



ITC Limited
Virginia House
37 J. L. Nehru Road
Kolkata 700 071, India
Tel. : 91 33 2288 9371
Fax : 91 33 2288 4016 / 1256 / 2259 / 2260

14th December, 2021

The Manager
Listing Department
National Stock Exchange of
India Ltd.
Exchange Plaza,
Plot No. C-1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

The General Manager
Dept. of Corporate Services
BSE Ltd.
P. J. Towers
Dalal Street
Mumbai 400 001

The Secretary
The Calcutta Stock
Exchange Ltd.
7, Lyons Range
Kolkata 700 001

Dear Sirs,

Institutional Investors and Financial Analysts Day

Further to our letter dated 9th December, 2021 on the subject, we enclose, in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the presentation made by the Company at the 'Institutional Investors and Financial Analysts Day' held today.

Copy of the said presentation is also being hosted on the Company's corporate website **www.itcportal.com**.

Yours faithfully,
ITC Limited

(R. K. Singhi)
Executive Vice President &
Company Secretary

Enclosed: a/a



cc: Securities Exchange Commission
Division of Corporate Finance
Office of International Corporate Finance
Mail Stop 3-9
450 Fifth Street
Washington DC 20549
U.S.A.

cc: Societe de la Bourse de Luxembourg
35A Boulevard Joseph II
L-1840 Luxembourg



Enduring Value

NATION FIRST: SAB SAATH BADHEIN

ITC Next

Creating Enduring Value | Responsible Competitiveness

Sanjiv Puri

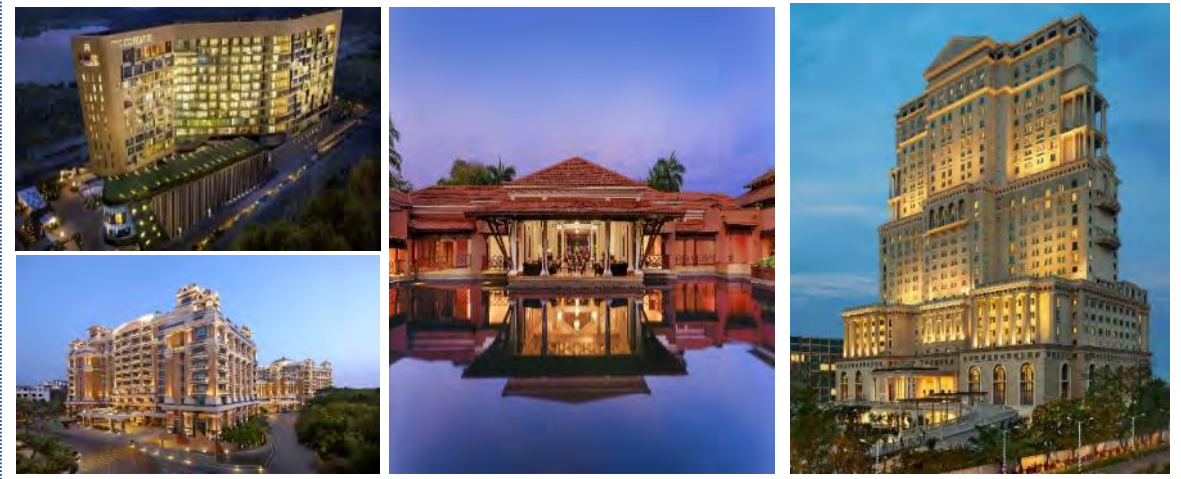
Chairman and Managing Director

This presentation contains certain forward-looking statements including those describing the Company's strategies, strategic direction, objectives, future prospects, estimates etc. Investors are cautioned that "forward looking statements" are based on certain assumptions of future events over which the Company exercises no control. Therefore there can be no guarantee as to their accuracy and readers are advised not to place any undue reliance on these forward looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. These statements involve a number of risks, uncertainties and other factors that could cause actual results or positions to differ materially from those that may be projected or implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: growth, competition, acquisitions, domestic and international economic conditions affecting demand, supply and price conditions in the various businesses in the Company's portfolio, changes in Government regulations, tax regimes and other statutes, and the ability to attract and retain high quality human resource.

Leading FMCG Marketer



2nd largest Hotel chain; Trailblazer in Responsible Luxury



Foremost Agri Player

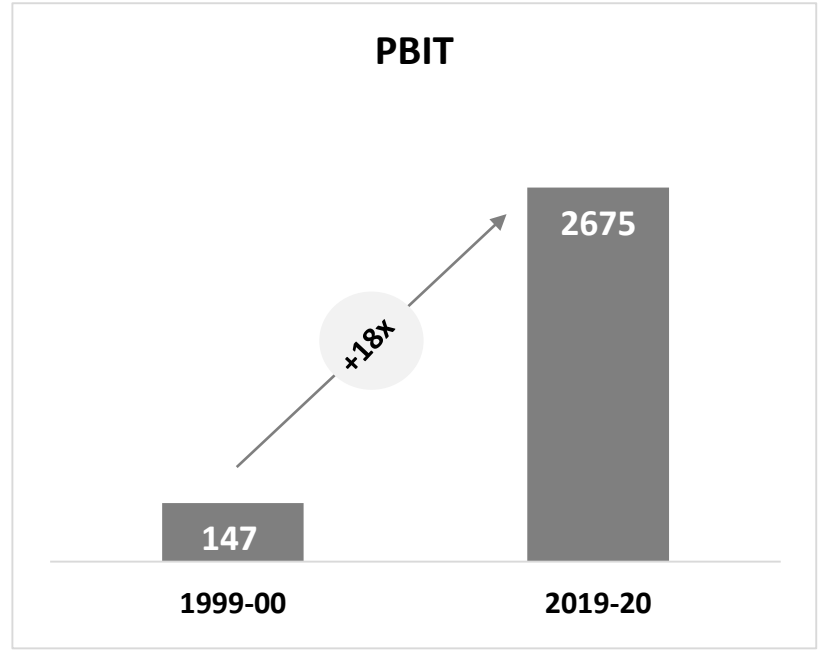
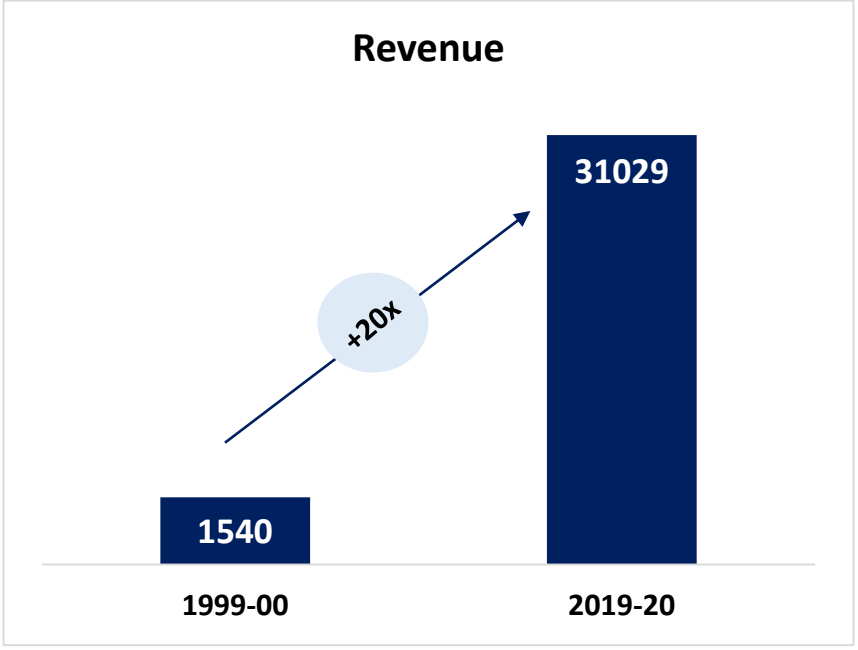


Clear Market leader in Paperboards, Paper & Packaging



Non-Cigarette Businesses

Rs. cr.



Quantum jump in Revenue and Profits

Leadership in traditional businesses
Cigarettes, Agri, Paper & Hotels

Appreciable progress in FMCG-O

The only Company in the world to be:



Carbon Positive
16 years



Water Positive
19 years



Solid Waste Recycling Positive
14 years

Sustainable Livelihoods for 6 million people

ITC e-Choupal Empowering 4 million farmers

41% of Total Energy from renewable sources

33 Platinum Rated Green Buildings

Trailblazer in Green Hoteliering



ITC PSPD Kovai unit Platinum Certificate Alliance for Water Stewardship

1st in India; **2nd** Globally



ITC Windsor

1st Hotel in the world with **LEED Zero Carbon Certification**



ITC Grand Chola

Largest Hotel & Commercial Building in the world with USGBC LEED Zero Carbon Status



Rated AA every year since 2018

Global Players	MSCI Ratings
ITC LIMITED	AA
Player 1	BBB
Player 2	BBB
Player 3	BBB
Player 4	BB

Highest amongst global tobacco majors

Member of
Dow Jones Sustainability Indices
 Powered by the S&P Global CSA

Included in the Dow Jones Sustainability Emerging Markets Index
 Reflection of being a **sustainability leader in the industry**

Leadership Band

ITC's CDP Scores

A-

In Climate Change & Water Security



Climate Change: ITC ahead of Asia and Global average of 'B-'

Water Security: ITC ahead of Asia and Global average of 'B'

Globally recognised Sustainability Interventions



World Business & Development Award



Inaugural UNDP-ICC Award



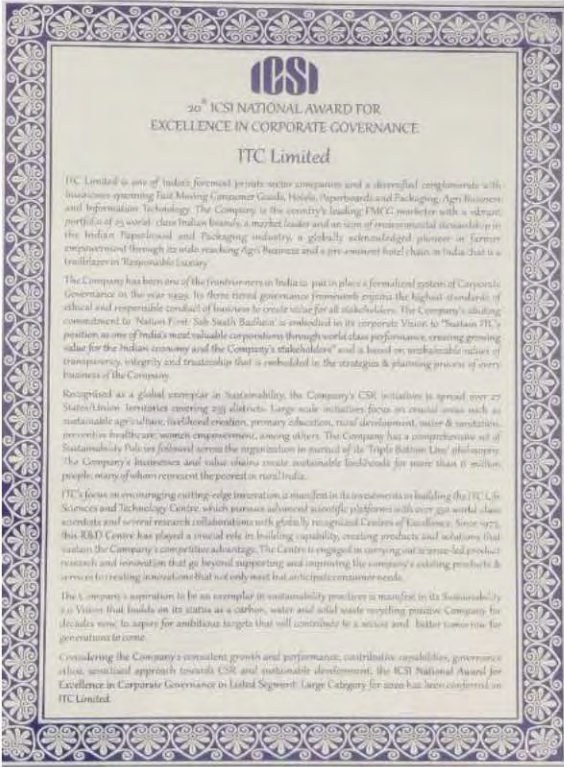
Sustainability Leadership Award



The Stockholm Challenge Award



Development Gateway Award



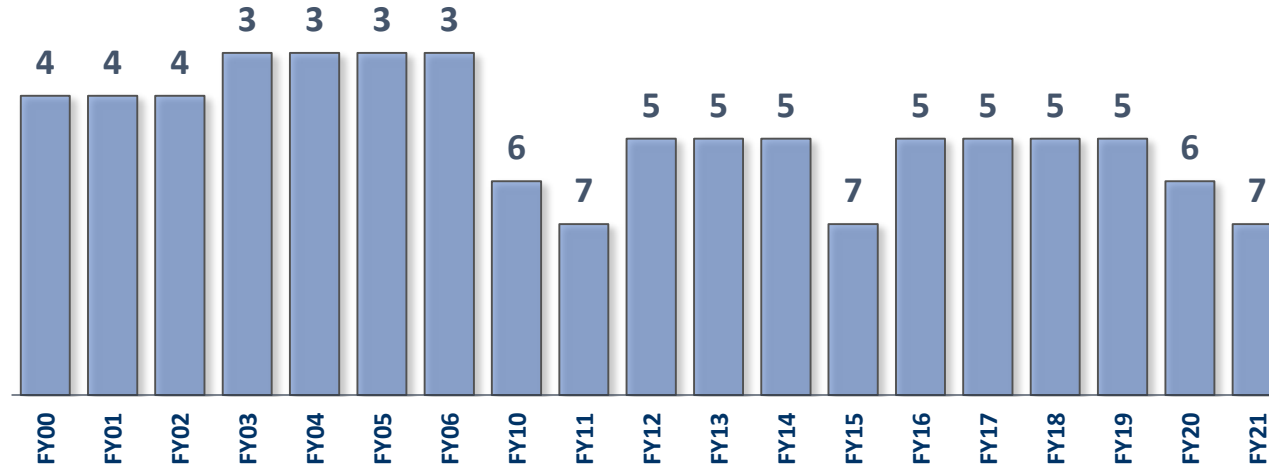
'Best Governed Company' @ 20th ICSI National Award for Excellence in Corporate Governance 2020



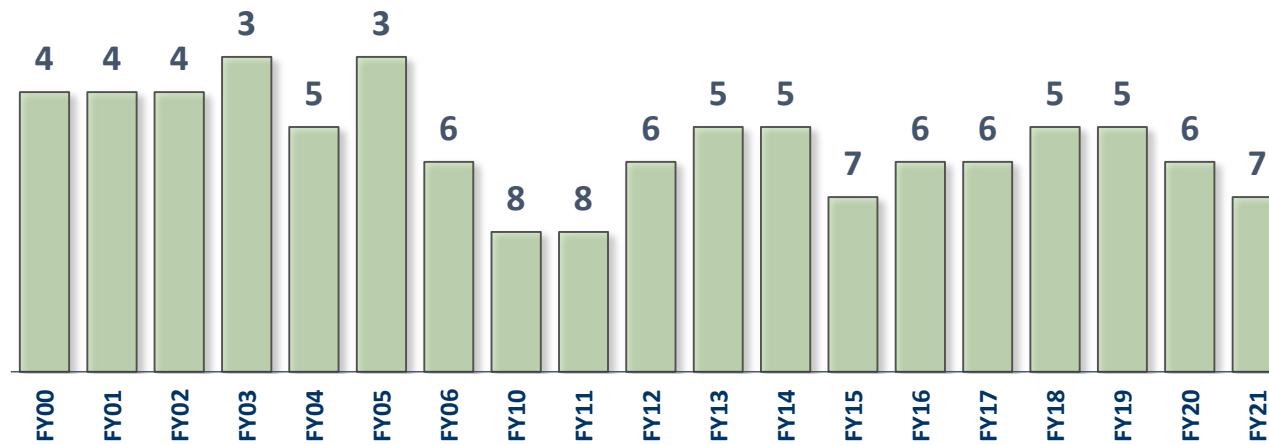
Porter Prize 2017 for 'Excellence in Corporate Governance and Integration'

ITC Consistently in the Top League

PBT rank



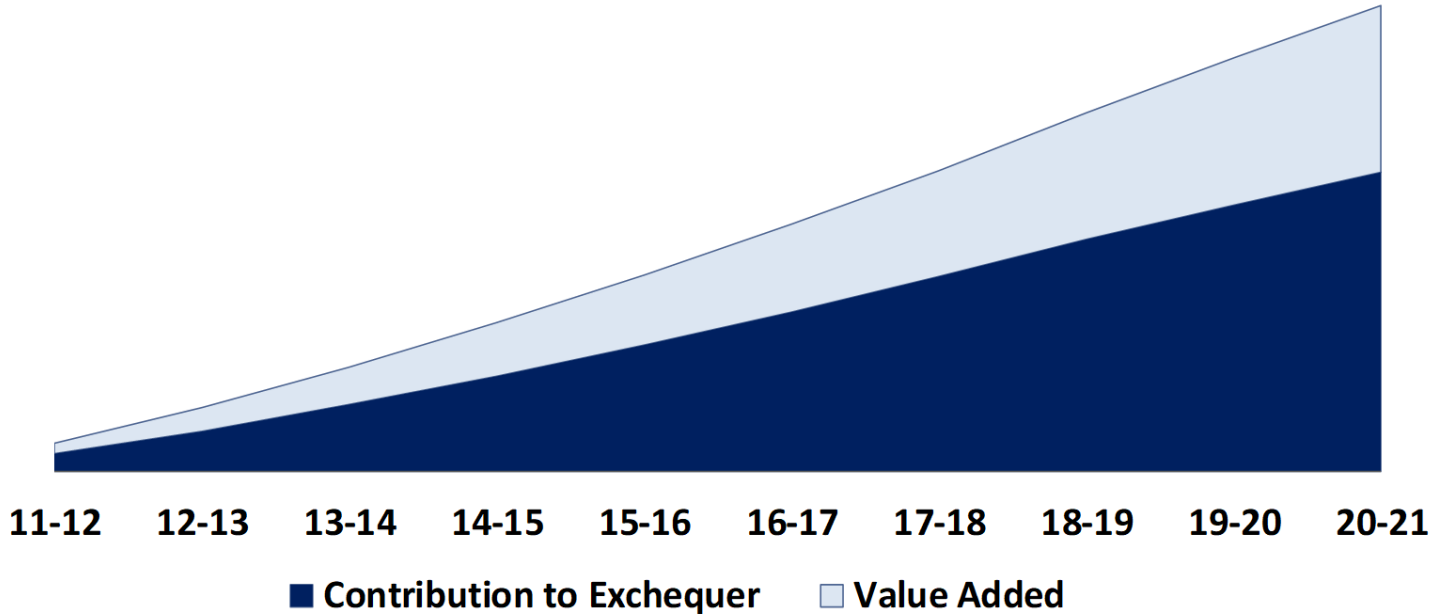
PAT rank



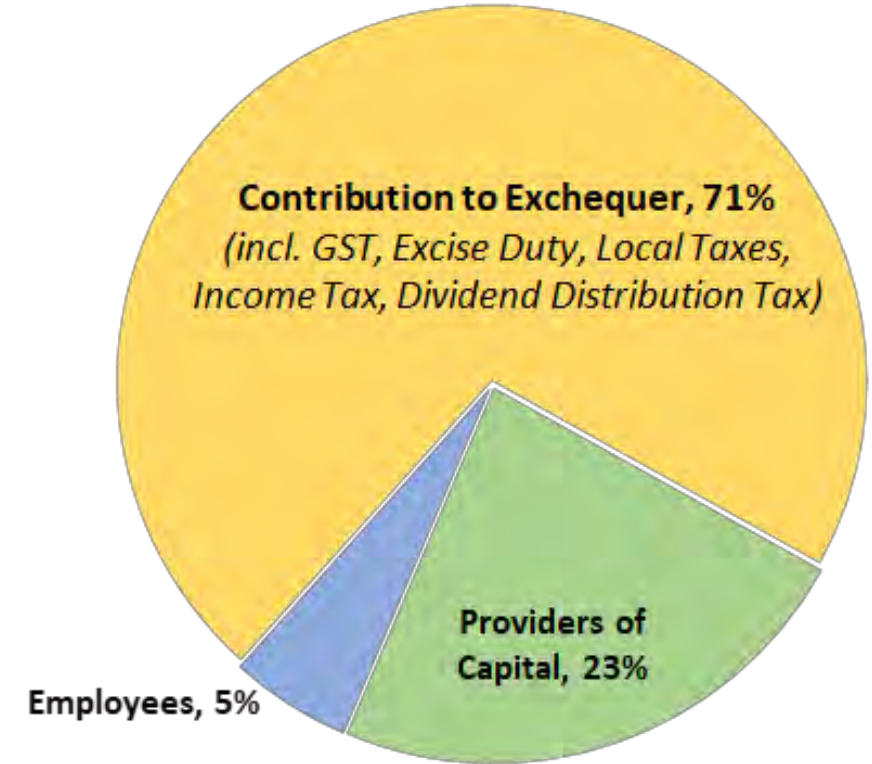
Amongst the Top 3 Contributors to Exchequer (Pvt. sector)

Value Addition & Contribution to Exchequer

*10 years cumulative
Value Addition - ₹ 4.1 lakh cr.
Contribution to Exchequer - ₹ 2.9 lakh cr.*



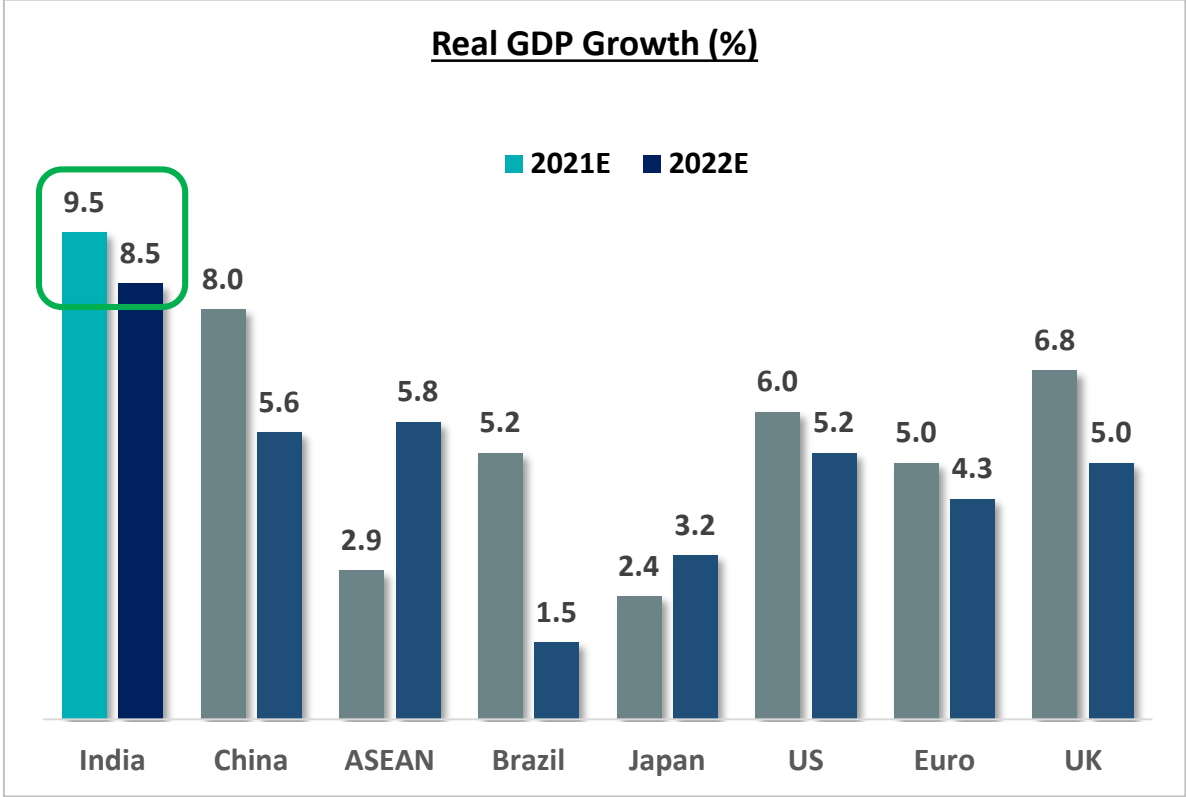
Share of Value Added



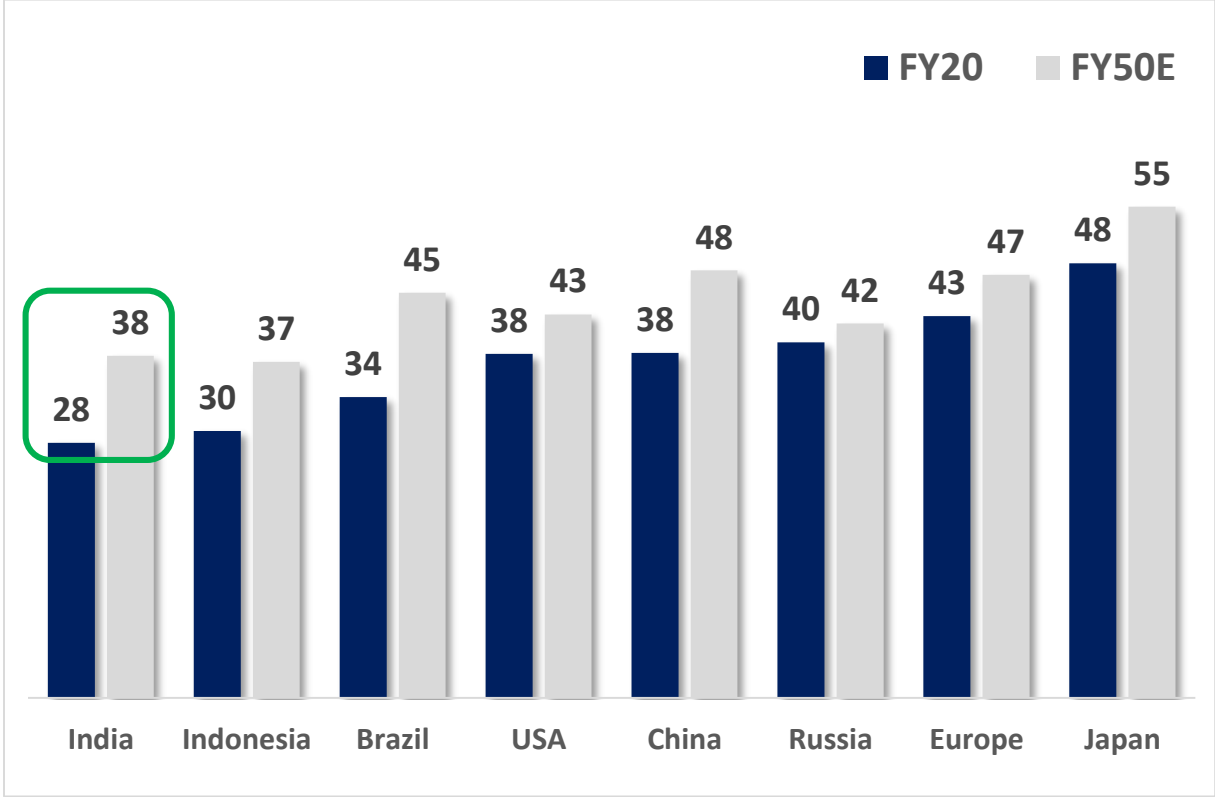
India 

A Compelling Growth Story

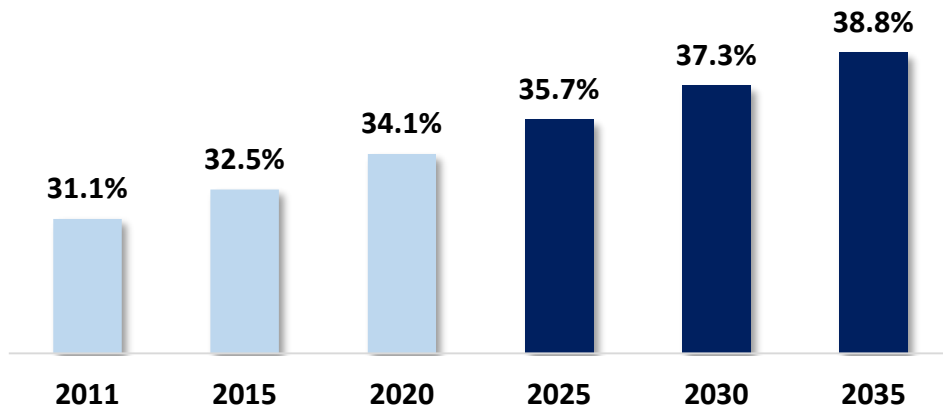
Fastest growing major economy in the world



Population Median Age amongst the lowest in the world

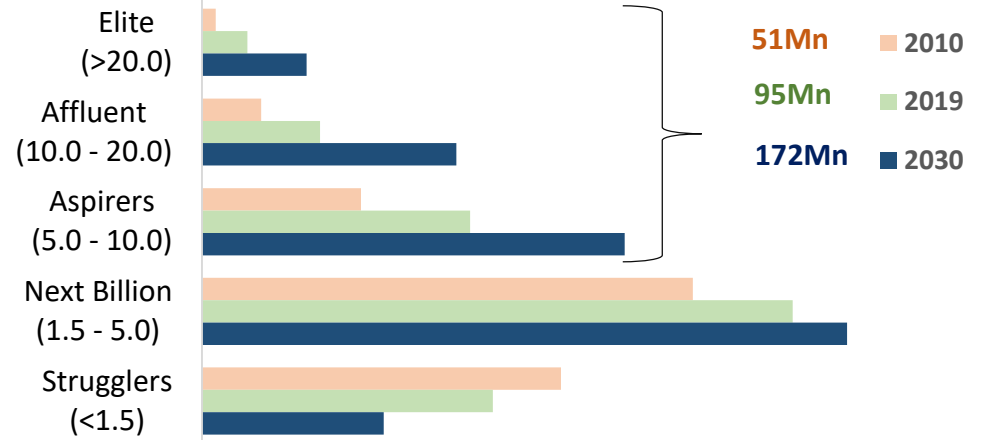


Urban Population Share%



Rapid Urbanisation

Number of Households (mn) in Income Brackets



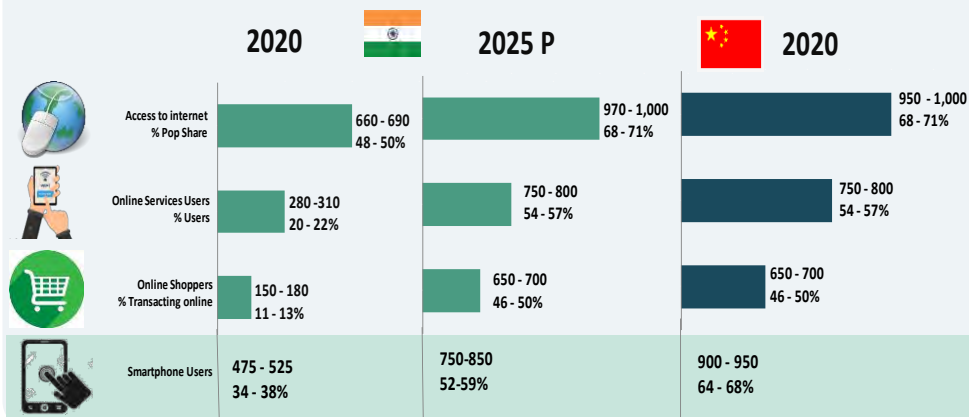
Increasing Affluence

India Online Consumer Funnel

(Million of population, % of total population)

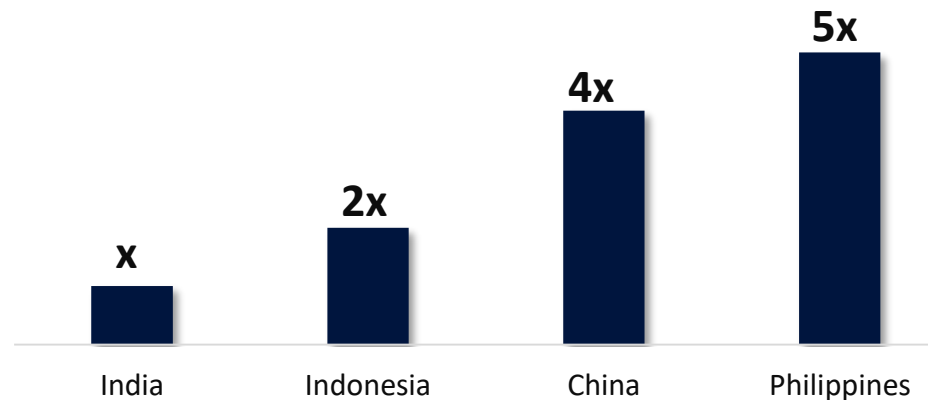
China Online Consumer Funnel

(Million of population, % of total population)



Digital Explosion

FMCG Per Capita Consumption



Low Per Capita Usage

Multi-dimensional Reforms Agenda to Power Growth

Taxation



GST
Corporate Tax Reduction

Infrastructure



National Infra Pipeline
Gati Shakti
National Industrial Corridors
Smart City Mission
PM Awas Yojana

Manufacturing



PLI
Make in India
New Labor Code

Financial Sector



Insolvency and Bankruptcy Code
NPA Resolution - Bad Bank

Digital



Digital India
Jan Dhan-Aadhaar-Mobile
Unified Payments Interface

Agri/ Rural



PM KISAN
PMGKY
Central Scheme on FPOs
Rural Electrification
Rural Livelihoods Mission

Illustrative initiatives

Corporate Strategies



Multiple Growth Drivers

Best fit - market opportunity & enterprise strengths

Disruptive models : Digital / Sustainability + Institutional Strengths



Innovation and R&D

Agile & purposeful innovation to win
Science-based research platforms embedding Sustainability



Cost Optimization

Structural interventions across value chain



Sustainability 2.0

Bolder ambition
Environmental Capital
Inclusive growth



Digital

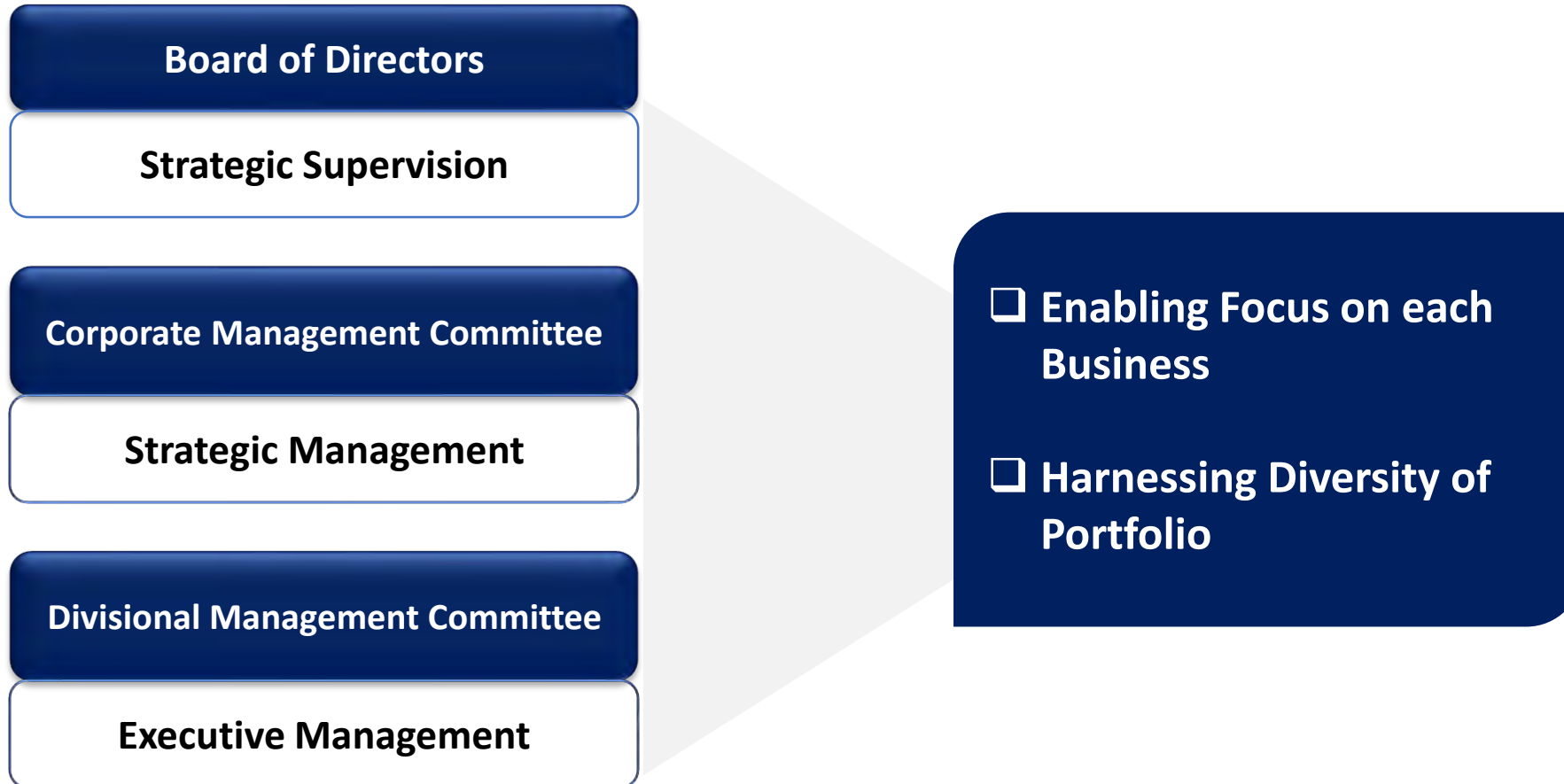
Future tech enterprise
Digital first culture
Smart Eco System

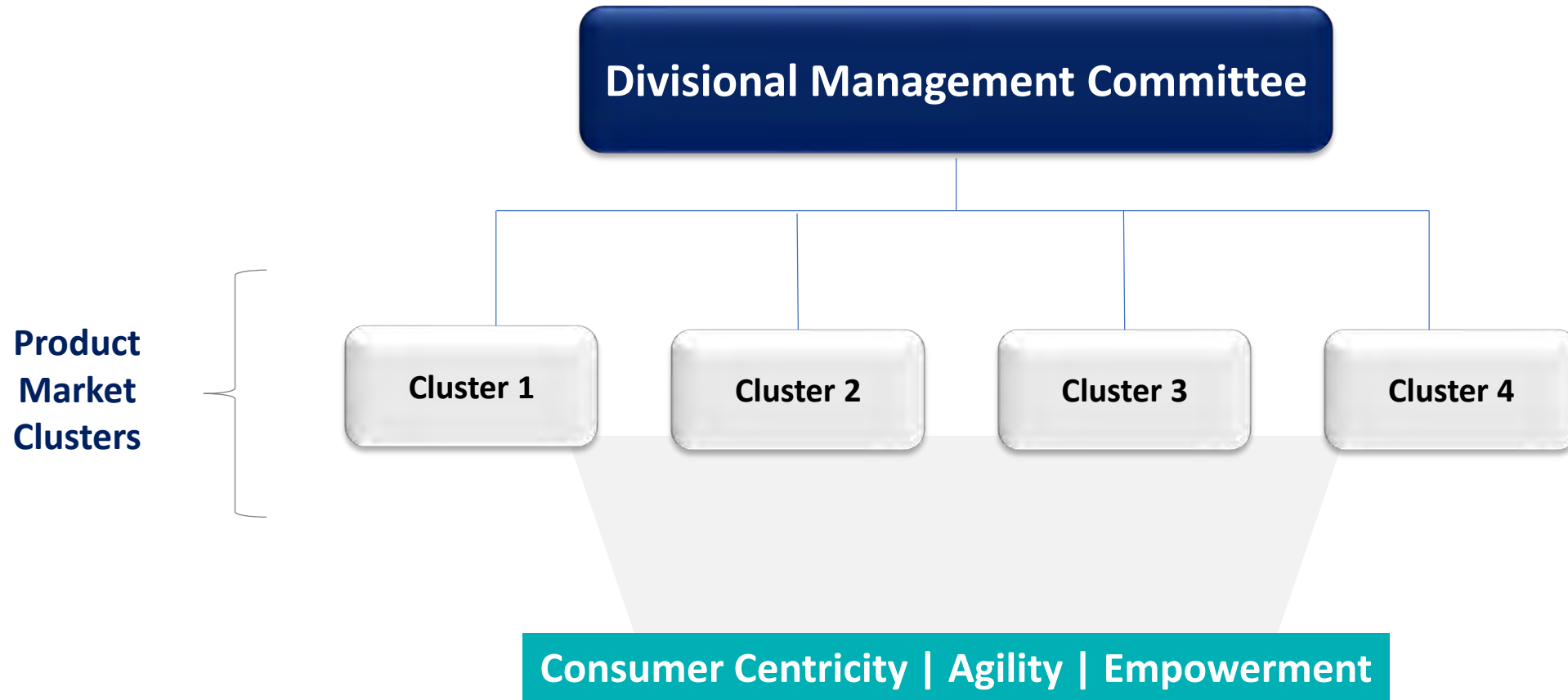


World-Class Talent

‘Proneurial’ spirit
High Performance, Nimble and Customer-centric Culture
Diversity & Inclusion







Capabilities

350 highly qualified scientists; over 900 patent applications

Partnerships with Global R&D centers & Academia

LSTC

Pilot Plants for all product categories

State of the Art Analytics Labs



Agile and Purposeful Innovation



Specialized Research Platforms

Consumer & Sensory Sciences

Agro forestry & Crop Sciences

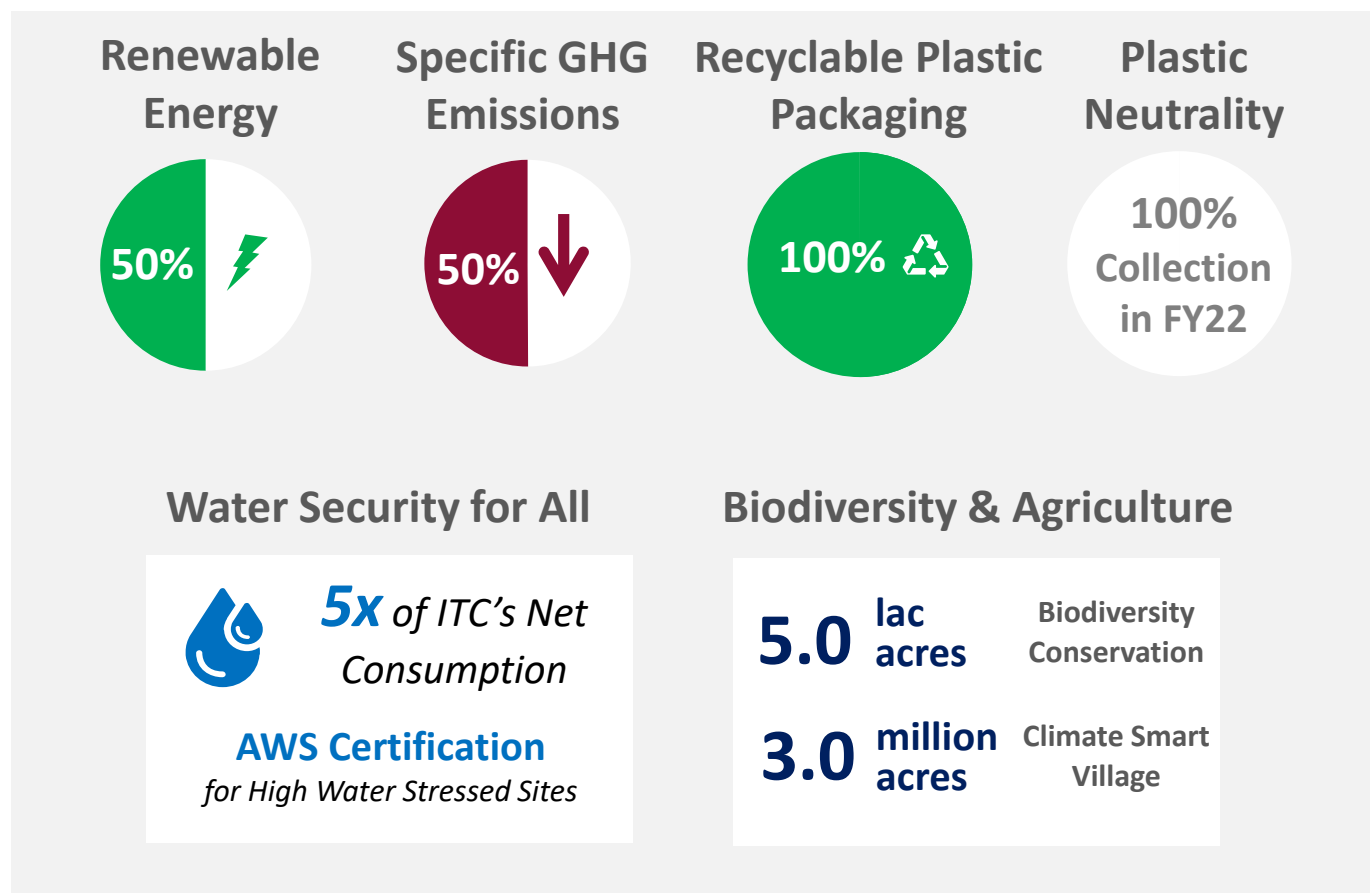
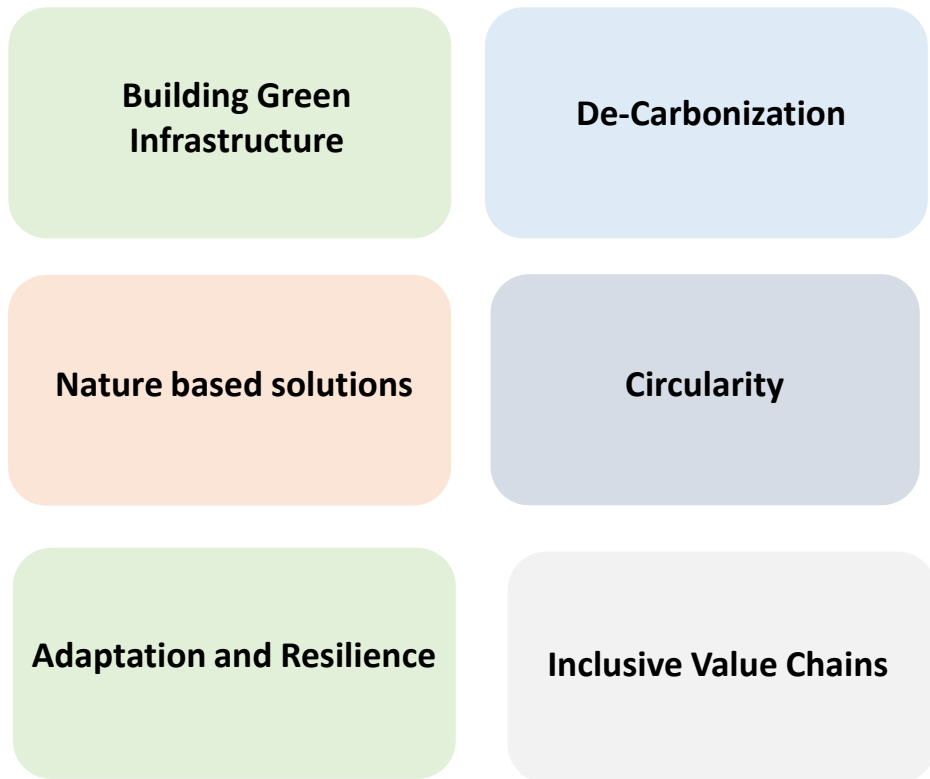
Sustainable Materials & Packaging





Measurement Sciences

Health & Wellness

Hygiene

Strategic Interventions to Combat Climate Change



Renewable Energy 50% 	Specific GHG Emissions 50% 	Recyclable Plastic Packaging 100% 	Plastic Neutrality 100% Collection in FY22
Water Security for All  5x of ITC's Net Consumption AWS Certification for High Water Stressed Sites		Biodiversity & Agriculture 5.0 lac acres Biodiversity Conservation 3.0 million acres Climate Smart Village	

Proactively work towards achieving 'Net Zero' emission status

Supporting Sustainable Livelihoods: From 6 million to 10 million



Skills, Culture & Work Designs

New Age Insights

Reimagined Consumer Experience

Smart Operations

Transform Employee Experience

Business Model Transformation

Strategic Interventions

**DigiNext/
YDIL**

**6th
Sense**

**Customer
Data Hub**

**Industry 4.0
CoE**

D&A CoE

**Connected
Eco-System**

**D2C
Platforms**

Learn | Re-imagine & Re-invent



Smart Consumer

*Real-time New Age Insight
Bespoke Brand Campaigns & Engagement
Hyper Personalisation*



Smart Trade

*Digitized demand capture
AI Assisted Selling, Supervision,
Dynamic Routing
Data driven last mile delivery
Omnichannel fulfilment*



Smart Supply Chain & Mfg.

