Varun Beverages Ltd

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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10/11/2024, 01:09 pm

Contents

C1. Introduction

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Varun Beverages Limited ("VBL" or the "Company") is a key player in beverage industry and one of the largest franchisee of PepsiCo in the world (outside USA). VBL has been associated with PepsiCo since the 1990s and have over three decades consolidated its business association with PepsiCo, increasing the number of licensed territories and sub-territories covered by the Company, producing and distributing a wider range of PepsiCo beverages, introducing various SKUs in the portfolio, and expanding the distribution network. The Company manufactures, distributes and sells a wide range of carbonated soft drinks (CSDs), as well as a large selection of non-carbonated beverages (NCBs), including packaged drinking water sold under trademarks owned by PepsiCo. PepsiCo CSD brands produced and sold by VBL include Pepsi, Pepsi Black, Mountain Dew, Sting, Seven-Up, Mirinda Orange, Seven-Up Nimbooz Masala Soda and Evervess. PepsiCo NCB brands produced and sold by the Company include Tropicana Slice, Tropicana Juices (100% and Delight), Seven-Up Nimbooz, Gatorade as well as packaged drinking water under the brand Aquafina. VBL has been granted franchisees for various PepsiCo products across 27 States and 7 Union Territories in India (responsible for 90% beverage sales volume of PepsiCo India). VBL has also been granted the franchise for the territories of Nepal, Sri Lanka, Morocco, Zambia and Zimbabwe. India is the largest market and contributed 79% of revenues from operations (net) in Fiscal 2023. VBL is part of the RJ Corp group, a diversified business conglomerate with interests in beverages, quick-service restaurants, ice-creams and healthcare. VBL's Promoter and Chairman Mr. Ravi Jaipuria has an established reputation as an entrepreneur and business leader and is the only Indian to receive PepsiCo's International Bottler of the Year award, which was awarded in 1997 and 2023. He was also awarded the 'Distinguished Entrepreneurship Award' at the PHD Annual Awards for Excellence 2018.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/30/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

☑ 1 year

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

☑ 1 year

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

☑ 1 year

[Fixed row]

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

INE200M01021

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

VBL

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

33580058NWEMWBDNMD48

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

862166845

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.11) Are greenhouse gas emissions and/or water-related impacts from the production, processing/manufacturing, distribution activities or the consumption of your products relevant to your current CDP disclosure?

Production

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:

☑ Value chain (excluding own land)

(1.11.2) Primary reason emissions and/or water-related impacts from this activity are not relevant

Select from:

☑ Do not own/manage land

(1.11.3) Explain why emissions and/or water-related impacts from this activity are not relevant

We do not produce our primary raw materials and do not manage any agricultural land.

Processing/ Manufacturing

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Both direct operations and upstream/downstream value chain

Distribution

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Both direct operations and upstream/downstream value chain

Consumption

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Yes
[Fixed row]

(1.23) Which of the following agricultural commodities that your organization produces and/or sources are the most significant to your business by revenue?

Cattle products

(1.23.1) Produced and/or sourced

Select from:
☑ No

Cocoa

(1.23.1) Produced and/or sourced

Select from:

☑ No

Coffee

(1.23.1) Produced and/or sourced

Select from:

☑ No

Cotton

(1.23.1) Produced and/or sourced

Select from:

☑ No

Dairy & egg products

(1.23.1) Produced and/or sourced

Select from:

☑ Sourced

(1.23.2) % of revenue dependent on this agricultural commodity

Select from:

☑ Less than 1%

(1.23.3) Is this commodity considered significant to your business in terms of revenue?

Select from:

☑ No

(1.23.4) Please explain

Carbonated beverages and packaged water are responsible for over 90% of the company's revenue which do not require this commodity.

Fish and seafood from aquaculture

(1.23.1) Produced and/or sourced

Select from:
☑ No

Fruit

(1.23.1) Produced and/or sourced

Select from:
☑ Sourced

(1.23.2) % of revenue dependent on this agricultural commodity

Select from:
☑ 1-10%

(1.23.3) Is this commodity considered significant to your business in terms of revenue?

Select from:
☑ No

(1.23.4) Please explain

Carbonated beverages and packaged water are responsible for over 90% of the company's revenue which do not require this commodity.

Maize/corn

(1.23.1) Produced and/or sourced

Select from:

☑ No

Nuts

(1.23.1) Produced and/or sourced

Select from:

☑ No

Other grain (e.g., barley, oats)

(1.23.1) Produced and/or sourced

Select from:

☑ No

Other oilseeds (e.g. rapeseed oil)

(1.23.1) Produced and/or sourced

Select from:

☑ No

Palm oil

(1.23.1) Produced and/or sourced

Select from:

☑ No

Poultry & hog

(1.23.1) Produced and/or sourced

Select from:

☑ No

Rice

(1.23.1) Produced and/or sourced

Select from:

☑ No

Soy

(1.23.1) Produced and/or sourced

Select from:

☑ No

Sugar

(1.23.1) Produced and/or sourced

Select from:

☑ Sourced

(1.23.2) % of revenue dependent on this agricultural commodity

Select from:

☑ 71-80%

(1.23.3) Is this commodity considered significant to your business in terms of revenue?

Select from:

☑ Yes

(1.23.4) Please explain

Sugar is an essential raw material linked with carbonated beverages constituting major portion of the revenue of the company.

Tea

(1.23.1) Produced and/or sourced

Select from:
☑ No

Timber products

(1.23.1) Produced and/or sourced

Select from:
☑ No

Tobacco

(1.23.1) Produced and/or sourced

Select from:
☑ No

Vegetable

(1.23.1) Produced and/or sourced

Select from:
☑ No

Wheat

(1.23.1) Produced and/or sourced

Select from:

☑ No

Other commodity

(1.23.1) Produced and/or sourced

Select from:

☑ No

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

Our ERP system collects information regarding tier 1 suppliers at the time of registration. We expand on that information using our supplier due diligence program which also covers sustainability related information of the supplier collected through self assessment questionnaires. We are aware of tier 2 suppliers for major commodities like plastics but a direct mapping is not done as of now.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

(1.24.1.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

☑ End-of-life management

(1.24.1.4) End-of-life management pathways mapped

Select all that apply

☑ Recycling

☑ Waste to Energy

☑ Landfill

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This horizon signifies the timeline for annual budgeting in the organization that happens for operational expenses and small capital expenses.

Medium-term

(2.1.1) From (years)

2

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This horizon signifies the timeline for planning of financial instrument based assets and liabilities. From a strategic perspective it signifies the timeline of financial performance estimations for new products and markets.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:
☑ Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This timeline signifies the timeline for strategic planning in terms of long term business diversification and related strategies.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

☑ Water

☑ Plastics

☑ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ End of life management

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ ReCiPe

☑ Encore tool

☑ WRI Aqueduct

☑ WWF Water Risk Filter

☑ UNEP Vital Water Graphics

☑ TNFD – Taskforce on Nature-related Financial Disclosures

☑ LEAP (Locate, Evaluate, Assess and Prepare) approach, TNFD

Enterprise Risk Management

☑ Enterprise Risk Management

☑ Internal company methods

International methodologies and standards

☑ Environmental Impact Assessment

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard

☑ ISO 14046 Environmental Management – Water Footprint

Databases

☑ Nation-specific databases, tools, or standards

☑ UNEP Vital Water Graphics

Other

☑ Scenario analysis
☑ Desk-based research
☑ External consultants
☑ Materiality assessment
☑ Internal company methods
☑ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought
☑ Heat waves
☑ Toxic spills
☑ Pollution incident
☑ Glacial lake outburst
☑ Cyclones, hurricanes, typhoons
☑ Heavy precipitation (rain, hail, snow/ice)
☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

☑ Heat stress
☑ Water stress
☑ Sea level rise
☑ Groundwater depletion
☑ Declining water quality
☑ Increased severity of extreme weather events
☑ Water availability at a basin/catchment level
☑ Seasonal supply variability/interannual variability
☑ Changing temperature (air, freshwater, marine water)
☑ Changing precipitation patterns and types (rain, hail, snow/ice)
☑ Temperature variability
☑ Poorly managed sanitation
☑ Rationing of municipal water supply
☑ Water quality at a basin/catchment level
☑ Precipitation or hydrological variability
☑ Increased levels of environmental pollutants in freshwater bodies

Policy

☑ Increased pricing of water
☑ Changes to national legislation
☑ Regulation of discharge quality/volumes
☑ Increased difficulty in obtaining operations permits
☑ Increased difficulty in obtaining water withdrawals permit
☑ Statutory water withdrawal limits/changes to water allocation
☑ Mandatory water efficiency, conservation, recycling, or process standards
☑ Introduction of regulatory standards for previously unregulated contaminants

Market

☑ Availability and/or increased cost of certified sustainable material
☑ Availability and/or increased cost of raw materials
☑ Availability and/or increased cost of recycled or renewable content
☑ Changing customer behavior
☑ Inadequate access to water, sanitation, and hygiene services (WASH)

Reputation

☑ Impact on human health
☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback
☑ Stakeholder conflicts concerning water resources at a basin/catchment level

Technology

☑ Transition to recyclable plastic products
☑ Transition to increasing renewable content
☑ Transition to increasing recycled content
☑ Transition to lower emissions technology and products
☑ Transition to water efficient and low water intensity technologies and products

Liability

☑ Exposure to litigation
☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

1. Identification a. Dependencies: 1. Identify key natural resources for operations. 2. Map out the supply chain to understand dependency on environmental factors. 3. Consult with stakeholders (employees, suppliers, local communities) to gather insights. 4. Use tools such as Encore and techniques such as materiality assessment, scenario analysis etc to conclude. 5. Key identified dependencies for us are water resources, Energy sources and raw materials- plastic packaging and agricultural production of sugar, fruits and dairy. b. Impacts: 1. Identify potential positive and negative environmental impacts of your operations, products, or services. Continuously audit. 2. Key impact areas for us are water availability, water pollution, GHG emissions and impacts of plastic waste management. c. Risks: 1. Identify potential environmental risks, including regulatory changes, resource scarcity, and extreme weather events. 2. Develop scenarios to anticipate and prepare for potential future environmental risks. 3. Key risks for us include water scarcity, extreme weather events, supply chain disruption and loss in brand value. d. Opportunities: 1. Identify opportunities for innovation and technology that can reduce environmental impact. 2. Monitor market trends and consumer preferences for sustainable products and services. 3. Identify incentives for environmental performance improvements offered by governments or other organizations. 4. Identify aspects of operations where resilience can be built to ensure continuity and protect against risks. 5. Key opportunities for us include innovation in packaging, water and energy conservation, investment in renewables, water source restoration. 2. Assessment a. Dependencies: Assess the extent and criticality of dependencies on environmental factors. Evaluate how changes in environmental conditions could affect operations. b. Impacts: Quantify environmental impacts using metrics such as carbon footprint, water usage, and waste generation. c. Risks: 1. Use risk matrix to evaluate the likelihood and severity of environmental risks. 2. Prioritize risks based on their potential impact on operations and likelihood of occurrence. Use impacts and dependencies into the prioritization process. 3. Identify potential dependencies and impacts that can stem out of risk mitigation or realization and update the assessment. d. Opportunities: 1. Conduct feasibility studies to assess the potential benefits and costs of identified opportunities. 2. Perform cost-benefit analysis to evaluate the financial and environmental returns of opportunities. 3. Identify potential dependencies and impacts that can stem out of opportunity realization and update the assessment. 3. Management a. Dependencies: 1. Develop plans to manage and conserve critical resources. 2. Diversify supply chains to reduce dependency on vulnerable environmental resources. b. Impacts: Implement strategies to mitigate negative environmental impacts. c. Risks: 1. Develop and implement plans to mitigate identified risks. 2. Establish emergency preparedness and response plans for environmental incidents. 3. Consider environmental liability insurance to manage financial risks. d. Opportunities: 1. Implement sustainable practices such as energy efficiency, waste reduction, and renewable energy use. 2. Invest in research and development for sustainable technologies and practices.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Procedure for assessing interconnections: • Use impact aspect to visualize how environmental dependencies lead to specific environmental impacts. • Use scenario analysis to explore how different environmental risks could amplify or mitigate your environmental impacts. Analyse correlations between historical risk events and observed environmental impacts to identify patterns. • Map out how identified opportunities can reduce dependencies on critical environmental resources. Look for synergies where a single opportunity addresses multiple dependencies or impacts. • Conduct workshops and engagement sessions with stakeholders to gather insights on interconnections. • Work with stakeholders to validate findings and identify additional interconnections. • Develop strategies that address multiple interconnections simultaneously, maximizing positive outcomes and minimizing risks. Create detailed action plans for implementing integrated strategies, including timelines, responsibilities, and resource allocations. • Incorporate scenario planning to prepare for different future conditions and their impacts on interconnections. • Establish KPIs to monitor the impacts of integrated actions on environmental dependencies, impacts, risks, and opportunities. • Establish feedback loops to ensure that new insights and data inform ongoing strategy development and implementation.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.3.3) Types of priority locations identified

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.3.4) Description of process to identify priority locations

Direct operations- As the nature of operations is common across all our sites, we prioritize sites on basis of existing and predicted levels of water stress, water demand supply gap, water quality and such factors with the use of WRI aquaduct tool. Indirect operations (Upstream)- We consider high value (Critical) suppliers of plastics as the priority suppliers and their locations as priority location. This is because we have a large procurement of plastics for packaging of our product, forming a majority procurement spend and plastic production is highly water intensive.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ EBITDA

(2.4.3) Change to indicator

Select from:

☑ Absolute decrease

(2.4.5) Absolute increase/ decrease figure

50000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

If the average annual decrease in EBIDTA calculated across 5 years from the time of realization of the risk, including multiple occurrences crosses the value of 5,00,00,000 INR, with a high or very high likelihood, it is considered as a substantive risk.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ EBITDA

(2.4.3) Change to indicator

Select from:

☑ Absolute increase

(2.4.5) Absolute increase/ decrease figure

30000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

If the average annual increase in EBIDTA calculated across 5 years from the time of realization of the opportunity, including multiple occurrences crosses the value of 3,00,00,000 INR, with a high or very high likelihood, it is considered as a substantive opportunity.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Potential pollutants are identified in collaboration with the regional regulator through rigorous testing and comparison with peer industries. They are classified into categories such as heavy metals, Organic (BOD/COD), turbidity (TSS, TDS), pathogenic etc depending on their origin and impact on ecosystems.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Other nutrients and oxygen demanding pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Organic pollutants in the effluent can lead to increased biological oxygen demand (BOD) and chemical oxygen demand (COD), reducing oxygen levels in water bodies and harming aquatic ecosystems.Effluents can percolate through the soil and contaminate groundwater resources, affecting the quality of drinking water and harming aquatic ecosystems that rely on groundwater. Contaminated groundwater and surface water can enter human water supplies, posing health risks to communities.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Water recycling

☑ Resource recovery

☑ Beyond compliance with regulatory requirements

☑ Requirement for suppliers to comply with regulatory requirements

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

(2.5.1.5) Please explain

Our strategy for mitigating impacts of our effluent on the environment includes: • Advanced Treatment Technologies: Implementing advanced treatment technologies to remove contaminants from effluents before discharge. • Recycling and Reuse: Developing systems for recycling and reusing wastewater within the manufacturing process to reduce effluent volumes. • Source Reduction: Implementing practices to reduce the generation of pollutants at the source, such as optimizing the use of raw materials and chemicals. • Best Management Practices (BMPs): Adopting BMPs for waste management, spill prevention, and resource conservation. • Regular Monitoring: Conducting regular monitoring of effluent quality to ensure compliance with regulatory standards and identify potential issues early.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, only within our direct operations

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

VBL produces a consumer ready product and thus our dowstream value chain is distribution and retail. We have assessed potential risks but due to a diversified global operation and spread out downstream value chain, none amounted up to the level of substantive. We identified suppliers in our upstream value chain with substantive dependencies and impacts as well, and calculated the potential of risk trickling down to VBL, wherein we were able to ascertain that these suppliers which were critical to VBL were also well prepared to combat environmental issues. As our procurement is highly centralized and has a low level of complexity, the risk reduces even further. A large part of the risk is linked to plastic suppliers wherein everyone is geared for decarbonization, water conservation and increased recycled material content as priorities. This led us to affirm that our upstream and downstream value chain does not pose a substantive risk to us.

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, only within our direct operations

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

VBL produces a consumer ready product and thus our dowstream value chain is distribution and retail. We have assessed potential risks but due to a diversified global operation and spread out downstream value chain, none amounted up to the level of substantive. We identified suppliers in our upstream value chain with substantive dependencies and impacts as well, and calculated the potential of risk trickling down to VBL, wherein we were able to ascertain that these suppliers which were critical to VBL were also well prepared to combat environmental issues. As our procurement is highly centralized and has a low level of complexity, the risk reduces even further. A large part of the risk is linked to plastic suppliers wherein everyone is geared for decarbonization, water conservation and increased recycled material content as priorities. This led us to affirm that our upstream and downstream value chain does not pose a substantive risk to us.

