



SUSTAINABILITY REPORT

2024



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Abbreviation

BOPP	Biaxially Oriented Polypropylene Film
BOPET	Biaxial Oriented PET Film
PET	Polyethylene Terephthalate
PP	Polypropylene
PTA	Purified Terephthalic Acid
PVC	Polyvinyl Chloride
ETP	Effluent Treatment Plants
GHG	Green-House Gases
IFC	Internal Financial Control
FDA	Food and Drug Administration
ISO	International Organization for Standardization
GRI	Global Reporting Initiative
CSR	Corporate Social Responsibility
SDGs	Sustainable Development Goals
UV	Ultraviolet

Message from President



Mr. S.C. KAPOOR
President-Operations (Film Division)
Vacmet India Limited

I am delighted to present our GRI-aligned Sustainability Report, a momentous step that showcases our steadfast commitment to fostering a circular future. We take immense pride in the fact that sustainability is intricately woven into every facet of our business and operations.

This commitment has yielded versatile and outstanding product performance, contributing to enhanced customer satisfaction. Consequently, we have consistently maintained our leadership position and achieved robust financial performance during the 2023-24 period.

Our journey commenced over three decades ago, driven by a mission to grow responsibly. Today, we stand as the world's premier producers of flexible packaging films and metalized paper & board, with a presence extending to over 70 countries. Our client base spans the globe, making Vacmet a trusted partner for some of the world's largest packaging manufacturers and FMCG brands in their pursuit of sustainable packaging solutions.

Leveraging our leadership in the packaging industry, we remain dedicated to delivering innovative solutions for flexible packaging on a global scale. We currently operate manufacturing in India and distribution facilities in Europe, the USA, as well as in India. This Sustainability Report stands as a clear testament to our unwavering commitment to sustainability and responsible growth.

We eagerly look forward to continuing this journey with you, our valued stakeholders, as we collectively work towards a more sustainable and circular future.

Report Prelude

We are pleased to present Vacmet India Ltd.'s Sustainability Report for the financial year 2023-24, highlighting our ongoing efforts in sustainability. This report provides a comprehensive and transparent overview of our economic, social, and environmental performance, reflecting Vacmet's strong commitment to delivering value to our diverse stakeholders.

Our primary goal is to present past performance data with clarity, ensuring stakeholders gain meaningful insights into our progress. We remain steadfast in our mission to foster a circular and sustainable future in collaboration with our valued partners.

Depicting the Report

Our Sustainability Report aligns with the Global Reporting Initiative (GRI) Standards 2021, providing a trusted framework for identifying and addressing key areas of interest to our stakeholders. Beyond compliance with these standards, we have gone further to enhance our reporting to meet the expectations of our valued customers and business partners.

We remain fully committed to transparency and continuous improvement in sustainability practices. We sincerely appreciate your ongoing support and collaboration as we work together toward the shared objective of building a more sustainable future.

Vacmet Accession of Materiality

In this report, we have compiled a comprehensive set of qualitative and quantitative data that we believe is of significant relevance to our stakeholders. To determine the sustainability priority areas, or material topics, for the reporting year, we conducted an in-depth materiality survey and facilitated workshops with both internal and external stakeholders. Our commitment to creating enduring value is reinforced by the transparency and thoroughness of our disclosures on these material topics.

We assert that this Sustainability Report accurately and fairly represents our organization's overall performance, covering financial, non-financial, sustainability, and operational aspects for the financial year 2023-24.

We sincerely believe that this report reflects our commitment to transparency and our continuous efforts to drive meaningful and positive change.

SCOPE OF BOUNDRY

We are committed to providing an accurate and transparent account of our sustainability initiatives, along with the challenges we face in managing various material aspects of our business. We believe this report has effectively met this objective. The material aspects covered span a broad range of key areas related to our company's performance, including economic performance, governance frameworks (covering governance structure, policies, and strategies), employee engagement, environmental initiatives, product sustainability programs, health and safety measures, community development efforts, and other stakeholder-relevant topics.

Our reporting boundary encompasses Vacmet's manufacturing and global distribution operations. To provide a comprehensive view of our performance across all operational geographies, we have included data from all pertinent business units where applicable. Additionally, the boundary extends to include factors that directly influence our company's value creation.

Our commitment to transparency remains steadfast, and we are dedicated to continuously improving our sustainability reporting to ensure stakeholders have a clear and comprehensive understanding of our efforts and progress

ASSURANCE

We prioritize the quality and accuracy of the data presented in our sustainability report. To uphold these standards, we have implemented a rigorous assurance process that integrates both internal expertise and external verification. It is essential to emphasize that the third-party responsible for this verification has no financial interests in Vacmet India Ltd., aside from their role in evaluating and assuring this report.

RINA Services S.p.A. (RINA) was appointed by the Organization VACMET INDIA LIMITED to verify the compliancy of the Sustainability Report for the FY 2023-24, to the GRI G4 Guidelines, 2010, an independent third-party organization, to provide external assurance for our sustainability report. Their involvement enhances the credibility and impartiality of our reporting process. We are pleased to announce that RINA has assured this report and found that the report addresses key material topics and contains relevant disclosures, consistent with GRI requirements by validating and certifying the data submitted by Vacmet India Ltd. during the reporting period.

We remain dedicated to maintaining the highest standards of transparency and accuracy in our reporting practices.

FEEDBACK

We wholeheartedly invite and value your input, ideas, and questions regarding our sustainability report, as they play a pivotal role in enhancing our future reporting endeavors. Please don't hesitate to share your suggestions or queries with us by visiting our contact page at <https://www.vpipl.co.in/contact.php>.

For your convenience, we offer global access to our reports through our company website. You can easily access the sustainability report by visiting the following web address: www.vpipl.co.in

Your engagement and feedback are instrumental in our ongoing commitment to transparency and sustainability reporting.


Our Sustainability Approach

Business	A Corporate Office, and 5 Manufacturing Units	2,35,387 Total Production (in MT per annum)	1255* Customer base across the globe
People	1744** employees	12 number of female employees	
Environment	Water	355 (in thousand KL) is the total water consumption	
Waste	0.0167 Tons/Ton of Production		
Environmental Expenditure	INR 45.99 lacs (\$ 54,700) spent for environmental initiatives		
Products	BOPP, BOPET, Metalized BOPP, Metalized BOPET, Metalized Paper, and Paper Coating,		

(The data presented above is as of March 2024)

* Total number of customers in CY 2022 were 1065 but due to typo error it was stated as 2013.

**The mentioned number of employees are permanent employees; total number of employees are mentioned in the section 'Approach Towards Employee'.



Co-creating a Circular Future

At Vacmet, we are deeply committed to our overarching mission of nurturing a resilient and sustainable future. Our dedication to this purpose is grounded in Our foundational beliefs, which emphasize the optimization of product design, responsible environmental stewardship, and the forging of impactful collaborations and partnerships.

In pursuit of this vision, we are embarking on a transformative journey to enhance the sustainability of our products. We recognize that to truly effect change, we must transition away from the traditional linear model of take, make, and waste. Instead, we are embracing the principles of a circular economy, an approach that places paramount importance on resource efficiency, reduced waste, and long-term sustainability.

Together, with our valued partners and stakeholders, we are actively engaged in the co-creation of a circular economy. This journey embodies our collective commitment to creating a future where resources are conserved, waste is minimized, and the well-being of our planet is safeguarded for generations to come. We deeply appreciate your support and collaboration in this shared endeavor.

ABOUT OUR COMPANY

Vacmet, a leader in the packaging industry, continues to drive innovation with its cutting-edge manufacturing capabilities. Our commitment to excellence is demonstrated through our three advanced manufacturing plants located in Mathura, Uttar Pradesh (Units 2, 3, and 4), a fourth plant (Unit 1) in Agra, and a fifth strategically positioned in Ujjaini, Madhya Pradesh. Specializing in the production of BOPP, BOPET, Metalized BOPP, Metalized BOPET, Metalized Paper, and Paper Coating, Vacmet has established a strong global presence. Supported by an in-house research and development team, we remain dedicated to advancing packaging solutions and setting new industry benchmarks.

Since our inception in 1993, Vacmet has embarked on a journey of responsible growth, evolving into a multinational corporation committed to developing sustainable products and services while upholding the principles of environmental stewardship.

Our vision is to be a leader in the packaging industry, a goal driven by market demand, our core values, and the consistently positive feedback from our valued customers. Our growth is propelled by an unwavering focus on manufacturing and quality excellence, an expansive global presence, proactive environmental responsibility, and the cost-efficiency of our products. These key factors position us as a comprehensive solutions provider, offering a diverse portfolio of film products to meet the varied needs of our clients.

Vision

To become a global leader in manufacturing of polymeric films and allied products.

Mission

Ethical and sustainable growth through product excellence, simultaneous growth of our stakeholders and the communities we touch.

Values

- Accountability
- Innovation
- Entrepreneurial Drive
- Leadership



Global Reach

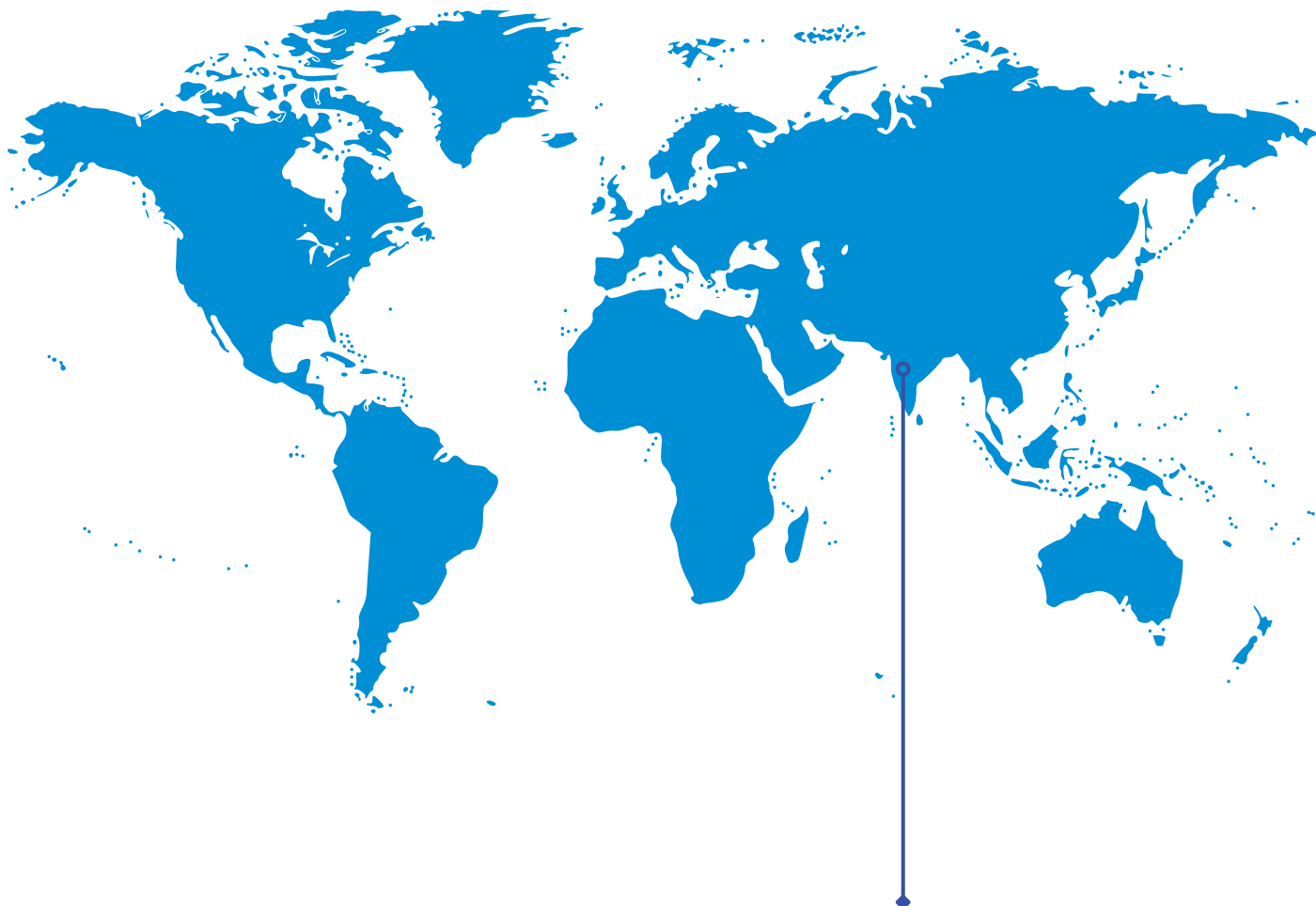


Our steadfast dedication to excellence has driven us to expand our manufacturing operations, with a cutting-edge facility based in India. We've extended our global footprint with distribution centers strategically positioned in key regions, which include Europe and USA.

We take immense pride in our service to a diverse clientele of over 1255 customers spanning across more than 70 countries, ensuring the prompt delivery of our products directly to their doorsteps. While we actively engage in sales initiatives across Europe and the USA, we continually broaden our presence to access regional markets, ensuring efficient and timely service to our esteemed customers.

Amidst recent fluctuations in the global BOPET thin and thick film market, our ability to thrive in the face of industry uncertainties while maintaining a sound financial position reflects our unwavering commitment to responsible growth. Our strategic approach involves placing our operations closer to regional markets and establishing a global network of supply points, instilling resilience in our business model. This approach has not only enabled us to navigate market dynamics effectively but has also driven profitable growth.

Our substantial scale and global presence empower us to expedite product delivery and supply, serving our extensive customer network worldwide. We deeply appreciate the trust and support of our partners and customers as we continue to tread the path of responsible growth and sustainable excellence.



Manufacturing Units in India 05

Vacmet India Limited is one of the world's leading producers of flexible packaging films and metalized paper & board headquartered in India. Catering to customers in more than 70 countries, Vacmet today is one of the most trusted partners for some of the world's largest packaging manufacturers and FMCG brands in their journey towards sustainable packaging.

International Subsidiaries

Vacmet America's LLC, a wholly owned subsidiary of Vacmet India Limited, operates out of Texas, USA. Established to specialize in the wholesale distribution of plastic packaging films and paper, Vacmet America's LLC is committed to serving the needs of its customers across the country.

USA

UK

Vacmet Europe Limited, located in London, is a wholly-owned subsidiary of Vacmet India Ltd. It aims to provide faster and more reliable delivery of Vacmet's products in the UK. Vacmet Europe Limited is capable to handle varied sized orders in a very short time, owing to its exceptional logistics partners.

HOLLAND

Vacmet Holland B.V., located in Amsterdam, is a wholly-owned subsidiary of Vacmet India Ltd. Vacmet Holland Limited aims to provide faster and reliable products in Europe. Vacmet Holland Limited can handle small as well as large orders in a very short time, with the help of its exceptional logistics partners.



Product Portfolio



PRODUCT PORTFOLIO

At the core of our offerings is a broad range of plastic films, covering a variety of substrates. Our product portfolio includes standard plain films and an extensive selection of value-added films, enhanced by our advanced offline coating and metalizing capabilities.

Recognizing the increasing concerns around single-use plastics and **the global shift towards sustainable packaging**, we are dedicated to driving innovation. Our efforts include the development of sustainable solutions such as **RPET, bio-based materials, and biodegradable films**. Furthermore, we are optimizing our global operations to support the growing sustainability movement.

With a diversified product range, a strong commitment to operational excellence, and a focused approach to improving the recyclability of our products, we strive to make a significant contribution to closing the material loop and supporting a more sustainable future. Our products find versatile applications across a multitude of industries:



PRODUCT APPLICATIONS

01

Packaging Applications

Our films are tailored for the packaging of a wide array of products, including food, juices, liquid food, health and personal care items, cosmetics, confectioneries, retort and microwaveable food, lidding applications, sauces, noodles, and anti-fog packaging, among others.

02

Industrial Applications

Our films cater to a broad spectrum of industrial needs, such as labels and stickers, smart cards, holography and security stickers, embossing, metallic yarn, duct insulation, release liners, automotive applications, magnetic tape, barcode labels and adhesive tapes.

03

Printing and Imaging Applications

Our products play a vital role in printing and imaging, serving as print media for photo albums, product brochures, posters, offset printing and laser printing.



Our Commitment to Product Sustainability



Our Commitment to Product Sustainability

At Vacmet, we wholeheartedly embrace a sustainable packaging approach that revolves around three fundamental strategies: reducing, reusing, and recycling. Our dedication to these strategies has paved the way for the introduction of innovative products that seamlessly integrate these principles into their design and functionality.

