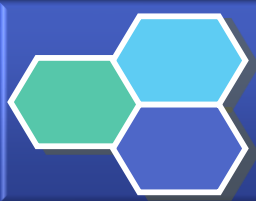


# Enterprise of Tomorrow



ITC Limited  
Packaging & Printing

**AIM-PROGRESS Responsible Sourcing  
Forum 2019 in Mumbai, India**



# Sustainable Supply Chain Management



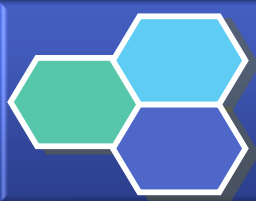
- Triple Bottom Line – Economic, Social & Environmental Contributions
- Carbon positive for **13** years now
- Water positive for **16** years now
- Solid waste recycling positive for **11** years

**TODAY, ITC IS THE ONLY COMPANY IN THE WORLD TO BE CARBON, WATER & SOLID WASTE RECYCLING POSITIVE.**

**IN ADDITION, ITS BUSINESSES HAVE SUPPORTED THE CREATION OF OVER 6 MILLION LIVELIHOODS.**



ITC is the **First** Company in India (of its size and complexity) and among the **top 10** in the world to publish sustainability report in **adherence** to Guidelines of the **Global Reporting Initiative.**



# Sustainability Initiatives at Packaging Factory- Chennai



**100 %** powered by Wind Energy  
since **2008**



**Energy Positive**-Installed capacity of  
14.1 MW, 9 WEGs in Theni and  
Tirunelveli, Investment : Rs 90 crores

Committed towards a Greener  
Environment . Implementing **Solid  
Waste Recycling**



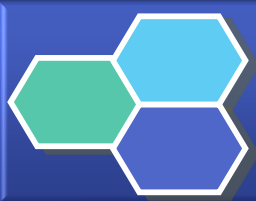
We recycle more than **99%** of the  
solid waste generated

Water table monitored & reviewed  
periodically



**Water Positive**

Packaging Factory has harvested **101 %**  
more water than the consumption

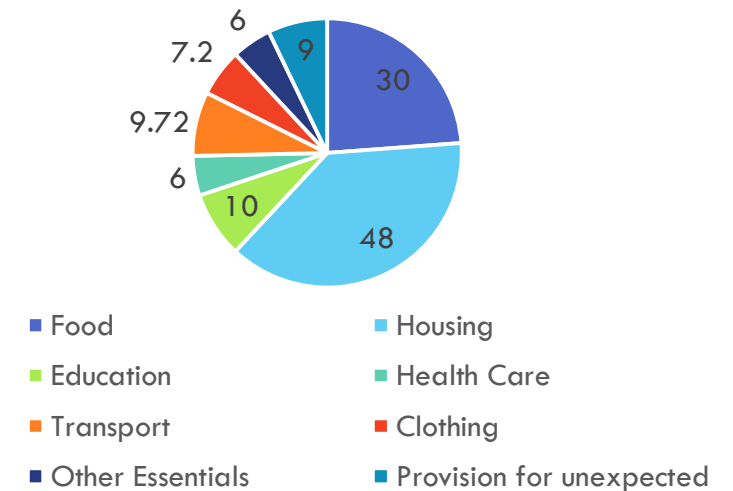


# Living Wages & Benefits – Wage Analysis

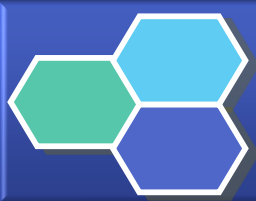


- ❑ Sedex – Ethical Member Trade Audit helped us to utilise Anker's Living wage & Benefits methodology
- ❑ Unit analysed unskilled service providers' wage on this method
- ❑ Panel of Stakeholders formed for collection of data
- ❑ Primary & Secondary data analysed
- ❑ Cost were plotted against “8” parameters guided by Anker's method
- ❑ Unskilled indirect workmen wage is compared against estimated cost through *Anker's Method-Living wage analysis*

