



**TIME FRAME: 2022-2025**

**MISSION, VISION AND GOALS**

To be a Sustainable manufacturer of Cut Tobacco with **Water stewardship** as a one of the key priority and deliver positive impact to **support water secure world** enabling prosperity for **People, Cultures, Business & Nature**

Our focus is to optimise water use in all of our factory, for which we implement a range of initiatives to save water, such as by eliminating leakages, and to increase water recycling, including reusing the water from manufacturing processes for utilities, greenery, cleaning facilities.

Our goal is to ensure the sustainable use of water in balance with the local context and to have safe, available water for all.

We are also aiming for all of our site to be certified against the Alliance for Water Stewardship standard by 2023.

Water is not a primary ingredient in our products. Our primary water use is in utility systems, as a process medium and for cleaning, drinking and domestic purposes.

A large proportion of our total water withdrawal (approximately 70%) is used for cooling purposes. The risk exposure and environmental impact of cooling is limited. The other 30% of our water withdrawal is for domestic & cleaning purposes — this is the focus of our key performance indicators and targets on water.

The AWS frame work of VST follows the Plan-Do-Check-Act approach and requires continual improvement. The main goal is to cover the 5 basic principles (steps) of the AWS:

- **GOOD WATER GOVERNANCE**
- **SUSTAINABLE WATER BALANCE**
- **GOOD WATER QUALITY STATUS**
- **IMPORTANT WATER-RELATED AREAS**
- **SAFE WATER, SANITATION AND HYGIENE FOR ALL (WASH)**

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The Water Stewardship Policy applicable to VST pursues the following objectives, the implementation of which were already been carried out at our plant at Toopran, Medak, Telangana

However, we strive for continual improvement:

- By Protecting and conserving water resources through excellent water management practices and governance systems.
- Ensure that our water use is efficient, safe and promotes the sustainable management of water resources in and around our facilities covering all our operations and catchment area.
- Comply to all water related laws and regulations and conform to the requirements of our Sustainability Framework;
- Identify water-related business risks and opportunities and develop action plans for mitigating the risks.
- Minimize our impact on water resources from operations by measuring and understanding water use, management and wastewater discharge;
- Reduce freshwater consumption by re-use and recycling water;
- Ensure access to safe Water, Sanitation and Hygiene (WASH) in all our facilities and provide access to WASH services in all our operations
- Continually improve performance of water management across the companies' supply and value chains through effective and economically viable management systems and best practices;
- Involve our employees and contract workers in water conservation initiatives and provide all required resources for effective water stewardship implementation and compliance.
- Engage with our stakeholders and communities to increase their awareness on the responsible use of water and involve them in protection / regeneration of water resources; and
- Monitor, measure, report the progress and performance of water conservation and management initiatives in compliance with internationally recognized protocols and communicate approach and achievements to relevant stakeholders.

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The goals of the Water Strategy are to ensure:

- ❖ Waters that flow into, within or through the VST are substantially unaltered in quality, quantity and rates of flow;
- ❖ All Internal & external stakeholders have access to safe, clean and plentiful drinking water at all times;
- ❖ Our water eco systems are healthy and diverse;
- ❖ Stakeholders are involved in and knowledgeable about water stewardship; and
- ❖ All those making water stewardship decisions work together to communicate and share information
- ❖ Reduce manufacturing water intensity by 5% against 2022-23 target
- ❖ Rainwater Harvesting Potential equivalent to over 3 times the Net Water Consumption in own operations by 2030
- ❖ Promote water conservation awareness with messaging to 100% of our suppliers and service providers
- ❖ Reach 100% people with water, sanitation systems and health/hygiene education

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### **ACTION PLAN**

- The 2022-2025 VST Water Stewardship Strategy Action Plan (Action Plan) guides the implementation of the Water Strategy and support the achievement of the Water Strategy's goals.
- The Action Plan was developed collaboratively, ensuring multiple opportunities for water partners to provide input.
- The AWS committee and a multi-stakeholder water partner committee guides the development process. Water partners participated in an online survey, virtual focus groups, virtual panel discussions at the annual Water Strategy Implementation workshop, interviews, and document review.
- Public input from catchment was also gathered through an online survey/feedback.
- The inclusive engagement process sought to incorporate the views of the public and all water partners.

### **MEASUREMENT AND MONITORING**

The main water source for Toopran site is borewells and there was no municipal source.

Water usage is continuously monitored and reported on a daily/weekly/monthly/annual basis and judged against an annual target. Measurement and monitoring of water usage is completed using flowmeters and this will continue to be recorded and reported regularly.

