

Commitment on Water Stewardship

Pakistan Tobacco Company (PTC) Limited's Akora Khattak Factory recognizes that the looming climate change crisis poses serious threats to the availability and quality of water across the globe, and that effective water stewardship is indispensable for the long-term success of our company and the communities in which we operate.

While our industry is not particularly water intensive, the all-pervading impact of climate change and the consequent disruptions in our water ecosystem are challenges to which no entity is immune.

PTC believes that while the government has the role to establish over-arching water policies, the private sector also needs to step up to play its role as a responsible water steward and make informed risk-based decisions to manage this essential natural resource. PTC is willing to assist in this process and is committed to develop its business in a way that facilitates effective water stewardship in the geographies that it sources from and operates within.

We consider it our prime responsibility to firstly

reduce our water footprint and secondly to use water efficiently as this would not only help the water ecosystem to function properly but also guarantee continued sustainability for our own operations.

We have been steadily decreasing our water use and increasing water recycling for several years through carefully planned and executed improvements in our water infrastructure. Furthermore, our *Enercon Daily Management System* (Enercon-DMS) and *Sustainable Tobacco Program* (STP) helps to optimize water use in our factories and our leaf growing areas.

In conjunction with PTC's Environmental Policy, PTC's Supplier Code of Conduct, PTC's Standards of Business Conduct, our commitment to water stewardship is as follows:

- Continuously striving to analyze and understand the water footprint of our operations and its impact within our catchment and beyond
- Excelling in the efficient use of water across our operations
- Implementing initiatives to reduce water

extraction and enhance the usage of recycled water

- Exploring alternate water resources, such as rainwater harvesting, to reduce dependency on a single resource
- Ensuring adequate treatment of our wastewater to minimize its environmental impact
- Actively engaging with our suppliers, including farmers, and providing training and support on efficient usage of water in their respective areas
- Sharing best practices for sustainable water use with other industries and stakeholders
- Engaging with relevant governmental bodies and local community leaders to identify collaboration and knowledge-sharing opportunities
- Ensuring our operations do not adversely impact the human right to water and sanitation within our catchment and beyond
- Implementing effective internal governance structures to review water stewardship efforts and allocate resources for it
- Publicly disclosing the progress and results of our water stewardship efforts

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