*Integrated & synchronized planning
NextGen Agile Supply Chain
Digital Factory
Smart Sourcing*

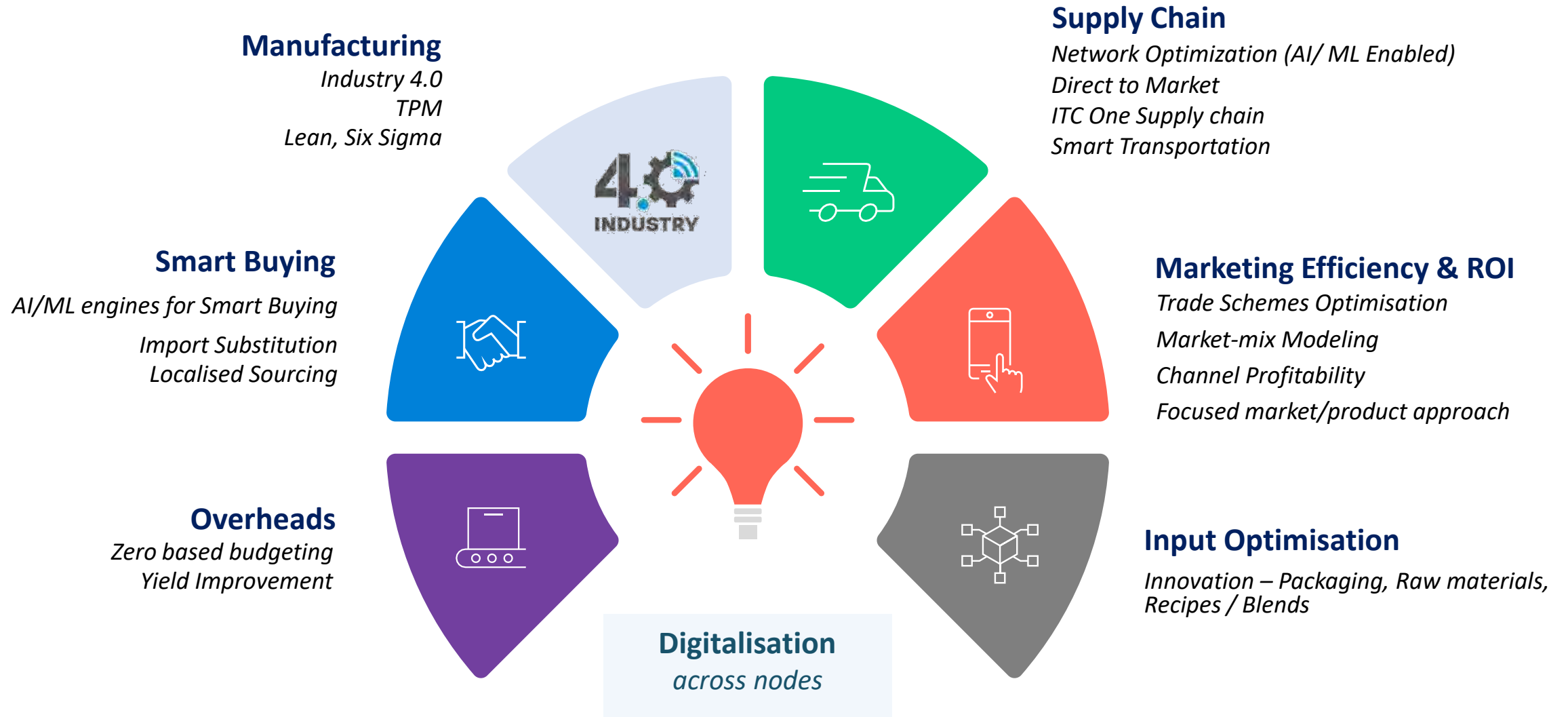


Smart Employee Experience

*Productivity enhancement –
Collaborative tools, easier access to
information/data
Employee engagement & wellbeing:
e-onboarding, training and mentoring*



State-of-the-Art Digital Technologies, Infrastructure and Security





- *Integrated PMS - Goals, Outcomes and Rewards*
- *Employee Voice*
 - *Townhalls, Studio One Exchange, Reflections 360*

- *Pride & Advocacy*
- *Vibrant Innovation Engines*
- *Relational Contract*

- *Purpose Driven Enterprise*
Triple Bottom Line
- *Empowered & Participative Culture*
Large, impactful Roles
- *Careers v/s Jobs*
Deep functional immersion
Pillar Jobs
Growth from within



96%

see clear linkage between their & ITC's Goals

2100+

Ideas in company wide Innovation platform

95%

Employees feel Proud to be with ITC

1%

Attrition in Senior Positions

75% of Leaders Grown Internally

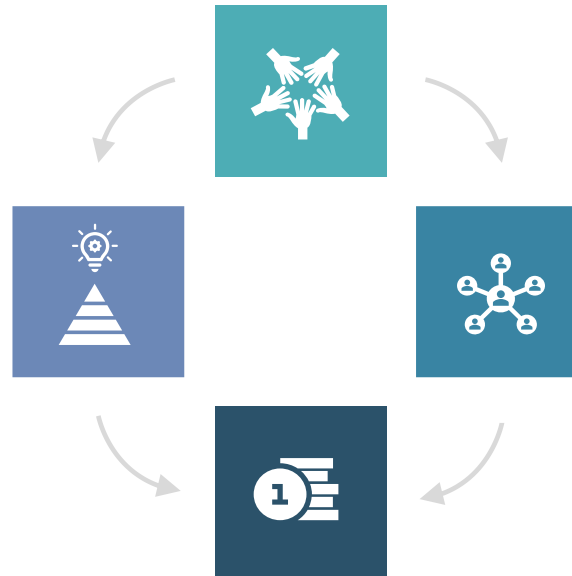
Talent Augmentation through Laterals

Contemporary Capabilities

*Strategy| Business Acumen
Digital Marketing
Data Science*

Competitively Benchmarked Compensation

*Business Linked, Individually differentiated
Long-term orientation for senior mgmt.
Performance based Variable Pay*



Proneurial Culture

*Challenger Mindset
Opportunity to create Businesses
Institutional Support
Top Draw for HiPo Talent*

Distributed Leadership

*3 Tier Governance
Agile Market Facing Teams
Synergy through shared capability*

7x

increase in Learning
Hours in 3 years

25+

Winning Indian
Brands

7000+

Applicants from Top
Tier Institutes

10,000+

Participants in Campus
Outreach Initiatives



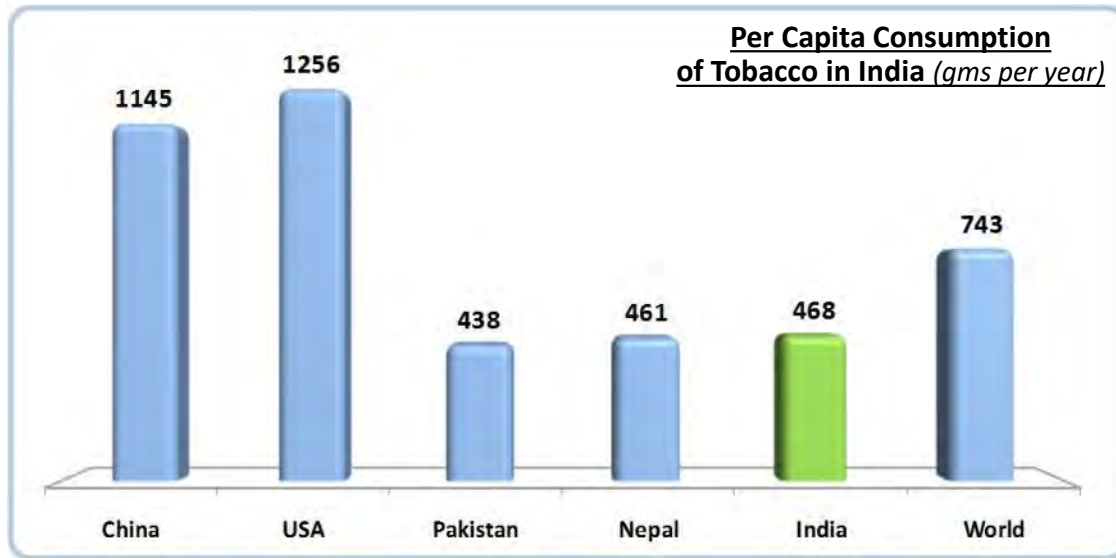
Enduring Value

FMCG Cigarettes



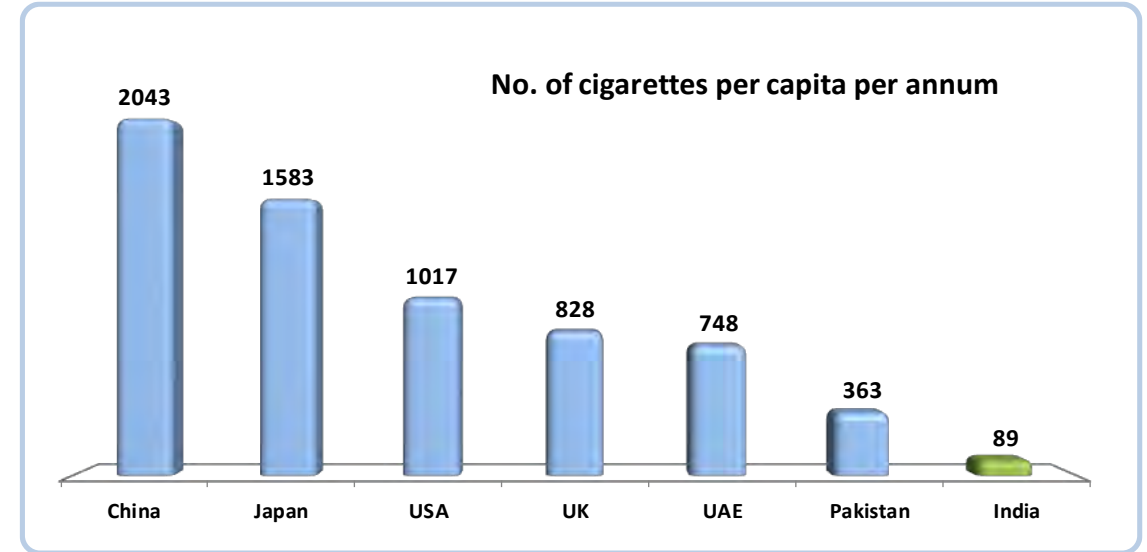
Unique Pattern of Tobacco Consumption in India

Per Capita Tobacco consumption @ ~60% of World Average



Source: World Cigarettes – ERC Statistics, Tob Board & Industry Estimates – gms/Yr

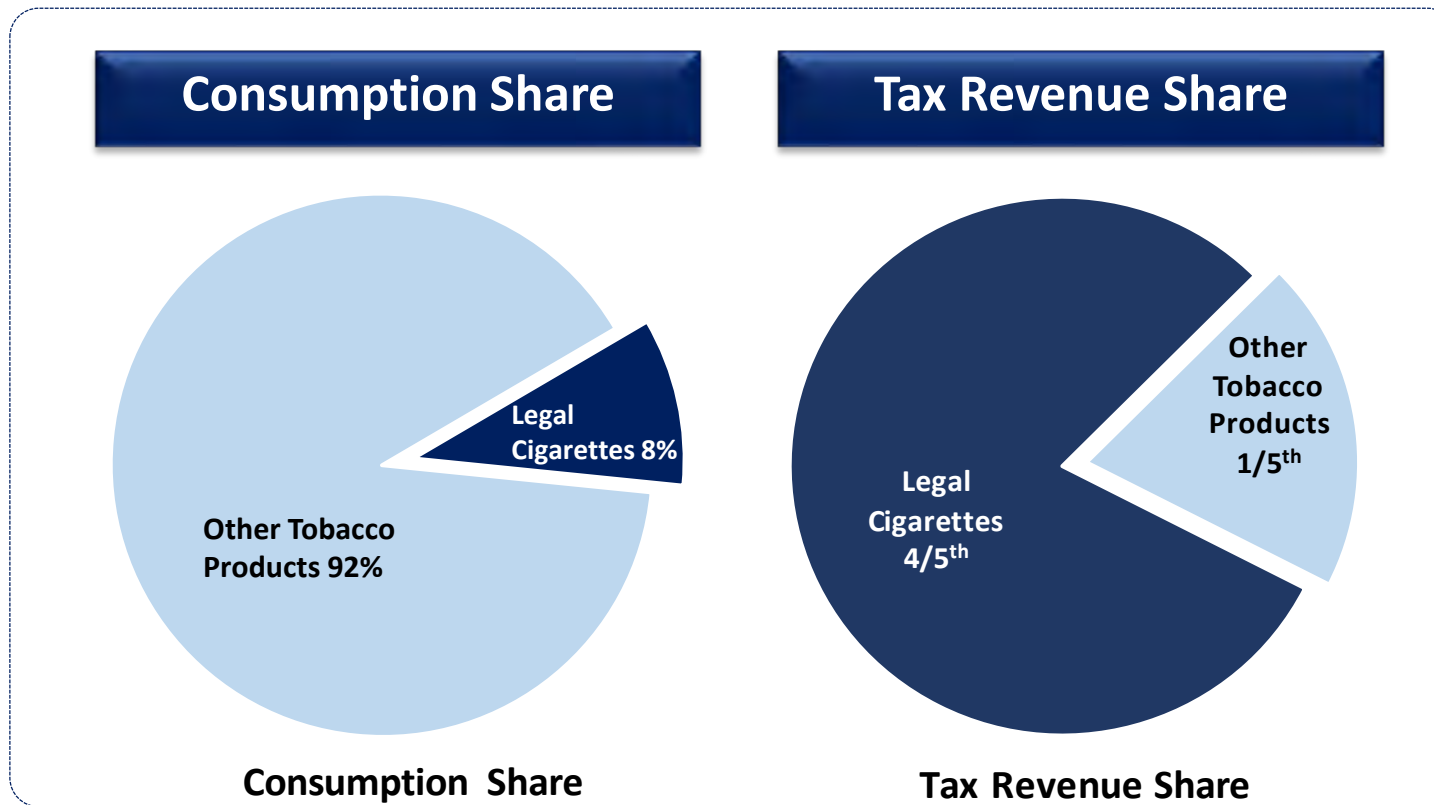
Per Capita Cigarette Consumption @ 11% of World average



Source: Tobacco Atlas, 6th Edition, ACS 2018

India accounts for over **18% of world population**; share of world **cigarette consumption is less than 2%**

Legal Cigarettes: ~8% of tobacco consumption Vs. ~80% of tax revenue

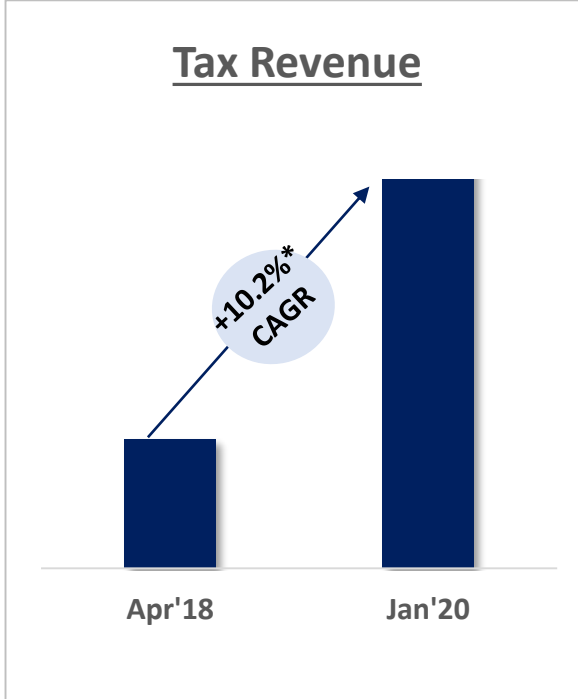
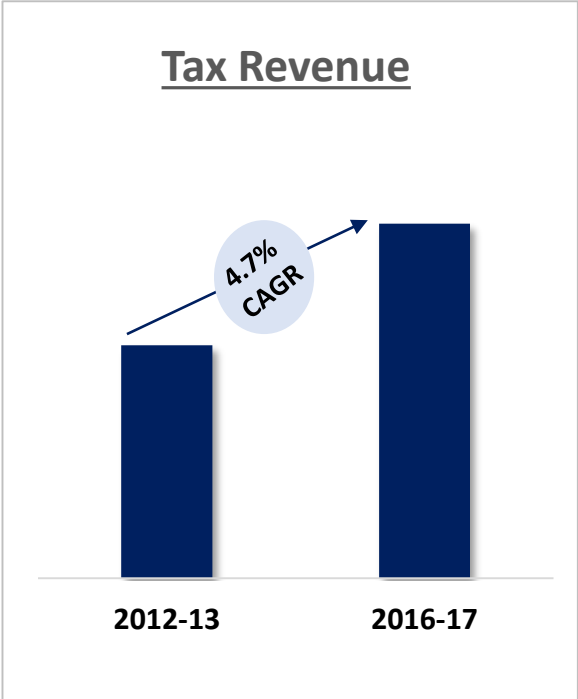
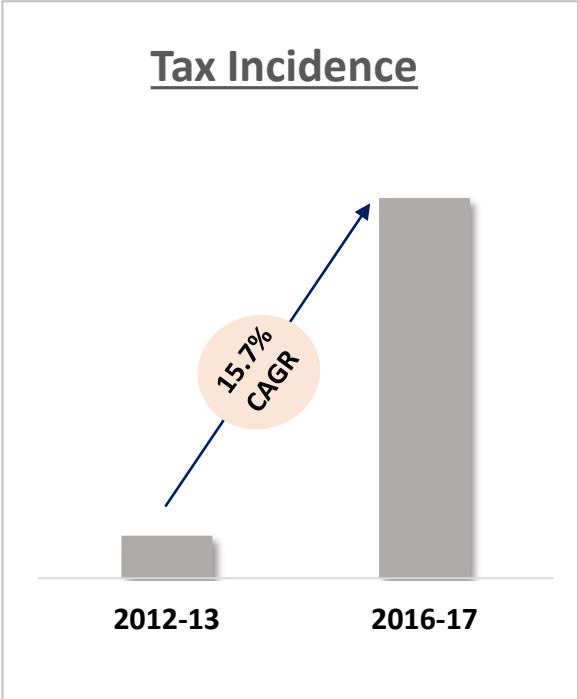


Surge in illicit trade
Revenue loss to Exchequer
Adverse impact on farmers

Equitable, Pragmatic Regulatory & Taxation policy → **Imperative to Realise the Revenue Potential of Tobacco sector & Achieve Tobacco Control objectives**

High tax increase → Sub-optimal Tax Revenue

Relatively stable tax regime (April'18 to Jan'20)



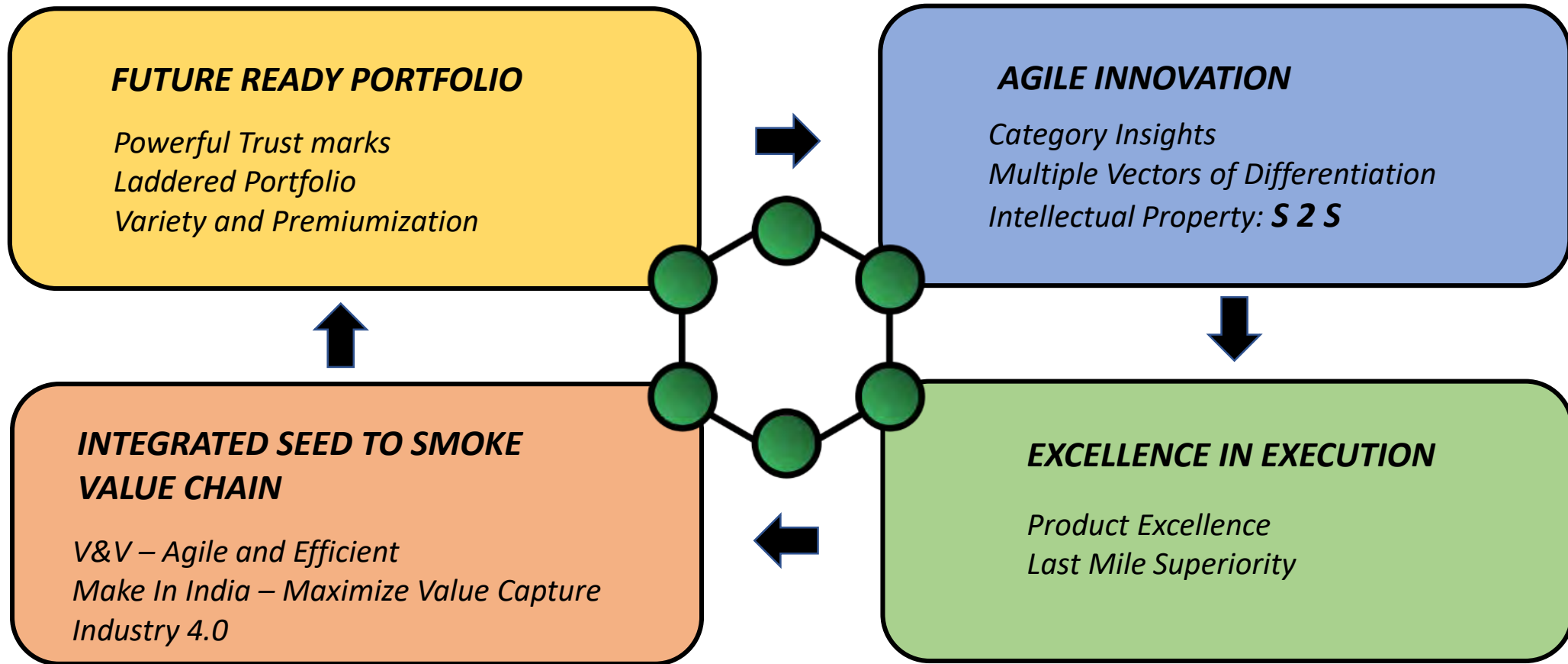
- Market **leadership** position
- **Well-laddered portfolio of brands**
- **World-class products & processes** anchored on innovation
- State-of-the-art **manufacturing facilities**
- **Wide and deep distribution** network
- Strong **vertical integration** with Leaf tobacco and Packaging & Paperboards businesses
- **Best-in-class profitability & returns** globally



Maximize Cigarette Potential within Tobacco Basket

Countering illicit

Reinforce Market Standing





Enduring Value

FMCG Others



Branded Packaged Foods



Personal Care Products



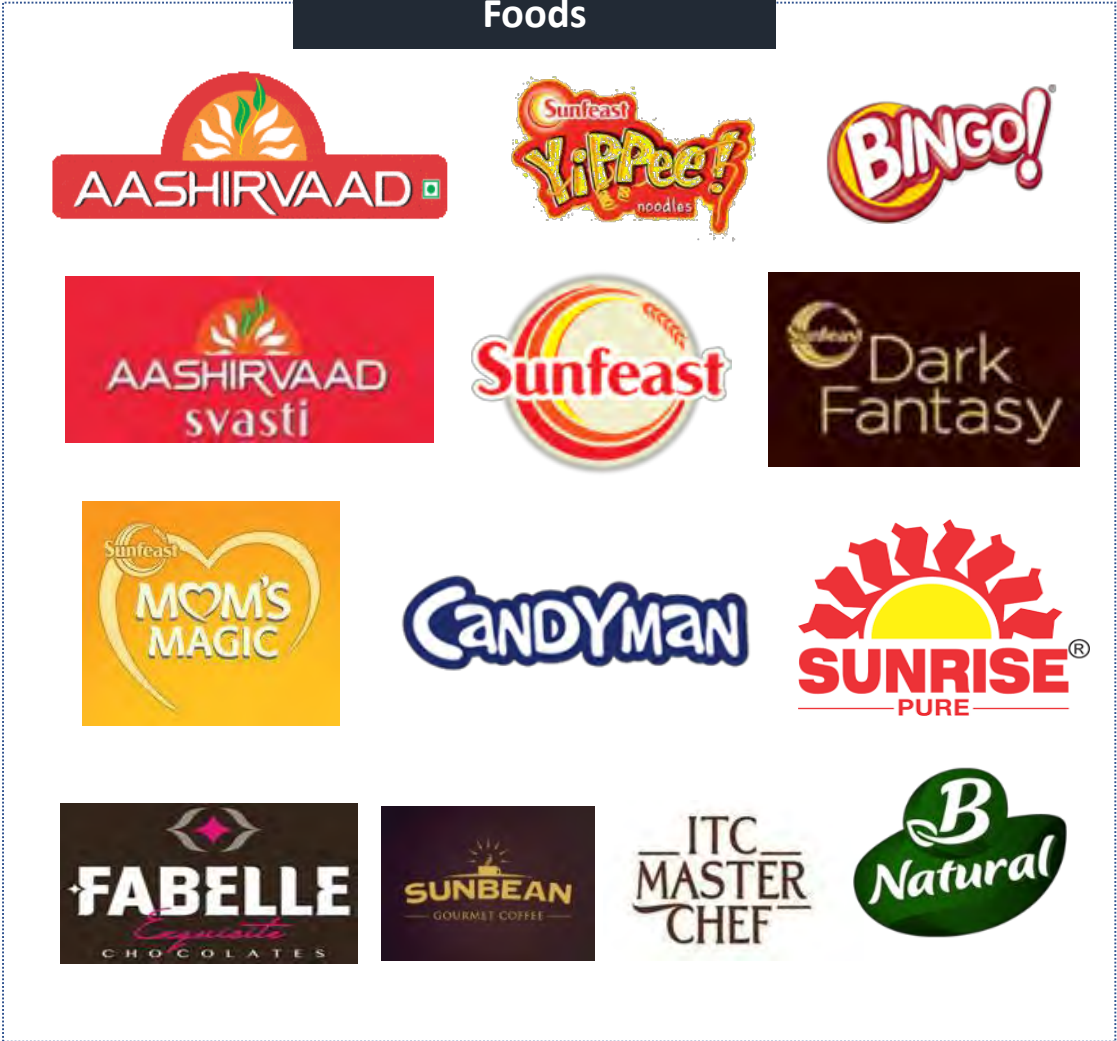
Education & Stationery Products



Matches & Agarbatti



Foods



Personal Care



Stationery, Matches & Agarbatti





Trusted Brand

Health & Wellness, Hygiene

Indulgence

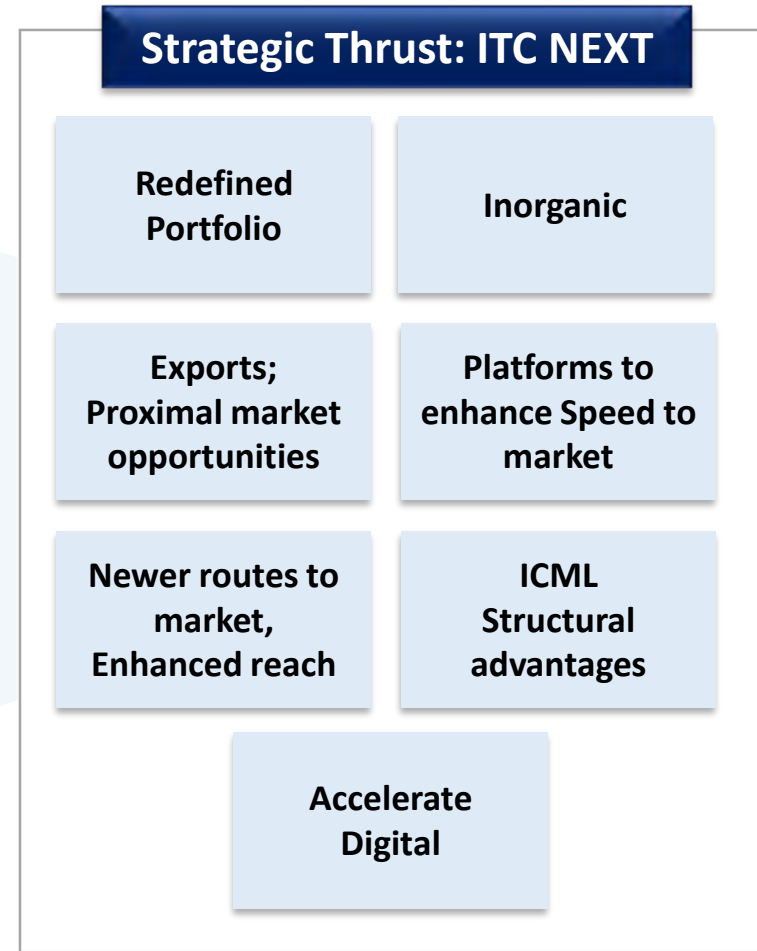
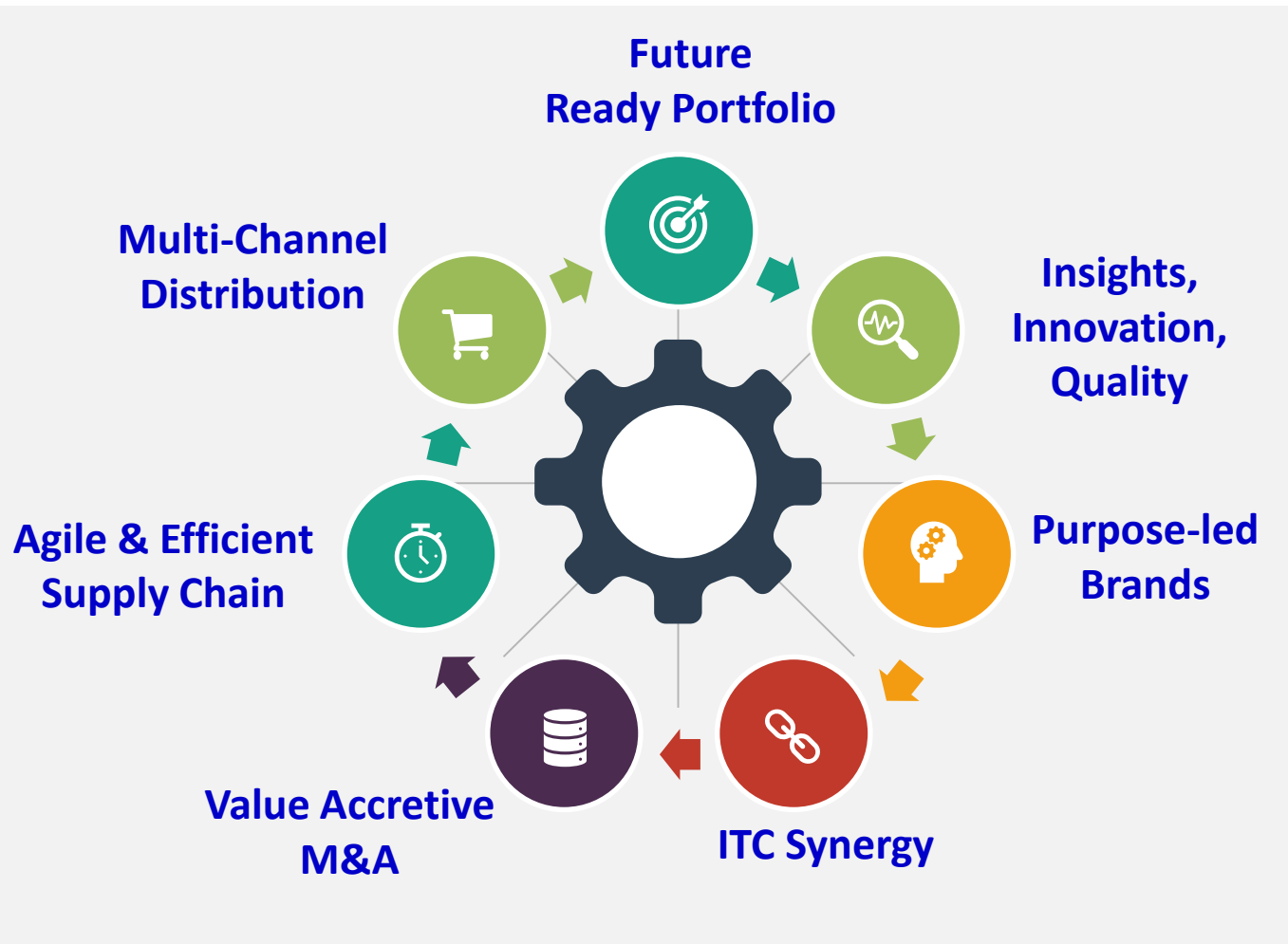
Home Conveniences & On-the-Go

Natural / Organic

Digital Natives

Transforming RTMs





Fortifying the Core



No.1 In Branded Atta



No.1 In Cream Biscuits



No.1 In Bridges Snacks



No.1 In Notebooks



No.2 In Noodles



No.1 In Surface Disinfectant Spray



No.1 In Dhoop
No.2 in Agarbatti

Annual Consumer Spends ~22,000 cr.

Addressing Adjacencies leveraging Mother Brands



ORGANIC RANGE



Building Categories of the Future



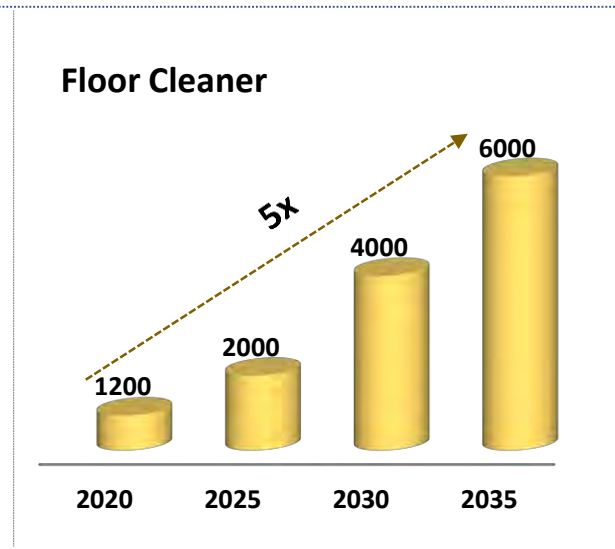
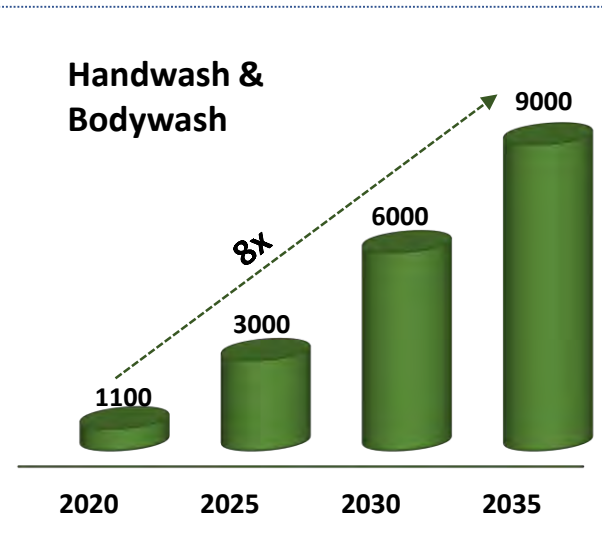
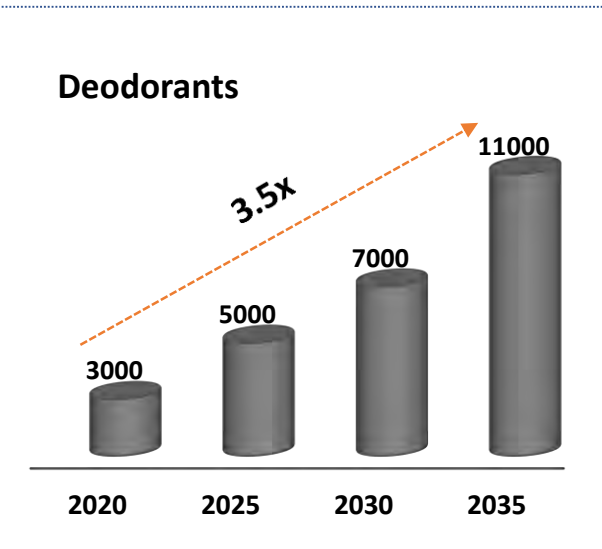
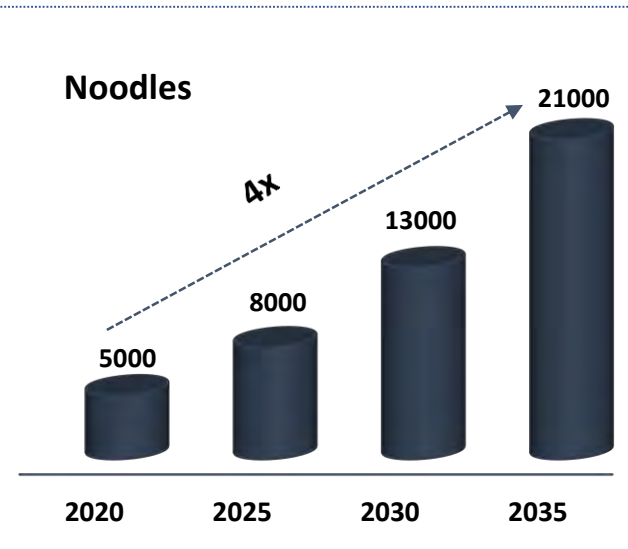
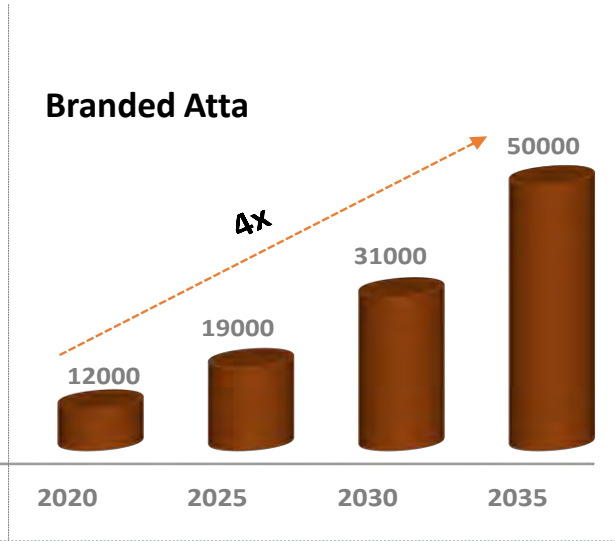
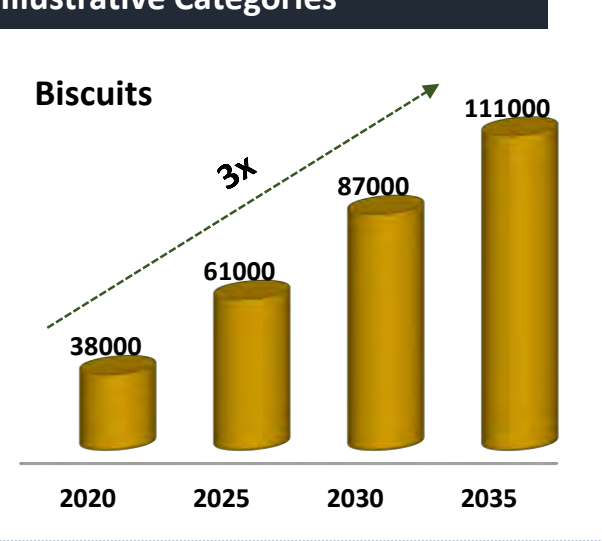
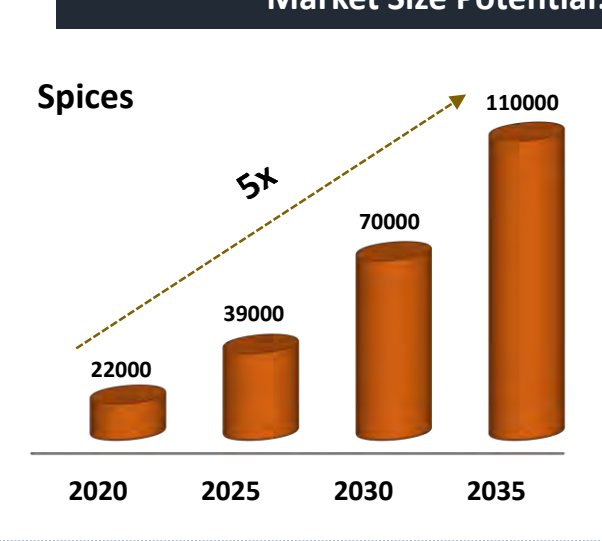
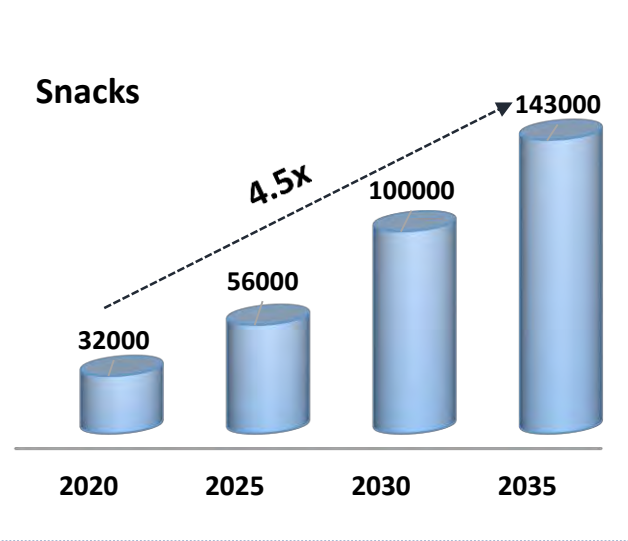
Addressable Market Expansion Potential







Amongst the highest in Indian FMCG space



Market Size Potential: Illustrative Categories

(Rs. cr.)



