

POLICY ON SUSTAINABLE SUPPLY CHAIN AND RESPONSIBLE SOURCING

Philosophy

ITC Hotels Limited ('ITCHL') endeavours to progressively integrate sustainability in the supply chain(s) for its products and services. The Company encourages procurement from suppliers with sustainable practices and strives to enhance opportunities of sourcing from such suppliers including those belonging to marginalised, vulnerable and disadvantaged groups.

[ITCHL's supply chain includes manufacturers, service providers, traders, dealers and distributors.]

Policy

It is ITCHL's Policy:

A. Compliance and Awareness

1. To work with supply chain members who adopt and accept the Company's Code of Conduct for Suppliers and Service Providers.
2. To continuously raise awareness of supply chain members to comply with the Company's Code of Conduct for Suppliers and Service Providers and applicable laws and regulations related to labour and employment, including gender diversity, human rights, child labour, wages, working hours, bribery & corruption, occupational health, safety and environment.

B. Sustainability Assessment

1. To assess the sustainability risks of supply chain members and to recommend suppliers with corrective measures, wherever possible and to encourage suppliers to build resilience against identified risks.
2. To disengage business relationship with supply chain members in the event of repeated or serious non-compliance with the Code of Conduct and serious or consistent lack of commitment to corrective action.

C. Sustainable Practices and Performance

1. To encourage suppliers in identifying and adopting industry best practices and applicable environmental, social and governance (ESG) standards relating to labour and employment, including gender diversity, inclusion of marginalised and vulnerable groups / individuals, human rights, child labour, wages, working hours, bribery & corruption, occupational health, safety and environment.
2. To encourage resource-use efficiency, including sustainable natural resource management, greenhouse gas reduction and sustainable waste management, wherever practicable, through a set of key performance indicators in the supply chain.

Governance and Implementation

- (a) ITCHL has appropriate systems and processes in place to ensure compliance with the Policy and with statutory provisions, as applicable, including processing of grievances for redressal. ITCHL through Strategic and Executive Management Committee ('SEMC'), will ensure progressive implementation of the Policy, and also communication of the Policy to the employees.
- (b) Compliance with the Policy will be regularly monitored and evaluated by the CSR & Sustainability Compliance Review Committee ('CSR & SCRC') of the SEMC. The report of the CSR & SCRC will be reviewed by the SEMC.
- (c) The CSR and Sustainability Committee of the Board will supervise the implementation of this Policy and will annually review the progress of its implementation.