



# ITC Limited

**Winning Businesses.  
Transforming Lives.**

## **Enduring Value**

# ITC

**Winning Businesses.  
Transforming Lives.**

ITC Limited is a leading Indian enterprise with a vibrant portfolio of Businesses spanning Fast Moving Consumer Goods, Agri Business, Paperboards & Packaging, Hotels and Information Technology. An exemplar in Sustainability, ITC has the unique distinction of being water positive, carbon positive and solid waste recycling positive for over a decade. Its businesses and value chains support 6 million sustainable livelihood.

ITC has a growing presence across all three sectors of the economy – agriculture, manufacturing and services. Its FMCG Business is among the country's fastest growing with 25 mother brands that delight every second household in India. ITC's FMCG Businesses span Food, Personal Care Products, Cigarettes, Education & Stationery Products, Matches and Incense Sticks. Several of these winning brands also anchor agri value-chains, building competitiveness and supporting significant sustainable livelihood.

A pioneer in farmer empowerment, ITC's Agri Business spearheaded the globally acknowledged ITC e-Choupal initiative which is a Harvard Business School case study and is taught in several reputed universities across the globe, given its unique contribution to farmer empowerment. ITC is also the market leader in the Indian Paperboards and Packaging industry with a growing focus on sustainable packaging.

With more than 100 hotels in over 70 locations, ITC Hotels is an internationally renowned hospitality chain with iconic properties in India, besides being a trailblazer in 'Responsible Luxury'. ITC's premium luxury hotels have the unique distinction of being LEED® Platinum certified. ITC's wholly owned subsidiary, ITC Infotech, is a specialised global digital solutions provider with a presence across 5 continents.



**ITC Limited**

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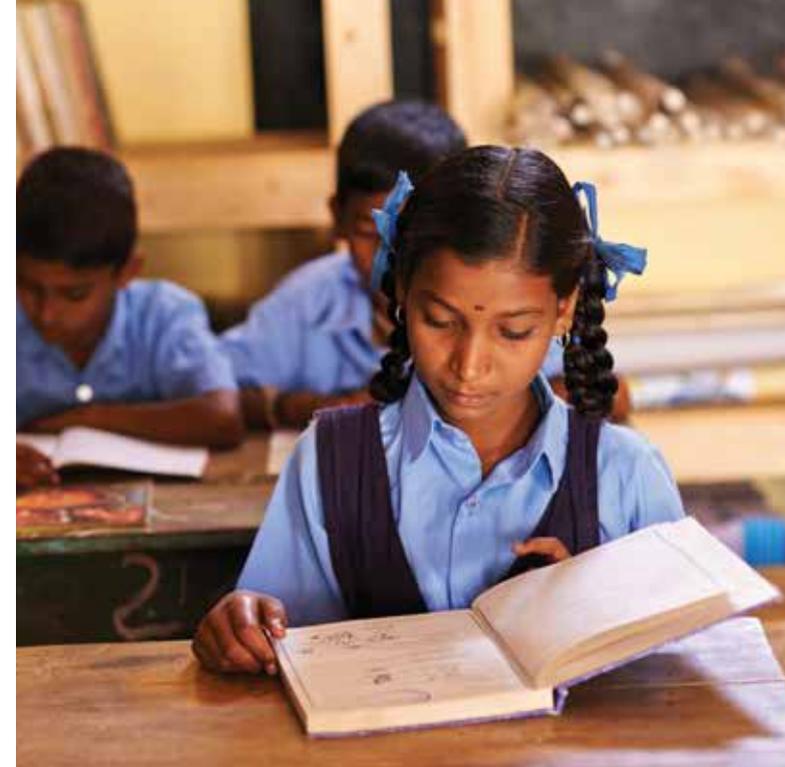
ITC's innovative business models synergise the building of economic, environmental and social capital as a unified strategy. To address the evolving challenges in a post-pandemic era, ITC is building on the robust foundations of its sustainability performance to move to an even bolder and more ambitious vision, titled Sustainability 2.0.

This comprehensive goal-based agenda calls for inclusive strategies that can support livelihood, pursue newer pathways to fight climate change and enable transition to a net zero economy, apart from creating an effective circular economy for post-consumer packaging waste.

To empower rural communities in India by creating dominant sources of livelihood for today as well as building capabilities for the future, ITC's social investments programme encompass Social & Farm Forestry, Watershed Development, Biodiversity, Climate-Smart Sustainable Agriculture, Animal Husbandry, Women Empowerment, Mother and Child Care, Vocational Training, Health & Sanitation, among others. Collectively, these interventions have had a transformational impact on rural India, winning global recognition.