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Changing temperature (air, freshwater, marine water)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ India

☑ Nepal

☑ Zambia

☑ Morocco

☑ Zimbabwe

☑ Sri Lanka

(3.1.1.9) Organization-specific description of risk

o *Operational Efficiency: Higher temperatures can reduce the efficiency of manufacturing processes and increase cooling costs.*

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The risk will lead to an increase in CAPEX for cooling infrastructure and/or increased energy requirements by cooling equipment. This increased CAPEX and OPEX can lead to a lower EBIDTA margin and reduce profitability. We anticipate this cost being on the substantive side under RCP 7 and RCP 8.5 where it becomes substantive. This risk is lower for 14 of our sites, but for the rest, the temperature increase is very likely by 2030. This risk will continuously increase till the medium term and will become more and more substantial, while in the long term if this risk persists, it will become cheaper to mitigate it through renewable energy based cooling systems completely, hence it will not continue onto long term.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

30183360.6

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

181100163.6

(3.1.1.25) Explanation of financial effect figure

We have calculated the energy requirement from our cooling systems and empirically estimated the additional energy requirement if the ambient temperature rises by 1DC. Using scenarios of best case 1.5DC and worst case 4DC average ambient temperature increase, we have calculated the additional energy requirement under Minimum and Maximum estimations respectively. We have multiplied the output with the average current electricity rate to generate a figure adjusted to today's currency. We are considering additional energy requirements for 1 year to get a consistent figure as our long term horizon is open ended.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Develop a climate transition plan

(3.1.1.27) Cost of response to risk

597769820

(3.1.1.28) Explanation of cost calculation

The cost is based on annual renewable energy capacity projects.

(3.1.1.29) Description of response

Our primary response to increase in cooling costs is through adoption of renewable infrastructure to run cooling systems at lower and more stable costs, use better ventilation near cooling infrastructure and bring operational efficiencies in the cooling process to bring efficiency benefits to the costs, reducing them and ensuring a higher margin.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Groundwater depletion

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ India

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Ganges - Brahmaputra

☑ Indus

☑ Narmada

(3.1.1.9) Organization-specific description of risk

o Groundwater depletion: Non availability of groundwater can impact production at sites that are heavily reliant on it. This can also lead to an increase in water costs if water needs to be transported across long distances from other sources.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Disruption in production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Majority of our Indian sites (25/34) depend on groundwater for production of beverages and other operations. This water is the primary raw material for our products. As per the results of our scenario analysis, 9 Indian sites face a very significant risk of groundwater depletion and non-availability. In long term worse case scenarios, this number may go up even higher. The non availability of water is a direct threat to business continuity and may hamper production, reducing our ability to push our product, leading to a loss of market share and revenues and in turn reduced profitability.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

452535600.7

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

1751648389

(3.1.1.25) Explanation of financial effect figure

We are considering a scenario where the 9 sites with high risk of groundwater depletion are facing with water shortage and are unable to draw groundwater. Minimum impact situation is considered with a case where water is being supplied through tankers at current market cost of Rs 200/KL. We have calculated the cost of ground water and subtracted it from the cost of tanker water for the same quantity to get the value. Maximum impact situation is where the plant can not be operated anymore and needs to be shut down. We have estimated the value of plant average asset valuation with a depreciation of 10% YOY across the first 6 years of long term time horizon. The asset value is multiplied with the current Return on investment percentage to get the value of potential loss in returns.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Secure alternative water supply

(3.1.1.27) Cost of response to risk

54367000

(3.1.1.28) Explanation of cost calculation

The cost is based on annual expenditure on water efficiency and rainwater harvesting projects.

(3.1.1.29) Description of response

We can respond to this risk by diversifying the sources of water available to us. We are especially emphasizing on rainwater harvesting to become an alternate water source for us as well as the region, leading to reduced water stss in the area and on ground water resources. We are also deploying water efficient technologies to reduce water wastage, developing water buffers to ensure business continuity and using our decentralized supply chain and production capacity to meet demand of one market with various production facilities.

Plastics

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Liability

☑ Non-compliance with legislation

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ India

(3.1.1.9) Organization-specific description of risk

EPR compliance: Increased costs due to additional compliance requirements on plastic recycling, recycled content and additional requirements under the EPR regulations on plastics.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Upfront costs to adopt/deploy new practices and processes

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

The EPR compliance in India requires plastic producers and brand owners to adhere to strict norms in order to reduce the use of virgin plastics in Indian industries. The regulation asks to systematically increase the recycled content in plastics produced and provide evidence of equivalent recycling done by a producer or brand owner in proportion to the amount of plastics introduced in the market. The regulation has led to establishment of Producer responsibility organizations and recyclers of plastics which can generate credits for plastic recycling in respective states and as per the 7 categories of plastics designated under the rule. The company faces increased costs due to changes in supply chain that are required, infrastructure for implementing regulation and cost of recycling credits. This is an imminent risk that we face today and once our organization and value chain is aligned, we do not anticipate this risk to remain substantial.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Take action to switch to recycled content to reduce virgin plastic

(3.1.1.29) Description of response

In order to combat the EPR regulations, we have set up a management system to tackle the challenge at multiple fronts- 1. Increasing recycled content in plastic to align to requirements and reduce obligations. 2. Improve plastic efficiency by reducing weight of plastics in packaging. 3. Setting up relationships with suppliers who can provide high quality recycled plastic. 4. Setting up recycling initiatives to generate recycling credits alongside external recyclers like GEM enviro.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ India

☑ Nepal

☑ Zambia

☑ Morocco

☑ Sri Lanka

☑ Zimbabwe

(3.1.1.9) Organization-specific description of risk

o Carbon Pricing: Introduction of carbon taxes leading to higher operational costs.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The risk will lead to a tax being levied on every ton of carbon emitted or on every ton of carbon emitted beyond a predefined value as set by the regulator. We anticipate that this threshold will be applied to scope 1, scope 2 and raw material embedded emissions for sake of consistency and will target manufacturing industries. The risk has been assessed as per the requirements under IEA NZE 2050 scenario. In the short term, we see carbon taxes being levied on core industries first, excluding Food and Beverages. In the medium term, there is a possibility of taxes coming to this sector (Around 50-150 Euros per ton of emissions).The tax can be significant if imposed in this term. In the long term we anticipate this tax to become less significant as our emissions would be lower than the selected baseline and

there is no tax liability anticipated in that case. This tax will lead to an increase in costs and increase in product prices as well if not mitigated in time. The baseline has been set at 170gco2/l as per a published European research on European beverage emissions baseline.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

1730272767

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

5190818302

(3.1.1.25) Explanation of financial effect figure

*We have estimated an emission of 170gCO2/l as European baseline. We are not considering inflation, Exchange rate changes in this financial assessment to calculate consistent risk values in terms of today's currency. For Min- We are considering a carbon price of 50 Euros/TCO2 on the excess carbon compared to European baseline. We are using our target CO2 estimates to compute carbon excess. The calculation is annual average of carbon price*carbon excess*2023 average euro exchange rate. For Max- We are changing the carbon price to 150 Euros/TCO2.*

(3.1.1.26) Primary response to risk

Policies and plans

☑ Develop a climate transition plan

(3.1.1.27) Cost of response to risk

1041214580

(3.1.1.28) Explanation of cost calculation

The cost is based on annual costs of decarbonization projects including renewable energy, fuel switching and other projects implemented as part of the decarbonization strategy of the company.

(3.1.1.29) Description of response

We respond by creating a detailed decarbonization pathway in form of a climate trrnsition plan to decarbonize direct operations and value chain to minimize this risk. [Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ OPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

181100163.6

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 11-20%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

65196056.13

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

The physical risk corresponds to Risk 1 in the above question and the transitional risk corresponds to Risk 4 in the above question (3.1.1). The risk impact calculation methodology is the same as previously stated. The percentage is based on the denominator of Total Opex of the company as both the risks lead to an increase in costs. The % of total indicator impacted is about 3.8% for transition risks and 0.05% for physical risks.

Water

(3.1.2.1) Financial metric

Select from:

☑ Other, please specify :EBIT

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

1751648389

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 11-20%

(3.1.2.7) Explanation of financial figures

The impact value is considered from the higher risk coming out of groundwater depletion leading to water scarcity at sites where groundwater is used and a significant risk of depletion is present. The value provided is the loss in returns on total assets (Plant, property and equipment) facing the risk, calculated in proportion of production at considered risk facing sites, depreciated by 10% YOY, calculated as an average of first 6 years in the long term, multiplied by the current ROI percentage. The denominator is total EBIT for calculating the impact percentage as the returns impacted form part of the total EBIT. The percentage is calculated at 17.1%.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

India

☑ Ganges - Brahmaputra

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

6

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization’s total global revenue that could be affected

Select from:

☑ 11-20%

(3.2.11) Please explain

The substantive risk faced by our facilities comes from groundwater depletion, which has the potential to hamper production in our facilities, requiring water as a primary raw material. These 6 sites are dependent on groundwater completely. Appropriate revenue and number figures are provided for the sites in the Ganges-Brahmputra basin.

Row 2

(3.2.1) Country/Area & River basin

India

☑ Indus

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

2

(3.2.4) % of your organization’s total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization’s total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

The substantive risk faced by our facilities comes from groundwater depletion, which has the potential to hamper production in our facilities, requiring water as a primary raw material. These 2 sites are dependent on groundwater completely. Appropriate revenue and number figures are provided for the site in the Indus basin.

Row 3

(3.2.1) Country/Area & River basin

India

☑ Narmada

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

The substantive risk faced by our facilities comes from groundwater depletion, which has the potential to hamper production in our facilities, requiring water as a primary raw material. This 1 site is dependent on groundwater completely. Appropriate revenue and number figures are provided for the site in the Narmada basin. [Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☑ No	*No fines or other penalties levied on VBL in the reporting year.*

[Fixed row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Increased efficiency of production and/or distribution processes

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(3.6.1.8) Organization specific description

Reducing costs due to more efficient practices such as efficient use of plastics in packaging.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

Our decarbonization journey has led us to reducing the embedded emissions in our product, wherein the plastic packaging contributes a considerable amount. our efficiency projects target to reduce the weight of packaging through innovative design to reduce the footprint and related risks from this issue. This also leads to consumption of less material and hence reduced costs of packaging.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

30024000

(3.6.1.23) Explanation of financial effect figures

The figure represents the cost of plastic saved by reducing the weight of plastic packaging. We have tracked the Kgs of plastic saved in total and multiplied with the procurement cost of plastic resin to compute this value.

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

This opportunity was realized in collaboration with Pepsico Global team. The pepsico team had designed the improved packaging and we did not incur any additional costs as they were born by pepsico.

(3.6.1.26) Strategy to realize opportunity

We banked on Pepsico packaging team to develop a lightweight solution by design to reduce plastic requirement per bottle without loosing integrity of the packaging.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Increased efficiency of production and/or distribution processes

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Indus
☑ Krishna
☑ Narmada
☑ Godavari
☑ Cauvery River
☑ Ganges - Brahmaputra
☑ Mahanadi River (Mahahadi)
☑ Other, please specify **:Sabarmati, India coast- East, west and south, Yasai**

(3.6.1.8) Organization specific description

Using water efficient technologies to reduce water consumption and reduce water procurement costs.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The increase in water recycling and use of rainwater harvesting will lead to reduction in municipal and groundwater requirements. As water is bound to become scarce in the long term, this self reliant endeavor will result in reduced cost of water which is a primary resource for our products. This will reduce OPEX and result in a higher revenue and earnings.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

223868670.94

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

1183305832.09

(3.6.1.23) Explanation of financial effect figures

The financial impact has been calculated based on the projections on price of water in the long term. Our assessment indicated that the price of water can go up to between Rs 50 and Rs 200 by 2030. We have multiplied the current water consumption with these two rates respectively to get water expense values under these scenarios and subtracted the inflation adjusted cost of water calculated for 2030 which will be incurred if VBL becomes self reliant for water, and the resulting values are provided here.

(3.6.1.24) Cost to realize opportunity

54367000

(3.6.1.25) Explanation of cost calculation

The realization cost is the cost of efficiency projects borne in the reporting year.

(3.6.1.26) Strategy to realize opportunity

We are realizing the opportunity with strong investment in water efficiency technology and water treatment. We are developing in house projects as well as working with firms to reduce water wastage and control our water footprint. We are also employing ways like rainwater harvesting to obtain water to become more self sufficient.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of renewable energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(3.6.1.8) Organization specific description

Using self generated and PPA based renewable energy to replace fossil based energy and delink the risk of increasing cost of fossil based energy from operations.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Returns on investment in low-emission technology

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

Our aggressive investments into renewable energy from renewable sources has led to reduced costs of procurement and an overall reduced costs of energy for the organization.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

132707917.73

(3.6.1.23) Explanation of financial effect figures

The impact figure is the reduced costs from replacement of conventional energy sources with renewable energy. The calculation is simply KWH of renewables multiplied with the difference of cost per KWH of non renewables and cost per KWH of renewables.

(3.6.1.24) Cost to realize opportunity

1041214580

(3.6.1.25) Explanation of cost calculation

The cost represents the costs of renewable energy projects.

(3.6.1.26) Strategy to realize opportunity

We are using on site generation of renewable energy and PPAs with generators of renewable electricity as well as deployment of bio based technologies to realize this opportunity.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

162731917.73

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ Less than 1%

(3.6.2.4) Explanation of financial figures

The impact figure is taken from the opportunity 1 and 3 in question 3.6.1. The percentage is calculated with the total Opex as the denominator. The percentage comes out at 0.11%.

Water

(3.6.2.1) Financial metric

Select from:

☑ OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

1183305832.09

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

The OPEX impact is the higher value from opportunity 2 in 3.6.1. The denominator is total opex in the reporting year. The percentage comes our at 0.86%.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI Regulations"], more specifically Part D of Schedule II of SEBI Regulations, requires the Nomination and Remuneration Committee to devise a policy on diversity of the Board of Directors enabling the Board of Directors to ensure a transparent nomination process to the Board of Directors with the diversity of thought, experience, knowledge, perspective and gender. The Company recognizes the benefits of diversity on the Board and believes that a diverse Board can make significant contribution towards achievement of Company's strategic and commercial objectives more efficiently and effectively. The Company believes that Board with diverse representation is better equipped to leverage

benefits emerging through members with diverse thoughts, perspective, knowledge, experience and gender and is well equipped to perform its functions and give strategic guidance to the Company. The Company remains committed to ensure that a transparent nomination process is followed where appointments will be made on merits in order to strengthen the corporate governance, achieve business results, ensure sustainable development for benefit of all stakeholders and enhance the reputation of the Company.

(4.1.6) Attach the policy (optional)

5-Policy-on-Diversity-of-the-Board-of-Directors.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding public policy engagement

☑ Overseeing and guiding public policy engagement

☑ Monitoring compliance with corporate policies and/or commitments

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

An ESG Committee, constituted by the Board, identifies the Company's risks and opportunities, and charters VBL's ESG journey, its reputation and its corporate responsibility. The Company's existing strengths and capabilities as well as the existing gaps within the system, process and data is identified by the Steering Committee. Based on these, the Steering Committee develops a strategic ESG roadmap and executes it responsibly. The ESG Committee holds a critical role in

championing ESG principles within the organization. At the Board level, Vice-Chairman Mr. Varun Jaipuria, also a member of the ESG Board Level Committee, shoulders ultimate responsibility for overseeing the implementation of all the ESG initiatives including water stewardship, improving energy efficiency, waste management and water management strategy, ensuring its alignment with broader environmental objectives. Furthermore, the Board-level committee actively shapes strategic direction, oversees risk management, and fosters accountability for health and safety and diversity within the social pillar of ESG. Notable responsibilities of the Board level ESG committee: 1. Approve the Company's ESG strategy including related targets and incentives; 2. Provide oversight of the execution of the ESG Strategy and the Company's progress on its long-term ESG commitments and targets; 3. Provide oversight of the key policies and programs required to implement the ESG Strategy; 4. Provide advice and direction to the Company's management on implementation of the Company's ESG Strategy; 5. To identify opportunities and risks to the Company's operations, its reputation and its corporate responsibility

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing the setting of corporate targets

☑ Approving and/or overseeing employee incentives

☑ Monitoring progress towards corporate targets
☑ Approving corporate policies and/or commitments
☑ Overseeing and guiding public policy engagement
☑ Overseeing and guiding public policy engagement
☑ Monitoring compliance with corporate policies and/or commitments
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
☑ Overseeing and guiding major capital expenditures
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

An ESG Committee, constituted by the Board, identifies the Company's risks and opportunities, and charters VBL's ESG journey, its reputation and its corporate responsibility. The Company's existing strengths and capabilities as well as the existing gaps within the system, process and data is identified by the Steering Committee. Based on these, the Steering Committee develops a strategic ESG roadmap and executes it responsibly. The ESG Committee holds a critical role in championing ESG principles within the organization. At the Board level, Vice-Chairman Mr. Varun Jaipuria, also a member of the ESG Board Level Committee, shoulders ultimate responsibility for overseeing the implementation of all the ESG initiatives including water stewardship, improving energy efficiency, waste management and water management strategy, ensuring its alignment with broader environmental objectives. Furthermore, the Board-level committee actively shapes strategic direction, oversees risk management, and fosters accountability for health and safety and diversity within the social pillar of ESG. Notable responsibilities of the Board level ESG committee: 1. Approve the Company's ESG strategy including related targets and incentives; 2. Provide oversight of the execution of the ESG Strategy and the Company's progress on its long-term ESG commitments and targets; 3. Provide oversight of the key policies and programs required to implement the ESG Strategy; 4. Provide advice and direction to the Company's management on implementation of the Company's ESG Strategy; 5. To identify opportunities and risks to the Company's operations, its reputation and its corporate responsibility

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding public policy engagement

☑ Overseeing and guiding public policy engagement

☑ Monitoring compliance with corporate policies and/or commitments

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

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[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions
☑ Managing public policy engagement related to environmental issues
☑ Managing supplier compliance with environmental requirements
☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments
☑ Measuring progress towards environmental corporate targets
☑ Measuring progress towards environmental science-based targets
☑ Setting corporate environmental policies and/or commitments
☑ Setting corporate environmental targets

Strategy and financial planning

☑ Conducting environmental scenario analysis
☑ Implementing the business strategy related to environmental issues
☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The ESG Steering Committee at Varun Beverages Limited (VBL) plays a vital role in steering our sustainability journey. This committee is at the heart of our efforts to integrate environmental, social, and governance principles into every facet of our business. Their responsibilities are comprehensive, ensuring that VBL not only meets but exceeds its commitments to sustainable practices. The committee is tasked with assessing and managing our environmental dependencies, impacts, risks, and opportunities. By forecasting future environmental trends, they ensure that VBL remains proactive in addressing emerging challenges. Their work extends to managing engagements within landscapes and jurisdictions, advocating for public policies that align with our environmental goals, and ensuring that our suppliers and value chain partners comply with stringent environmental standards. Moreover, the ESG Steering Committee monitors our progress towards corporate and science-based environmental targets, sets ambitious environmental policies, and guides the implementation of business strategies related to environmental issues. They also oversee major capital and operational expenditures, manage acquisitions and divestitures with environmental considerations, and provide incentives for employees to enhance environmental performance. Through the collective efforts of both the Board and the ESG Steering Committee, VBL is committed to navigating the complexities of sustainability with expertise and dedication, reinforcing our pledge to responsible business practices and comprehensive sustainability across all operations.

