



(a PepsiCo franchisee)

Varun Beverages Limited

ESG



ENVIRONMENT



SOCIAL

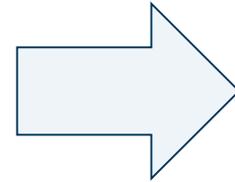


GOVERNANCE

We are looking at ESG as a way of life beyond compliance

Mission Statement

While refreshing billions of consumers with a vast portfolio of beverages touching all age groups, we shall ensure a sustainable ecosystem with a positive impact on our planet and well-being.



Cross-functional ESG Task Force

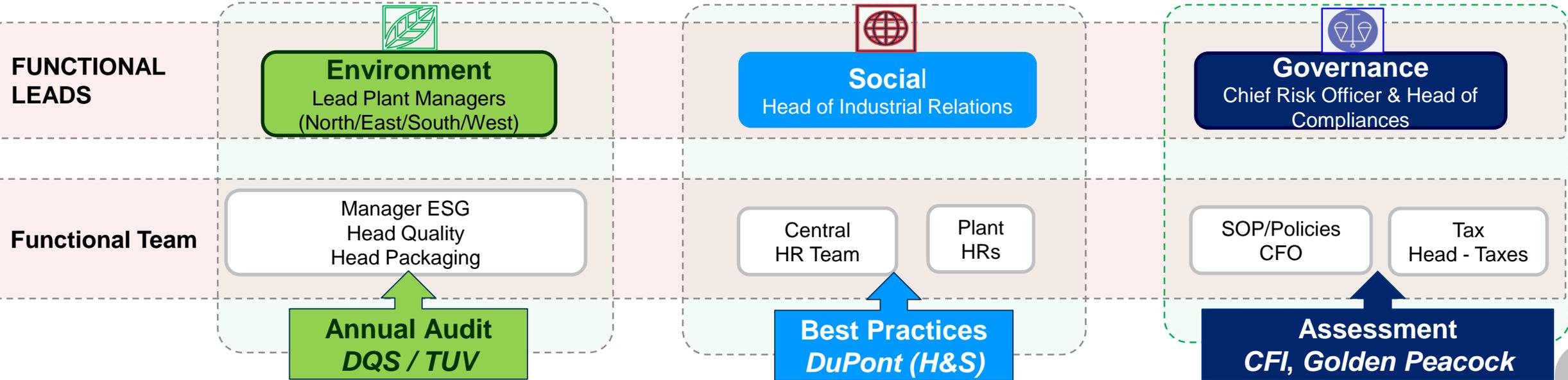


SPONSORS
Executive Vice-Chairman & Whole Time Director

Advisors
Independent Directors

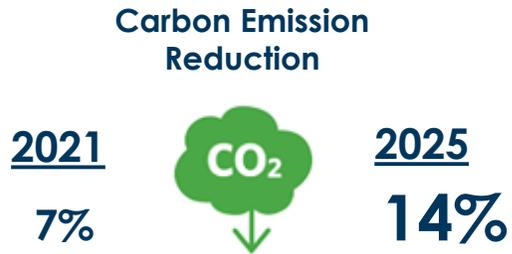
STEERING Committee
Technical Head, ESG Head, HR Head

Overall Management: ESG Head / Investor Relations Head



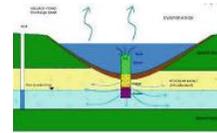
Roadmap

Enhance Renewable Energy



Being Water Positive

Sustain Recharge > 2.00x



Reduce WUR
1.89x to < 1.69x by 2025

Plastic Recycling



Solar/Wind

Rooftop

Existing ~12 MW including latest expansion

EV adoption subject to size/reliability
80,000+ saplings plantation

Open Access

~ 25 MW UP/MH/KAR planned by H1CY23

Water Stewardship

Water Bodies

110 ponds adopted, 50% rejuvenated in stressed zones.

CY22 additions:
+7 Check-dams
+1 Pond

Plant Process

150+ process improvements (e.g. larger batch sizes), low Glass mix & more efficient new lines

Waste Management

Rationalize

Wt. reduction done
Preforms by 10% & Closures by 25%

- **Ragpickers awareness** programs by GEM
- **rPET rules awaited**
- **JV with IDVB Recycling Operations Pvt. Ltd.** (a JV of INDORAMA & DHUNSERI) under set-up for 30K MT

Recycle

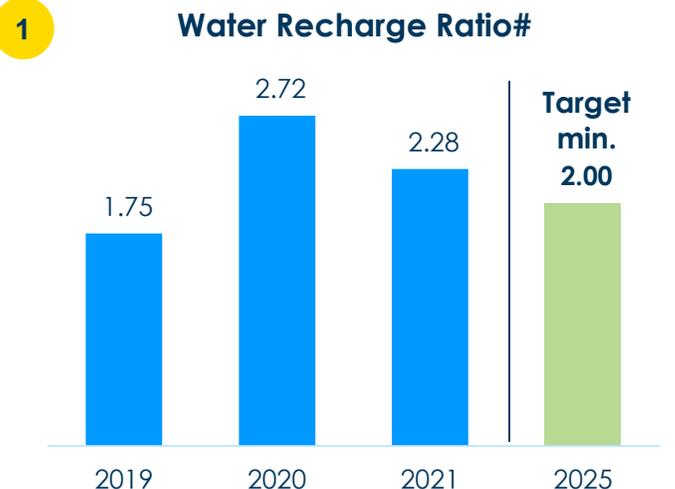
Tie-up with GEM (PepsiCo Certified) for end2end chain