Over 41% of the total energy consumed in ITC is from renewable sources. As many as 33 green buildings have received Platinum Certification, which also includes several iconic luxury hotel properties and the world's first LEED® Platinum Certified Data Centre. ITC Windsor in Bengaluru has become the first luxury hotel in the world to achieve a LEED® Zero Carbon Certification.

ITC's credo of Responsible Competitiveness drives the enterprise's constant quest to build a sustainable and more inclusive future for all stakeholders driven by agility, purposeful innovation and compassion.





# Serving 3 Sectors of the Economy

ITC's leading businesses create multiple drivers of growth across all 3 sectors of the Economy



## Agriculture

Multiplying Farmers' Income

Empowering 4 million farmers



### Transforming Indian Agriculture

#### ITC Agri Business

- Value added agriculture
- Pioneering e-Choupal ecosystem



## Manufacturing

State-of-the-art facilities contributing to 'Make in India'

More than 200 factories



### ITC: Investing in the future

#### Making in India

- Creating world-class manufacturing facilities
- Distributed manufacturing to serve Indian markets efficiently



## Services

Iconic Luxury Hotel Properties

100+ properties. 10,200+ rooms.

ITC Infotech: Leading global technology services & solutions provider

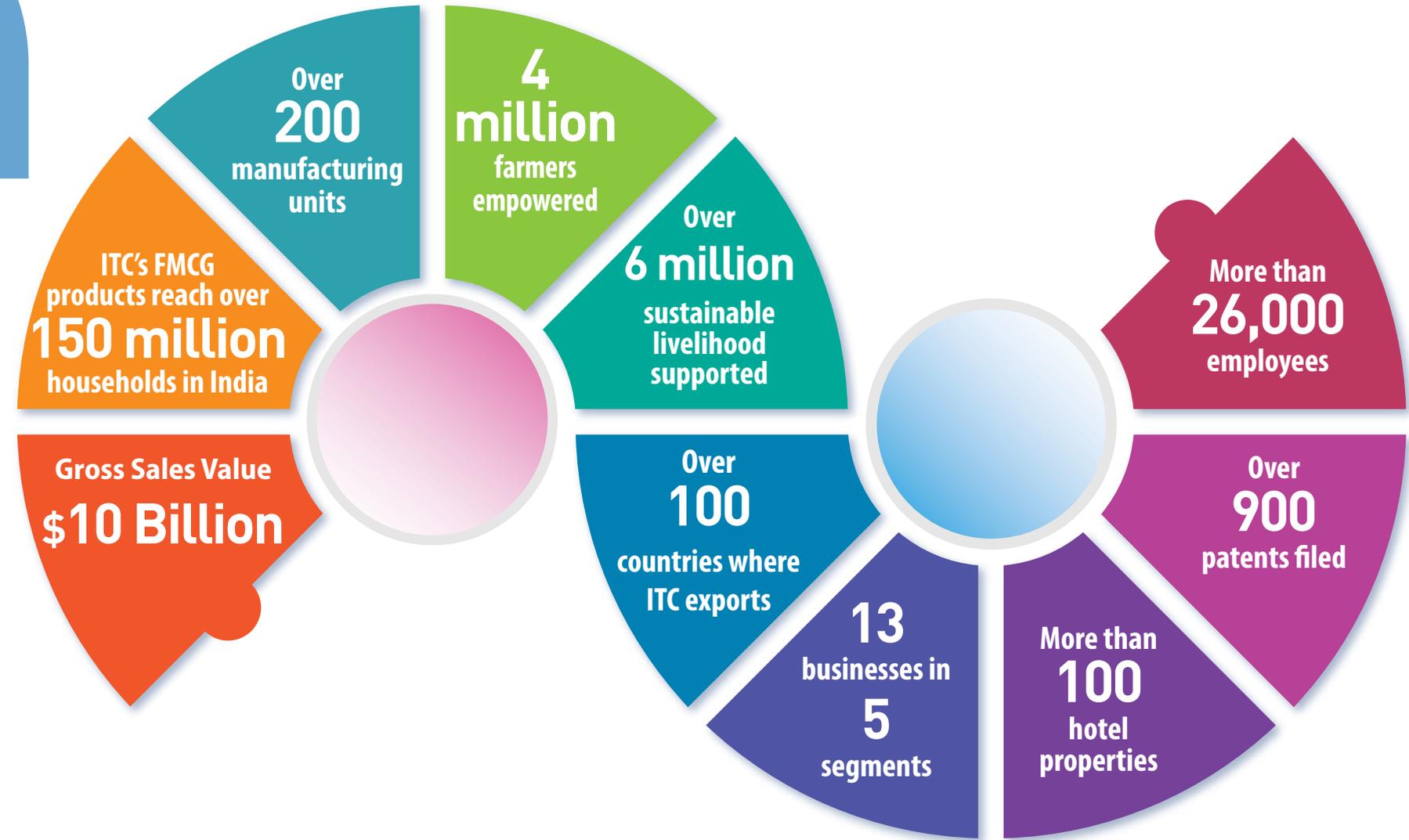


#### ITC Hotels

- Iconic hotel properties
- WeAssure - Platinum-rated hygiene and safety protocols
- Enriching India's tourism landscape



# ITC: A Snapshot



ITC Limited

Winning Businesses



# ITC's Multiple Drivers of Growth

ITC continuously strives to widen its contribution to the Indian economy by creating multiple drivers of growth. This strategy is anchored by developing a portfolio of globally benchmarked businesses that serve emerging consumer needs with differentiated products and solutions. ITC derives its competitive ability, agility and future readiness from internal synergies that blend diverse skills and capabilities residing in its various businesses; and strategic investments in infrastructure and digitalisation towards accelerating growth & value creation. ITC's aspiration to be a leader in each of its businesses forms the robust foundation for creating sustained value for all stakeholders.





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# Agri Business

## Empowering Farmers

- ITC is a pioneer in rural transformation
- Encompasses over 3 million tonnes in 22 States and over 20 agri value-chain clusters
- One of India's largest exporters of agricultural commodities
- ITC e-Choupal empowered 4 million farmers in India
- ITC MAARS: Creating phygital ecosystem for farmers
- Multiplying farmers' incomes





# Agri Business

Anchoring Domestic Sustainable Value-chains, Supporting Livelihood