Our product portfolio boasts a diverse range of solutions, each meticulously crafted to align with our sustainability mission. These offerings encompass:

- Robust thick films tailored for use in electrical and electronic appliances, enhancing their durability and longevity.
- Foldable films engineered for versatile applications in medical and industrial settings, offering flexibility and adaptability.
- High-barrier high-adhesion films specially formulated for metallic surfaces, catering to a myriad of industrial needs.
- Transparent barrier films meticulously crafted for food packaging, preserving freshness and quality.
- Uniquely coated BOPP and BOPET films and specialized films optimized for print media, compatible with digital printable and UV inks.

One of the key indicators of our dedication to sustainability lies in our incorporation of both unsullied and recycled materials in the production of these films. These materials are not only sustainable but also resource-efficient, leading to significantly reduced carbon emissions compared to virgin plastic production. Furthermore, our products are characterized by a high product-to-packaging ratio, emphasizing our dedication to minimizing environmental impact.

A key aspect of product sustainability is building the right stakeholder network along the polyester value chain. In order to achieve this, we have partnered with stakeholders, who place sustainability at the forefront of their operations.

Our journey towards sustainable product solutions is a testament to our unwavering dedication to environmental responsibility and creating a more sustainable future for all.



CERTIFICATIONS

Our enduring commitment to excellence is exemplified by our unwavering pursuit of continuous evaluation and product improvement. Recognizing that our products serve diverse sectors and are utilized across various geographical locations, we consider it our corporate responsibility to adhere to globally recognized standards and deliver nothing but the best to our valued customers.

In recognition of the versatile nature of our products, we have adopted a range of international management system standards, including

ISO 9001
ISO 14001,
ISO 45001,
ISO 22000,
ISCC +
DIN CERTCO
BRC, and
FSC COC-01.2017.

Additionally, we are committed to reducing our reliance on virgin raw materials and have been certified for recycled content verification by DIN CERTCO. This is part of our broader sustainability efforts, which include the development of innovative solutions like RPET, bio-based materials, and biodegradable films. These initiatives, combined with our optimization of global operations, reflect our dedication to supporting the global sustainability movement and closing the material loop



Corporate Governance

At Vacmet, we are deeply committed to upholding the highest corporate governance standards, striking a harmonious balance between our social, economic, and environmental aspirations. We firmly believe that a robust governance framework is the cornerstone of our ability to provide sustained value to our stakeholders. **Transparency, accountability, and responsibility are the guiding principles that drive our actions.**

Our employees, whether on the manufacturing floor or in our global distribution units, as well as those serving on our board and in management roles, are united by a shared mission. Our values are not mere words but tangible practices that underscore our commitment to conducting business ethically and promoting sustainable growth. As our global footprint expands and our product offerings diversify, **we are continually challenged to adapt to varying regulatory environments.** We meet these challenges head-on by swiftly developing and implementing corporate policies that enable us to thrive in a dynamic global marketplace while mitigating risks.



Our Corporate Philosophy

Our corporate philosophy is founded on the principles of fairness, transparency, accountability, and responsibility. These principles serve as our compass, guiding both the company and its people. They are not merely theoretical concepts but are deeply ingrained in our business strategies and plans. As a responsible corporate citizen, we allocate our resources to uplift the communities we touch, safeguard our employees and the environment, and ensure that the triple bottom line principles are woven into the fabric of our business initiatives.

Our internal controls serve as the bedrock of our adherence to corporate governance norms during these initiatives, enabling us to comply with the requisite regulations and laws. Over the years, we have witnessed that improved transparency, risk mitigation, and enhanced governance policies not only protect our shareholders but also help us better understand their expectations and concerns, ultimately accelerating our performance.

Furthermore, we have established firm-wide practices to encourage the reporting of concerns related to unethical or unlawful activities and organizational integrity matters. Our corporate philosophy extends holistically to maximize the value we create. In our business endeavors, we prioritize:

- Enhancing stakeholder value
- Focusing on the long-term financial health of our company
- Providing fair wages and ensuring safe working conditions for our employees, actively involving them in corporate decision-making
- Offering customers quality products and services at competitive prices
- Employing environmentally friendly production methods
- Contributing to the socio-economic development of the local community

Leading responsibly

A strong governance framework enables us to maintain and improve stakeholder value creation in conjunction with fulfilling our responsibilities as a responsible company. All directors and the management, employees and other stakeholders involved in our operation are expected to act with utmost integrity and accountability, striving to enhance public perception, reputation, and overall performance.

At Vacmet, we have developed a culture that promotes transparency and accountability amongst all our stakeholders to ensure that there are no possible ways of conflict of interest in global operations. The company has formulated, policies covering issues such as ethics, bribery and corruption including the policy for Prevention of Sexual Harassment, Whistle-Blower policy, which extend to vendors, contractors, visitors including employees and board members of the company. We encourage all our employees to comply with these policies which are available on our internal portals for easier accessibility.

We uphold the highest standards of honesty and ethics in all our business activities and maintain a zero-tolerance stance towards bribery and corruption in our dealings and relationships. We also perform regular internal audits to assess the effectiveness of these ethical practices in our business operations. During the reporting period, there were no cases of corruption at Vacmet group.

The board of directors, including board committees, remains at the apex of our governance framework. Vacmet Group adheres to a structured annual performance appraisal system that assesses and rewards the performance and compensation of all employees. This appraisal process aligns with our Career Progression Policy, ensuring that employees' efforts and achievements are duly recognized.

Vacmet Group is dedicated to ensuring fair and transparent employee compensation. As part of this commitment, we grant the employees an annual bonus as per the Ministry of Labour and Payment of Bonus Act, 1965.

The Vacmet Group take pride in strictly complying with all statutory minimum wage requirements. Our employees receive compensation exceeding the minimum wage levels, which are determined based on their skills.

Vacmet India is fully committed to adhering to the Ministry of Labour and Employment's guidelines particularly those outlined in the Minimum Wage Act of 1948, specifically under Section 2, 3 & 4. This commitment is rooted in the company's dedication to ensure minimum wages to all its employee (incl. contractual). These minimum wages are subject to biannual revisions, scheduled for April 1st and October 1st each year. The organization has also set quantitative targets for ensuring the payment of performance-based incentives and consistently strive to uphold these commitments ethically. Our focus remains on recognizing our workforce efforts and contribution to ensure deserving compensation.

Vacmet India extends this commitment to nearly all of its employees, encompassing both internal and external personnel, including contractual workers. These individuals receive wages that are in line with the guidelines outlined in the Minimum Wage Act of 1948. The company recognizes its substantial responsibility to continuously monitor and ensure that this benefit is accessible to all employees, both internal and external, as well as contractual workers, in an ethical and equitable manner. The goal is to avoid any wage gaps, and to achieve this, internal measures are implemented by Vacmet India Limited. These measures involve a rigorous analysis of employees' wage levels against a Minimum Wages benchmark (Which also includes living wages).

Through this regular analysis, any trends or indications of wage gaps are identified. If wage gaps are found, the company takes immediate actions to rectify them. This comprehensive process is carried out biannually, and the resulting trends and findings are transparently shared with all employees, both internal and external, as well as contractual workers. Vacmet India further demonstrates its commitment through regular follow-ups and committee meetings to diligently monitor the status of these initiatives. If any case of a wage gap is detected, the company takes prompt measures to close it.

As a testament to its dedication to providing fair and just wages, Vacmet India maintains digital records that substantiate its commitment to ensuring employees receive wages based on the minimum wage standards. It is with pride that Vacmet India Limited reports that, during the reporting period, no instances of wage gaps were identified, and all activities related to this commitment were carried out in an ethical and exemplary manner.

Exemplifying Responsible Leadership

Our unwavering commitment to responsible leadership is fortified by a robust governance framework that not only safeguards stakeholder value but also underscores our profound responsibility as a conscientious corporate entity. This commitment extends to every member of our board of directors, management, employees, and all stakeholders engaged in our operations, who are entrusted with the utmost integrity and accountability. Their collective dedication aims to enhance public perception, bolster our reputation, and elevate our overall performance.

At Vacmet, we have diligently nurtured a culture that champions transparency and accountability among all stakeholders, thus mitigating any potential conflicts of interest in our global operations. To uphold this commitment, the company has crafted policies encompassing ethical conduct, anti-bribery, and anti-corruption measures, as well as policies addressing the Prevention of Sexual Harassment and Whistle-Blower procedures. These policies extend their reach to encompass not only our employees but also our valued vendors, contractors, visitors, and board members. We actively encourage all our employees to familiarize themselves with these policies, which are readily accessible on our internal portals. It is imperative to note that in cases of policy violations, necessary legal actions will be taken.

Our business practices are consistently grounded in honesty and ethicality, and we unequivocally adopt a zero-tolerance stance against bribery and corruption in all our interactions and relationships. In the reporting period, we are proud to report that there were no instances of corruption within the Vacmet group. The Vacmet group diligently adheres to a formal annual performance appraisal system to assess the performance and remuneration of all our employees in accordance with our Career Progression Policy.

Our corporate ethos, defined by fairness, transparency, accountability, and responsibility, is deeply woven into the fabric of our business strategies and practices. These principles drive us to allocate resources toward uplifting the communities we touch, ensuring the well-being of our employees and the environment, and diligently integrating the triple bottom line principles into our business initiatives. Our commitment to internal control checks and balances further reinforces our adherence to corporate governance norms, safeguarding the interests of our stakeholders and enhancing our overall performance.

We maintain an unwavering focus on advancing stakeholder value, safeguarding the interests of our shareholders, nurturing the long-term financial health of our company, providing fair wages and safe working conditions for our employees while actively involving them in corporate decision-making. We remain dedicated to delivering quality products and services at competitive prices to our customers, employing environmentally friendly production methods, and contributing to the socio-economic development of the local community.

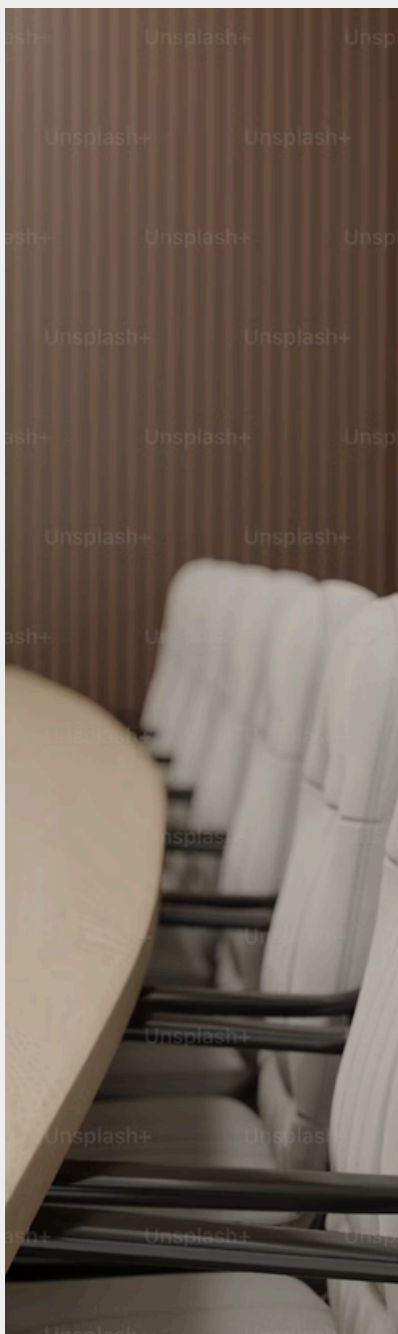
Our corporate philosophy is a living embodiment of our commitment to responsible and ethical business practices, fostering transparency, mitigating risks, and championing the interests of all our stakeholders. We recognize the importance of continuously enhancing our governance standards, and we remain vigilant in adhering to the norms of corporate governance while conducting our business ethically and responsibly.

DECLARATION OF ETHICAL CONDUCT AND COMPLIANCE

At Vacmet Group, we are committed to upholding the highest standards of ethical conduct and compliance. We take immense pride in declaring that, during the reporting year 2023-24, no cases of corruption, bribery, retaliation, discrimination, harassment, or information security breach were reported across our operational units. Our rigorous internal audit processes were instrumental in systematically examining and assessing the functioning of all facets of the Vacmet Group. These audits are designed to detect and rectify any deviations from our established ethical standards and compliance policies.

This declaration serves as a testament to our unwavering dedication to fostering an environment of integrity, transparency, and ethical excellence throughout the Vacmet Group. We remain steadfast in our commitment to maintaining these high ethical standards in the years to come.

Committees



Audit Committee



**Management
Information System
(MIS)**



**Corporate Social
Responsibility (CSR)**



**Nomination and
remuneration
Committee**

Committees

Strengthening Governance

The governance structure at Vacmet comprises six distinct committees, each endowed with dedicated functions that enhance their effectiveness. These committees comprise a mix of independent and non-independent directors. The Board of Directors has established these committees to foster excellence in governance:



Audit Committee

The Audit Committee plays a pivotal role in overseeing the financial reporting process and the. Disclosure of financial information, ensuring the accuracy, sufficiency, and credibility of financial statements. It also recommends the appointment, remuneration, and terms of auditors and approves payments for other services rendered by statutory auditors, among other responsibilities.



Corporate Social Responsibility (CSR) Committee

This committee formulates and recommends a CSR initiative to the board, outlining the activities Vacmet will undertake in accordance with Schedule VII . It suggests the annual allocation for CSR activities, evaluates whether Vacmet will directly or indirectly engage with an NGO for CSR initiatives, and monitors the CSR policy, projects over time



Committees

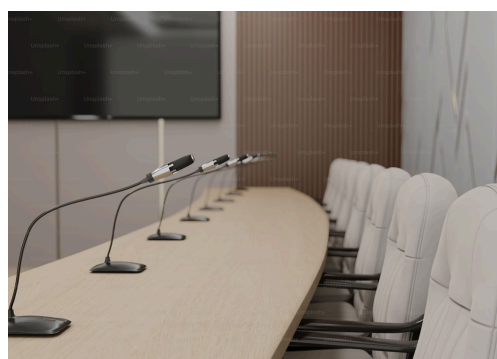


Management Information System (MIS)

Vacmet has a dedicated management committee known as the Management Information System (MIS), which convenes monthly meetings to comprehensively address various aspects related to stakeholder measures and financial measures. These meetings play a crucial role in the company's governance framework. Additionally, based on the insights and findings from the MIS meetings, quarterly meetings of the Board of Directors are conducted. These board meetings are instrumental in addressing and strategizing actions related to the matters that have emerged from the MIS discussions.

The MIS committee is committed to addressing grievances raised by security holders, both internal and external during this period. This includes effectively managing and resolving complaints related to financial concerns, security issues and any other grievances that may arise within or outside the organization.

Furthermore, the MIS meetings provide a platform to delve into various financial measures. These discussions encompass topics such as managing short-term loans, optimizing working capital facilities, deploying surplus funds, and exploring other financial considerations that are essential for the organization's financial well-being and sustainability.



Nomination and remuneration Committee

The Nomination and Remuneration Committee is a board committee responsible for identifying and recommending suitable candidates for key appointments, developing policies on executive compensation, and ensuring that remuneration aligns with company performance and shareholder interests.

It also assesses the performance of the board and senior management, helping maintain a balanced, skilled, and effective leadership team. The NRC plays a crucial role in promoting good governance and ensuring that the company attracts and retains top talent while maintaining transparency and accountability in executive compensation.

Risk Management

Our Ongoing Commitment

Effectively managing risks is a continuous process that involves understanding, analyzing, and fortifying resilience across all operational units. At Vacmet, our integrated risk management approach enables us to comprehensively map and manage both non-financial and financial risks. To enhance the efficiency of our risk management efforts, we employ a combination of centrally issued policies and locally tailored procedures.

- **A robust organizational planning system that sets challenging goals and formulates detailed plans for goal achievement.**
- **A risk assessment system that identifies potential threats to plan attainment and develops contingency plans for risk mitigation.**
- **An internal review mechanism that tracks plan progress and ensures timely remedial actions to minimize deviations.**



Risk Management

- **Competition and Business Cycle Risk**
- **Price Volatility Risk**
- **Trade Defense Risk**
- **Liquidity and Solvency Risk**
- **Credit Risk**
- **Project Implementation Risk**
- **Geographic Risk**
- **Regulatory Risk**
- **Environmental and Sustainability Risk**

01

Competition and Business Cycle Risk

Mitigation Measures:

Vacmet's approach to refining our sales portfolio is driven by a commitment to enhancing value and mitigating risk. We have thoroughly evaluated our methodology for determining the proportion of High Value-Added (HVA) films—products distinguished by unique features and specific applications that cater to distinct customer needs. By focusing on HVA films, Vacmet has effectively reduced earnings volatility.

