



# ROOTED

A REPORT ON ENVIRONMENT, SUSTAINABILITY AND  
GOVERNANCE AT ID FRESH FOOD

EDITION V





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## MESSAGE FROM THE GLOBAL CEO



As we embark on another edition of "Rooted," I'm filled with pride and gratitude for the journey we've undertaken together. At iD Fresh Food, commitment to sustainability is the cornerstone of our existence, woven into the very essence of who we are and what we do.

Reflecting on previous quarters, we have made remarkable strides in our sustainability efforts. Under the leadership of Shashikantha (Senior Executive, EHS), we have reduced food wastage from 90% to 5%. Efforts are on to reduce it to 0% in this financial year. Concurrently, Ravi Teja and his team has successfully reduced annual water consumption by 18,250 KL. Additionally, we launched 45 electric two-wheelers (EVs) in Bangalore, along with 30 four-wheelers. Moving forward, we are focusing on building an ESG governance structure, establishing ESG policies, targets, and monitoring systems. With the expertise of Tsang Rachel from Y Analytics (TPG Group), we aim to create an optimal sustainability roadmap for our future. More details on these initiatives are provided in the following pages.

I'm immensely proud of what we've achieved this far, but I'm even more excited about the future that lies ahead. Thank you for your unwavering dedication and support. Together, we're not just shaping the future of iD; we're shaping the future of sustainable living.