## Wheat Value-chain

Anchored by Aashirvaad wheat flour and ITC's agri exports



## Potato Value-chain

Driven by Bingo! Snacks



## Fruits and Vegetables Value-chain

Powered by B-Natural Juices, Farmland and ITC Master Chef Frozen Foods



## Bamboo Value-chain

Driven by Mangaldeep Incense Sticks



## Spices Value-chain

Supported by Aashirvaad and Sunrise spices



## Dairy Value-chain

Supported by Aashirvaad Svasti Dairy products and Sunfeast Wonderz milk-based beverages



## Tree to Textbook Value-chain

Anchored by Classmate and Paperkraft Notebooks, Supporting Largescale Forestry





# Value-added Agri Products

For Export Markets



## Coffee:

Certified; speciality and customised blends



## Fruits:

Fresh; processed; frozen; dehydrated



## Rice:

Processed to end-user specifications



## Prawns:

Value-added ready-to-cook products



## Spices:

Sterilised; certified; blended; attribute-based



## Wheat:

Certified; attribute-specific

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# Paperboards and Packaging

Global Icon in Environmental Stewardship

- Clear leader in value-added Paperboards
- World-class environmental performance
- Developing alternatives to single use plastics
- Contributing to 'Make in India' and Import Substitution
- Anchoring local forestry value-chains; empowering farmers





# Hotels

## Trailblazer in 'Responsible Luxury'

- ITC Hotels is one of India's pre-eminent and fastest growing hospitality chains
- More than 100 properties in over 70 locations
- Trailblazer in 'Responsible Luxury' & Sustainability
- 'Largest Chain of Hotels in the World, with maximum LEED® Platinum Certified Properties', as per USGBC
- ITC Hotels is the First Hotel Chain in the world to receive Platinum Level Certification from DNV for 'WeAssure' hygiene protocol
- ITC Windsor, First Hotel in the World to achieve LEED® Zero Carbon Certification
- Iconic Cuisine Brands



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# ITC Infotech

Delivering Business-friendly Solutions

- Wholly owned subsidiary of ITC Limited
- Leading global technology services and solutions provider
- Presence across 5 continents
- Providing Business-friendly Solutions to enterprise clients across Banking, Financial Services, Consumer Packaged Goods, Manufacturing, Travel, Hospitality and Healthcare





# ITC's World-class Indian Brands

**Delighting every Second Household in India**

ITC's FMCG Business is among the country's fastest growing with 25 mother brands that delight every Second Household in India. ITC's FMCG Businesses span Food, Personal Care Products, Cigarettes, Education & Stationery Products, Matches and Incense Sticks. Several of these winning brands also anchor agri value-chains, building competitiveness and supporting significant sustainable livelihood.