Over the past four years, we have strategically increased the share of HVA films in our sales turnover, resulting in promising outcomes. These advancements highlight our dedication to continuously adapting and refining our strategies to better serve our customers and stakeholders, while promoting sustainable growth.

02

Price Volatility Risk

Mitigation Measures:

At Vacmet, we are acutely aware of the challenges presented by price volatility in the dynamic raw materials market. We address this risk with a steadfast commitment to maintaining our stability and ensuring consistent reliability for our customers.

To effectively manage the complexities of global and local input price fluctuations, Vacmet continuously monitors these trends. Our procurement strategies are carefully aligned with these insights, enabling us to make informed decisions that benefit both our operations and our valued customers. While we recognize that raw material price movements impact the entire industry, our goal is not only to achieve a competitive edge but also to promote a fair and sustainable environment for all market participants. Our strength lies in our geographical and product diversification, which serves as a protective shield against the volatility of raw material prices.

This diversification enhances our ability to maintain pricing and margins, thereby providing stability in the face of market uncertainties. We remain steadfast in our commitment to delivering quality products and services while managing the complexities of price volatility. Our focus is not only on our own resilience but also on contributing to the stability of the industry as a whole.

03

Trade Defense Risk

Mitigation Measure

At Vacmet, we tackle the challenge of trade defense risk with utmost diligence, dedicated to safeguarding our operations and the interests of our stakeholders. We recognize the critical importance of protecting ourselves from potential repercussions of anti-dumping actions and trade barriers imposed by importing countries. To mitigate the impact of such risks, we have implemented several proactive measures. Our diversified presence across multiple countries enhances our resilience, ensuring that we can continue to effectively serve our customers even amidst trade challenges.

Additionally, our extensive global product portfolio enables us to adapt to shifting market dynamics and reduce our vulnerability. By offering a comprehensive range of products, we can make strategic adjustments to minimize the effects of trade-related disruptions. In line with our commitment to fair trade practices, we also take steps to protect ourselves against unfairly traded or subsidized imports from other countries. We are committed to maintaining a level playing field and take our role in the global trade landscape seriously.

Our proactive approach to managing trade defense risk underscores our dedication to protecting our operations and sustaining our ability to serve our valued customers and partners.

04

Liquidity and Solvency Risk

Mitigation Measures:

Ensuring Financial Resilience through Prudent Planning

At Vacmet, we adopt a cautious and proactive approach to financial management, prioritizing the resilience of our operations amidst various challenges. A cornerstone of our financial strategy is maintaining robust free cash flows and substantial unutilized credit lines.

These financial resources are not just numbers on a balance sheet but essential to managing our ongoing expansions, which are crucial to our growth trajectory. With these resources at our disposal, we are well-positioned to support our expansion initiatives, ensuring they align with our strategic goals and proceed smoothly. Additionally, we understand that the business environment can be unpredictable, and unforeseen contingencies may arise. Our strong financial position, supported by healthy cash flows and credit lines, provides the flexibility and stability necessary to address any unexpected challenges effectively.

Our commitment to sound financial management reflects our dedication to fulfilling our responsibilities to stakeholders, including employees, customers, and investors. By maintaining these financial resources, we are equipped to honor our promises and advance our mission of sustainable growth.

05

Credit Risk

Mitigation Measures:

Ensuring Financial Stability through Prudent Credit Risk Management

At Vacmet, we prioritize the management of credit risk as a critical component of our financial stability. Our commitment to maintaining a robust internal credit risk management framework, combined with an extensive credit insurance policy, enables us to address the complexities of credit risks with prudence and foresight. We recognize that the current climate effects and stakeholder compliance requirements have heightened the risk of defaults and payment delays. Despite these challenges, we assure our stakeholders that our dedication to sound credit risk management remains resolute.

Our credit risk management system, refined over the years, plays a crucial role in mitigating these risks. Additionally, our enduring relationships with valued customers are foundational to our ability to manage credit risks effectively. These relationships, built on trust, transparency, and mutual support, help us navigate turbulent times together.

While we acknowledge the genuine concerns regarding defaults and payment delays, we are confident that our proactive measures and resilient credit risk management practices will enable us to overcome these challenges. Our aim is not just to navigate these difficulties but to emerge stronger, continuing to serve our customers and stakeholders with unwavering dedication.

06

Project Implementation Risk

Mitigation Measures:

Ensuring Successful Project Implementation through Diligent Risk Mitigation

At Vacmet, we recognize that initiating new projects inherently involves risks. Nevertheless, we are committed to ensuring their successful execution, even when faced with unforeseen challenges. To manage these risks effectively, we employ a comprehensive approach. We assemble dedicated project management teams whose expertise and commitment are crucial for overseeing every aspect of project execution. This meticulous supervision ensures that projects adhere to plans and stay within budget.

Corporate management also plays a key role in our project management framework. Their strategic guidance and hands-on involvement are essential for making informed decisions and steering projects towards successful outcomes. Additionally, we include protective clauses in our contractual agreements and utilize appropriate insurance products. These measures serve as safeguards, providing a safety net in case unexpected issues arise.

While we are confident in our ability to complete new projects on time and within budget, we acknowledge the potential for unpredictability. Our commitment to resilience, adaptability, and proactive risk mitigation equips us to handle any unforeseen challenges effectively.

Our unwavering dedication to excellence and our proactive approach to overcoming obstacles define our project implementation strategy at Vacmet.

07

Corporate Risk

Mitigation Measures:

Diverse Manufacturing Locations for Resilience

At Vacmet, we take great pride in our strategically positioned manufacturing facilities across India and our extensive distribution networks in U.K., Europe, USA, Middle east and African countries. This geographical diversity is a key element of our strategy, designed to enhance our resilience in the face of various challenges.

We want to emphasize that our comprehensive analysis and ongoing monitoring lead us to believe that occasional challenges will not have any adverse long-term effects. Our dedication to adaptability, diversification, and meticulous strategic planning has been crucial in maintaining our resilience amidst uncertainties.

Our unwavering determination to overcome obstacles drives our success and ensures that we consistently deliver reliable products and services to our valued stakeholders.

08

Regulatory Risk

Mitigation Measures:

Stringent Adherence to Regulatory Standards

At Vacmet, our commitment to the highest standards of quality and safety is unwavering. In our pursuit of excellence, we strictly adhere to the regulatory directives set forth by the United States Food and Drug Administration (USFDA) and the European Commission (EC) for food packaging applications. These directives are not mere guidelines for us; they are the cornerstone of our operations. We recognize the critical role we play in ensuring the safety and integrity of food products that reach consumers worldwide. As such, we leave no room for compromise when it comes to compliance.

Our rigorous adherence to these directives is not just a regulatory obligation; it's a reflection of our deep responsibility towards the well-being of consumers. We understand that food packaging is the final barrier between our products and the food we all consume, and we take that responsibility very seriously.

Rest assured that every step of our production process is meticulously designed and executed to meet, and often exceed, the stringent requirements laid out by the USFDA and EC. We believe that this commitment to uncompromising quality is a testament to our dedication to both our industry and the health and safety of our customers.

We remain steadfast in our pledge to maintain the highest standards in food packaging, and we consider it an honor to contribute to the safety and satisfaction of consumers around the world.

Environmental and Sustainability Risk

Mitigation Measures:

Pioneering Sustainable Solutions

In our relentless pursuit of sustainability, Vacmet is deeply committed to exploring and implementing innovative approaches to address environmental concerns. We recognize that the plastics industry, to which we belong, plays a pivotal role in shaping a sustainable future for our planet.

As an industry leader, we are actively engaged in various initiatives aimed at providing sustainable solutions. These initiatives encompass a wide array of endeavors, all geared towards reducing our environmental footprint and fostering a more eco-conscious world.

One such endeavor involves increasing the use of recycled Polyethylene Terephthalate (rPET) content in packaging materials. By incorporating higher percentages of rPET, we contribute to the reduction of virgin plastic consumption, thus conserving valuable resources and curbing plastic waste.

Moreover, we are fervently pursuing the development of single substrate packaging solutions. These solutions not only simplify the recycling process but also reduce the overall environmental impact of packaging materials.

At Vacmet, we view sustainability as both a responsibility and an opportunity. We are dedicated to pioneering these sustainable solutions not just for our industry but for the betterment of our planet. Together, with a shared commitment to a greener future, we can achieve meaningful progress and leave a lasting legacy of environmental stewardship.



Strengthening Our Internal Control Systems

"At Vacmet, we take great pride in our corporate governance policies and frameworks, which form an integral part of our internal control systems. These systems are diligently overseen by our audit committee, ensuring the highest standards of transparency and accountability.

Our Internal Control Systems (ICS) at Vacmet serve several crucial purposes:

Statutory Compliance

We prioritize adherence to the statutory compliance framework and continuously evaluate its effectiveness. This commitment helps us uphold the highest standards of corporate responsibility.

Risk Management

We employ a well-defined risk control matrix in accordance with Internal Financial Control (IFC) guidelines. This matrix aids us in evaluating, managing, and mitigating risks that may arise in our operational landscape.

Business Plan Oversight

Regularly, we review and assess our business plans and objectives to ensure alignment with our broader goals and strategic vision.

Asset Protection

Protecting Vacmet's assets from unauthorized usage is a top priority. We have robust mechanisms in place to safeguard our resources.

Fraud Prevention & Detection

We remain vigilant in preventing and detecting fraud and errors. This commitment to ethical conduct underscores our corporate culture.

Policy Compliance and Delegation of Authority

We diligently adhere to our internal policies and maintain a clear delegation of authority to ensure efficient decision-making processes.

IT Security Validation

Our IT security controls are subject to continuous validation to protect our data and ensure the integrity of our systems.

Financial Reporting

Timely and reliable financial reporting is paramount. We invest in systems and practices to ensure that our financial statements and information meet the highest standards of accuracy and transparency.



On an annual basis, our internal auditor reports undergo rigorous review and analysis by both the audit committee and our board.

Our Enterprise Resource Planning (ERP) system plays a pivotal role in enabling timely financial reporting for Vacmet. It harnesses in-built IT controls across our major business processes, enhancing efficiency and accuracy.

By integrating internal audits, management reviews, and audit committee interventions, while steadfastly enforcing firm-wide policies, Vacmet conducts its operations with precision across diverse geographical locations.

Below is an inclusive list of some of the key policies that govern our operations

- • Environmental Policy
- • Business Ethics Policy
- • OHS Policy
- • Employee Hygiene Policy
- • No Jewelry Policy
- • Injury Rate Compliance Policy
- • Sustainable Procurement Policy
- • Labor and Human Rights Policy
- • Non-Discrimination & Anti-Harassment Policy
- • Policy for freedom of association and collective bargaining
- • IT Security Policy
- • Record Retention Policy
- • Whistle Blower Policy
- • Product Safety Policy
- • Suppliers Code of Conduct
- • Suppliers Environmental Questionnaire
- • Anti-Competitive Policy
- • Waste Management & Recycling Policy

Engaging with Key Concerns

At Vacmet, we steadfastly commit ourselves to a journey of continuous improvement and the earnest resolution of issues that hold genuine significance. Our approach is rooted in proactive engagement with our stakeholders, a practice we uphold with unwavering dedication.

Through regular, open dialogues, we seek profound insights into what matters most to our stakeholders and how these concerns intersect with our business objectives. This dialogue empowers us to redefine our strategic priorities, foster enduring relationships, and ultimately, fortify our position as a sustainable and responsible company.

We fully acknowledge the invaluable role played by our stakeholders, including customers, partners, employees, and the communities we serve. Their perspectives act as guiding beacons as we navigate the dynamic terrain of sustainability and corporate responsibility. By actively listening to and earnestly addressing these significant concerns, we aspire to shape a more sustainable future and contribute positively to the well-being of all our stakeholders.

Stakeholder engagement and materiality: A Commitment to Balance

At Vacmet, we accept our responsibility to meet stakeholder expectations, a crucial endeavor that positions our business more favorably and elevates the value we offer. Through diligent stakeholder engagement and a robust materiality assessment process, we strike a delicate balance between financial and non-financial expectations. This assessment is pivotal in identifying key aspects that could profoundly impact both our stakeholders and our organization. During this reporting period, we revisited our central business priorities through a rigorous materiality assessment.

Engaging with Key Concerns

Over the years, we have meticulously cultivated practices that facilitate open, constructive dialogues with our stakeholders. These practices reinforce our comprehension of relevant matters and enable us to identify what attributes make our stakeholders essential to our business, warranting meaningful engagement. Stakeholder engagement represents an opportunity to serve our stakeholders optimally, redefine our strategies, and deliver maximum value. Effective engagement is a bedrock upon which trust between a company and its stakeholders is built. We strongly believe in collaboration and partnership with our stakeholders.

Regardless of our global reach and commitments, our people remain central to our journey's success. By involving our stakeholders in decision-making, product and process enhancement, we create an enabling environment for mutual growth. Within the Vacmet Group, we cultivate partnerships, foster impactful collaborations, and explore uncharted possibilities to create, preserve, and enhance value for all stakeholders. Inclusivity is the hallmark of our stakeholder engagement approach. From the communities we operate in to the shareholders who place their faith in our business goals, we have developed structured engagement plans to ensure that no one is excluded from our pursuit of becoming a leader in the circular economy. Our approach respects the unique interests, expectations, and concerns of each stakeholder.

Our Stakeholders: The Heart of Our Endeavors

We have meticulously identified and prioritized both our internal and external stakeholders based on their relative significance and impact on our business, and vice versa. Stakeholder engagement is a multi-stage process that involves the identification and prioritization of stakeholders, determination of the means and modes of engagement, and the continuous management of stakeholder expectations. Below, you'll find a list of Vacmet's key stakeholders:

- Employees
- Customers/Brand Owners
- Service Providers/Human Resource Providers
- Government/Regulators
- Suppliers/Business Partners
- Insurers
- Equipment Providers
- Communities

Stakeholder engagement framework

Our sustainability endeavors bring together stakeholders from across our value chain to collectively confront the most pressing environmental challenges facing the packaging industry. Systematic channels of interaction with our stakeholders are intricately woven into our business processes. These channels encompass one-on-one and annual general meetings, training sessions, group discussions, surveys, supplier and customer meetings, as well as mechanisms for addressing grievances. Stakeholder concerns are rigorously assessed and strategically addressed at the highest level of our organization. It is our unwavering goal to strengthen our stakeholder engagement mechanisms and continuously broaden stakeholder participation. The stakeholder engagement framework embodies how we connect with our stakeholders and address their principal concerns. Importantly, during this reporting year, no critical concerns of a significant nature were identified.

Stakeholder involvement with Vacmet group

Stakeholder	Involvement Activity	Appertain to
Board / Customer	<ul style="list-style-type: none"> • Industry forums • Emails/ Meetings /telecommunication, product stewardship • Supplier meets 	<ul style="list-style-type: none"> • Product and service • Business ethics • Quality • Intellectual property protection • Customer data protection and privacy • Digital dashboards and real-time monitoring • Product life cycle impact • Packaging material, disposal/recycling
Employees	<ul style="list-style-type: none"> • Meetings, safety committee • Employee surveys • Team building workshops Capacity building and training • Annual appraisals • Employee newsletters • Rewards and recognitions Volunteering opportunities 	<ul style="list-style-type: none"> • Workplace safety, Employee welfare, IR issues • Professional growth • Employee benefits and other facilities, • Diversity at the workplace • Leadership connects sessions • Professional growth • Equal opportunities • Wages and benefits • Work-life balance
Government and Regulators	<ul style="list-style-type: none"> • Engagement on a need basis • Industry-level consultations • Participation in forums 	<ul style="list-style-type: none"> • Compliance • Sustainable practices • Inclusive growth
Business partners/ suppliers and service providers	<ul style="list-style-type: none"> • Contract agreements • Direct interactions • Supplier meets • Industry associations 	<ul style="list-style-type: none"> • Payment processing cycles Business ethics and transparency Sustainability performance • Regulatory compliances
Communities and NGO's	<ul style="list-style-type: none"> • Direct engagement • Dedicated CSR team • CSR projects and initiatives • Visits and camps • Needs assessments 	<ul style="list-style-type: none"> • Community development (education, healthcare, sanitation, water) • Livelihood creation • Other social benefits • Local sourcing of labor • Managing conflict

Customers and Suppliers

Customers and suppliers play pivotal roles as essential pillars within the intricate architecture of our global operations. They are, in many ways, an extension of our workforce, directly contributing to the main delivery of our products across the world. As enablers of our business functions, both customers and suppliers occupy central positions in the orchestration of our day-to-day operations. Their seamless collaboration and unwavering commitment remain essential elements of our ongoing success. We recognize the critical nature of their contributions, and their partnership is at the very heart of our endeavors.

