139	1,411
	Female	No.	172	215
	Age <30 Years	No.	826	1,031
	Age 30-50 Years	No.	482	591
	Age >50 Years	No.	3	4
Non-Management	<b>Total</b>	<b>No.</b>	<b>12,268</b>	<b>14,235</b>
	Male	No.	8,753	10,203
	Female	No.	3,515	4,032
	Age <30 Years	No.	11,539	13,506
	Age 30-50 Years	No.	727	728
	Age >50 Years	No.	2	1

## Diversity

Category	Unit	FY 2024-25	FY 2023-24
Share of women in total headcount	%	29	28
Share of women in all management positions	%	24	20
Share of women in junior management positions	%	22	19
Share of women in management positions in revenue-generating functions	%	23	19

## Safety-related Incidents

Category	Unit	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	No.	0.43	0.24
Total recordable work-related injuries	No.	17	10
No. of fatalities	No.	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	No.	Nil	1

## Well-being spent

Category	Unit	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	%	0.20	0.12

## GOVERNANCE PERFORMANCE

### Ethical Incidents & Compliance Reporting

Category	Unit	FY 2024-25	FY 2023-24
Corruption or Bribery	No.	Nil	Nil
Discrimination/Sexual Harassment (POSH)	No.	13	9
Customer Privacy Data	No.	Nil	Nil
Conflicts of Interest	No.	Nil	Nil

## Customer Complaints

Category	Unit	FY 2024-25	FY 2023-24
Complaints received	No.	154,255	55,936
Complaints resolved	No.	154,245	55,577
Complaints resolved	%	99.99	99.35

# GRI Index

GRI Standard	D. No.	Disclosures	Chapter	Section	Page No.
<b>GRI 2: General Disclosures</b>					
GRI 2: General Disclosures	2-1	Organizational details	About Us	About Us	8
	2-2	Entities included in the organization's sustainability reporting	About the report	Reporting boundary	1
	2-3	Reporting period, frequency and contact point	About the report	Reporting boundary	1
	2-4	Restatements of information	There has been no restatement of information in the report		
	2-5	External assurance	No external assurance for FY 2024-25		
	2-6	Activities, value chain and other business relationships	About Us	Our Journey, Our Presence	10
	2-7	Employees	People-Centered Progress: Growth, Well-being & Inclusion	Diversity and Equal Opportunity	70
	2-8	Workers who are not employees	People-Centered Progress: Growth, Well-being & Inclusion	Diversity and Equal Opportunity	70
	2-9	Governance structure and composition	Our Governance Framework	Board composition	19
	2-10	Nomination and selection of the highest governance body	Our Governance Framework	Board composition	19
	2-11	Chair of the highest governance body	Our Governance Framework	Board composition	19
	2-12	Role of the highest governance body in overseeing the management of impacts	Our Governance Framework	Sustainability Governance	24
	2-13	Delegation of responsibility for managing impacts	Our Governance Framework	Sustainability Governance	24
	2-14	Role of the highest governance body in sustainability reporting	Our Governance Framework	Sustainability Governance	24
	2-15	Conflicts of interest	There have been no cases of conflict of interest.		
	2-16	Communication of critical concerns	The grievance redressal system ensures that every employee has a clear and accessible platform to raise concerns, with a structured process in place for timely resolution		
	2-17	Collective knowledge of the highest governance body	Our Governance Framework	Board composition	19
	2-18	Evaluation of performance of the highest governance body	Refer to <b>Annual Report</b> : Committees of the Board: Nomination and Remuneration Committee (Page no. 64)		

GRI Standard	D. No.	Disclosures	Chapter	Section	Page No.
	2-19	Remuneration policies	<b>Remuneration Policy</b>		
	2-20	Process to determine remuneration	Refer to <b>Annual Report</b> : Committees of the Board: Nomination and Remuneration Committee (Page no. 64)		
	2-22	Statement on sustainable development strategy	Leadership Messages	Message from Chairman, Promoter, CEO, CFO & CSO	2
	2-23	Policy commitments	Our Governance Framework	Our Policy and Code	20
	2-24	Embedding policy commitments	Our Governance Framework	Our Policy and Code	Mapped throughout the report
	2-25	Processes to remediate negative impacts	People-Centered Progress: Growth, Well-being & Inclusion	Human Rights	68
	2-26	Mechanisms for seeking advice and raising concerns	Strong governance for a sustainable business	Business ethics and governance	32
	2-27	Compliance with laws and regulations	Strong governance for a sustainable business	Business ethics and governance – Ensuring compliance	32
	2-28	Membership associations	Retailers Association of India (RAI)		
	2-29	Approach to stakeholder engagement	Stakeholder engagement	Stakeholder engagement process	26
	2-30	Collective Bargaining Agreements	We do not have any employee association		
<b>Material Topics</b>					
GRI 3: Material Topics	3-1	Process to determine material topics	Double materiality analysis	Double materiality analysis	28
	3-2	List of material topics	Double materiality analysis	Double materiality analysis	28
<b>Governance Performance</b>					
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Strong governance for a sustainable business	Economic contribution	33