<p>Value Accretive Acquisitions</p>	  
<p>Divestiture / Shrink</p>	  

Hygiene++, Protection & Care



Savlon

Hexa, Disinfectants, Masks & Wipes



Nimyle

Floor Cleaner

'Good For You' & 'Free From'



Aashirvaad Nature's Super Food

Organic Atta & Dals



Sunfeast
Digestive Range

Aashirvaad
Vermicelli

Aashirvaad
Crystal & Proactive Salt



B Natural / Sunfeast
Nutrilite Health Range



B Natural
Soups & Immunity Juices

Convenience & On-the-Go



Aashirvaad
On-the-Go Range

Aashirvaad
Ready to Cook



ITC Master Chef
Gravies and Frozen Snacks



Aashirvaad
Svasti Ghee



Engage ON
Chota Pocket Perfume



Savlon
HandWash Powder

Indulgence



Fabelle
Luxury Chocolates



Sunfeast
Caker



Dark Fantasy
Desserts



Dark Fantasy
Vanilla Fills



Sunfeast Bounce
Fruit Fills



Sunfeast
Milkshakes



Sunfeast Dark Fantasy
Choco Chip, Choco Nut Fills



Sunfeast
All Rounder



Fantastik
Chocobar XL

Fragrances



Engage
Perfumes and Deodorants

Skin Care



Dermafique
Premium Skin care



Charmis
Facewash, Face Serum &
Hand Cream

Interactive Education



Classmate Interaktiv
Origami Books

Agarbatti

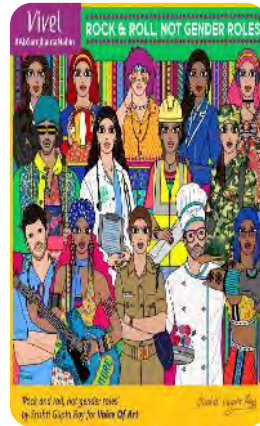


Mangaldeep

Healthier & Safer India



Women Empowerment



Responsible Citizens for the Future



Saluting Mothers



DIY & Influencer led



Digital First Brands



Creating Brand Love



Moment Marketing



16%+

Media Spends through Digital platforms

70%+

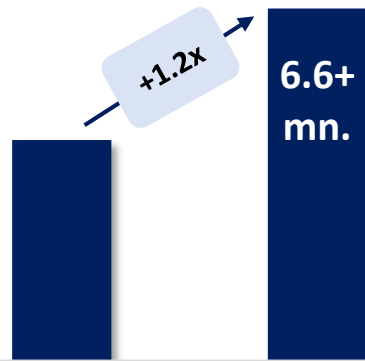
of campaigns done using ITC's own 1st party data

2500+

Content assets creations through ITC Sixth Sense (Moment Marketing)

Driving Penetration & Accessibility

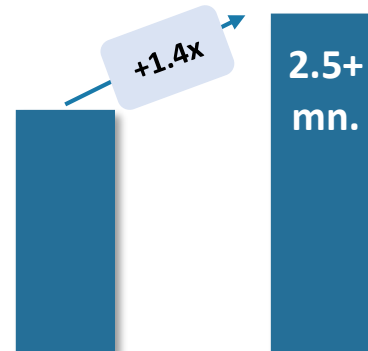
Total Reach



2016

Current

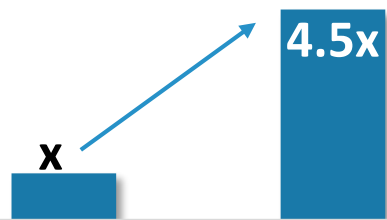
Direct Coverage



2016

Current

Market Coverage



2016

Current

Stockists



2016

Current

Strengthening Core Channels



Convenience & Grocery Channels

Winning in Emerging Channels



Modern Trade



Fast-tracking E-Com, D2C, Cash & Carry

New Routes to Market

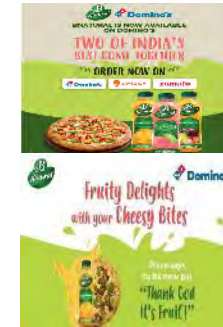
On-the-Go



Direct Marketing



QSR



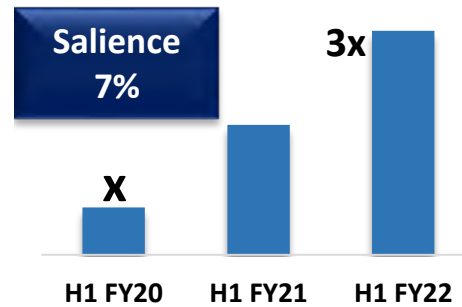
Strategic Partnerships



Expanding E-Com



ITC e-Store - Operational in 15 cities



Climate Controlled Supply Chain

Frozen | Dairy | Chocolates



Scaling-up Food Services



ICML Network

*Lower Distance-to-Market
Quality, Hygiene & Freshness
Responsive Supply Chain
Co-hosted Automated Warehouses*

Smart Manufacturing

*Industry 4.0
Automation
Energy, Quality, Yield management*



Delaying Operations

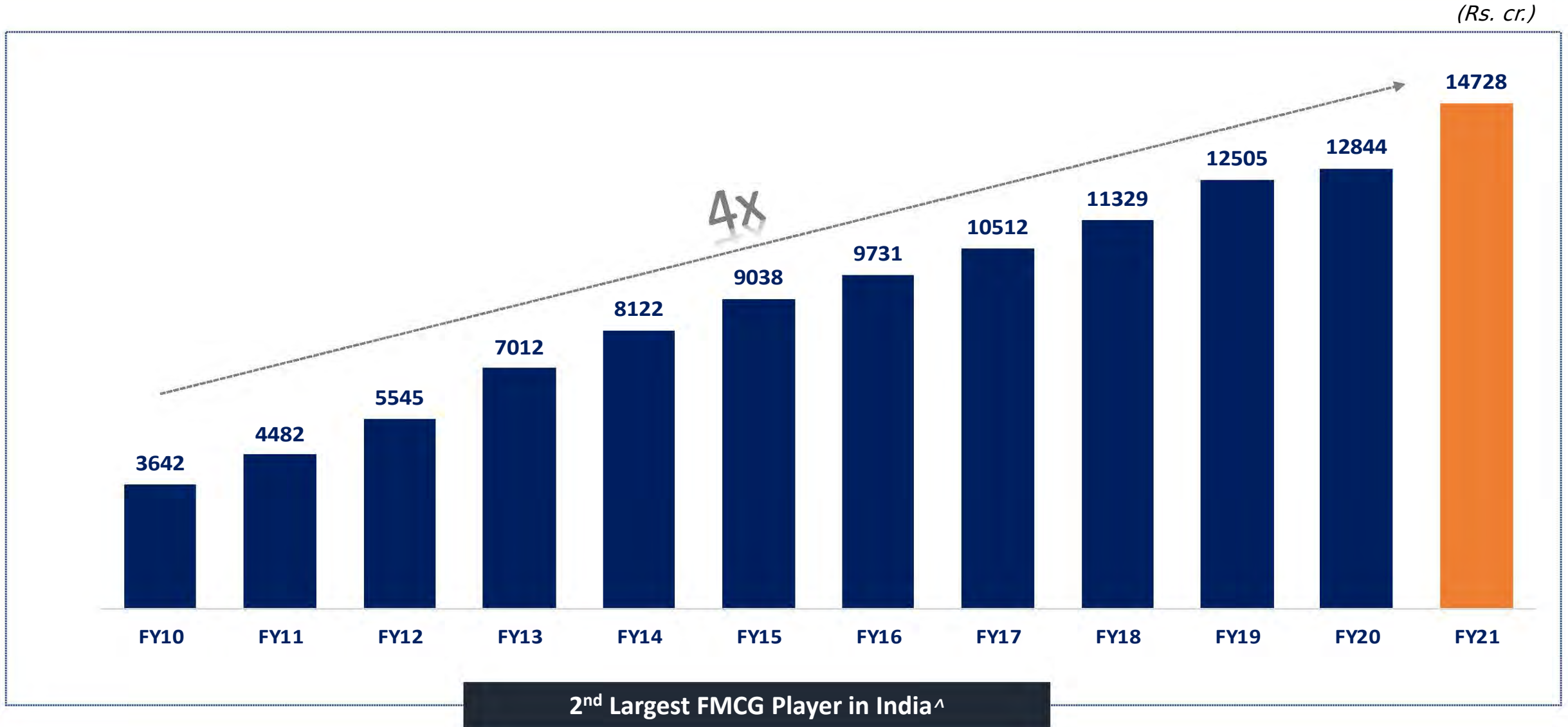
*Direct shipments
Multiple handling elimination*

Smart Buying & Value Engineering

*Real time price discovery (spatial & temporal)
Varietal / Geographical arbitrage
Recipe / packaging innovations*

One of the Fastest Growing FMCG Businesses in India

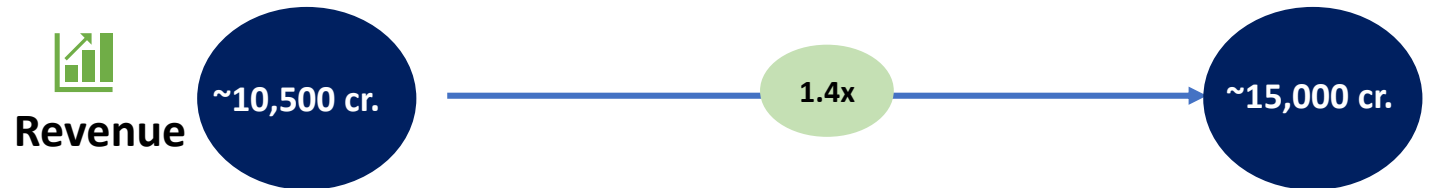
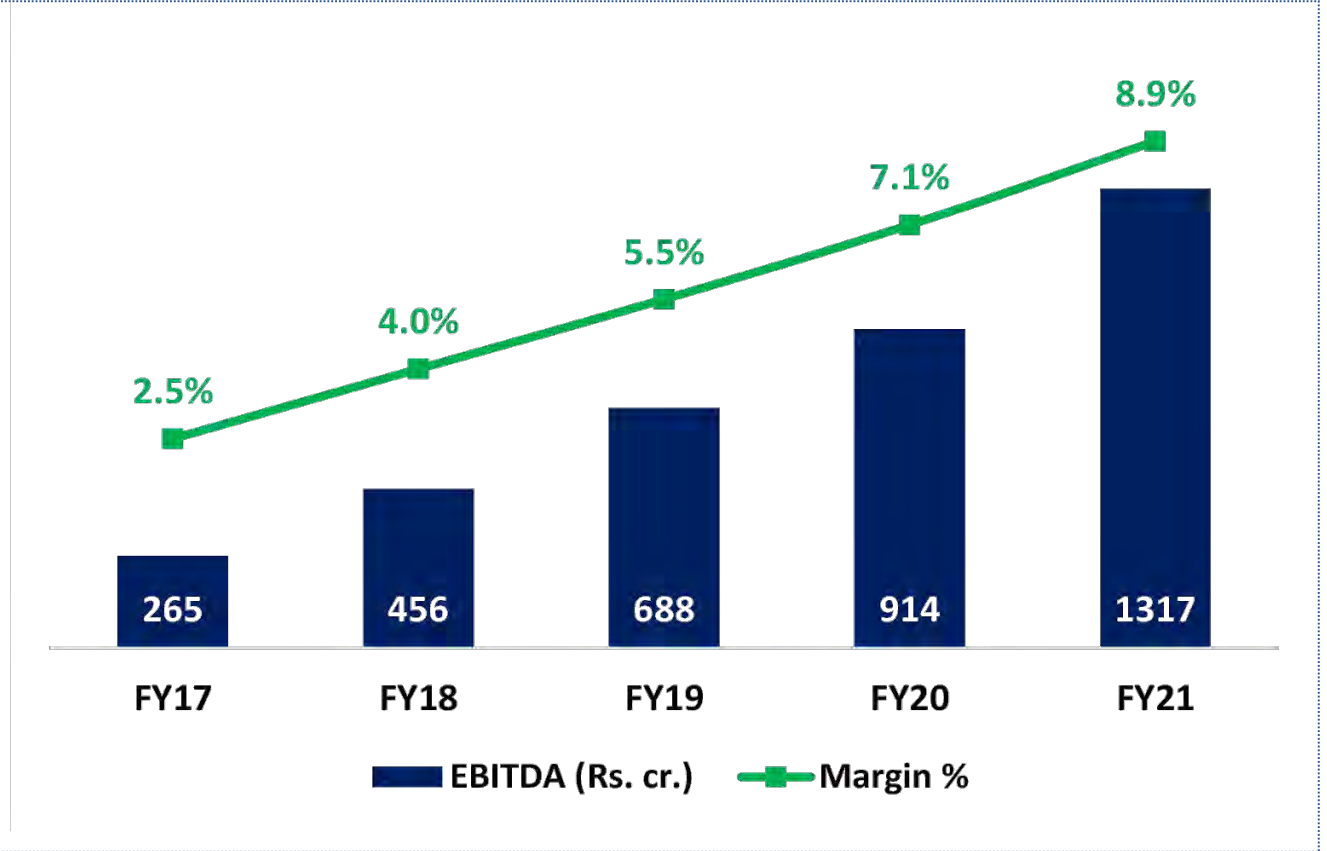
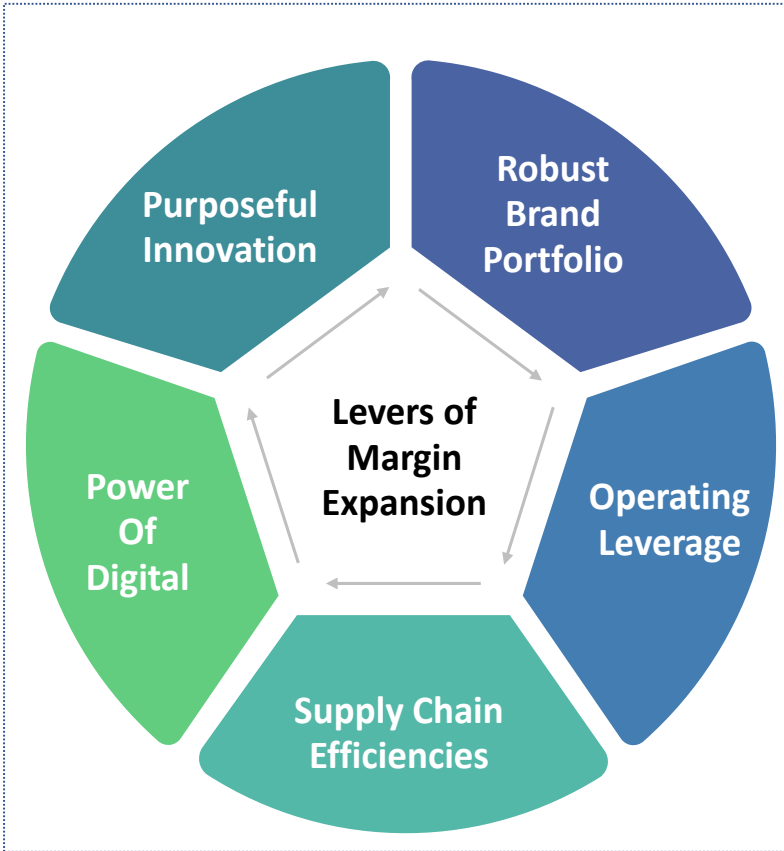
(ITC 10 year CAGR at 12.7% vs. FMCG Comp Set at 10.3%)



On track to Sustain Improvement in Profitability...

EBITDA up **44%** in FY21
Margins up 640 bps since FY17

H1FY22 margins maintained despite
inflationary headwinds [CY: 9%; LY: 8.9%]





Enduring Value

Agri Business





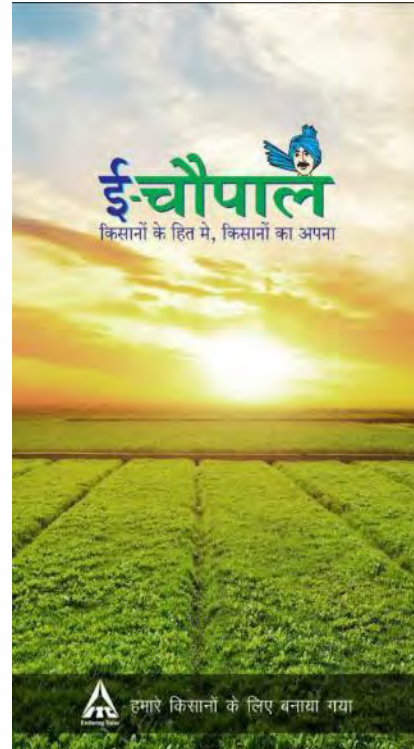
- **Leading Agri Business player in India**
- **High Quality & Cost-competitive agri commodity sourcing**



- **Sourcing & Supply operations** covering Grains, Coffee, Spices, Aqua, Milk etc.
- **Throughput > 3 Mln MT p.a.**
- **20+ crop value chain clusters in 22 states**



- **Pioneer in Rural Transformation**
- **Leveraging Information Technology** for the transformational 'e-Choupal' initiative



*Rural India's largest Internet-based intervention
Servicing 35,000 villages ~4 million farmers*

- **ITC : India's largest buyer, processor, consumer & exporter of cigarette tobaccos**
 - *5th largest leaf tobacco exporter in the world*
 - *40% of total Indian exports*
- **Pioneering cultivation of Flue-cured and superior Burley tobaccos in India**

- *Deep product knowledge & sourcing expertise*
- *Robust sustainable sourcing network*
- *World-class processing capability*
- *Long-standing customer relationships*
- *Training & Support in sustainability practices*



Deliver sustainable competitive advantage to ITC FMCG Businesses

High quality & cost competitive agri-sourcing



Future Ready portfolio of value-added products to drive growth & margins

Organic/Food safe/Processed; Produce the Buy



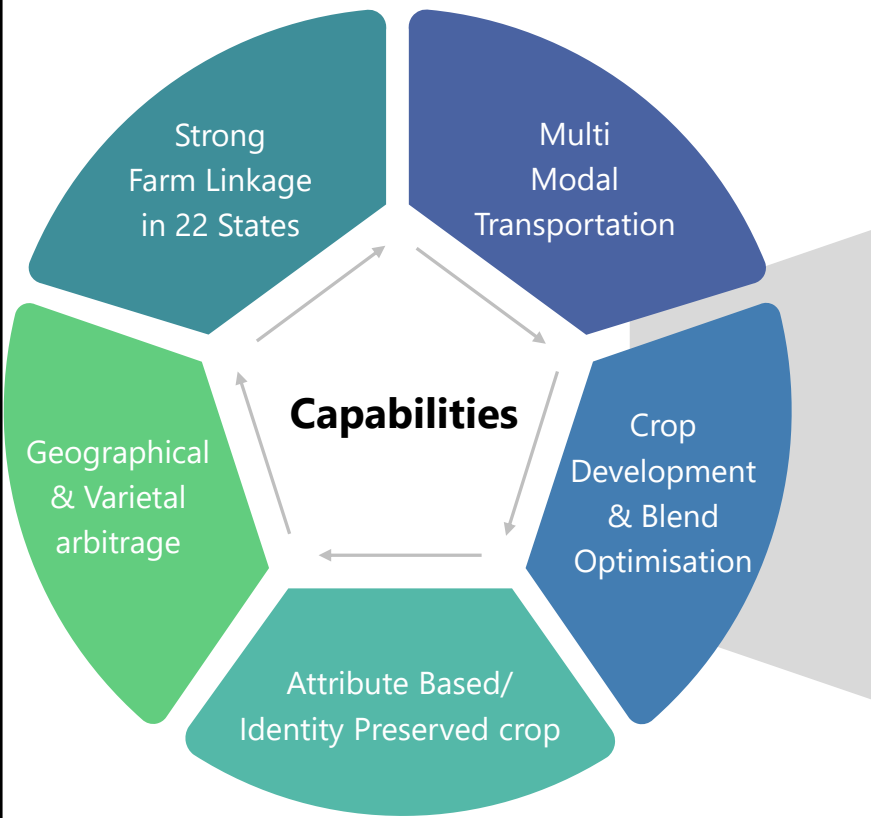
ITC MAARS^ - Transformative Business Model building on e-Choupal 4.0

Hyperlocal solutions for input/output markets




NextGen Indian agriculture

FPO-led backend re-engineering | Digitally powered | Climate Smart | Market linkages





Wheat

Securing identity preserved, superior wheat with logistics cost optimisation

Potato

*Security of Supply
Yield improvement
Proximal to Manufacturing*




Fruit Pulp

Develop supply chain & source superior quality Indian fruit pulp at competitive price




Spices

Sourcing Food Safe products, Develop new products

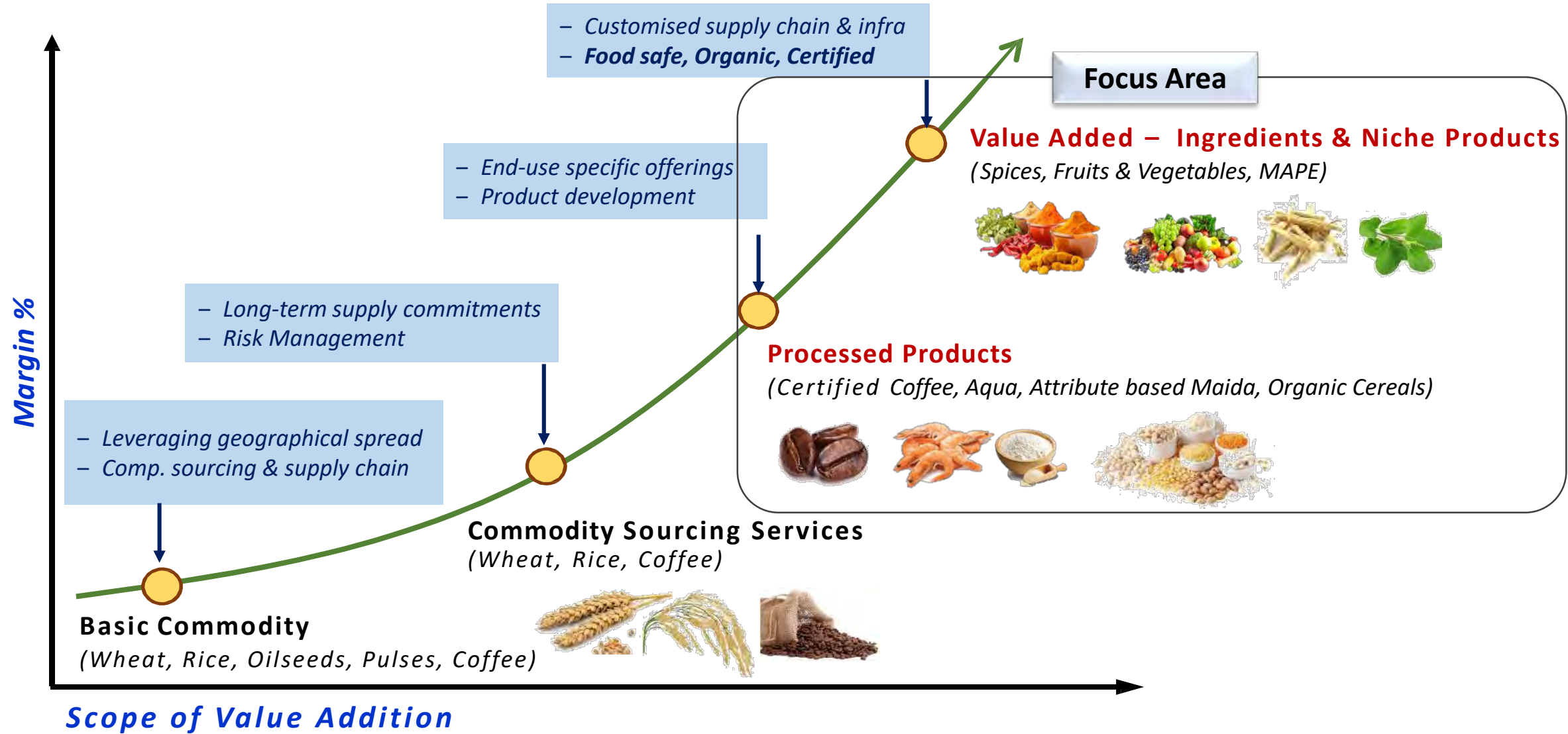



Milk

Sourcing of high quality milk through farmer network, deployment of milk chillers



Straddling Multiple Agri Value Chains



Spices Facility @ Guntur



Preferred supplier for Customers in Food Safe Markets (FSM) and Emerging markets

Products tested for over 470 pesticide residues



Chilli

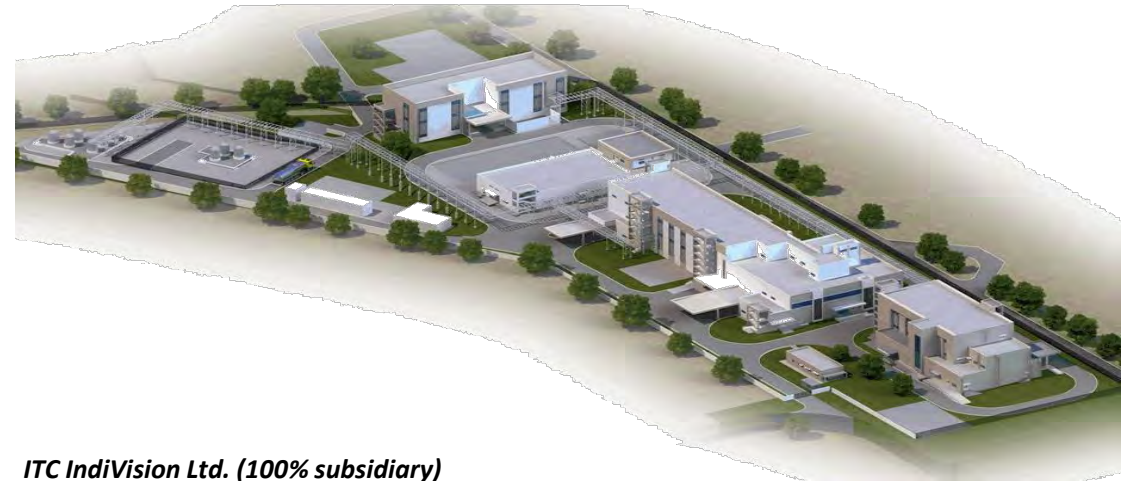


Turmeric



**Organic/
Mixed Line**

Nicotine and related products



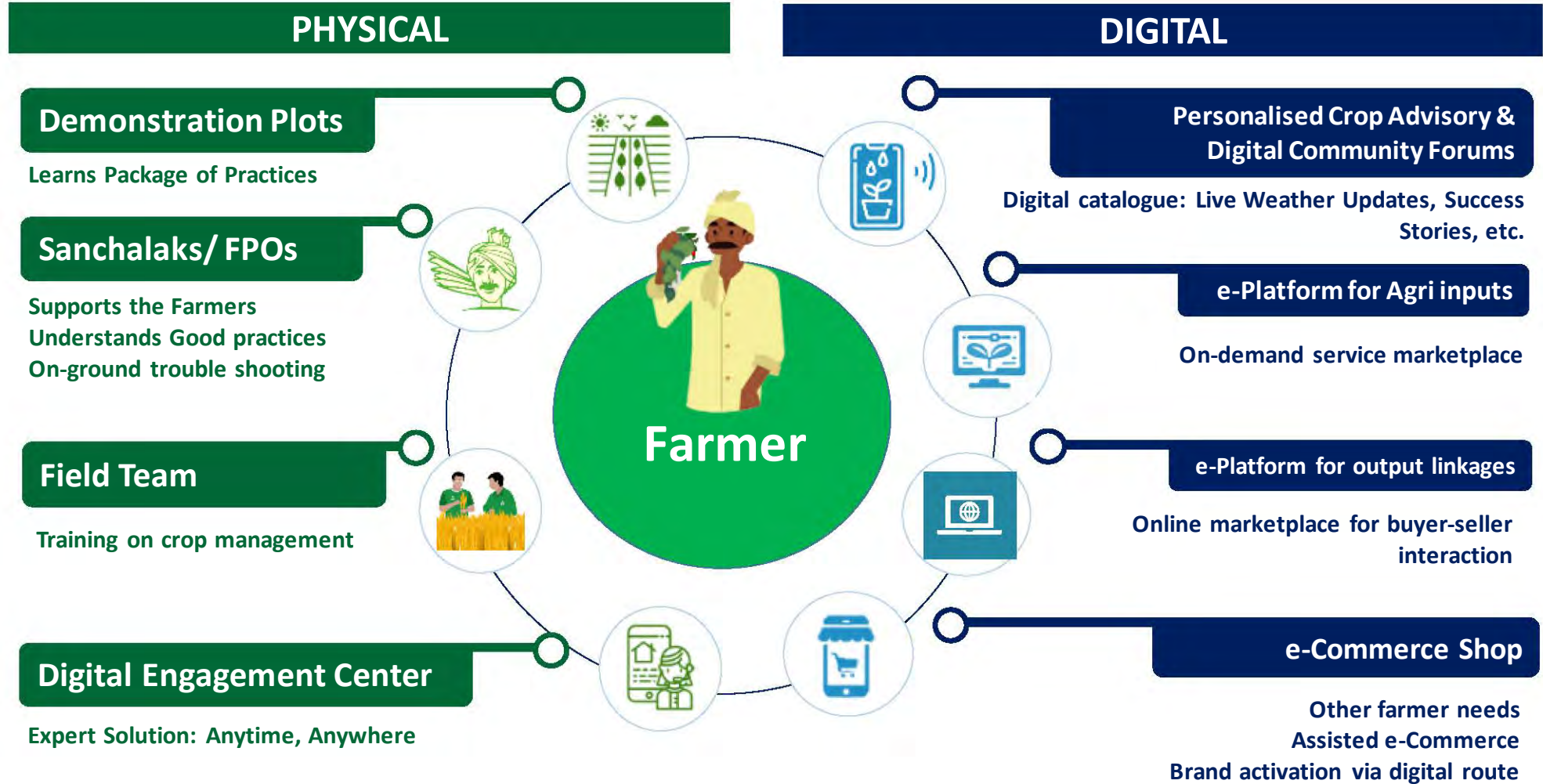
ITC IndiVision Ltd. (100% subsidiary)

State-of-the-art manufacturing facility

Stringent quality specifications - 99.5% Purity

US/EU pharmacopoeia standards

Sustainable waste disposal mechanisms



AGRI INPUTS & ADVISORY



AGRI
OUTPUT



RURAL
MARKETPLACE

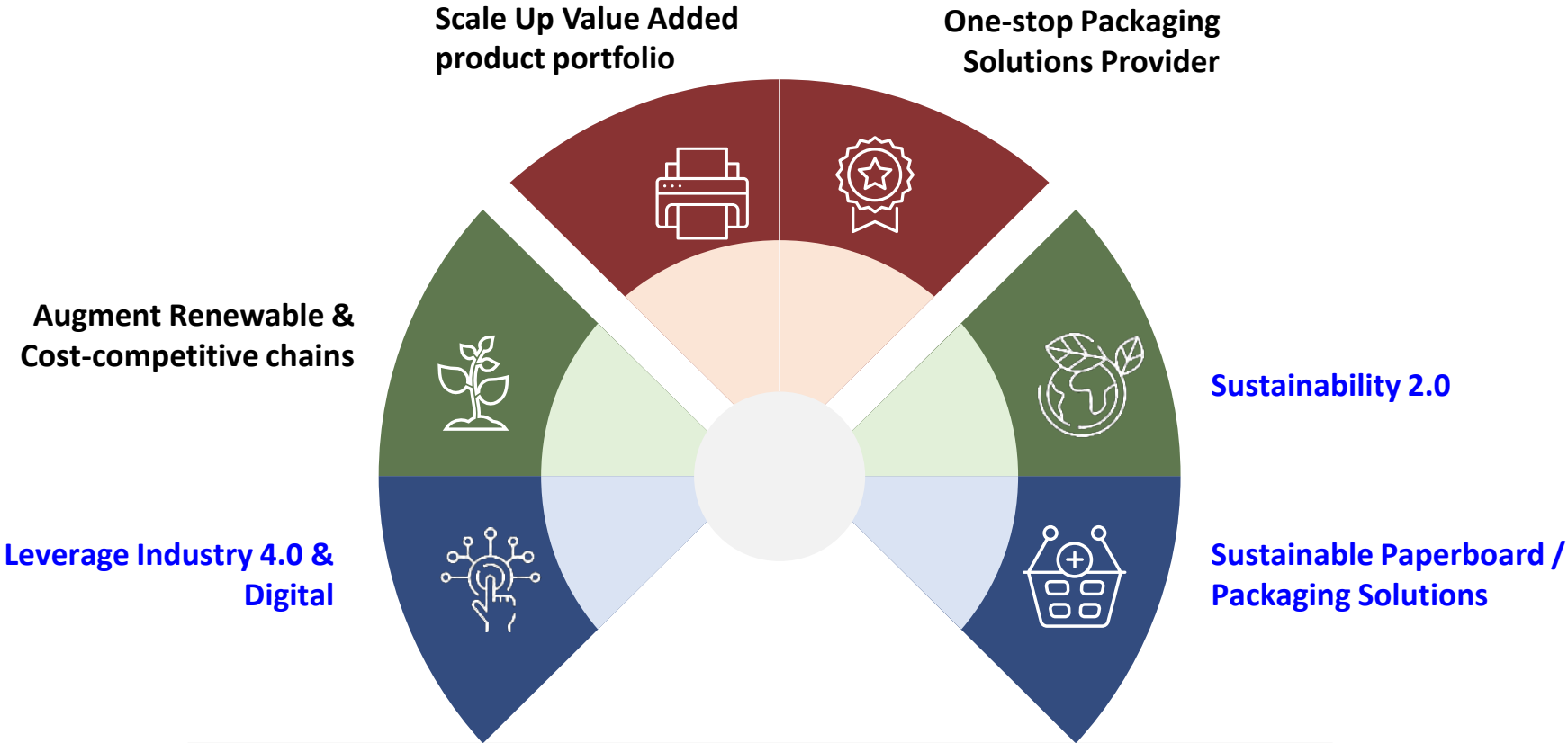


Right To Win

Low customer acquisition cost | Faster scale | Creative monetization models



- Market leader in scale, profitability & sustainability
- Best-in-class operating metrics
- Fully Integrated Operations
- Secure, sustainable & cost competitive fibre base
- 43% of energy consumption from renewable sources
- One stop shop Packaging Solutions provider



Scaling up Value Added Product Portfolio



Pulp import substitution for specialty grades



Specialty Paper - Décor





Industrial IoT for Smart Operations



Integrated Data Infra/ Platform



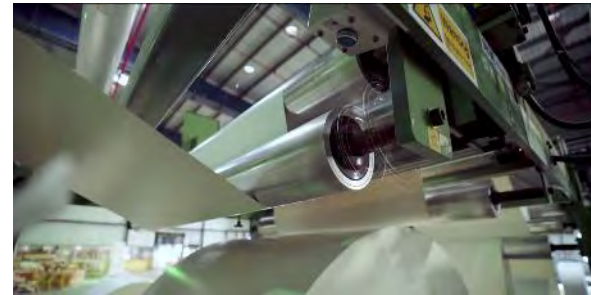
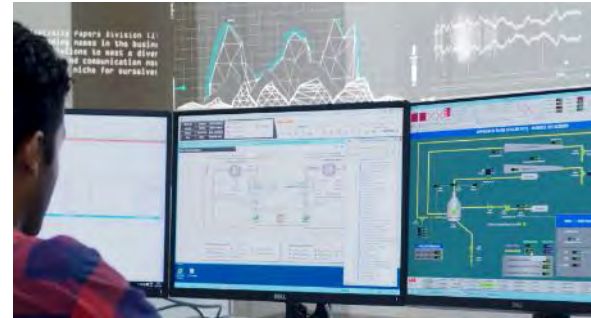
AI/ML Algos for 'Golden Batches'



AI/ML based Image Analytics



IoT Based Crop Monitoring & Advisory



50+ Use cases developed and deployed

Industry 4.0 CoE

Bio-degradable Barrier Boards



Recyclable Solutions



Cupstock



QSR Packing



Ice-cream Packaging

Toughpack

E-com packaging bags



Indobowl



Sustainable Packaging



Bioseal



Oxyblock



Antimicrobial Coating





110 properties | 75+ locations | 6 Brands

- 30+ Five-Star Deluxe/ Five-Star Properties with 6400+ rooms
- 35+ Fortune Hotels with 2900+ rooms
- 35 WelcomHeritage Properties with ~900 rooms



World's 1st hotel chain - Platinum certification in infection risk management by M/s DNV



Structural interventions across all nodes
Sustained benefits expected over the long run

Fueling growth through 'Asset-right' model



Welcomhotel Shimla



Welcomhotel Tavleen, Chail



Welcomhotel The Savoy, Mussoorie

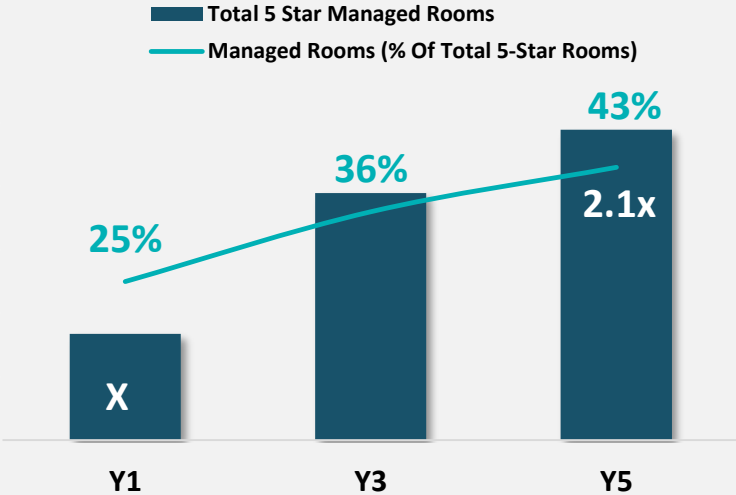


Welcomhotel Katra



Brand footprint scaled up to **22 properties/2500 keys**

Management Contracts (5-Star)



Mementos



Collection of **unique luxury hotels** across varied destinations ranging from **modern retreats to historic treasures**

3 properties onboarded

Storii



Collection of **intimate sized** handpicked properties in the **premium** segment offering bespoke experience-led stays

4 MOUs signed

Strategy Pillars



Customer Centricity



Employee Centricity



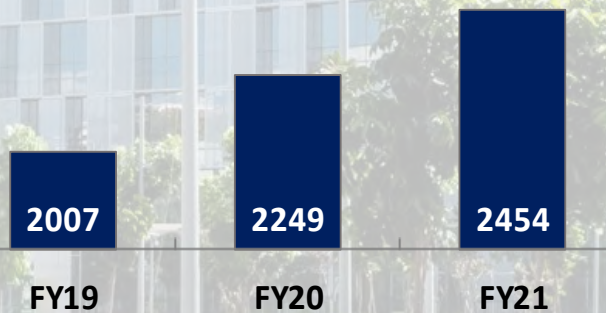
Operational Excellence

Delivering business friendly solutions

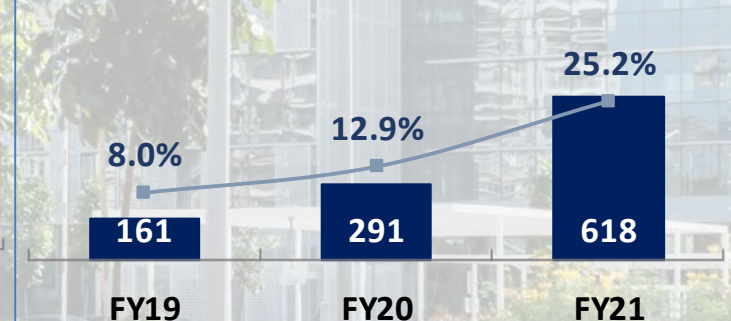
to clients across **29** countries,

including **60+** Fortune listed
clients

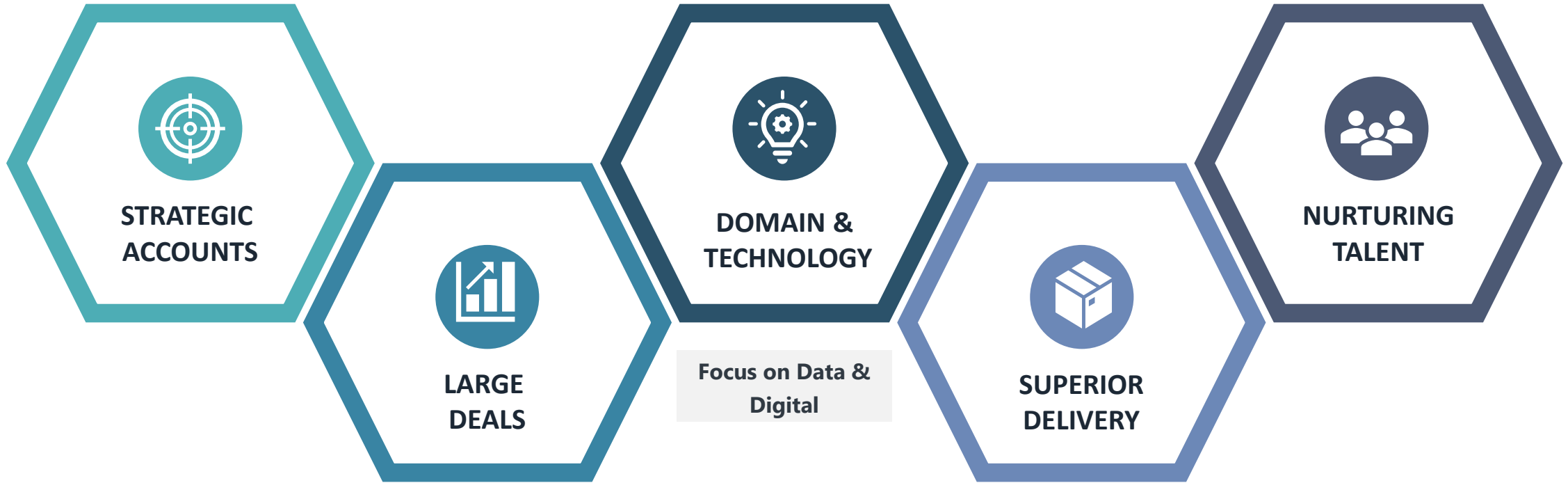
Revenue
(Rs. cr.)



EBITDA
(Rs. cr.)



H1 FY22 Revenue +24%; EBITDA +63%

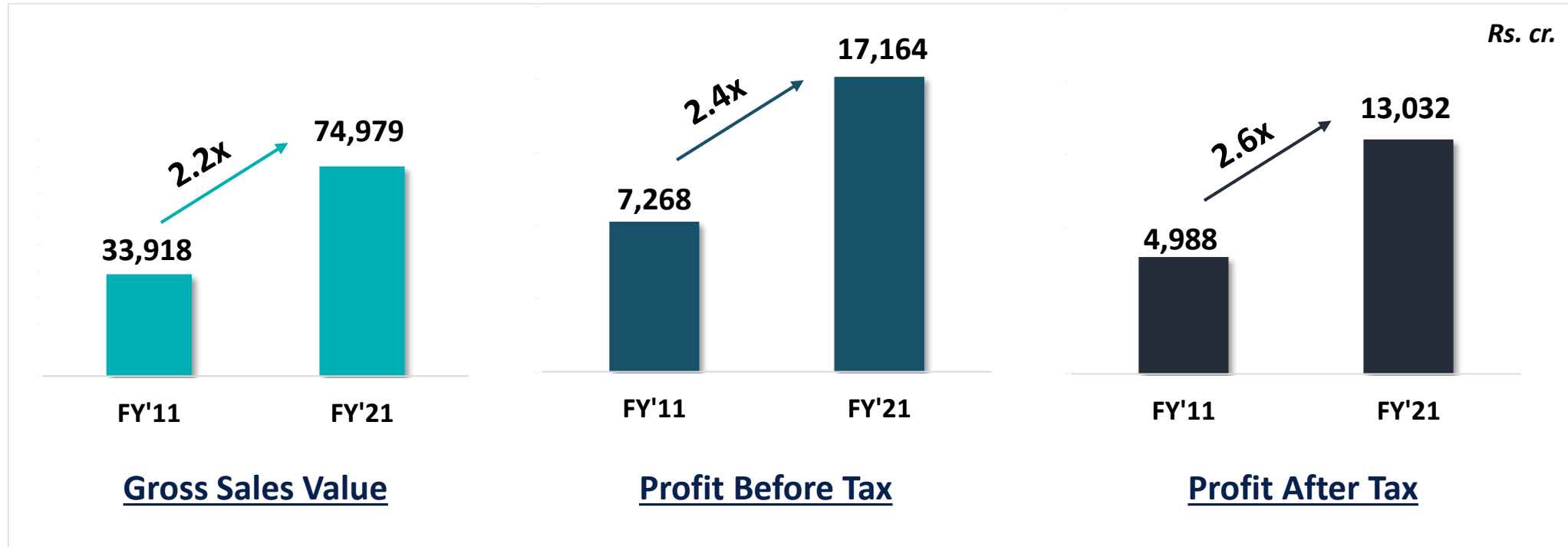


Focus on Data & Digital

Work from Anywhere

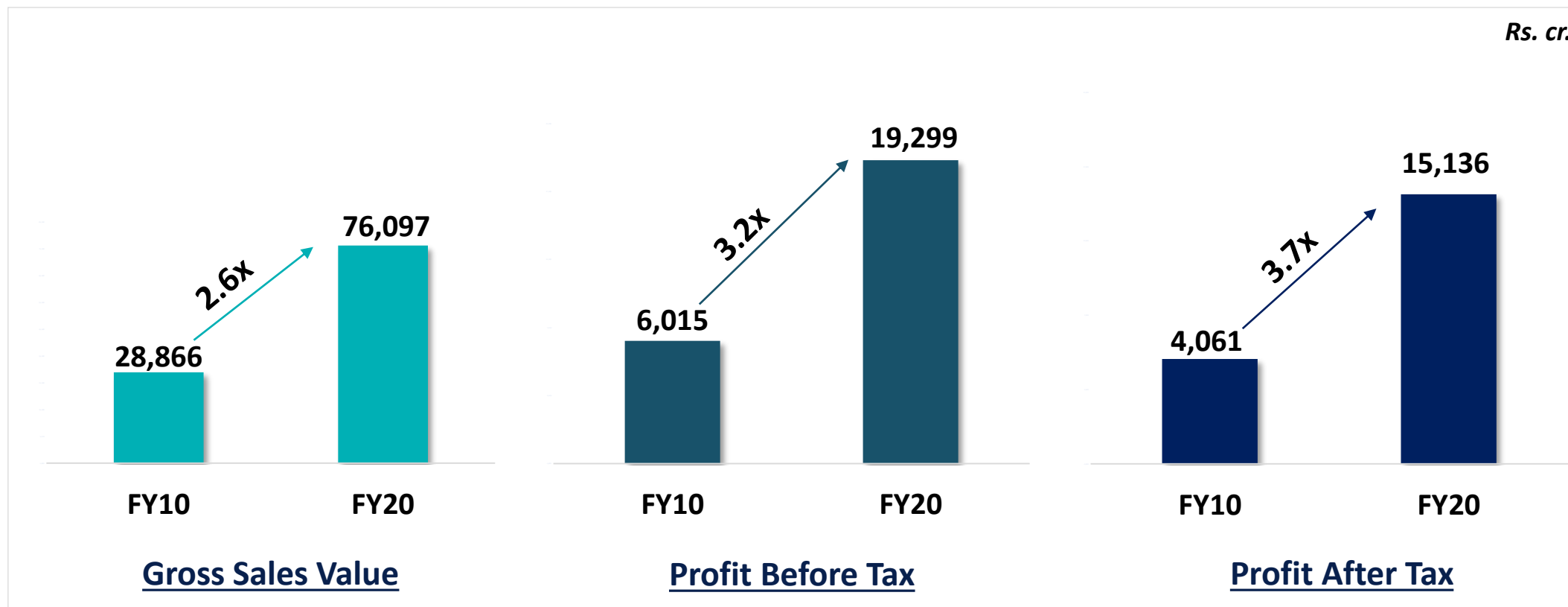
Delivering Differentiated and Business-friendly Solutions

Financials



Growth largely organic-led and funded through Retained Earnings

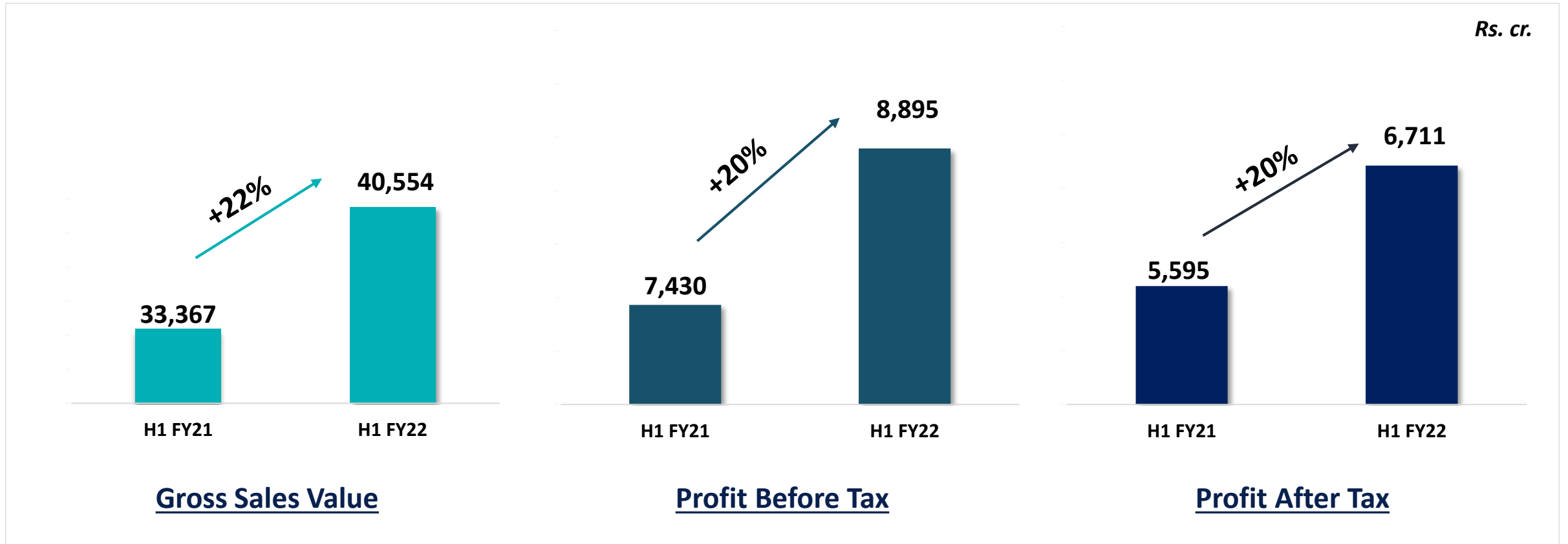
Rs. cr.