Annual consumer  
spend of nearly  
**\$3 billion**

**25**  
mother brands  
creating larger  
value for India

ITC's FMCG  
products reach over  
**150 million**  
Indian households

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# Branded Packaged Foods

Staples



Select products

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Spices

## Branded Packaged Foods



Select products

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# Branded Packaged Foods

Health & Wellness



Select products

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# Branded Packaged Foods

Health & Wellness



Select products

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# Branded Packaged Foods

Fruit & Dairy Products



Select products

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# Branded Packaged Foods

Convenience Foods



Select products

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Snacking

# Branded Packaged Foods



Select products

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Health  
& Hygiene

# Personal Care Products



# Savlon +

Select products

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# Personal Care Products

Home Care



**nimeasy**  
Dish Wash Gel

**nim wash**  
Vegetable and fruit wash

**nimyle**

Select products



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# Personal Care Products

Personal Wash



Vivel | Fiama

Select products

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Fragrance

# Personal Care Products



**ENGAGE**



ESSENZA DI WILLS  
YOUR ESSENCE. YOUR SOUL.

Select products



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Devotional  
Needs

# Incense Sticks & Safety Matches



**MANGALDEEP**

PUJA AGARBATTIS AND DHOOP

Select products



# Pillars of Competitive Advantage

## Synergy

Leveraging Synergies of ITC's Enterprise Strengths

ITC's ability to leverage the synergies residing across its businesses gives the Company a unique advantage and enables it to remain agile and competitive even in times of extreme adversity. ITC benefits from its strong foundation of diverse institutional strengths including:





# Pillars of Competitive Advantage

## Digitalisation

Distributed Manufacturing & Agile Supply Chain - Creating Structural Advantage



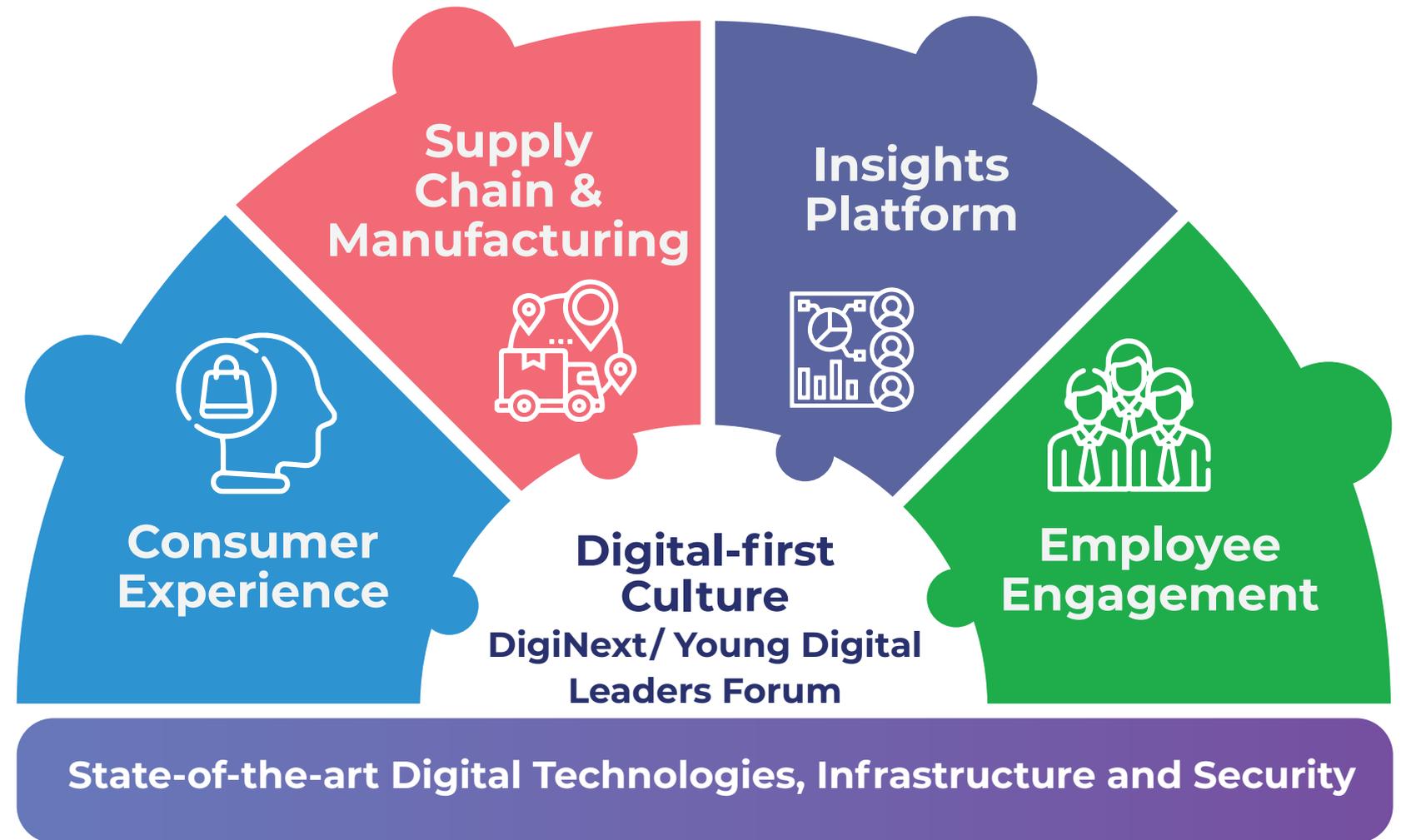
\*Integrated Consumer Goods Manufacturing & Logistics Facility