Recognizing the Diversity of Our Stakeholders

At Vacmet, we deeply value and acknowledge the diversity within our stakeholder community. This diverse group encompasses a wide spectrum of stakeholders, including our suppliers, external manufacturers, customers, our contractual workers and our dedicated employees. We hold it as our duty to actively engage with each of these vital stakeholder groups on a periodic basis, making it an integral part of our reporting process and overarching strategic planning.

Engaging with Our Customers

Our global footprint extends across all major regional markets and countries, boasting a diverse clientele of approximately 1255 clients.

At Vacmet, we continually focus on product innovation to meet the evolving needs of our clients while ensuring cost-effectiveness for brand owners. This approach is a testament to our dedication to improving product performance, enhancing sales, and minimizing expenses.

Collaboration is at the crucial of our customer relationships. We actively engage with our customers, fostering a proactive partnership that keeps us competitive in the market. We specialize in providing innovative packaging substrate solutions tailored to the requirements of our intermediaries, customers, and their discerning consumers.

Consumer expectations have evolved, and we are attuned to their desire for convenient packaging features. What sets us apart is our unwavering commitment to exploring novel approaches to enhance customer satisfaction through innovative solutions.

Some of our notable innovations include:

- Embracing a 'lean innovation model' to consistently create enduring value for our customers.
- The New Product Development (NPD) department's introduction of value-added products, guided by a well-defined customer engagement process that aligns precisely with customers' requirements.

Our commitment to addressing customer grievances is unwavering. We maintain a robust system for resolving customer complaints, ensuring that most issues are addressed within specified timelines.

We understand that feedback is an ongoing process, and in the ever-evolving business landscape, continuous improvement is paramount. To gauge our competitiveness in the industry, we periodically measure customer satisfaction and strive to understand their evolving expectations. We actively seek feedback from our customers through annual direct mail questionnaires, a practice in line with the ISO 9001 standard. Our dedicated marketing division is responsible for conveying customer needs to our production and technical teams, ensuring a concerted effort to enhance customer satisfaction.

Supplier Agreement

At Vacmet, we hold a deep commitment to all aspects of our business operations, recognizing the pivotal role that our supply chain partners play. They are the foundation of our operations, enabling us to fulfill our mission of delivering high-quality services to our valued customers.

Our robust Supply Chain Management (SCM) framework forms the cornerstone of our procurement process, providing crucial oversight of the environmental, social, and economic impacts within our value chain. We take great pride in our dedication to sourcing raw materials locally whenever possible, enhancing both our efficiency and our support for local communities.

As a testament to our unwavering commitment to responsible business practices, Vacmet Group has established comprehensive regulations, including the Supplier Code of Conduct, which applies to all relevant suppliers within our supply chain. This code reflects our core values and sets clear expectations for ethical conduct, transparency, and responsibility from our esteemed supply chain partners.

These policies go beyond mere guidelines; they represent our steadfast commitment to conducting business ethically and responsibly. Our Supplier Code of Conduct serves as the foundation upon which we build trust-based business relationships that promote shared value. Through strict adherence to our code of conduct and our regular communication and engagement, our supply chain partners play a crucial role in advancing our mission of fostering a culture characterized by integrity, honesty, and accountability. Together, we strive to create a thriving ecosystem that benefits all involved.

Vacmet Group conducts annual assessments of its suppliers to ensure their effective adherence to Vacmet's Supplier Code of Conduct. This evaluation process includes conducting awareness sessions for suppliers, buyers, or customers to familiarize them with Vacmet's Supplier Code of Conduct and Sustainable Procurement Policy. After the awareness sessions, participants are asked to complete a questionnaire, providing valuable insights into the actions taken by suppliers, buyers, or customers related to environmental and social considerations.

This evaluation process also helps identify suppliers, buyers, or customers who demonstrate a proactive commitment to environmental stewardship within their respective supply chains.

Assessing Materiality for a Sustainable Future

In our pursuit of a sustainable path forward, one of the foundational steps we undertake is the process of materiality assessment. This essential exercise helps us pinpoint what truly matters – the "material issues." It is through this assessment that we not only identify these critical concerns but also lay the groundwork for developing sustainable initiatives and transparently communicating our actions to our stakeholders.

Materiality assessment serves as a compass guiding our sustainability endeavors. It enables us to meticulously identify, review, and analyze the potential Environmental, Social, and Governance (ESG) issues that may have a profound impact on Vacmet's operations and, by extension, our valued stakeholders.

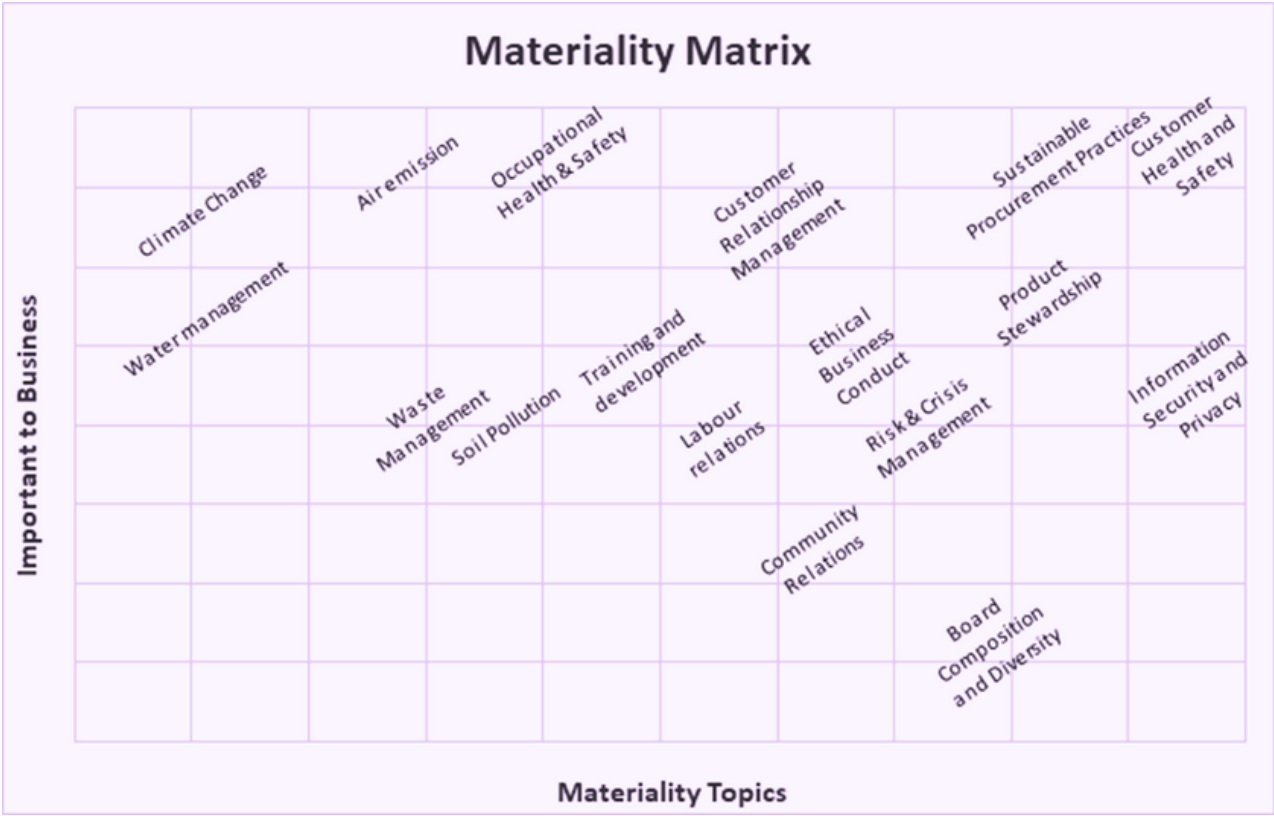
Our aspiration is not merely to conduct this assessment but to seamlessly integrate its outcomes into Vacmet's overarching corporate strategy. By doing so, we aim to elevate our sustainability objectives and forge a path that aligns with Vacmet's enduring commitment to a more sustainable future.

Materiality Matrix

Key Materiality Topics for Vacmet: Shaping Our Commitments

In our ongoing quest for sustainability and responsible corporate practices, we recognize the importance of focusing on key materiality topics. These areas of concern guide our actions and decisions, reflecting our commitment to address the most significant issues that impact our stakeholders and our business.

These materiality topics collectively shape our commitments and drive our actions as we endeavor to create a sustainable and responsible future



Delivering Value: Our Commitment to Sustainability

At Vacmet, our unwavering commitment revolves around striking a delicate balance between growth and the sustainability of our earnings. We take immense pride in our distinctive operating model, strategic positioning, and multifaceted strengths that have culminated in the creation of a business platform that is inherently unique and challenging to replicate.

Central to our journey is a set of deeply ingrained and enduring values that guide our every move. These values underscore our dedication to recognizing opportunities, perpetually enhancing our performance, and nurturing a culture of excellence and growth.

Our collective efforts are intrinsically tied to the sustainable creation of value, a commitment that resonates across our entire spectrum of stakeholders. We believe that true success lies not only in the value we create for ourselves but also in the value we bring to our customers, partners, employees, and the communities we serve.

By adhering to these principles, we aspire to remain a steadfast contributor to a brighter and more sustainable future for all.



Vacmet financial performance and strategic stewardship

In the foreseeable future, the global demand for thin PET film is projected to grow at a moderate rate of approximately 5%-6%, with the demand in India anticipated to expand at a more robust rate of 8%-10%.

This growth trajectory presents opportunities for companies that can consistently deliver quality products, boast diverse product portfolios, serve multinational clients, and maintain resilient supply chains.

At Vacmet, our unwavering focus is on achieving a delicate equilibrium between growth and the enduring sustainability of our earnings. Our success story is underpinned by a distinctive operating model, strategic positioning, and a multifaceted strength that collectively forms the bedrock of a business platform that is exceptionally challenging to replicate.

Vacmet Global Perspective

With one of the largest capacity for BOPP, BOPET Films, Metallized Paper in India, We stand tall on the strength of our globalized resource base. Our industry-leading capacity utilization stems from our unwavering commitment to higher productivity and lower operational losses. Our ever-expanding product portfolio, robust customer relationships, and a business model that seamlessly integrates on-shore and near-shore operations further enhance our competitive edge.

Leadership in BOPP, BOPET Film & Metallized Paper Industry

Our integrated asset base, technical expertise, vertical integration, diverse product portfolio, extensive customer profile, and robust financial strength collectively position us as leaders in the global BOPP, BOPET Film, Metallized Paper industries. These attributes serve as the cornerstone upon which we build a profitable and sustainable foundation for the future.

Steadfast Strategy and Sustainability

Our long-term strategy, rooted in regional and product diversification, portfolio expansion (particularly in value-added and specialized segments), and ongoing operational excellence initiatives, has played a pivotal role in maintaining earnings stability throughout our journey.

Addressing Climate Change Challenges

We acknowledge our responsibility in addressing the global challenge of climate change. To fulfill this commitment, we meticulously measure and report our greenhouse gas (GHG) emissions, energy and water consumption, and waste generation across all our manufacturing units in India. Our dedication is demonstrated through innovative processes, risk identification, and management strategies related to raw materials, operations, employees, suppliers, customers, and products.

Innovations driven by our operations and innovation teams include the adoption of energy-efficient state-of-the-art machines and a pioneering shift towards renewable raw materials, low-emission direct energy sources, and enhanced water utilization in our conversion processes. We are acutely aware of physical and regulatory risks in our operations, and changes in weather patterns stemming from climate change pose physical supply chain distribution risks. In response, we have replaced our fossil fuel-based heating system with a biomass briquettes based heating system, contributing to a reduction in GHG emissions.

Our commitment to sustainability extends beyond mere rhetoric, as we actively engage in global initiatives focused on sustainability and the circular economy. By doing so, we aspire to play our part in creating a more sustainable and resilient future for our planet and all its inhabitants.

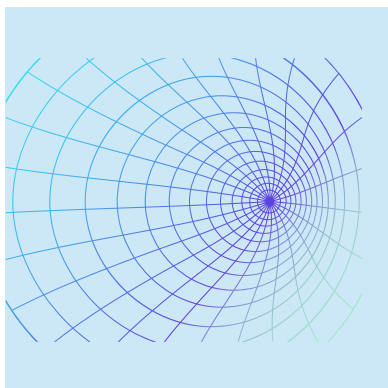
Financial impact of climate changes

Allow us to offer you a brief glimpse into our economic performance, a window through which you can witness the intricate tapestry of our financial achievements and aspirations. Our journey is characterized by resilience, adaptation, and a relentless pursuit of excellence.



A Global Perspective

We take immense pride in our global reach and substantial production capacity across the BOPP, BOPET Film, and Metallized Paper industries in India. This reflects our steadfast dedication to catering to a varied clientele with a broad spectrum of high-quality products. Our consistent ability to optimize capacity usage is a testament to our competitive edge, achieved through robust productivity initiatives and operational efficiency.



Funding the Future

Our approach to funding investments involves a judicious blend of internal accruals and loans. This financial prudence has enabled us to construct a cost-effective and high-quality asset base, ensuring our competitiveness across various market cycles



Leadership in the Industry

In the domains of BOPP, BOPET Film and Metallized Paper, we have established a leadership presence. Our leadership is fortified by our integrated and extensive asset base, technical expertise, vertical integration, diverse product portfolio, wide customer network, and robust financial foundation. Collectively, these pillars serve as the foundation of our prominent role within the global BOPP and BOPET film industry.

Financial impact of climate changes



Sustainability in Focus

At the core of our strategy lies a steadfast commitment to sustainability, which encompasses regional and product diversification, portfolio expansion with a particular emphasis on value-added and specialized segments, and an unwavering pursuit of operational excellence.

The Vacmet Group has embarked on a sustainable initiative, taking significant steps to develop and procure technology for recycling and reusing various materials, including:

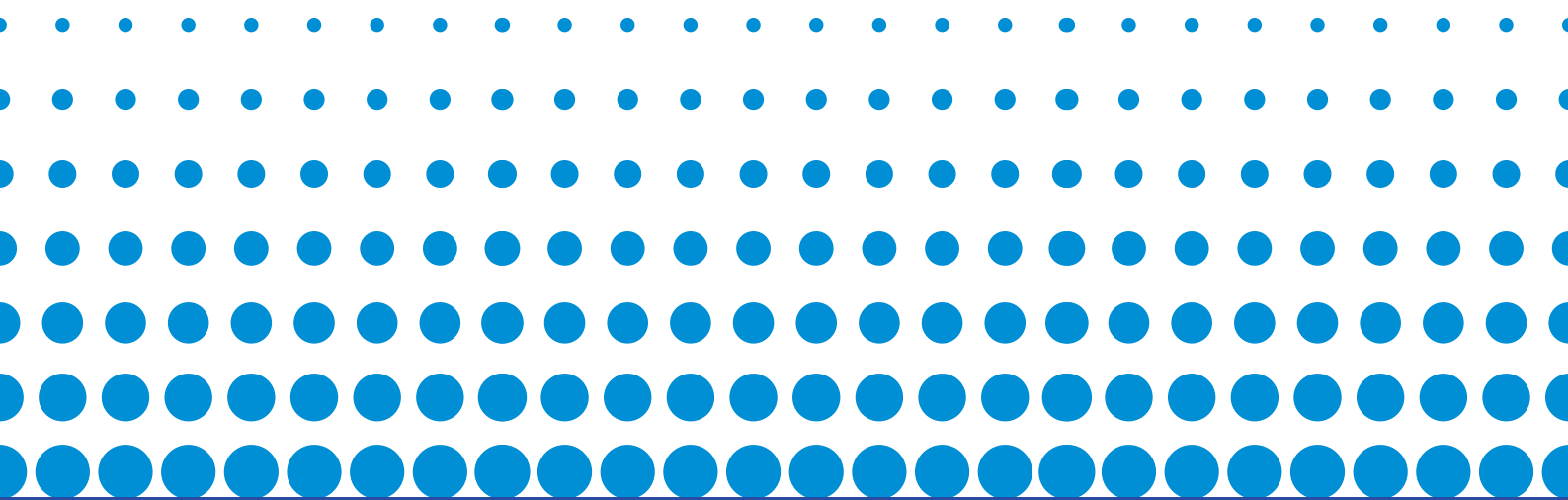
- Self-generated metallized film waste.
- Self-generated Lump Waste.
- Self-generated Lacquered Film waste.
- The development and commencement of manufacturing ECOVAC™ sustainable BOPET films, incorporating more than 50%, 70% and 90% post-consumer recycled material.
- Solutions created for single-family laminate structures in BOPET, such as Heat Sealable films.
- Planned investments in technology for the "Glycolysis" process to convert post-consumer recyclables into virgin PET Resin.
- Upcoming investments in a "Waste to Energy" initiative to handle non-recyclable post-consumer plastics by establishing an incineration unit.
- Innovations aimed at enhancing product performance, transitioning from multi-layer to two-layer, and eventually to single-layer structures.
- Implementing down-gauging techniques to reduce net plastic requirements by up to 50%.
- Working on reducing the mass of packaging by developing high barrier films as alternatives to aluminum foil in packaging laminates.

