

PAKKA LIMITED • FY 2024-25

Inaugural Sustainability Report



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SECTION 01

About the report

Our inaugural disclosure – reporting boundary, frameworks and the principles that guide how we measure and share our sustainability journey.

Reporting Boundary

GRI Standards 2021

Assurance

Forward-looking Statements

Packaging Sustainability: Our Journey Begins

This inaugural sustainability report marks a defining moment in Pakka Limited's (also referred to as "we" or "the company") journey toward responsible and sustainable growth. It reflects our core values, long-term vision, and unwavering commitment to drive sustainable innovation that benefits both society and the environment.

The packaging industry plays a crucial role in facilitating the daily operations of industries, transportation, and individuals worldwide. However, it also poses considerable societal and environmental challenges. The packaging sector is a significant contributor to environmental pollution, primarily through plastic waste generation, resource depletion, and greenhouse gas emissions. Globally, packaging accounts for approximately 40% of plastic waste, much of which ends up in landfills and oceans, causing harm to ecosystems and wildlife. Furthermore, the production of packaging materials relies heavily on finite fossil fuels and demands substantial energy, water, and other natural resources.

At Pakka, we believe packaging should contribute positively to society while minimising environmental impact. Our business model is built on the principles of circularity, using materials that are naturally compostable and designing processes that are environmentally responsible and socially conscious.

We approach sustainability with intention, transforming agricultural residue into biodegradable packaging that helps reduce environmental impact, supports local communities, and contributes to a low-carbon future. This report highlights our compostable product design, sustainable operations, and commitment to environmentally responsible growth.

Reporting Boundary and Frequency

This sustainability report covers all entities under the operational and managerial control of Pakka Limited, including its subsidiaries and affiliated operations. The scope reflects our commitment to providing a complete and transparent overview of our sustainability performance across the entire organisation. Developed in reference to the GRI Standards 2021, the report underscores Pakka's unwavering commitment to transparency, accountability, and globally recognised reporting practices.

This report presents data and insights on the sustainability performance of Pakka Limited for FY 2024-25. Going forward, we aim to publish this report annually to ensure consistent and transparent communication of our progress, challenges, and sustainability efforts.

Statement of Responsibility

The Board of Pakka Limited affirms that this Sustainability Report addresses the material topics relevant to the company and provides meaningful insight into our approach to sustainability and stakeholder engagement. The content of the report has been reviewed and acknowledged by the Board and has been developed under the guidance of Pakka Limited's senior management.

Forward-looking Statement Disclosure

This report contains forward-looking statements that reflect Pakka Limited's expectations regarding future developments, strategies, and performance. These statements are based on reasonable assumptions and past trends but are subject to risks and uncertainties. They include all content beyond historical facts, such as goals, initiatives, and sustainability plans, and may evolve in response to changes in industry dynamics, market conditions, regulations, and other external factors.

Actual outcomes may differ materially, and Pakka Limited makes no guarantees regarding future performance. Readers are advised to interpret these statements with due consideration of the inherent uncertainties.

Assurance

Pakka Limited is committed to transparency, accuracy, and accountability in reporting our sustainability performance. This inaugural sustainability report has been prepared with the involvement of cross-functional teams across the company to ensure the reliability and completeness of the information presented. Our internal review processes included data verification, validation of key performance indicators and alignment with recognised sustainability standards and frameworks.

While this report represents our first comprehensive disclosure, we acknowledge the importance of continuous improvement in our reporting practices. Moving forward, we will enhance our assurance processes and explore opportunities for external verification to strengthen the credibility and robustness of our sustainability disclosures.

Feedback

As we continue to advance our sustainability initiatives, Pakka remains committed to fostering open, transparent, and constructive dialogue with all stakeholders, both within the internal and external stakeholders. Your feedback is invaluable in helping us refine our approach, enhance our impact, and drive meaningful progress. We warmly invite you to share your insights, reflections, or suggestions with us at:

connect@pakka.com

02

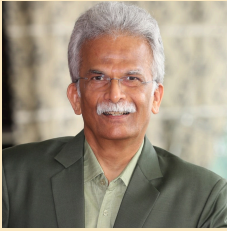
SECTION 02

Message from the Leadership

Reflections from our Chairman and Managing Director on purpose, resilience and the road ahead.

[Chairman's Message](#)

[Managing Director's Message](#)



Pradeep Vasant Dhobale

Chairman, Pakka

CHAIRMAN'S MESSAGE

At Pakka Limited, we have always believed that meaningful change begins with a conscious choice. As we embark on our sustainability journey, we do so with clarity of purpose and a deep sense of responsibility, to our environment, our communities, and the generations to come.