In 2021-22 our water ratio, which calculates KL of water it takes to produce one ton of Cut tobacco was 1.60KL/PER Ton of Cut Tobacco. We have target to reduce our water usage ratio to 5% by optimising the water used in our Process and washings, Cooling and domestic processes whilst maintaining strict quality requirements of the water that is used in our production process.

Our Bore wells are also monitored and maintained to ensure there is no impact on the groundwater supply, abstraction limits complied with and water quality requirements are met.

As our plant is complying to Zero liquid discharge norms, Wastewater discharges from VST's operations are generally pre-treated on site prior to reuse in compliance with local regulatory requirements. We continue to work to reduce pollutant-loading in our wastewater discharges prior to treatment. In all locations VST treats wastewater to levels appropriate for gardening, cooling, toilet flushing, and other purposes.

The on-site waste-water (Effluent & Sewage) treatment plants are operated by an onsite qualified team who tests the (inflow & outflow) sewage and effluent quality on a daily basis to ensure that the wastewater is treated as effectively as possible and to meet the site discharge consent limits. This is a continuous monitoring and measurement process. As all our plants complying zero Liquid Discharge, we don't discharge any water outside the premises.

The sites stakeholders are contacted regarding local shared water challenges and their responses are documented, reviewed with actions as necessary.

### **RISK ANALYSIS**

VST Industries Ltd (VST) established Initially the plant in the Hyderabad in 1930. The site is located in the TSIC, Muppireddypally & Kondapur, Toopran. The plant produces processed tobacco. Line capacities are sufficient to meet future production targets.

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As baseline water stress and variabilities are low, the main risks are from flooding and upstream storage. Upstream storage measures the water storage capacity available upstream of a location relative to the total water supply at that location; higher values indicate areas more capable of buffering variations in water supply (i.e., droughts and floods). Upstream protected land is extremely low but regulatory and reputational risks are high. Mitigation measures for the flooding risk have already been implemented in the form of a flood overflow channel on site.

The Waste water Treatment plants (both ETP/STP) has a capacity of 50 m3, which is sufficient for the current production volumes. The planned peak wastewater quantity would never exceed this quantity and no adaptation of the WWTP might be necessary.

VST Toopran site is currently certified to ISO 14001 & ISO 45001 standards. The production at VST is not considered to be at risk. In general, the vulnerability of the groundwater against contamination is considered to be low.

**Refer to**

Water Stewardship Plan Risks and Actions

WRI Aqueduct report

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**WATER STEWARSHIP PLAN RISKS AND ACTIONS**

Goal (ORGANIZED BY AWS OUTCOME AREA)	Action	Indicators	Responsible	Timeline
Good water governance	1a: Development of "AWS Team" for Azamabad & Toopran Site	A core group of 4-5 personnel from each site, led by plant manager to be part of AWS Team. Team to review and regularly update and evaluate water stewardship tasks for site.	AWS Head/ MD	Sep'22
	1b: Engagement with NGO, local media and journalists to disseminate water related information to the public	Discussion with NGO to disseminate factory's best water practices to public	HR & PLANT MANAGER	Sep'22-Continuous
	1c(1): Development of a water stewardship policy in the light of water stewardship commitment	A one page policy was signed by MD and displayed in both English/Telugu on notice boards of factory and in website	AWS Lead	Sep'22
	1d: Notification to catchment authorities on sites water stewardship strategy and plans	VST AWS Initiative shared with all identified stakeholder on different engagement level in form of on-site and off-site meetings	AWS team	Jan'23
	1e(i): Meetings with identified stakeholders to have consensus on current water stewardship work and future water related development	Consultative meeting in sponsorship with NGO to be hosted by VST, inviting relevant stakeholders identified during stakeholder mapping process to discuss and get feedback on sites water stewardship commitment.	AWS team	On-Going Activities
	1e(ii): Meetings with identified stakeholders to have consensus on current water stewardship work and future water related development	Consultative meeting in sponsorship with NGO by VST, inviting relevant stakeholders from community, authorities and journalists to further discuss water stewardship commitment and launch of water plan.	AWS team	Jan'23
	1f: Periodic Notification to senior management on water related infrastructure of any concern	Monthly Reporting to zone sharing evaluation on water stewardship work. AWS reporting conducted as defined frequency	AWS Team	On-Going Activities
	1g: Development of Water Stewardship plan to address key water issues facing community	Plant Manager VST has discussed AWS awareness and common related issues at Annual Review Meetings	Factory Manager	Jan'23'
	1h: Communicate to suppliers to get vendor water management techniques as good water stewards	Communication to High risk/critical vendors to share their water management techniques as a good practice	AWS team/ Procurement team	November'22 & continuous
	1i: develop documented maintenance system for all water related infrastructure	Develop checklists and plan for maintenance of all water related infrastructure Covering likes bores/sumps/tanks/ ETP/STP/WASH facilities like toilets/urinals/hand wash/canteen etc	Maintenance team	November'22 & continuous