# Pillars of Competitive Advantage

## Digitalisation

Strategic Impact Areas





# Pillars of Competitive Advantage

The **'Smart'** Way of Serving the Consumer

## Personalised Consumer Journey across Touchpoints



### ITC Sixth Sense Command Center

- AI-powered Hyper Personalised Platform
- Strong Partner Ecosystem for Content & Data



### ITCstore.in

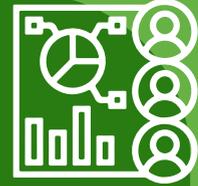
- Direct-to-Consumer Channel operational in 11 cities
- Offers wide range of ITC FMCG products
- Socialises Premium & Niche Brands with consumers

### Moment Marketing

Contextual Communication & Consumer Promotion

- 2000+ Content Assets created Consumer Data Hub

Harvesting Insights & New Product Development



# Pillars of Competitive Advantage

**Integrated Real Time Operations Execution Platform**

- Integrated & Synchronised Planning Processes
- Advanced Demand & Forecasting Models
- Planning Control Watch Tower + Data Visualisation Tools

**Synchronised Planning**

**Agile Supply Chain**

**Next generation agile FMCG supply chain**

- Automated End-to-End Processes
- Flexible Design
- Supply Chain Cockpit

**Smart Operations**

- Mobile Apps for Salesmen
- Retailer Apps
- Data Driven Optimisation of Last Mile Delivery, Omni Channel Fulfilment

**Smart Demand Capture & Fulfilment**

**Smart Manufacturing and Sourcing**

- Digital Factory
- Real-time Monitoring of Process & Products Performance
- Digital Sourcing Platforms