The global packaging industry is undergoing a profound transformation. Environmental degradation, mounting plastic waste, and shifting consumer expectations have made it clear that the status quo is no longer viable. Our journey begins here, with a commitment to reimagine packaging not as a burden on the planet, but as a solution for it. This journey is deeply aligned with the United Nations Sustainable Development Goals (SDGs), which serve as a global blueprint for a better and more equitable future. At Pakka, we have integrated fourteen of these goals into our business model, spanning health, education, gender equity, clean water, climate action, and responsible consumption.

We prioritise the well-being of our team members through monthly health camps and uphold strict policies against child labour, discrimination, and harassment. Our learning and development programs empower individuals to grow, while our foundation's hub-and-spoke education model connects pre-primary schools with primary and secondary institutions, ensuring access to quality education in underserved regions.

We champion gender equity and inclusive employment, and our transition from traditional pulp and paper to sustainable packaging reflects our commitment to innovation with purpose. We monitor water usage meticulously, manage effluent responsibly, and cultivate sugarcane sustainably to minimise environmental impact. Our CHUK brand has eliminated plastic from its product design, and we actively repulp and reuse rejected products, reinforcing circular economy principles.

The road ahead is promising. India's robust growth, coupled with rising demand for eco-friendly solutions, presents fertile ground for innovation. Consumers are increasingly choosing sustainable packaging, and global regulations are aligning with this shift. We are poised to lead this transformation, not just by responding to change, but by shaping it. As we take our next steps, I extend my heartfelt gratitude to our team members, partners, customers, and stakeholders. Your trust and support inspire us to aim higher, act bolder, and stay true to our mission. Together, we will build a future where packaging protects not only products, but the planet itself.

Pradeep Vasant Dhobale

EXPANDING THE KNOWN · EXPLORING THE UNKNOWN



Ved Krishna

Managing Director, Pakka

MANAGING DIRECTOR'S MESSAGE

At Pakka, sustainability is not a unit or a deliverable, it is the very foundation of our existence. It is the lens through which we view every decision, every innovation, and every step forward. For me personally, it is a lifelong pursuit: to build systems that regenerate, to design packaging that nurtures rather than pollutes, and to lead with purpose in a world that demands it.

The past year has been a journey of learning, resilience, and recalibration. We began with three clear priorities: to protect and grow our core business, to accelerate new product development, and to ensure that our expansion efforts remained on track. While the year brought its share of challenges, it also reaffirmed our belief in the strength of our foundation and the clarity of our vision.

Looking ahead, one of the most exciting chapters we are preparing to write is our proposed pulp and packaging paper project in Guatemala. This initiative, led at the Group level through Pakka Inc., marks a strategic leap, not just in capacity, but in global relevance. The Indian entity has contributed equity as a venture capitalist, with no financial recourse to its balance sheet. This structure ensures that our growth is both bold and responsible, unlocking upside while containing risk.

We believe the timing is right. The world is shifting toward agro-based, biodegradable solutions, and our decades of experience position us uniquely to meet this demand. This expansion is not just geographical, it is philosophical. It reflects our ethos of "Expanding the known. Exploring the unknown." We are not content with incremental progress; we are committed to transformative impact.

This belief finds a powerful echo in one of my most personal pursuits, Good Garbage, a podcast I host that brings together changemakers from across the globe. Through these conversations, we explore the evolving landscape of regenerative packaging, the intricacies of circular economies, and the deeper philosophical questions that shape our industry and its future.

As we move forward, I am filled with gratitude for our team, our partners, our customers, and our stakeholders. Your trust gives us the courage to dream bigger, act bolder, and stay true to our purpose. Together, we are not just building a venture, we are nurturing a movement. One that sees packaging not as waste, but as possibility and an opportunity.

Ved Krishna



SECTION 03

Company Overview

Who we are – our story, values, economic performance and the governance that safeguards long-term value.

Our Values

Economic Performance

Governance

Board & Committees

Risk Management

Pakka, founded in 1981 by Mr. K.K. Jhunjhunwala as Yash Papers, began with a focus on low-grammage kraft paper. Over the years, it evolved into a sustainability-driven enterprise, rebranding as Pakka in 2023 to reflect its global vision for regenerative packaging.

Guided by the values of Earth Love, Trust, Courage, Excellence, and Diversity, Pakka transforms agricultural residue, primarily sugarcane bagasse, into compostable packaging solutions. Its flagship brand, CHUK, offers sturdy, non-toxic alternatives to single-use plastics, widely adopted across the food service industry.

As of March 31, 2025, Pakka's Ayodhya facility includes a 130 TPD pulp mill, three paper machines with 39,100 TPA capacity, two biomass power plants, a chemical recovery unit, and 140 production lines producing 14.5 TPD of compostable tableware. These integrated operations drive efficiency and resilience.

In FY24-25, Pakka reported ₹406.04 crore in revenue, ₹56.70 crore in net profit, and maintained strong financial metrics including a 23% EBITDA margin and 12.44% RoCE. The company is listed on NSE and BSE, with a market capitalisation of ₹762.90 crore and promoter shareholding of 41.65%.