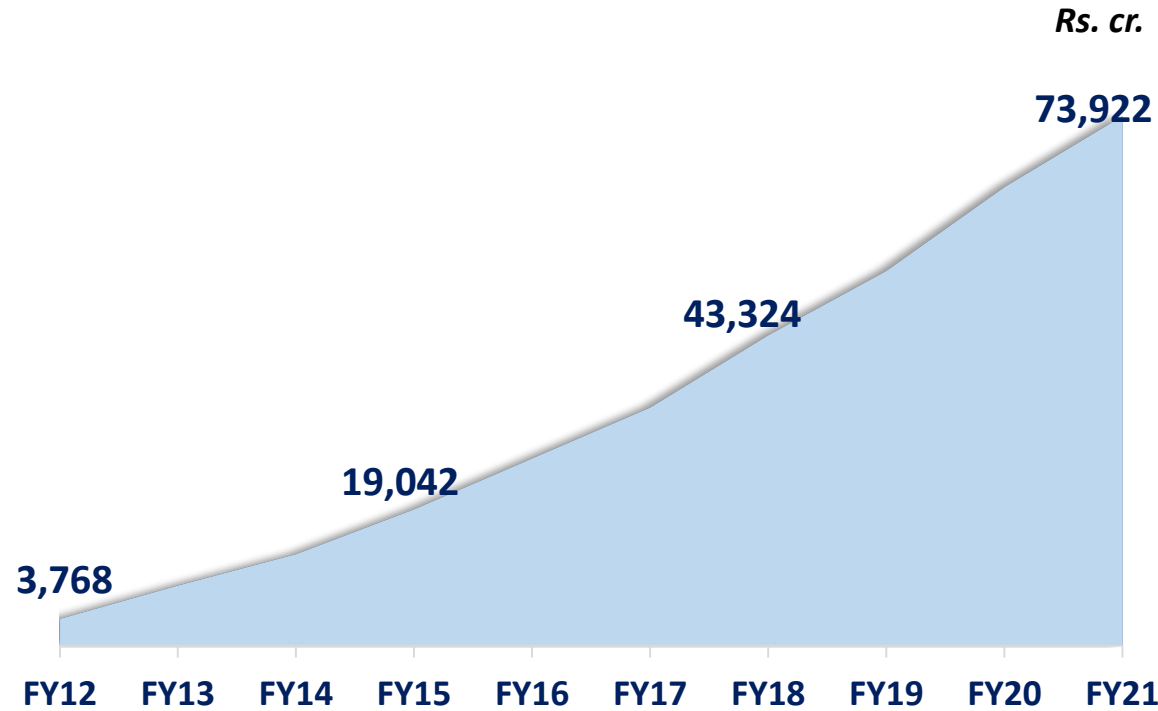
PAT growth @ 14.1% CAGR
Segment ROCE at 72% in FY20 vs. 48% in FY10

Growth largely organic-led and funded through Retained Earnings

Smart Recovery in H1 FY22

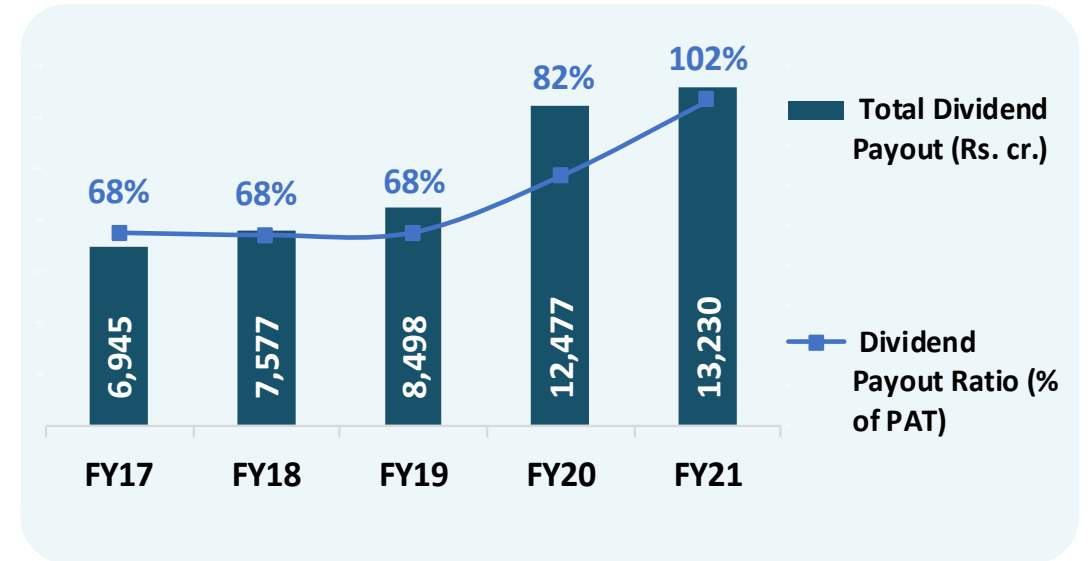


Cumulative Free Cash Flow



~74,000 cr.
10 year cumulative Free Cash flow generation

Stepped up Dividend Payouts



Dividend Distribution Policy amended
Payout of 80-85% of annual PAT in the medium term

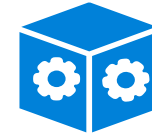
Strong
Zero debt Balance Sheet



Absolute EPS +47%
FY20 over FY17



Robust Cash Generation
Rs. ~31,000 cr.
cumulative FCF in last 3 yrs.



FMCG Business

- Revenue growth ahead of peers
- EBITDA margins up 640 bps since FY17



Sharper Capital Allocation

- Dividend payout stepped up to 80-85% of PAT
- Asset-right growth strategy in Hotels

ITC Next Strategy

Re-imagining The Future

- **Driving Scale and Profitability**

- *ITC Synergy, future ready portfolio, strong growth platforms, power brands*
- *Agile & purposeful innovation anchored on new age insighting and science-based R&D platforms*
- *Structural interventions to drive margin expansion & capital productivity*
- *Accelerating Digital to power growth & productivity*
- *Harnessing opportunities at the intersection of Digital & Sustainability*
- *Value Accretive M&A and exports: additional growth vectors*

- **Top notch ESG credentials**

- *Bold Sustainability 2.0 agenda raising the bar*

- **Strategy of Organisation redefined** to sharpen Consumer Centricity, Agility & Focus

- Engaged and motivated **world-class talent** pool driven by a **'proneurial' spirit**



**A passion for
Profitable growth...**



**in a way that is
Sustainable...**



**and
Inclusive.**

NATION FIRST: SAB SAATH BADHEIN



Enduring Value

NATION FIRST: SAB SAATH BADHEIN

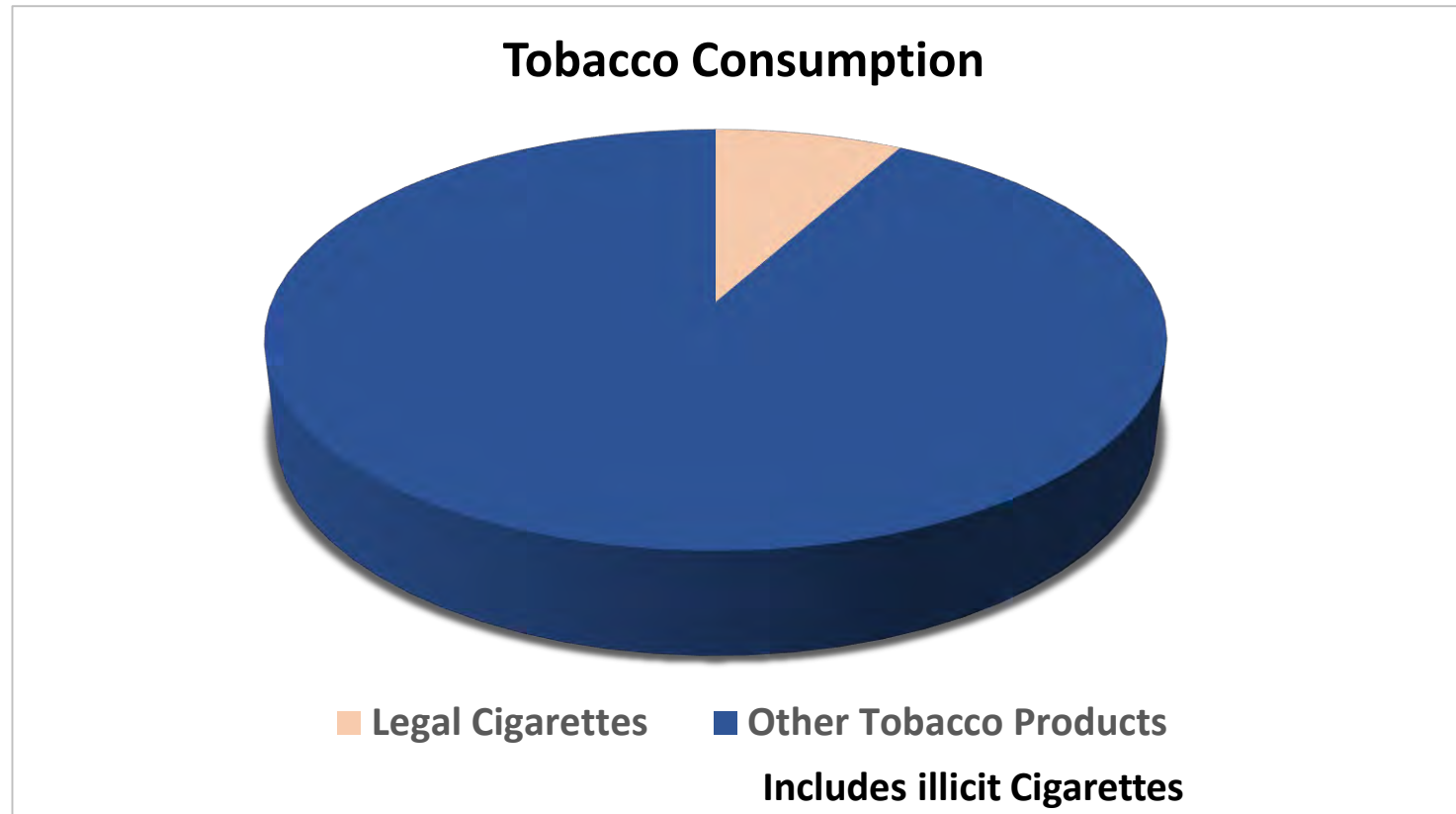
Cigarettes Business

Sandeep Kaul, Divisional Chief Executive

- India: 3rd largest grower of Tobacco
- **Unique Market - Multiple forms of tobacco consumption :**
Smoking - Cigarettes, Bidis; Chewing - Khaini, Zarda, Gutkha
- **Per capita consumption of cigarettes is one of the lowest** in the world
- Legal Cigarettes ~ **8% of total tobacco consumption** but contribute to ~80% of **government tobacco tax revenue**
- Legal industry impacted by **sharp increase in tax incidence** over the years
 - **Sub-optimal** tax collections
 - **4th largest illicit** Cigarette market

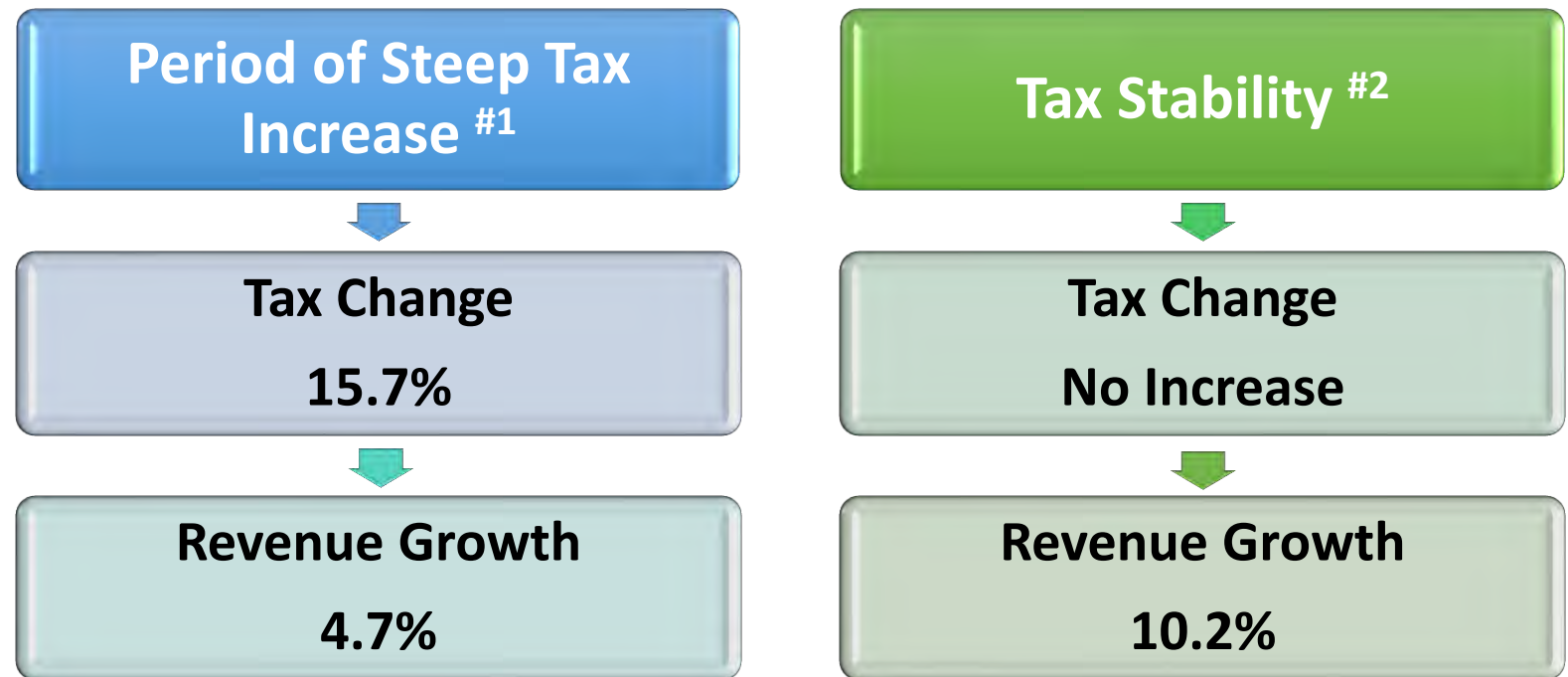
Unique Nature of Tobacco Consumption in India

- Legal Cigarettes account for Only 8% of Total Tobacco consumption in India
- 92% comprises other forms of Tobacco including Bidi, Smokeless and Illicit cigarettes



Tax Stability : Key to Increased Revenue and Combat Illicit

- Periods of Tax stability –
 - Increased contribution to exchequer from the legal cigarette industry
- Recouping volumes from Illicit Trade



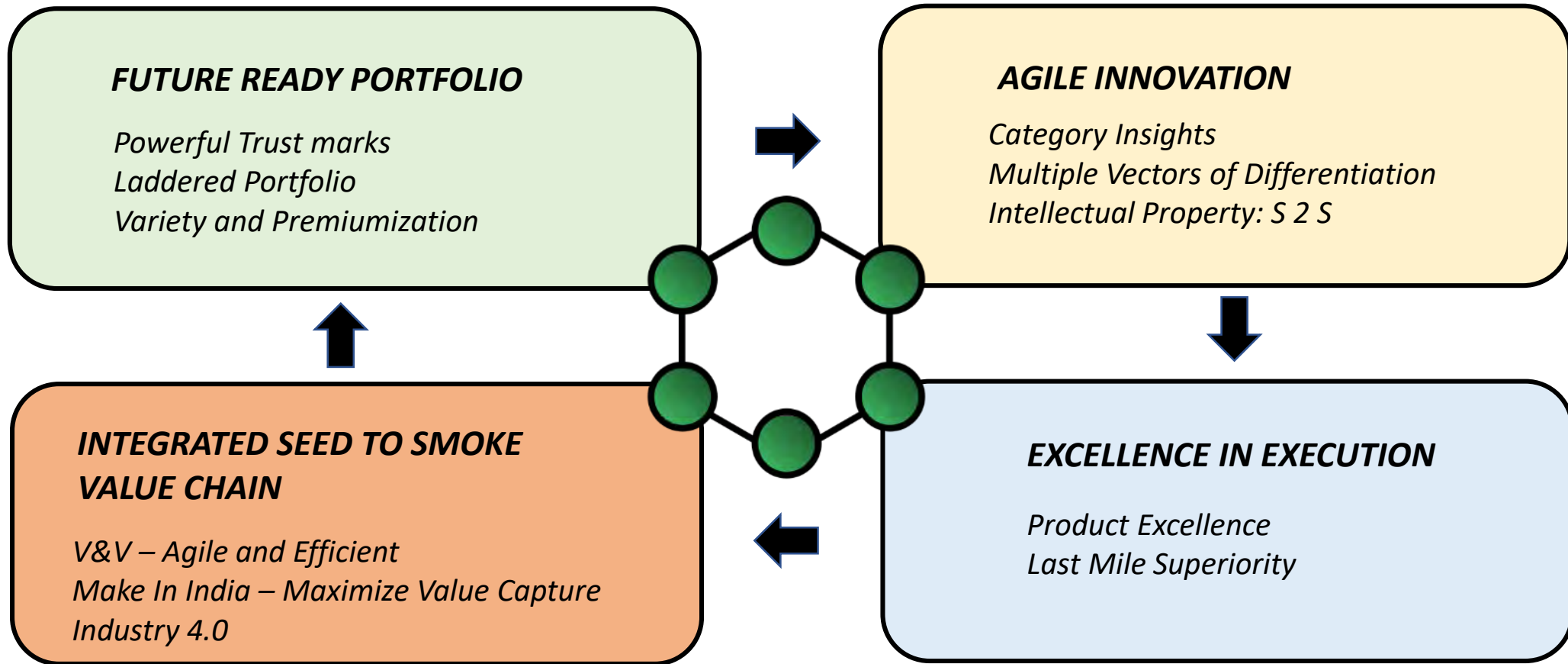
1 : 2012-13 to 2016-17 {CAGR}

2 : Apr '18 to Jan '20 over Jul '17 to Mar '18

Maximize Cigarette Potential within Tobacco Basket

Countering Illicit Trade

Reinforce Market Standing



Leading Brands in every Market Segment	Strong Category Insight Generation Engine to strengthen Portfolio vitality	11% of Volumes from New launches
Direct reach to 1.4 Lac Markets	Best in Class Retail Service	Available in 7.1 Mn category Outlets > 2x nearest competitor
55% Energy Through Renewable Sources	99.9% Solid Waste Recycled	Leaders in Sustainability 6 Awards in the Last Year
Technology Prowess, Industry 4.0 & Proprietary Models	Integrated in-house capability for Leaf Development, Capsules & Specialty Filters	50:50 JV to create competitive advantage in differentiated filters



First off the Mark

- Post Covid Total Chain Pipeline restored within 60 days
- Reconfiguring the Supply Chain to adapt to new normal



Product Accessibility

- Increased frequency of service
- Stockist network expanded
- Sales Infrastructure enhanced



Insight to Execution

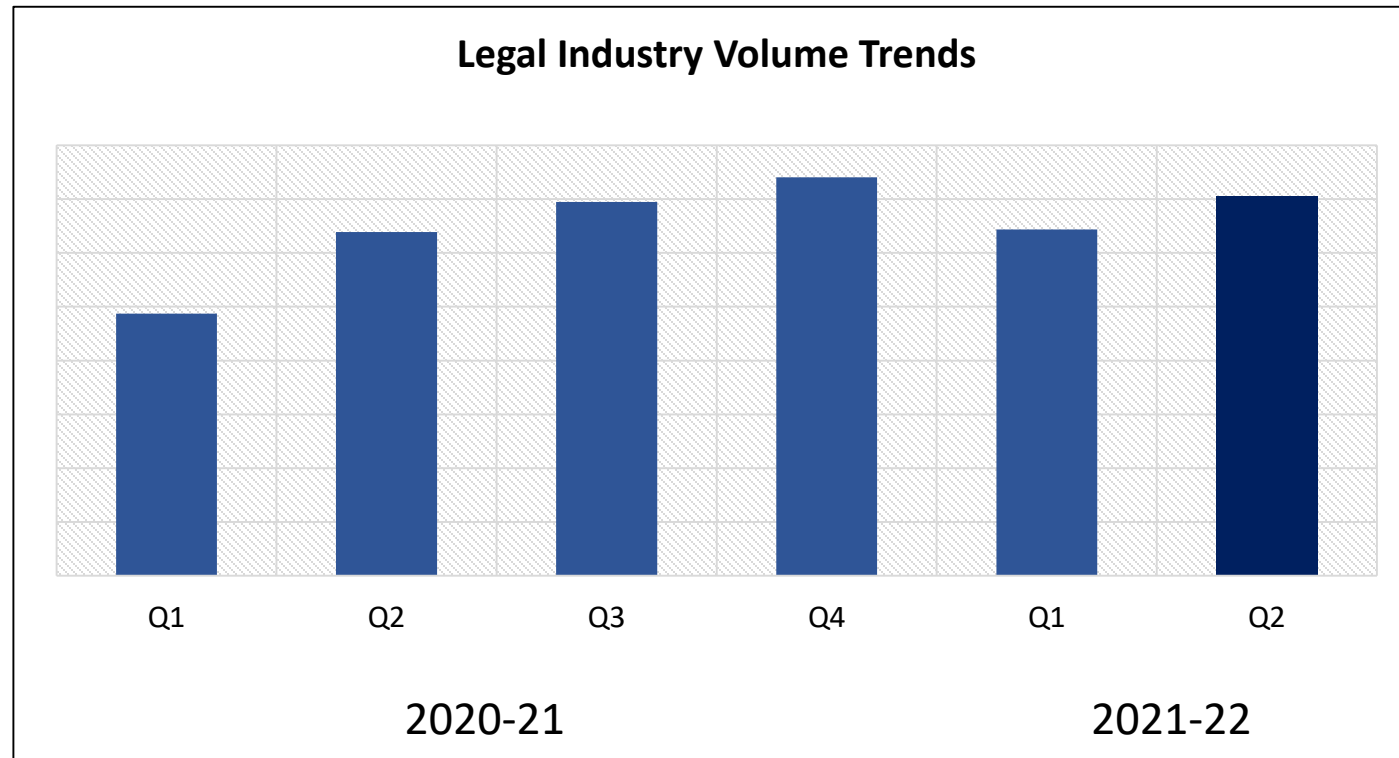
- Appropriate unit pack formats
- Safety solutions at top retailers
- Agile distribution in line with demand dynamics



Portfolio Vitality

- New Introductions
- Variants
 - Formats

- The trajectory post second wave points to a faster recovery vs First Wave of Pandemic
- Strengthening of Market Standing by over 100 bps over the last 18 months



Future Ready Portfolio

Strong & Vibrant Portfolio : Leading Brand in Every Market Segment



MRP / Pack of 10s

Insignia | Classic Blue Leaf

50 + Brands

Rs.150 & Above

Classic
(9 Offers)

Gold Flake
(8 offers)

India Kings
(2 Offers)

B&H | 555
(3 Offers)

Rs.110 – Rs.140

Gold Flake
(3 Offers)

Classic
(2 Offers)

American Club
(5 Offers)

Wills | Flake
(3 Offers)

Rs.70 – Rs.100

Gold Flake
(10 Offers)

Wills
(3 Offers)

Flake | Scissors
(5 Offers)

Player's
(2 Offers)

Capstan | Bristol
(4 Offers)

100+ Innovative launches in 5 years

Rs.40 - Rs. 60

Gold Flake
(11 Offers)

Flake
(11 Offers)

Capstan
(4 Offers)

Wave
(5 Offers)

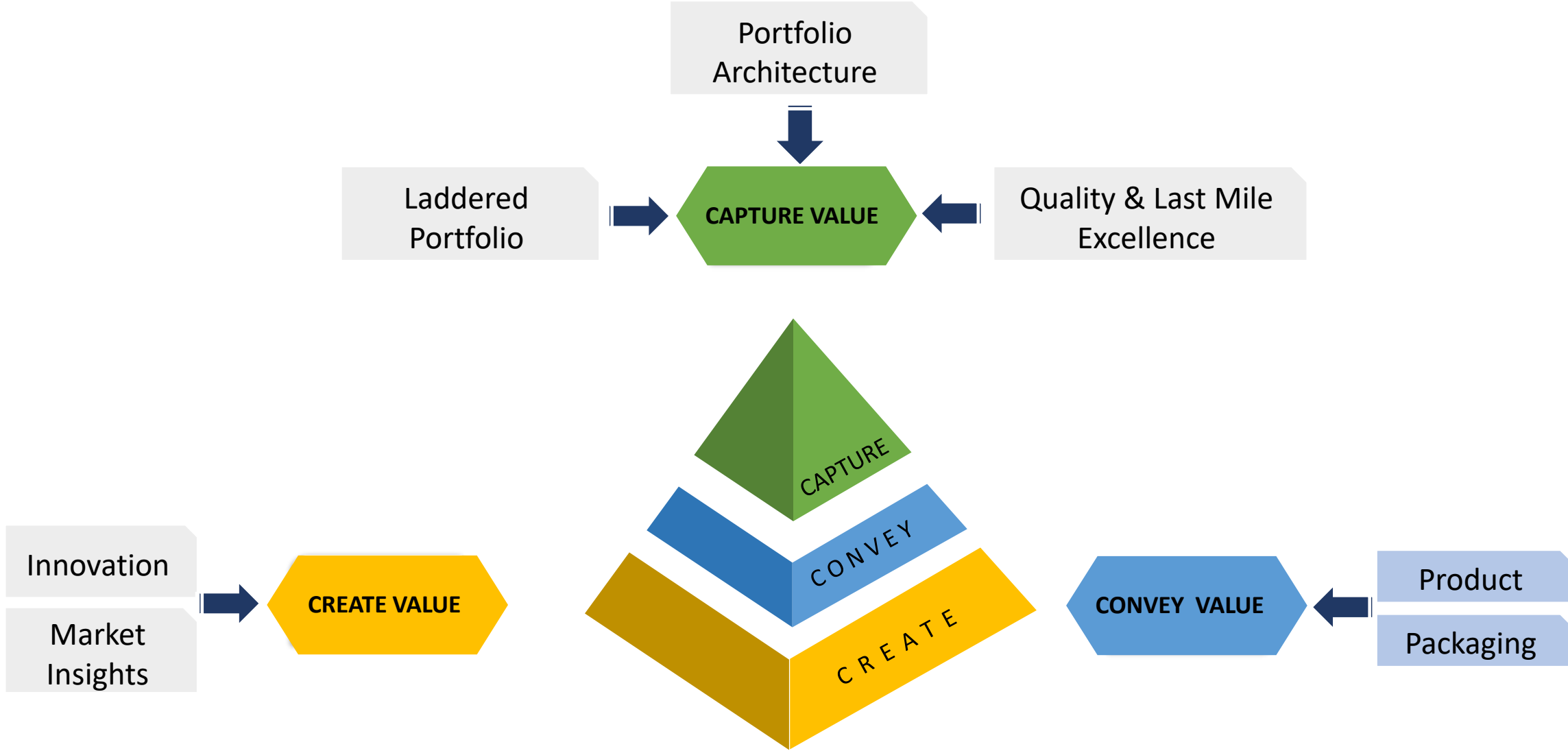
Berkeley
(2 Offers)

Royal
(4 Offers)

Duke
(2 Offers)

Navy Cut
(5 Offers)

Silk Cut
(4 Offers)



3 CV MODEL

- 40+ years in the Market yet Vibrant & Contemporary – Leading King Size Trade Mark
- 4 new variants launched over last 5 years contribute to ~25 % of the portfolio
- Innovation leader in formats, pack styles and product types.

- Over 100 years of Legacy and Trust
- Multiple variants operating across geographies and price points
- New launches in the last 5 years account for 10% of the Portfolio
- 10+ new launches in the last 18 months – Rapid diversification into new segments



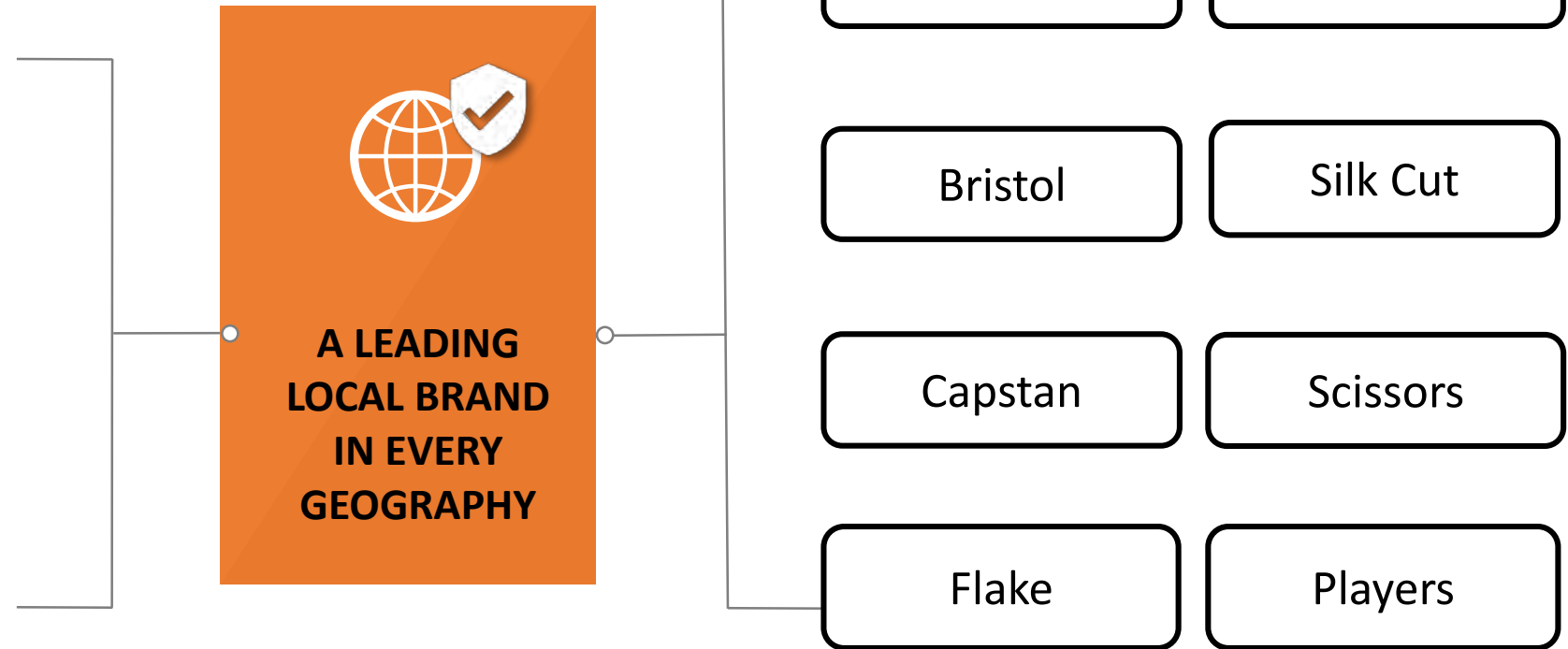
Micro Market Strategy

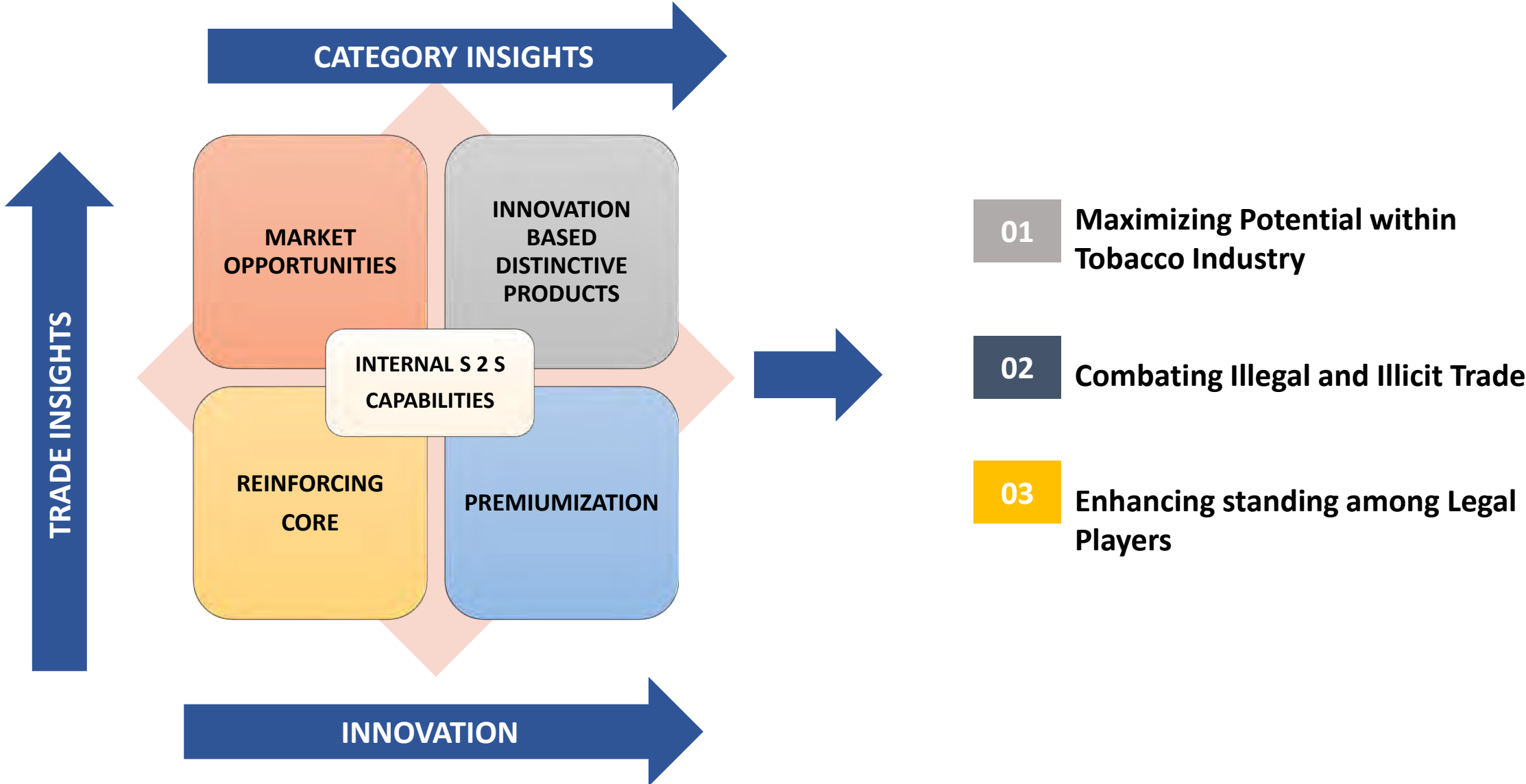


Price Laddering



Regional Customization





- **11% of Volumes from New Products**
- **Market opportunity based First to Market products**
- **Assortment more than Doubled in last 8 years**

Agile Innovation

FILTERS

Expanding capability of in-house innovation – structure, form and filtration efficiency



FORMATS

Expanding the premium modern variants
Addressing emerging trends
5s Pack
Fresh Seal

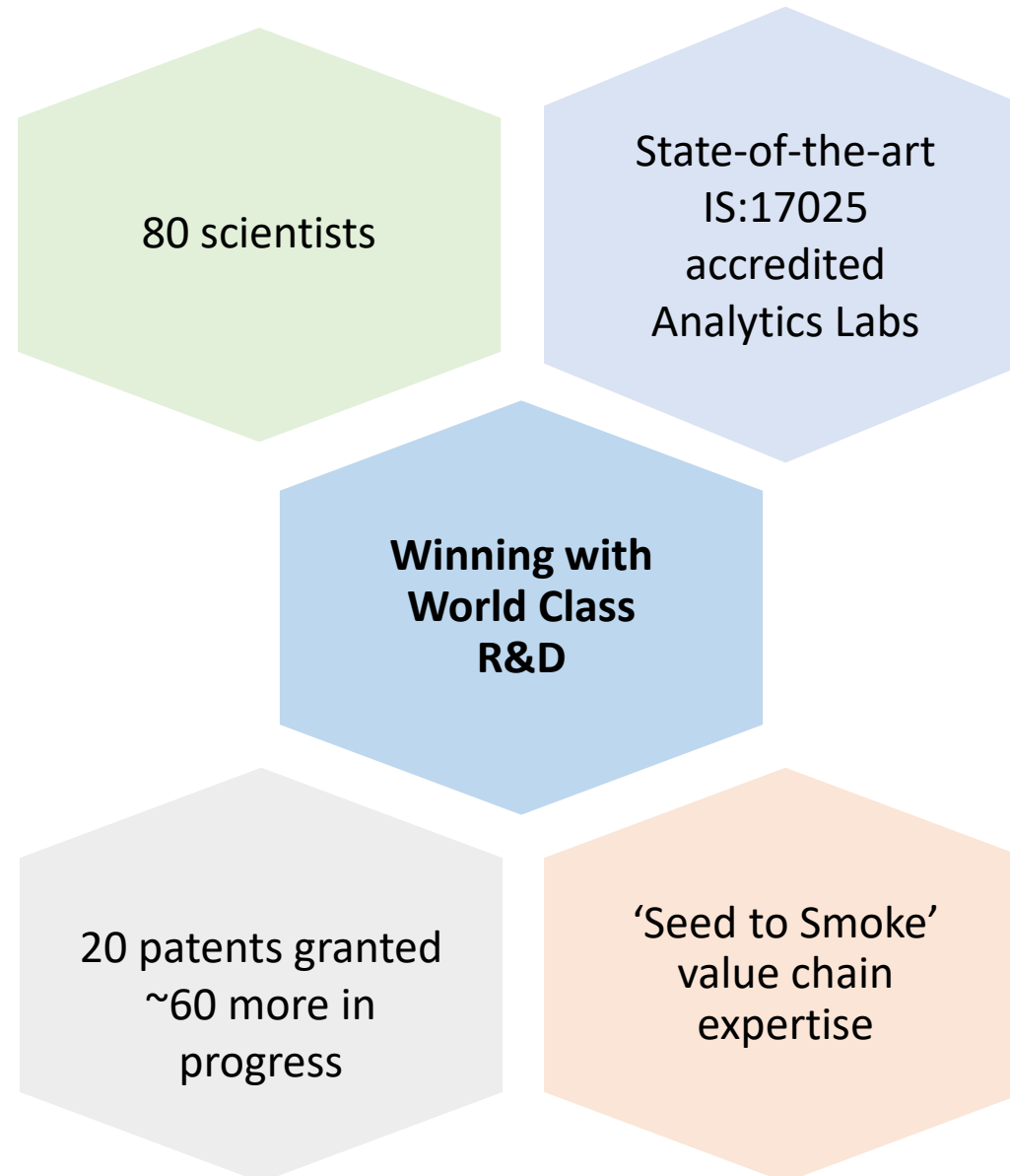
VARIANTS

Addressing market segments through Superior Solutions



INTERNAL CAPACITY

End to End integrated Value chain –
Speed to market
Indigenous Machinery Development Platform
Superior Talent



- Depth of Innovative talent - Scientists and Subject Matter Experts across domain areas
- **Technical University** to drive industry specific skill enhancement
- In-house **innovation Design Teams** drive an innovation culture
 - *“Quick Changeover kits”* - manufacturing flexibility
 - *“Frugal Automation”* - enhanced productivity
 - *“Vision analytics”* - online product monitoring systems
 - *“Unique pack styles”* - differentiated products

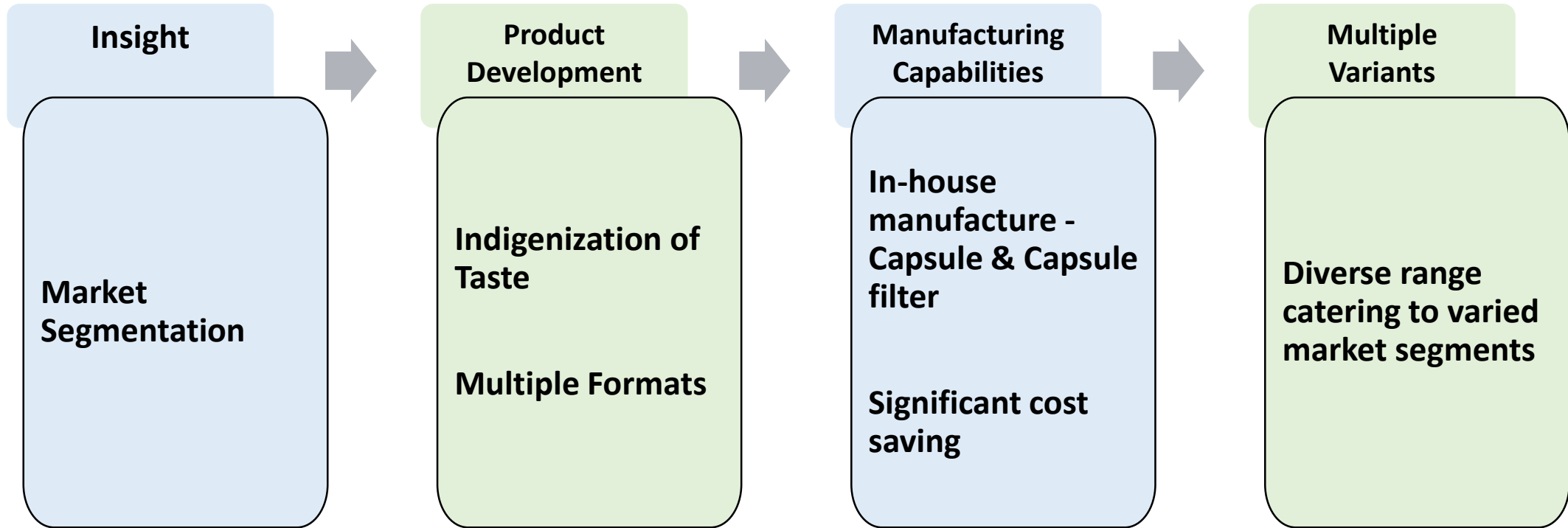


Specialized training infrastructure

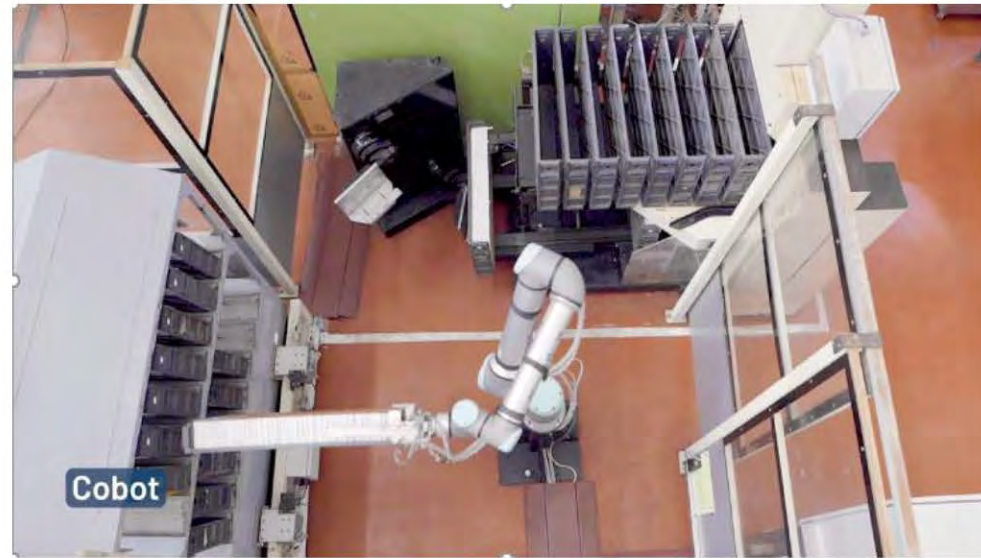


Inhouse Innovation: Online quality Measurement & Rejection system

Development of Inhouse Capsule Capability



Integrated S 2 S Value Chain



Leveraging institutional competencies for Value Capture at Every Stage from Seed to Smoke



AGRI

Leaf Growing
& Processing



PRODUCT

Filter Development
(Joint Venture)



PAPERBOARDS & PACKAGING

Paper, Board & Packaging



MANUFACTURING

Final Product Development



INDIGENOUS CAPABILITY

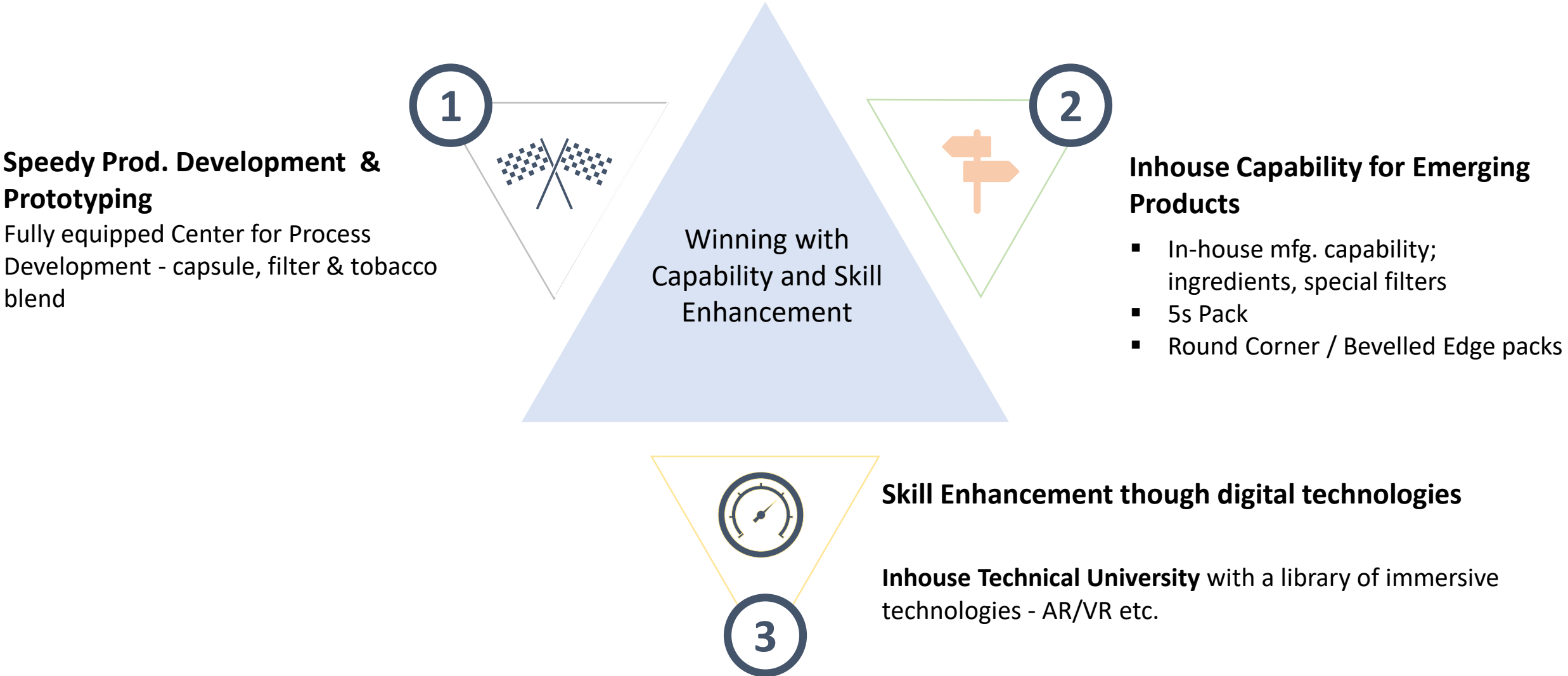
Capsule Manufacturing



DISTRIBUTION

Last Mile Execution





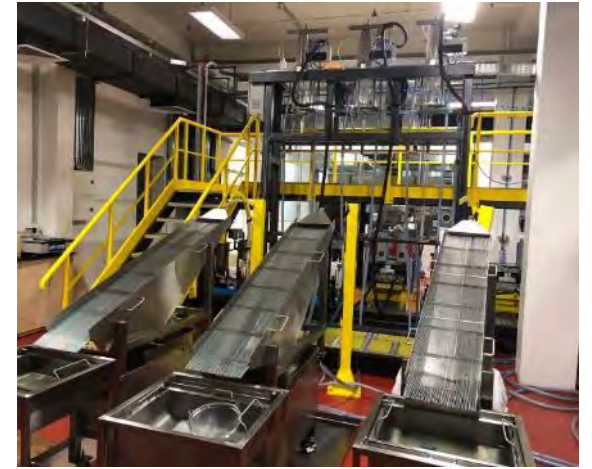
Distributed Manufacturing and Logistics

- **Agile, Efficient and Flexible** World class manufacturing lines
- Integrated capability for **variants, capsules, capsule filters and special filters** → **Faster speed to market at competitive cost**
- **Distributed Facilities** → optimal Distribution and logistics
- Contingency capacities to **de-risk** against localized discontinuities