GRI Standard	D. No.	Disclosures	Chapter	Section	Page No.
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	Strong governance for a sustainable business	Business ethics and governance	32
	205-2	Communication and training about anti-corruption policies and procedures		Business ethics and governance	32
	205-3	Confirmed incidents of corruption and actions taken		Business ethics and governance	32
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Strong governance for a sustainable business	Business ethics and governance	32
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		Information security and data privacy	37
<b>Environmental Performance</b>					
GRI 302: Energy	3-3	Management of material topics	Environmental Responsibility for a Resilient Future	Energy Management & Climate Action	54
	302-1	Energy consumption within the organization		Energy Management & Climate Action	54
	302-3	Energy intensity		Energy Management & Climate Action	54
	302-4	Reduction of energy consumption		Energy Management & Climate Action	54
GRI 303: Water and Effluents	3-3	Management of material topics	Environmental Responsibility for a Resilient Future	Water conservation	59
	303-1	Interactions with water as a shared resource		Water conservation	59
	303-3	Water withdrawal		Water conservation	59
	303-4	Water discharge		Water conservation	59
	303-5	Water consumption		Water conservation	59

GRI Standard	D. No.	Disclosures	Chapter	Section	Page No.
GRI 305: Emissions	3-3	Management of material topics	Environmental Responsibility for a Resilient Future	Energy Management & Climate Action	57
	305-1	Direct (Scope 1) GHG emissions		Energy Management & Climate Action	57
	305-2	Energy indirect (Scope 2) GHG emissions		Energy Management & Climate Action	57
	305-3	Other indirect (Scope 3) GHG emissions		Energy Management & Climate Action	58
	305-4	GHG emissions intensity		Energy Management & Climate Action	57
	305-5	Reduction of GHG emissions		Energy Management & Climate Action	57
GRI 306: Waste 2020	3-3	Management of material topics	Environmental Responsibility for a Resilient Future	Waste management	60
	306-1	Waste generation and significant waste-related impacts		Waste management	60
	306-2	Management of significant waste-related impacts		Waste management	60
	306-3	Waste generated		Waste management	60
	306-4	Waste diverted from disposal		Waste management	60
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	We comply with all applicable environmental laws and regulations		
<b>Social Performance</b>					
GRI 401: Employment	3-3	Management of material topics	People-Centered Progress: Growth, Well-being & Inclusion	Diversity and Equal Opportunity	70
	401-1	New employee hires and employee turnover		Diversity and Equal Opportunity	70
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Employee training & development and talent management: Promotions and Employee Benefits	76
	401-3	Parental leave		Employee health, safety & well-being	78

GRI Standard	D. No.	Disclosures	Chapter	Section	Page No.
GRI 403: Occupational Health and Safety	3-3	Management of material topics	People-Centered Progress: Growth, Well-being & Inclusion	Employee health, safety & well-being	76
	403-1	Occupational health and safety management system		Employee health, safety & well-being	76
	403-2	Hazard identification, risk assessment, and incident investigation		Employee health, safety & well-being	76
	403-3	Occupational health services		Employee health, safety & well-being	76
	403-4	Worker participation, consultation, and communication on occupational health and safety		Employee health, safety & well-being	76
	403-5	Worker training on occupational health and safety		Employee health, safety & well-being	78
	403-6	Promotion of worker health		Employee health, safety & well-being	78
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Employee health, safety & well-being	78
	403-9	Work-related injuries		Employee health, safety & well-being: Safety incidents	78
GRI 404: Training and Education	3-3	Management of material topics	People-Centered Progress: Growth, Well-being & Inclusion	Employee training & development and talent management	72
	404-1	Average hours of training per year per employee		Employee training & development and talent management: Learning and development initiatives	72
	404-2	Programs for upgrading employee skills and transition assistance programs		Employee training & development and talent management: Learning and development initiatives	72
	404-3	Percentage of employees receiving regular performance and career development reviews		Employee training & development and talent management: Promotions and Employee Benefits	76