## A Recap:

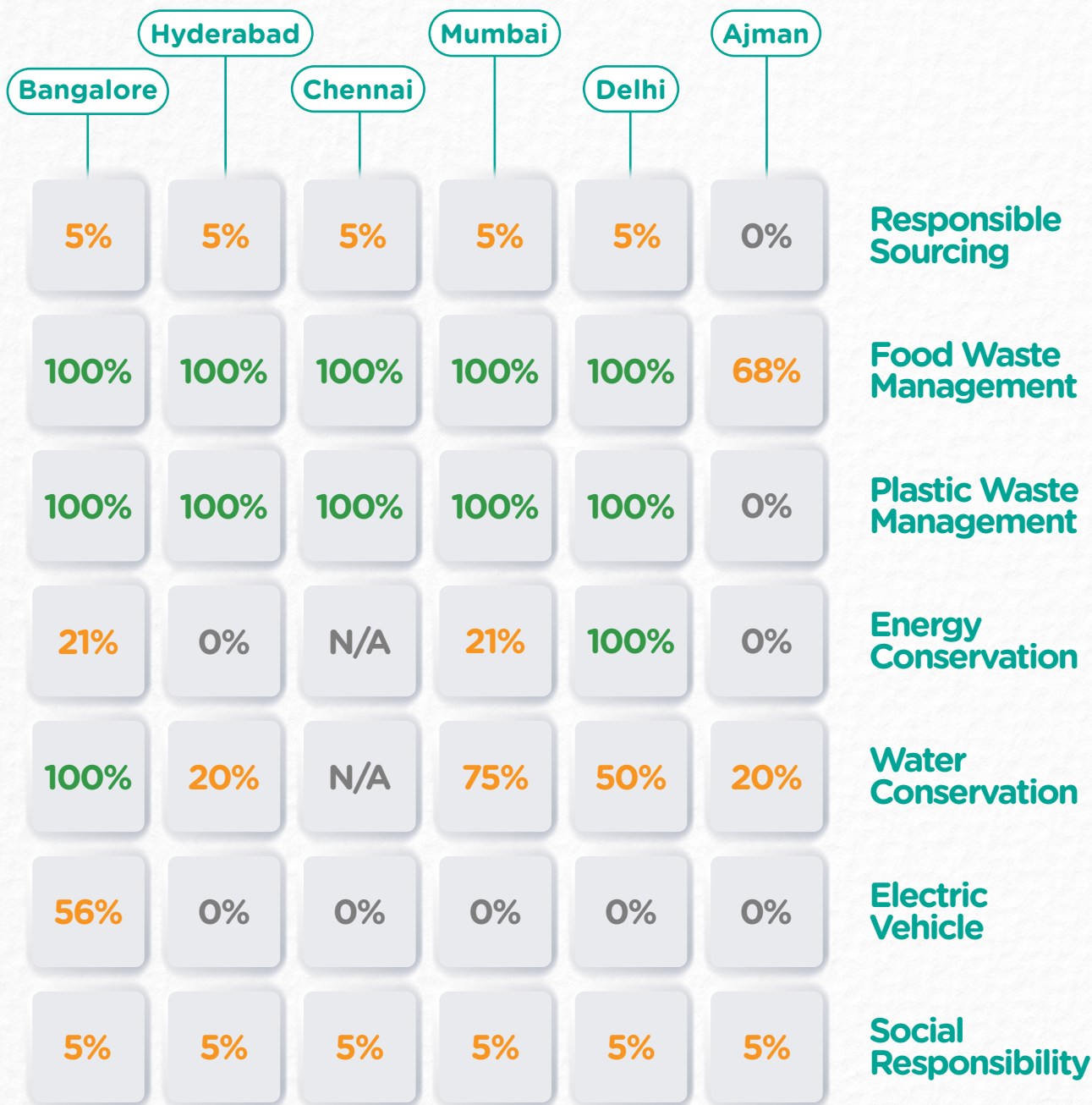


In our previous report, we detailed the obstacles we encountered while integrating sustainability into our business model and how we surmounted them with optimized solutions, maintaining our unwavering commitment to the planet.

In this edition, we are excited to update you on our latest activities. Dive in to discover the progress we've achieved, the innovative steps we've taken, and our future plans. Our ultimate goal remains steadfast: to make our business 100% sustainable for the community that believes in our vision.



## Progress So Far



 Work In Progress

 Completed

 Not Applicable/No Growth

 Critical





## Sustainability at ID

### Responsible Sourcing

We developed a strategic plan to introduce the Alternate Wetting and Drying (AWD) Programme to ADT 37 farms in Tamil Nadu. Our goal is to conserve water resources and bring down methane emissions by an estimated 830 tonnes. We're joining hands with Nurture Farms, and are at the final stages of formalising our partnership.

We're planning to expand our farming footprint, with the ambitious goal of procuring 100% sustainably grown rice.

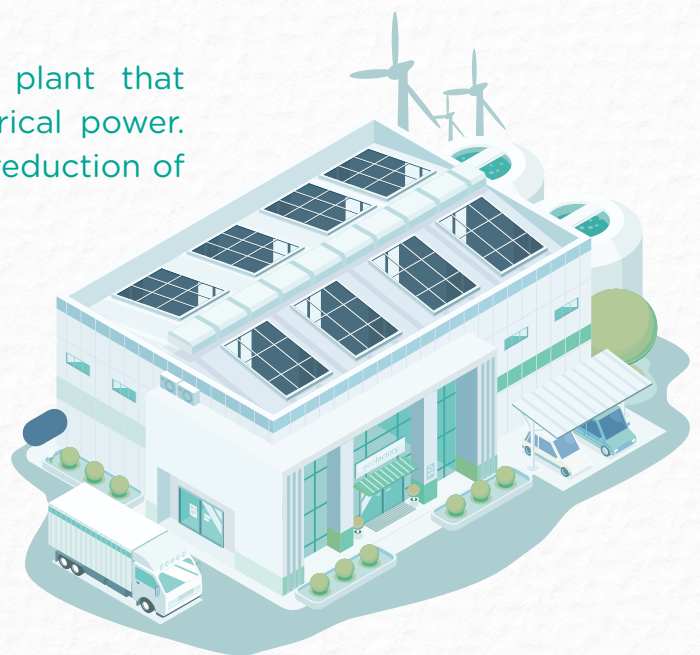


## Environmental Performance

### Energy Conservation

Anekal factory features a rooftop solar plant that currently generates 21% of our total electrical power. This initiative has resulted in a noteworthy reduction of 20.2 tonnes of CO<sub>2</sub> emissions to date.

Today, our Mumbai factory features a rooftop solar plant that caters 20% of its total power requirement, saving approximately 23 tonnes of CO<sub>2</sub> per annum. In total, we're cutting CO<sub>2</sub> emissions by 100.8 tonnes annually from our rooftop solar plants in Anekal and Mumbai.





We are anticipating an approx. annual cost reduction of 35-40 lakhs, by transitioning to a 100% renewable energy resource model, that features an open access system. With this plan, we will also be able to pave way for a substantial reduction of 1475 tonnes of CO<sub>2</sub> emissions per annum. To make this operational by 2025, we're working out multiple schemes with vendors.

