

ITC Foods Division's Decarbonization Approach

In August 2022, India updated its Nationally Determined Contributions (NDC) with United Nations Framework Convention on Climate Change (UNFCCC) demonstrating its commitment and long-term action plans towards meeting the climate goals. The update is also a step towards achieving India's long-term goal of reaching net-zero by 2070. These NDCs are fully aligned to the temperature goals of the Paris Agreement and do not fall short of this requirement. ITC is dedicated to playing an active role in supporting and advancing these national ambitions and priorities. To enable this, ITC is actively working towards Sustainability 2.0, an agenda which reimagines sustainability under the pressing challenges of climate change and social inequity. Sustainability 2.0 calls for inclusive strategies that can support sustainable livelihoods, pursue newer ways to fight climate change, enable the transition to a net zero economy, work towards ensuring water security for all and create an effective circular economy for post-consumer packaging waste.

In line with ITC's Sustainability 2.0 ambitions, ITC Foods Division has also taken the following targets:

- 1) Meeting 100% of purchased grid electricity requirements from renewable sources by 2030
- 2) Reducing Specific Energy Consumption (Energy consumption per tonne of production) by 30% and Specific GHG Emissions (Total emissions per tonne of production) by 50% by 2030 as compared to a FY 2018-19 baseline.
- 3) Enhancing the share of Renewable Energy usage to 50% of Total Energy Consumption by 2030

ITC Foods Division Scope 1 and 2 emissions reduction targets are aligned to the 1.5-degree trajectory in India, reflecting our commitment to mitigating climate change and contributing towards India's climate goals.

In addition to prioritizing our Scope 1 and Scope 2 emissions, ITC is also dedicated to addressing and reducing its Scope 3 emission. ITC has been quantifying and reporting some of its Scope 3 emissions categories and has been working closely with various value chain partners to drive initiatives aimed at mitigating these emissions. ITC's focus has been on building capacities of our suppliers and enabling them to reduce emissions, as majority of these suppliers are small & marginal farmers as well as small & medium enterprises. Moreover, ITC is also undertaking a detailed exercise to estimate and abate its Scope 3 emissions with the help of external subject matter experts. This will enable the development of systems to capture data/information to monitor these emissions regularly and also undertake interventions to reduce these emissions. By driving interventions across all the three scopes of emissions, ITC aims to contribute in achieving India's NDCs aligned to the temperature goals of the Paris Agreement.