



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 optimize 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.

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.

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 5%
- ❖ 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.

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In 2023 our water ratio, which calculates KL of water it takes to produce one ton of Cut tobacco was 1.63KL/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.

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.

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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 and IGBC Platinum rating. 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 STEWARDSHIP PLAN & PERFORMANCE STATUS AS ON 31.03.2024 AND PLAN FOR 2024-2025

Goal (ORGANIZED BY AWS OUTCOME AREA)	Action	Action plan	Target	Responsibility	Timeline For 2024-25	Budget	Performance Status for 2023-24
Good Water governance	1a: Development of "AWS Team" for Toopran Site	A core group of 4-5 personnel from the site, led by plant manager to be part of AWS Team. Team to review and regularly update and evaluate water stewardship tasks for site	Review any change in the AWS team	AWS Head	Review the Committee Incase any changes	---	Completed In Sept 2022
	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	Atleast once in a year	EHS Manager	Sept 2024	1.0Lakh	Completed as on March 2024
	1c: 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	Review once in a year or any changes in the policy statement	AWS Head	March 2025	1.0 Lakh	Completed as on March 2024 Reviewed, Found that no changes in the policy statement
	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	Atleast once in a year	EHS Manager	March 2025	---	Completed as on March 2024

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WATER STEWARDSHIP PLAN & PERFORMANCE STATUS AS ON 31.03.2024 AND PLAN FOR 2024-2025

Goal (ORGANIZED BY AWS OUTCOME AREA)	Acton	Action plan	Target	Responsibility	Timeline For 2024-25	Budget	Performanc e Status for 2023-24
Water governance	1d. Meetings with identified stakeholders to have consensus on current water stewardship work and future water related development	Annual plan for meetings with identified stakeholders Whatsapp group Communication of day to day progress or initiatives in the group	Minimum two meetings per year	EHS Manager	Sept 2024& March 2025	1 lakh	Completed As on March 2024
	1e: 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	At least three vendors in six months	Head- SCM	Sept 2024 & March 2025	1 lakh	No out sourced vendor nearer to the facility
	1f: maintenance system for all water related infrastructures	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. Training of the users on the operation & usage of water infrastructure	Zero Break down	Maintenance Manager	Half yearly Sep'24 & Mar'25	17 lakh	Completed As on March 2024

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Goal	Action	Action plan	Target	Responsibility	Timeline For 2024-25	Budget	Performance Status for 2023-24
Sustainable Water balance	2a: Improve Water resource management at catchment level	Awareness trainings to the villages, industrial stakeholders in the catchment	Minimum 2 per year	EHS Manager	September 2024 & March 2025	1 lakh	Completed as on March 2024
	2b: Improve / Update site water balance	Capture the water data (input vs usage) Periodic review of the consumption, wastage, leakages etc and addressing the gaps if any Training on the usage of the water resources to the employees	Maintain water balance of 27 m3/day	Maintenance Manager	Six monthly July 2024 & January 2025	1 lakh	Completed as on March 2024 Maintaining water balance record and Training has completed as per plan for the fy 2023-24
	2c: Explore water saving initiatives for site to meet water targets	Periodic review of the consumption, wastage, leakages etc and addressing the gaps if any Exploring the efficiency & performance of existing RHP Periodic maintenance of the RHP	Saving by 1 % to last year specific consumption	Maintenance Manager	Every six months July 2024 & January 2025	1 lakh	Completed as on March 2024 Review is being done on water consumption and RHPs periodical maintenance is in place
	2d: Improve Water resource management at catchment level by Conducting WASH trainings	Make a training plan covering different water related programmes Intimate the plan to the stakeholders Execute the plan Check the effectiveness	Minimum 2 per year	EHS Manager	Half yearly September 2024 & March 2025	1 lakh	Completed as on March 2024
	2e: Improve Water resource management at catchment level	Explore opportunities to enhance water infiltration in catchment area,		EHS Manager	Half yearly September 2024 & March 2025	1 lakh	Completed as on March 2024