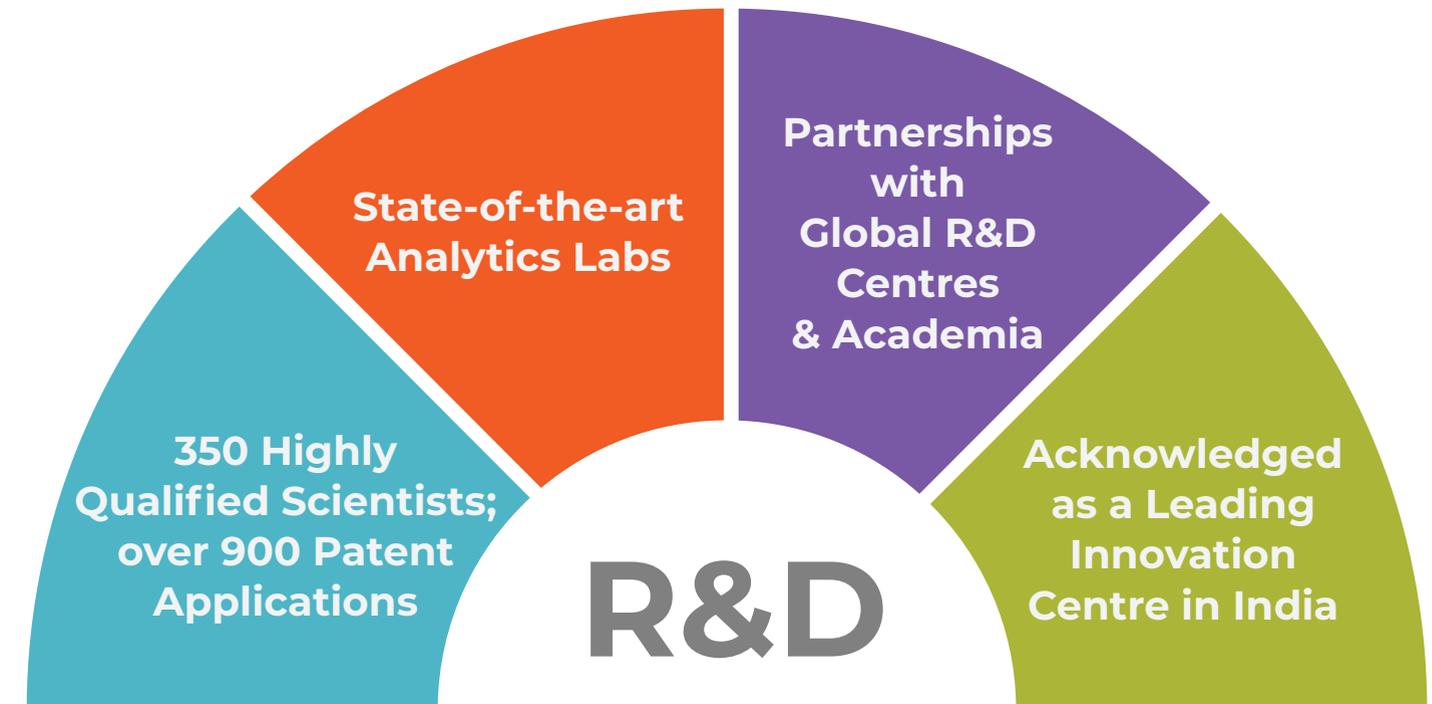


# Pillars of Competitive Advantage

Fuelling Growth through Science-led Innovation

Cutting-edge R&D Capability at Life Sciences & Technology Centre, Bengaluru

## Capabilities





# ITC: Creating Enduring Value

Global societal challenges like poverty and inequity, compounded by the threat of climate change and widespread environmental degradation, have made it abundantly clear that the economic models pursued by the world for decades have not been able to ensure sustainable or equitable progress. A paradigm shift is urgently required to craft new economic models that innovatively integrate environmental stewardship and livelihood generation as core outcomes. It is important to usher in a new era of Responsible Capitalism - one that innovatively integrates extreme competitiveness with solutions to nourish the environment on a large-scale and also simultaneously enhance social equity through generation of sustainable livelihood. Corporates are uniquely placed to bring about such transformational change by embedding sustainability at the core of their business strategy.

***A paradigm shift is urgently required to craft new economic models that innovatively integrate environmental stewardship and livelihood generation as core outcomes.***



It is this conviction that led ITC to craft innovative business models that have synergised the creation of economic, environmental and social capital as a unified strategy. **This 'Triple Bottom Line' approach to creating larger 'stakeholder value', has contributed to building vibrant businesses of the future, purpose-led brands, and to achieving laudable benchmarks in sustainability performance.** These business models have enabled ITC to be carbon, water and solid waste recycling positive enterprise for over a decade now and support the livelihood of over 6 million people. The multi-dimensional interventions made by ITC through large-scale programmes in watershed development, sustainable agriculture, afforestation, farmer empowerment, among others, seek to contribute meaningfully to addressing some of the major sustainability challenges facing the country.

While such initiatives have led to large-scale outcomes, the pandemic has fast tracked the need for action with an even more bold and ambitious agenda. Recognising this new reality, ITC has embarked on the next horizon of sustainable excellence with a comprehensive agenda, called Sustainability 2.0, with a resolve to 'Build Back Better'.

Founded on inclusive growth as a core objective, Sustainability 2.0 will address the need for larger environmental resource replenishment through a Reduce-Recycle-Restore-Replenish eco-system. Strengthening efforts to combat, mitigate and adapt to climate change, Sustainability 2.0 will promote large-scale sequestration, decarbonisation through enhanced renewable energy use, circular economy and sustainable agriculture as the key pillars of the Company's low carbon strategy.

***ITC has embarked on the next horizon of sustainable excellence with a comprehensive agenda, called Sustainability 2.0, with a resolve to 'Build Back Better'.***



# For a Greener Tomorrow

Over the years, ITC has relentlessly pursued a mission for environmental stewardship through a wide spectrum of large-scale endeavours that attempt to comprehensively address climate change and environmental degradation through mitigation, adaptation, resilience and replenishment of natural resources. This is manifest in initiatives that focus on carbon sequestration, decarbonisation, enhanced renewable energy use, water security, waste management, green buildings and also climate-smart agriculture. Ground level assessments and evaluation of climate risks across key agri value-chains also enable targeted initiatives.