Championing Climate Responsibility

Our commitment extends to addressing climate change challenges. We meticulously measure and report greenhouse gas emissions, energy and water consumption, and waste generation of our unit. We approach this responsibility with innovation and a keen focus on risk identification and management.

Innovations within our operations encompass energy-efficient machinery, a transition to renewable raw materials, low-emission energy sources, and enhanced water utilization in our conversion processes. Additionally, we have implemented measures to mitigate physical risks associated with changing weather patterns due to climate change.

Our commitment to sustainability transcends words; it's a pledge we actively honor through participation in global sustainability initiatives. By doing so, we aspire to contribute meaningfully to a more sustainable and resilient future for our planet.





Strategic Initiatives

Meeting Market Demands and Expanding Our Horizons

In the fiscal year 2022-23, we embarked on a significant journey by commissioning a new production line at unit-5. This strategic move was driven by our commitment to meet the evolving demands of the market and diversify our product portfolio. As we set foot on this new path, we remain steadfast in our pursuit of excellence.

Investing in Synergies and Scalability

To harness the power of synergies, broaden our product range, and lay a scalable foundation for future growth, we increased our investments in specialized downstream products. These endeavors are a testament to our dedication to not only adapt but also thrive in an ever-changing business landscape.

Strength in Financial Prudence

Our financial profile stands as a testament to our commitment to a strong and sustainable future. A robust and liquid balance sheet empowers us with the flexibility to seize growth opportunities as they arise. This prudent approach allows us to navigate the dynamic business landscape with confidence.

Minimizing Waste and Maximizing Value

In our quest to boost the sales of specialty films while reducing wastage, we initiated modifications and planned upgrades for our existing manufacturing units in India. These improvements underscore our unwavering commitment to sustainable practices and operational excellence.

Pioneering Recycling and Renewable Resources

As part of our sustainability journey, we are venturing into a state-of-the-art recycling facility dedicated to post-consumer waste. This initiative aligns with the growing demand from consumer product companies for eco-friendly solutions. In Madhya Pradesh, India, we've recently expanded capacity for recycling both in-house and sourced plastic waste, exemplifying our dedication to a circular economy. We are committed to adopt renewable resources for energy generation such as 4 MW solar PV plant at unit-3 & unit-4 combined.

Tax strategy

We recognize the importance of a favorable taxation regime in sustaining our operations. This regime not only supports our financial stability but also bolsters our ability to invest in innovation and expansion, ultimately benefitting our stakeholders.

Leveraging In-House R&D Excellence

Our in-house research and development resources and expertise are pivotal in achieving technical excellence and introducing novel products. These resources empower us to continually enhance efficiency and synergy, fostering an environment where cross-learning and the sharing of best practices thrive.

Championing Sustainability with the 3R Concept

Our commitment to sustainability is reflected in the adoption of the 3R (reduce, reuse, and recycle) concept in crafting innovative packaging substrate solutions. This approach aligns with our dedication to responsible and eco-friendly practices.

Transparent Reporting of Fines and Penalties

We maintain full transparency by reporting any fines and penalties incurred. As of the latest information available, fines and penalties stand at nil for OSHAS as well as tax returns in the host country. These figures reflect our commitment to compliance and transparency.

Our journey is guided by principles of financial prudence, innovation, and ethical tax practices. We remain steadfast in our pursuit of excellence and responsible corporate citizenship, committed to creating lasting value for all our stakeholders.

Revolutionizing Packaging with High Barrier BOPP, PET & Paper

We've innovated the use of high barrier BOPP, BOPET & Paper, a breakthrough that has found success in high barrier product packaging application. This innovative solution streamlines packaging structures, converting a complex 3-layer design into a more efficient 2-layer configuration.

A Responsible Tax Strategy

Integrity and Transparency in Tax Matters
At Vacmet, we embrace our responsibility to pay appropriate taxes in all jurisdictions where we operate. Our interactions with tax authorities are marked by honesty, integrity, respect, and fairness. We prioritize professionalism and transparency in all dealings.

Planet for Future

As an international packaging company with far-reaching product footprints, we endeavor to incorporate a dynamic product design strategy that embraces the dual principles of sustainability and circular economy.



Environmental Stewardship

We believe in continuous improvement and reporting of our environmental performance. This is possible only through our commitment to reducing environmental impacts including waste management, water management, energy management, biodiversity and emissions. Being in the market as the global plastic film and metalized paper manufacturer, we have committed to improving our environmental and social impacts for a sustainable future. In order to achieve that we continuously ensure that we optimize our energy utilization, improve our waste management through reuse, recycle and reduce, thereby contributing to lowering our emissions.

As we move forward in our sustainable journey with a low carbon footprint and to implement a circular economy in our operations, we work in line with the global framework such as the Paris Agreement, net-zero, etc. We ensure that our employees are also aware of this regard through effective communication and training. As already mentioned, Vacmet strongly believes in the circular economy. This is accomplished through reducing environmental impact by recycling majority of the waste generated during the manufacturing process, recycling material grades, and employing energy-efficient technology, not to mention its effective transportation plan.

All these contribute to the reduction of our carbon footprint. We are always creating new strategies to improve our operations and reduce our GHG emissions. We take steps to decrease our environmental impacts by establishing a framework to receive complaints about environmental concerns, and as a result, address the issues. For the record purpose, there have been no significant fines and non-monetary penalties for non-compliance with any environmental laws and regulations in the last couple of years. We believe that this certification would help us in analyzing and reducing environmental issues. The certifications have given a framework that facilitates reviewing the company's environmental performance and identifying the sites outperforming others.

The objective of Vacmet is to mitigate its carbon footprint by reducing the consumption of energy per ton of production and reducing its virgin raw material per ton of production.

Committed to Continuous Improvement

We hold steadfast in our commitment to improving and transparently reporting our environmental performance. Our journey begins with an unwavering dedication to minimizing environmental impacts across various facets: waste management, water conservation, energy optimization, biodiversity preservation, and emissions reduction.

Walking the Sustainability Path

As a global leader in plastic film and metalized paper manufacturing industry, we understand the significance of reducing our environmental and social footprint for a sustainable future. To achieve this, we constantly optimize our energy utilization and enhance waste management through the principles of reuse, recycle, and reduce. These concerted efforts contribute significantly to our mission of lowering emissions.

Aligned with Global Frameworks

Our sustainable journey aligns seamlessly with global frameworks such as the Paris Agreement, net-zero emissions goals. We also prioritize awareness and training among our employees to ensure a collective commitment to these goals.

Championing the Circular Economy

At Vacmet, we wholeheartedly embrace the concept of the circular economy. This translates into practices like recycling a substantial portion of manufacturing waste, utilizing recycled material grades, and deploying energy-efficient technologies. Our extensive transportation plan further bolsters these efforts, effectively reducing our carbon footprint.

Continuous Improvement and Accountability

We relentlessly seek innovative strategies to enhance our operations and minimize greenhouse gas emissions. Our proactive approach involves establishing a robust framework for receiving and addressing environmental concerns. We are proud to report that we have incurred no significant fines or non-monetary penalties related to environmental non-compliance in recent years.

Reducing Our Carbon Footprint

Our primary objective at Vacmet is to mitigate our carbon footprint by reducing energy consumption per ton of production and decreasing virgin raw material usage per ton of production.

Driving Excellence through Certification

Our commitment to sustainability is reflected in our adoption of multiple international management system standards, including ISO 9001, ISO 14001, ISO 45001, ISO 22000, BRC, and FSC COC-01.2017. We've also made significant strides in reducing our reliance on virgin raw materials, as evidenced by our DIN CERTCO certification for recycled content verification. Our development of innovative solutions like RPET and our optimized global operations further demonstrate our dedication to supporting a circular economy and contributing to global sustainability efforts.

Unit Number	Standard
Unit 3	<ul style="list-style-type: none">• ISO 9001:2015• ISO 22000:2018• ISO 14001:2015• FSC COC-01.2017
Unit 4	<ul style="list-style-type: none">• ISO 9001:2015• ISO 22000:2018• ISO 14001:2015• ISO 45001:2018• DIN-EN ISO 14021
Unit 5	<ul style="list-style-type: none">• ISO 9001:2015• ISO 22000:2018• ISO 14001:2015• ISO 45001:2018• ISCC Plus• BRCGS Issue-6• DIN-EN ISO 14021

Materials Management

Vacmet is working to make better use of resources and diversify its supply chain by using recycled materials. We want to address the risks of resource depletion spurred on by increased demand as well as the environmental consequences of raw material mining and plastic use.

Our recycling activities are based on the concept that a natural resource can be recycled once it has been processed with better quality and minimum environmental impact. We seek raw materials that minimize the environmental impacts of our products and reduce our reliance on virgin resources. We choose the raw materials that go into our packaging based on their ability to protect the product and their capacity to minimize the environmental footprint of our packaging. We are releasing several products revamps that utilize less material, more recycled content while maintaining the product’s structure and performance qualities.

Despite the hike in raw material prices, the impact has been passed on to the customer because of the improved demand-supply scenario. We have devised several projects aimed at lowering raw material use and reusing post-consumer and process waste as raw material.

It is to be noted that, the Production details of all the critical products are represented in the above given table.

Production Quantity in Metric Tons	
Segment	Quantity
BOPP Film (Including Metalized and Coated)	92,484
BOPET Film (Including Metalized and Coated)	1,35,099
Metallized Paper	7,803

Efficient Materials Management

Championing Resource Efficiency

Vacmet is dedicated to optimizing resource utilization and diversifying our supply chain through the integration of recycled materials. We actively address the risks associated with resource depletion driven by surging demand and the environmental repercussions of raw material extraction and plastic usage.

Recycling for a Greener Tomorrow

Our recycling initiatives are founded on the belief that a natural resource can be rejuvenated with higher quality and minimal environmental impact after processing. We carefully select raw materials for our packaging based on their ability to protect products and minimize our packaging's environmental footprint.

Innovative Product Revamps

Even in the face of rising raw material prices, we've implemented several projects aimed at reducing raw material consumption and harnessing the potential of post-consumer and process waste as valuable raw materials. Through our relentless research and development initiatives, we actively promote the use of bio-based renewable energy sources in the production of BOPP, BOPET & Metalized Paper in units 2, 3 & 4.

Our journey toward sustainability and responsible materials management is a testament to our unwavering commitment to creating a better, greener world for all.



Energy Management

At Vacmet, we hold a strong conviction in the importance of embracing a comprehensive energy management strategy throughout our organization to improve our financial sustainability and safeguard the environment for generations to come. Our devoted team has put into practice several best practices in energy management that are in harmony with our objectives to reduce GHG emissions. For the carbon accounting period of FY 2023-24, the collective energy usage across all operational units of Vacmet Group, attributed to electricity consumption, amounted to approximately 216,450 MWh, resulting in an estimated GHG emission of around 1,54,978 metric tons of CO₂ equivalent.

Our Energy Journey

Total GHG Emissions (in MT of CO ₂ e)		
Unit/Year	CY 2022*	FY 2023-24
Unit 1	NA	2447
Unit 2	9064	7861
Unit 3	31149	21366
Unit 4	404600	360257
Unit 5	617588	658426
Total	1062401	1050357
Total Production (MT)	228462.53	235387
GHG Intensity	4.74	4.46

** The GHG emission figures for CY 2022 differ due to revisions in our reporting, which now covers a broader range of scopes and includes enhanced reporting practices. Additionally, we have shifted to reporting based on the financial year, rather than the calendar year, to align GHG emissions reporting with our financial metrics measurement.*

As indicated in the table above, it is evident that there has been a notable reduction in GHG intensity during the reporting year FY 2023-24 when compared to the CY 2022. This reduction in GHG intensity can be attributed to the energy-saving measures adopted by Vacmet India Limited as part of this commitment to environmental stewardship initiatives.

Energizing Efficiency

Vacmet has been working continuously for past several years energy conservation and have been embarking on the way towards sustainability by taking various sustainable measures. During the year 2023-24, we have taken following major steps towards environmental sustainability and Energy conservation:

- Effectively Rationalized the power utilization between Grid and Open Access
- CT fan usage was discontinued and CLCT was installed for the BOPET Unit 4 Metallizer
- Modification in line 3 Cooling tower and Metallizer by replacing the pumps
- Balancing of water supply in chiller in unit 4
- Power Conservation Activities in unit 5
- PET Coke saving by process optimization in unit 5
- Use of PCR in Polyester film Manufacturing

CT fan usage was discontinued and CLCT was installed for the BOPET Unit 4 Metallizer

- 55kw CT pump stopped after CLCT installation in unit 4 PET Metallizer in May-2023. Electrical load of CLCT is 22kw. Total savings 33kw/hr to get net reduction in power requirement by 261360 kWh during the year 2023-24. By doing this modification, we also saved electricity by reducing power load in BOPP production. Total power saving by reduction in BOPP power load during the year 2023-24 (as compared to year 2022-23) was 469612 kWh.
- Put together, total power saving during the year 2023-24 by this initiative was 730972 kWh, which is equivalent to 621 MT of carbon emission.

Modification in BOPP Cooling tower and Metallizer by replacing the pumps

- 42m head pump having 55KW power replaced with 28m head pump having capacity of 25 KW in Line#3 Cooling Tower to save 30kw/hr of power requirement.
- 352m³/hr chilled water pump having 75 KW power replaced with 260m³/hr pump having 45 KW power. Total savings 9kw/hour.
- Above initiatives have saved us total of around 155520 kWh of power, which reduced the carbon emission by 132 MT during the year 2023-24.

Balancing of water supply Line 3 in chillers

- 45 KW CT pump stopped after balancing water supply flow in chiller. Now flow kept 265m³/hr. savings is 45 KW/hour. Job was done in Dec 2023. This modification saved us 129600 KWh of power, which reduced the carbon emission by 110 MT during the year 2023-24.

Power Conservation Activities in unit 5

- Through Process optimization in production area, we saved around 178800 kWh of Electrical energy during the year 2023-24 which reduced the carbon emission by 152 MT.
- Through Various improvement activities in Utility Section, we saved around 1952252 kWh of Electrical energy during the year 2023-24 which reduced the carbon emission by 1660 MT.

PET Coke saving by process optimization in unit 5

- Through implementation of various checks and controls in operations, we saved around 822 MT of PET coke during the year 2023-24 as compared to year 2023-24. This action has resulted in net reduction in Carbon emission by 2605 MT during the year 2023-24.

Use of Post-Consumer Recycled (PCR) material for BOPET film Production

- As a responsible BOPET Film manufacturer and in line with our sustainability goals, we have been continuously focusing on increasing the use of Post-Consumer Recycled material to make sustainable BOPET films. We have consumed total 5766 MT of PET PCR during the year 2023-24.