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Goal	Action	Action plan	Target	Responsibility	Timeline For 2024-25	Budget	Performance Status for 2023-24
Sustainable water balance	2f: 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	Before start the water stewardship assessment Review incase any changes	EHS Manager	September 2024	----	Completed No changes in Social impact assessment
Good water quality status	3a: Sustainable water quality results for water discharge record availability.	pH, Conductivity, TSS, TDS, Total Hardness etc	Within PCB Norms Continuous	EHS Manager	Monthly	1.0 Lakh	Completed & Continuous
	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.	Continuous	EHS Manager	Monthly	3.0 Lakh	Completed & Continuous

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Goal	Action	Action plan	Target	Responsibility	Timeline For 2024-25	Budget	Performance Status for 2023-24
Good water quality status	3c: Review of quality status on monthly and quarterly basis	Monthly Operational Review, Quarterly Operational Review	Continuous	EHS Manager	Monthly	1.0 Lakh	Completed & Continuous
Important Water-Related Areas	4a: Periodic monitoring and third party assessment of IWRA's	1. Creating awareness by conducting training programmes by NGO and Site AWS Team among all the village population about the IWRA Safe guarding and maintain good sanitation at IWRA areas	Continuous	EHS Manager	Once in Six months September 2024 & March 2025	1.0 Lakh	Completed as on March 2024 & continuous

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Goal	Action	Action plan	Target	Responsibility	Timeline For 2024-25	Budget	Performance Status for 2023-24
Important Water-Related Areas	4a: Periodic monitoring and third party assessment of IWRA's	<p>2.Doing periodical inspections of IWRA by the AWS team in coordination with local village stake holders and capturing photographs near both the water bodies, VST had Displayed Instructions for safe guarding the water bodies</p> <p>3.Made a IWRA Quality plan with increased the no of samples to evaluate the quality of IWRA test results by an approved Environmental Laboratory</p> <p>4.The Site has initiated to construct and support the villages with a central drainage system and awareness programmes on WASH to protect the IWRA's</p>	At least twice in year	EHS Manager	Once in Six months September 2024& March 2025	4 lakhs	Completed as on March 2024

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Goal	Action	Action plan	Target	Responsibility	Timeline For 2024-25	Budget	Performance Status for 2023-24
Important Water-Related Areas	4b: Evaluation of site water stewardship in catchment context.	1.An evaluation feedback form to be developed, sent to relevant stakeholders and receive feedback on current risks 2.Utilize feedback form available at plant level and incorporating comments and suggestions from relevant stakeholders to assess risk	Feed back @ > 80%	EHS Mgr	Yearly March 2025	1 lakh	Completed As on March 2024
WASH	5a: Implementation of water (WASH) education programme in sites	<ul style="list-style-type: none"> • Make a training plan covering different water related programmes for site • communicate the plan to the depts • Execute the plan • Check the effectiveness 	Atleast once in six months	EHS Mgr	Half yearly September 2024& March 2025	1 lakh	Completed As on March 2024
	5b: Implementation of water (WASH) education programme in catchment	<ul style="list-style-type: none"> • Make a training plan covering different water related programmes for the catchment • Intimate the plan to the stakeholders • Execute the plan • Check the effectiveness 	Atleast once in six months	EHS Mgr	Half yearly September 2024&March 2025	1 lakh	Completed As on March 2024

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Goal	Action	Action plan	Target	Responsibility	Timeline	Budget	Performance Status for 2023-24
WASH	5c. Adopted a new village Brahmanapally under AWS implementation: Renewation of old damaged school buildings, wash rooms, water tanks, old tables and chairs with providing the complete new facilities for AWS implementation in Catchment areas	<ul style="list-style-type: none"> • Make a training plan covering different water related program mes for the village • Sampling and analysis of water samples 	Atleast 2 for six months	EHS Mgr	Half yearly September 2024 & March 2025	1 lakh	Identified a new village in the Catchment.

TIME FRAMES

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

FINANCIAL BUDGETS ALLOCATED

We have allocated for Rs.40.0 Lakhs each year for implementation of AWS.

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 by 31st March of every Financial year

(P.KISHORE KUMAR)
EHS MANAGER/AWS CORDINATOR

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