## ITC's efforts in its Sustainability journey have received global accolades

- ITC has continuously achieved the **'AA' rating** by MSCI-ESG - the highest amongst global tobacco companies
- ITC has been included in the **Dow Jones Sustainability Emerging Markets Index**
- ITC was also recently adjudged the 'Best Governed Company' at the 20th ICSI National Awards, acknowledging its robust governance model

## Transforming Lives & Landscapes: Key Sustainability Achievements

ITC's Sustainability journey has achieved several milestones, paving the way for even more impactful interventions in the horizon ahead.

### Renewable Energy & Green Buildings

It is indeed satisfying that over **41% of the Company's total energy consumption is today from renewable sources**, despite a growing manufacturing footprint. As many as 33 Green Buildings have received Platinum Certification, which also includes several iconic luxury hotel properties and the world's first LEED® Platinum Certified Data Centre. ITC Windsor in Bengaluru recently became the first luxury hotel in the world to achieve a LEED® Zero Carbon Certification.

**41% of the Company's total energy consumption is today from renewable sources**



### Afforestation

Towards replenishing the nation's natural resources, ITC's large-scale afforestation programme has cumulatively greened over 8,76,000 acres, enabling significant carbon sequestration, among others. **The programme has also supported over 160 million-person-days of employment for marginal farmers and tribals.** ITC has also promoted bio-diversity conservation in more than 44,000 acres to revive and sustain ecosystem services and products provided by nature, and aims to enhance coverage to over 250,000 acres by 2030.

**ITC's large-scale afforestation programme has cumulatively greened over 8,76,000 acres**





***A focussed initiative for demand side management has led to water savings of 25-40% in 7 crops***

### Water Security

Addressing the critical problem of water stress, ITC has spearheaded an extensive watershed development programme bringing soil and moisture conservation to over 1.2 million acres.

A focused initiative for demand side management has led to water savings of 25-40% in 7 crops, contributing meaningfully to the Hon'ble Prime Minister's Vision of 'More Crop Per Drop'.

ITC's efforts to ensure water security in its catchments has also been globally recognised with its Kovai unit in Tamil Nadu being awarded the Platinum rating by the Alliance for Water Stewardship Standards which is the highest recognition for water stewardship in the world. The unit is the first site in India and the first paper mill in the world to achieve this recognition. Going forward, we will strive to certify all sites in high water-stressed areas in our catchments as per the international water stewardship standard by Alliance for Water Stewardship by 2035.

### Solid Waste Management

Management of waste has assumed critical importance with increasing pressure on landfills and waste becoming a major pollutant in rivers and oceans. For more than a decade, ITC has implemented industry leading efforts in end-to-end waste management through a unique Well-being Out of Waste (WOW) programme that currently reaches 1.5 crore citizens. This programme has promoted behavioural change through large-scale awareness on waste segregation in households and commercial complexes, facilitated collection in collaboration with urban local bodies, and enabled viable recycling options for such post-consumer waste, including plastics. Last year, **ITC recycled 99% of waste generated in its operations. It also collected post-consumer plastic waste equivalent to 80% of the plastic packaging films utilised by the Company. ITC aims to be plastic neutral this year.**

Addressing the concern on single-use plastics, ITC's Paperboards Business has launched a sustainable packaging portfolio comprising recyclable paperboards, under the 'Filo' and 'Omega' series which is garnering encouraging response.

In addition, the Green Temple Initiative for waste conversion to biogas for kitchens, and compost for gardens has covered nearly 190 temples and is being expanded.



# Enhancing Social Equity and Livelihood

Securing and enhancing livelihood is at the core of ensuring social equity and improvement in the quality of lives of people. The primary challenge continues to be the imperative need to ensure livelihood for economically marginalised communities not just for today but also for the future. **ITC contributes to societal development through a two horizon perspective – first by making today’s dominant sources of income sustainable by empowering communities to conserve, augment and manage their social and environmental capital in order to secure agri production systems and thereby their current sources of livelihood, and secondly, by creating capabilities for wealth generation and employment for tomorrow by assisting communities to put in place the necessary socio-economic infrastructure to equip them to take advantage of emerging economic opportunities.** To actualise this strategy, ITC has adopted an integrated approach to development, comprising of a mosaic of mutually reinforcing interventions collectively called “**Mission Sunehra Kal**”.

## Public-Private-People-Partnerships

It is indeed humbling that these programmes have been able to engender significant transformation in rural India with multi-dimensional programmes aimed at empowering local communities. **The projects promoted under the Social Investments Programme are spread over 216 districts of 25 States/Union Territories.** More than 83 Public-Private-People-Partnerships have been established in areas like Water Stewardship, Sustainable Agriculture, Solid Waste Management, Women Empowerment and many others.