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**Sustainable waterbalance**

2a: Complete a social impact assessment on sustainable water usage and consumption	A community survey report highlighting impacts on social development of community due to VST's actions. This may also include any negative impacts the community faces and ways to avert those risks	Plant Manager, January'23 & CSR Team/Third party	
2b: Improve Water resource management at catchment level	VST sponsored 40000nos tree guards to GHMC for plants in Hyderabad and Catchment areas at Muppireddypally and Kondapur areas or recommended locations under CSR	PLANT MANAGER /CSR Team	2018-Dec' 22
2c: Improve / Update site water balance	Monthly update and maintenance of currently existing Avg water balance for site, 27m3 / day	Site EHS head	Quarterly
2d: Improve Water resource management at catchment level	Improve site's water ratio by 5% reduction every year	Site EHS head	Yearly
2e: Explore water saving initiatives for site to meet water ratio stretched targets	<ul style="list-style-type: none"> <li>Exploring the efficiency &amp; performance of existing RHP</li> <li>Periodic maintenance of the RHP</li> </ul>	AWS/EHS team in coordination with Civil department & third party hydro geologist	Oct'22& continuous
2f: Improve Water resource management at catchment level	Conducting WASH trainings	AWS Team/EHS Head	Dec'22
2g: Improve Water resource management at catchment level	Explore opportunities to enhance water infiltration in catchment area,	AWS Team	Dec'22
2g: Improve Water related infrastructure	Establish flow meters for each bore well of ready monitoring	Engg Head	Nov'22

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# VST INDUSTRIES LTD.

# WATER STEWARSHIP PLAN

VST-WSP-001

Good water quality status	3a: Sustainable water quality results for water discharge record availability.	pH , Conductivity, TSS,TDS,Total Hardness etc	Site EHS Mgr	On- Going Activities
	3b: Maintenance and Improvement of WASH on site	Continually improve better sanitation services to staff on site. This may include, but not limited to, renovation & maintenance work to install improved sanitary ware on site which may conserve water.	Site EHS Mgr/ Site Civil Mgr	2022 – Ongoing
	3c: Review of quality status on monthly and quarterly basis	Monthly Operational Review, Quarterly Operational Review	Site EHS Mgr	On- Going Activities
	3d. Periodic monitoring of water quality in the IWRA/catchment		Site EHS head	Every six months from Jan 2023
Important Water-Related Areas	4a: Periodic monitoring and assessment of IWRA's	IWRA assessment & monitoring by NGO/Environmental Experts	AWS Team/ CSR team	Nov 2022 – Ongoing
	4c: Evaluation of site water stewardship in catchment context. An evaluation feedback form to be developed, sent to relevant stakeholders and receive feedback on current risks	Utilize feedback form available at plant level and incorporating comments and suggestions from relevant stakeholders to assess risk	AWS Team	Nov'22 onwards
	4d: AWS disclosure for public dissemination of water stewardship work	Publically disclosed commitment for VST AWS Certification Publically available data studies Publically available commitment by VST' (updatation in website and disclosure in stakeholder meetings)	AWS Team	Apr '23
	4e: Plan Half yearly meetings with relevant stakeholders on-site	Meet with stakeholders like Grama panchayath, surrounding industrial people frequently to discuss & mitigate challenges	AWS Team	Apr'23 - On going activities
WASH	5a: Implementation of water (WASH) education programme insites area of operations	Site WASH awareness trainings to be conducted in Toopran	AWS team	Nov 2022- continuous
	5b: Implementation of water (WASH) education programme in catchment area of operations	Catchment level WASH awareness trainings to be conducted in Toopran site	AWS team & Stakeholders	Nov 2022- continuous
	5c: provision of WASH related infra-structure		Civil Dept & AWS team	Jan -2023
	a. Hand driers b. Posters for hand cleaning c. Toilets for disabled d. Toilets for women			

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**TIME FRAMES**




Water stewardship actions are incorporated into annual business plans and planned for the period of 2022-2025.

**FINANCIAL BUDGETS ALLOCATED**

We commit to ensure that resources are allocated each year to allow us to maintain this plan.

**PERSON(S) RESPONSIBLE**

The EHS Manager in coordination with AWS team (Toopran Site) are responsible for defining and tracking the implementation of this plan and updating this plan annually.

	<b>Prepared By</b>	<b>Controlled By</b>	<b>Approved By</b>
Name	(P.KISHORE KUMAR)	(S.RANGA RAO)	(S.SRIRAM)
Designation	EHS Manager	Head-Engineering	VP-Technical/AWS Head
Signature			

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