Distribution of Living Wage



ITC is already paying **more** than the estimated wage for unskilled labour

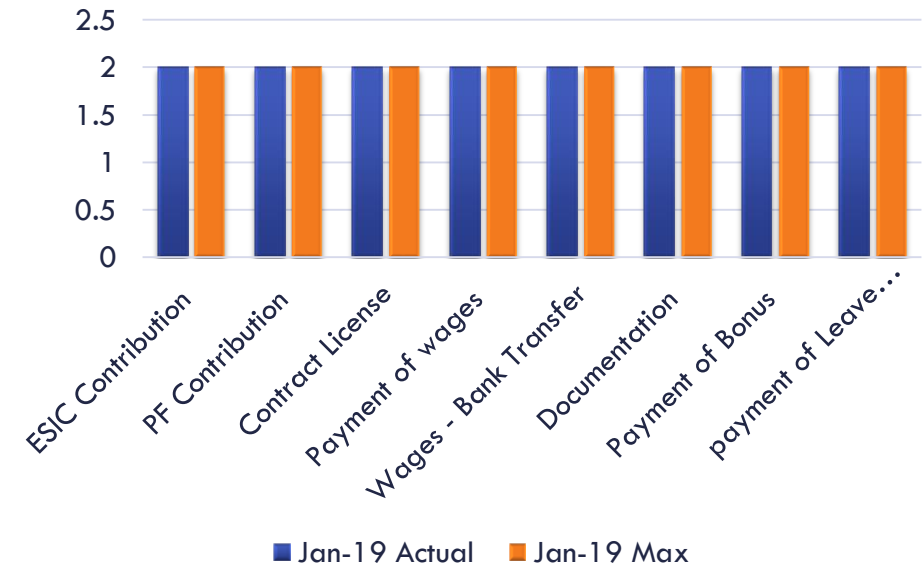


# Management System - Service Provider's Governance Mechanism

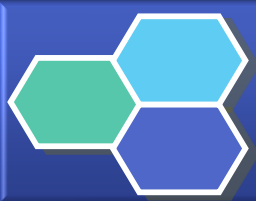


- ❑ ITC's commitment to manage compliances & governance of our service providers further strengthened by **Sedex – Ethical Member Trade Audit**
- ❑ Classified service providers -
  - Dedicated
  - Non dedicated
  - Professional Contractors
- ❑ Compliances classified -
  - Threshold : Freely chosen job, Freedom of association, child labour, discrimination
  - Differential : Living Wage & Benefits & Working hours
- ❑ Threshold Factors validated during selection of service provider
- ❑ A Score card devised - Differential Factors are rated against each contractors monthly & Reviewed

### Service Provider Score Card



Delay & Disproportionate	0
Delay & Proportionate	1
On time & Disproportionate	1
On time & Proportionate	2



# Driving HR initiatives from Sedex Audit



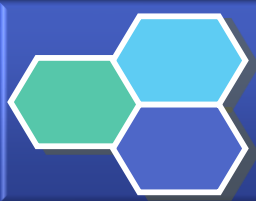
## 1. *Employee Engagement*

- ❑ **Training Programmes** in Technical, Quality, Behavioural & Excellence Areas
- ❑ **Productivity based LTA** to motivate employees to perform better and includes:
  - Performance linked Incentive Schemes
  - Attendance linked Incentive Schemes
- ❑ Employee Involvement Initiative - Suggestion Scheme Incentive
- ❑ Voice of the Employees: Monthly Rewards
- ❑ Monthly Best & Yearly Star Suggestions: Additional Reward and Recognition
- ❑ Interest free loans / Festival Advances to the employees



## 2. *EHS*

- ❑ Occupational Health Centre – Round the Clock
- ❑ Periodical Health Check-up for all employees & Medical Insurance Reimbursements to Self & Family
- ❑ Special Medical Camps for Service Provider Employees
- ❑ Educational assistance to the deserving children of the employees
- ❑ Differently abled employees of service providers are deployed at Canteen facilities
- ❑ Prevention of Sexual Harassment training for all employees

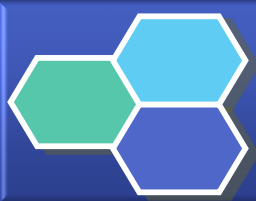


# Freedom of Association & Right to Collective Bargaining



- ❑ The unit has witnessed healthy and harmonious industrial relations over the past **15 years** in a spirit of collaboration
- ❑ To meet employee aspirations and further strengthen employee relations and promote collective bargaining, the unit decided to go for an **Internal Sole Bargaining Agent** mechanism
- ❑ A **5 Member committee** as the representative body of the employees elected
- ❑ A legally compliant Systematic Electoral Process (secret ballot) was held under the superintendence of External Returning officer / Election Officer
- ❑ 5 Years Long Term Settlement Signed in 2018
- ❑ Modified Factory Standing Orders got certified





Thank You for your Time  
We look forward to working together !

