

Policy on Resource Efficiency

Philosophy

ITC believes that conservation and preservation of natural resources are fundamental to the survival and sustenance of life on earth. It is, therefore, important to collaborate with stakeholders to identify emerging trends and formulate the management approach for future readiness, in order to protect, conserve and contribute towards restoring natural resources.

Policy

It is ITC's Policy:

1. To identify, assess and manage environment related risks & opportunities, and their associated impacts across its operations and value chains using the principles of materiality, and to endeavour that such practices are integrated in business strategies with allocation of appropriate resources;
2. To set targets for continual improvement, evaluate performance against targets through a set of key metrics for operations and value chains and report the progress to stakeholders;
3. To progressively implement an environmental management system that is benchmarked against industry best practices across diverse sectors in which ITC operates and is based on the principles of Standards such as ISO:14001;
4. To comply with applicable environment-related legal and regulatory requirements;
5. To raise awareness among stakeholders on relevant environmental issues and encourage positive environmental action;
6. To provide adequate training to all employees towards effective implementation of this Policy.

For key priority areas, it is ITC's Policy:

Climate Change:

1. To strive to contribute to national objectives on climate change and attempt to align its strategic efforts of managing carbon footprint in line with India's Nationally Determined Contribution under Paris Agreement;
2. To enable the transition to a low carbon economy by progressively:
 - a. enhancing energy efficiency by adoption of appropriate technologies;
 - b. increasing the share of renewable energy to 100%;

3. To continue to enhance carbon sequestration to mitigate impacts of climate change;
4. To encourage value chain partners to implement systems for measuring and monitoring emissions, and work with them for decarbonising their operations wherever possible;
5. To encourage farmers to maximise utilisation of farm land by improving crop yields, promoting crop rotation & diversification and aiding farmers to optimise resource-use and inputs;
6. To assess physical risks of climate change across own operations and key agri value chains using climate scenarios;
7. To enhance the climate resilience of vulnerable locations including agri value chains by striving to implement locally-contextual adaptation plans;

Circularity:

1. To work on the design of products and packaging to improve recyclability, especially for plastic packaging, and to optimise the use of virgin materials and resources;
2. To strive towards diverting waste from landfill using the principles of reduce, reuse, recycle and recover as appropriate;
3. To promote innovative circular business models for sustainable management of waste including plastic waste;

Water Stewardship:

1. To focus on an integrated water management approach that includes investing in water conservation measures, waste-water treatment and rainwater harvesting so as to strive to reduce net water consumption in its units;
2. To work towards water security for stakeholders within defined catchment areas of units located in water-stressed areas by following the principles of water stewardship;
3. To collaborate with and disclose water stewardship outcomes to stakeholders;
4. To encourage and work with supply chain members, including farmers, to improve water-use efficiency in their operations, wherever possible.

Governance and Implementation

- a. ITC has appropriate systems and processes in place to ensure compliance with statutory provisions, as applicable, including processing of grievances for redressal. It shall be the responsibility of the Divisional / SBU Chief Executives, through members of the respective Management Committees, and Corporate Head for Sustainability to ensure progressive implementation of the Policy, and its communication to the employees.
- b. Compliance with the Policy will be regularly monitored and evaluated by the Sustainability Compliance Review Committee (SCRC) of the Corporate Management Committee (CMC). The report of the SCRC will be reviewed by the CMC.
- c. The CSR and Sustainability Committee of the Board will supervise the implementation of this Policy and will annually review the progress of implementation.