Summary of Energy Saving and reduction of CO2 emission through various initiative (2023-24)

Initiatives	Energy Saving (KWh) / Fuel (MT)	Saving CO2 Emission (MT)
Rationalizing Power Utilization through open access	-	-
CT fan usage was discontinued and CLCT was installed for the BOPET Unit 4 Metallizer	730372 Kwh	621
Modification in BOPP Cooling tower and Metallizer by replacing the pumps	155520 Kwh	132
Balancing of water supply Line-3 in chillers	129600 Kwh	110
Power Conservation Activities in unit-5 (Production)	178800 Kwh	152
Power Conservation Activities in unit-5 (Utility)	1952252 Kwh	1660
PET Coke saving by process optimization in unit-5	822 MT	2605

Emission



A Responsible Approach

Driving Down Greenhouse Gas Emissions

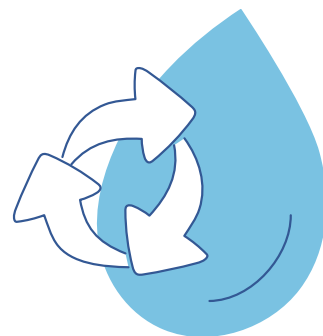
We are steadfastly dedicated to reducing our greenhouse gas (GHG) emissions in all our operations. During the reporting period, we managed to maintain consistency in scope 1 and scope 2 emissions, without any significant increase. Our commitment to sustainability is reflected in the substantial reduction of GHG emissions intensity in polymer resin, BOPP Film, PET film, Metallized BOPP & PET films and Metalized Paper production.

A Green Commitment

Our dedication to environmental preservation includes a strong stance against spills and the use of ozone-depleting substances. Across Vacmet, we remain committed to maintaining an eco-friendly footprint.

WATER MANAGEMENT

A Precious Resource



Responsible Water Stewardship

At Vacmet Group, we firmly believe that responsible corporate citizenship encompasses the preservation of water resources, especially in regions facing water scarcity. Our dedication to sustainable development drives our efforts to reduce water consumption and manage it prudently. Each of our plants draws water from diverse sources, influenced by local conditions. Groundwater serves as the source in Units 2, 3, and 4 in Uttar Pradesh, while municipal water is utilized in Madhya Pradesh Unit 5. Wastewater management is an integral component of our sustainability journey.

To this end, we have implemented a range of innovative technologies and practices designed to promote water recycling and reuse, underlining our steadfast commitment to environmental responsibility. Our holistic approach to wastewater management spans all operational units, and here's a glimpse of our initiatives:

Water Management: A Precious Resource

Effluent Treatment Plants (ETPs):

We have installed ETPs in all operational units to treat wastewater efficiently. These ETPs have a capacity of 30KLD in Unit-2 & 3, 90 KLD in Unit-4, and 60 KLD in Unit-5. Notably, Unit-5 is a Zero Liquid Discharge (ZLD) unit, showcasing our commitment to minimizing water discharge.

Water Accounting and Auditing:

Regular water accounting and auditing processes are conducted within our organization. These assessments help us identify areas where water consumption can be reduced and usage can be planned more effectively.

Technology-Driven Water Reduction:

We employ advanced technology and equipment to reduce water consumption in our operations. The transition to using raw water instead of soft water in the cooling tower across all our manufacturing facilities is a prime example. This optimization allows us to conserve water resources efficiently.

Wastewater Quality Assessment:

Ensuring the quality of wastewater is a priority for us. We conduct regular assessments of wastewater quality, as well as tests of portable water and drinking water in all our operational units. These assessments are performed by certified third parties to maintain records of water properties and confirm compliance with permissible limits. Additionally, they serve as essential control measures to prevent contamination of groundwater and the discharge of pollutants.

In our commitment to sustainability, we have successfully managed our operations while conserving water. Vacmet Group continues to prioritize efficient wastewater management, exemplifying our dedication to environmental responsibility and the preservation of this invaluable resource.





Air and Noise Pollution Management

At Vacmet India Limited, we understand that our commitment to responsible corporate citizenship extends to managing our environmental footprint, especially concerning air and noise pollution. Our comprehensive approach to this includes monitoring, maintenance and the implementation of technologies and best practices to prevent emissions of atmospheric pollutants and environmental nuisances.

Monitoring and Compliance:

Regular monitoring of emissions is a crucial part of our strategy. Certified third parties are engaged to ensure that emission levels are consistently within permissible limits. These emissions include atmospheric pollutants, as well as other nuisances such as noise, odor, vibration, road conditions, and lighting.

Mitigation of Dust and Particulate Matter Emissions:

In Unit 4, we've implemented effective measures to ensure dust-free and contamination-free flue gases. All boilers are equipped with Cyclomax dust purification/collection systems.

In Unit 5, the old unit uses an Electro Static Precipitator (ESP), while the new unit employs a Cyclomax Bag filter system to mitigate dust and particulate matter emissions.

This commitment to reducing emissions is integral to our environmental stewardship.





Air and Noise Pollution Management

Monitoring Major Air Pollutants:

We conduct periodical analyses on the volumes of major air pollutants and monitor ambient air quality, including testing levels of PM, NO_x, SO₂, VOC, and heavy metals. Our goal is to ensure that our emissions stay within permissible limits.

Mitigation of VOC, SO₂, NO_x, and Heavy Metals:

External third-party stack monitoring plays a key role in monitoring emissions of VOC, SO₂, NO_x, and heavy metals. This stringent monitoring ensures compliance with permissible limits.

Noise Control Measures:

At Vacmet, we are committed to maintaining noise levels within permissible limits. We utilize acoustic barriers, enclosures and foams, and most of our machines are soundproofed, further reducing noise pollution.


Odorless Products:

Our product portfolio is designed to be odorless, contributing to the reduction of odor emissions.

Preventative Maintenance and Emission Reduction:

We have a comprehensive preventative maintenance plan in place to replace equipment parts that have the potential to create abnormal noise. Additionally, we have implemented a Leak Detection and Repair (LDAR) program to prevent fugitive emissions, ensuring that our products are manufactured with minimal impact on air quality.

These actions represent our ongoing commitment to environmental sustainability and the reduction of air and noise pollution. We remain dedicated to ensuring our operations have the least possible impact on the environment and local communities, promoting a cleaner and healthier future for all.



WASTE MANAGEMENT

A Commitment to Environmental Stewardship

At Vacmet India Limited, our unwavering commitment to environmental sustainability guides every aspect of our operations. We understand the importance of responsible waste management and have implemented a range of initiatives to reduce material consumption and minimize our environmental footprint.

Within our plant, we actively pursue process optimization to reduce material consumption, ensuring that we use resources efficiently and minimize waste generation. An integral part of our sustainability journey is the development and launch of ECOVAC™ sustainable BOPET films.

These films incorporate over 50%, 70% and 90% post-consumer recycled material for different products, including an increased use of recycled Polyethylene Terephthalate (rPET) content in packaging materials. This initiative exemplifies our dedication to sustainability by incorporating both pristine and recycled materials in our film production.

In our commitment to environmental safety, we maintain an onsite emergency plan designed to implement measures and procedures to prevent the release of chemicals used during operational activities into the environment. This includes actions for proper labeling, storage, handling, and transportation of hazardous substances, with regular training provided to employees and relevant stakeholders to ensure safe management.



WASTE MANAGEMENT

In our specialized treatment and safe disposal of hazardous substances are conducted by third-party experts in accordance with our Hazardous Waste Management Agreement. In our operations, we focus on using alternative, less hazardous substances, reinforcing our dedication to reducing the environmental impact.

We take a strong stance on environmental stewardship and waste reduction, adhering to the principles of Reuse, Reduce, and Recycle (the 3 R's). Our approach emphasizes source reduction, reuse, recycling, and responsible disposal of hazardous waste. We continually conduct training to raise employee awareness on waste reduction and sorting, utilizing our Waste Management and Recycling Policy.

For waste management, we implement internal sorting and disposal procedures according to waste streams, with comprehensive mapping of these streams. Our actions prioritize restricting the transboundary movement of hazardous waste, aligning with our commitment to responsible waste management.

Our waste generation primarily falls into three categories: direct materials, packaging materials, and plant operations. We actively recycle and reuse BOPP, PET film, and resin waste, while the remaining portion is responsibly managed through third-party contractors. Packaging waste, primarily consisting of materials like wooden pallets, plastics, and paper cores, is minimized and sold to third parties. Waste from plant operations, including sludge from our Effluent Treatment Plant (ETP), tank bottoms, oil, lubricants, scrap metal, batteries, chemical waste, and used drums, is managed responsibly. Non-hazardous waste is sold to third parties, while hazardous waste is disposed of by authorized vendors.

Our approach to waste management and recycling represents our fundamental commitment to sustainability, reflecting our dedication to minimizing our impact on the environment and striving for a cleaner, greener future.

During the reporting period of 2023-24, the total waste disposal amounted to approximately 3942 metric tons. Of this total, 13.7 metric tons were categorized as hazardous waste, with 11.8 metric tons being attributed to used lubricant oil, while the remainder consisted of electronic item scraps. The remaining 3928.3 metric tons constituted non-hazardous waste, all of which were disposed of at the operational sites. This comprehensive data reflects our commitment to proper waste management and responsible disposal practices.



BIODIVERSITY

Nurturing Our Environment



Conservation Commitment

At Vacmet, we wholeheartedly support the conservation of sensitive areas. Our annual review of operational locations ensures that our activities are not conducted in or near high biodiversity zones. For the fiscal years 2023-24, none of our manufacturing plants were in or near any high biodiversity zones. Our journey towards sustainable practices is guided by our commitment to a greener, more responsible future, where we actively embrace efficient energy management, emissions reduction, water conservation, responsible waste practices, and biodiversity preservation.





Carbon Emission mitigation strategies by Vacmet

Vacmet India Limited is proud to present its Sustainability Report for the year 2023-24 which reflects our unwavering commitment to develop and follow a strategic framework encompassing various key elements to reduce greenhouse gas (GHG) emissions and address climate change for environmental sustainability and carbon management. Our commitment is a direct response to encompasses a comprehensive approach to carbon reduction and sustainability initiatives.

We set an ambitious GHG emissions intensity reduction target of 3% year on year, up to year 2045 to establish a time-bound GHG emissions reduction action plan for achieving them. Integral to our strategy is the use of life cycle analysis, a valuable tool for planning climate action, which allows us to identify and mitigate emissions throughout our products' lifecycle.

Our core philosophy revolves around a low-carbon business model and we've allocated a dedicated budget year wise for GHG management to ensure the successful implementation of our initiatives. To further drive progress, we have linked the performance of our management team to their contributions towards achieving GHG emissions reduction targets. A dedicated sustainability team is appointed by the Management which looks over the proper implementation of the environment related aspects within and beyond the organization. We understand the importance of supply chain engagement and as part of our commitment, we meticulously select suppliers based on their GHG emission intensity. We work closely with our suppliers to form partnerships dedicated to achieving GHG emissions reductions and actively engage them in climate action.

In our pursuit of comprehensive GHG emissions management, we account for product-level GHG data and update our GHG inventory at least once per year to ensure accuracy and relevance. Our monitoring extends across the entire scope and we diligently collect primary Scope 3 data from our suppliers. When industry-specific data is not available, we prefer industry-average data to estimate Scope 3 emissions, ensuring transparency and completeness. We also collect Scope 3 data from internal stakeholders and consistently evaluate existing GHG emissions reduction initiatives to align their performance with our set targets.

At Vacmet India Limited, our sustainability report is documented in accordance to GRI standard and it fulfill all the requirements but underscores our unwavering dedication to environmental responsibility and carbon management.



EMPOWERING PEOPLE

Empowering People

Vacmet is deeply committed to nurturing a workplace where our employees are our most valued assets. Our focus is on creating an environment that not only allows them to thrive but also to evolve alongside our organization. To achieve this, we are dedicated to attracting and retaining top talent through inclusive development and capacity-building opportunities, setting the stage for their long-term career prospects.

We maintain a transparent and merit-based approach to training and career management, firmly believing in providing equal opportunities for all job applicants, free from any direct or indirect discrimination. To ensure this, we have implemented key actions and practices. Our recruitment process is transparent and open, with clear communication to all candidates about the entire process. This ensures that each candidate is well-prepared for the selection process. We are committed to sharing the details of our recruitment process with all candidates, demystifying the steps involved, evaluation criteria, and expectations. This empowers candidates to present their qualifications effectively, contributing to a fair and equitable selection process.

Our approach to training and career management is guided by our commitment to transparency and openness in our recruitment process. We firmly believe that this approach is crucial in providing equal opportunities for all candidates, irrespective of any form of discrimination. At Vacmet, we are dedicated to fostering a work environment where individual merit is not only recognized but also rewarded, thereby promoting the growth and development of our valued employees.

Our Valued Workforce

At Vacmet, we wholeheartedly understand that a motivated and high-caliber workforce plays a pivotal role in the realization of our strategic objectives. As we continue on our path of growth, we place great importance on harnessing and maximizing the potential of our people. Our unwavering commitment centers on fostering a work environment that enables our employees to consistently deliver exceptional performance.

In the current reporting period, which spans 2023-24, Vacmet Group boasts a total of 2,750 employees. Within this workforce, 12 are female employees, while the remaining 2,738 are male employees. At Vacmet, we are resolute in ensuring that female employees are provided with equal opportunities to progress and thrive within the organization. Notably, during this reporting period, approximately 100% of our female employees, out of the 12 within the organization, have been at the managerial positions.

This demonstrates our dedication to fostering gender diversity and promoting the growth of our female workforce.

Approach towards Employees

We are steadfastly evolving into a "learning organization" that prioritizes continuous skilling, reskilling, and upskilling of our employees. As part of our quarterly Labor and Human Rights (L & HR) policy planning, we regularly assess and identify the skill sets required to align with our corporate and locational strategies. Our Management Head & HR head, supported by HR staff at each location, leads all HR-related initiatives. Furthermore, one of our facilities employs a human resource information system (HRIS) that seamlessly manages HR operations across India. Our relationships with employees are seen as long-term commitments, valuing their dedication and contributions.

A Commitment to Diversity and Inclusion

We firmly believe that diversity enriches an organization and fosters an environment of empowerment for all. Our transparent and equitable recruitment practices ensure equal opportunities for candidates, regardless of their gender, caste, or physical abilities. We continue to recruit talent from a wide array of prestigious universities nationwide. Over the past five years, we've successfully nurtured young engineers and management professionals, helping them attain middle-level leadership positions.

Employee Profile

As of March 31, 2024, our workforce comprised a total of 2750 employees, consisting of 1744 permanent employees and 1006 contractual employees across various manufacturing sites. This diversity is a testament to our inclusive hiring practices.

Upholding Human Rights

Vacmet's commitment extends to operating in strict alignment with the United Nations' universal declaration of human rights, the 10 UN Global Compact (UNGC) principles, and the relevant international labor organization (ILO) main conventions on labor standards. We are staunch proponents of equal opportunities and maintain zero tolerance for discrimination based on religion, origin, gender, or status.

Our stringent procedures ensure that none of our transactions infringe upon human rights. The dignity and rights of employees, customers, vendors, and all stakeholders are of utmost importance. Training on human rights and establishing approved behavioral norms for interactions with stakeholders is paramount. We are proud to report that there have been no incidents of human rights violations.

Associational freedom and group bargaining

At Vacmet, we are staunch advocates of the fundamental principles of freedom of association and collective bargaining rights. We firmly believe in upholding the right to freedom of association, a fundamental tenet enshrined in the Universal Declaration of Human Rights. This belief forms a cornerstone of our unwavering commitment to providing a fair and just work environment.

To put this commitment into action, Vacmet has taken a proactive approach by establishing a "Staff and Workers Committee". This committee serves as a pivotal platform for employees to create committees and representative bodies with the company's full recognition. These committees, led by employee representatives and HR personnel, play multifaceted roles that are integral to our organization.

First and foremost, they address crucial aspects related to employees' health and safety. This includes the establishment of joint labor-management health and safety committees that focus on ensuring protective clothing, injury compensation and other safety-related concerns in strict adherence to national laws and regulations.

Additionally, the committees play an instrumental role in negotiating the terms of employment. This encompasses critical facets such as wages, working hours, vacation entitlements, and other employment conditions. These negotiations are meticulously conducted to ensure alignment with national laws and regulations, promoting fairness and compliance. Moreover, these committees oversee training and career management within our organization. They actively work towards creating opportunities for employee development, managing performance and ensuring the availability of funds for professional growth.

Last but not least, the committees champion diversity, discrimination prevention, and the eradication of harassment within our work environment. They are responsible for formulating written agreements that explicitly prohibit discrimination in employment opportunities, thus upholding national laws and regulations.

At Vacmet, our commitment to fostering a collaborative and inclusive work environment is unwavering. The initiatives led by these committees are a testament to our dedication to the principles of freedom of association, collective bargaining, and the well-being of our valued employees.

Child and Forced Labor

At Vacmet, we maintain an unwavering and resolute zero-tolerance policy when it comes to child and forced labor, a commitment that is explicitly outlined in our Labor and Human Rights Policy. To enforce this policy, our security personnel undergo rigorous training to effectively prevent underage workers from gaining access to our plant premises. In addition, we provide strict instructions to our contractors, emphasizing the absolute prohibition of employing underage workers in any capacity.