Water

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Conducting environmental scenario analysis

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The ESG Steering Committee at Varun Beverages Limited (VBL) plays a vital role in steering our sustainability journey. This committee is at the heart of our efforts to integrate environmental, social, and governance principles into every facet of our business. Their responsibilities are comprehensive, ensuring that VBL not only meets but exceeds its commitments to sustainable practices. The committee is tasked with assessing and managing our environmental dependencies, impacts, risks, and opportunities. By forecasting future environmental trends, they ensure that VBL remains proactive in addressing emerging challenges. Their work extends to managing engagements within landscapes and jurisdictions, advocating for public policies that align with our environmental goals, and ensuring that our suppliers and value chain partners comply with stringent environmental standards. Moreover, the ESG Steering Committee monitors our progress towards corporate and science-based environmental targets, sets ambitious environmental policies, and guides the implementation of business strategies related to environmental issues. They also

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Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Implementing the business strategy related to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The ESG Steering Committee at Varun Beverages Limited (VBL) plays a vital role in steering our sustainability journey. This committee is at the heart of our efforts to integrate environmental, social, and governance principles into every facet of our business. Their responsibilities are comprehensive, ensuring that VBL not only meets but exceeds its commitments to sustainable practices. The committee is tasked with assessing and managing our environmental dependencies, impacts, risks, and opportunities. By forecasting future environmental trends, they ensure that VBL remains proactive in addressing emerging challenges. Their work extends to managing engagements within landscapes and jurisdictions, advocating for public policies that align with our environmental goals, and ensuring that our suppliers and value chain partners comply with stringent environmental standards. Moreover, the ESG Steering Committee monitors our progress towards corporate and science-based environmental targets, sets ambitious environmental policies, and guides the implementation of business strategies related to environmental issues. They also oversee major capital and operational expenditures, manage acquisitions and divestitures with environmental considerations, and provide incentives for employees to enhance environmental performance. Through the collective efforts of both the Board and the ESG Steering Committee, VBL is committed to navigating the complexities of sustainability with expertise and dedication, reinforcing our pledge to responsible business practices and comprehensive sustainability across all operations.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Technology Officer (CTO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Chief Technical Head is CTO equivalent position of VBL.As a key leader within the organization, the CTO is responsible for setting and enforcing corporate environmental policies and commitments, ensuring that VBL stays at the forefront of sustainable innovation. One of the CTO's primary responsibilities is to establish ambitious corporate environmental targets that align with VBL's long-term sustainability goals. These targets guide the organization in reducing its environmental footprint and advancing its commitment to responsible business practices. The CTO also plays a pivotal role in monitoring compliance with these environmental policies and commitments, ensuring that all operational activities align with VBL's sustainability objectives. This rigorous oversight guarantees that VBL not only meets regulatory requirements but also adheres to the highest standards of environmental responsibility. Reporting directly to the Board, the CTO ensures that environmental considerations are fully integrated into VBL's strategic decision-making processes. This direct reporting line underscores the importance of sustainability within the organization's overall business strategy and reinforces the CTO's role as a key advocate for environmental leadership at VBL.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Technology Officer (CTO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Chief Technical Head is CTO equivalent position of VBL.As a key leader within the organization, the CTO is responsible for setting and enforcing corporate environmental policies and commitments, ensuring that VBL stays at the forefront of sustainable innovation. One of the CTO's primary responsibilities is to establish ambitious corporate environmental targets that align with VBL's long-term sustainability goals. These targets guide the organization in reducing its environmental footprint and advancing its commitment to responsible business practices. The CTO also plays a pivotal role in monitoring compliance with these environmental policies and commitments, ensuring that all operational activities align with VBL's sustainability objectives. This rigorous oversight guarantees that VBL not only meets regulatory requirements but also adheres to the highest standards of environmental responsibility. Reporting directly to the Board, the CTO ensures that environmental considerations are fully integrated into VBL's strategic decision-making processes. This direct reporting line underscores the importance of sustainability within the organization's overall business strategy and reinforces the CTO's role as a key advocate for environmental leadership at VBL.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ President

(4.3.1.2) Environmental responsibilities of this position

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

This refers to an Executive Director position in the company at President level. As the President and Whole-time Director at Varun Beverages Limited (VBL), this executive leader is at the forefront of integrating environmental sustainability into the core of our business strategy. Tasked with developing and implementing a business strategy that prioritizes environmental considerations, the President ensures that VBL's growth is aligned with our commitment to sustainable practices. In this role, the President is responsible for overseeing acquisitions, mergers, and divestitures with a keen focus on environmental impact, ensuring that all major business decisions contribute to the company's sustainability objectives. Additionally, the President manages the annual budgets allocated to environmental initiatives, ensuring that financial resources are effectively utilized to support VBL's environmental goals. The President also plays a critical role in managing major capital and operational expenditures related to environmental issues, ensuring that investments are made with a long-term vision for sustainability. This strategic oversight guarantees that VBL's operations are not only economically viable but also environmentally responsible. Reporting directly to the Board, the President ensures that environmental considerations are fully integrated into the company's strategic direction, reinforcing VBL's position as a leader in sustainable business practices.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ President

(4.3.1.2) Environmental responsibilities of this position

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

This refers to an Executive Director position in the company at President level. As the President and Whole-time Director at Varun Beverages Limited (VBL), this executive leader is at the forefront of integrating environmental sustainability into the core of our business strategy. Tasked with developing and implementing a business strategy that prioritizes environmental considerations, the President ensures that VBL's growth is aligned with our commitment to sustainable practices. [Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

The Environment linked linked incentives have a 25% weightage in the overall incentive structure for all C-suite level positions. 10% incentive corresponds to water, 10% to climate and 5% to plastics.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

The Environment linked linked incentives have a 25% weightage in the overall incentive structure for all C-suite level positions. 10% incentive corresponds to water, 10% to climate and 5% to plastics.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Other C-Suite Officer, please specify :All C-Suite officers (Equivalent to functional heads) get the same ESG incentive structure with 25% weightage of environmental criteria, 10% of water, 10% of climate and 5% of plastics.

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Resource use and efficiency

☑ Energy efficiency improvement

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The Environment linked linked incentives have a 25% weightage in the overall incentive structure for all C-suite level positions. 10% incentive corresponds to water, 10% to climate and 5% to plastics.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Expectations and benefits from leadership incentives on energy 1. Incentives aligned with the leadership compensation ensure top-level buy-in, leading to stronger organizational commitment to energy efficiency and sustainability. 2. A motivated leadership can drive a cultural shift towards sustainability, influencing all levels of the organization to prioritize energy efficiency. 3. The leadership can allocate resources more effectively towards energy efficiency projects, ensuring they receive the necessary funding and support. 4. Incentives encourage the leadership to integrate energy efficiency into the company's long-term strategic planning,

ensuring sustained efforts over time. 5. With the leadership active involvement, energy efficiency projects can be accelerated, leading to quicker realization of energy and cost savings. 6. Companies led by leadership committed to energy efficiency can establish themselves as market leaders in sustainability, differentiating themselves from competitors. 7. Direct reductions in energy consumption lead to lower greenhouse gas emissions, contributing significantly to the company's carbon reduction goals. 8. A focus on energy efficiency can support sustainable growth, minimizing the environmental footprint of expanding operations.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Other C-Suite Officer, please specify **:**All C-Suite officers (Equivalent to functional heads) get the same ESG incentive structure with 25% weightage of environmental criteria, 10% of water, 10% of climate and 5% of plastics.

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Pollution

☑ Improvements in wastewater quality – direct operations

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The Environment linked linked incentives have a 25% weightage in the overall incentive structure for all C-suite level positions. 10% incentive corresponds to water, 10% to climate and 5% to plastics.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Expectations and benefits from leadership incentives on effluent quality 1. This incentive can drive the adoption of cutting-edge wastewater treatment technologies, leading to more effective and efficient processes. Improved wastewater treatment processes can lead to more efficient operations, reducing costs associated with water usage and waste disposal. 2. Meeting or exceeding wastewater quality standards helps the company comply with local, national, and international regulations, avoiding fines and legal issues. 3. Demonstrating a commitment to environmental responsibility can attract investors who prioritize sustainable practices. Companies known for their environmental stewardship can differentiate themselves from competitors, potentially gaining a competitive advantage. 4. A commitment to wastewater quality supports long-term sustainable growth, ensuring that environmental impacts are minimized as the company expands.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change
☑ Water

☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

By covering our entire value chain, we ensure that our sustainability efforts are comprehensive and impactful, contributing to global environmental goals and our long-term success. We do not have any exclusions from this policy.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to a circular economy strategy

☑ Commitment to stakeholder engagement and capacity building on environmental issues

☑ Commitment to no trade of CITES listed species

☑ Commitment to respect legally designated protected areas

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

Climate-specific commitments

☑ Commitment to net-zero emissions

☑ Commitment to not funding climate-denial or lobbying against climate regulations

Water-specific commitments

☑ Commitment to reduce water consumption volumes
☑ Commitment to reduce water withdrawal volumes
☑ Commitment to control/reduce/eliminate water pollution
☑ Commitment to safely managed WASH in local communities
☑ Commitment to the conservation of freshwater ecosystems
☑ Commitment to water stewardship and/or collective action

Additional references/Descriptions

☑ Acknowledgement of the human right to water and sanitation
☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns
☑ Description of renewable electricity procurement practices
☑ Reference to timebound environmental milestones and targets

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement
☑ Yes, in line with the Kunming-Montreal Global Biodiversity Framework
☑ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

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[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Race to Zero Campaign

☑ Science-Based Targets Initiative (SBTi)

☑ Task Force on Climate-related Financial Disclosures (TCFD)

(4.10.3) Describe your organization's role within each framework or initiative

Science Based Targets initiative (SBTi) 1. Setting Targets: o We develop and set science-based targets that are consistent with the level of decarbonization required to keep global temperature increases below 1.5C compared to pre-industrial levels. 2. Implementation: o We implement strategies and actions to meet these targets across our entire value chain, ensuring that our business operations, products, and services contribute to a low-carbon economy. 3. Reporting: o We report our progress towards achieving these targets annually, ensuring transparency and accountability in our climate action efforts. 4. Continuous Improvement: o We continuously review and update our targets to align with evolving scientific guidance and enhance our contributions to global climate goals. Race to Zero Campaign 1. Commitment: oWe publicly commit to the Race to Zero goals, signalling our dedication to rapid, impactful climate action. 2. Action Plan: o We develop a comprehensive action plan to reduce emissions across our operations and supply chain, focusing on energy efficiency, renewable energy adoption, and innovative technologies. 3. Collaboration: o We collaborate with other businesses, governments, and organizations within the Race to Zero network to share best practices, leverage collective action, and drive systemic change. 4. Advocacy: o We advocate for robust climate policies and support initiatives that accelerate the transition to a net-zero economy. Task Force on Climate-related Financial Disclosures (TCFD) 1. Governance: o We ensure that climate-related risks and opportunities are integrated into our governance structures, with oversight from our board of directors and senior management. 2. Strategy: o We assess the potential impacts of climate-related risks and opportunities on our business strategy and financial planning, considering various climate scenarios. 3. Risk Management: o We identify, assess, and manage climate-related risks within our enterprise risk management framework, enhancing our resilience and adaptability. 4. Metrics and Targets: o We disclose relevant climate-related metrics and targets, including our progress towards reducing greenhouse gas emissions and improving energy efficiency. 5. Transparency: o We provide clear, consistent, and transparent climate-related financial disclosures in our annual reports and sustainability reports, aligned with TCFD recommendations.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

☑ Kunming-Montreal Global Biodiversity Framework

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

(4.11.4) Attach commitment or position statement

doc02700720240916161610.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

All public engagements related to ESG require a discussion with the ESG committee of the board, the same board which is responsible for approving and monitoring environmental commitments and action plans including the climate transition plan. The responsibility of aligning public engagements with policy stand lies with the board level ESG committee and if they find an engagement to be non compliant to company policy, they have the authority to reject the engagement immediately.

The responsibility of escalating environmental impacts of external engagements lies with the Chief compliance officer of the company, also called the company secretary, while the responsibility of identifying environmental impacts lies with the chief sustainability officer.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

The Right to Water Bill, 2020: This bill defines water security as the availability of clean water to meet domestic needs, and the right of all individuals to access adequate amounts of clean water. It also states that water is a common resource for all Indians, and that the state holds water in public trust for the benefit of all.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Water

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures
☑ Water availability

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:
☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply
☑ India

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Provided funding or in-kind support

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

30487

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We have been constantly working towards bringing water security and increasing water availability near the areas where we operate through interventions with a primary focus on rainwater harvesting and groundwater recharge. We have specifically targeted high risk areas where water availability is a big challenge. Through our efforts, we have estimated that we are giving back twice the amount of water that we are using for our beverage production in India. We have also planned drinking water distribution initiative for 2024 wherein we will be providing drinking water in 10 high risk areas where the need for water especially in dry months is severe. The metric of success for our initiatives is the water recharge ratio indicator which stands at 2.02 in the reporting year signifying the ratio of groundwater recharge done by the initiatives in the reporting year to the amount of water consumption by direct operations in India.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy
☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Value chain engagement
☑ Dependencies & Impacts
☑ Public policy engagement
☑ Water accounting figures
☑ Water pollution indicators

(4.12.1.6) Page/section reference

The entire report is the transition strategy of the company aligned to CDP.

(4.12.1.7) Attach the relevant publication

Varun Beverages Limiteed - TCFD & CDP report 2023.pdf

(4.12.1.8) Comment

Our TCFD report is aligned to our CDP disclosures.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually

Water

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

☑ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

Stakeholder and customer demands

☑ Consumer sentiment

☑ Consumer attention to impact

Regulators, legal and policy regimes

☑ Global regulation

☑ Political impact of science (from galvanizing to paralyzing)

☑ Level of action (from local to global)

☑ Global targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Assumptions Technological Advancements: Renewable Energy: Rapid advancements and cost reductions in solar and wind technologies. Battery Storage: Significant improvements in storage technologies. Carbon Capture: Widespread deployment of CCUS technologies. Energy Efficiency: Efficiency Gains: Major improvements across buildings, industry, and transport. Behavioral Changes: Adoption of energy-efficient lifestyles and increased use of public transport. Policy and Regulatory Support: Government Policies: Strong global policies, including carbon pricing and subsidies for clean energy. International Cooperation: Global alignment on climate policies and technology sharing. Investment: Capital Investment: Over 4 trillion per year by 2030 in clean energy infrastructure. Uncertainties Technological Uncertainty: Innovation Pace: Uncertain speed of technological innovations and scalability. Cost Variability: Future costs of technologies like CCUS and hydrogen production. Economic and Social Factors: Economic Growth: Varying growth rates, especially in developing nations. Social Acceptance: Public acceptance of new technologies and behavioral changes. Policy Implementation: Political Will: Variable political commitment and policy consistency. Geopolitical Risks: Potential disruptions due to international relations. Constraints Infrastructure: Grid Upgrades: Need for significant upgrades to electricity grids. EV Charging: Widespread deployment of electric vehicle charging infrastructure. Resource Availability: Critical Minerals: Availability of minerals like lithium and cobalt. Land Use: Space for renewable energy projects. Financial Constraints: Investment Requirements: Mobilizing necessary capital, especially in developing countries. Funding Mechanisms: Developing mechanisms to attract private investment.