Processing



Capsule - Encapsulator

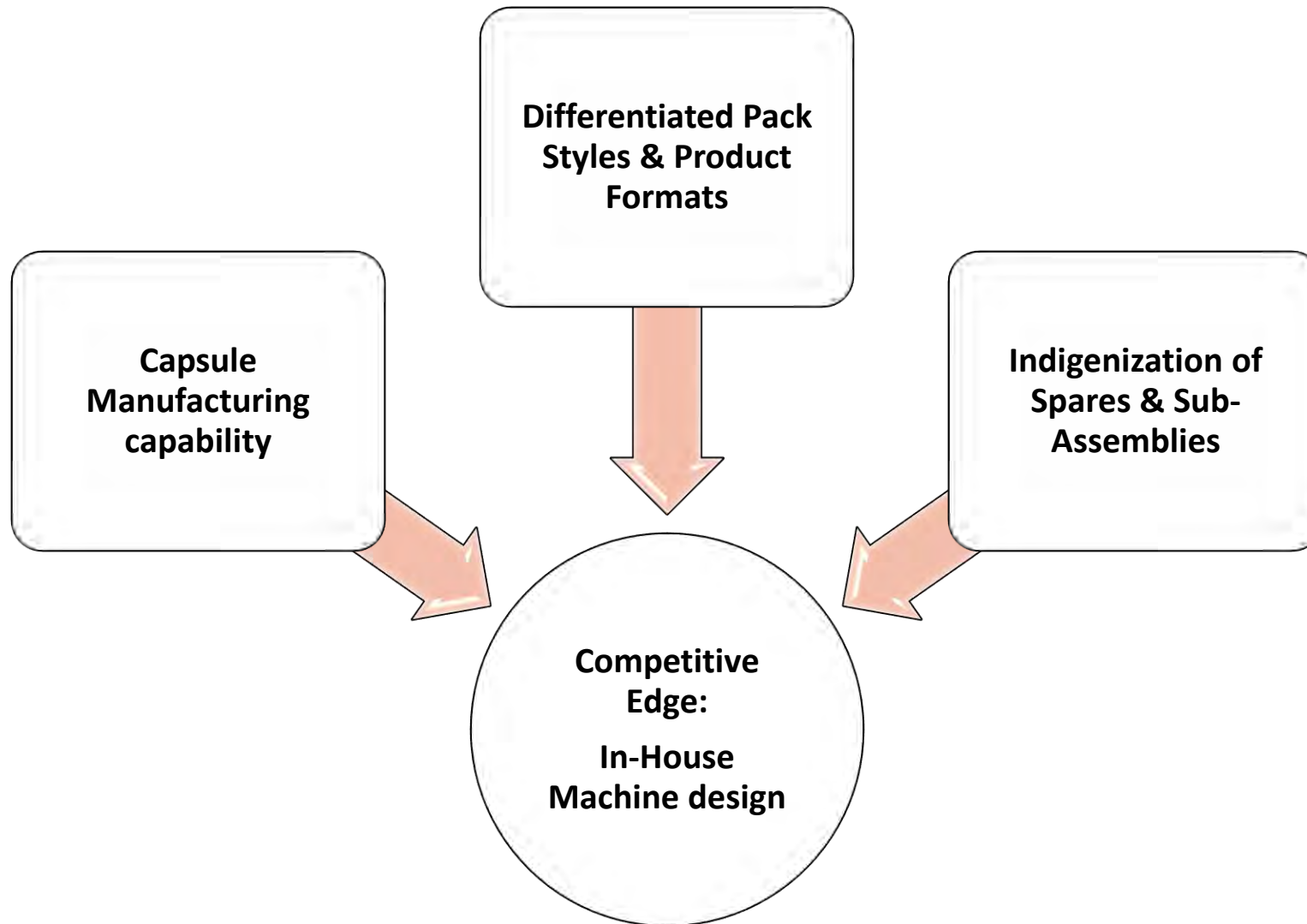


Packaging



Capsule - Driers

Make in India : In-house Machine Design Capabilities



In-house developed sub-assembly for double-capsule filter manufacturing



Indigenously developed wrapping and end of line equipment across lines

- Shopfloor **digitization** through machine level data integration ➡ Operational Excellence
- **Artificial Intelligence and Data Science** models ➡ enhancing product consistency
- Application of **IoT and Machine Learning** ➡ waste reduction
- **Image analytics** based systems ➡ 100% online Quality Assurance
- **Predictive analytics** ➡ optimization of equipment and utility performance

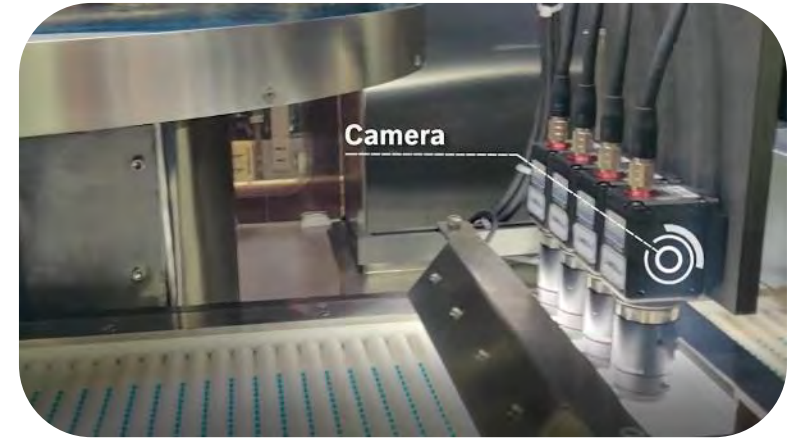


Image Analytics for online quality inspection of capsules



Deep Learning model for end product moisture consistency

- **‘Autonomous Guided Vehicles (AGVs)’** ➡ material movement
- **‘Robots’ and “Cobots’** ➡ material feeding , loading and case stacking
- **Product mass flow conveyors** ➡ enhanced quality and productivity
- **‘Robotic Process Automation (RPA)’** ➡ repetitive manual administrative activities



Robotic Palletizer



Product Mass Flow Conveyors

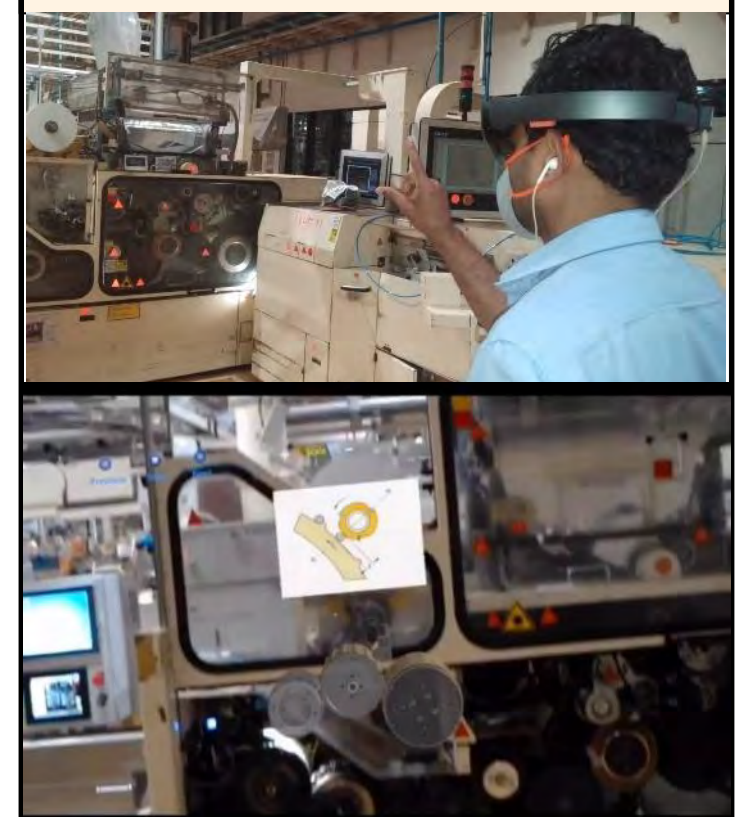
Augmented Reality for process understanding



Virtual Reality for assembling and disassembling of complex sub-assemblies



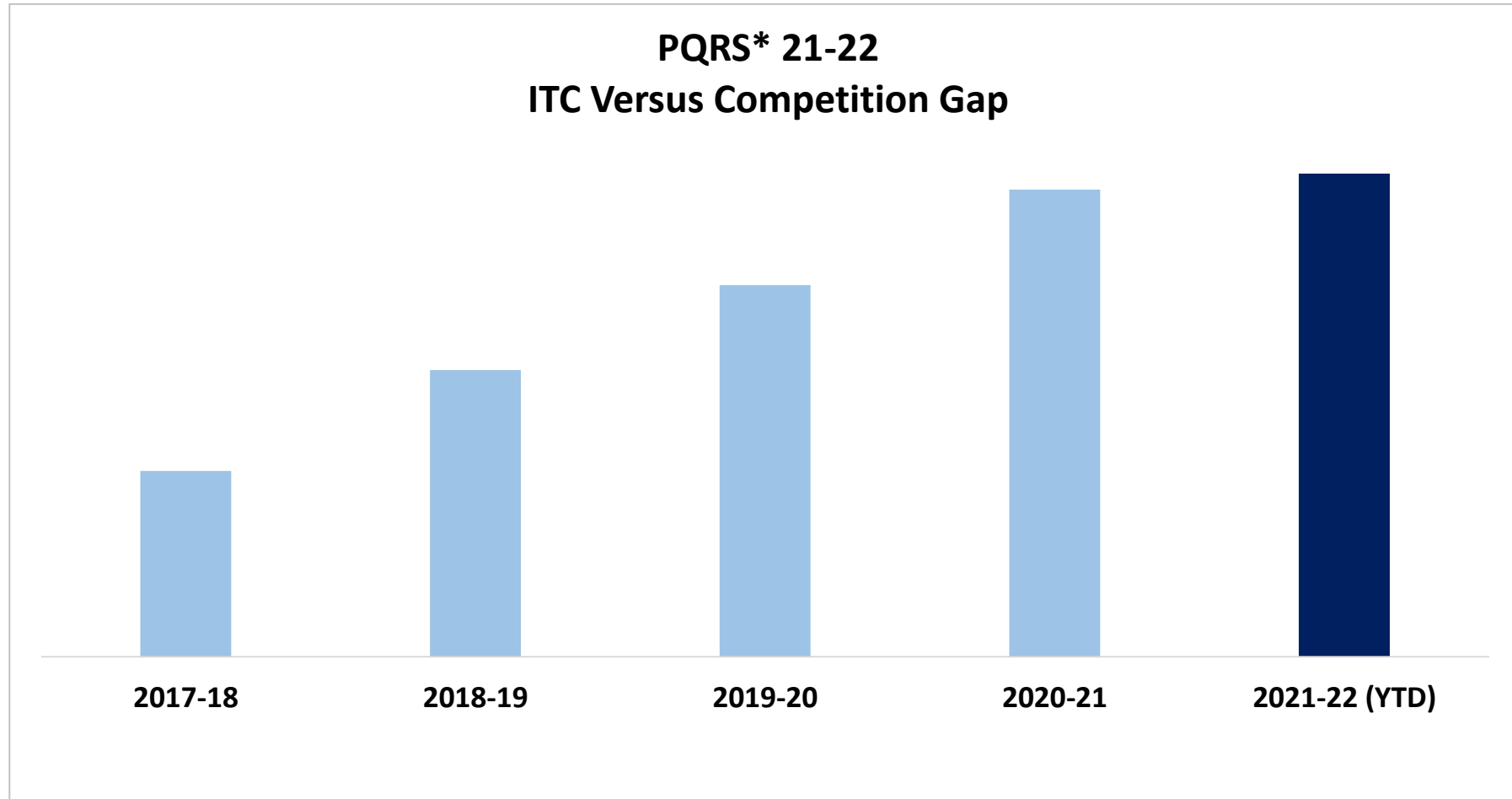
Mixed Reality for online maintenance



Widely Recognised Sustainability Initiatives

FROST & SULLIVAN	CONFEDERATION OF INDIAN INDUSTRY	INDIAN CHAMBER OF COMMERCE	CONFEDERATION OF INDIAN INDUSTRY (ER)	INDIAN WIND POWER ASSOCIATION	NATIONAL SAFETY COUNCIL OF INDIA
 <p><i>“Sustainable Factory of the Year”</i></p>	 <p><i>‘Excellent Energy Efficient Unit’</i></p>	 <p><i>‘Platinum Winner’ of National Occupational Health & Safety</i></p>	 <p><i>‘Winner’ of SHE Excellence Award</i></p>	 <p><i>First Prize “Best Performing Wind Farm” in Maharashtra and Gujarat Zone</i></p>	 <p><i>“Sarvashrestha Suraksha Puraskar (Golden Trophy)”</i></p>
BENGALURU	SAHARANPUR	MUNGER	KIDDERPORE	PUNE	PUNE

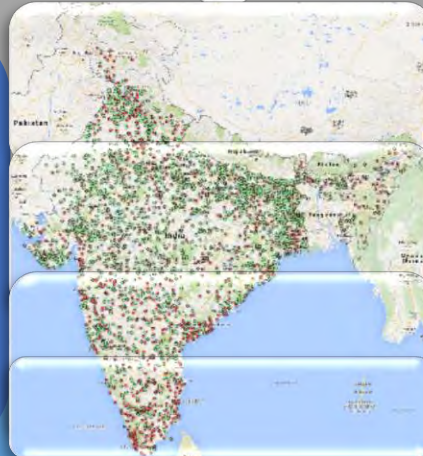
Excellence in Execution



Unmatched Brand availability



- *Over 10,000+ Re-distribution Channel partners customized for micro geographies*
- *7,000+ mobile Units servicing 'Bharat'*



Best in Class Daily Servicing



Extensive direct network reaching to over 1.4 lac markets

Leveraging technology at all nodes to drive efficiency & agility @ Scale

- Leveraging **institutional strengths** of Leaf Procurement , Printing & Packaging & Corporate R&D for creating long-term sustainable advantage through innovation & differentiated products
- Continuing to strengthen the Portfolio on the basis of **superior category insights and Micro market strategies**
- Leveraging Technological and Manufacturing leadership for Agility & Competitiveness enhanced by **Digital interventions & Industry 4.0**
- Maintaining our competitive advantage through **benchmark product quality** and superior **last mile execution**



Enduring Value

NATION FIRST: SAB SAATH BADHEIN

Branded Packaged Foods

Hemant Malik, Divisional Chief Executive

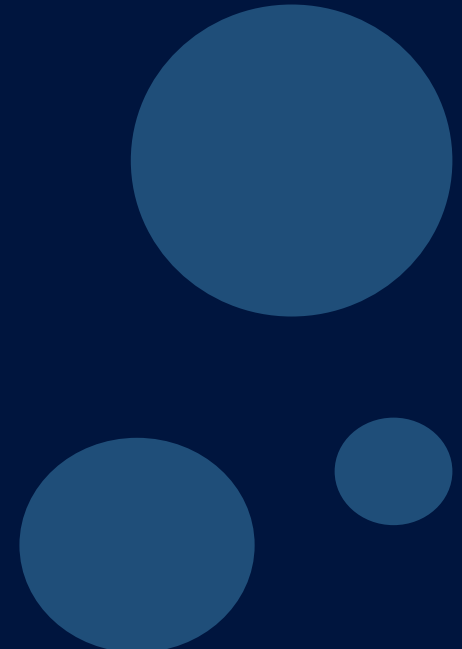
Our Purpose:

Is to **“Help India Eat Better”**. We demonstrate this through our obsession to offer great quality products & exciting innovations that are science-based & consumer-led; prepared using carefully chosen ingredients; made the right way, to taste better & do better.

Table of Contents

- **ITC Foods**
 - Business Highlights
 - Distinct Strengths

- **Our Strategy to Win**
 - Consumer Centric Innovation
 - Strengthening the Core
 - Premiumisation



Business Highlights

ITC Foods – One of India’s Leading Foods Businesses

One of the Largest & Fastest Growing



Four ITC Foods brands among the Top 20 trusted food brands in India



ITC Foods brands present in 56.3L (>50%) stores across the country

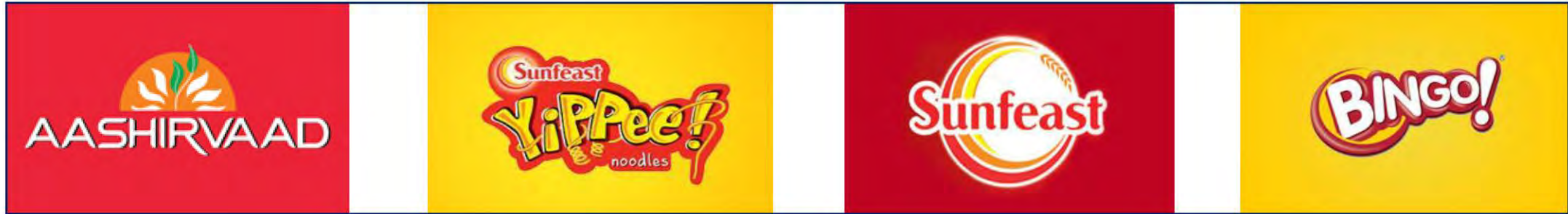
Presence in 20 food categories

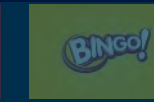
**Net Revenue over 10 years:
Growth 4.2X
CAGR 16%**



One in Two Indian HHs use our products
- ITC Foods brands present in 17.4cr HHs (57% Pen/ annum)







Aashirvaad atta

1

Branded Atta



FY 11

X

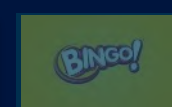
FY 21

5.1 X

18% CAGR



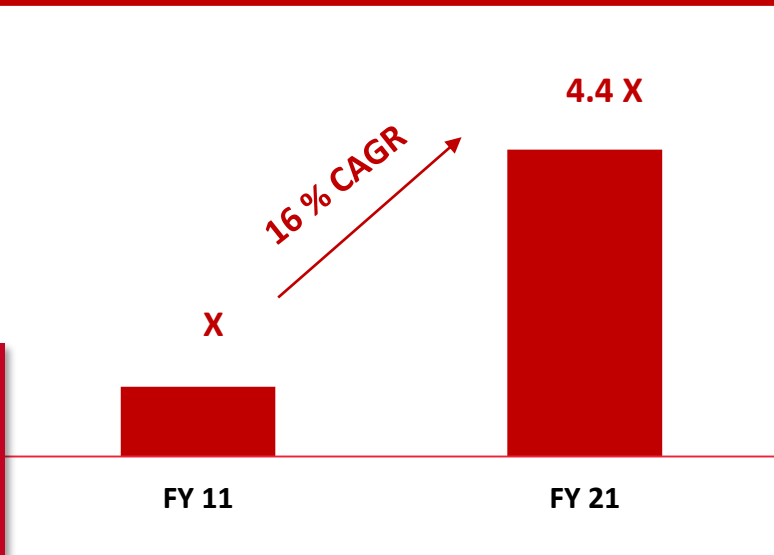
- **Aashirvaad atta** → led the category conversion
- **India's No.1 Branded Atta** within 4 years of launch
- Aashirvaad 10 yr. CAGR is **2.1x of branded atta**
- **Market leader** for 15 consecutive years
- >6000 crore brand basis Consumer Spends
- Among **Top 50 Most Trusted Indian Brands**



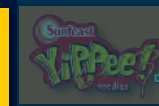
Sunfeast Cream Biscuits

1

Cream Biscuits

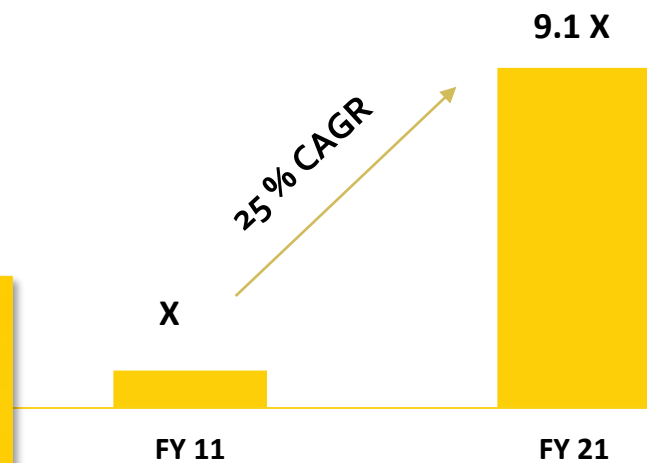


- **Bounce: India's no.1 Cream Biscuit brand***
- **Dark Fantasy: Market leader in premium indulgence**
- **Moms Magic cookies: Fastest to Rs. 500cr within 18 months of launch***
- **Sunfeast: India's No.3 bakery brand**
- ~4000 crore brand basis Consumer Spends

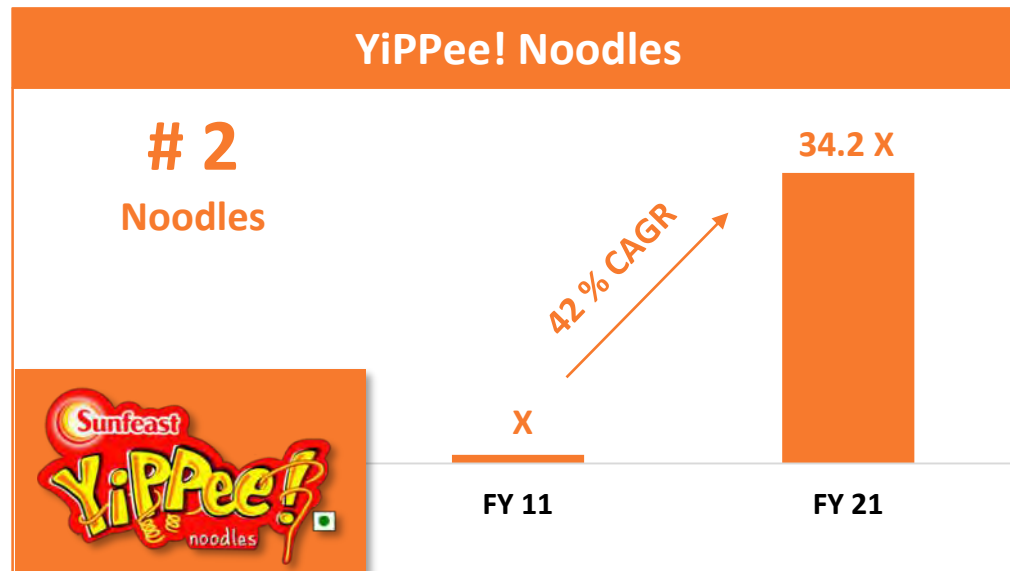
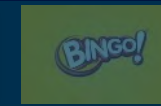




Bingo! Bridges Segment

1
Bridges



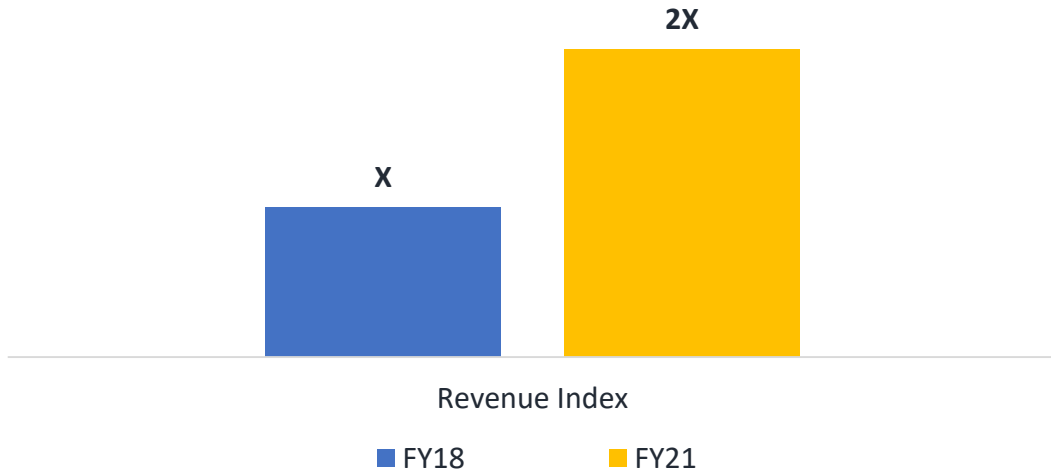
- Bingo! **No. 1 Finger Snacks brand** in the Country
- Bingo! **Potato Wafers - Market leader in South India**
- Bingo! (PC+FS) 5 yr. **CAGR is 3.6x of Lead Competition**
- ~2500 cr. brand basis Consumer Spends



- 
- 
- India's 2nd largest Instant Noodles brand
 - 1000 Cr. milestone achieved in its 8th year of operations
 - 10 yr. CAGR is 5.3x of Lead Competition
 - Market leader in AP, Odisha and Kerala

Further expanding our foot-print globally through EXPORTS

2x increase in Revenue



Global footprint extending to 58 countries



Full Range



Mega in-store displays



On-store branding



Aashirvaad (USA): ATL investments to strengthen brand equity in key markets



We have achieved this by

Leveraging our **distinct strengths**

We create products for all considering **regional tastes & preferences..**

Key Sources of Competitive Strength



Deep understanding Regional tastes & preferences



Specific Product Development & R&D



Strong Support by the Agri Division



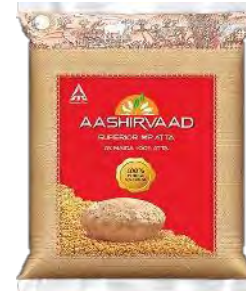
Region specific procurement & region specific blend

For Example...



Staples:

Different blends developed for different regions/recipes for atta and spices basis consumer preference



Developed manufacturing skills to blend and deliver the right product to consumers



Juices:

Developed **regional strengths** like Himalayan based fruit, Guava, & Orange for Source authentication

Consumer Product ratings ahead of competition across multiple categories



Noodles

YiPPee! : 4.5

Competition: 3.8



Creams

Dark Fantasy: 4.1

Competition: 3.8



Cookies

Mom's Magic: 4.1

Competition: 3.5



Ghee

Aashirvaad Svasti: 4.0

Competition: 3.6

leveraging cross category competencies

Sourcing Competency + Platform Synergies




Wheat Sourcing

Cross Format Chocolate Expertise




Platform Synergies

Fungible Manufacturing Technologies




Product Technologies

Common Target Group Understanding




Understanding diverse TGs



Resulting in wide recognition (1/2)

Marketing



THE GREAT INDIAN MARKETING AWARDS 2021

- Best Influencer Campaign of the Year**: *Chitra's BINGO!*
- Best Indian New Brand Launch**: *AASHIRVAAD svasti SELECT*
- Best Video Content Marketing Award**: *Daily Daily JEWELS*
- Best Social Media Campaign of the Year**: *CRICKET'S SNACKING PARTNER*

MOBILE AWARDS #MADDIES

- Marketing Strategy - Best use of Relationship Building/Remarketing**: *Stay Strong Moms*
- Marketing Strategy - Community Building**: *Stay Strong Moms*

SHARK AWARDS 2020

- BEST SMALL BUDGET MARKETING CAMPAIGN**: *AASHIRVAAD SVASTI IMMUNITY SONG*

Digital Marketing



- Mobile Marketer of the Year**: ITC
- Aashirvaad – Best use of vernacular language in Mobile Advertising**: Aashirvaad Atta's #ItapesOfLove, ITC, Wavemaker India, Gender Equity
- Aashirvaad Select – Best use of Mobile Video & Location targeting**: Leveraging Mobile Video & Location Targeting for Aashirvaad Select Atta, ITC, Wavemaker India, Location Based Services or Targeting
- Aashirvaad Svasti – Search campaign on eCom platforms**: Svasti Ghee - Search Campaign on Amazon, ITC Foods, Performics India, Most Effective Search Campaign

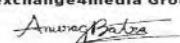
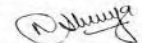
Congratulations

ITC FOODS
FOR WINNING THE
BRAND OF THE YEAR

CONGRATULATIONS FROM

Dr. Annurag Batra
Chairman & Editor-in-Chief
BWJ Businessworld &
exchange4media Group

Nawal Ahuja
Director
exchange4media Group


Resulting in wide recognition (2/2)

Manufacturing

Procurement



Winner at CII National Energy Efficiency



6 awards in 6th Kaizen Competition of QCFI Haridwar



Gold Award in Category Breakthrough Kaizen



Best Supply Chain in Foods and Beverages



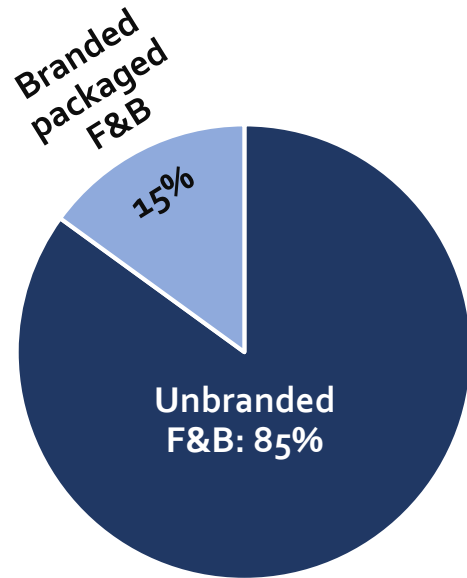
Globoil Fastest Growing FMCG Company of the Year



Best Procurement Team of the Year-ITC Foods

With huge future growth potential

→ as **Branded packaged foods in India is poised for growth**, driven by



There is a huge head room to grow branded packaged F&B consumption



..consumers trends

1. Consumers seeking Safe & Hygienic food products

- Branded = Trusted
- Branded = Good quality / Free from adulteration

2. During COVID,

- Big brands = More trust; got affirmed in the consumer minds

3. Rising Disposable income:

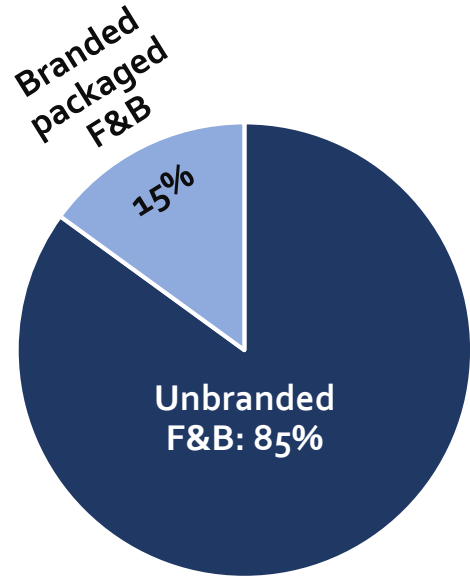
- Gross National Disposable Income grew @10% each year from 2017 to '19
- Growth in income → Increase in absolute spends on Foods

4. Growth of eCom & D2C

- Led by consumers seeking CONVENIENCE
+ Increasing smartphone penetration / online user base

With huge future growth potential

→ as **Branded packaged foods in India is poised for growth**, driven by



There is a huge head room to grow branded packaged F&B consumption








..and conducive macro factors

1. Attractive PLI in Food sector going to give it a PUSH

- Sectoral outlay: 10500 Crores for PLI Scheme
- ITC included across categories - RTE/RTC; Fruits & Vegetables; Marine

2. Very low per capita expenditure vs other countries

→ huge scope to grow with India's economic transition

Packaged Food RSV per capita per day (2010)		
India		X
China		2X
Russia		4X
USA		6X
Japan		10X

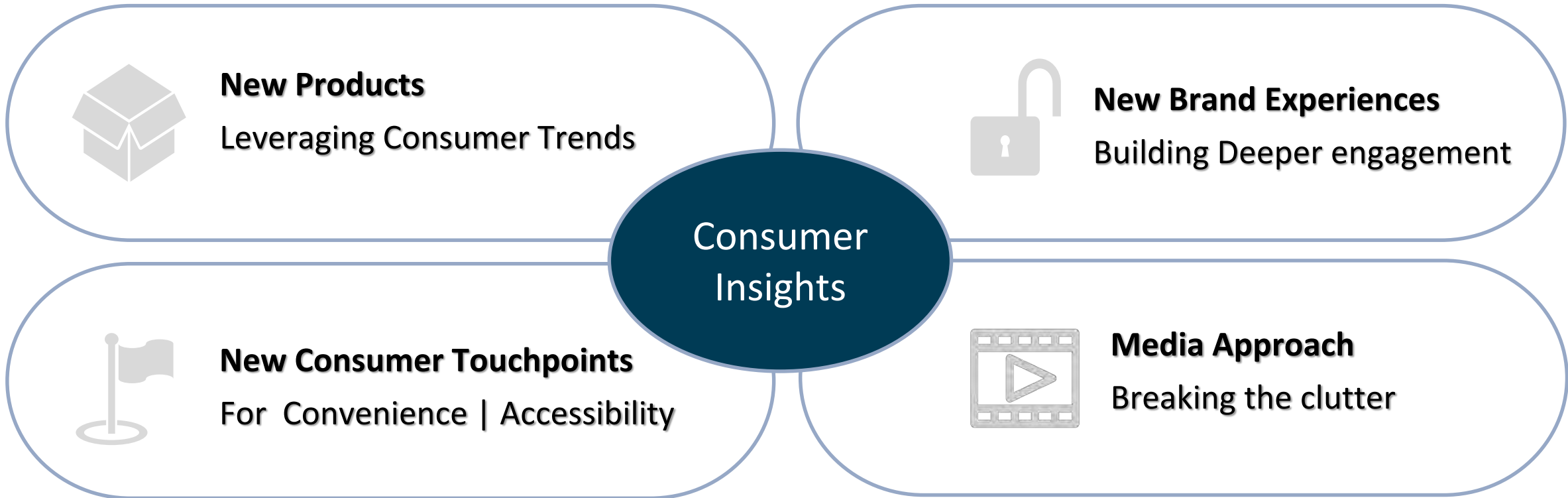
Emerging: \$320 B RSV
Transitioning: \$415 B RSV
Developed: \$1190 B RSV

Our Strategy to Win

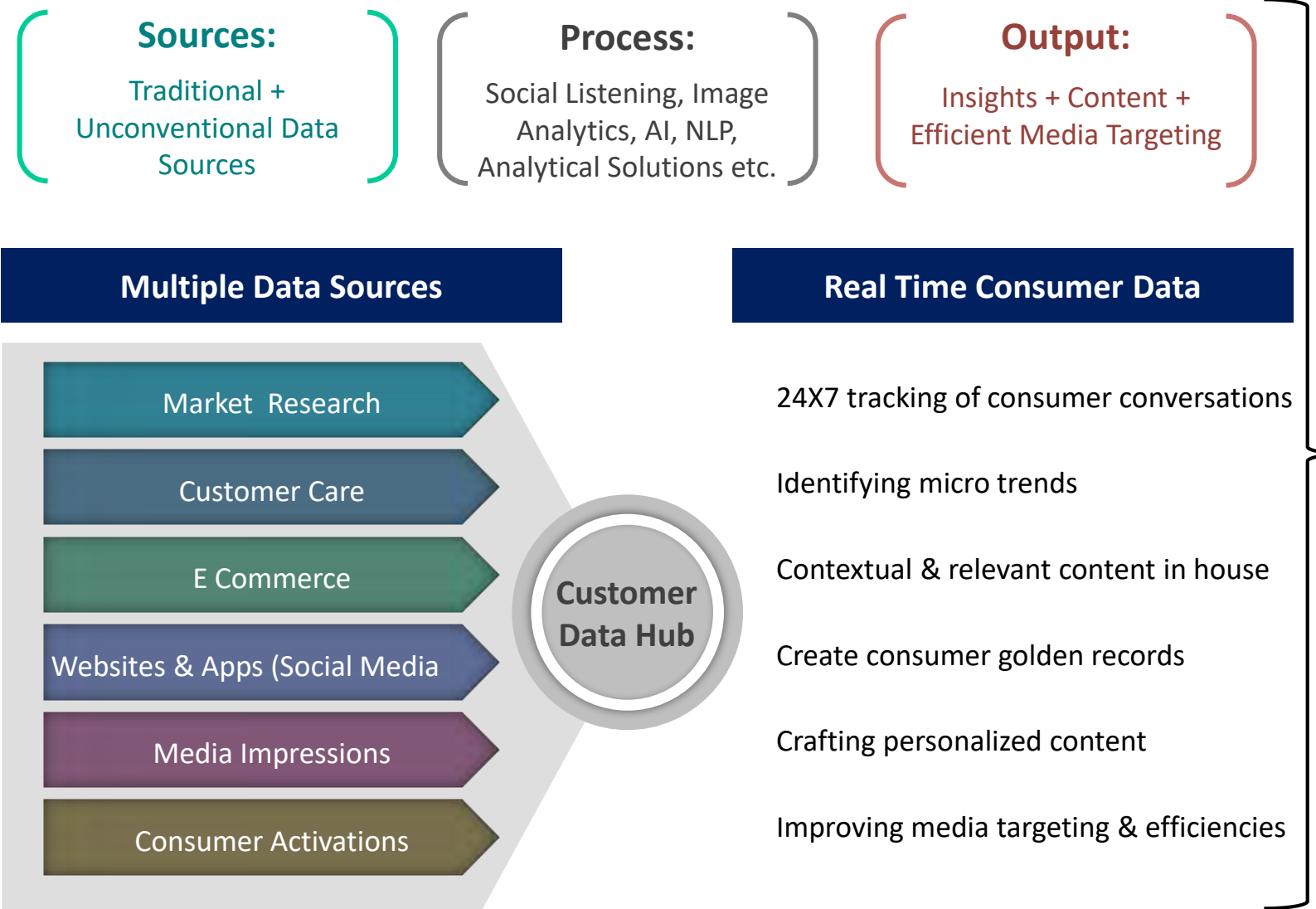
1. Consumer Centric Innovation
2. Strengthening the Core
3. Premiumisation

1. Innovations keeping **Consumers at the Center**

Innovations



→ holistic real-time process triangulating various data sources..



Real Time Insights → New product ideas & propositions

- Heightened **Health / Immunity**
- Seeking **convenience &** accessibility
- **Experimentation** at home
- Food for **stress busting**

..helping in addressing emerging consumer needs with agility

Immunity

First to launch of Immunity boosting products



Communication highlighting Immunity



Safety

Focused on assuaging fears around Hygiene



Launch campaign of Aashirvaad Svasti Select Milk (Doodh-er Report Card):

Report card of 27+ Quality checks made available to the consumers on Whatsapp, SMS, ITC Cares, FB, Insta etc.

Convenience

To aid in-home cooking, enhance home-made meal experience during pandemic

Pastes & Gravies



Instant Meals



Frozen Foods



Delighting consumers through **First to market** products

Unique offers in the market



Chocolate Filled Cookies



Unique to Market Triangles



Original Style Chips

Recent Break-throughs



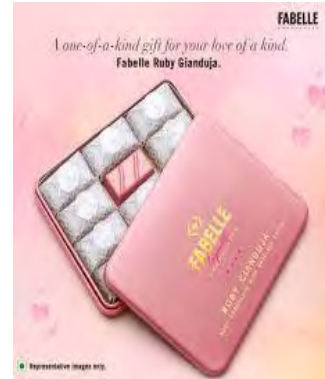
Leveraging a deeply entrenched habit



First to Market Aseptic Pet in Juices



Milkshake with Fruit Bits



Ruby Chocolate



100% Pomegranate Juice



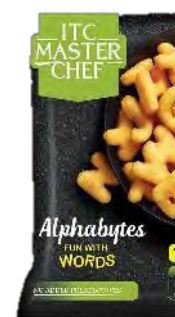
Jelly Bears



Round Noodles



Tri Colour Pasta



Unique Products in Frozen Segment



Saucy Noodles



Multi Millet Mix



Squeeze-It bottle for Ghee

Catering to long-term consumer trends of **Health..**

Aashirvaad Nature's Super Foods:
Need for Organic



Aashirvaad Nature's Super Foods:
Rising Gluten Intolerance & Going back to Roots



Aashirvaad Salt Proactive:
Better Heart health



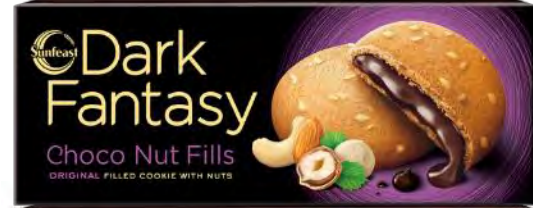
YIPpee! Power Up Noodles:
Goodness of whole wheat atta & veg infused noodles



Farmlite Veda:
Immunity Focus



B Natural: **Immunity Focus**



Sunfeast Dark Fantasy: **Premium chocolate biscuit experience**



Fabelle: **Signature Luxury Dessert collection** for festivals, gifting



Fabelle: **Premium chocolate bar experience**



Sunfeast Bounce: **Affordable Indulgence** for all



Candyman Fantastik: **Daily Chocolate indulgence**

Creating Purpose led brand experiences for consumers



Future brand ambassadors - YIPPEE!
Magic with Plastic



ITCStore.in's CARE Basket Initiative -
Dabbawalas, Receives Mumbaikars' Support



Candyman Fantastik Tornado took Kolkata By storm this Durga Puja



Bringing Flavour of Bengal for Bengali Expat - Sunrise Pure



Interactive Cooking Workshop - Cooked along with ITC Hotel Chefs



Sunfeast India Run As One mobilised the country in support of livelihoods

Offering convenience and accessibility via multiple touchpoints

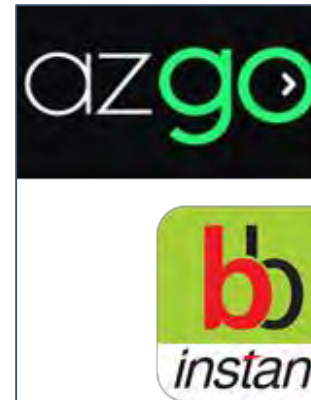
Partnering with airlines



Partnering with Inox



Available through vending machines & Swiggy



Synergizing with Amway



Partnering with Dominos



ITC store – D2C



Home Carts for Frozen

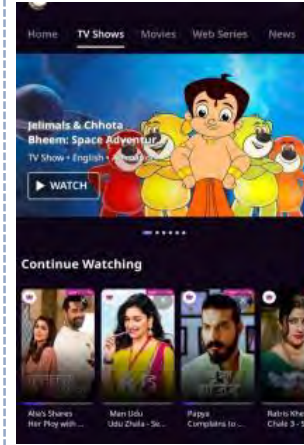


Breaking the clutter using innovative Media approach

Creating brand IP - Bingo! Social Media Sticker powered by AI



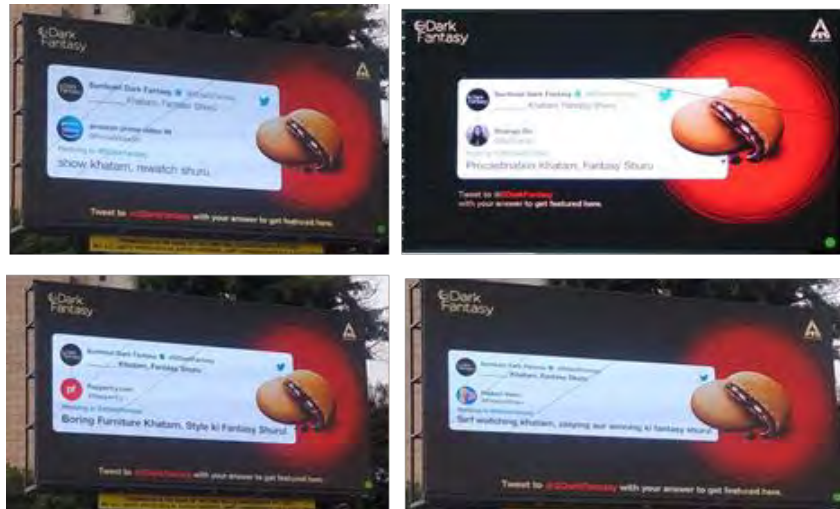
Co-creating relevant content



Candyman
Jelimals – Space
Adventures on
Zee5



Dynamic integration → Offline + Online



Connecting
multimedia
platforms from
Print to Digital
to OOH for Dark
Fantasy

Integration in Gaming space



Sunfeast Yippee
Mood Masala
ESPL partnership

Utilising cutting edge digital tools & techniques

In-house content creation



Hyper personalized content creation & deployment



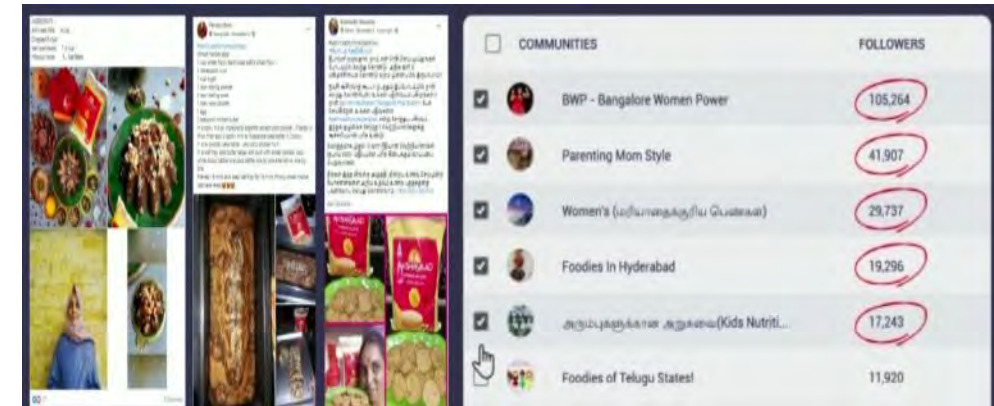
AI-based diagnostic tool for creative evaluation

Does an historical audit
Arrives at what has worked
and what has not
enables preflight testing



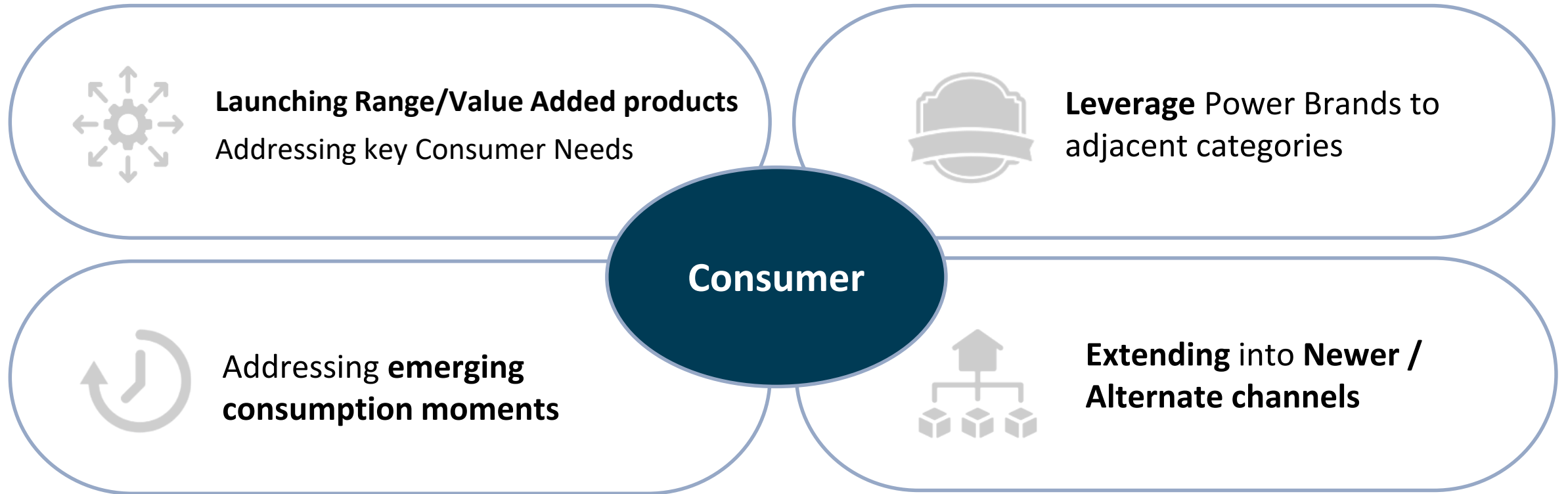
Community management platform using power of data analytics & ML

Tapping into communities where digital media cannot reach



2. Strengthening the Core

2. Strengthening the Core





North – Shift in behavioural choice



Business Need: To convert Wheat & Loose Atta buyers

Action: Highlight Process Efficiency of Aashirvaad and Connect to Progress of Self – “4 Kadam Aage”

South – Aimed at increased occasions of use



Business Need: To increase Consumption of the Category

Action: Communicating “Versatility of Atta” by educating consumers with Atta recipes

TV to drive 'High Fibre' proposition; Digital & Social to communicate other facets

Happy Tummy for a Happy You



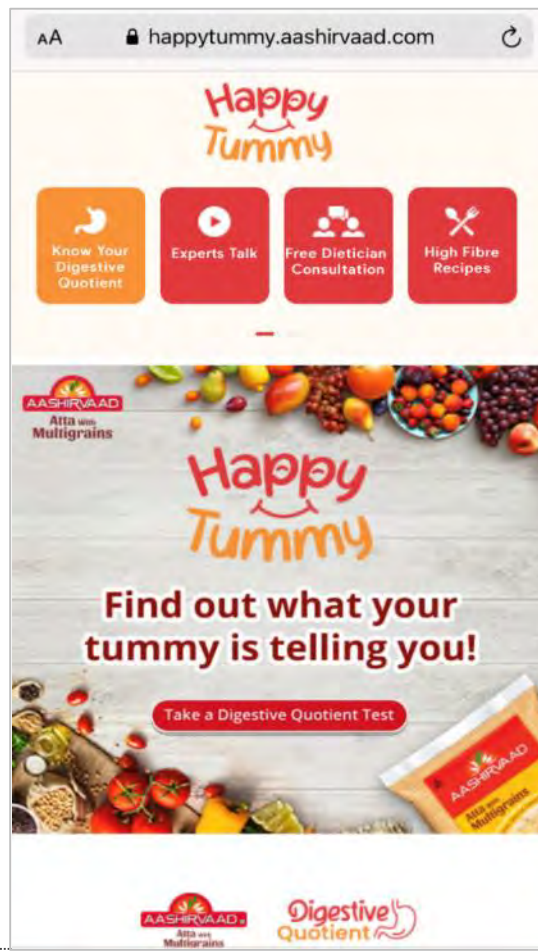
Solution for Digestive Health



Exclusive platform for **Digestive Health**, an emerging health concern

One stop personalized solution

- Health Blogs
- Expert videos,
- Nutritionist consultations
- High fibre recipes



SRC Solution - Browser based video calling to facilitate easy consultation



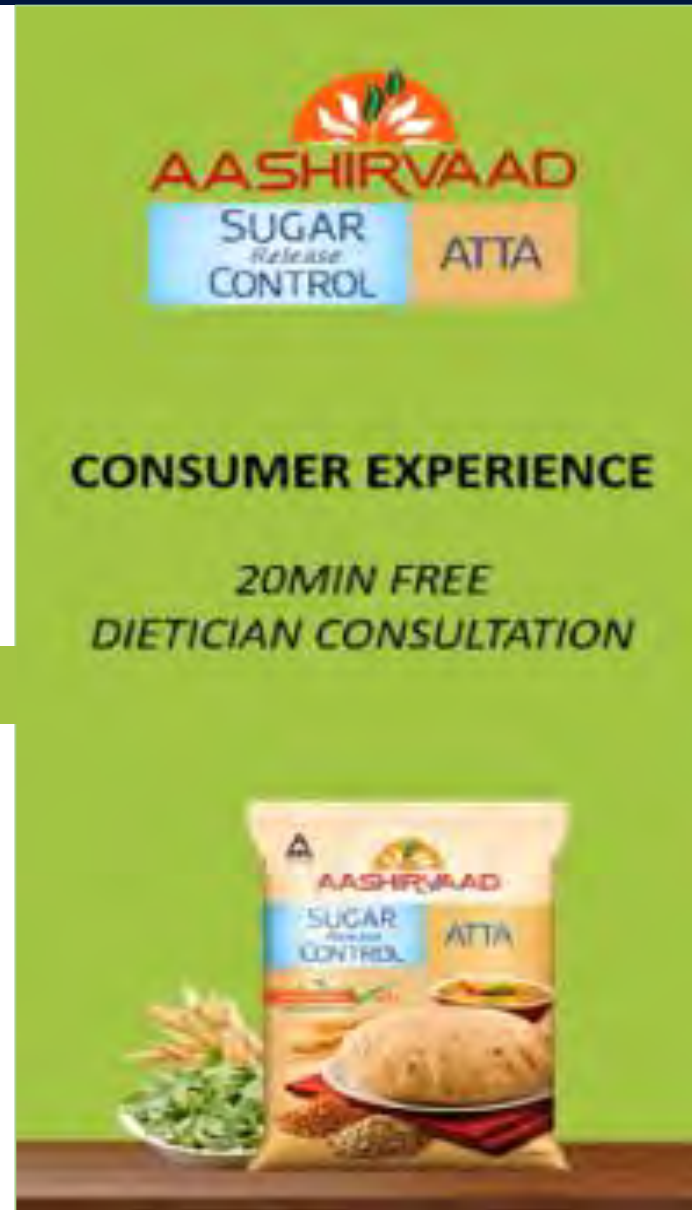
Panel of dieticians
working remotely
- pan India



A white labelled app-
less **video**
consultation platform
for diabetics



Drive a call to action
to sell before,
during & after each
video consultation



Customer feedback

★★★★★
"I am a fitness enthusiast and during these times of new normal, educated and concerned individuals like me can really appreciate programs like these."
Bhagyashree Todi
Kolkata

★★★★★
"I want to convey my thanks and appreciation for a very helpful and excellent counseling session with Ms. Tina Khanna of Aashirvaad."
Krishna Rao
Hyderabad

★★★★★
"Thank you so much and God bless the whole Aashirvaad Aata Team for organizing this counseling session."
Anjali Sharma
Delhi

★★★★★
"Thank you for the wonderful job done done by Aashirvaad Aata team. It was a very fruitful session."
Amit Mahapatra
Bangalore

Atta



Salt



Spices



Organic



Breakfast Solutions



Fresh Dairy



1.6X growth over last year

New Market Expansion in Bihar



Doodh-er Report Card Proposition



Product Portfolio Expansion



Dahi



Lassi



Paneer



Mishti Doi

Ambient Dairy - Ghee

- Unique slo-cook proposition leading to great aroma
- Launch of first to market Squeezy pack for Ghee





“The Batman of Biscuits” - Forbes India



- First-to-market centre-filled format
- 5 year CAGR of 27%* (best in creams segment)

Creating a comprehensive Choco Fills portfolio



Reimagining other biscuits in filled format



Many other Firsts...