Enablers

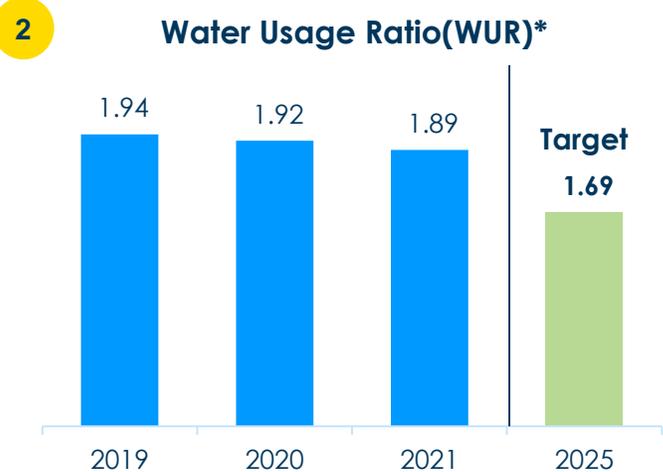
ESG – Environment: Current Status Progression & Targets



Water Stewardship



Total water recharged per litre of water consumed



* Litres of water consumed per litre of beverage produced

* Past Data Audited by TÜV India Pvt. Ltd., a subsidiary of TÜV NORD, Germany

Plastic Waste Management (PWM)*



* Past Data Certified by GEM Enviro Management Pvt. Ltd., a Delhi based Central Pollution Control Board ("CPCB") recognized PRO (Producer Responsible Organization).