(5.1.1.11) Rationale for choice of scenario

Alignment with Global Standards Paris Agreement Compliance: The IEA NZE 2050 scenario is aligned with the goals of the Paris Agreement to limit global temperature rise to well below 2C, aiming for 1.5C. This ensures our company is contributing to global efforts to mitigate climate change. Science-Based Targets: The scenario provides a clear and science-based pathway, ensuring that our emission reduction targets are robust and credible. Comprehensive Strategy Holistic Approach: NZE 2050 covers all aspects of the energy system, including electricity, transport, industry, and buildings. This holistic approach aligns well with our operations, which span production, distribution, and retail. Technological Advancements: It emphasizes the adoption of advanced technologies such as renewable energy, electric vehicles, and energy efficiency measures, which are essential for reducing our environmental impact. Financial and Operational Benefits Cost Savings: By improving energy efficiency and transitioning to renewable energy, we can significantly reduce our operational costs in the long term. Risk Management: Adopting the NZE 2050 scenario helps mitigate risks associated with regulatory changes, energy price volatility, and supply chain disruptions. Stakeholder Engagement Investor Confidence: Demonstrating a commitment to the NZE 2050 scenario enhances investor confidence and aligns with the growing trend of ESG (Environmental, Social, and Governance) investing. Customer Loyalty: Consumers are increasingly seeking out environmentally responsible brands. Our alignment with NZE 2050 strengthens our market position and appeals to eco-conscious customers. Innovation and Leadership Industry Leadership: By adopting ambitious and science-based targets, we position ourselves as leaders in the beverage industry, setting a benchmark for sustainability. Encouraging Innovation: The framework encourages us to invest in innovative solutions and technologies, fostering a culture of continuous improvement and sustainability. Compliance and Future Preparedness Regulatory Compliance: As governments worldwide implement stricter environmental regulations, aligning with NZE 2050 ensures we stay ahead of compliance requirements. Future Preparedness: Preparing for a net-zero future makes our business more resilient and adaptable to future environmental and market changes.

Water

(5.1.1.1) Scenario used

Water scenarios

☑ WRI Aqueduct

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Changes in ecosystem services provision

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Impact of nature service delivery on consumer

☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

☑ Global targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

o The scenarios use historical climate data to model future conditions. Assumptions include the reliability of past data and its applicability to future predictions. o Analysis is based on climate projection scenarios (RCPs and SSPs) from global climate models like CMIP5 and CMIP6, which assume specific pathways for greenhouse gas emissions and socio-economic developments. o Assumes specific rates of economic growth and population increases, which influence water demand and stress projections. o Assumes certain patterns of urbanization and industrial development that affect water usage. o Assumes improvements in water use efficiency in agriculture, industry, and domestic sectors due to technological advancements. o Assumes specific rates of adoption for water-saving technologies and infrastructure improvements. o Uncertainty regarding the frequency and intensity of extreme weather events like droughts and floods, which can significantly impact water availability. o Variability and differences among climate models lead to uncertainties in predicting future water conditions. o

Uncertainty about how societies and industries will adapt their water usage behaviors in response to water scarcity and policy changes. o Uncertainty regarding the effectiveness and enforcement of water management policies and regulations. o Uncertainty about the speed and extent of technological advancements that can enhance water efficiency and management. oVariability in the implementation and maintenance of water infrastructure improvements. o Limited availability of high-resolution, real-time water data in certain regions constrains the accuracy of risk assessments. o Inconsistencies in data quality and reporting standards across different regions and sources. o Constraints related to the scale at which models operate; local water risks may not be fully captured in global or regional models. o Difficulty in modeling complex interactions between various factors such as climate, socio-economic conditions, and technological changes. o Limited financial resources for implementing large-scale water management projects, especially in developing countries. o Constraints related to the availability of skilled personnel and institutional capacity to manage and implement water strategies effectively. o Constraints posed by weak regulatory frameworks and governance structures in certain regions, hindering effective water management. o Challenges in achieving coordinated action.

(5.1.1.11) Rationale for choice of scenario

Using the WRI Aqueduct tool for water-related scenario analysis offers several advantages that make it an invaluable resource for understanding and managing water risks. Here are the key reasons: • Comprehensive and High-Resolution Data with Global coverage and Detailed indicators • Aqueduct uses peer-reviewed methodologies and the best-available data to ensure accuracy and reliability in its projections and assessments. It incorporates various climate scenarios and socio-economic pathways (e.g., RCPs and SSPs) to model future water risks under different conditions, helping users understand potential impacts of climate change and economic development. • The tool's interactive platform allows users to customize analyses based on specific needs, such as selecting different time periods, scenarios, and geographic scales. This flexibility makes it accessible for a wide range of stakeholders • Aqueduct translates complex hydrological data into intuitive indicators and composite risk scores, making it easier for VBL to prioritize actions and investments • By using Aqueduct, organizations can align their water management strategies with global sustainability goals, such as the Sustainable Development Goals (SDGs), particularly SDG 6 on Clean Water and Sanitation

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Changes in ecosystem services provision

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Impact of nature service delivery on consumer

☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

☑ Global targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

o RCP 2.6 assumes aggressive mitigation policies leading to substantial reductions in greenhouse gas emissions. o The scenario assumes that global policy frameworks and agreements are implemented effectively and adhered to by all countries. o Assumes significant technological innovation in clean energy technologies. o Assumes wide-scale deployment of these technologies, supported by substantial investments and regulatory support. o Assumes changes in consumer behaviour towards more sustainable practices. o Assumes a global economic transition towards low-carbon industries o Although, there is an Uncertainty about the pace at which new technologies will develop and be deployed. o Uncertainty about the effectiveness and scalability of technologies like CCS and advanced nuclear power. o Uncertainty about the consistency and longevity of policy commitments across different countries and political cycles. o Variability in global and regional economic growth rates can impact the availability of resources for mitigation efforts. o Uncertainty about public acceptance of new technologies and lifestyle changes. o The scenario requires significant investments in clean energy, infrastructure, and R&D, which may be challenging to secure. o Availability of critical materials (e.g., rare earth metals for batteries) needed for renewable energy technologies and storage solutions.

o Constraints related to land availability for large-scale deployment of renewable energy projects, such as solar and wind farms. o Need for significant upgrades to electricity grids to handle increased loads and integrate variable renewable energy sources. o Development of widespread electric vehicle charging infrastructure.

(5.1.1.11) Rationale for choice of scenario

o RCP 2.6 is the only Representative Concentration Pathway (RCP) that aims to keep global temperature rise below 2C, with a strong chance of limiting it to 1.5C. This aligns with the most ambitious targets of the Paris Agreement, making it crucial for avoiding the most severe impacts of climate change. o Promotes investment in and development of clean technologies, fostering innovation and economic opportunities in the green sector. o Sends strong market signals to industries and investors, encouraging the transition to low-carbon technologies and sustainable practices. o By aiming for lower temperature increases, RCP 2.6 helps mitigate the risks associated with extreme weather events, sea-level rise, and biodiversity loss. o Reduces health risks related to air pollution and climate change, improving overall societal well-being.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 7.0

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP3

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.0ºC - 3.4ºC

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Changes in ecosystem services provision

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Consumer attention to impact

☑ Impact of nature service delivery on consumer

☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

☑ Level of action (from local to global)

☑ Global targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

o Assumes moderate climate policies and measures are implemented, resulting in stabilization of greenhouse gas emissions at intermediate levels by the end of the century. o Assumes moderate adoption and improvement of technologies for energy efficiency, renewable energy, and carbon capture and storage (CCS). o Assumes continued economic growth and development, especially in emerging economies, leading to increased energy demand and emissions. o Assumes urbanization trends continue, with growing cities driving energy consumption and associated emissions. o Assumes global population growth follows medium projections, with significant increases in developing regions. o Assumes continued expansion of agricultural land to meet food demand, impacting carbon sinks and contributing to emissions. o Assumes moderate improvements in forestry management to reduce deforestation and promote afforestation. o Uncertainty about the effectiveness and consistency of climate policies across different countries and over time. o Uncertainty regarding the extent of international cooperation and alignment on climate mitigation efforts. o Uncertainty about the pace of technological advancements and the adoption rate of clean energy technologies. o Uncertainty about future cost reductions for key technologies like renewables and CCS, which can affect their deployment. o Uncertainty about the extent to which consumers and industries will adopt more sustainable practices and reduce their carbon footprints. o Uncertainty about how economic fluctuations will impact energy demand and emissions. o Uncertainty regarding climate feedback mechanisms and their impact on global temperature and weather patterns. o Uncertainty about the frequency and intensity of extreme weather events and their socio-economic impacts. o Constraints related to the availability of critical materials needed for renewable energy technologies and batteries. o Constraints on land availability for renewable energy projects and agricultural expansion. o Need for significant investments in energy infrastructure to support a moderate transition to cleaner energy sources. o Constraints related to upgrading electricity grids to handle increased loads and integrate variable renewable energy sources. o Significant investments required for deploying clean technologies and improving energy efficiency may be challenging to mobilize, particularly in developing regions.

(5.1.1.11) Rationale for choice of scenario

o RCP 7.0 represents a more moderate and arguably realistic pathway compared to the more aggressive or conservative scenarios. It considers moderate policy actions and technological adoption, making it a valuable tool for planning in a less ambitious but plausible future. o Helps in planning for incremental improvements in climate policies and technological adoption, offering a stepwise approach to enhancing climate action which aligns well with the needs of third world countries. o Useful for assessing and managing risks associated with moderate climate change impacts, including the potential for increased extreme weather events and their socio-economic consequences. o Supports adaptation planning by highlighting the areas and sectors most likely to be affected by moderate climate change, enabling targeted resilience-building efforts. o Provides market signals about the likely direction of future climate policies and technologies, helping businesses align their strategies with expected developments.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical
☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 3.5ºC - 3.9ºC

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2030
☑ 2050
☑ 2080

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts
☑ Changes to the state of nature
☑ Changes in ecosystem services provision
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Finance and insurance
☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands
☑ Impact of nature service delivery on consumer
☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

☑ Global targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

o Assumes minimal to no significant efforts to mitigate greenhouse gas emissions. Emissions continue to rise throughout the 21st century. o Assumes continued heavy reliance on fossil fuels for energy, with significant increases in coal, oil, and natural gas consumption. o Assumes high economic growth, especially in developing countries, leading to increased energy demand. o a global population growth reaching around 12 billion by 2100, significantly increasing demand for energy and resources. o Assumes extensive land use changes, including deforestation and conversion of land for agriculture and urbanization. o Significant urban growth, contributing to increased energy consumption and emissions. o Uncertainty about the development and deployment of new technologies that could mitigate emissions even under high growth scenarios. o Potential improvements in energy efficiency are uncertain and could alter the trajectory of emissions. o for future policy shifts that could either exacerbate or mitigate emissions is uncertain. o Uncertainty regarding the level of international cooperation on climate change mitigation in the future. o Uncertainty about how societal behaviors and consumption patterns might change in response to climate impacts. o Uncertainty about economic stability and growth, which can significantly influence emissions. o Uncertainty in climate feedback mechanisms, such as permafrost melt and methane release, which could accelerate warming. o Uncertainty about the frequency and intensity of extreme weather events under higher temperature scenarios. o Constraints related to the availability of critical resources, such as freshwater and arable land, which may be further stressed under high emissions. o Dependence on finite fossil fuel reserves and potential geopolitical constraints on their distribution. o Many regions may face constraints due to aging energy and water infrastructure that is not equipped to handle increased stress from high emissions and climate impacts. o Significant infrastructure investments needed for adaptation to higher temperatures and more extreme weather events. o High emissions scenarios could require substantial financial investments for adaptation and mitigation technologies, which may be challenging to secure. o Disparities in economic resources can limit the ability of developing countries to invest in necessary mitigation and adaptation measures.

(5.1.1.11) Rationale for choice of scenario

• RCP 8.5 represents a worst-case scenario, providing a basis for understanding the potential upper bounds of climate impacts. This is crucial for risk assessment and preparing for extreme outcomes. • Helps plan for extreme climate events and develop robust emergency response strategies. • Using RCP 8.5 can underscore the severe consequences of inaction or insufficient climate policies, motivating stronger mitigation efforts. • Provides a benchmark for long-term planning and developing policies that can prevent the worst outcomes projected by this scenario. • Understanding the impacts of RCP 8.5 can drive innovation in

climate adaptation and mitigation technologies, as the need for advanced solutions becomes more apparent. • Supports scientific research into extreme climate dynamics and feedback mechanisms that may only become evident under high emissions scenarios • Serves as an educational tool for explaining the importance of aggressive climate mitigation to avoid the severe impacts predicted by RCP 8.5.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

1. IEA NZE 2050: • India: Adoption of advanced water-saving technologies and wastewater recycling to comply with stringent water usage regulations. •Zimbabwe & Zambia: Implementation of efficient irrigation systems and rainwater harvesting to mitigate water scarcity. •Sri Lanka: Investment in desalination plants and sustainable water management practices. • Nepal: Development of infrastructure to manage glacier-fed water sources and prevent glacial lake outburst floods. • Morocco: Enhanced water conservation strategies, including the use of drip irrigation and water-efficient crops. 2. RCP 2.6: • India: Moderate water stress with improved water use efficiency through technological advancements and regulatory support. • Zimbabwe & Zambia: Reduced physical water risks, focusing on sustainable agricultural practices and water management. • Sri Lanka: Stable water supply with emphasis on maintaining current sustainable practices. • Nepal: Management of glacier-fed water resources with minimal impact from glacial melt. • Morocco: Moderate water conservation efforts with continued investment in water-efficient technologies. 3. RCP 7 & RCP 8.5: • India: Severe water scarcity leading to increased dependency on water-saving innovations and alternative water sources. • Zimbabwe & Zambia: Extreme drought conditions necessitating emergency water management measures and increased investment in water infrastructure. • Sri Lanka: High risk of water shortages and need for advanced water conservation measures. • Nepal: Significant

impact on water supply due to accelerated glacial melt, requiring adaptive management strategies. • Morocco: Severe water scarcity driving the need for large-scale water conservation projects and alternative water sourcing. Overall Summary- India: • Severe scarcity under RCP 7 & 8.5 necessitating significant efficiency improvements and alternative sourcing. Zimbabwe & Zambia: • Extreme drought under RCP 7 & 8.5 driving the need for emergency management and infrastructure improvements. Sri Lanka: • Moderate risks across scenarios with opportunities for sustainable water use technologies. Nepal: • Glacial melt impacts under high-emission scenarios requiring adaptive management and infrastructure. Morocco: • Severe scarcity under high-emission scenarios necessitating large-scale conservation and alternative sourcing projects.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

1. IEA NZE 2050: • India: Transition risks from strict emissions regulations; opportunities in renewable energy adoption and emission reduction technologies. • Zimbabwe & Zambia: Moderate transition risks; benefits from renewable energy initiatives and reduced reliance on fossil fuels. • Sri Lanka: Compliance with emissions regulations; investment in sustainable practices and renewable energy. • Nepal: Adaptation to stringent emissions policies; opportunities in green technology and infrastructure. • Morocco: High transition risks due to strict emissions targets; focus on renewable energy and sustainable practices. 2. RCP 2.6: • India: Lower climate risks with stable operations; emphasis on maintaining sustainable practices and reducing emissions. • Zimbabwe & Zambia: Reduced climate risks; focus on sustainable agricultural practices and climate-resilient infrastructure. • Sri Lanka: Lower climate risks; stable operations with a focus on sustainable development. • Nepal: Moderate climate risks; management of glacier melt impacts with sustainable practices. • Morocco: Lower climate risks; stable operations with emphasis on renewable energy and sustainable practices. 3. RCP 7 & RCP 8.5: • India: Severe climate impacts with increased frequency of extreme weather events; significant adaptation needs and resilience building. • Zimbabwe & Zambia: High climate risks from extreme weather and prolonged droughts; critical need for climate-resilient infrastructure and practices. • Sri Lanka: High flood risks and extreme weather events; focus on adaptive measures and disaster risk management. • Nepal: Significant impact from glacial melt and extreme weather; need for comprehensive adaptation strategies. • Morocco:

Severe desertification and extreme weather impacts; urgent need for large-scale climate adaptation and resilience initiatives. Overall Summary- India: • High transition and physical risks under NZE 2050 and high-emission scenarios, requiring robust adaptation strategies and emission reduction investments. Zimbabwe & Zambia: • Significant physical risks from high-emission scenarios, demanding climate-resilient infrastructure and sustainable agricultural practices. Sri Lanka: • High flood risks under high-emission scenarios, necessitating investment in flood management and adaptive measures. Nepal: • Significant adaptation needs under high emissions due to accelerated glacial melt and extreme weather impacts. Morocco: • High desertification risks requiring comprehensive adaptation and renewable energy investments.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:
☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:
☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:
☑ No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

VBL operates in 3rd world economies which are highly dependent of fossil fuels as the primary source of energy except countries like Nepal that have a strong potential for renewables. Although we are committed towards achieving global climate objectives and we have set up targets which are aligned to a 1.5 DC world, at this stage, our market segmentation and targeting does not allow us to exclude expansion in such fossil fuel dependent countries. We anticipate organic and inorganic growth opportunities from fossil fuel dependent countries and hence we cannot make such a commitment, although we have a detailed strategy to ensure

that all expansions align to the transition plan of VBL and decarbonize VBL on set timelines including a reduction of 60% GHG emissions in scope 1,2 and 3 from a 2023 baseline by 2033 on an absolute basis.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

Varun Beverages Limited (VBL) employs several mechanisms for collecting feedback on transition plans: 1. Stakeholder Engagement: Regular engagement with stakeholders including employees, customers, suppliers, and local communities to gather feedback and address environmental concerns. 2. Surveys and Questionnaires: Conducting surveys and questionnaires to collect data on stakeholder perceptions and inputs. 3. Grievance Redressal Mechanism: A formal grievance mechanism for stakeholders to report issues and receive timely responses. 4. Audits and Assessments: Regular GHG audits and assessments to identify areas for improvement and gather feedback.