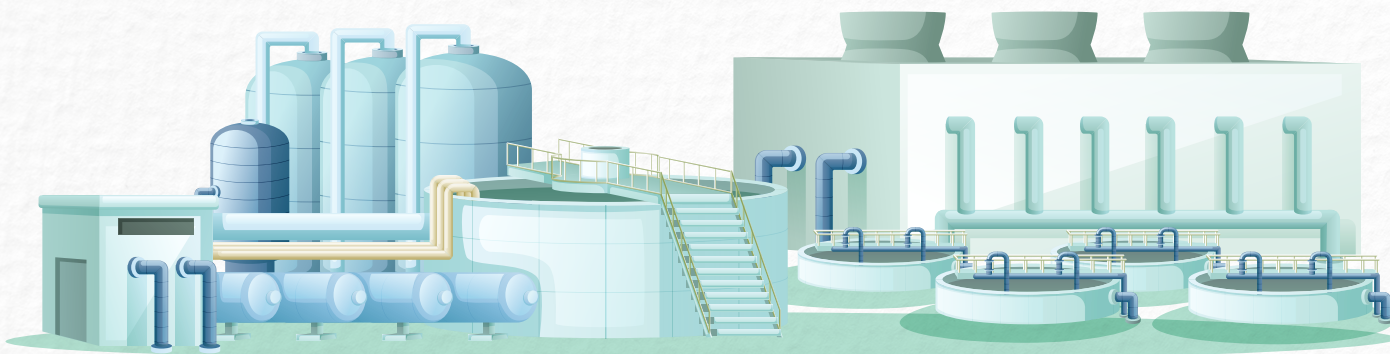
At our iD Factory in Ajman, we have been actively pursuing the implementation of a rooftop solar facility to generate about 20% of our energy needs. The project proposal is currently pending approval from the Ajman municipality. We are consistently following up with the relevant authorities to expedite the approval process and ensure timely execution of the project once authorized.

We also have a plant upcoming in Hyderabad, designed to integrate solar power generation from the outset. Additionally, we are exploring open access options to further meet our power needs.

Currently, Maharashtra and Telangana policies are not conducive to industrial solar generation. Despite this, we are optimistic about future policy changes and remain dedicated to adopting sustainable energy solutions.

## Water Conservation

We have reached a significant milestone in our commitment to sustainability with the establishment of an RO Reject Treatment Plant. This initiative has reduced our water usage from 180 KLD to 130 KLD, resulting in an annual reduction of 18,250 KL in borewell water usage. We remain actively engaged in ongoing research and implementation of various strategies and techniques across our factories to further reduce water usage and minimize wastage.





Under the leadership of Ravi Teja, Khais Ali Marakkar V (Operational Excellence Executive) and Gopalan (Maintenance Executive) have been serving as water champions in Anekal. Despite a 15% increase in batter production since April 2023, the team has successfully reduced water consumption by 14%, which amounts to approximately 30 KLD per day.

The next phase of our plan involves closely monitoring the progress of this water conservation initiative in Anekal and subsequently replicating the process at our Mumbai facility. Recognizing the critical importance of water conservation, we acknowledge that we use approximately 1.5 lakh litres of water in our products and an additional 2 lakh litres for washing, soaking, and other external operations. To maintain a sustainable approach, we responsibly manage the resulting effluents and reutilize them in farming and agriculture.

## Food Waste Management

At iD, we prioritize delivering products that are not only fresh but also free from preservatives, ensuring the health and well-being of our consumers. However, this commitment to freshness results in a relatively short shelf life for our products, leading to some food wastage once they exceed this limit.

To address this challenge, we have established partnerships with multiple traders to convert food waste from our distribution centers into animal feed, making it accessible nationwide. Shashikantha, our Senior Executive of EHS, has led this project from Anekal, significantly reducing food waste from 90% to 5% of the total returns and wastages. This initiative has also eliminated the cost of waste disposal and now generates 18 Lakhs in revenue across India.

Shashikantha's efforts in coordinating with various aggregators and managing supply complexities to redirect return stocks to animal feed and NGOs have been well appreciated. The project is currently active, with food waste collection initiated at iD distribution centers across all cities. We plan to expand this initiative to additional distribution centers shortly.

Additionally, at our factories, we are working diligently to reduce production wastages, further supporting our goal of minimizing food waste.





## Plastic Waste Management

In adherence to EPR regulations, we are committed to procuring an equivalent amount of plastic from the market for every plastic item utilized. This year, we have achieved 100% recycling of Flexible and Multi-Layer Plastic (MLP) waste, actively repurposing these into essential products such as crates, tiles, door frames, and furniture. In a circular economy, these recycled products return to our factory.

Aligned with EPR guidelines, we have established new recycling targets for the upcoming year: 326 MT for Category 2 Flexible Packaging Materials and 331 MT for Category 3 Multilayer Packing Materials.