Robust innovation funnel to help sustain the lead in the years to come

*Nielsen RMS, 2021

Strategic Overview

- Consumers seeking **better sensorial experiences**
- Consistent **long term premiumization trend** in category



- Focus on **fast growing and highly profitable** Premium end
- Truly **differentiated consumer offers** helping drive growth

Market Share (Premium)

- **Market leadership within 10 years** despite presence of 100 year old legacy players
- **ITC has 26% share** in the Premium biscuits * segment — **1.5X times** the largest competitor in Biscuits

Premium offers from the house of Sunfeast



*Nielsen RMS,2021

Premium Seg: >Rs250 Per KG

Solid Insights

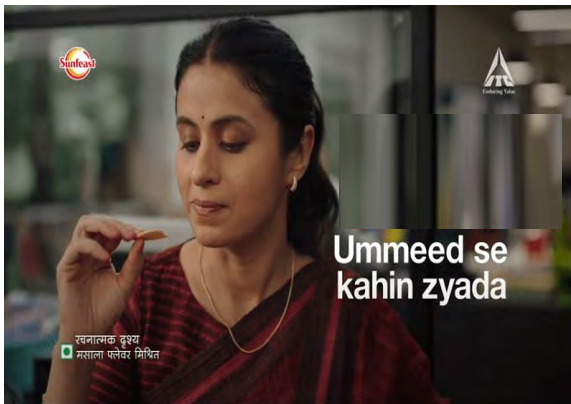


Strong consumer and category understanding

Innovating with Strong Ideas reflecting across the mix



Superior Products Always



Disruptive Activations to build core thoughts






Creating Love Marks for Key Consumer Cohorts

Each Brand with a strong Point of View



Indulgence

Celebrate the all rounder in each Home maker


You are much more than you think



To urge Indians to seize personal pleasure more often..

Din khatam, Fantasy Shuru...

Delight

Helps mother work their magic that makes everything feel right

Warmest Super Power



To delight every hungry stomach

Happy to be Hungry



Give Power in the hands of kids to make world a fun place

Bounce Out the Fun inside Everyone!

Health




Add Zest to Health

Sirf Digestive Nahi Dizestive



To enable couples spend healthy time together

Har ghar chahta hai ek strong team

★ Premium offers from the house of Sunfeast





Entry into Beverages with a **strong consumer led proposition**



- **BNatural is the first juice brand to be made of 0% concentrate & 100% Indian fruits**
- **India's No.3 Juices & Nectar brand**
- **~200 bps gain in market Share vs 2019***
- **2nd largest player in Modern Trade Banners with 23.5% Market Share***

*YTD Sep

*Nielsen RMS,2021

"Fiber" proposition Built on the back of a strong consumer insight



Agile topical launches in the time of COVID New Immunity Range



Premium juice portfolio to drive innovation & profitability



First Juices & Nectar brand in PET made of fruits sourced from places of origin

Leveraging brand purpose celebrating Indian Farmers & Local Sourcing





Tapping **un-conventional route** to market



Modern Trade & E Com

#1 IN



Institutional Partnership

Differentiated products with inclusions at airports and in leading Airlines



No added sugar Juices in MCD happy meals providing an alternative to CSD



Partnership with largest QSR by offering consumers a healthier beverage choice instead of CSD



Co-branded products with Amway (India's largest D2C) offering premium nutritional beverage



3. Driving Profitability through..



**1. Smart
Manufacturing**



**2. Agile Cost
Management**

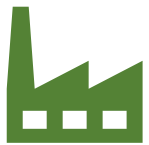


**3. Mix
Premiumisation**



**4. Value Accretive
Acquisition**

Smart Manufacturing : ICMLs - State of the Art Manufacturing Infrastructure



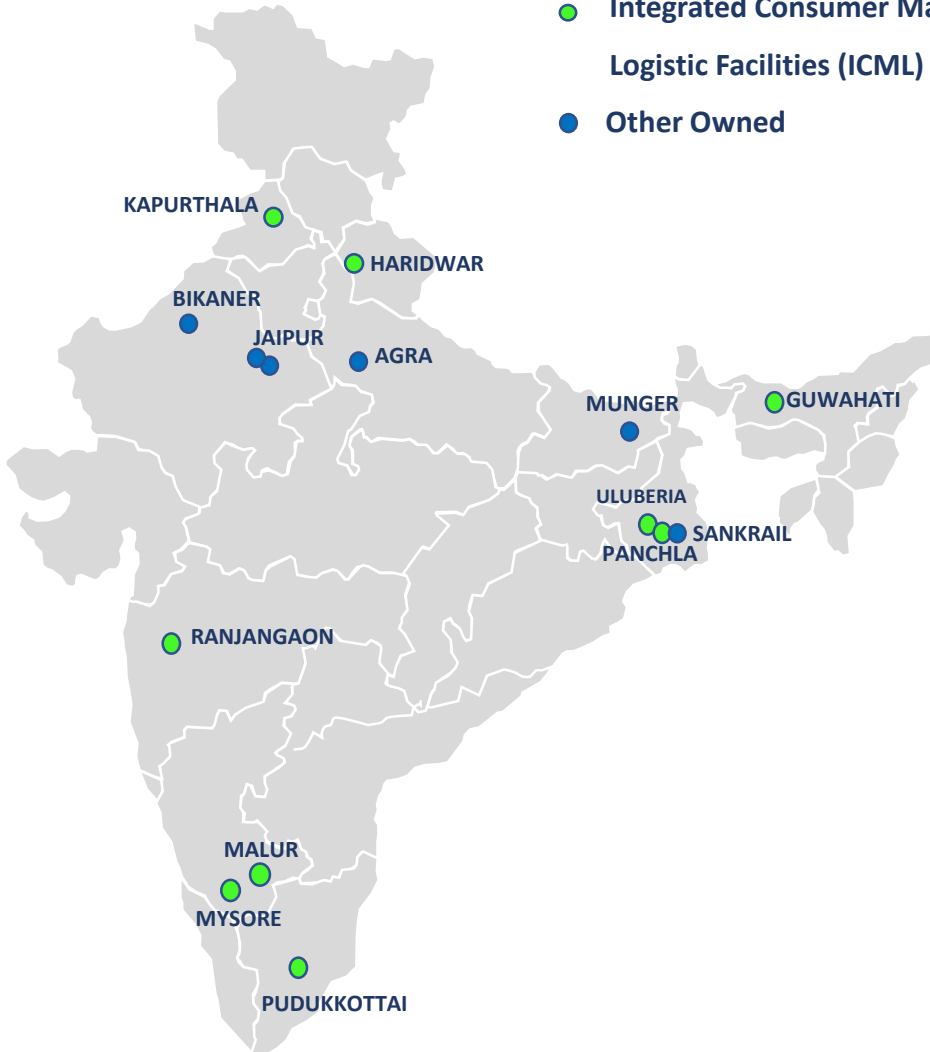
**Integrated Facilities across
9 Food Categories**



**75%+ Female Workforce in
Pudukkottai and Mysore**

Distributed Manufacturing Network

- Integrated Consumer Manufacturing & Logistic Facilities (ICML)
- Other Owned



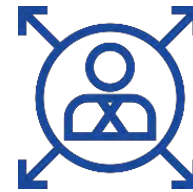
Driving freshness - Reducing distance to market



Supply Chain Optimization

Minimising material handling and optimising market servicing

- Co-located warehouses/ combined loads



People Capability

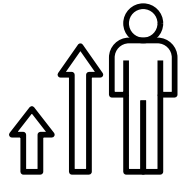
Multiskilling aiding rotation and rationalisation of the line crew



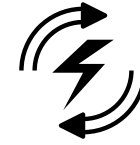
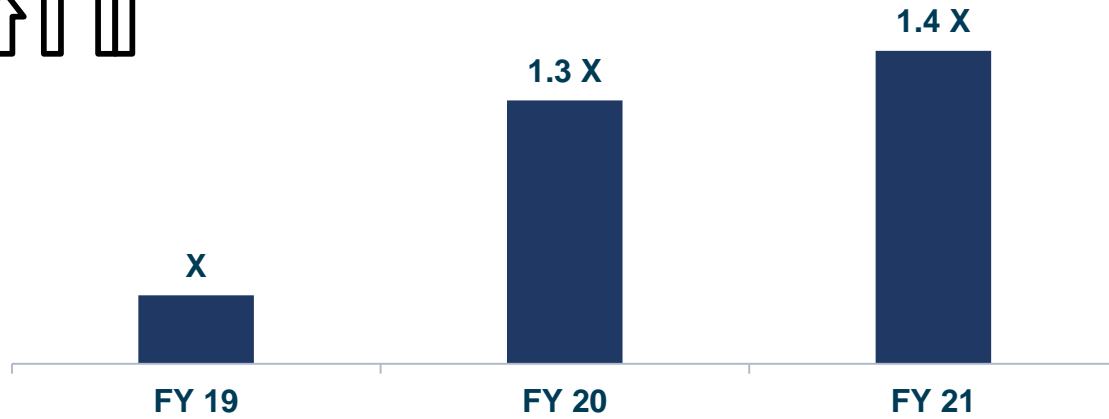
Shared Infrastructure

Common utilities & amenities to drive scale benefits & reduce fixed overheads

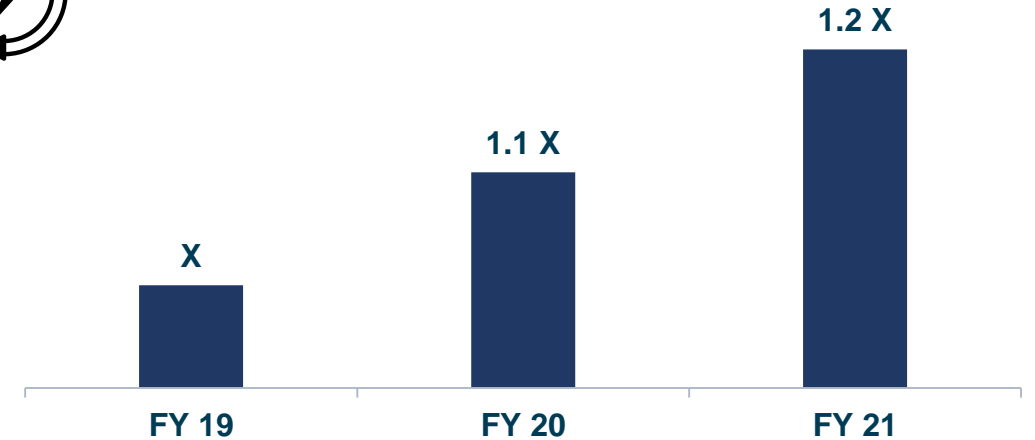
Agile Cost Management: Operating Leverage yielding Cost efficiencies



Manpower Productivity



Energy* Efficiency

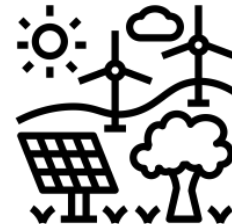


* Represents output/kWh

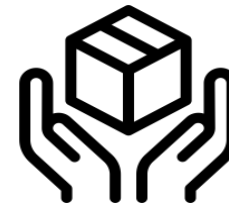
Other Levers



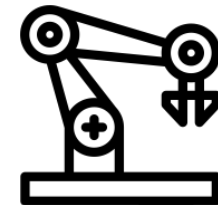
Industry 4.0 –
Manufacturing
Excellence



Renewable
Energy
Projects



Packaging
Know-how



Process
Automation



Procurement Landscape

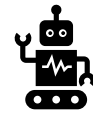


Unique Set of Ingredients to create differentiation across categories used



First of its kind **Digitally Enabled Procurement system**

Procurement: Digital Initiatives



Robotic process automation using BOTs—
Deploying BOTs to secure information



Track & Trace- SIM Based – Truck Tracking Mechanism



Successfully Premiumising the portfolio



MT & E-Comm Focus



Extension across categories



Atta

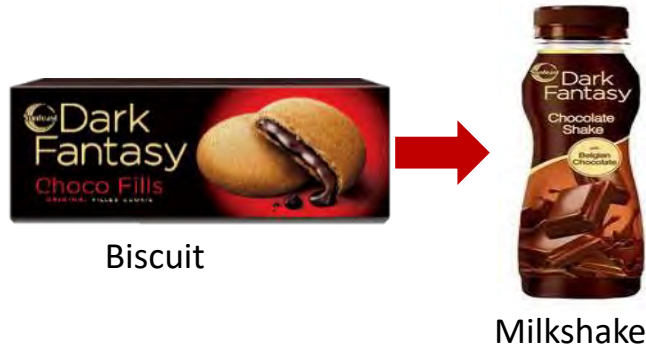
RTC

Salt

Organic

Blended Masala

RTE



Biscuit

Milkshake



Candy

Choco stick



Frozen Food



Spreads & Dips



Cooking paste & gravies

Extension within a category





- 70 year old brand
- No.1 brand in WB in spices
- Strong Cultural Connect with Bengal
- Offers great range of blends
- High quality Differentiated & regional products
- Healthy Profitability & Return



- ITC market leader in Pure Spices in AP
- Pan India network of direct procurement from farmers
- Expert in quality crop development
- Expert at large scale quality material procurement → cost efficiencies
- Wide distribution network



Maintain momentum in the ongoing businesses



Driving new distribution points:

- Modern Trade
- E-commerce



Expansion to other markets of East

Drive Profitability through:



- Integrated supply chain
- Yield improvement
- Procurement Savings
- Processing Cost Efficiencies

Increase Presence in all Touch points:



Unlock digital presence to reach out to non Bengali Audience

Post acquisition integration completed successfully; on track as per acquisition targets

- **Well-poised to sustain high growth trajectory**

- Chosen categories offer immense growth potential
- Future ready portfolio - leveraging power brands
- Science-based R&D to fuel Innovation
- Explore new vectors of growth basis deeper consumer understanding
- Harnessing Digital & Analytics through cutting edge AI&ML interventions

- **Driving Profitability & Capital productivity**

- Premiumisation & leveraging value-added adjacencies
- Smart Manufacturing: delayering operations & distributed supply chain
- Capital Efficiency: working capital management & improving capacity utilization

Strong foundation for rapid & sustainable growth; both in scale & profitability



Enduring Value

NATION FIRST: SAB SAATH BADHEIN

Personal Care Business

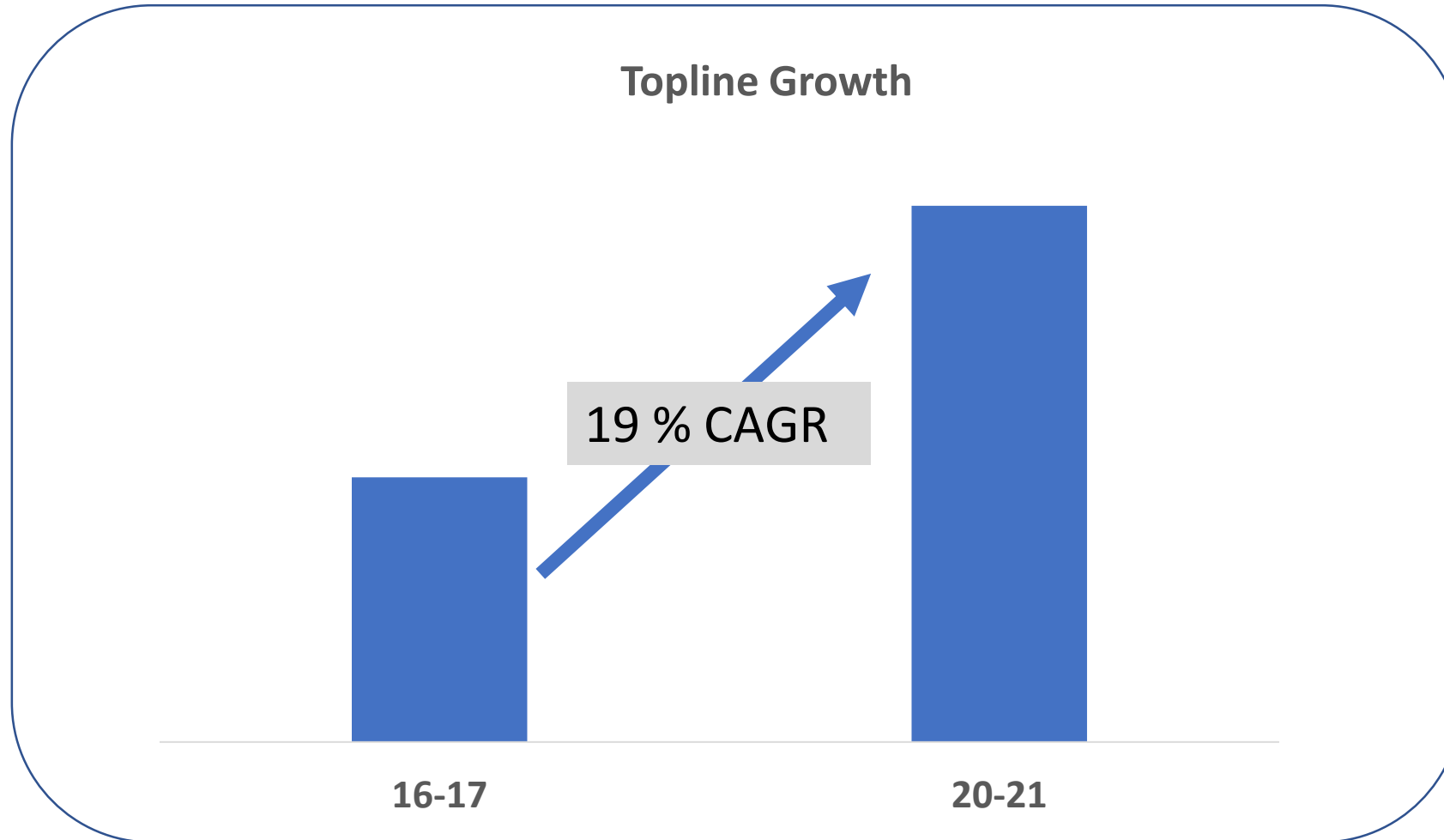
Sameer Satpathy

Divisional Chief Executive – Personal Care Products Business

Personal Care Business Portfolio



<p>Personal Wash</p> <p>20100 Crs</p>		<p>fiama Vivel</p>
<p>Health & Hygiene</p> <p>3200 Crs</p>		<p>Savlon</p>
<p>Fragrances</p> <p>2300 Crs</p>		<p>ENGAGE</p>
<p>Home care</p> <p>2250 Crs</p>		<p>nimyle nimeasy Dish Wash Gel</p>



Accelerated Growth in Focus Brands



Leading Player in
Health & Hygiene
Leader in Disinfectants



No 2 All India in Body wash



**Regional Leader
In Category**

(No 1* in Assam & North East
No 2* in WB & Orissa in mid popular segment)



No.2 in category





01 Building Brands with Purpose
- Anchoring Brands in larger social & consumer needs



02 First in Category Innovations
- Drive Growth Ahead of others In Future Facing Categories



03 Drive Growth in Focus Category
- Innovate to Upgrade to Liquids



05 Value Accretive acquisitions
- Develop new high margin opportunities in Health & Hygiene, Skin care & Home Care

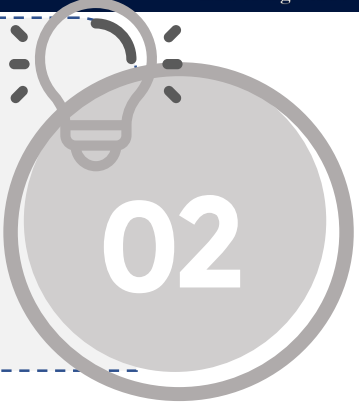


04 Winning in Channels of the Future



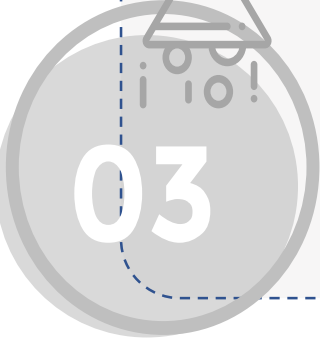
Building Brands with Purpose

- Anchoring Brands in larger social & consumer needs



First in Category Innovations

- Drive Growth Ahead of others In Future Facing Categories



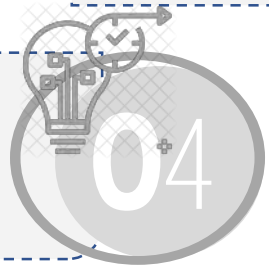
Drive Growth in Focus Category

- Innovate to Upgrade to Liquids



Value Accretive acquisitions

- Develop new high margin opportunities in Health & Hygiene, Skin care & Home Care



Winning in Channels of the Future

SAVLON

Healthier Kids
Stronger India



- Building a healthier India
- Driving Public Awareness

VIVEL

Empowerment



- Breaking Stereotypes
- #AbSamjhautaNahin – UnCondition

FIAMA

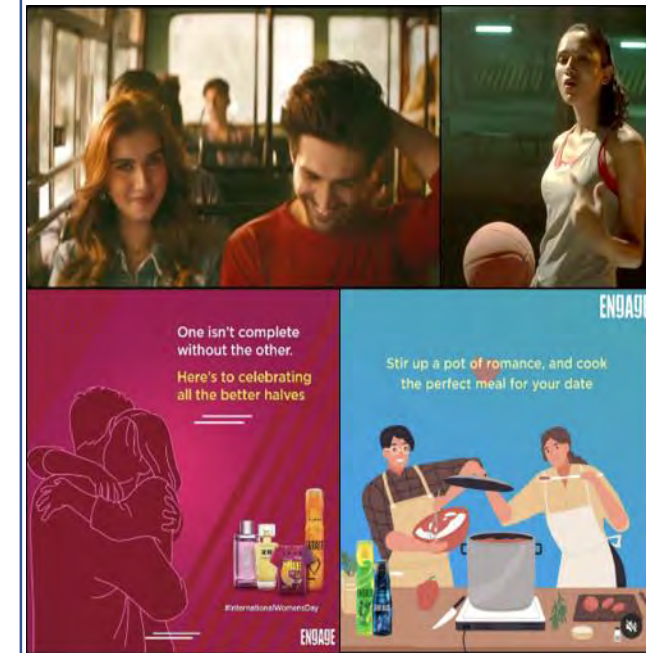
Mental Wellness



- Breaking taboo
- Encouraging relevant conversations

ENGAGE

Gender Equality



- Equality in Relationships
- Respectful & Gender Sensitive



01

Building Brands with Purpose

- Anchoring Brands in larger social & consumer needs



02

First in Category Innovations

- Drive Growth Ahead of others in Future Facing Categories



03

Drive Growth in Focus Category

- Innovate to Upgrade to Liquids



05

Value Accretive acquisitions

- Develop new high margin opportunities in Health & Hygiene, Skin care & Home Care



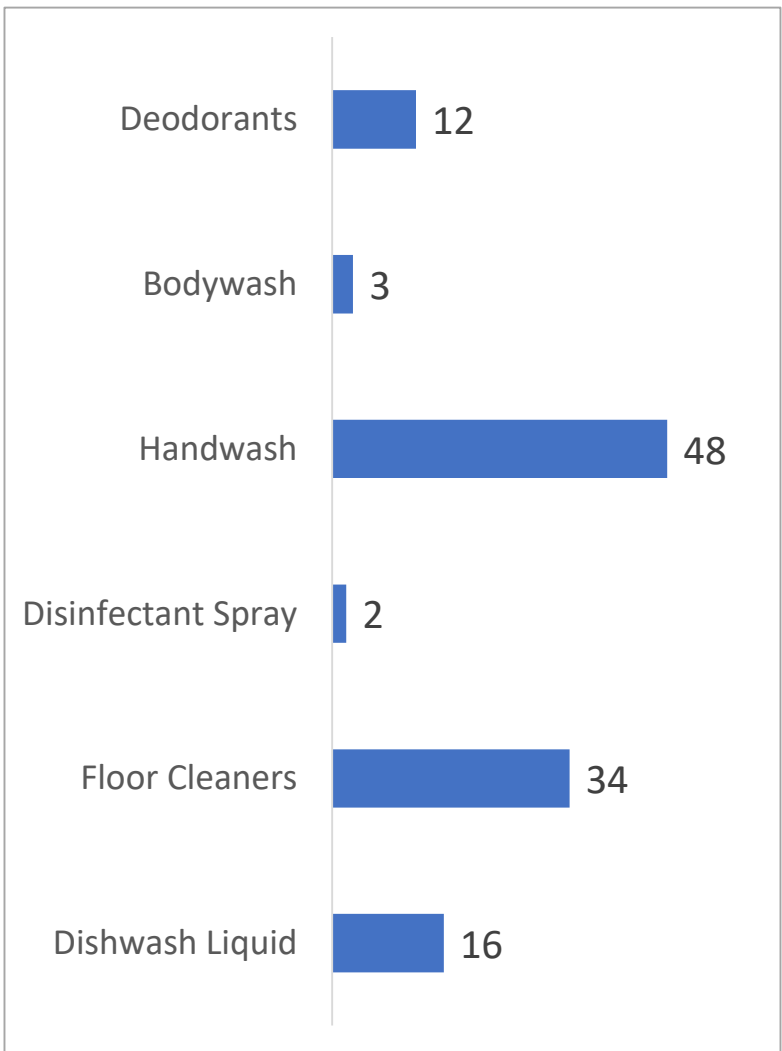
04

Winning in Channels of the Future

Leading in Future Facing Categories



% Penetration



ITC Play

Deodorants	# 2
Bodywash	# 2
Handwash	# 3
Disinfectant Spray	# 1
Floor Cleaners	# 2
Dishwash Liquid	New Launch

All India (Urban) MAT Sept'21

All India (U+R) MAT Sept'21



Pocket Fragrance



Clothes Disinfectant Spray



Fragrance Technology Encapsulation | Mood



Care + Protection Range



Gel Bathing Bars



Bio Cellulose Mask | Soleil Defense




REVOLUTIONARY FULL LIGHT TECHNOLOGY



Dishwash Gel with New Enzyme Technology




01 **Building Brands with Purpose**
- Anchoring Brands in larger social & consumer needs




02 **First in Category Innovations**
- Drive Growth Ahead of others in Future Facing Categories



03 **Drive Growth in Focus Category**
- Innovate to Upgrade to Liquids



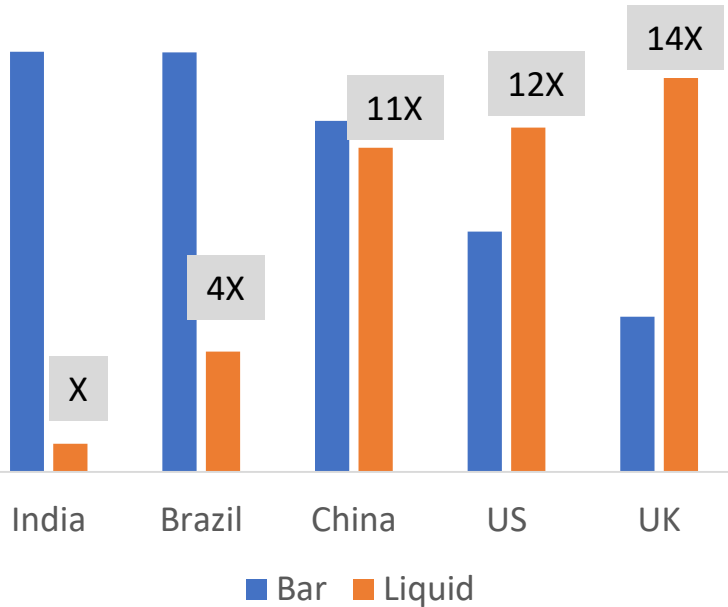
05 **Value Accretive acquisitions**
- Develop new high margin opportunities in Health & Hygiene, Skin care & Home Care



04 **Winning in Channels of the Future**

Personal Wash

Liquid vs Bar soap Penetration

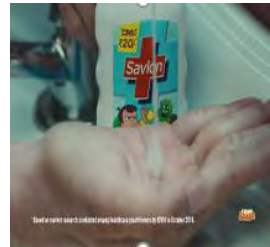


- Large headroom for growth
- Opportunity to leverage our early presence in Category

Shifting Game from Soaps

Market Development : Building Category Relevance

Soap Inertia



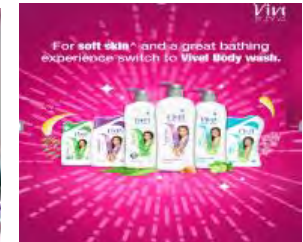
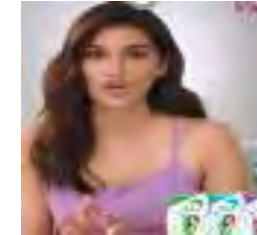
Need Loofah



Expensive



Time Consuming

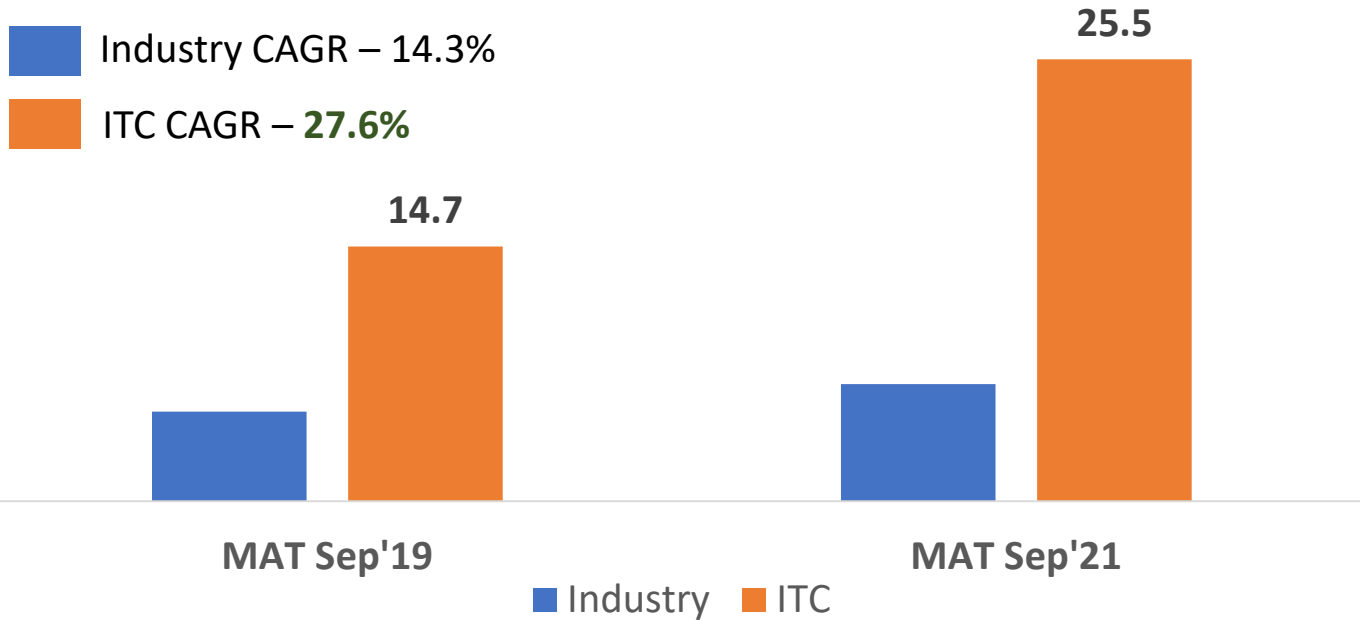


- Price Democratization : Entry Price || Price per wash equation



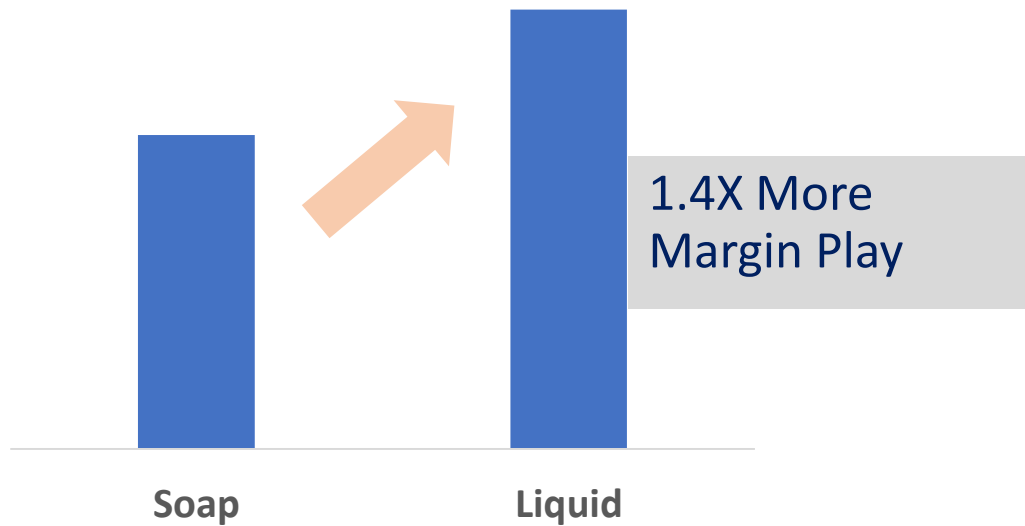
Growing ahead of Category in Liquids

Liquid as a % of Total Personal Wash



Growing faster than Industry in Liquids

Margin




*H1 2021-2022






01 **Building Brands with Purpose**
- Anchoring Brands in larger social & consumer needs



02 **First in Category Innovations**
- Drive Growth Ahead of others in Future Facing Categories



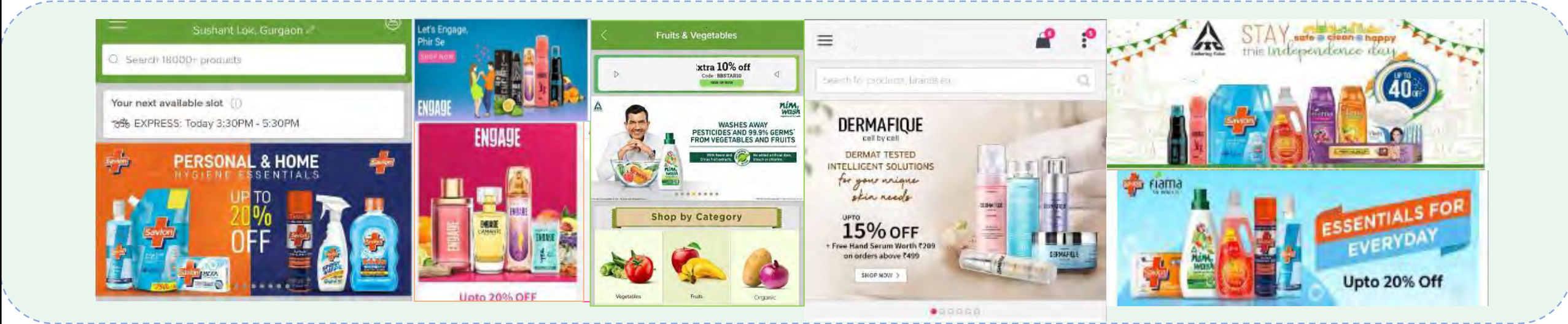
03 **Drive Growth in Focus Category**
- Innovate to Upgrade to Liquids



05 **Value Accretive acquisitions**
- Develop new high margin opportunities in Health & Hygiene, Skin care & Home Care



04 **Winning in Channels of the Future**



DERMAFIQUE



MOTHER SPARSH



ITC enters D2C arena, buys 16% stake in Mother Sparsh

Suneera Tandon

sun@prva1og1vement.com
NEW DELHI: ITC Ltd will make its first investment in a direct-to-consumer (D2C) brand as the cigarette-to-chocolate conglomerate raises its bets on the fast-




ITC to acquire 16% in personal care brand Mother Sparsh

FMCG major ITC said it has agreed to invest 16 per cent of the share capital of Mother Sparsh, an ayurvedic and natural personal care brand,

Talent | Capability | Brand



01 Building Brands with Purpose
- Anchoring Brands in larger social & consumer needs




02 First in Category Innovations
- Drive Growth Ahead of others in Future Facing Categories



03 Drive Growth in Focus Category
- Innovate to Upgrade to Liquids



05 Value Accretive acquisitions
- Develop new high margin opportunities in Health & Hygiene, Skin care & Home Care



04 Winning in Channels of the Future

Value Accretive Acquisitions

Savlon +

1000 + Cr in consumer spends*

14x



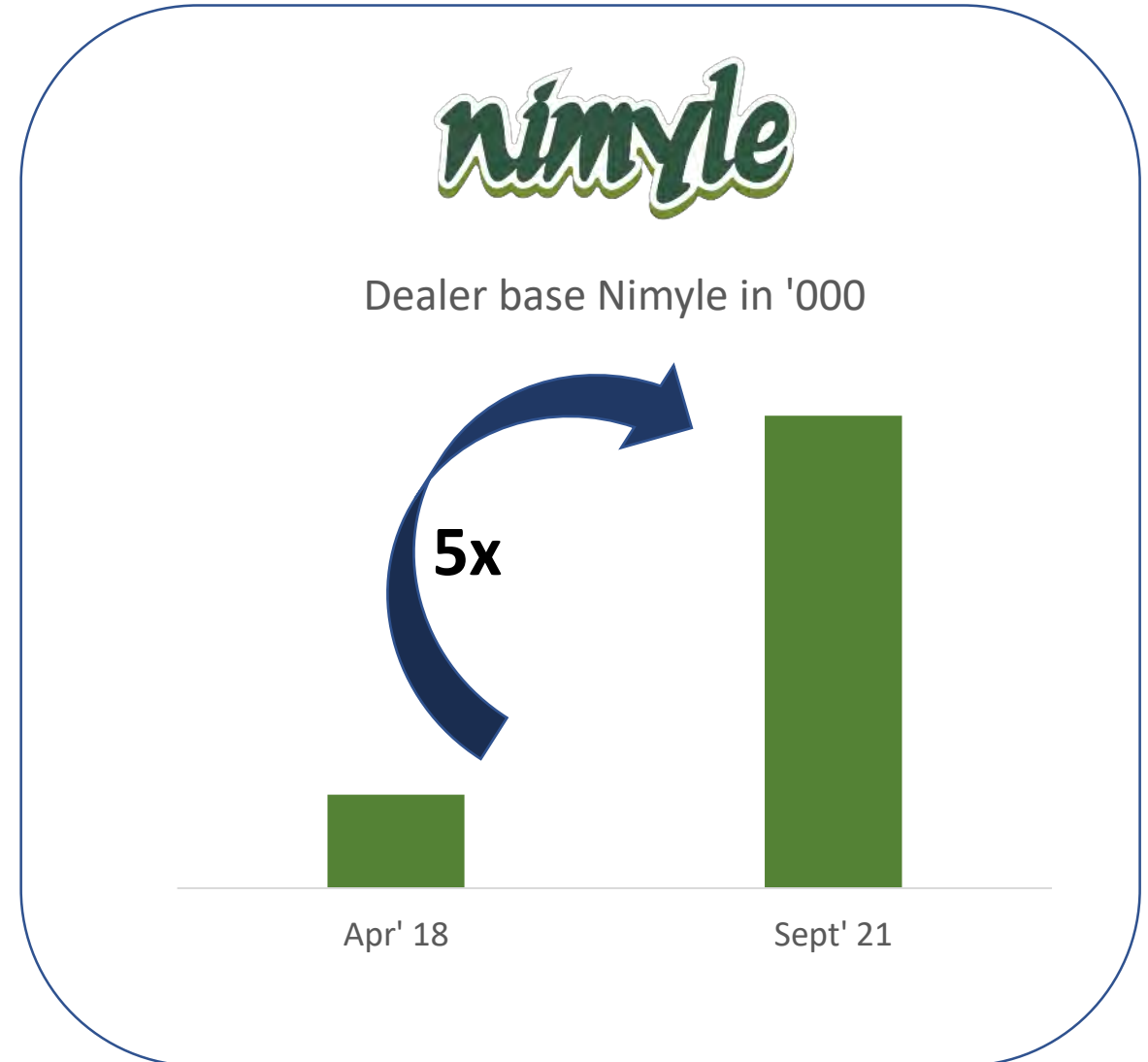
nimyle

Fastest growing* Floor cleaner in India

5x



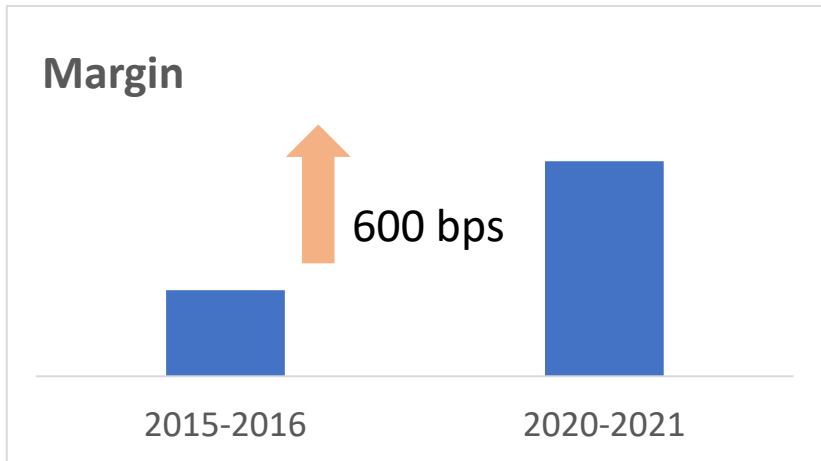
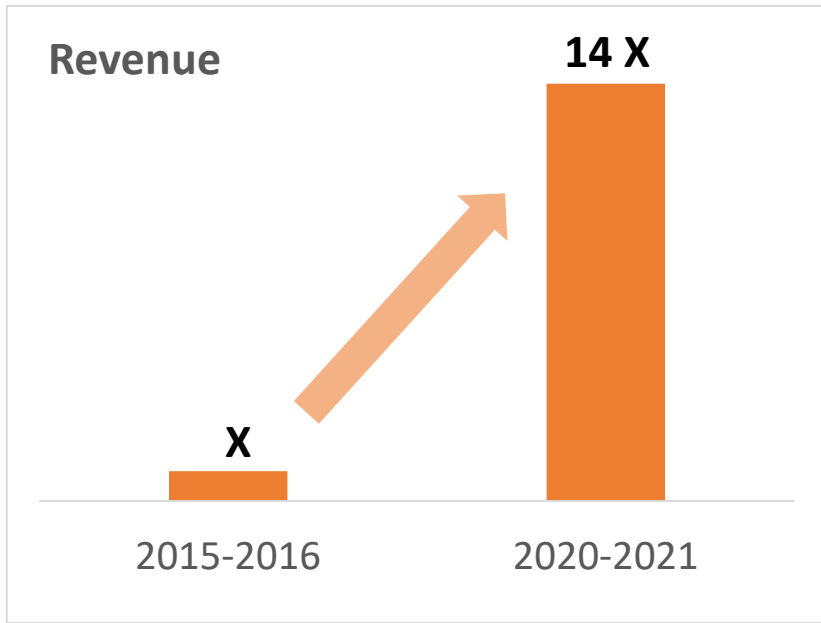
Leveraging ITC Strong Distribution Engine