(5.2.9) Frequency of feedback collection

Select from:

☑ Annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Key Assumptions: • Regulatory Landscape: Assumes increasing global and local regulatory pressure on carbon emissions and sustainability practices. • Technological Advancements: Assumes availability and adoption of advanced technologies for energy efficiency, renewable energy, and water management. • Market Trends: Assumes a continued shift in consumer preferences towards sustainable products and practices. • Investor Expectations: Assumes growing importance of ESG criteria in investment decisions. Access to green finance will support the transition. • Climate Scenarios: Assumes scenarios outlined in the IEA NZE 2050, RCP 2.6, RCP 7, and RCP 8.5. • Products: Market demand for sustainable and eco-friendly products will continue to grow. • Stakeholder Support: Support from value chain partner, especially suppliers and their interest in decarbonization of their operations will be high. • Logistics: Adoption of alternate fuel vehicles and electric vehicles running on renewables. • Refrigerants: Development of low GWP efficient refrigerants. •Plastic recycling: A circular plastics value chain and high recycled material content in plastic raw materials. Dependencies: 1. Renewable Energy Infrastructure: Dependence on the development and feasible availability of renewable energy infrastructure in operating regions. Availability of neutral fuels and development of technologies to utilize them. 2. Water Resource Management: Dependence on access to advanced water conservation and recycling technologies. 3. Supply Chain Cooperation: Dependence on suppliers adopting sustainable practices. 4. Financial Mechanisms: Dependence on access to green finance options like green bonds and climate finance. 5. Stakeholder Engagement: Dependence on effective stakeholder engagement, including employee training and community involvement. 6. Products: Research and development capabilities to innovate and produce sustainable products.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Progress Against Transition Plan- Climate Objectives- 1. Emission Reduction: o VBL has implemented measures to enhance energy performance, such as installing solar power panels and procuring hydrocarbon coolers. For example, in Morocco, VBL installed rooftop solar power capacity of 1.6 MW and reduced electricity consumption by 10% from 2022 levels. o The company aims to reduce its carbon footprint through initiatives like using hydrocarbon coolers and deploying solar coolers in the market. o We have reduced our GHG footprint in scope 1, 2 and limited categories of scope 3 by 44% in 2023 from a baseline of 2020. We have now taken the coverage to all categories across entire scope with a target of 60% reduction by 2033 from a 2023 baseline. o Aspiring to optimize energy efficiency across our value chain, we are building a fleet of 1,200 electric vehicles, in partnership with our distributors. 2. Renewable Energy: o Transition to renewable energy is underway, with significant installations of solar power panels in various locations to reduce reliance on conventional power sources. o We are sourcing over 58 million KWH electricity from renewable sources with a target of taking renewable energy share to 25% by 2023. 3. Energy Efficiency: o Implementing energy-efficient technologies, such as the use of flowmeters to optimize water usage and improving RO efficiency, has been prioritized to reduce overall energy consumption.4. Plastic recycling: o Our main source of emissions under the entire inventory comes from the use of plastics and the scope 3 category 1 emissions of their production. To mitigate this we have employed various measures including packaging weight reduction, increased recycled content in packaging, piloting 100% recycled PET based bottles, plastic waste recycling with an objective of achieving 30% recycled PET usage by 2025 and 100% of equivalent PET recycling by 2025. We have also partnered with GEM enviro to run upskilling and training/awareness programs and increase direct waste collection.Water Objectives- 1. Water Conservation: o VBL has made notable progress in water conservation across its operations. In Morocco, the company reduced water consumption by 19% per liter of beverage produced from 2022 levels. o We have achieved a water usage per litre product of 1.54, a 9% improvement from last year with a target to take it to 1.4 by 2025 and a water recharge to consumption ratio of 2.02 times with a target to retain above 2. Governance and Strategy- • Board-Level Oversight: A Board level ESG Committee oversees and guides the company's climate strategies, ensuring alignment with business goals. • Climate Integration: Climate-related risks and opportunities are embedded into VBL's business strategy, reflecting the company's commitment to sustainable growth. Reporting and Transparency- • Annual Reporting: VBL publishes verified sustainability reports, including progress on emissions reductions, water usage, and other aspects.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

Varun Beverages Limiteed - TCFD & CDP report 2023.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ Plastics

☑ Water

☑ Biodiversity

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

Plastic recycling: o Our main source of emissions under the entire inventory comes from the use of plastics and the scope 3 category 1 emissions of their production. To mitigate this we have employed various measures including packaging weight reduction, increased recycled content in packaging, piloting 100% recycled PET based bottles, plastic waste recycling with an objective of achieving 30% recycled PET usage by 2025 and 100% of equivalent PET recycling by 2025. We have also partnered with GEM enviro to run upskilling and training/awareness programs and increase direct waste collection. 1. Water Conservation: o VBL has made notable progress in water conservation across its operations. In Morocco, the company reduced water consumption by 19% per liter of beverage produced from 2022 levels. o We have achieved a water usage per litre product of 1.54, a 9% improvement from last year with a target to take it to 1.4 by 2025 and a water recharge to consumption ratio of 2.02 times with a target to retain above 2. This was possible with the following efforts: 1. 12.95 Billion Liters rainwater recharged back to ground. 2. Adopted 118 ponds and 6 check dams. 47% ponds rejuvenated in water-stressed zones. 3. Connected all filters (ACF/PSF) for water recovery. 4. Optimized drainage timing at ACF / PSF. 5. Bottle washer recovery in glass lines. 6. Reuse ETP water in utilities. 7. Improved RO efficiency wherever RO recovery is less than designed recovery. 8. Sensors / Foot operated taps for hand wash at plants. 9. Completed Air Scoring across all manufacturing plants. 2. Sustainable Water Management: o Advanced water management practices, including the installation of flowmeters and efficient irrigation systems, have been implemented to optimize water usage. o VBL continues to invest in technologies to improve water use efficiency, such as the recovery and recycling of wastewater. 3. Community Engagement: o VBL engages in community projects focused on water conservation and management, contributing to broader environmental sustainability efforts. Biodiversity- Our plan for residual emissions neutralization relies heavily on our work on biodiversity as a core pillar to absorb emissions as a carbon sink. We are currently targeting increase in species diversification with elimination of non native species from our operations and expansions in greenbelt. As our initiatives take fruit, we will assess and consider them for carbon neutral assessments.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Risks: •Water Scarcity: Water-intensive production makes VBL vulnerable to water shortages. To mitigate this, VBL has focused on implementing water-saving technologies and optimizing water use in production processes. • Climate Regulations: Stricter regulations on carbon emissions have led VBL to shift towards low-emission production methods and energy sources. Opportunities: • Eco-Friendly Products: The growing demand for sustainable products has driven VBL to introduce beverages with eco-friendly packaging and reduced environmental footprints. For example, they are developing bottles using recycled PET (r-PET). • Renewable Energy Integration: Utilizing renewable energy not only reduces operational costs but also enhances VBL's brand image as a sustainable company. Solar panels and hydrocarbon coolers are examples of this shift.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Risks: •Supply Chain Disruptions: Climate change can disrupt supply chains, particularly in regions prone to extreme weather. VBL has enhanced supply chain resilience by working with suppliers who follow sustainable practices and by diversifying its supplier base. • Resource Dependency: Heavy reliance on water and carbon-intensive inputs can pose risks. VBL is reducing dependency by sourcing sustainable raw materials and implementing efficient logistics. Opportunities: • Sustainable Partnerships: Developing partnerships with suppliers who prioritize sustainability helps ensure a consistent supply of eco-friendly raw materials. • Green Logistics: Implementing logistics optimization strategies, such as using electric vehicles and optimizing delivery routes, reduces the carbon footprint of VBL's supply chain.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Risks: •Regulatory Compliance: Future regulatory changes could impose stricter requirements. Investing in R&D ensures that VBL remains compliant with emerging regulations by developing new technologies and practices that reduce emissions and water use. Opportunities: • Innovation in Sustainability: R&D investments are focused on creating innovative products and processes that minimize environmental impact. This includes developing water-efficient technologies and packaging solutions using recycled materials. • Product Development: VBL is investing in the development of new products that cater to the increasing demand for sustainable and health-conscious options.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Risks: •Operational Disruptions: Extreme weather events can disrupt operations. VBL has strengthened its operational resilience by adopting robust risk management strategies and improving infrastructure to withstand such events. Opportunities: • Efficiency Enhancements: Continuous investment in energy and water efficiency improvements leads to cost savings and reduced environmental impact. Technologies like flowmeters for water optimization and energy-efficient machinery are being deployed. • Renewable Integration: Increasing the use of renewable energy sources, such as solar power, reduces reliance on fossil fuels and aligns with global sustainability goals. This transition helps in mitigating the risks associated with fluctuating fossil fuel prices and supply chain disruptions.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Direct costs

☑ Capital expenditures

☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Climate-Related Financial Impact on VBL- Revenues- • Positive Impact: o Eco-Friendly Products: Increased demand for sustainable products boosts revenues. • Negative Impact: o Operational Disruptions: Extreme weather events can disrupt production and supply chains, affecting sales. Direct Costs- • Increased Costs: o Sustainable Materials: Higher costs for sourcing low-emission materials. o Compliance: Increased costs for complying with energy linked regulations. • Cost Savings: o Efficiency Improvements: Savings from energy-efficient technologies and reduced fossil fuel usage. Capital Allocation- • Sustainability Investments: o Significant allocation towards renewable energy projects and energy-efficient technologies. • Risk Mitigation: o Investments in infrastructure resilience and regulatory compliance to mitigate climate risks. Capital Expenditure (CapEx)- • Renewable Energy: o Investments in solar panels and wind energy to reduce carbon footprint. • Energy Efficiency: o Upgrading machinery and infrastructure for improved energy efficiency. Water-Related Financial Impact on VBL- Revenues- • Positive Impact: o Water-Efficient Products: Enhanced reputation and sales through water-efficient production methods. • Negative Impact: o Water Scarcity: Production disruptions due to water shortages, affecting product availability and sales. Direct Costs- • Increased Costs: o Water Management: Higher costs for implementing advanced water-saving technologies. o Compliance: Costs associated with adhering to water usage regulations. •Cost Savings: o Water Recycling: Long-term savings from water recycling and conservation measures. Capital Allocation- • Sustainability Investments: o Funds allocated to advanced water management technologies and efficient water use practices. • Risk Mitigation: o Investments in water-saving infrastructure and practices to mitigate risks of water scarcity. Capital Expenditure (CapEx)- • Water Management: o Investments in water recycling, efficient irrigation systems, and advanced water-saving technologies. • Infrastructure Upgrades: o Upgrading facilities to optimize water use and reduce waste.

[Add row]

(5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify :Bespoke framework by identifying dedicated expenditure on energy efficiency and emission reduction initiatives.

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

612119820

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

1.88

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

2.06

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

2.27

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

We identify capital projects with dedicated intent towards bringing reductions in energy usage and GHG emissions and compute using the CAPEX cashflows in the reporting year.

Row 2

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify **:**Bespoke methodology based on dedicated expenditure on energy efficiency and emissions reduction projects.

(5.4.1.5) Financial metric

Select from:

☑ OPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

449594760

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

0.33

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

0.36

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

0.4

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

We identify revenue expenditures with dedicated intent towards bringing reductions in energy usage and GHG emissions and compute using the OPEX cashflows in the reporting year.
[Add row]

(5.9) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

495.29

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

-24.17

(5.9.3) Water-related OPEX (+/- % change)

28.3

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

91.81

(5.9.5) Please explain

Implemented process improvements such as: 1. Connected all filters (ACF/PSF) for water recovery 2. Optimized drainage timing at ACF / PSF 3. Bottle washer recovery in glass lines 4. Reuse ETP water in utilities 5. Improved RO efficiency wherever RO recovery is less than designed recovery 6. Sensors / Foot operated taps for hand wash at plants 7. Completed Air Scoring across all manufacturing plants The anticipated expenses are derived primarily from upgradation of RO systems. The next year's anticipated tread for CAPEX is decreasing due an unusually larger CAPEX pool in the reporting year invested for water recycling projects mentioned above.

[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Drive energy efficiency

☑ Drive low-carbon investment

☑ Conduct cost-benefit analysis

☑ Identify and seize low-carbon opportunities

☑ Influence strategy and/or financial planning

☑ Incentivize consideration of climate-related issues in decision making

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Alignment to scientific guidance

☑ Benchmarking against peers

☑ Scenario analysis

(5.10.1.4) Calculation methodology and assumptions made in determining the price

Calculation Methodology: 1. Determine Emissions: o Measure Scope 1 and 2 emissions in tCO2e. 2. Set Initial Price: o Benchmark against global carbon prices. o Scenario-specific starting prices: 50 (IEA NZE 2050), 40 (RCP 2.6), 35 (RCP 7), 30 (RCP 8.5). 3. Benchmark against peers: o Confirm the prices being used by peers. o Check for variation in peer prices and strive for a higher pricing. Assumptions: o Technological Feasibility: Availability of emission reduction technologies. o Market Conditions: Stable market conditions without drastic changes in carbon prices. o Regulatory Environment: Future regulatory changes align with scenario assumptions. o Financial Impact: Company can absorb and reinvest carbon costs into sustainability initiatives.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

We are setting the price at Rs 2500 (Approx 30) till 2030. From 2030-2040, the pricing will be set to 40 equivalent. From 2041-2050, the price will be set to 50 equivalent. Prices can be modified as per the real scenarios at that point in time.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

2500

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

2500

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Capital expenditure

☑ Procurement

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for all decision-making processes

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

2.61

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Monitoring 1. Emission Tracking: o Continuous monitoring and recording of Scope 1 and 2 emissions at all facilities. o Use of advanced monitoring systems to ensure accurate and timely data collection. 2. Price Adjustments: o Annual review of the carbon price based on updated scenario models. 3. Financial Reporting: o Inclusion of carbon pricing impacts in regular reports. o Assessment of the cost implications on operational budgets and profitability. Evaluation 1. Performance Metrics: o Regular review of emission reduction progress against targets. o Evaluation of the financial performance and cost savings from implemented reduction measures. 2. Compliance and Adaptation: o Ensuring compliance with local and global carbon regulations. o Adapting strategies based on regulatory changes and market dynamics. 3. Technology and Innovation: o Assessing the effectiveness of adopted technologies in reducing emissions. o Identifying and investing in new technologies to enhance emission reduction efforts. Reporting 1. Internal Reporting: o Monthly and quarterly reports on emission levels, carbon costs, and progress towards reduction targets. o Regular updates to the Sustainability Committee and executive leadership. 2.

External Reporting: o Annual sustainability reports detailing carbon pricing impacts, emission reductions, and financial implications. o Transparency in communicating progress to stakeholders, including investors, customers, and regulatory bodies.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water ☑ Plastics
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water ☑ Plastics
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water ☑ Plastics
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water ☑ Plastics

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

All material suppliers of specific raw materials which cumulatively amount to over 80% of the total emissions under scope 3 category 1 are classified as substantive. Material suppliers for a raw material are selected by arranging the suppliers in descending order of procurement spend and selecting suppliers which amount to over 80% of spend cumulatively from the list.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

4

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

☑ Impact on pollution levels

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

All material suppliers belonging to industry segments with high dependence on fresh water resources or high water pollution potentials are classified as substantive. Material suppliers for a raw material are selected by arranging the suppliers in descending order of procurement spend and selecting suppliers which amount to over 80% of spend cumulatively from the list.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

3

Plastics

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Impact on plastic waste and pollution

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

All material suppliers of plastics are classified here. Material suppliers for a raw material are selected by arranging the suppliers in descending order of procurement spend and selecting suppliers which amount to over 80% of spend cumulatively from the list.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

1
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

☑ Procurement spend

(5.11.2.4) Please explain

Prioritization happens on basis of materiality of the supplier to the business based on procurement spend and materiality of product supplied/Industry segment of the supplier and its impact on the environmental issue as described in 5.11.1.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

☑ Procurement spend

(5.11.2.4) Please explain

Prioritization happens on basis of materiality of the supplier to the business based on procurement spend and materiality of product supplied/Industry segment of the supplier and its impact on the environmental issue as described in 5.11.1.

Plastics

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to plastics

☑ Procurement spend

(5.11.2.4) Please explain

Prioritization happens on basis of materiality of the supplier to the business based on procurement spend and materiality of product supplied/Industry segment of the supplier and its impact on the environmental issue as described in 5.11.1.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

We have a retain and engage policy to deal with non compliant suppliers and suppliers who show prolonged non compliance can be potentially penalized by reducing the amount of business with them.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

We have a retain and engage policy to deal with non compliant suppliers and suppliers who show prolonged non compliance can be potentially penalized by reducing the amount of business with them.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Implementation of emissions reduction initiatives

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

The supplier non compliance is assessed on an annual basis and a supplier that makes 3 consecutive non compliances is bumped down in supplier preferences leading to reduced business with that supplier unless it is a critical supplier.

Water

(5.11.6.1) Environmental requirement

Select from:

☑ Total water withdrawal volumes reduction

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

The supplier non compliance is assessed on an annual basis and a supplier that makes 3 consecutive non compliances is bumped down in supplier preferences leading to reduced business with that supplier unless it is a critical supplier.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:
☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building
☑ Provide training, support and best practices on how to measure GHG emissions

Innovation and collaboration
☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply
☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:
☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

With the help of collaborative engagement VBL has been able to substantially improve the quality of its GHG inventory and increase the uptake of Emissions reduction initiatives. Every year suppliers share their initiatives with us and we have observed that suppliers have started taking up more complex projects, especially in energy efficiency improvement leading to cost and emissions reduction at their end.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**Supports in requirement for Emissions reduction initiatives, suppliers are educated on proper emissions inventorization and supported for reduction capability development.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Total water withdrawal volumes reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☑ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

With the help of our capability development programs, we have been trying to increase awareness regarding water scarcity risks in the value chain and the financial impacts of rising water costs and how they may cripple a business. We have observed that more suppliers are now focusing on water reduction initiatives and water recycling initiatives.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**Supports in water withdrawal and consumption reduction by increasing awareness level.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Plastics

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Circular economy

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

With our capability development engagement on plastic usage and EPR regulations and their implications, we have observed that now suppliers have started tracking EPR compliance in a much more formal fashion. We have observed that the recycled content in plastic raw material has also significantly increased which is bound to aid us in our rPET related goals.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Less than 1%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Increasingly, consumers prefer brands that are transparent about their sustainability efforts. Sharing information builds trust and loyalty. Demonstrating commitment to sustainability can enhance VBL's brand image and differentiate it from competitors. By promoting sustainable practices, VBL can attract and retain environmentally conscious consumers. Engaging with customers can provide insights into improving product and process sustainability in line with their expectations, making our products a better fit for the market.