GRI Standard	D. No.	Disclosures	Chapter	Section	Page No.
GRI 405: Diversity and Equal Opportunity	3-3	Management of material topics	People-Centered Progress: Growth, Well-being & Inclusion	Diversity and Equal Opportunity	70
	405-1	Diversity of governance bodies and employees	Our Governance/ People-Centered Progress: Growth, Well-being & Inclusion	Board composition/ Diversity and Equal Opportunity	19,70
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	People-Centered Progress: Growth, Well-being & Inclusion	ESG Factsheet	86
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	Nourishing Trust: Ensuring Food Safety and Quality	Responsible supply chain: Supplier code of conduct	43
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Nourishing Trust: Ensuring Food Safety and Quality	Responsible supply chain: Supplier code of conduct	43
GRI 412: Human Rights Assessment	412-2	Employee training on human rights policies and procedures	People-Centered Progress: Growth, Well-being & Inclusion	Human Rights	69
GRI 308: Supplier Environmental Assessment	3-3	Management of material topics	Nourishing Trust: Ensuring Food Safety and Quality	Responsible supply chain	43
	308-1	New suppliers that were screened using environmental criteria		Responsible supply chain	43
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Nourishing Trust: Ensuring Food Safety and Quality	Responsible supply chain	43
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	Nourishing Trust: Ensuring Food Safety and Quality	Restaurant food safety & quality	40
GRI 417: Marketing and Labeling	3-3	Management of material topics	Nourishing Trust: Ensuring Food Safety and Quality	Menu innovation and nutrition: Nutritional Transparency	51
	417-1	Requirements for product and service information and labeling		Menu innovation and nutrition: Nutritional Transparency	51

# SASB Index

Topic	Metric	Reference
<b>Energy Management</b>	(1) Total energy consumed	Energy Management & Climate Action, ESG factsheet
	(2) Percentage grid electricity	
	(3) Percentage renewable	
<b>Water Management</b>	(1) Total water withdrawn	Water Conservation, ESG factsheet
	(2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	
<b>Food &amp; Packaging Waste Management</b>	(1) Total amount of waste	Waste Management, ESG factsheet
	(2) Percentage food waste, and	
	(3) Percentage diverted	
	(1) Total weight of packaging,	Waste Management, Sustainable Packaging
	(2) Percentage made from recycled or renewable materials, and	
	(3) Percentage that is recyclable, reusable, or compostable	
<b>Food Safety</b>	(1) Percentage of restaurants inspected by a food safety oversight body,	Restaurant Food Safety & Quality
	(2) Percentage receiving critical violations	
	(1) Number of recalls issued, and	During the reporting period, we did not experience any instances where our products were recalled due to safety or health concerns
	(2) Total amount of food product recalled	
	Number of confirmed foodborne disease outbreaks, percentage resulting in public health authority investigation	Not Applicable

Topic	Metric	Reference
<b>Nutritional Content</b>	(1) Percentage of meal options consistent with dietary guidelines, and (2) Revenue from these options	Not Applicable
	(1) Percentage of children’s meal options consistent with dietary guidelines for children, and (2) Revenue from these options	Not Applicable
	Percentage of advertising impressions (1) made on children, and (2) made on children promoting products that meet dietary guidelines for children	Not Applicable
<b>Labour Practices</b>	(1) Voluntary and (2) Involuntary turnover rate for restaurant employees	BRSR- Section A (22): Turnover rate for permanent employees and workers
	(1) Average hourly wage, by region, and (2) Percentage of restaurant employees earning minimum wage, by region	59% of our employee earn equal to minimum wage and 41% earn more than minimum wage
	Total amount of monetary losses as a result of legal proceedings associated with (1) labour law violations, and (2) employment discrimination	No monetary losses have occurred due to legal actions related to labour law violations or employee discrimination during the reporting period

Topic	Metric	Reference
<b>Supply Chain Management &amp; Food Sourcing</b>	Percentage of food purchased that (1) meets environmental and social sourcing standards, and (2) is certified to third-party environmental or social standards	All raw materials are procured exclusively from suppliers who adhere to the brands' and franchisor's global quality standards
	Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates	Responsible Supply Chain- Preserving Biodiversity
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Responsible Supply Chain- Animal Welfare



**Registered Office**

F-2/7, Okhla Industrial Area,  
Phase-I, New Delhi-110020

**Corporate Office**

Plot No. 18, Sector-35,  
Gurugram-122004, Haryana