### Climate-Smart Agriculture

**To build climate resilience in agriculture, ITC has embarked on a large Climate-Smart Agriculture initiative, which has covered over 2.5 lakh farmers across 8,000 villages.** A pilot at scale demonstrated a reduction of GHG emission of select crops by 47%, whilst enhancing net returns to farmers between 41% to 87%. The efforts to promote climate-smart agriculture will be scaled up to cover 3 million acres by 2030.



### Adding Value to Agriculture

Agriculture which accounts for half of the country's workforce also consumes significant natural resources like water to provide food, fodder, forests and fibre to the billion plus population in India. It is also the most vulnerable to climate change and faces critical challenges of water stress and poverty. Recognising these challenges, and in pursuit of the Horizon 1 approach, ITC has contributed substantially in building climate resilience of agriculture through promotion of sustainable and climate-smart practices, focusing on water stewardship, large-scale afforestation and promoting biodiversity conservation. The globally acknowledged ITC e-Choupal has empowered over 4 million farmers and nurtured several inclusive agri value-chains to benefit farmers and support rural livelihood. These value-chains are anchored by ITC's large investments in food processing, its vibrant brands as well as exports and include agri value-chains in segments such as Wheat and Spices, Potato, Fruits & Vegetables and Dairy. In addition, a forestry-based paper value-chain has also been nurtured over time and an Incense Stick-based bamboo value-chain is also being developed.

**The globally acknowledged ITC e-Choupal has empowered over 4 million farmers**

### NextGeneration Agriculture

Unleashing a new dimension of NextGeneration Agriculture, ITC aims to strengthen farmer empowerment by fostering demand-responsive agri value-chains, enhancing value addition, promoting climate-smart agriculture and leveraging digital solutions. Bringing the benefits of the Digital Revolution,

**ITC is launching a Super App called the ITC-MAARS (Metamarket for Advanced Agriculture and Rural Services)**

**as a 'Phyigital' Model to provide the full array of new-age solutions to empower the farmer.**

These initiatives for Next Generation Agriculture will be anchored by around 4,000 FPOs across several clusters to provide a robust eco system to build competitive and demand-responsive agri value-chains.

**The aspiration is to benefit 10 million farmers by 2030.**

### Multiplying Farmer Incomes

In line with the Government's vision of doubling farmer income, ITC has launched an integrated programme, **'Baareh Mahine Hariyali,'** that aims to multiply rural incomes through a wide spectrum of interventions including agronomic practices such as zero tillage, introduction of right varieties, cropping intensity and diversification as well as shared mechanised farming equipment. **This pilot programme covered over 2,00,000 farmers, out of which 35,000 who adopted all practices have already doubled incomes while others are making encouraging progress.**



### Integrated Rural Development

**Several other initiatives, defined in the Horizon 2 areas have been scaled up over the years.** These include women empowerment, mother and child care, health and sanitation, vocational training and primary education to create a better future and strengthen capabilities for gainful livelihood opportunities.



# ITC's Goals for 2030

## Combatting Climate Change

- Enhance share of renewable energy usage to **50% of total energy consumption**
- Meet 100% of purchased grid electricity requirements from renewable sources by 2030
- **Reduce specific energy consumption by 30%** and specific **GHG emissions by 50%** as compared to a 2018-19 baseline
- Sustain and enhance carbon sequestration by expanding forestry projects on wastelands through ITC's Social and Farm Forestry programme and other initiatives

**Reduce specific energy consumption by 30% and specific GHG emissions by 50%**



Water Stewardship

- Achieve **40% reduction in specific water consumption** as compared to a 2018-19 baseline
- Create rainwater harvesting potential equivalent to over 5 times the consumption from operations, up from the current 4 times
- Ensure certification of all sites in high water-stressed areas as per the International Water Stewardship Standard by Alliance for Water Stewardship by 2035
- Improve water usage efficiency in agri value-chains through demand side management and enable savings of **2000 million KL of water**
- Ensure water security for stakeholders through watershed development covering **2.2 million acres**

Plastic Waste & Circular Economy

- Ensure **100% of Company's packaging is reusable, recyclable or compostable** by 2028
- Enable sustainable management of waste in excess of the amount of packaging utilised by FY 2021-22



Sustainable Agriculture

- Promote Climate Smart approach in over **3 million acres**

Biodiversity Conservation

- Revive and sustain ecosystem services through adoption of nature-based solutions and biodiversity conservation covering **over 250,000 acres**

Sustainable Livelihood

- Supporting sustainable livelihood for **10 million people**