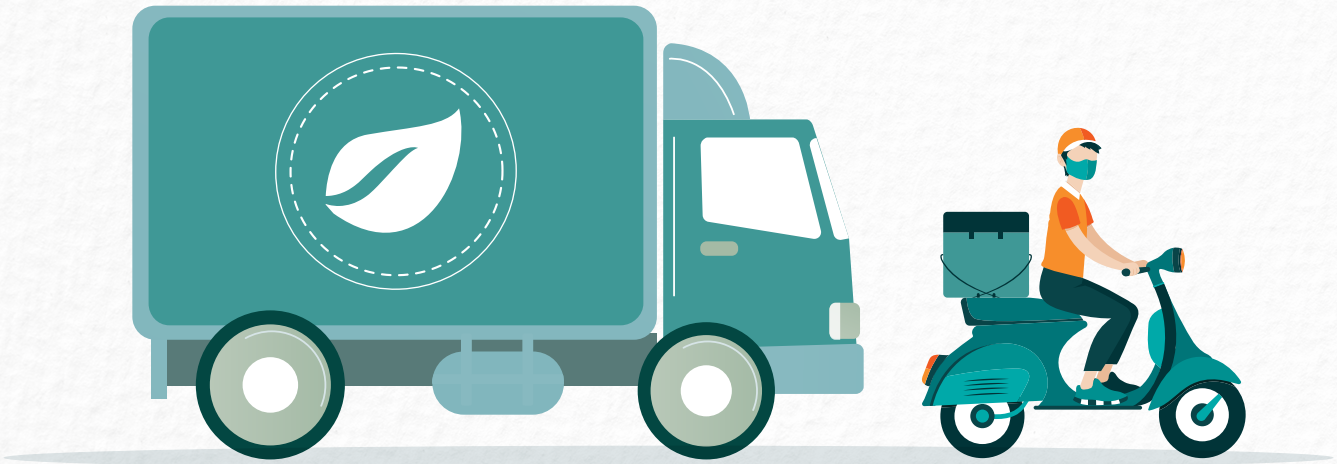
**Currently, the crates made from recycled plastic waste are in use at iD factories in Mumbai, Hyderabad, and Anekal. This successful implementation resulted in substantial savings of approximately 30.52 lakhs last year.**

**We are committed to continuing and expanding this sustainable practice in the coming year.**





## Electric Vehicle for Logistics



In response to growing congestion and environmental concerns, we are excited to announce the launch of 71 electric 2-wheelers across India to enhance our last-mile logistics. Specifically, in Bangalore, we have deployed 45 two-wheelers and 30 four-wheelers.

**Our vision includes assembling an electric vehicle (EV) fleet to further scale our distribution operations. We aim to expand this eco-friendly initiative to additional cities in the coming months, reinforcing our commitment to sustainable and efficient transportation solutions.**

## Social Responsibility

This quarter, we proudly announce the launch of our latest initiative, iD Scholars Programme. This programme is designed to uplift the educational prospects of the children of our valued workforce, and aims to provide essential financial aid, personalized guidance, and mentorship to nurture the academic journey of the children.

Understanding the importance of education in transforming lives, we aim to provide comprehensive support to these children, ensuring they have the resources and guidance needed to excel academically.





**We are proud to announce that 31 students have been selected for this programme.**

**We will provide personalized guidance to help students navigate their academic paths and make informed decisions about their futures. This includes one-on-one counseling sessions, career guidance workshops, and access to a network of mentors who can offer valuable insights and support.**

The iD Scholars Programme is a testament to our commitment to social responsibility and our belief in the transformative power of education. We are excited to see the positive impact this program will have on the lives of our scholars and their families, and we look forward to expanding our support in the years to come.





## The Way Forward

The journey towards a sustainable future requires ongoing effort and a renewed focus on maximizing the impact of our sustainability initiatives. We have partnered with Tsang Rachel from Y Analytics, part of the TPG group, to develop an optimal sustainability roadmap. We have completed a materiality assessment through a comprehensive four-step process:

1. Internal Stakeholder Interviews: Identifying key ESG factors through discussions with internal stakeholders.
2. External Stakeholder Interviews: Engaging with investment professionals from TPG New Quest to pinpoint critical ESG factors.
3. Peer Assessments: Analyzing sustainability practices of peer companies such as Nestle, Milky Mist, Marico, Britannia, and Del Monte.
4. Regulatory References: Considering guidelines such as SEBI listing requirements to inform our approach.

Based on the materiality assessment, iD is working on constructing a robust sustainability framework, which includes:

- ESG Governance Structure: Establishing a solid foundation for ESG governance.
- ESG Strategies and Priorities: Defining clear ESG policies, targets, and monitoring systems.

Our new ESG strategies and policies are expected to be approved in the next board meeting, followed by a formal announcement to all stakeholders within the organization.

In the spirit of collaboration and shared commitment, we appreciate your partnership on this journey towards achieving a 100% sustainable business model. Together, we are paving the way for a brighter, more sustainable future.