As part of our standard employment procedures, all employees and contractors seeking employment with Vacmet Group are required to submit age identification certificates, which may include documents such as the Adhar Card or High School Passing Certificate. This mandate serves as a fundamental and non-negotiable prerequisite for being employed within our organization.

To further underscore our unwavering stance, prominent banners are prominently displayed at the entrance and throughout our plant, clearly indicating that no child labor is permitted within our premises. In strict accordance with the guidelines established by the International Labor Organization (ILO), we categorically do not endorse or engage in the employment of workers or laborers under the age of 18, who are recognized as "young workers" by the ILO.

To ensure the effective implementation and adherence to these policies, our HR team conducts regular internal audits. These audits serve to monitor the proper functioning and compliance of these guidelines within our organization. In the event of any grievances related to child or forced labor, we have a well-established Grievance Redressal mechanism in place. Any such grievances are reported to our HR department and management team for immediate resolution.

Vacmet takes immense pride in reporting that, during the reporting period, absolutely no grievances related to child or forced labor have arisen. This highlights our relentless commitment to upholding the highest labor and human rights standards within our organization.

Employee Retention: Nurturing Long-Term Commitments

Safeguarding institutional knowledge, boosting morale, and ensuring business success all hinge on maintaining enduring employee relationships. Recognizing the importance of employee experience and performance, we have introduced several initiatives to recognize the contributions of long-serving personnel. Additionally, we extend the opportunity for employees' immediate family members to work with us. At the operational level, employees are offered opportunities to advance and take on larger roles within our plants. We firmly believe in having well-tailored employee engagement schemes and programs that align with the local environment, culture, and social customs.

Training and skill development: Building Competency

We are deeply committed to building competence across our organization. By prioritizing skill development through training, job rotation, performance recognition, and continuous improvement initiatives, we ensure sustained growth. Our People Development Cell (PDC) regularly evaluates training needs based on evolving business demands. We offer a diverse range of modules covering technical skills, quality assurance, team collaboration, leadership, time management, safety, and basic firefighting. These well-structured programs consistently enhance the efficiency, knowledge, and capabilities of our stakeholders at all levels.

The table below highlights the various training topics, materials, target audience, and the percentage of participants covered, providing an overview of Vacmet India Limited's training initiatives for 2023-24.

Training Topic	Training Material	Targeted Audience	Percentage of total audience covered
Diversity, discrimination and Harassment Issues	Non-Discrimination and Anti-Harassment Policy	Stakeholders (Employees, customers)	100%
Company's Quality, Food Safety, Health and Safety, EMS and related objectives	OHS Policy	Stakeholders (Employees, contract workers & contractors)	100%
Business Ethics	Business Ethics Policy	Stakeholders (Employees, Suppliers, contractors, Customers)	100%
Environmental Safety	Environmental Policy	Stakeholders (Employees, contract workers, contractors, suppliers, customers)	100%
Awareness training performed to prevent information security breaches	IT Policy	Stakeholders (Employees, contractors, customers, third party vendors)	100%
Utility Area, Prevention & Control of Emergency situation	Injury Rate Compliance Policy	Stakeholders (Employees, contract workers, contractors)	100%
Labour and Human Rights related awareness	Labour and Human Rights Policy	Stakeholders	100%
Personal Hygiene and Personal belonging (Rings, chain etc.)	No Jewellery Policy	Stakeholders (Employees, contract workers, contractors)	100%
Awareness of identified risks and controls related to QMS, EMS (Aspect & Impact Analysis), OHSAS (HIRA), FSMS (HACCP), and BRCGS, focusing on packaging-specific hazards such as functionality, integrity, critical defects, and their control measures.	OHS Policy, Product Safety Policy	Stakeholders (Employees, contract workers, contractors, customers)	100%

Training Topic	Training Material	Targeted Audience	Percentage of total audience covered
Awareness training to prevent corruption and Bribery	Whistle Blower policy	Stakeholders (Employees, contract workers, contractors, customers)	100%
Personal Hygiene and Behavior based training	Labour and Human Rights Policy	Stakeholders (Employees, contract workers, contractors)	100%
Filling of forms/registers or controlled documents	Record Retention Policy	Stakeholders (Employees, contractors)	100%
Awareness training to prevent anti-competitive practices	Anti-Competitive Policy	Stakeholders (Employees, agents, representatives)	100%
Safety Induction Training (PPE Use, general, safety task, type of fire extinguishers etc.)	OHS Policy	Stakeholders (Employees, contract workers, contractors, visitors)	100%
Training on Sustainable Procurement	Supplier Procurement Policy	Stakeholders (Employees, Suppliers, Service Providers)	100%
Training on ISO 14001, ISO 45001, BRC Awareness session, ISO 9001 ISO 14001, ISO 45001, BRC, ISO 9001 related guidelines		Stakeholders (Employees, Suppliers, Service Providers)	100%
Training on waste handling and recycling	Waste Management and Recycling Policy	Stakeholders	100%

SAFETY BEYOND THE WORKPLACE



Safety Beyond the Workplace: Prioritizing Well-being

At Vacmet, the safety and well-being of our employees are paramount. We believe that maintaining a safe and healthy work environment is essential, and it reflects our dedication to employee welfare. From the planning phase to every step along the value chain, safety protocols are deeply integrated into our operations. All of our facilities are compliant with ISO 45001:2018 standards, supported by strong systems for emergency preparedness and disaster management aligned with global industry best practices.

Our safety teams at each manufacturing site conduct frequent safety audits and provide continuous training to employees. Regular safety reviews ensure adherence to standard operating procedures (SOPs), and we promptly address any deviations with corrective actions. We also partner with external safety experts to perform comprehensive safety audits, HAZOP analysis, thermography assessments, and thorough testing of pressure vessels and lifting tools. Safety is a collective responsibility shared by all stakeholders, including employees and contractors. Throughout the year, we have introduced various initiatives to foster an incident-free workplace, such as ongoing safety training, health check-ups, and awareness programs.



Workplace health, safety and environment policy: Our Commitment to Well-being

We are unwaveringly dedicated to enhancing safety and health standards by improving working conditions, increasing awareness, fostering participation, and providing continuous training to our workforce. Our commitment is encapsulated in our Safety, Health, and Environment (SHE) policy, which highlights our pledge to safeguarding the health and safety of all employees, contractors, customers, and the communities where we operate. These policies are communicated to all employees and prominently displayed across various locations within our plants.

Occupational safety and health committee: Nurturing a Safety Culture

An effective safety culture requires proactive commitment, accountability, and continuous reinforcement across all levels of management. At Vacmet, our health and safety committee plays a central role in fostering this culture, involving all employees, contract labor, staff, and security personnel at every location. The committee oversees the global implementation of our safety policies and continuously monitors their performance.

Operating through four zonal committees across India, the team conducts audits, risk assessments, and evaluates emergency and disaster management plans, ensuring the consistent execution of safety measures. They are also responsible for developing comprehensive occupational and off-the-job safety plans aimed at preventing and minimizing accidents, hazards, illnesses, and work-related inconveniences.

It also provides recommendations to the employer for improvement and corrective measures. The committee conducts monthly surveys to assess occupational safety performance and reviews workplace hazard statistics.





Employee Well-being: A Holistic Approach

The well-being of our employees is paramount to running a successful business. We continuously refine our workplace procedures to enhance overall employee well-being and provide them with the best possible working environment. Our approach to employee well-being extends beyond physical health; we also consider their mental health, happiness, and job satisfaction. We regularly organize medical camps, awareness sessions, and medical support services to promote employee well-being. Medical surveillance ensures ongoing employee health, and all our sites are equipped with first-aid kits and personnel trained to mitigate injury risks. Employees undergo preventive health screenings upon joining the organization and participate in periodic health and safety awareness workshops aimed at improving lifestyle-related habits. These workshops cover areas such as smoking cessation, dietary guidance, provision of healthy food in the canteen, stress management, and physical fitness programs. Permanent employees undergo annual occupational health check-ups to monitor their well-being.



Vacmet Safety Approach: Augmenting Productivity

Safety isn't just a regulatory requirement; it's a powerful tool for boosting productivity and minimizing losses. We encourage our teams to dedicate time to reflect on and improve their understanding of workplace safety risks. Our initiatives focus on sensitizing employees about occupational hazards, safety precautions, and emergency responses. Initiatives such as health and safety training sessions form an integral part of our engagement with employees, reinforcing the importance of safety management processes. Topics include fire safety, electrical safety, first aid, and awareness of safety signs.

Occupational Health and Safety Performance: A Commitment to Zero Incidents

Our relentless commitment to safety is reflected in our outstanding occupational health and safety performance. In the reporting year, there were substantial reduction in man-days lost compared to the previous years, and no high-consequence work-related injuries or fatalities over the past three years. At Vacmet, we are driven by the unwavering belief that our employees are our most valuable assets. Their well-being, development, and safety are paramount to us, and we remain committed to empowering them to achieve their fullest potential while ensuring a safe, inclusive, and nurturing work environment.



BUILDING RESILIENCE THROUGH CSR INITIATIVES



Building Resilience Through CSR Initiatives

At the heart of our corporate social responsibility (CSR) philosophy lie three pillars - environmental protection, healthcare, and education. These pillars serve as the cornerstone for establishing and nurturing a clean environment, elevating community quality of life, and fostering sustainable living.

Our Commitment to the Community

Across all our customer base spanning from over 70 countries that diverse in different cities, states, provinces, countries and continents, one common thread unites us is our unwavering dedication to making a positive impact within their local communities and societies by providing our sustainable products.

Contributing to the Community's Well-being

Vacmet's steadfast commitment to addressing developmental challenges is evident through our meticulously designed CSR programs, focusing on environmental protection, healthcare, and education. These three crucial CSR themes are fundamental to our mission of cultivating a pristine environment, enhancing the quality of life in our communities, and nurturing sustainability. To drive these objectives, we've established a dedicated CSR committee in alignment with the requirements of the Companies Act 2013. This committee is wholeheartedly devoted to effecting positive change across social, economic, and environmental dimensions. Importantly, all our CSR activities are carefully aligned with the United Nations' Sustainable Development Goals (SDGs), underpinning our dedication to enhancing the lives of our neighboring communities.

Major/Significant CSR Activities in FY 2023-24

 <p>As a measure for reducing inequalities faced by socially or economically backward groups, 130 coolers distributed in the group marriage event in Dhar District of Madhya Pradesh.</p>	 <p>To ensure environment protection contribution for distribution of 2500 steel bottles. ·As a tribute to our soldiers who made supreme sacrifice, distribution of coolers on to "Veer Naris" (war widows).</p>	 <p>To setup smart class rooms in the Govt. Schools, distribution of 15 TV sets in the District Dhar, Madhya Pradesh.</p>	 <p>Road safety awareness and donation of 12 Traffic Barricades to the Traffic Police, Agra (UP).</p>
 <p>With the aim of providing affordable healthcare facilities to the weaker section of the society, free dialysis on 12th day of every month through Lokhitam Samajik Sanstha, Agra.</p>	 <p>To promote education, contribution towards setup Wi-Fi connection in the Govt. Girls School, Digthan,Dhar (MP)</p>	 <p>To promote education, development of children distribution of pre-school kits to Aanganwadis in the Agra.</p>	 <p>Renovation and development of Government School in Nawasha, Madhya Pradesh.</p>
 <p>The new class rooms construction in school in Vrindavan, Mathura (Uttar Pradesh). ·Adoption of 10 anganwadi with renovation and supply of pre-school kit in Madhya Pradesh.</p>	 <p>Tree plantation drive, community awareness sessions, Waste Collector Training and distribution of safety kits to safai mitrs in Agra.</p>	 <p>Distribution of furniture(benches) in the Government Schools in district Mathura.</p>	 <p>To promote education and culture distribution of National Flags to support 'Har Ghar Tiranga Campaign'.</p>

At Vacmet, we remain steadfast in our commitment to building resilient communities, fostering sustainability, and making a positive difference in the lives of those we serve. Our CSR initiatives reflect our unwavering dedication to creating a brighter and more sustainable future for all.






SUSTAINABILITY REPORT VERIFICATION VERIFICATION REPORT

Organisation
“VACMET INDIA LIMITED”

Report No 2024 GQ CE 250
Revision No. 01

VERIFICATION REPORT

Organisation/Client:	Organisational boundaries of the verification	
VACMET INDIA LIMITED	Manufacturing Units & Corporate Offices	
Client's contact person:	Verified activity: Verification	
Mr. Pritam Singh		
Report No.: 2024 GQ CE 250	Revision: 01	Report date: 24/11/2024
Approved by (final report):		Approval date:
Alok Kumar		16/12/2024
		
<p>RINA Services S.p.A. (RINA) has been appointed by the Organization VACMET INDIA LIMITED to verify the compliancy of the Sustainability Report version 02, for the FY 2023-24, to the GRI G4 Guidelines, 2010 carried out the verification through:</p> <ul style="list-style-type: none"> • a documental review of the documentation prepared by the Organisation; • an on-site visit to interview the representatives of the organisation and main interested parties, to collect evidence supporting the Sustainability Report and to review of information flows for generating the reporting data • an evaluation on improvements/corrections carried out by the Organisation after any findings that have come out; • the preparation of the present verification report and the issue of a declaration of verification on compliancy the Sustainability Report of the Organisation VACMET INDIA LIMITED, for the year 2023-24, to the guidelines chosen as a reference. <p>In conclusion, RINA, based on evidence provided, states that the Sustainability Report prepared by the Organization Enersum Solutions Private Limited for VACMET INDIA LIMITED for the year FY 2023-24. Based on the audit conducted, we have reviewed the sustainability report of Vacmet India Limited for the reporting period FY 2024 in accordance with the Global Reporting Initiative (GRI) Standards. Our objective was to assess the accuracy, completeness, and alignment of the information disclosed with the GRI Standards.</p> <p>We have found that, in general, the sustainability report provides a comprehensive overview of the company's environmental, social, and governance (ESG) performance. The report addresses key material topics and contains relevant disclosures, consistent with GRI requirements. The disclosures on environmental impacts such as energy consumption, waste management, and emissions are mostly aligned with the GRI Standards.</p> <p>However, some sections would benefit from clearer tracking and presentation of trends over time, as well as</p>		



VERIFICATION REPORT

more granular data on supply chain sustainability. In conclusion, we are of the opinion that the sustainability report, as a whole, provides a fair and reasonable representation of Vacmet India Limited’s sustainability performance, in accordance with the GRI Standards, subject to the recommendations outlined above.

<p>Work carried out by:</p> <p>Team members :</p> <p>Mr. Vinay Singh</p> <p>Mr. Ranjeet Joshi</p>	<p><input checked="" type="checkbox"/> Not to be distributed without the permission of the client or organizational unit responsible</p> <p><input type="checkbox"/> Highly confidential</p> <p><input type="checkbox"/> Can be freely distributed</p>
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VERIFICATION REPORT

Abbreviations

CR	Clarification request
R	Recommendation
NC/CAR	Non conformity/Corrective action request
Organisation	VACMET INDIA LIMITED
SR	Sustainability Report
RINA	RINA Services S.p.A.

VERIFICATION REPORT

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VERIFICATION REPORT

1 DESCRIPTION OF THE ORGANISATION

Vacmet India Limited is a company based in India that specializes in the manufacturing of flexible packaging films. It was established in 1993 and has since become one of the leading providers of packaging solutions in the country. Vacmet India offers a wide range of products including BOPP (biaxially oriented polypropylene) films, BOPET (Bi-Axially Oriented Poly Ethylene Terephthalate) films, metallized films, coated films, holographic films, and metallized paper. These films are used in various industries such as food and beverages, pharmaceuticals, personal care, agriculture, and industrial applications.

The company has state-of-the-art manufacturing facilities located in North India, specifically in the states of

Uttar Pradesh and Madhya Pradesh. These facilities are equipped with advanced machinery and technologies to produce high-quality films that meet international standards. In addition to serving the domestic market, Vacmet India has a global presence and exports its products to over 50 countries across the globe. It has a wide customer base and maintains long-term relationships with renowned brands and companies.

2 VERIFICATION AND INDEPENDENT REVIEW TEAM

The table below shows the members of the verification team and the personnel who performed the independent file review.