(5.11.9.6) Effect of engagement and measures of success

The engagement has brought in a positive branding in consumer perception and increase in goodwill and trust. We consider consumer complaints received on climate issues as the success metric for this engagement and we have been able to maintain that metric at 0 in the reporting year.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information about your products and relevant certification schemes

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Increasingly, consumers prefer brands that are transparent about their sustainability efforts. Sharing information builds trust and loyalty. Demonstrating commitment to sustainability can enhance VBL's brand image and differentiate it from competitors. By promoting sustainable practices, VBL can attract and retain environmentally conscious consumers. Engaging with customers can provide insights into improving product and process sustainability in line with their expectations, making our products a better fit for the market.

(5.11.9.6) Effect of engagement and measures of success

The engagement has brought in a positive branding in consumer perception and increase in goodwill and trust. We consider consumer complaints received on water issues as the success metric for this engagement and we have been able to maintain that metric at 0 in the reporting year.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders in creation and review of your climate transition plan

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

By engaging with investors and shareholders on sustainability, VBL can build trust, meet investor expectations, manage risks, create long-term value, and enhance operational efficiency. This proactive communication supports VBL's reputation and attracts ESG-focused investments. Many investors prioritize Environmental, Social, and Governance (ESG) criteria in their investment decisions.

(5.11.9.6) Effect of engagement and measures of success

The effective engagement with shareholders has led to increased trust in the market leading to a higher net worth and increased valuation. Our company's net worth is a success metric for us which stands at over 70 Bn rupees, showing a CAGR of over 20%.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

By engaging with investors and shareholders on sustainability, VBL can build trust, meet investor expectations, manage risks, create long-term value, and enhance operational efficiency. This proactive communication supports VBL's reputation and attracts ESG-focused investments. Many investors prioritize Environmental, Social, and Governance (ESG) criteria in their investment decisions.

(5.11.9.6) Effect of engagement and measures of success

The effective engagement with shareholders has led to increased trust in the market leading to a higher net worth and increased valuation. Our company's net worth is a success metric for us which stands at over 70 Bn rupees, showing a CAGR of over 20%.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Small retailers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 1-25%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Small retailers use refrigerators to keep our beverages cold. The fugitive emissions of refrigerants and their electricity consumption for a major chunk of our GHG emissions. To tackle that, we engage with the retailers to educate them on GHG, support them to upgrade to solar based refrigerators and provide schemes for adopting low GWP refrigerant based cooling systems.

(5.11.9.6) Effect of engagement and measures of success

The engagement has led us to reduce our downstream emissions in the use phase of beverages. The absolute emissions in use phase is the metric of success for this initiative.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify **:**Employees

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Our employees are the backbone of our operations. It is important to us that their thought process is aligned with the company's ESG objectives to drive sustainable change from the bottom up. We engage with them for capacity building so that they learn to live more sustainably and contribute in making VBL more sustainable. We try to educate them on water management and WASH related issues to encourage them to save water and maintain proper hygiene.

(5.11.9.6) Effect of engagement and measures of success

We have observed a reduction in domestic water consumption due to a lot of awareness and administration initiatives. We have also observed 0 cases of hygiene related health incidents. Both of these are the success measures we track for this initiative.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

• Clear Boundaries: Provides clear boundaries for what VBL is directly responsible for, ensuring consistency in reporting. • Inclusive Reporting: Captures all emissions from operations VBL can directly influence, providing a comprehensive view of its footprint. • Effective Management: Enables better management through direct control over operational activities. • Alignment with Regulations: Ensures compliance with environmental regulations that often require the operational control approach for reporting. • Ease of Verification: Facilitates third-party verification of data, enhancing credibility and transparency.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

• Clear Boundaries: Provides clear boundaries for what VBL is directly responsible for, ensuring consistency in reporting. • Inclusive Reporting: Captures all emissions from operations VBL can directly influence, providing a comprehensive view of its footprint. • Effective Management: Enables better management through direct control over operational activities. • Alignment with Regulations: Ensures compliance with environmental regulations that often require the operational control approach for reporting. • Ease of Verification: Facilitates third-party verification of data, enhancing credibility and transparency.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

• Clear Boundaries: Provides clear boundaries for what VBL is directly responsible for, ensuring consistency in reporting. • Inclusive Reporting: Captures all emissions from operations VBL can directly influence, providing a comprehensive view of its footprint. • Effective Management: Enables better management through direct control over operational activities. • Alignment with Regulations: Ensures compliance with environmental regulations that often require the operational control approach for reporting. • Ease of Verification: Facilitates third-party verification of data, enhancing credibility and transparency.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

• Clear Boundaries: Provides clear boundaries for what VBL is directly responsible for, ensuring consistency in reporting. • Inclusive Reporting: Captures all emissions from operations VBL can directly influence, providing a comprehensive view of its footprint. • Effective Management: Enables better management through direct control over operational activities. • Alignment with Regulations: Ensures compliance with environmental regulations that often require the operational control approach for reporting. • Ease of Verification: Facilitates third-party verification of data, enhancing credibility and transparency.
[Fixed row]

C7. Environmental performance - Climate Change

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure	*We are provide national grid factors as per regulatory data and IRENA data.*

[Fixed row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

80809.962

(7.5.3) Methodological details

Derived from fuel consumption in DG sets, processes, owned transportation and fugitive sources as per IPCC AR6 and Defra 2022 factors.

Scope 2 (location-based)

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

310241.184

(7.5.3) Methodological details

Derived from electricity consumption from renewable and non renewable sources, with emission factors from the Electricity authority of India and IRENA data.

Scope 2 (market-based)

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Market based data not available.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

1485144.509

(7.5.3) Methodological details

A mix of Ecoinvent and Defra based factors for materials where weight was either known or estimated based on market value per kg and EEIO based spend based factors for the remaining.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

79006.143

(7.5.3) Methodological details

Spend based analysis of categories of capital expenditure. We have adjusted the spend as per the respective country's parity to USD to create a more accurate estimation.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

152538

(7.5.3) Methodological details

Using Defra 2022 factors under WTT alongside data from Electricity authority of india and IRENA to compute T&D and other losses.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

37659.819

(7.5.3) Methodological details

We have used KgCo2/KM based factors from defra based on average large vehicle type, considering diesel fuel. WTT factors are added for upstream emissions calculation.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

1722.666

(7.5.3) Methodological details

The emission factors have been converted to per ton basis from USEPA's short ton based format. Activity data has been used on weight basis, and appropriate factors have been chosen along with mode of disposal.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

2608.156

(7.5.3) Methodological details

Distance data has been multiplied with average km based EF from Defra. WTT factor has also been added.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

13450.593

(7.5.3) Methodological details

Distance data has been multiplied with average km based EF from Defra. WTT factor has also been added. Separate factors are used for Diesel and petrol vehicles.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

1494.575

(7.5.3) Methodological details

Scope 1 and 2 computations have been done for buildings.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

86542.87

(7.5.3) Methodological details

We have used KgCo2/KM based factors from defra based on average small vehicle type, considering diesel or CNG fuel, as the case may be. WTT factors are added for upstream emissions calculation.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable, our product is consumer ready.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

539758.457

(7.5.3) Methodological details

We have estimated refridgerant loss in Equipment and appropriately used Efs to compute GHG. We have computed electricity consumption and used country based grip Efs to compute GHG. We have balanced CO2 consumed in production to CO2 leaked in production (Considered in scope 1). The remainder is considered as CO2 embedded in product and reported here.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

22961.548

(7.5.3) Methodological details

Per short ton factors are converted to per ton. Waste generation is either based on official data or computed based on sales data multiplied by weight in packaging for individual material streams. Recovery % for each packaging for each material is also considered to split materials into landfilled or recycled.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable

Scope 3 category 15: Investments

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable

Scope 3: Other (upstream)

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

68352.336

(7.5.3) Methodological details

FLAG emissions from scope 3 category 1 accounted here, calculated using Ecoinvent global factors.

Scope 3: Other (downstream)

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Not applicable
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

	Gross global Scope 1 emissions (metric tons CO2e)	End date	Methodological details
Reporting year	*74260.284*	*Date input [must be between [10/01/2015 - 10/01/2023]*	*Derived from fuel consumption in DG sets, processes, owned transportation and fugitive sources as per IPCC AR6 and Defra 2023 factors.*
Past year 1	*80809.962*	*12/30/2022*	*Derived from fuel consumption in DG sets, processes, owned transportation and fugitive sources as per IPCC AR6 and Defra 2022 factors.*

[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

305163.835

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.4) Methodological details

Derived from electricity consumption from renewable and non renewable sources, with emission factors from the Electricity authority of India and IRENA data.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

310241.184

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.3) End date

12/30/2022

(7.7.4) Methodological details

Derived from electricity consumption from renewable and non renewable sources, with emission factors from the Electricity authority of India and IRENA data.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1540588.164

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

☑ Average data method

☑ Spend-based method

☑ Average product method

☑ Average spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

A mix of Ecoinvent and Defra based factors for materials where weight was either known or estimated based on market value per kg and EEIO based spend based factors for the remaining.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

126290.796

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Spend based analysis of categories of capital expenditure. We have adjusted the spend as per the respective country's parity to USD to create a more accurate estimation.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

161280.333

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Using Defra 2022 factors under WTT alongside data from Electricity authority of india and IRENA to compute T&D and other losses.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

31585.65

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

We have used KgCo2/KM based factors from defra based on average large vehicle type, considering diesel fuel. WTT factors are added for upstream emissions calculation.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1786.529

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

The emission factors have been converted to per ton basis from USEPA's short ton based format. Activity data has been used on weight basis, and appropriate factors have been chosen along with mode of disposal.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

5838.881

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

79

(7.8.5) Please explain

Distance data has been multiplied with average km based EF from Defra. WTT factor has also been added. For hotel stays- Spend data is converted to US currency using PPP adjustment. Converted spend is multiplied with USEEIO facotrs.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

20106.21

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Distance data has been multiplied with average km based EF from Defra. WTT factor has also been added. Separate factors are used for Diesel and petrol vehicles.

Upstream leased assets

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1286.8

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Scope 1 and 2 computations have been done for these buildings. methodology is the same as scope 1 and 2 for VBL.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

95904.66

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

We have used KgCo2/KM based factors from defra based on average small vehicle type, considering diesel or CNG fuel, as the case may be. WTT factors are added for upstream emissions calculation.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Our product is consumer ready and does not require further processing.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

493579.09

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We have estimated refridgerant loss in Equipment and appropriately used Efs to compute GHG. We have computed electricity consumption and used country based grip Efs to compute GHG. We have balanced CO2 consumed in production to CO2 leaked in production (Considered in scope 1). The remainder is considered as CO2 embedded in product and reported here.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

45356.38

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Per short ton factors are converted to per ton. Waste generation is either based on official data or computed based on sales data multiplied by weight in packaging for individual material streams. Recovery % for each packaging for each material is also considered to split materials into landfilled or recycled.

Downstream leased assets

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

No such assets hence not applicable.

Franchises

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

No such franchises hence not applicable.

Investments

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

No such investments other than those already in the scoo, hence not applicable.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

71578.799

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

FLAG emissions from scope 3 category 1 accounted here, calculated using Ecoinvent global factors.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

No other scope 3 emissions in other value chains.
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/30/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

1485144.509

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

79006.143

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

152538.456

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

37659.819

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

1722.666

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

2608.156

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

13450.593

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

1494.575

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

86542.87

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

539758.457

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

22961.548

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

68352.336

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Bo change in emissions calculation methodology.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

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(7.9.1.5) Page/section reference

1

(7.9.1.6) Relevant standard

Select from:
☑ ISO14064-3

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

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(7.9.2.6) Page/ section reference

1

(7.9.2.7) Relevant standard

Select from:
☑ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply
☑ Scope 3: Franchises
☑ Scope 3: Investments
☑ Scope 3: Capital goods
☑ Scope 3: Business travel
☑ Scope 3: Employee commuting
☑ Scope 3: Waste generated in operations
☑ Scope 3: End-of-life treatment of sold products
☑ Scope 3: Upstream transportation and distribution
☑ Scope 3: Downstream transportation and distribution
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
☑ Scope 3: Use of sold products
☑ Scope 3: Upstream leased assets
☑ Scope 3: Downstream leased assets
☑ Scope 3: Processing of sold products
☑ Scope 3: Purchased goods and services

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.3.5) Attach the statement

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(7.9.3.6) Page/section reference

1,2

(7.9.3.7) Relevant standard

Select from:

☑ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

52561.64

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

13.85

(7.10.1.4) Please explain calculation

This has been calculated considering the grid decarbonization by using the older grid emission factor on grid energy and taking the difference with the current year emissions. We have also added the additional renewable units consumed compared to last year multiplied to the last year's emission factor to identify abated emissions.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

24815.38

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

6.35

(7.10.1.4) Please explain calculation

This value is calculated from the other values reported in this question, as the last remaining relevant value. This corresponds with our findings that the total power requirement, especially in scope 1 related headers has drastically reduced compared to last year even after increased production, attributed to better asset utilization, higher efficiency, optimization of owned logistics and more.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not relevant in the reporting year.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

We forsee acquisition related impacts in the future but in the reporting period it is not relevant.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not relevant in the reporting year.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

65750

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

17.33

(7.10.1.4) Please explain calculation

We have used the emission intensity by production of last year multiplied by production of this year to arrive at this value.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Methodology has not changed in the 2 years.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Boundary has not changed in the last 2 years.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

This is not relevant in the reporting year.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

This is not relevant in the reporting year.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

NA
[Fixed row]

(7.13.1) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

Sequestration during land use change

(7.13.1.1) Emissions (metric tons CO2)

0

(7.13.1.2) Methodology

Select all that apply
☑ Default emissions factors

(7.13.1.3) Please explain

Not considered due to lack of on ground inrmation.

CO2 emissions from biofuel combustion (land machinery)

(7.13.1.1) Emissions (metric tons CO2)

0

(7.13.1.2) Methodology

Select all that apply
☑ Default emissions factors

(7.13.1.3) Please explain

Biofuels are only used in process.

CO2 emissions from biofuel combustion (processing/manufacturing machinery)

(7.13.1.1) Emissions (metric tons CO2)

21.2

(7.13.1.2) Methodology

Select all that apply

☑ Default emissions factors

(7.13.1.3) Please explain

Use of agri waste as biofuel. CH4 and N2O component of the emissions considered for the calculation. Remaining emissions of CO2 are separately accounted as outside of scope emissions in line with Defra methodology at 73237.58 tCO2e. WTT emissions accounted in scope 3 category 3 not associated here.

CO2 emissions from biofuel combustion (other)

(7.13.1.1) Emissions (metric tons CO2)

0

(7.13.1.2) Methodology

Select all that apply

☑ Default emissions factors

(7.13.1.3) Please explain

Biofuels are only used in process.
[Fixed row]

(7.14) Do you calculate greenhouse gas emissions for each agricultural commodity reported as significant to your business?

Sugar

(7.14.1) GHG emissions calculated for this commodity

Select from:

☑ Yes

(7.14.2) Reporting emissions by

Select from:

☑ Total

(7.14.3) Emissions (metric tons CO2e)

96697.8

(7.14.4) Denominator: unit of production

Select from:

☑ Metric tons

(7.14.5) Change from last reporting year

Select from:

☑ About the same

(7.14.6) Please explain

The land use pattern and procurement pattern has not changed much from last year.
[Fixed row]

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:

☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

70942.923

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

72.792

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

544.565

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:
☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

2700.004

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
India	*43401.206*	*264718.597*	*0*
Morocco	*2918.628*	*13385.423*	*0*
Nepal	*5470.126*	*0*	*0*
Sri Lanka	*3422.529*	*6691.712*	*0*
Zambia	*7730.974*	*1073.126*	*0*
Zimbabwe	*11316.821*	*19294.976*	*0*

[Fixed row]

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*Beverages*	*74260.284*

[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Stationery combustion - Fossil*	*29903.144*
Row 2	*Stationary combustion - Biofuel*	*21.16*
Row 3	*Mobile combustion*	*29350.969*
Row 4	*Fugitive emissions*	*14985.01*

[Add row]

(7.18.2) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Row 1

(7.18.2.1) Activity

Select from:

☑ Processing/Manufacturing

(7.18.2.3) Emissions (metric tons CO2e)

49883.004

(7.18.2.4) Methodology

Select all that apply

☑ Default emissions factor

(7.18.2.5) Please explain

Includes all scope 1 activities excluding primary transportation owned by the company. The computation happens as per IPCC and Defra factors.