ITC Savlon



1000 cr. brand* in 6 yrs. post acquisition in 2015



Savlon+



SAVLON STRENGTHS



50 years of heritage in India

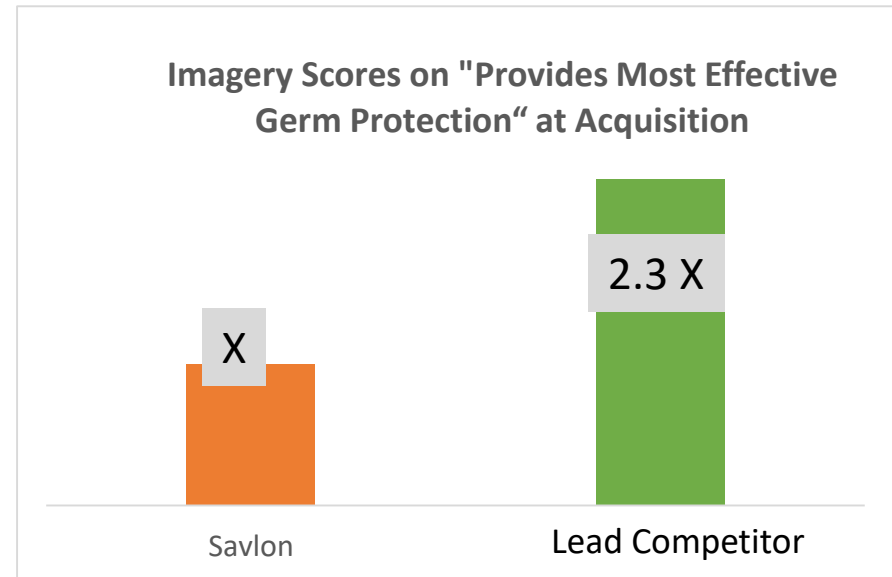


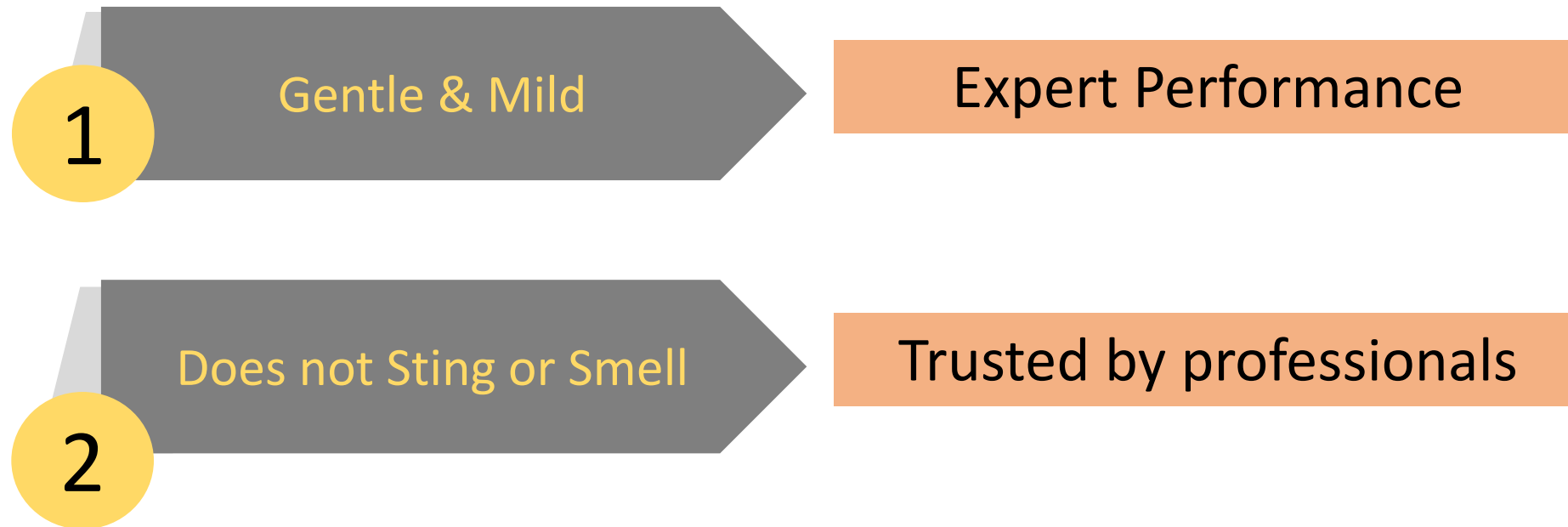
Association with "Gentleness"



Antiseptic Liquid, Orange, Ripple, Plus

However, there existed a big gap on "Performance" equity with lead competition*





Build Savlon's Performance equity through : Doctor's Most Trusted

Healthier kids Stronger India: Driving good hygiene habits through kids




Savlon
HEALTHY HANDS
Chalk Sticks

Savlon
SWASTH INDIA
स्वस्थ बच्चे, मजबूत देश

बच्चों को हाथ धो के सपनों के पीछे पड़ना सिखाओ।

आज का डिजिटल बॉय, कल का लिटिल मैनसून बन सकता है। इसके लिए उसका स्वस्थ रहना ही बहुत जरूरी है। सेबलॉन स्वस्थ हैंडिया मिशन बच्चों को साबुन या हैंडगॉल से हाथ धोने के फायदे सिखाता है। हैंडगॉल की आदत लगी तो दुर्घों से फैलने वाली बीमारियां होगी रन आवट और बच्चों के सपने होंगे नाट आवट।

हाथ धोना जरूरी है | खाने से पहले | टॉयलेट के बाद

#NoHandsUnwashed

Spreading awareness and education during the pandemic



Mask Hai, Mazaak Nahi.

AN INITIATIVE BY
Savlon
SWASTH INDIA

Savlon
SWASTH INDIA

WHAT ON EARTH WOULD A VIRUS BE AFRAID OF?

The world at large is trying hard to contain the spread of virus. It's obvious to ask how can anything (hand) with long life? The answer is simple: the natural envelope of the virus is made made of fatty cell membrane. Soap degrades this exterior envelope of the virus and traps its tiny fragments. These are then washed away with water.

To achieve this, you need to rub for at least 20 seconds and do it well so that the porous fatty outer skin and viruses are get washed away.

Do make the author this oil best oil. Let's do this by frequently washing our hands with soap and water.

Frequently wash hands with soap for 20 sec.

Soap molecules break the fatty cell membrane of the virus.

Soap traps virus fragments and washes it away.

SWACCH HAATH, SWASTH KUMBH.

1000 hand hygiene stations creating a safer Kumbh

16000 + Schools || More than 5.7 Million Children

Disrupting with Liquids: Democratizing Category

Standard Pack

Value packs for higher consumption

Format Innovation for penetration & Sustainability



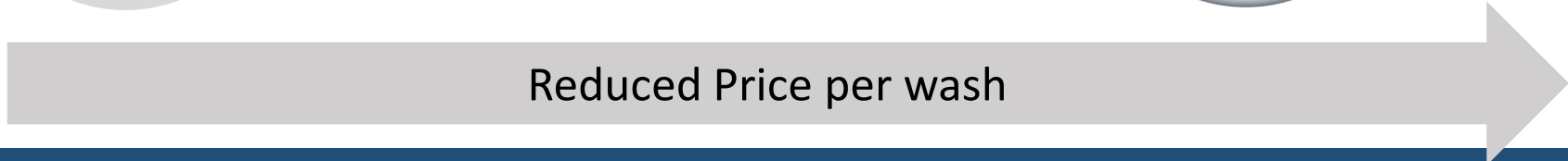
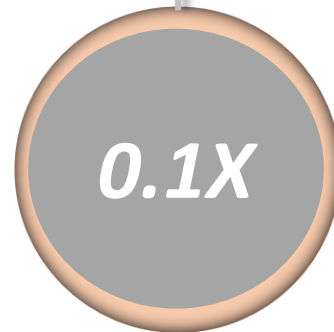
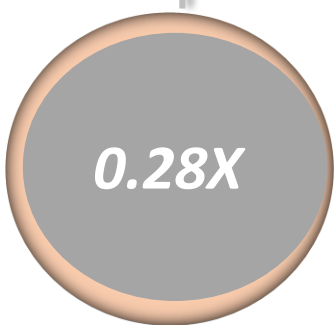
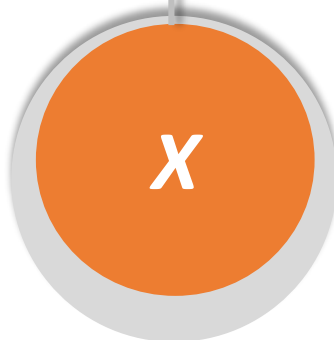
Innovation



Pichkiao



Price per wash



Rapid Pace of Innovation – Platform Based



Wave 1

APR - MAY



Savlon Wet wipes & Multipurpose disinfectant liquid

Wave 2

AUG - SEP



Moisturizing Sanitizer & Laundry disinfectant liquid

Savlon Surface disinfectant
Savlon Hexa range



JUN - JUL

Laundry Disinfectant
Spray & Wipe, Mask,
Surface disinfectant pocket



APR - MAY

Rapid Pace of Innovation – Platform Based

Wave 1

Wave 2



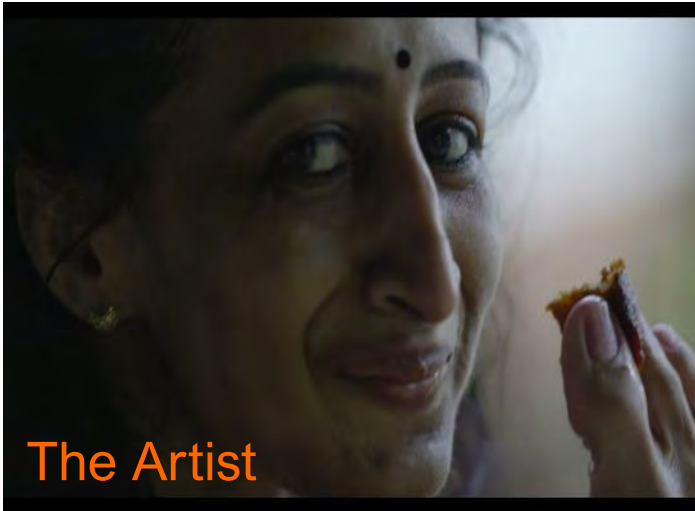
Future Forward
Platform based
R&D



A robust pipeline of
New Products
enabling rapid GTM

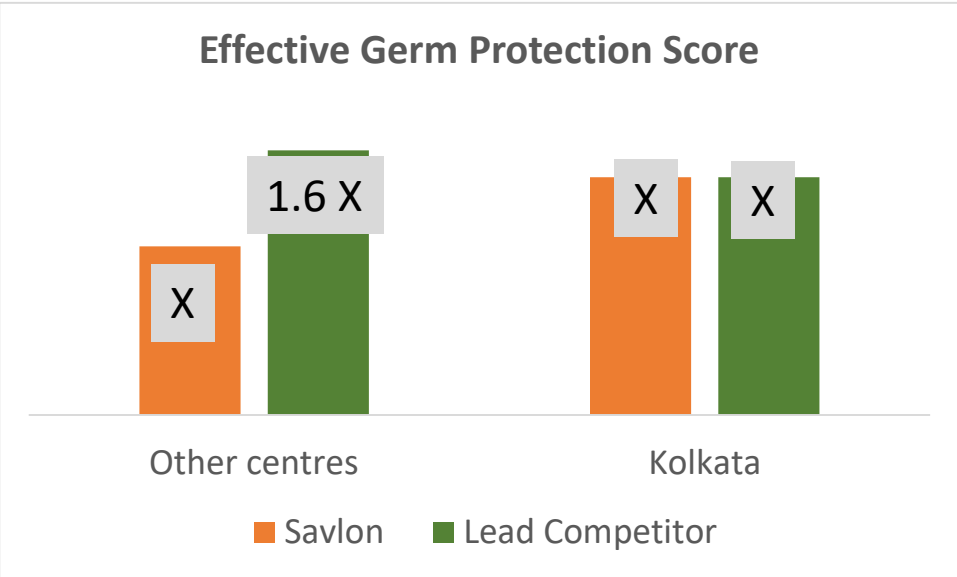
JUN-
JUL

APR -
MAY

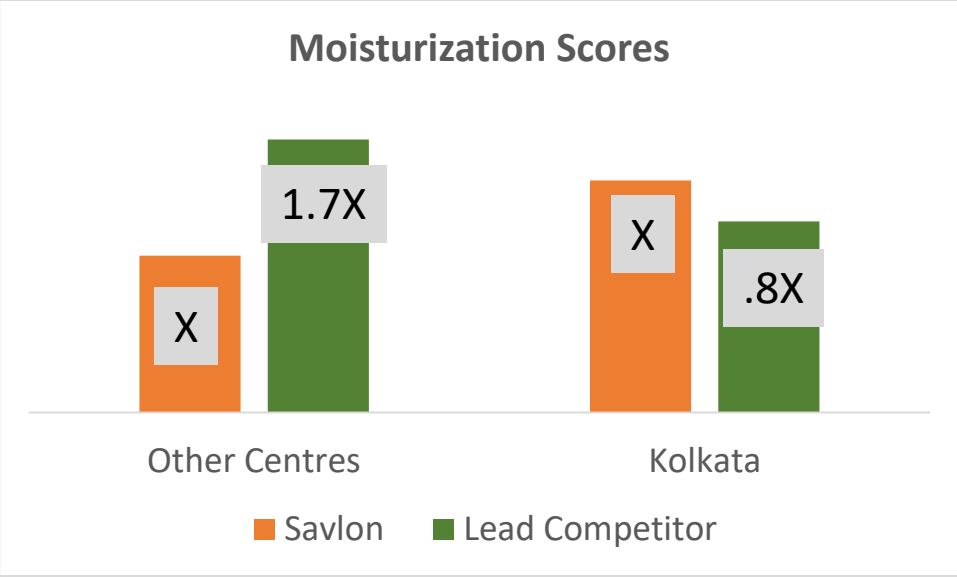


**First Ever Grand Prix for Creative Effectiveness
Part of Cannes Lion Creativity Report of the Decade**

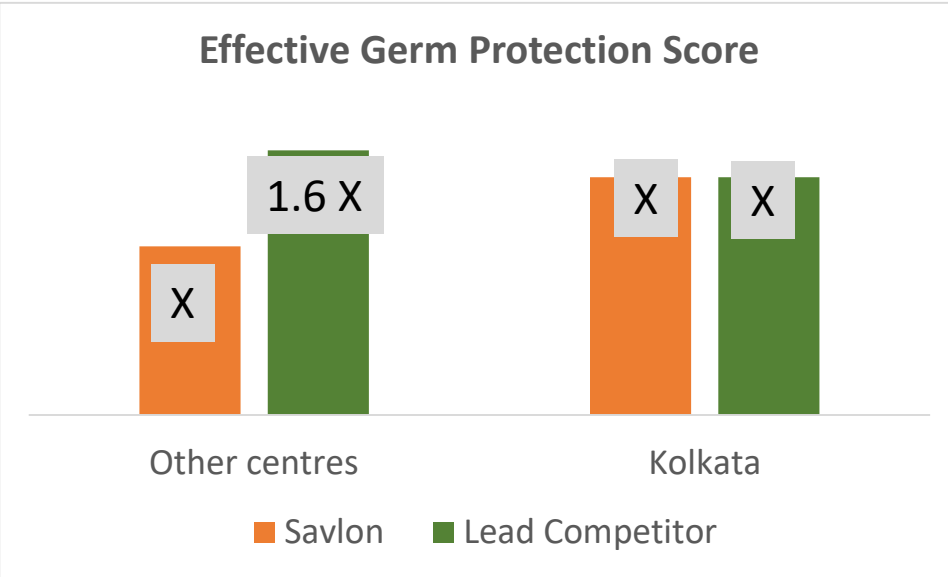




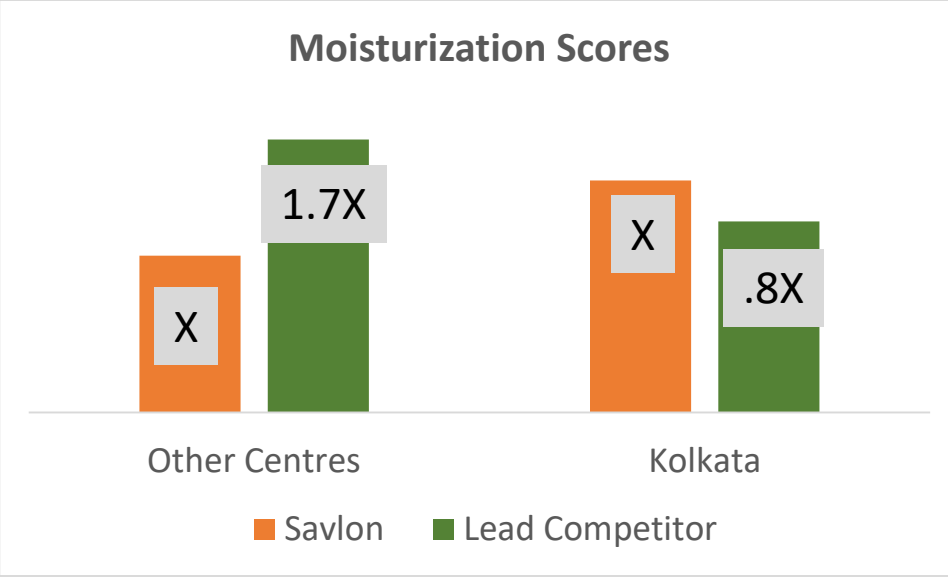
At Par on 'PERFORMANCE' in East
Gap with Competition narrowed from 2.3X to 1.6X

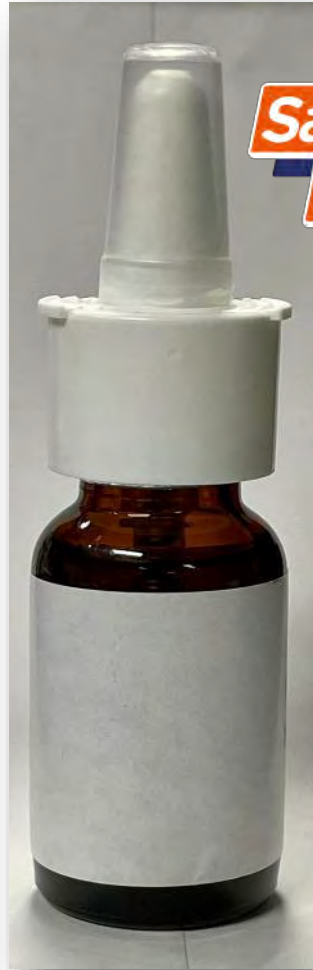


Savlon ahead in Skin Benefit scores
Opportunity to drive growth with Differentiation



At Par on 'PERFORMANCE' in East
Gap with Competition narrowed from 2.3X to 1.6X





Savlon Nasal Spray

- First of its kind, breakthrough innovation
- Intermediate Results Promising
- Final Phase of Clinical Testing

- Focusing on **Future Facing Categories** offering huge headroom for growth
- Driving growth through **Penetration** and **Market Development**
- **Science-based R&D Platforms** powering **Innovation & Speed to Market**
- **Purpose-led brands** backed by impactful communication & deep consumer engagement

Well positioned to seize emerging opportunities – Drive scale and Profitability



India's Digital Transformation



Digital India Programme
Department of Electronics & Information Technology,
Government of India

25 Bn+
UPI
UNIFIED PAYMENTS INTERFACE

Smartphone market growing at 14% YoY, aiming to hit 170Mn+ units in 2021

Rapidly growing start-up culture, with unicorns transformed every month

Government backed India's Digitization Service Orientation & Transparency

1.
STATEMENTAL
Mind set to make a statement; look better and stand higher



2.
NEW-YOUer
Constant need to be a better version of ourselves



3.
MYOPIUM
Being intoxicated with yourself



4.
DESI COOL
Being Indian and buying Indian... continues to be cool



5.
CHILLSUMERS
How do you bring some much-needed fun to your daily life?



6.
NOWians
Indians want it right here, right NOW



7.
CHANGE CHAMPIONS
With great power, comes great responsibility and therefore, greater involvement



8.
CONNECTIFY
The eternal desire for connection, and the many (new) ways it can be satisfied



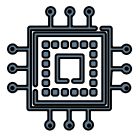
9.
OMNI-TECH
The ever-greater pervasiveness of technology



10.
INFO-BURST
Why consumers' voracious appetite for (even more) information will only grow



Consumer Behavior



Smartphones are enabling better experiences for **payments, shopping, communication** etc



Changes in consumers' perception in favor of **health, safety & home**



Connected Devices & Phygital Experiences

Alternate Channels



e-Commerce channels gaining traction as **convenience** remains a key trend in consumption



D2C enables direct & **sharper engagement** with consumers



Hyper-local models enabling increasingly **faster deliveries**

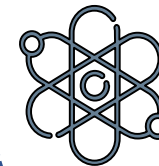
Enhanced Analytics



Digitization across the ecosystem enabling robust **data capture** for analytics



Emerging technologies AI/ML enhancing efficiencies & crafting **better consumer experiences**



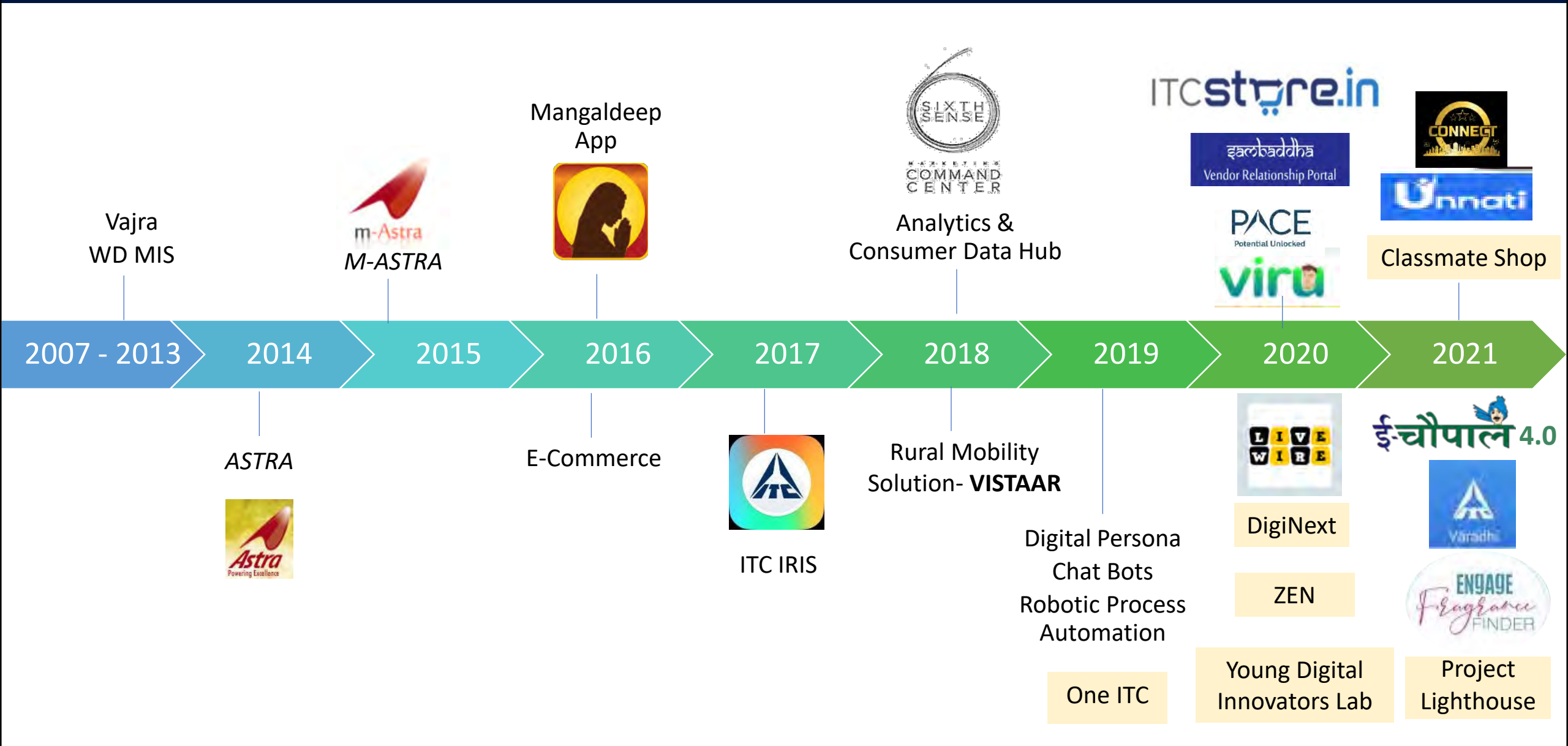
Analytics driven insights being leveraged for brands



Digital@ITC

Building a Dynamic 'Future-Tech' Enterprise

Our Digital Transformation Journey





**New Age
Insights**



**Reimagined
Consumer
Experience**



**Smart
Operations**



**Transform
Employee
Experience**

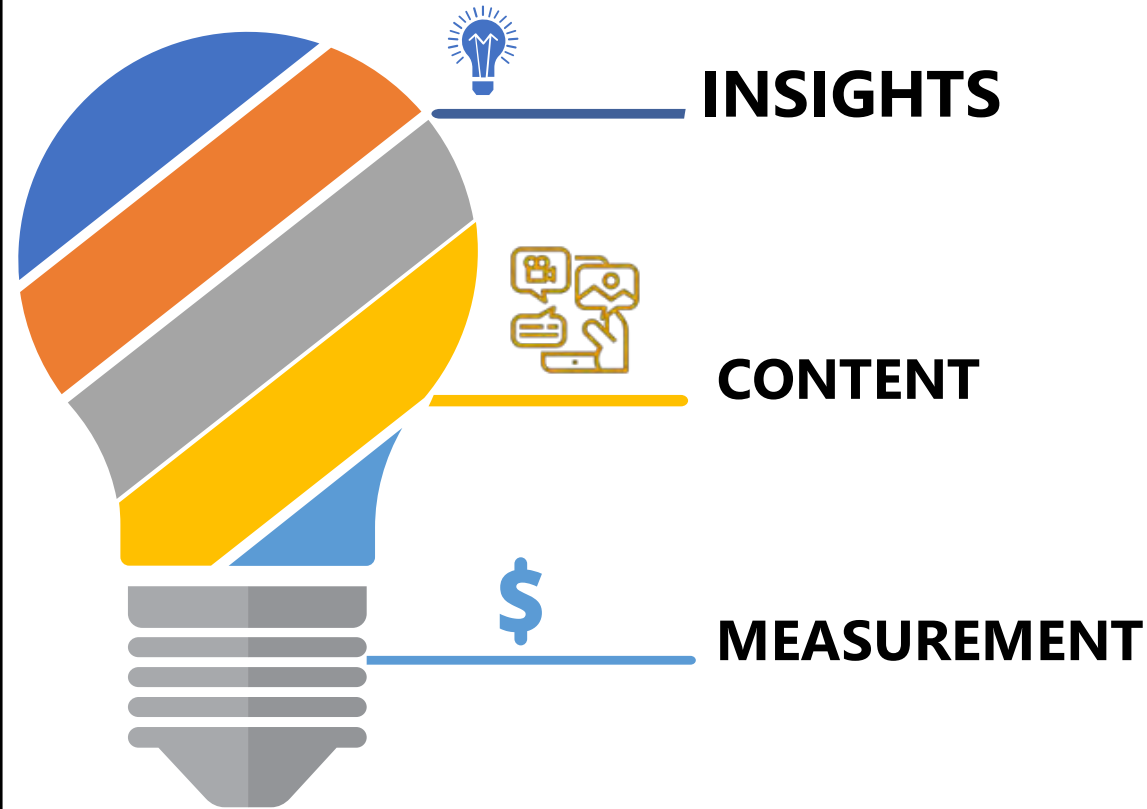


**Skills, Culture
&
Work Designs**



**Business Model
Transformation**
Platform | D2C

Learn | Re-imagine & Re-invent



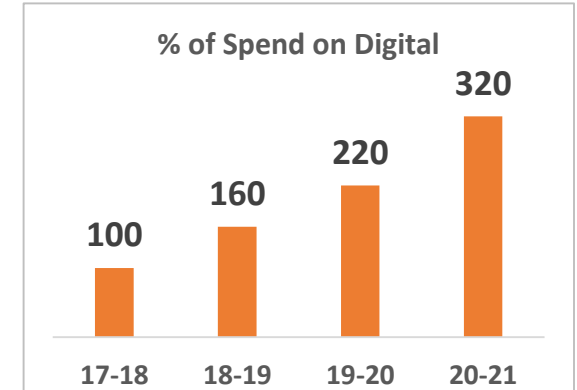
- Social conversations
- Image analytics
- Consumer Journeys

- Consumer trends
- Topical Conversations
- In-House Creative Engine

- Real time measurement & Optimization of Brand Performance



Over 2500 Content pieces created in-house
70% first party Data



3.2X Increase in Digital Spends



**New Age
Insights**



**Reimagined
Consumer
Experience**



**Smart
Operations**



**Transform
Employee
Experience**



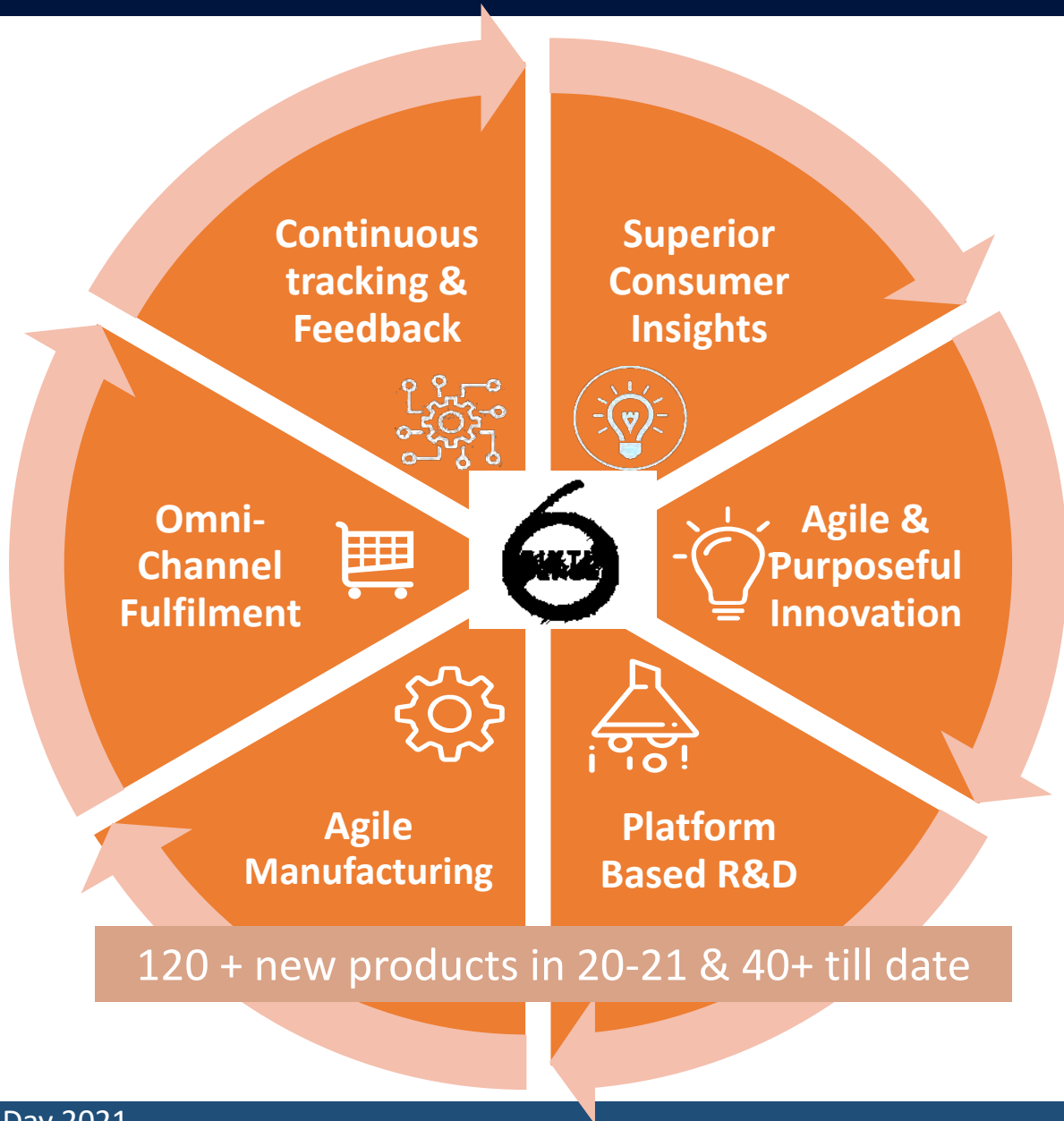
**Skills, Culture
&
Work Designs**



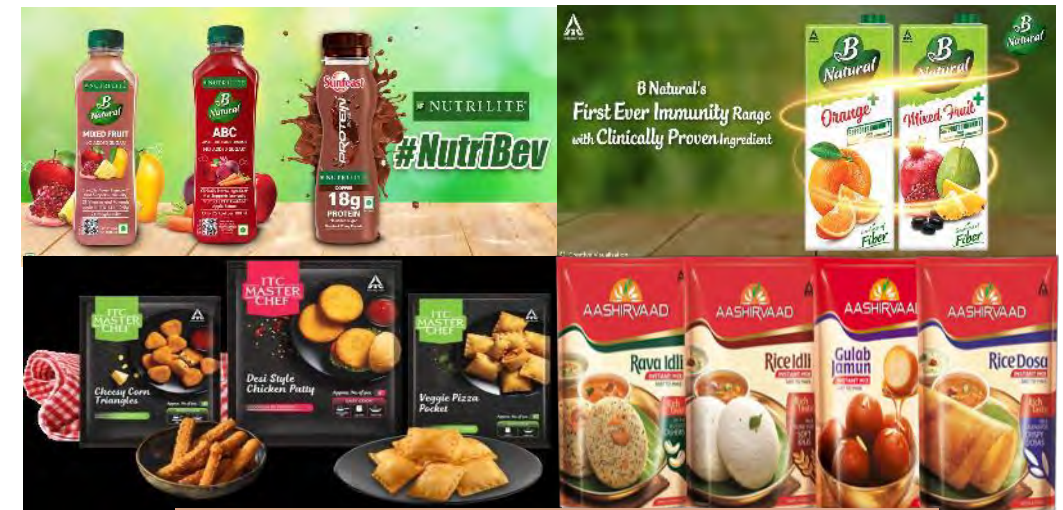
**Business Model
Transformation**
Platform | D2C

Learn | Re-imagine & Re-invent

Fueling Speed & Scale of Innovation

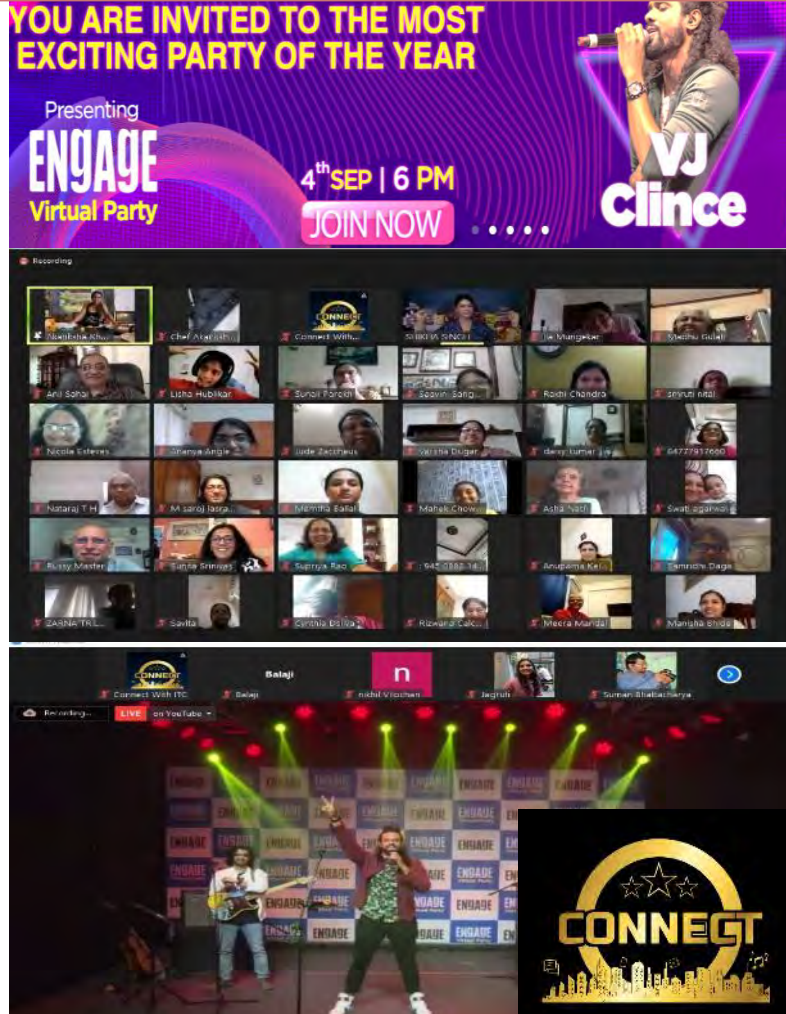


Need Identification | Claims | Formats



Emerging Trends | Collaborations

45+ Events on the Platform



Multi Brand | Multi Genre

Online Pujas for Consumers at Scale



Multi Pujari Lokashema Puja garnered 32 Mn views

1.15 Mn App downloads



Festival Campaigns @ 95Mn views



IG follower base of 92K amongst the highest in FMCG space



**New Age
Insights**



**Reimagined
Consumer
Experience**



**Smart
Operations**



**Transform
Employee
Experience**



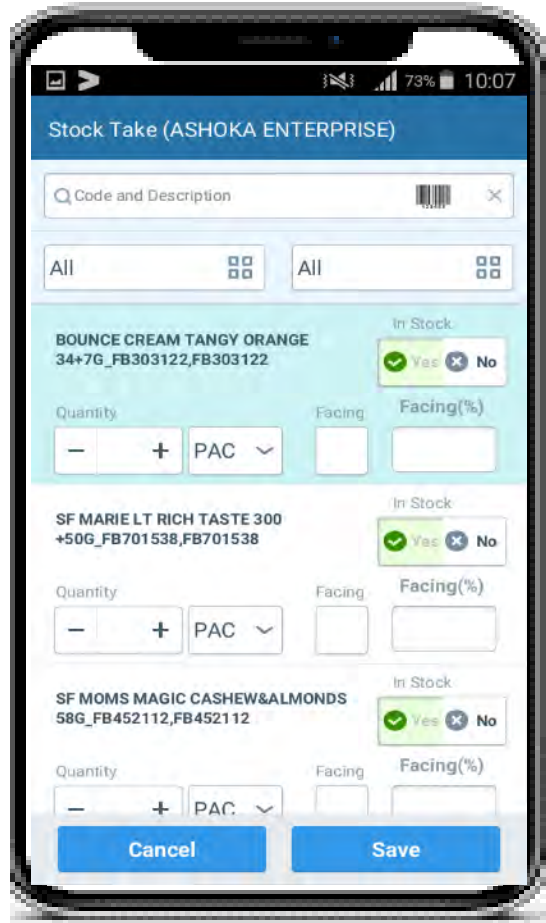
**Skills, Culture
&
Work Designs**



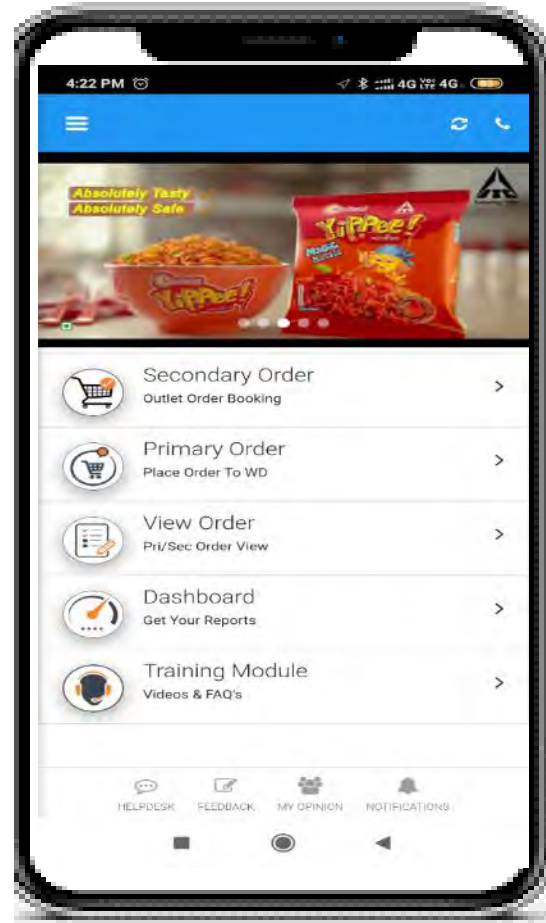
**Business Model
Transformation**
Platform | D2C

Learn | Re-imagine & Re-invent

VAJRA: Salesman App



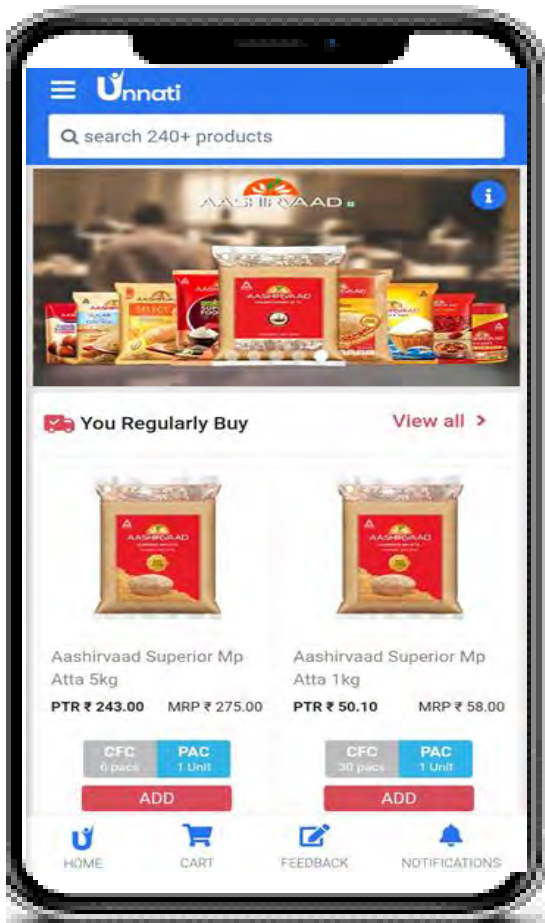
VISTAAR: Rural App



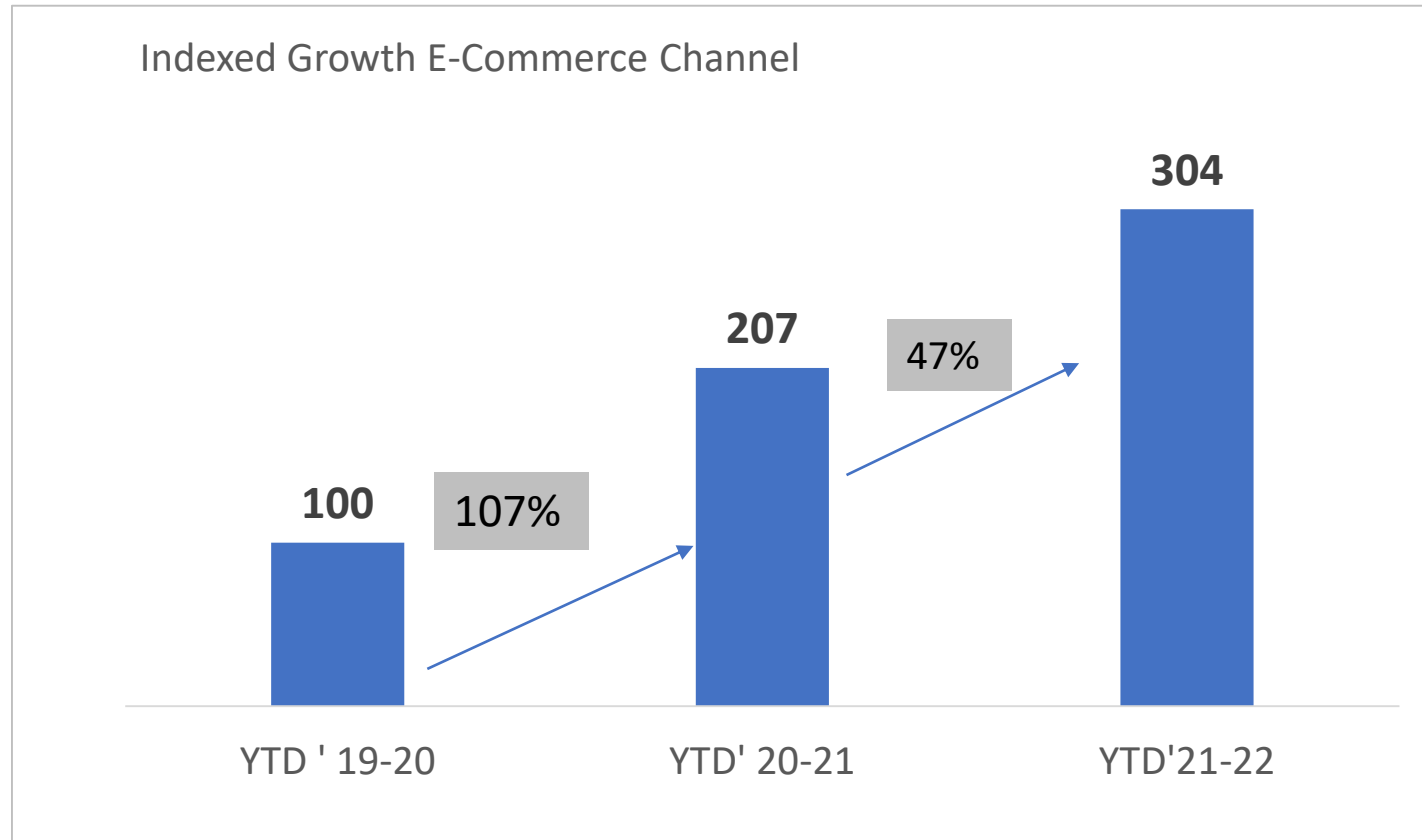
VIRU: Virtual Salesman



eB2B: UNNATI



Strong Growths across Portfolio in Channels of the Future



E-Commerce Channel salience is 7%
For Personal Care Categories is 14%

Synchronized Planning

- Data-led integrated & synchronized planning processes
- Advanced demand & forecasting models
- Planning Control watch tower