Role	Surname	Name	Country
Team Leader	Singh	Vinay	India
Team Member	Joshi	Ranjeet	India
Technical Reviewer	Pathak	Atin Kumar	India

3 METHODOLOGY

The verification was carried out by RINA procedures through the following phases:

- a documental review of the documentation prepared by the Organisation;
- an on-site visit to interview the representatives of the organisation and main interested parties, to collect evidence supporting the Sustainability Report and to review of information flows for generating the reporting data
- an evaluation on improvements/corrections carried out by the Organisation after any findings that have come out;
- the preparation of the present verification report and the issue of a declaration of verification on compliancy the Sustainability Report of the Organisation VACMET INDIA LIMITED, for the year 2023-24, to the guidelines chosen as a reference.

VERIFICATION REPORT

4 DOCUMENT REVIEW

The documents examined are shown in the table below:

/01/	FY24_GRI_Final_report_VIL_V4 _19.10.24
/02/	Vacmet_Sustainability_Report_2022-23
/03/	Certificate of Incorporation of manufacturing units
/04/	VACMET-GHG Inventory Report FY 24 17 Oct
/05/	Records for Water Consumption, Wastewater quality and discharge, Air & Noise pollution monitoring record, Waste Generation, Production, No. Of employees, Energy efficiency measures, Expenditure for sustainability for the year 2022-23
/06/	Certificates (ISO 9001, ISO 14001, ISO 45001, ISO 22000, BRC GS, ISSC Plus, DIN CERTCO, FSC Certification)
/07/	Policies related to Wages, Health and safety and implementation

The reference criteria/requirements are shown in the table below:

/A/	Global Reporting Initiative, GRI G4 Guidelines, 2010
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5 ON-SITE VISIT

On 14/10/2024, the RINA team visited the offices in Chhata, Mathura of the Organisation VACMET INDIA LIMITED.

During the visit, the team examined the documentation, information flow, the records supporting the report and interviewed the Organisation's key personnel and main interested parties.

During the on-site visit, the personnel who were interviewed provided adequate evidence and offered their availability and collaboration.

The personnel who were interviewed, the Organisation they belong to and their responsibilities are shown in the table below:

Sl.No.	Date	Name	Organisation	Responsibility
/a/	14/10/2024	Mr. M.D. Joshi	VACMET INDIA LIMITED	Vice President (Operations) Unit#4
/b/		Mr. Pritam Singh Padiyar	VACMET INDIA LIMITED	General Manager (Quality control & Technical Services)
/c/		Mr. Manish Sharma	VACMET INDIA LIMITED	General Manager, Head Quality , Technical services & MR
/e/		Mr. S.R. Tripathi	VACMET INDIA LIMITED	Head Quality Assurance & Tech support at Vacmet India
/f/		Mr. Hrishabh Mishra	Enersum Solutions	Sustainability Consultant

VERIFICATION REPORT

6 PREPARATION OF VERIFICATION REPORT

After the on-site visit, the team settles the present verification report.

The report contains the description of performed activities, both during the documental exam and the on-site visit, summarizes the verification results and contains the findings on the Sustainability Report of the Organisation, arisen during the phases of activity, with indication of their status.

There can be three types of findings:

- Non-conformity/Request of corrective action (NC/CAR)
- Clarification request (CR)
- Recommendation (R)

The status of a finding can be:

- *Closed*, in case the Organisation has proved to be undertaking the actions needed for the resolution of the finding
- *Open*, in case no corrective actions have been implemented by the Organisation yet

For a positive outcome of the activity and the release of a declaration of verification, all CARs and CRs need to be solved.

Therefore, the verification report is first prepared in draft and sent to the Organisation, in order to allow the same to address all the findings arising.

Upon receipt of responses and modified documents from the Organisation, the draft verification report is revised to reflect those responses.

Once all the CAR and CR findings contained in the draft verification report are solved by the Organisation and accepted by RINA, the final verification report is issued.

7 VERIFICATION OUTCOME

The outcome of the verification is given in the following.

The following tables report any findings/comments that have arisen during the on-site visit and the documental review that has preceded it. For each of them, type and current status are pointed out. The “Actions of the Organisation” column specifies the type of corrective action undertaken by the Organisation.

SR PROFILE

Type of finding	Description	Actions of the Organisation	Status
Clarification_01	Client need to provide the documentation as per GRI guidelines.	Client provided the documents as per latest	Documentation provided by the client, is sufficient to

VERIFICATION REPORT

		GRI guidelines to meet the criteria.	close the clarification request.
Clarification_02	Client to provide the documents, clearances as per CPCB, SPCB, local authority and state authority.	Client provided the documents as per latest GRI guidelines to meet the criteria.	Documentation provided by the client, is sufficient to close the clarification request.

ECONOMIC PERFORMANCE INDICATORS

Type of finding	Description	Actions of the Organisation	Status
Corrective Action Request_01	Please include information about sustainable procurement practices or supplier assessments.	An information is included in supplier engagement section of the sustainability report.	The Corrective action is done in Sustainability report at relevant sections by the client is sufficient to close the finding.

ENVIRONMENTAL PERFORMANCE INDICATORS

Type of finding	Description	Actions of the Organisation	Status
Clarification_01	Client need to provide the required certification for products made from recycled content as per GRI guidelines	Client provided the required TUV Rheinland DIN CERTCO & ISCC certificates as per latest GRI guidelines to meet the criteria.	Certification provided by the client, is sufficient to close the clarification request.

SOCIAL PERFORMANCE INDICATORS

Type of finding	Description	Actions of the Organisation	Status
Corrective Action Request_01	Please include data on training hours per employee and types of training provided.	Client has included the required data in training section as per latest GRI guidelines to meet the criteria	The Corrective action is done in Sustainability report at relevant sections by the client is sufficient to close the finding.

8 VERIFICATION OPINION

The ESG disclosures which are reported in the report which were reviewed through the Company sustainability management system. Vacmet's reporting manufacturing units in India and global



VERIFICATION REPORT

distribution operations. Vacmet are committed to reducing the reliance on virgin raw materials and have been certified for recycled content verification by DIN CERTCO. The disclosures related to operations in India and global location were reviewed through the Vacmet's ESG Report.

The review of financial data from the Annual Report was not done by us.

On the basis of the verification of the ESG report the Vacmet's adherence to sustainability and circular economy is displayed by adopting multiple international management system standards, including ISO 9001, ISO 14001, ISO 45001, ISO 22000, BRC, and FSC COC-01.2017. They have taken up energy saving projects, waste minimization, water conservation projects. The various internal audit carried out by company helps in continual improvement. Vacmet is carrying out CSR activities in the field of education and for economically backward people

Vacmet's Sustainability Report aligns with the Global Reporting Initiative (GRI) Standards 2021 Principles for Defining Report Content including GRI 102: General Disclosures 2016 and disclosures related to the following GRI Topic-specific Standards and related requirements as per GRI 103: Management Approach 2016, which have been chosen for reporting performance related to material topics identified by M/s Vacmet: –

GRI 201: Economic Performance 2016: 201-1, 201-2, 201-3

GRI 202: Market Presence 2016 : 202-1

GRI 203: Indirect Economic Impacts 2016 : 203-1, 203-2

GRI 204: Procurement Practices 2016: 204 -1

GRI 205: Anti-corruption 2016: 205-1; 205-2, 205-3

GRI 206: Anti-competitive Behaviour 2016: 206-1

GRI 301: Materials 2016: 301-1

GRI 302: Energy 2016: 302-1, 302-4

GRI 303: Water 2018 :303-1

GRI 304: Biodiversity 2016: 304 -1

GRI 305: Emissions 2016: 305-1, 305-2, 305-6, 305-7

GRI 306: Effluents and Waste 2016: 306-2

GRI 307: Environmental Compliance 2016: 307-1

GRI 308: Supplier Environmental Assessment 2016: 308-1, 308-2

GRI 401: Employment 2016 : 401-1, 401-2

GRI 403: Occupational Health and Safety 2018 : 403-1, 403-2, 403-3, 403-4

GRI 404: Training and Education 2016 : 404-1, 404-2, 404-3

GRI 405: Diversity and Equal Opportunity 2016 Diversity and Equal Opportunity: 405-1



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GRI 406: Non-Discrimination 2016: 406-1

GRI 407: Freedom of Association and Collective Bargaining 2016: 407-1

GRI 408: Child Labor 2016: 408-1

GRI 410: Security Practices 2016: 410-1

GRI 413: Local Communities 2016: 413-1, 413-2

GRI 416: Customer Health and Safety 2016: 416-1, 416-2

GRI 417: Marketing and Labelling 2016: 417-1

GRI 418: Customer Privacy 2016: 418-1

Vacmet is reviewing its ESG performance of its operational sites in India and global sites through various its internal audit mechanism.

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On-site pictures





GRI Content Index

The GRI content index is presented and the references for all disclosures included align with the appropriate sections in the body of the report.

S. No.	GRI Standard	Report Section			
1	GRI 1: Foundation 2021	Statement	This section provides more detail to stakeholders about Vacmet India Ltd.'s sustainability-related policies, programs, and performance. This report has been prepared in accordance with the GRI Standards.		
		Group 4	Other services relevant to production of plastic films and metalized paper products can encompass all our manufacturing activities not specified elsewhere.		
2	GRI 2: General Disclosures 2021	Disclosures	Organizational Profile	Report Section/Chapters	Page No.
		2-1	Organizational details	About Vacmet	7
		2-2	Entities included in the organization sustainability reporting	About Vacmet	7
		2-3	Restatements of information	About Vacmet	7
		2-4	Reporting period, frequency and contact point	Report Prelude	03
		2-5	External assurance	Assurance	04
		Activities and workers			
		2-6	Activities, value chain and other business relationships	About Vacmet - Global reach	09
		2-7	Employees	Approach towards employees	77
		Governance			
		2-9	Governance structure and composition	Stakeholder engagement framework	40
		2-10	Nomination and selection of the highest governance body	Stakeholder engagement framework	40
		2-11	Chair of the highest governance body	Corporate governance	19
		2-12	Role of the highest governance body in overseeing the management of impacts	Stakeholder engagement and materiality	38
		2-13	Delegation of responsibility for managing impacts	Engaging with our customers	43
		2-14	Role of the highest governance body in sustainability reporting	Report Prelude	03

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		2-15	Conflicts of interest	Corporate governance	19
		2-16	Communication of critical concerns	Corporate governance	19
		2-17	Collective knowledge of the highest governance body	Corporate governance	19
		Strategy, policies and practices			
		2-22	Statement on sustainable development strategy	Stakeholder engagement and materiality	38
		2-23	Policy commitments	Strengthening Our Internal Control Systems	35
		2-24	Embedding policy commitments	Corporate governance	19
		2-25	Processes to remediate negative impacts	Corporate governance	19
		2-26	Mechanisms for seeking advice and raising concerns	Corporate governance	19
		2-27	Compliance with laws and regulations	Leading responsibly	21
		Stakeholder engagement			
		2-29	Approach to stakeholder engagement	Corporate governance	19
3	GRI:3 Material Topics 2021	Material Topics			
		3-1	Process to determine material topics		
		3-2	List of material topics :The material topics include R&D and technological innovation, Customer experience and satisfaction, Waste management and circular economy, Business growth and profitability, Ethics, integrity and compliance, Energy efficiency, Product liability, Occupational health and safety, Responsible supply Chain/procurement, Safeguarding human rights, Corporate governance, Employee engagement and wellbeing, Resource management, Biodiversity and environmental protection, Data privacy and cybersecurity, Community engagement and CSR, Talent development, Digital transformation, Disaster and risk management, Climate	Assessing Materiality for a Sustainable Future	45

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			risk and mitigation, Diversity and inclusion		
		3-3	Management of material topics	Material Matrix	46
4	GRI 201: Economic Performance 2016	Economic Performance			
		201-1	Direct economic value generated and distributed	Stakeholder engagement and materiality	38
		201-2	Financial implications and other risks and opportunities due to climate change	Risk Management	28
		201-3	Defined benefit plan obligations and other retirement plans	Approach towards employees	77
5	GRI 202: Market Presence 2016	Market Presence			
		202-2	Proportion of senior management hired from the local community	Leading responsibly; Corporate governance	21
6	GRI 203: Indirect Economic Impacts 2016	Indirect Economic Impact			
		203-1	Infrastructure investments and services supported	Vacmet Global Perspective	49
		203-2	Significant indirect economic impacts	Stakeholder engagement and materiality	38
7	GRI 204: Procurement Practices 2016	Procurement Practices			
		204-1	Proportion of spending on local suppliers	Supplier engagement	44
8	GRI 205: Anti-corruption 2016	Anti-corruption			
		205-1	Operations assessed for risks related to corruption	Leading responsibly	21
		205-2	Communication and training about anti-corruption policies and procedures	Leading responsibly	21
		205-3	Confirmed incidents of corruption and actions taken	Leading responsibly	21
9	GRI 206: Anti-competitive Behavior 2016	Anti-competitive Behavior			
		206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Leading responsibly	21
10	GRI 301: Materials 2016	Materials			
		301-1	Materials used by weight or volume	Environmental stewardship	56-58
11	GRI 302: Energy 2016	Energy			
		302-1	Energy consumption within the organization	Environmental stewardship	56-58

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		302-4	Reduction of energy consumption	Environmental stewardship	56-58
12	GRI 303: Water 2018	Water			
		303-1	Water withdrawal by source	Environmental stewardship	56-58
13	GRI 304: Biodiversity 2016	Biodiversity			
		304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environmental stewardship	56-58
14	GRI 305: Emissions 2016	Emissions			
		305-1	Direct (Scope 1) GHG emissions	Environmental stewardship	56-58
		305-2	Energy indirect (Scope 2) GHG emissions	Environmental stewardship	56-58
		305-6	Emissions of ozone- depleting substances (ODS)	Environmental stewardship	56-58
		305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Environmental stewardship	56-58
15	GRI 306: Waste and effluents 2016	Effluents and Waste			
		306-2	Waste by type and disposal method	Environmental stewardship	56-58
16	GRI 308: Supplier Environmental Assessment 2016	Supplier Environmental Assessment			
		308-1	New suppliers that were screened using environmental criteria	Supplier engagement	44
		308-2	Negative environmental impacts in the supply chain and actions taken	Vacmet financial performance and strategic stewardship	48
17	GRI 401: Employment 2016	Employment			
		401-1	New employee hires and employee turnover	Approach towards employees	77
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Approach towards employees	77
18	GRI 403: Occupational Health and Safety 2018	Occupational Health and Safety			
		403-1	Worker's representation in formal joint management-worker health and safety committees	Safety beyond workplace	83-84
		403-2	Types of injury and rates of injury, occupational diseases, lost days, and	Safety beyond workplace	83-84

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			absenteeism, and number of work-related fatalities		
		403-3	Workers with high incidence or high risk of diseases related to their occupation	Safety beyond workplace	83-84
		403-4	Health and safety topics covered in formal agreements with trade unions	Safety beyond workplace	83-84
19	GRI 404: Training and Education 2016	Training and Education			
		404-1	Average hours of training per year per employee	Training and Skill Development	80
		404-2	Programs for upgrading employee skills and transition assistance programs	Training and Skill Development	80
		404-3	Percentage of employees receiving regular performance and career development reviews	Training and Skill Development	80
20	GRI 405: Diversity and Equal Opportunity 2016	Diversity and Equal Opportunity			
		405-1	Diversity of governance bodies and employees	Approach towards employees	77
21	GRI 406: Non-Discrimination 2016	Non-Discrimination			
		406-1	Incidents of discrimination and corrective actions taken	Safety beyond workplace	83-84
22	GRI 407: Freedom of Association and Collective Bargaining 2016	Freedom of Association and Collective Bargaining			
		407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Approach towards employees	77
23	GRI 408: Child Labor 2016	Child Labor			
		408-1	Operations and suppliers at significant risk for incidents of child labor	Supplier Engagement	44
24	GRI 410: Security Practices 2016	Security Practices			
		410-1	Security personnel trained in human rights policies or procedures	Safety beyond workplace	83-84
25	GRI 413: Local Communities 2016	Local Communities			
		413-1	Operations with local community engagement, impact assessments, and development programs	Contribution to the Communities Well-being	89

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		413-2	Operations with significant actual and potential negative impacts on local communities	Contribution to the Communities Well-being	89
26	GRI 416: Customer Health and Safety 2016	Customer Health and Safety			
		416-1	Assessment of the health and safety impacts of product and service categories	Safety beyond workplace	83-84
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Safety beyond workplace	83-84
27	GRI 417: Marketing and Labelling 2016	Marketing and Labelling			
		417-1	Requirements for product and service information and labelling	Vacmet Commitment to Product sustainability	15
28	GRI 418: Customer Privacy 2016	Customer Privacy			
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