Row 2

(7.18.2.1) Activity

Select from:
☑ Distribution

(7.18.2.3) Emissions (metric tons CO2e)

24377.28

(7.18.2.4) Methodology

Select all that apply
☑ Default emissions factor

(7.18.2.5) Please explain

This includes emissions from primary company owned distribution vehicles. Computation as per Defra emission factors.
[Add row]

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Beverage production*	*305163.835*	*0*

[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Electricity consumed*	*305163.835*	*0*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based emissions (metric tons CO2e)	Please explain
Consolidated accounting group	*74260.284*	*305163.835*	*The consolidation approach of financial consolidation and GHG inventory are the same.*
All other entities	*0*	*0*	*The consolidation approach of financial consolidation and GHG inventory are the same.*

[Fixed row]

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Varun Beverages (Nepal) Private Limited

(7.23.1.2) Primary activity

Select from:

☑ Non-alcoholic beverages

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

5470.13

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

0

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Nepalese subsidiary. Nepal is a country with carbon neutral electricity, hence 0 emissions in scope 2.

Row 2

(7.23.1.1) Subsidiary name

Varun Beverages Lanka (Private) Limited

(7.23.1.2) Primary activity

Select from:

☑ Non-alcoholic beverages

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

3422.53

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

6691.71

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Sri lankan subsidiary.

Row 3

(7.23.1.1) Subsidiary name

Varun Beverages Morocco SA

(7.23.1.2) Primary activity

Select from:

☑ Non-alcoholic beverages

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

2918.63

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

13385.42

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Moroccan subsidiary.

Row 4

(7.23.1.1) Subsidiary name

Varun Beverages (Zambia) Limited

(7.23.1.2) Primary activity

Select from:

☑ Non-alcoholic beverages

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

7730.97

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

1073.13

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Subsidiary in zambia.

Row 5

(7.23.1.1) Subsidiary name

Varun Beverages (Zimbabwe) (Private) Limited

(7.23.1.2) Primary activity

Select from:

☑ Non-alcoholic beverages

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

11316.82

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

19294.98

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

Subsidiary in zimbabwe.
[Add row]

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No

	Indicate whether your organization undertook this energy-related activity in the reporting year
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ No

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

186008.64

(7.30.1.3) MWh from non-renewable sources

234863.16

(7.30.1.4) Total (renewable and non-renewable) MWh

420871.8

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

70563.53

(7.30.1.3) MWh from non-renewable sources

430484.17

(7.30.1.4) Total (renewable and non-renewable) MWh

501047.7

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

256572.17

(7.30.1.3) MWh from non-renewable sources

665347.33

(7.30.1.4) Total (renewable and non-renewable) MWh

921919.5
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ Yes
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ Yes
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

186008.64

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

186008.64

(7.30.7.8) Comment

biomass from agri waste used in boilers.

Other biomass

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not used

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not used

Coal

(7.30.7.1) Heating value

Select from:

☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

28003.61

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

28003.62

(7.30.7.8) Comment

Coal used in boiler.

Oil

(7.30.7.1) Heating value

Select from:

☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

173032.13

(7.30.7.3) MWh fuel consumed for self-generation of electricity

56101.92

(7.30.7.4) MWh fuel consumed for self-generation of heat

108126.05

(7.30.7.5) MWh fuel consumed for self-generation of steam

8806.16

(7.30.7.8) Comment

Diesel used in DG set for electricity, vehicles; FO used in boiler, Aviation fuel used in private jet. Nobile sources considered under production of heat. boilers considered for producing steam.

Gas

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

33825.42

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

9915.11

(7.30.7.5) MWh fuel consumed for self-generation of steam

23910.31

(7.30.7.8) Comment

LPG used in MHE. CNG used in boilers.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not used

Total fuel

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

420871.8

(7.30.7.3) MWh fuel consumed for self-generation of electricity

56101.92

(7.30.7.4) MWh fuel consumed for self-generation of heat

118041.16

(7.30.7.5) MWh fuel consumed for self-generation of steam

246728.72

(7.30.7.8) Comment

Total value
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

India

(7.30.16.1) Consumption of purchased electricity (MWh)

425413.98

(7.30.16.2) Consumption of self-generated electricity (MWh)

14316.72

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

264550.86

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

704281.56

Morocco

(7.30.16.1) Consumption of purchased electricity (MWh)

17871.06

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

5859

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

23730.06

Nepal

(7.30.16.1) Consumption of purchased electricity (MWh)

12864.43

(7.30.16.2) Consumption of self-generated electricity (MWh)

926.88

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

29244

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

43035.31

Sri Lanka

(7.30.16.1) Consumption of purchased electricity (MWh)

11719.29

(7.30.16.2) Consumption of self-generated electricity (MWh)

59.98

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

12121.97

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

23901.24

Zambia

(7.30.16.1) Consumption of purchased electricity (MWh)

7890.63

(7.30.16.2) Consumption of self-generated electricity (MWh)

1107.23

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

5281.54

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

14279.40

Zimbabwe

(7.30.16.1) Consumption of purchased electricity (MWh)

25288.3

(7.30.16.2) Consumption of self-generated electricity (MWh)

1491.18

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

19707.5

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

46486.98
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

2.32

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

379424.12

(7.45.3) Metric denominator

Select from:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

163210630000

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

20.4

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in revenue

(7.45.9) Please explain

The unit of intensity is TCO2e emissions per million INR revenue. We have been able to improve our operational efficiency significantly leading to higher production from lower energy requirements leading to this massive improvement.
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:
☑ Energy usage

(7.52.2) Metric value

2.07

(7.52.3) Metric numerator

8 oz cases produced

(7.52.4) Metric denominator (intensity metric only)

KWH of electricity consumed

(7.52.5) % change from previous year

0

(7.52.6) Direction of change

Select from:
☑ No change

(7.52.7) Please explain

The electricity efficiency of our operations is depicted by this indicator. Although the value of the indicator has not changed, we have introduced more renewable electricity in the mix this year leading to lower emissions.
[Add row]

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

12/29/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Location-based

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 2 – Capital goods

☑ Scope 3, Category 6 – Business travel

☑ Scope 3, Category 7 – Employee commuting

☑ Scope 3, Category 11 – Use of sold products

☑ Scope 3, Category 8 - Upstream leased assets

☑ Scope 3, Category 1 – Purchased goods and services

☑ Scope 3, Category 5 – Waste generated in operations

☑ Scope 3, Category 12 – End-of-life treatment of sold products

☑ Scope 3, Category 4 – Upstream transportation and distribution

☑ Scope 3, Category 9 – Downstream transportation and distribution

☑ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)

(7.53.1.11) End date of base year

12/30/2023

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

74260.284

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

305163.835

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

1540589.164

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

126290.796

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

161280.333

(7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

31585.65

(7.53.1.18) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

1786.529

(7.53.1.19) Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

5838.881

(7.53.1.20) Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

20106.21

(7.53.1.21) Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

1286.802

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

95904.66

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

493580.088

(7.53.1.25) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

45356.384

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

2523605.497

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2903029.616

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

(7.53.1.38) Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

(7.53.1.39) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

(7.53.1.40) Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

(7.53.1.41) Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

(7.53.1.42) Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

100

(7.53.1.43) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

(7.53.1.46) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2033

(7.53.1.55) Targeted reduction from base year (%)

60

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

1161211.846

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

74260.284

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

305163.835

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

1540589.164

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

126290.796

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

161280.333

(7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

31585.65

(7.53.1.63) Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

1786.529

(7.53.1.64) Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

5838.881

(7.53.1.65) Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

20106.21

(7.53.1.66) Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

1286.802

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

95904.66

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

493580.088

(7.53.1.70) Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

45356.384

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

2523605.497

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2903029.616

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ Yes, it covers land-related and non-land related emissions (e.g. SBT approved before the release of FLAG target-setting guidance)

(7.53.1.79) % of target achieved relative to base year

0.00

(7.53.1.80) Target status in reporting year

Select from:

☑ New

(7.53.1.82) Explain target coverage and identify any exclusions

Target covers all scope 1,2 and 3 emissions without exclusions.

(7.53.1.83) Target objective

Achieve climate goals as per the sustainability vision of the company.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

"Scope 1 and 2 reductions will be carried out by: 1. Using more green energy in operations. 2. Process electrification- switching from fuel to electricity; 3. Environmentally friendly fuels such as bio fuels and ultimately new gen fuels like green hydrogen, and; 4. Shifting to low GHG impact refrigerants;" "Scope 3 reductions will be achieved through: 1. Supplier engagement and selecting low carbon suppliers. 2. Increased ratio of recycled material consumption with respect to virgin material, especially in plastics. 3. Implementing scope 1 and 2 strategy for scope 3 cat 3. Make constant efforts to implement these strategies at leased locations as well. 4. Improving process efficiency to reduce waste production. 5. Electrification of logistics and switch to biofuels in transportation. 6. Employee engagement and better governance to reduce un-necessary travel and choosing low carbon travel options. 7. Using low GHG impact refridgerants in MEM equipment purchased in the future and phase out existing MEM equipment with a plan. 8. Engagement with retailers to make their energy mix greener with options like solar run MEM equipment. 9. Ensuring EPR compliance and maintaining high recycling of EOL waste materials."

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☑ No, but we are reporting another target that is science-based

(7.53.2.5) Date target was set

12/30/2020

(7.53.2.6) Target coverage

Select from:

☑ Country/area/region

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Nitrogen trifluoride (NF3)

☑ Sulphur hexafluoride (SF6)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.2.9) Scope 2 accounting method

Select from:
☑ Location-based

(7.53.2.11) Intensity metric

Select from:
☑ Metric tons of CO2e per liter of product

(7.53.2.12) End date of base year

12/30/2020

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

14.01

(7.53.2.14) Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

67.39

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

81.4000000000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

58.44

(7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

86.74

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

81.2

(7.53.2.55) End date of target

12/30/2030

(7.53.2.56) Targeted reduction from base year (%)

71.5

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

23.1990000000

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

-12.64

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

10.36

(7.53.2.61) Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

50.79

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

61.1500000000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

34.79

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

This target covers india operations of Varun beverages and excludes all subsidiaries.

(7.53.2.86) Target objective

The objective of the target is to achieve sustainability goals of the company. This is an old target and we have switched to a more ambitious target. We now plan to achieve this target early and close it.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

"Scope 1 and 2 reductions will be carried out by: 1. Using more green energy in operations. 2. Process electrification- switching from fuel to electricity; 3. Environmentally friendly fuels such as bio fuels and ultimately new gen fuels like green hydrogen, and; 4. Shifting to low GHG impact refrigerants;"

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.2) Date target was set

12/30/2020

(7.54.1.3) Target coverage

Select from:

☑ Country/area/region

(7.54.1.4) Target type: energy carrier

Select from:

☑ Electricity

(7.54.1.5) Target type: activity

Select from:

☑ Consumption

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

12/30/2020

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

17500

(7.54.1.9) % share of low-carbon or renewable energy in base year

7

(7.54.1.10) End date of target

12/30/2030

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

25

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

13

(7.54.1.13) % of target achieved relative to base year

33.33

(7.54.1.14) Target status in reporting year

Select from:

☑ Underway

(7.54.1.16) Is this target part of an emissions target?

No

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

This target covers India operations of varun beverages and excludes all subsidiaries.

(7.54.1.20) Target objective

The objective of the target is to reduce scope 2 emissions in line with the company's sustainability strategy in the home country which is the single largest source of emissions.

(7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

Increasing contribution of renewable energy through rooftop solar and open access Power Purchase Agreements. Reducing emissions by improving energy efficiency; deploying energy-efficient hi-tech machines, and; process improvements using less units of electricity. Deploying best practices for energy efficiency including chiller optimization, air compressors, high efficiency motors and drives, LED lights, among others.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

12/29/2023

(7.54.3.3) Target Coverage

Select from:
☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

This target covers the whole organization without exclusions.

(7.54.3.11) Target objective

The objective of this target is to achieve net zero in line with science based targets as per the latest sustainability strategy of the company.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ Yes, and we have already acted on this in the reporting year

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

We plan to achieve 60% reductions in emissions from base year by 2033 in each of the 3 scopes. We also plan to start using carbon offsetting from 2043 to reach net zero by 2050. we are currently focusing on investing into PPA based renewable power in the near term to target scope 2. We are also targeting increased share of recycled content in packaging to significantly reduce scope 3 category 1 emissions which are the largest in our GHG inventory.

(7.54.3.16) Describe the actions to mitigate emissions beyond your value chain

"1. Investment in renewable energy companies to help them scale up rapidly. 2. Developing ecosystems such as wetlands, mangroves etc to become permanent sinks for the future. 3. Funding clean tech such as Carbon Capture, Utilization and Storage; and bioenergy firms. 4. Supporting regenerative agriculture and agroforestry, influencing farmers to dissuade them from crop burning. 5. Helping communities adopt clean technologies at home like efficient cookstoves and lighting. 6. Climate policy advocacy and educational campaigns on climate in communities."

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

We review the target annually and monitor progress with lead from our Board and top management. The quantification is done by the ESG team while the reviews happen in two stages both at the ESG executive committee and the Board level ESG committee.
[Add row]

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*0*	*`Numeric input*
To be implemented	*0*	*0*
Implementation commenced	*3*	*17544.6*
Implemented	*1*	*9916.39*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

9916.39

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

91838033

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

512180000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 21-30 years

(7.55.2.9) Comment

Renewable energy- Solar in Begusarai Bihar and Kota, Rajasthan.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Internal price on carbon

(7.55.3.2) Comment

We use shadow pricing to influence the return computations for large scale projects. Projects now also consider carbon price multiplied by emissions of the project as a cash outflow. This increases costs for high carbon projects and reduces costs for low carbon projects, leading to an adjusted payback calculation which accurately provides a representation to the management regarding the real cost to the coony for adhering to carbon abatement goals.
[Add row]

(7.68.1) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Row 1

(7.68.1.1) Management practice reference number

Select from:

☑ MP1

(7.68.1.2) Management practice

Select from:

☑ Biodiversity considerations

(7.68.1.3) Description of management practice

We conduct capability building sessions for our suppliers on various topics including biodiversity. We focus on the imortance of aquatic ecosystems especially where we have done significant work and explain them our model and its impacts. We also try to educate them on technical matters like agroforestry and species selection.

(7.68.1.4) Your role in the implementation

Select all that apply

☑ Knowledge sharing

(7.68.1.5) Explanation of how you encourage implementation

To encourage suppliers to increase afforestation programs, we conduct plantation drives along with them.

(7.68.1.6) Climate change related benefit

Select all that apply

☑ Increase carbon sink (mitigation)

(7.68.1.7) Comment

The initiatives in biodiversity have led to significant impacts which are disclosed in the sustainable sourcing section of our annual report.
[Add row]

(7.70.1) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Row 1

(7.70.1.1) Management practice reference number

Select from:

☑ MP1

(7.70.1.2) Overall effect

Select from:

☑ Positive

(7.70.1.3) Which of the following has been impacted?

Select all that apply

☑ Biodiversity

☑ Soil

☑ Water

(7.70.1.4) Description of impacts

DCM Shriram- Owns Bio-Lab which produces bio-fungicides and biopesticides instead of chemical fungicides and pesticides used by farmers for cane crop. PepsiCo India- Developing rainwater harvesting pits and ponds. Tetra Pak- Procures 100% paper board from Forest Stewardship Council certified supplier and 100% Aluminum foil from Aluminum Stewardship Initiative member supplier. Tasa Foods- Uses dried mango seeds as biofuel and decomposing fruit waste into manure provided to farmers.

(7.70.1.5) Have any response to these impacts been implemented?

Select from:

☑ No

(7.70.1.6) Description of the response(s)

No response required for a positive impact.
[Add row]

C9. Environmental performance - Water security

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

Flow meters

(9.2.4) Please explain

Water measurements at plant inlet for 100% of the plants, readings of flow meter taken every 24 hours.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Flow meters

(9.2.4) Please explain

Water measurements at plant inlet for 100% of the plants, readings of flow meter taken every 24 hours. The source is either surface water or ground water, which is known for each site. Sites where 2 sources are present have separate metering for both.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

On site monitoring through continuous monitoring equipment

(9.2.4) Please explain

As water is a primary raw material for beverage production, we have continuous monitoring of water quality and we ensure that the quality is fit for drinking through treatment before use.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Flow meters

(9.2.4) Please explain

Water measurements at plant outlet for 100% of the plants, readings of flow meter taken every 24 hours. The destination of discharge is fixed by design for each plant and tracked accordingly.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Flow meters

(9.2.4) Please explain

Water measurements at plant outlet for 100% of the plants, readings of flow meter taken every 24 hours. The destination of discharge is fixed by design for each plant and tracked accordingly.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Flow meters

(9.2.4) Please explain

Water measurements at plant outlet for 100% of the plants, readings of flow meter taken every 24 hours. The treatment of discharge is fixed by design for each plant and tracked accordingly.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

On site monitoring through continuous quality monitoring equipment

(9.2.4) Please explain

Discharges, wherever applicable, are monitored in accordance with regulations on a continuous basis

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

The nature of our operations eliminate the mentioned pollutants from our wastewater. our wastewater is primarily composed of organics coming from food grade material or sewage.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

Continuous monitoring system

(9.2.4) Please explain

Discharges, wherever applicable, are monitored in accordance with regulations on a continuous basis, including temperature parameters

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

Flow meter balancing

(9.2.4) Please explain

Water consumption is calculated in accordance with CDP guidance as a difference of withdrawal and discharge flow meter readings

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Flow meter readings

(9.2.4) Please explain

Water recycled is considered in the organization as the output of sewage/effluent treatment plants which is measured in each plant through flow meters and readings are taken every 24 hours.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

HR-admin review

(9.2.4) Please explain

WASH related services are managed by HR-admin team in the organization and their adequacy and upgradation is monitored by monthly HR-admin reviews and internal audits.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

8401.19

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Investment in water-smart technology/process

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Facility expansion

(9.2.2.6) Please explain

We have seen a 1.79% increase in water withdrawals compared to last year. The withdrawals under 5% variation fit under our about the same criteria. Our production and facilities have expanded significantly in the reporting year compared to previous year yet through investment in water efficiency, we have been able to nullify any major impacts from expansion and are able to maintain the withdrawal figures close to the previous years. Our water withdrawal intensity indicator on the other hand

has significantly reduced (Mn liters of Withdrawals/Mn liters of beverage). We are committed to keep this trend going and although we anticipate massive growth, we are putting in efforts to increase efficiency while maintaining similar withdrawal levels.