Agile Supply Chain

- Automated end-to-end planning, operations, inventory optimization, logistics processes
- Flexible design – portfolio segmentation (lean, responsive, agile, churn)
- Supply Chain Cockpit



Smart Sourcing & Manufacturing

- Digital Factory - best-in-class Yield, Efficiencies & Quality
- Real time monitoring of process and product performance
- Digital Sourcing platforms

Digitized Fulfillment

- Data driven optimization of Last Mile delivery
- Omni Channel fulfillment
- Channel based offerings

Smart Robotics in Manufacturing Operations



Future Ready Smart Supply Chain - AMLF



23/07/21
6:31 pm



Enduring Value

ANCILLARY MANUFACTURING & LOGISTIC FACILITY
PUDUKOTTAI, TAMIL NADU



**New Age
Insights**



**Reimagined
Consumer
Experience**



**Smart
Operations**



**Transform
Employee
Experience**

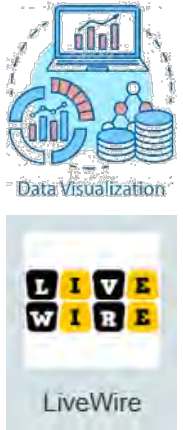


**Skills, Culture
&
Work Designs**

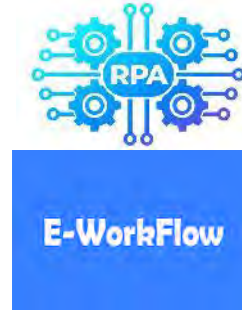


**Business Model
Transformation**
Platform | D2C

Learn | Re-imagine & Re-invent



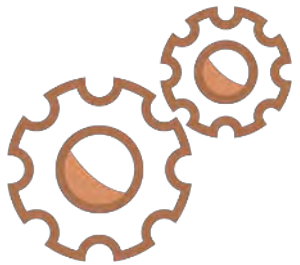
Data Analytics
and Visualization
for Business
Insighting



Digital Persona
Chat Bots and RPA
for enhancing
Efficiency & Agility



e- Team Building
and Superior
Employee
Experience



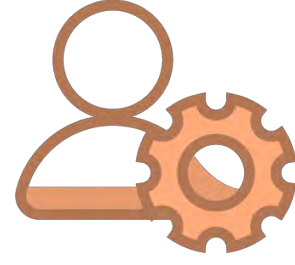
Operations



Marketing



Legal



Quality Control



HR



Finance

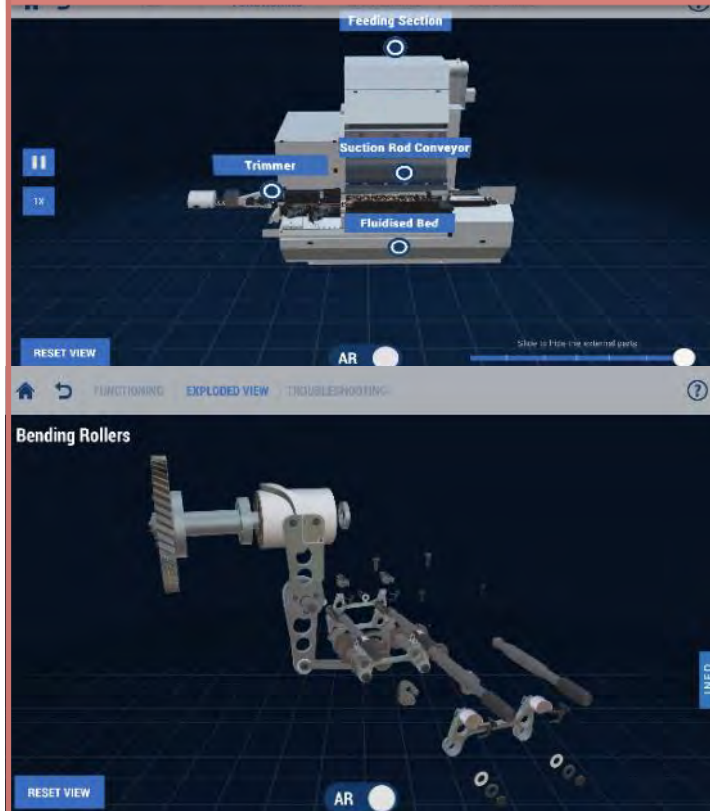


R&D

Transparent & Efficient Workflow

Immersive technology based solutions : For operations & skill enhancement

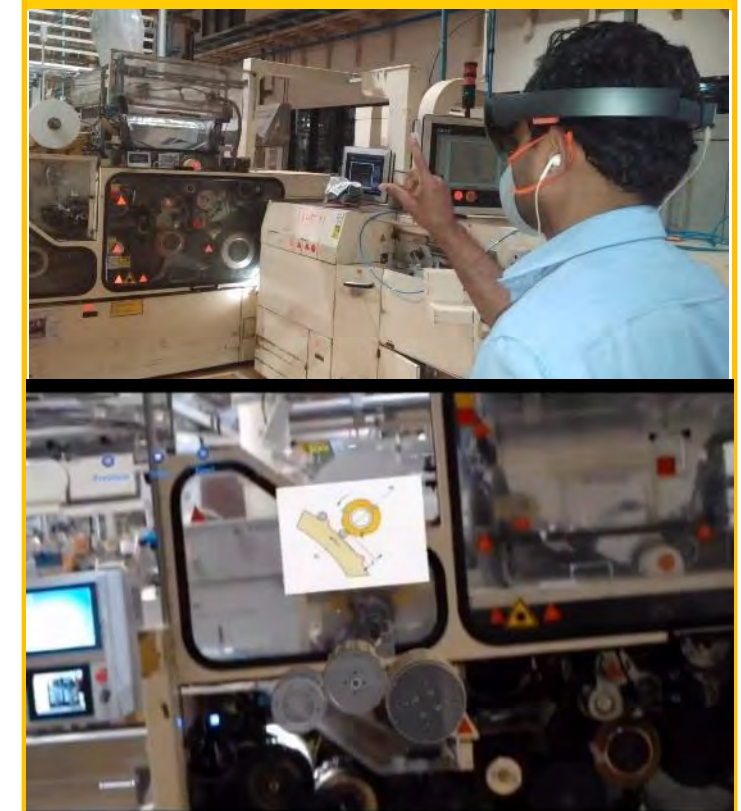
Augmented Reality for process understanding



Virtual Reality for assembling and disassembling of complex sub-assemblies



Mixed Reality for online maintenance





**New Age
Insights**



**Reimagined
Consumer
Experience**



**Smart
Operations**



**Transform
Employee
Experience**



**Skills, Culture
&
Work Designs**



**Business Model
Transformation**
Platform | D2C

Learn | Re-imagine & Re-invent

DigiNext

The North Star to accelerate digitization @ ITC

Young Digital Innovators Lab

Young Managers, Digital Natives, incubates creative and impactful ideas using technology

Skilling

- Industry 4.0 CoP
- D&A CoE
- Digital Academy
- Working with Global Faculty

Enablement

- Creating our Own D2C Platform
- Partnering with Startups – through Direct and Indirect Investment
- Creating an Internal Start Up Environment
 - *Reimagine Next*
 - *Internal Digital First Brands*
 - *Creating Connected Communities*



**New Age
Insights**



**Reimagined
Consumer
Experience**



**Smart
Operations**



**Transform
Employee
Experience**



**Skills, Culture
&
Work Designs**



**Business Model
Transformation**
Platform | D2C

Learn | Re-imagine & Re-invent

The screenshot shows the ITC Store website interface. At the top, there is a navigation bar with the ITC Store logo, a search bar with a location dropdown set to India, and links for Login/Register and a shopping cart. Below the navigation bar is a main banner with the ITC Store logo on the left. The banner text reads: "Is it time to tick off that shopping list? We've got you covered." In the center, a collection of products is displayed on a circular platform, including Nimeasy detergent, Aashirvaad flour, ITC Master Chef frozen chicken nuggets, Sanfon disinfectant, and Vivel face masks. On the right side of the banner, a large red circle contains the text "GET 5% TO 42% OFF" and a green button below it says "Buy Now". At the bottom of the banner, there is a "Quick Search" bar with buttons for "Atta", "Soaps", "Frozen Snacks", "Sanitizers", "Face Mask", and "Biscuits". Small text at the bottom left of the banner says "Creative Visualisation | *Offer valid on limited SKUs" and at the bottom right it says "*T&C Apply".

A new avenue to interact with the consumers
800+ Products | Top 10 Cities in India

Digital First Brands
Showcasing Range
Trial Range
Data Insights & Personalization



Superior Personalized Brand Experience



ENGAGE *Fragrance Finder*

finding your perfect fragrance has never been easier

VISIT
WWW.ENGAGEDEO.COM/SEARCH
TO FIND YOUR FRAGRANCE

Engage Fragrance Finder



classmate

TREASURE THEIR **FIRST CRAWL**

CUSTOMISE NOW



classmate

CHERISH THE **FIRST STEPS** OF YOUR CHILD

CUSTOMISE NOW

Dermafique's Smart Skin Advisor



Hi, I am your **Smart Skin Advisor**

I can guide you to take better care of your skin by analysing the 7 pivotal parameters of skin physiology from basic inputs like gender, skin type and a selfie.

Not just any selfie. **A No Makeup Selfie!**

So I can analyse your bare skin and virtually construct your skin graph to give you accurate results.

That's it! **Leave the rest to me**

I'll tell you all about your skin health, and what you can do to boost it, as well as recommending personalised solutions that will help you advance in your skin care journey.

I agree with your terms and privacy.

Start the Test

Customized Note Books from Classmateshop.com



classmate

A GIFT THAT **MAKES YOU NOSTALGIC**

CUSTOMISE NOW



classmate

NOTHING TOPS A **CUSTOMISED GIFT**

CUSTOMISE NOW



DERMAFIQE
FOAMING CLEANSER

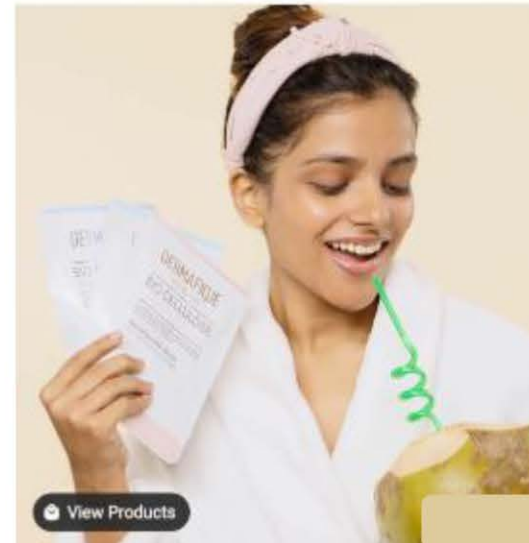
Anti-bacterial
cleansing for
protected skin



UP TO 15% OFF

BUY NOW

Foaming Cleanser
Introducing Dermafiqe Skin Science that works cell by cell to balance your skin health parameters for you to reach your unique skin potential 🥰
👉 Upto 15% off Shop them at ...more



View Products

1,302 likes

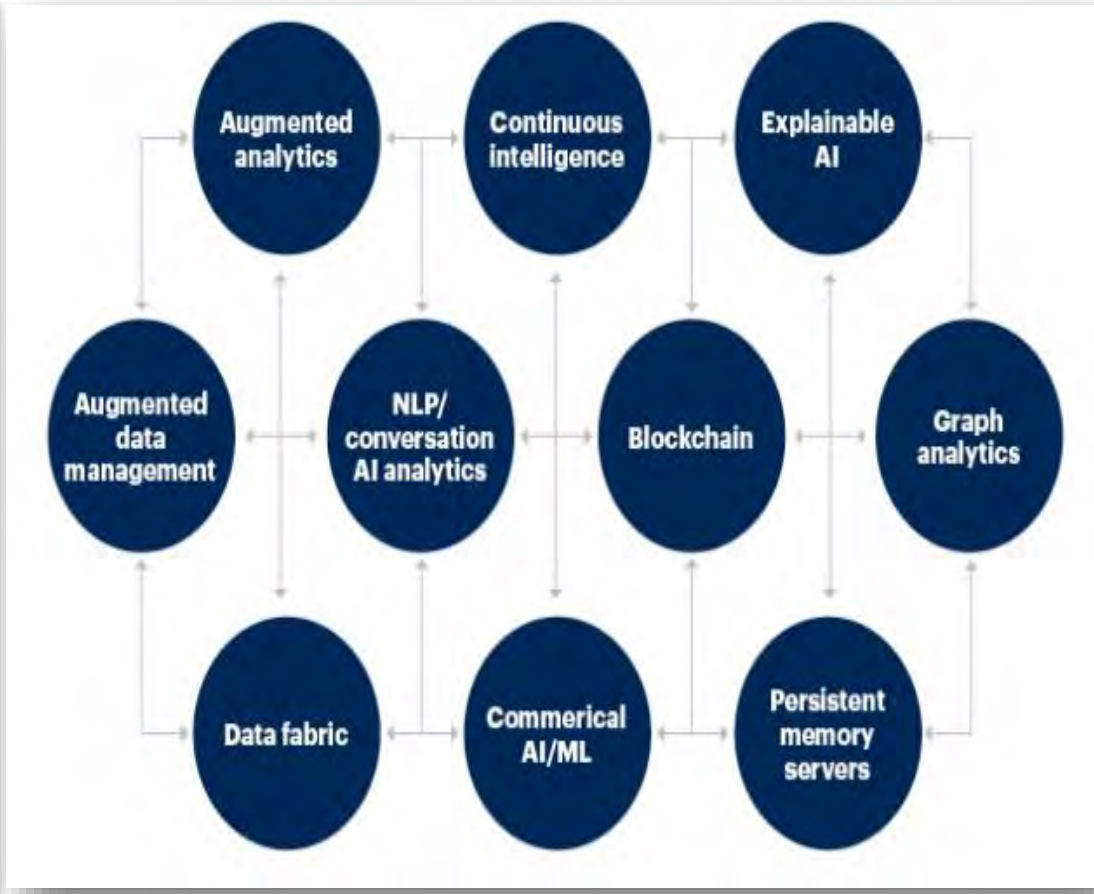
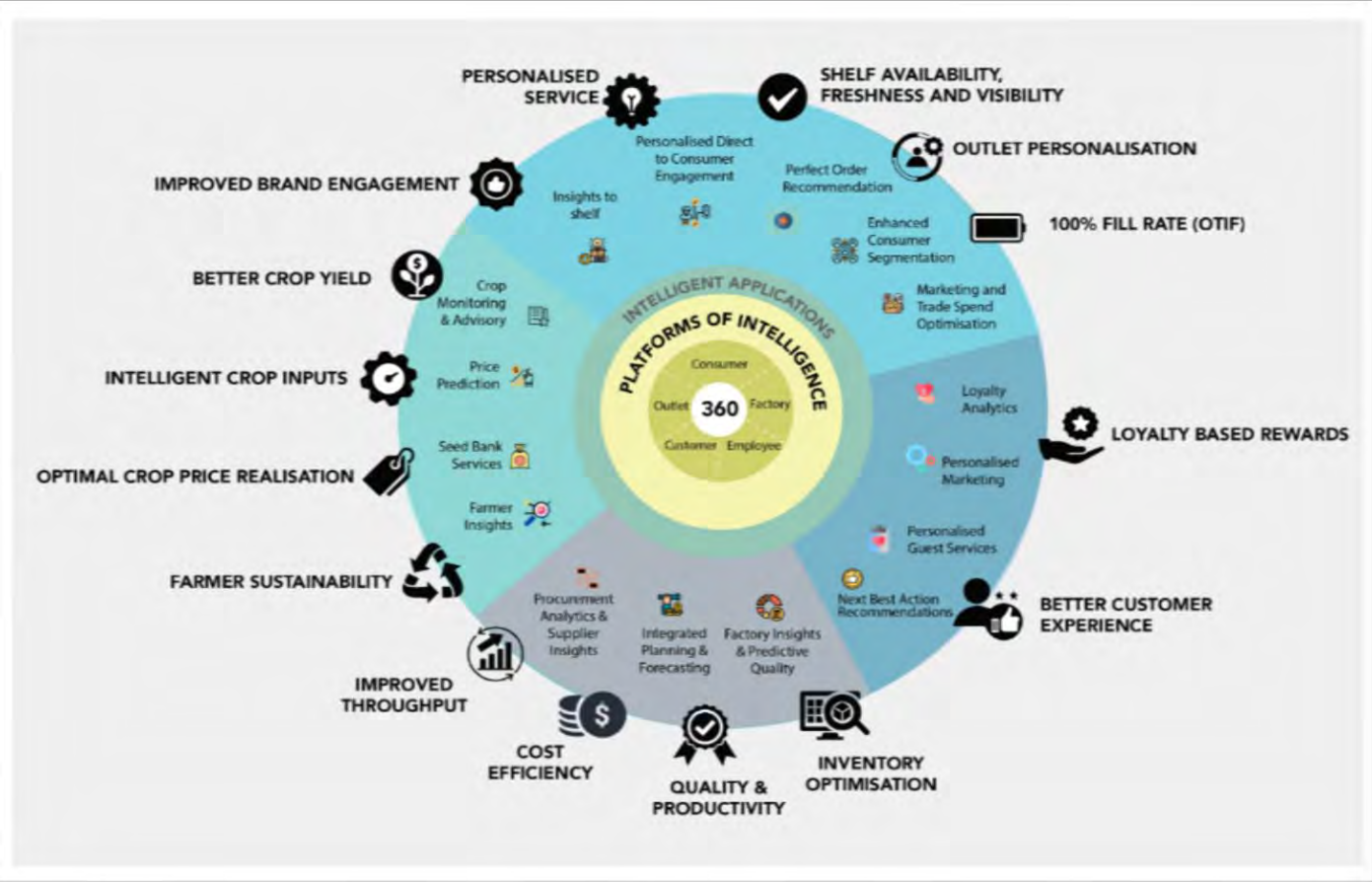
Friday night plans : Getting sheet faced 🌟👤

ESSENZA DI WILLS



Crafted for you

Lighthouse – Powering Synergies Across Value Chain



Technology Driven robust Analytical Platform guiding Business Decisions





**Carbon
Positive**

16 years

**Water
Positive**

19 years

**Solid Waste
Recycling Positive**

14 years

Over 41 % of Total Energy from Renewable Sources

Sustainable Livelihoods for 6 million people

Sustainability 2.0 – A Bold Agenda for a Secure Tomorrow



Inaugural UNDP-ICC Award



World Business & Development Award
2012 at the Rio+20 UN Summit



Sustainability Leadership
Award, Zurich



Porter Prize 2017 for 'Excellence in
Corporate Governance and Integration'



The Stockholm Challenge Award



Development Gateway Award



ICSI National Awards for Excellence in
Corporate Governance 2020



ITC rated AA by MSCI-ESG
Rated AA every year since 2018



ITC has been **included in the Dow Jones Sustainability Emerging Markets Index**



Rated at the **'Leadership Level'** by CDP with scores of 'A-' for both Climate Change and Water Security



ITC PSPD unit, Kovai, awarded Alliance for Water Stewardship Platinum-level Certification, highest recognition for water stewardship in the world -
- second facility globally, first in India



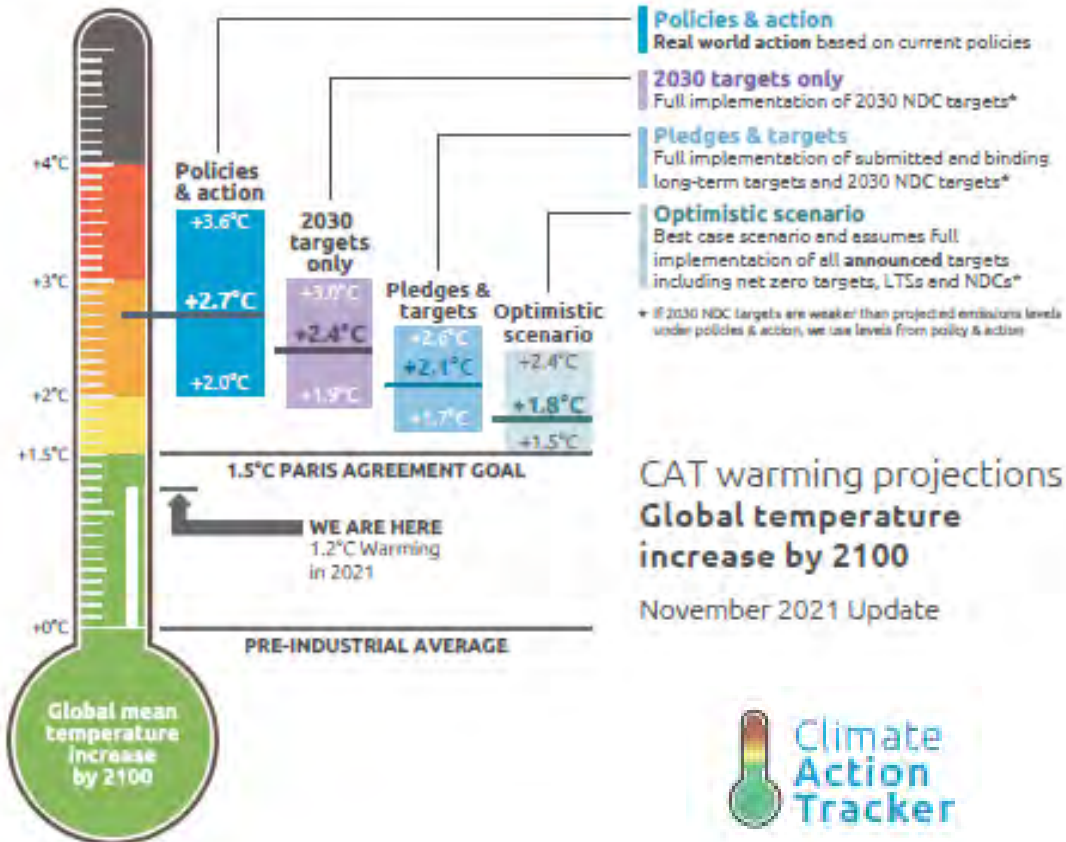
ITC Windsor Becomes First Hotel in the World to achieve LEED Zero Carbon Certification. **ITC Grand Chola** becomes the largest hotel to be certified LEED Zero Carbon



Enduring Value

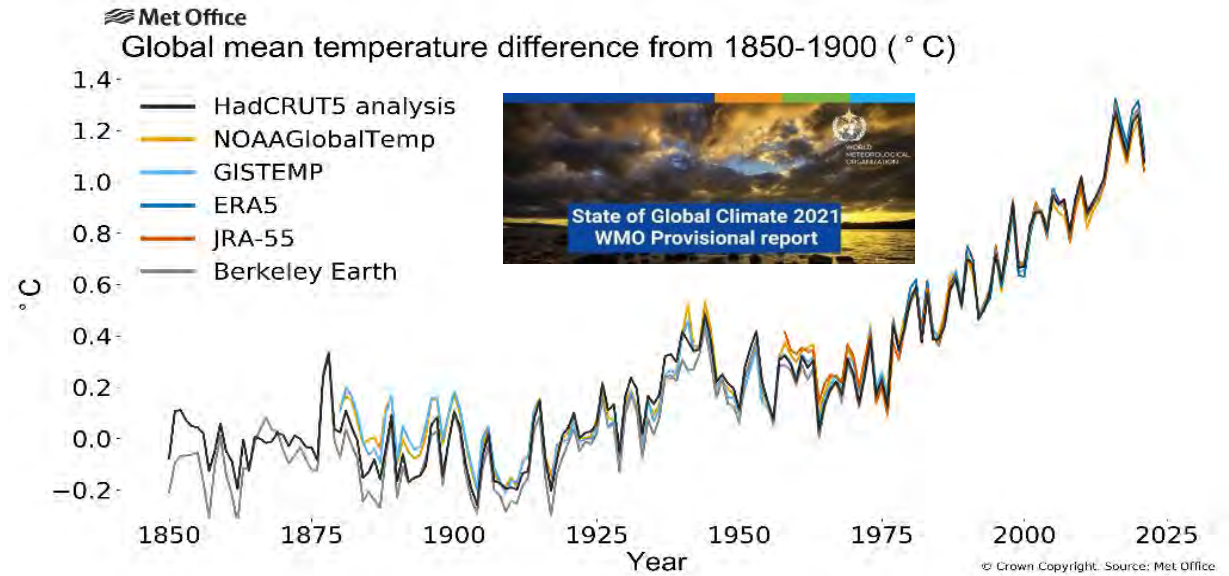
ITC's
Sustainability
Vision

- With Current Policies : + 2.7°C
- With Pledges & Targets : +2.1 %
- Best Case Scenario : +1.8%



CAT warming projections
Global temperature increase by 2100

November 2021 Update



- Past 7 years are the warmest on record
- Global sea level rise accelerated since 2013 to a new high in 2021
- UN : **1.23 million died** and **4.2 billion** affected by droughts, floods and wildfires since 2000.

Unless urgent and collective action is taken, estimates suggest:

75 times

Increase in frequency of extreme events like heatwaves by 2050

50%

Reduction in wheat yields in the Indo-Gangetic Plains by 2050

2.8%

of GDP is the estimated economic losses due to climate change by 2050

21

Major cities are expected to run out of groundwater by 2030

12

Coastal cities are at risk of being submerged by rising sea levels by end of century

7.1 million

Could be displaced with a 1 metre rise in sea level

India has faced 478 extreme weather events between 1970-2019, most occurring after 2005

Poorest half of global population possess just 2% of the total wealth.



Planet must produce more food in next 40 years than all farmers in history have harvested in the past 8,000 years



- Large proportion of world's poor live in India
- 12 million youth join workforce every year



A Paradigm shift that we call '**Responsible Competitiveness**' @ ITC



Growth that is Extremely Competitive and Agile



Growth that Protects and Nourishes the Environment



Growth that supports Livelihood Generation

Spurring unique business models that simultaneously create economic, social & environmental capital

Foundation

ITC's 'Nation First: Sab Saath Badhein' Philosophy

ITC's Vision, Mission and Values

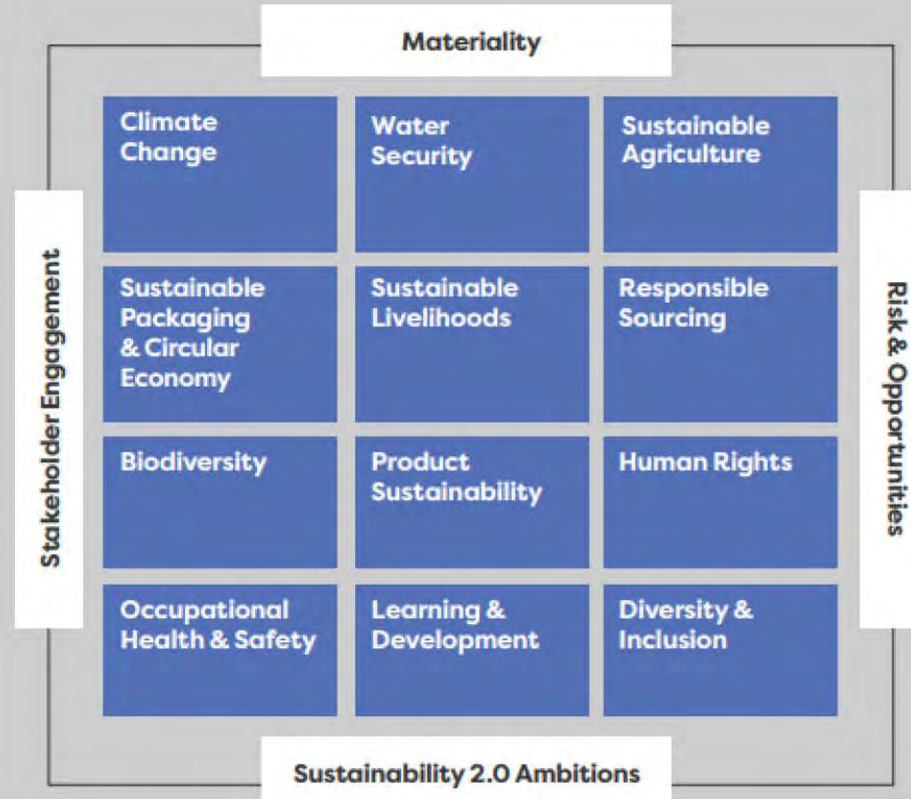
ITC's Sustainability Policies

Management System

Guidelines, Standards & Assurance System for Sustainability Management

Sustainability Performance Monitoring & Management System across Businesses

Sustainability 2.0 Priorities



Transparency and Disclosures

ITC's Sustainability Report

ITC's Integrated Report

ITC's Business Responsibility Report

ESG Frameworks

245

Sustainability 2.0 Enablers

ESG and Sustainability Governance

ITC-wide Sustainability Culture

ITC's Centers of Excellence

Partnerships and Collaborations

Innovation and Digital



Enduring Value

Sustainability in
Action

Addressing
Climate Risk &
Competitiveness

Strategic Pillars to Combat Climate Change



Nature Based Solutions



Adaptation & Resilience



Inclusive Value Chains



Green Infrastructure



Decarbonisation



Circularity



Enduring Value

Combating Climate Change

Nature Based Solutions



ITC'S PAPER VALUE CHAIN LEVERAGING TECHNOLOGY & INNOVATION





Enduring Value

Investor Day 2021

Clonal Saplings grown in Nursery



Greening over **9,00,000 acres**

- Supporting nearly **165 million person days** of employment
- **Environmental Impact**
 - Carbon Sequestration
 - Augmenting Green Cover
 - Top Soil Retention
 - Water Recharge
- A **Competitive Source** of Pulp-wood for ITC's Paper mill



AGRO-FORESTRY

OVER 1,20,000 ACRES



Before



After



- Over 81,000 acres conserved across 7 States, Sustainability 2.0 target: 5,00,000 acres by 2030
- Green cover improvement upto 110%, tree species by 150% and bird species by 225%
- PPP with Wasteland Development Board of Rajasthan to restore 2,47,000 acres commons
- Knowledge partnership with IUCN to develop template for 'Sustainable Agriscapes'



Enduring Value

Combating Climate Change

Adaptation & Resilience

Inclusive Value Chains



Enduring Value

Sustainability in
Action

Addressing
Water Security

Climate Change in India's Agriculture



“.....The last time we saw crops was during our grandfather's time.....”



PARTICIPATORY WATERSHED PLANNING

**RAINWATER
HARVESTING
POTENTIAL**



**OVER
1.2 MILLION
ACRES**

**23,000
WATER
STRUCTURES**

5 times

**Net Water Consumption in
2030**

Target

Sugarcane
0.20 lakh acres



85.47 m cu.m
water saved

Wheat
2.34 lakh acres



72.62 m cu.m
water saved

Rice
0.36 lakh acres



46.80 m cu.m
water saved

Others
(Onion, Banana,
Coconut)
0.10 lakh acres



3.95 m cu.m
water saved

- **Water Savings achieved in 1 year is 208 m cu.m as against 41.95 m cu.m of fresh water harvesting done in 20 years**
- Reduce water use and costs, improve yields
- **3,02,000 acres covered**



Enduring Value

Sustainability
in Action

Fostering
Next Generation
Agriculture



Empowering 4 Million Farmers

ITC in Agriculture : **Baareh Mahine Hariyali**

Leveraging Technology & Innovation to Enhance Productivity & Incomes



Varietal Improvement



Short Duration Varieties



Cropping Intensity



Choupal Pradarshan Khet

- ✓ Pilot at scale : 2,00,00 farmers
- ✓ Doubled Income for 35,000 adopting all practices
- ✓ Balance reported 30%-75% increased income



Agri Best Practices



Zero Tillage



Water Management



Farm Mechanisation



Collaboration with NITI Aayog for improvement of agriculture in 27 aspirational districts – trained 2.5 million farmers

Resulted in 60% increase in yields



Weather
Smart

Water
Smart

Seed /
Breed
Smart

Carbon/
Nutrient
Smart

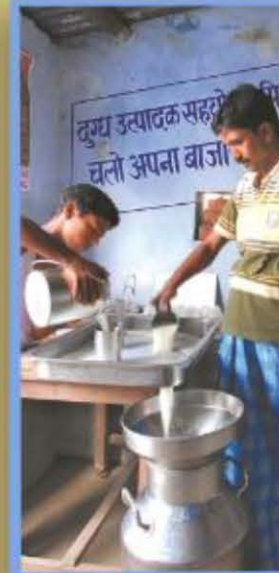
Market
Smart

Covered over 2,50,000 farmers across 8,000 villages.

A pilot at scale reduced GHG emission of select crops by 47%,
whilst enhancing net returns to farmers between 41% to 87%.

The climate-smart agriculture initiative will be progressively extended to cover 3 million acres by 2030.

ITC'S WORLD-CLASS INDIAN BRANDS ANCHOR INCLUSIVE VALUE CHAINS



Empowering the Nation's Farmers





ITC's Rural Education Programme : Benefitting 833,000 children
35% increase in language reading and 44% increase in numeracy skills



Skill Development Initiative : Over 1,00,000 youth trained
Salary earned in the range of Rs 7,000 – Rs 19,000 after training



Empowering women : Over 79,000 rural women entrepreneurs
Income of Ultra-poor women increased by 8 times and asset value by 3 times



Livestock Development : Animal husbandry services to over 19,00,000 milch animals
Pashu Sakhis earning additional income around Rs 60,000 per annum



Sanitation: Nearly 38,400 individual sanitary units constructed
96% of all households use the toilets

- **6,100** e-Choupals, **35,000** villages, **4 million** farmers
- **9,00,000** acres of forestry
 - **165 million** person-days of employment
- **12,75,000** acres of watershed development
- **19,00,000** milch animals covered
- **8,33,000** children benefiting from supplementary education
- **79,000** sustainable livelihoods for rural women
- **1,00,000** youth trained through Vocational Training programmes
- **38,400** Sanitation Units

Scale

83 PPPs to-date

Watershed
Biodiversity
Solid Waste
Management
Vocational Training
Education
Agriculture

Knowledge

24 technical
collaborations with
national & global
organisations

Agriculture, Water &
Biodiversity – WWF,
IUCN, IWMI, CGIAR,
TNAU and others
Financial Literacy –
CRISIL Foundation

Execution

Enduring partnerships
with 82 best-in-class
NGOs

Both thematic experts
and grass-root NGOs
Identified after an
operational and
financial due diligence
Structured "Dialogue"
with NGOs for pulse
check



Enduring Value

Combating Climate Change

Green Infrastructure

Decarbonisation



World's largest LEED Platinum Luxury Hotel & the largest LEED Zero Carbon certified hotel – ITC Grand Chola, Chennai

World's First Hotel to be LEED Zero Carbon Certified– ITC Windsor, Bengaluru

World's Highest Rated LEED Platinum building – ITC Green Centre, Gurugram

**PIONEERING
GREEN
BUILDINGS**



buildings of the Company have achieved
Platinum certification by USGBC-LEED/IGBC

Recently Commissioned ITC Solar Farm at Tamil Nadu



41.3%



of ITC's energy is from renewable sources



Continuous Reduction in Specific Energy/Water Consumption



ICMLs: Reducing Distance to Market



Renewable Energy
50% ⚡



Grid Electricity from Renewable Sources
100% ↑



Specific GHG Emissions
50% ↓



Specific Energy Consumption
30% ↓



Enduring Value

Combating Climate Change

Circularity



ITC Wellbeing out of Waste (WOW)

- ✓ Covering nearly 15 million citizens
- ✓ Pilot Plant for Recycling Multi-layered plastics

Community Waste Management

- ✓ Waste to landfill reduced from 80% to 20%
- ✓ Green temple programme adopted by 226 temples

Bio-degradable Barrier Boards



Recyclable Solutions



Cupstock



QSR Packing



Ice-cream Packaging

Toughpack

E-com packaging bags



Indobowl



Sustainable Packaging



Bioseal



Oxyblock



Antimicrobial Coating

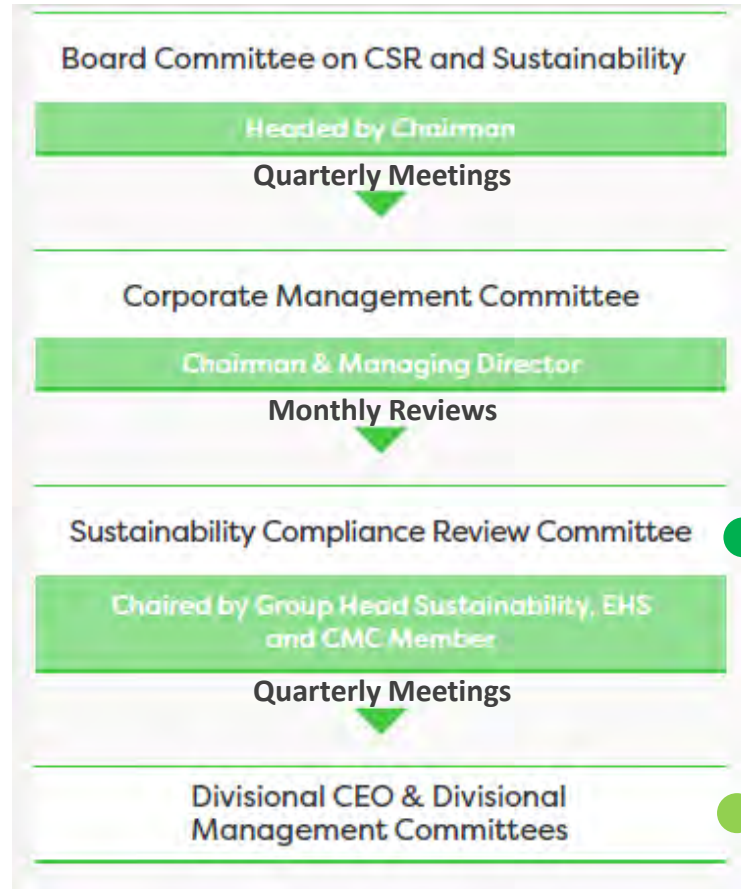




Enduring Value

Governance

Sustainability & ESG



The SCRC presently comprises **seven senior members** of management, with its Chairman being **Group Head – Sustainability & R&D**, and a **member of the Corporate Management Committee**. Other members represent:

- EHS & Sustainability
- Human Resources
- Accounts & Procurement
- Legal
- Social Investments Programmes
- Corporate Communications

ITC Businesses also have Business-level Sustainability Committees.

These Sustainability Committees also have representation from Diverse Functions - Operations, EHS & Sustainability, Nutrition, Marketing, HR, Packaging, R&D & Finance.

ITC's Suite of Board approved ESG Policies addresses ITC's Material ESG issues, and is also aligned to the requirements of Global ESG Disclosure Frameworks:



Policy implementation is monitored using defined KPIs.

SCRC reviews implementation on a quarterly basis and submits its report to the CMC.

The CSR & Sustainability Committee of the Board reviews progress annually.

ITC's ESG Policies:

- Policy on Sustainable Supply Chain and Responsible Sourcing
- Code of Conduct for Suppliers and Service Providers
- Policy on Environment, Health and Safety
- Policy on Resource Efficiency
- Policy on Biodiversity Conservation
- Policy on Deforestation
- Policy on Stakeholder Engagement
- Policy on Responsible Advocacy
- Policy on Product Responsibility
- Policy on Freedom of Association
- Policy on Diversity and Equal Opportunity
- Policy on Prohibition of Child Labour and Prevention of Forced Labour at the Workplace
- Policy on Tax
- Code of Conduct
- CSR Policy
- Remuneration Policy (*with linkages to ESG performance*)

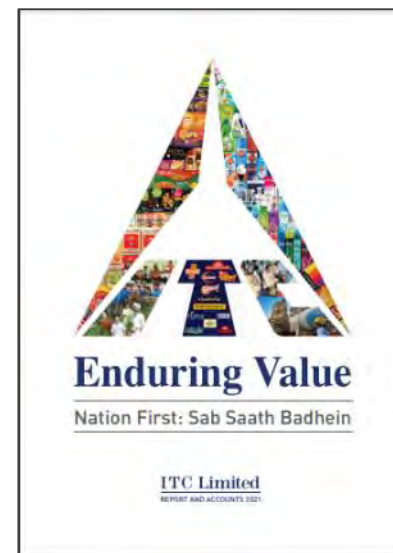
Other Policies are there at the Business Level like Responsible Marketing, Animal Welfare, Food & Nutrition



ITC Sustainability Report 2021



ITC Integrated Report 2021



ITC Report & Accounts, and Business Responsibility Report 2021



Responding to CDP Climate Change & Water Questionnaire, S&P/DJSI Questionnaire ²⁸⁴

Reporting aligned to Global Frameworks





Summary of Sustainability 2.0 Goals Reimagining the Future

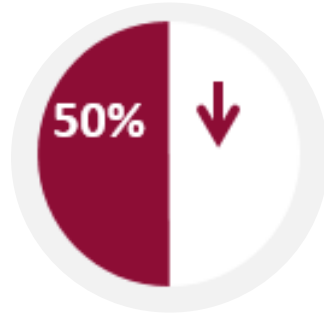
ITC's Sustainability 2.0 Targets: Raising The Bar



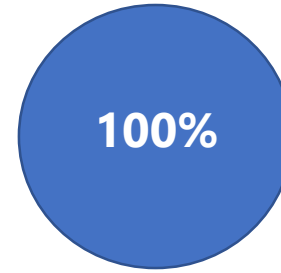
Renewable Energy (RE)



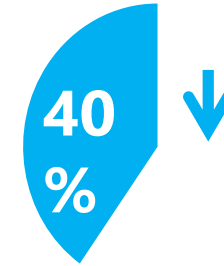
Specific Energy Consumption*



Specific GHG Emissions*



RE Grid Purchased Electricity



Specific Water Consumption*



Crop Water use efficiency - savings of **2000 million KL**



Climate Smart Villages approach in **3,000,000 acres**



Biodiversity Conservation in **500,000 acres**



Rainwater harvesting potential - **5+ times** water consumption



AWS Certification for High Water Stressed Sites

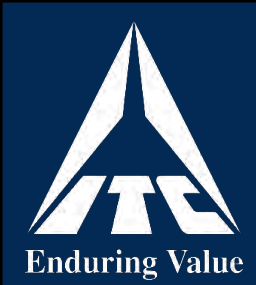
Sustainable Packaging Plan



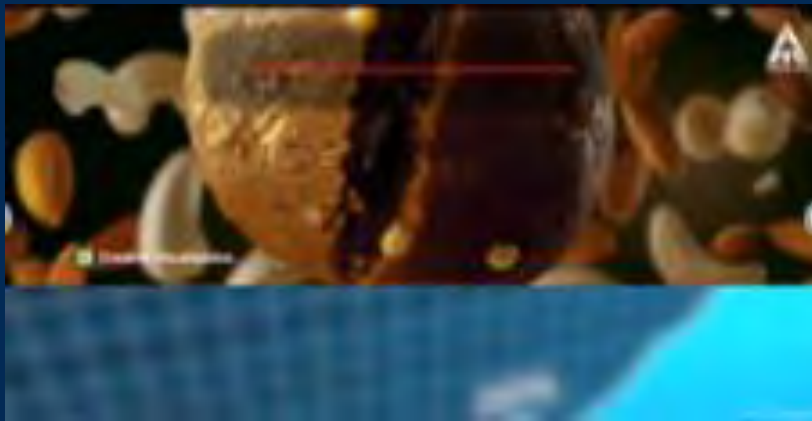
Plastic Neutrality



Supporting Sustainable Livelihoods for **10 million**



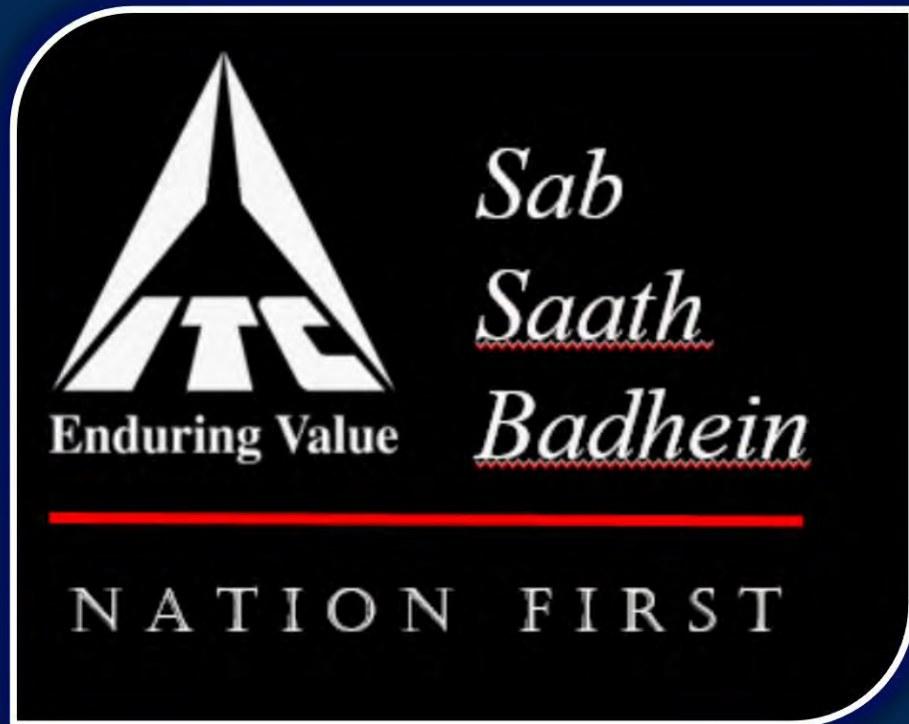
A passion for
profitable growth....



....in a way that is sustainable.....



.... and
inclusive



Thank You