4 Weight Reduction of Pre-forms (grams)

10%-20% reduction
since 2010 to-date
Packs: 600 ml to 2.25 litres

5 Weight Reduction of Closures (grams)

20%-25% reduction
since 2010 to-date
across CSD/Juice/Water

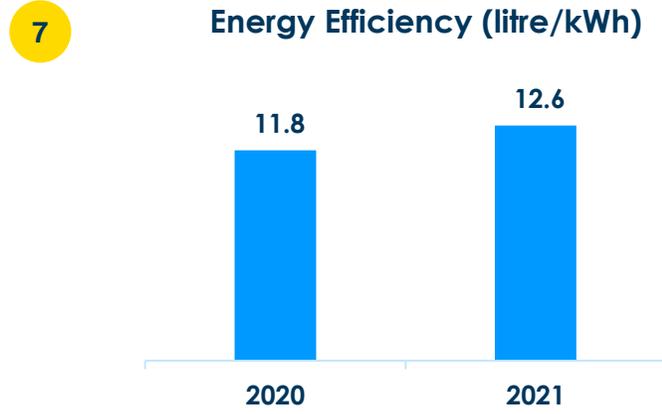
Climate Action

6

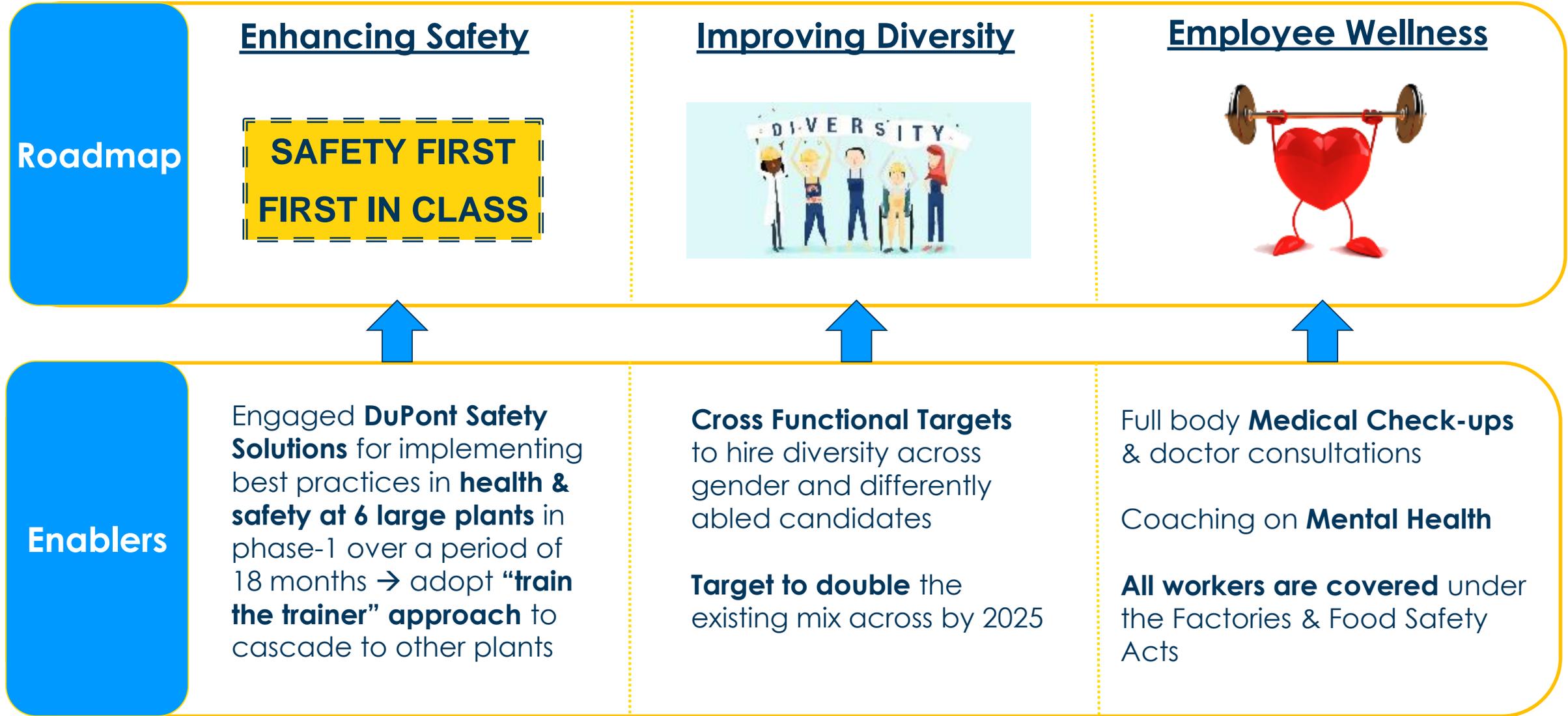
GHG Emissions	Grams / litre*	
	CY 2020	CY 2021
Scope 1	12.3	11.5
Scope 2	66.3	69.5
Scope 3	276.3	243.4
Total	354.9	324.4

* Grams / litre = Grams of CO₂e emission per litre of beverage produced during the year

* GHG emissions are audited by Deutsch Quality Systems (India) Private Limited (DQS India), an Internationally reputed independent field expert.



Energy Efficiency = Litres of beverage produced per unit (in kWh) of electrical energy consumption in plants (excluding energy consumed for backward integration)



Roadmap

Robust Policies



Expand the scope of existing policies to contractors / suppliers with an ESG focus

Better Transparency



Increasing disclosures

Harnessing CSR



Leverage CSR initiatives

Enablers

Best Corporate Governance Practices (FMCG)



3 years
2019-22

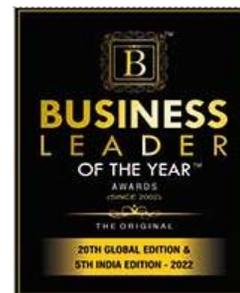


Golden Peacock Awards
A Strategic Tool to Lead the Competition

2021-22
including for
National Quality



2021-22



2022
Business
Leader

Promoting **healthcare, education, environmental sustainability, rural development** via national level initiatives

Impact assessment to be done by an expert/independent agency for various initiatives

ESG at VBL – Illustrations of multiple initiatives

Sandila - Rooftop Solar Panels



Greater Noida - Effluent Treatment Plant



Bhiwadi - Rain water harvesting pit



PWM - Rag picker Awareness Program by VBL & GEM Enviro

Ragpickers Welfare & Awareness Program at STP, Indrapuram, Ghaziabad

Date of Event	06 th June, 2022
Number of Participants	400+
Profile of Participants	Ragpickers, General Public, NGO's, MC- Commissioner & Others Govt. employees
Silent Features	<ul style="list-style-type: none"> Awareness of Plastic Collection/Recycling & distribution of 350+ t-shirts, Masks & food items Skill Development Program & Nukkad Natak Prize distribution & plantation

Tree plantation



Greater Noida - Pond adopted



ESG at VBL – Illustrations of Check Dams in 2022

Village Kandoli: Check Dam 1

Dimensions (in feet): 76 (L) x 7 (W) x 7 (H)



Village Kandoli: Check Dam 2

Dimensions (in feet): 106 (L) x 7 (W) x 7 (H)



Village Dangarwala: Check Dam 3

Under Construction

Dimensions (in feet): 130 (L) X 7 (W) X 7 (H)



ESG at VBL – Harnessing CSR Initiatives

Through SHISKHA KENDRA (implemented by Delhi Public School) – a school for underprivileged children



The education programme, aims at assisting the under privileged children, to develop themselves into educated, confident and responsible citizens, equipped to walk the world with pride.

DPS infrastructure and other resources like books, uniform, transportation, etc. are available to the students of Shiksha Kendra.



PepsiCo's Best Bottler in AMESA Sector for the year 2021

India Achievers' Award 2022 for Best Corporate Governance



Golden Peacock Award Excellence in Corporate Governance - 2021



Responsible Business Award for Best Corporate Governance



Golden Peacock National Quality Award - 2022