Total discharges

(9.2.2.1) Volume (megaliters/year)

873.61

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Investment in water-smart technology/process

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Investment in water-smart technology/process

(9.2.2.6) Please explain

We have seen a 13.64% decrease in discharges compared to last year. This fits in our much lower criteria, being more than 10%. This has been possible due to reuse of recycled water more and more in appropriate processes and site management. We generate more treated water than we can consume and the remaining has to be discharged. This year we have added more avenues where the treated water can be used within our facilities. We still see untapped potential for recycled water use within our facilities and are tapping those opportunities one by one.

Total consumption

(9.2.2.1) Volume (megaliters/year)

7527.59

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Investment in water-smart technology/process

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Facility expansion

(9.2.2.6) Please explain

We have seen a 3.95% increase in water consumption compared to last year. The consumption under 5% variation fit under our about the same criteria. Our production and facilities have expanded significantly in the reporting year compared to previous year yet through investment in water efficiency, we have been able to nullify any major impacts from expansion and are able to maintain the consumption figures close to the previous years. Our water consumption intensity indicator on the other hand has significantly reduced (Mn liters of water consumption/Mn liters of beverage). We are committed to keep this trend going and although we anticipate massive growth, we are putting in efforts to increase efficiency while maintaining similar consumption levels.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

5959.55

(9.2.4.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:

☑ Investment in water-smart technology/process

(9.2.4.5) Five-year forecast

Select from:

☑ About the same

(9.2.4.6) Primary reason for forecast

Select from:

☑ Investment in water-smart technology/process

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

70.94

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

(9.2.4.9) Please explain

We have seen a 3.44% increase in water withdrawals from water stressed areas compared to last year. The withdrawals under 5% variation fit under our about the same criteria. Our production and facilities have expanded significantly in the reporting year compared to previous year yet through investment in water efficiency, we have been able to nullify any major impacts from expansion and are able to maintain the withdrawal figures close to the previous years. We anticipate our production to ramp up, but we are taking steps to prioritize water efficiency in areas where water stress is high. We have set up stringent targets for water usage ratio of high water stress units so that we are able to maintain and down the line even reduce withdrawals from such areas.
[Fixed row]

(9.2.6) What proportion of the sourced agricultural commodities that are significant to your organization originate from areas with water stress?

Sugar

(9.2.6.1) The proportion of this commodity sourced from areas with water stress is known

Select from:

☑ Yes

(9.2.6.2) % of total agricultural commodity sourced from areas with water stress

Select from:

☑ 76-99

(9.2.6.3) Please explain

Majority of sugar procured comes from UP, Maharashtra and Karnataka which are water stressed areas. They represent over 95% of Indian sugar production. The sugar consumption in morocco is also significant which is a water stressed area. Hence we anticipate that 76-99% of the sugar commodity is sourced from water stressed areas.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:
☑ Relevant

(9.2.7.2) Volume (megaliters/year)

2718.59

(9.2.7.3) Comparison with previous reporting year

Select from:
☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:
☑ Investment in water-smart technology/process

(9.2.7.5) Please explain

The withdrawal has decreased by 1.82%, below 5% hence fitting in our about the same criteria. The reduction has been despite increased production in the concerned plants, but do to better water efficiency, we have been able to achieve this reduction.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

NA

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

2918.71

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

The withdrawal has increased by 7.42% landing it between 5% and 10%, hence in the higher category. The production has increased significantly with a much larger percentage but we have been able to limit increase in withdrawal due to better efficiency in processes and water conservation initiatives.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

2142.62

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Investment in water-smart technology/process

(9.2.7.5) Please explain

The production coming in from the relevant sites has increased but we still have been able to control variability, leading to a decrease of 2% in total withdrawals. Although this change is within 5% hence we qualify it is about the same.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

NA

Third party sources

(9.2.7.1) Relevance

Select from:
☑ Relevant

(9.2.7.2) Volume (megaliters/year)

621.28

(9.2.7.3) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.7.5) Please explain

7.12% increase landing the comparison above 5% in the higher category. A large part is coming from the increase in business activity at Morocco site.
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

97.21

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

There is a 2.1% increase in this category of discharge primarily due to increased production at Sri Lanka. This comes below 5% hence belonging to the about the same category.

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

NA

Groundwater

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

33.5

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

There is a 0.6% reduction under this category of discharge. Inspite of higher production, we are able to maintain a high level of reuse of treated water leading to an overall reduction. As the variability is less than 5%, we are classifying this under about the same.

Third-party destinations

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

742.89

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Investment in water-smart technology/process

(9.2.8.5) Please explain

There is a significant reduction under this category of discharge amounting to 15.8%, hence considered under the much lower category. This is a testament to the increasing use of recycled water in our facilities as the production has increased but the largest discharge category is still reducing by such a rate.
[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

All our wastewater goes through secondary treatment which is standard across the organization.

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

873.61

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Much lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Investment in water-smart technology/process

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 100%

(9.2.9.6) Please explain

All our wastewater goes through secondary treatment which is standard across the organization. We have seen a 13.64% decrease in discharges compared to last year. This fits in our much lower criteria, being more than 10%. This has been possible due to reuse of recycled water more and more in appropriate processes and site management. We generate more treated water than we can consume and the remaining has to be discharged. This year we have added more avenues where the treated water can be used within our facilities. We still see untapped potential for recycled water use within our facilities and are tapping those opportunities one by one.

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

All our wastewater goes through secondary treatment which is standard across the organization.

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

All our wastewater goes through secondary treatment which is standard across the organization.

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

All our wastewater goes through secondary treatment which is standard across the organization.

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

All our wastewater goes through secondary treatment which is standard across the organization.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

40

(9.3.3) % of facilities in direct operations that this represents

Select from:
☑ 100%

(9.3.4) Please explain

Water is the primary raw material in Beverage production hence all of our sites are considered under this categorization as they all have dependencies on water resources. In this year, we are refraining from providing site wise data as the disclosure can lead to leakage of critical strategic operational information for Varun Beverages.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

4

(9.3.4) Please explain

We have considered critical high volume sugar suppliers and plastic suppliers in this category as they have operations with a high dependence on water and also carry related risks, opportunities and impacts. We are not providing withdrawal, consumption and discharge related information from these facilities due to lack of formal consent from the suppliers.
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:
☑ Facility 1

(9.3.1.2) Facility name (optional)

Sandila

(9.3.1.3) Value chain stage

Select from:
☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply
☑ Dependencies

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:
☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

This site is a zero liquid discharge site.

(9.3.1.7) Country/Area & River basin

India
☑ Ganges - Brahmaputra

(9.3.1.8) Latitude

27.094477

(9.3.1.9) Longitude

80.439658

(9.3.1.10) Located in area with water stress

Select from:
☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

847

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

847

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.27) Total water consumption at this facility (megaliters)

847

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ About the same

(9.3.1.29) Please explain

Our consumption has increased from 828 ML water to 847 ML of water. This site is a zero liquid discharge site, hence the withdrawal and consumption is equal. this site belongs in a water stressed area. We are only disclosing data for this large single site for the time being as this data is strategic in nature for VBL.
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

NABL accredited testing standard

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

NABL accredited testing standard

Water consumption – total volume

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000
[Fixed row]

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

(9.5.1) Revenue (currency)

163210630000

(9.5.2) Total water withdrawal efficiency

19427084.73

(9.5.3) Anticipated forward trend

We anticipate our water withdrawal efficiency to reduce moving forwards, considering massive increase in revenues (10-12% YOY), supported by strong focus on sustainable water management and anticipated water withdrawals to remain similar even after massive increase in production is anticipated.
[Fixed row]

(9.9) Provide water intensity information for each of the agricultural commodities significant to your organization that you source.

	Water intensity information for this sourced commodity is collected/calculated	Please explain
Sugar	*Select from:* ☑ No, not currently but we intend to collect/calculate this data within the next two years	*This data is not currently available with us but we plan to work on this in the near future.*

[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
	Select from: ☑ No	*we manufacture beverage products safe for human consumption.*

[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:

☑ Yes

(9.14.2) Definition used to classify low water impact

Water positive classification by third party verifier as a ratio of water recharged to water consumed.

(9.14.4) Please explain

Water positive- As an organization, VBL has taken up a target to remain water positive, that is, returning back more water to the natural environment than we are consuming. To that end we have ensured to keep the recharge to consumption factor at above 2x. This makes our beverages water positive, with a positive impact on water resources.
[Fixed row]

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category
Water pollution	*Select from:* ☑ Yes
Water withdrawals	*Select from:* ☑ Yes
Water, Sanitation, and Hygiene (WASH) services	*Select from:* ☑ Yes
Other	*Select from:* ☑ Yes

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

☑ Target 1

(9.15.2.2) Target coverage

Select from:

☑ Country/area/region

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Reduction in withdrawals per unit of production

(9.15.2.4) Date target was set

12/30/2020

(9.15.2.5) End date of base year

12/30/2020

(9.15.2.6) Base year figure

1.92

(9.15.2.7) End date of target year

12/30/2025

(9.15.2.8) Target year figure

1.4

(9.15.2.9) Reporting year figure

1.54

(9.15.2.10) Target status in reporting year

Select from:

☑ Underway

(9.15.2.11) % of target achieved relative to base year

73

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

the target covers India operations of VBL, international subsidiaries are excluded from this target.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

The triple-sided strategy focused on reduce, reuse, and recycle forms the cornerstone of our water management and conservation strategy. Key measures include reducing water consumption per liter of beverage produced and cutting down wastage; improving water efficiency through reuse and multiple process improvements; and rainwater harvesting to recycle and replenish groundwater levels. Additionally, freshwater demand in perennially water-stressed areas is being actively managed by VBL without putting further burden on the underground reserves. Concentrated efforts are also being made to minimize the negative impacts of water on the environment, ecosystems and human health.

(9.15.2.16) Further details of target

The target is set on Liters of water withdrawal per liter of final product for beverage production.

Row 2

(9.15.2.1) Target reference number

Select from:

☑ Target 2

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water pollution

☑ Reduction in water discharges per unit of production

(9.15.2.4) Date target was set

12/30/2022

(9.15.2.5) End date of base year

12/30/2022

(9.15.2.6) Base year figure

271.95

(9.15.2.7) End date of target year

12/30/2030

(9.15.2.8) Target year figure

135.98

(9.15.2.9) Reporting year figure

208.8

(9.15.2.10) Target status in reporting year

Select from:

☑ Underway

(9.15.2.11) % of target achieved relative to base year

46

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

the target covers India operations of VBL, international subsidiaries are excluded from this target.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

We intend to increase the use of recycled water in our facilities by strategically upgrading water treatment infrastructure for better water recovery. By recovering more water from wastewater streams, we will reduce the volume of wastewater stream and hence improve the KPI

(9.15.2.16) Further details of target

The target is set on Liters of water discharged per 1000 liters of beverage production.

Row 3

(9.15.2.1) Target reference number

Select from:

☑ Target 3

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water, Sanitation, and Hygiene (WASH) services

☑ Other WASH, please specify **:**Increase in availability of high quality water for the local population through rainwater harvesting and groundwater recharge with a performance indicator called water recharge ratio

(9.15.2.4) Date target was set

12/30/2020

(9.15.2.5) End date of base year

12/30/2019

(9.15.2.6) Base year figure

1.75

(9.15.2.7) End date of target year

12/30/2025

(9.15.2.8) Target year figure

2

(9.15.2.9) Reporting year figure

2.02

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved and maintained

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

the target covers India operations of VBL, international subsidiaries are excluded from this target.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

The relentless pursuit of the organization to increase local rainwater harvesting has led to this achievement. Although dependent on annual rainfall performance, VBL has developed enough rainwater harvesting capacities near the operations that the water recharge ratio can be maintained at target levels. We will be updating this target upon reaching the target date and we have further plans for investing in this area.

(9.15.2.16) Further details of target

The target is set on the ratio of groundwater recharged in the assessment year to water withdrawal.
[Add row]

C10. Environmental performance - Plastics

(10.1) Do you have plastics-related targets, and if so what type?

(10.1.1) Targets in place

Select from:

☑ Yes

(10.1.2) Target type and metric

Extended Producer Responsibility (EPR)

☑ Ensure compliance with EPR policies and schemes

(10.1.3) Please explain

We recycled 86% of the total PET bottles consumed during CY 2023, much ahead of the Extended Producer Responsibility (EPR) Regulations laid down by CPCB. PET bottles consumed during the year were 175,292 MT and those recycled during the same period stood at 150,982 MT. We have set a target to achieve 100% w/w recycling by 2025.
[Fixed row]

(10.2) Indicate whether your organization engages in the following activities.

Production/commercialization of plastic polymers (including plastic converters)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

NA

Production/commercialization of durable plastic goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

NA

Usage of durable plastics goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

NA

Production/commercialization of plastic packaging

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

NA

Production/commercialization of goods/products packaged in plastics

(10.2.1) Activity applies

Select from:
☑ Yes

(10.2.2) Comment

We produce beverages packaged in plastic.

Provision/commercialization of services that use plastic packaging (e.g., food services)

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

NA

Provision of waste management and/or water management services

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

NA

Provision of financial products and/or services for plastics-related activities

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

NA

Other activities not specified

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

NA
[Fixed row]

(10.5) Provide the total weight of plastic packaging sold and/or used and indicate the raw material content.

	Total weight during the reporting year (Metric tons)	Raw material content percentages available to report	Please explain
Plastic packaging used	*175292*	*Select all that apply* ☑ None	*We have piloted a packaging made of 100% recycled plastic this year. We have a target to use 30% of recycled PET in our beverage bottles by 2025.*

[Fixed row]

(10.5.1) Indicate the circularity potential of the plastic packaging you sold and/or used.

Plastic packaging used

(10.5.1.1) Percentages available to report for circularity potential

Select all that apply

☑ % technically recyclable

(10.5.1.3) % of plastic packaging that is technically recyclable

100

(10.5.1.5) Please explain

We have successfully piloted 100% recycled PET made bottles for Pepsi black in selected territories. This is a proof of concept of feasibility of 100% recycling potential of PET.
[Fixed row]

(10.6) Provide the total weight of waste generated by the plastic you produce, commercialize, use and/or process and indicate the end-of-life management pathways.

Production of plastic

(10.6.1) Total weight of waste generated during the reporting year (Metric tons)

0

(10.6.2) End-of-life management pathways available to report

Select all that apply

☑ Recycling

(10.6.4) % recycling

100

(10.6.12) Please explain

100% of the waste goes to authorized recyclers.

Commercialization of plastic

(10.6.1) Total weight of waste generated during the reporting year (Metric tons)

2317.4

(10.6.2) End-of-life management pathways available to report

Select all that apply

☑ Recycling

(10.6.4) % recycling

100

(10.6.12) Please explain

100% of the waste goes to authorized recyclers.
[Fixed row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water protection

☑ Land/water management

☑ Species management

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☑ Yes, we use indicators	*Select all that apply* ☑ State and benefit indicators

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	*Select from:* ☑ No	*NA*
UNESCO World Heritage sites	*Select from:* ☑ No	*NA*
UNESCO Man and the Biosphere Reserves	*Select from:* ☑ No	*NA*
Ramsar sites	*Select from:* ☑ No	*NA*
Key Biodiversity Areas	*Select from:* ☑ No	*NA*
Other areas important for biodiversity	*Select from:* ☑ No	*NA*

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Waste data

☑ Fuel consumption

☑ Methane emissions

☑ Renewable fuel consumption

☑ Target-setting methodology

☑ Emissions breakdown by country/area

☑ Product footprint
☑ Base year emissions
☑ Electricity/Steam/Heat/Cooling consumption
☑ Year on year change in land use change emissions
☑ Renewable Electricity/Steam/Heat/Cooling generation
☑ Year on year change in absolute emissions (Scope 3)
☑ Renewable Electricity/Steam/Heat/Cooling consumption
☑ Emissions breakdown by business division
☑ Electricity/Steam/Heat/Cooling generation
☑ Year on year change in emissions intensity (Scope 3)
☑ Year on year change in absolute emissions (Scope 1 and 2)
☑ Year on year change in emissions intensity (Scope 1 and 2)

(13.1.1.3) Verification/assurance standard

General standards
☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Assurance provided by DQS India as limited assurance across the organization for all GRI indicators including the ones mentioned here.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

GRI Assurance Statement - Varun Beverages Ltd 2023.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply
☑ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Water security
☑ Volume withdrawn from areas with water stress (megaliters)

☑ Water consumption– total volume
☑ Water intensities of products and services
☑ Water withdrawals– total volumes
☑ Water withdrawals – volumes by source

(13.1.1.3) Verification/assurance standard

General standards
☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Assurance provided by DQS India as limited assurance across the organization for all GRI indicators including the ones mentioned here.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

GRI Assurance Statement - Varun Beverages Ltd 2023.pdf
[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Head- Investor Relations

(13.3.2) Corresponding job category

Select from:
☑ Other C-Suite Officer
[Fixed row]