Pakka's products are trusted by leading FMCG brands and are distributed across over 30 countries spanning Asia, Europe, Africa, and the Americas. Raw materials are sourced within a 200 km radius to reduce carbon emissions and support local economies. The company's operations are certified by globally recognised standards including OHSI/1614, ISO, FSMS/1164, CIPET, USFDA 21 CFR 176.170, ISO 14001:2015, QMSI/1612, ISO 9001:2015, and QMSI/1613, ensuring quality, safety, and compliance.

To further strengthen its international presence, Pakka is investing in a major pulp and packaging paper project in Guatemala and has relocated its R&D centre to the United States to accelerate innovation in flexible packaging and deepen market insights. With a dedicated workforce of 511 professionals and a culture built around unity and purpose, Pakka is not merely responding to the future, it is shaping it.

Our values

At Pakka, our values are more than guiding principles, they are the foundation of our culture, the compass for our decisions, and the heartbeat of our sustainability journey. They shape how we innovate, collaborate, and lead with purpose across every geography we serve.



Earth Love



Trust



Courage



Excellence



Diversity

Earth Love – We are deeply connected to the environment and driven by a profound respect for nature. Every action we take is rooted in our commitment to protect, preserve, and regenerate the planet for current and future generations.

Trust – Trust is the cornerstone of our relationships, with stakeholders, communities, and each other, we believe in trust-based leadership. We cultivate trust through honest communication, ethical conduct, and consistent accountability in our actions.

Courage – We lead with boldness and integrity, unafraid to challenge conventions or speak our truth. Courage empowers us to take responsibility, promote freedom of thought, and drive transformative changes in everything we do.

Excellence – We pursue excellence relentlessly, continuously enhancing our knowledge, refining our skills, and striving to exceed expectations. It is this pursuit that fuels innovation and ensures quality in every endeavour.

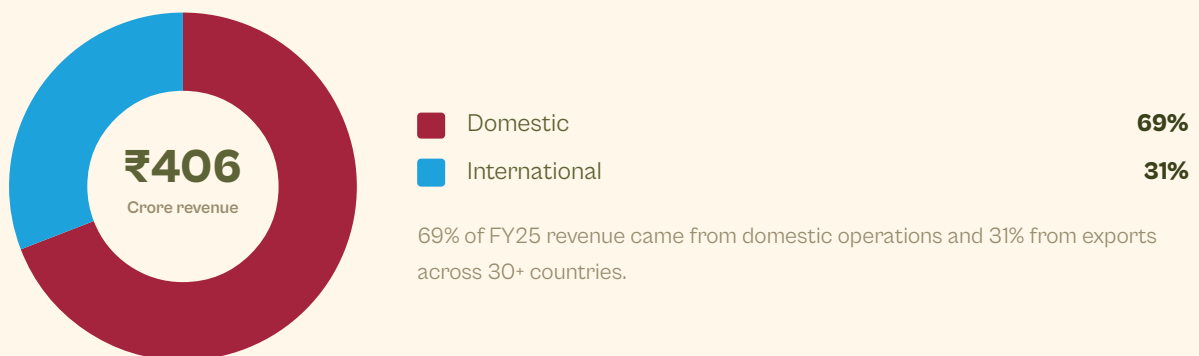
Diversity – We celebrate the richness of diverse backgrounds, perspectives, and experiences. Our inclusive culture empowers individuals, fosters collaboration, and strengthens our collective ability to grow, adapt, and thrive.

Together, these values define who we are and how we operate. They inspire us to build a future where packaging not only protects products but also nurtures people and the planet.

Our Economic Performance

Economic Performance

At Pakka, our unwavering commitment to long-term value creation is rooted in sustainable innovation and responsible growth. This approach has consistently driven strong economic performance and solidified our position as a global leader in compostable packaging and paper-based solutions. As of 31 March 2025, Pakka recorded ₹406.04 Crore in total revenue, with 69% generated from domestic operations and 31% from exports, reflecting a robust international footprint.



Our diversified product portfolio, spanning paper, pulp, and compostable bagasse tableware, remains central to our mission of delivering economic value while advancing environmental stewardship. Through operational excellence and sustainability-led strategies, we continue to shape a future where business growth and planetary well-being go hand in hand.

₹406.04

Cr

Total revenue FY25

₹56.70

Cr

Profit after tax

23%

EBITDA margin

12.44%

Return on capital employed

0.41

Gearing ratio (from 0.69)

₹762.90

Cr

Market capitalisation

Economic Performance (Value in Rs Crore)	FY 2024	FY 2025
EBITDA	94.33	91.90
PAT (Profit After Tax)	48.67	56.70
ECONOMIC VALUE GENERATED		
Total Revenue (A)	404.74	406.04
EBITDA Margin (%)	23%	23%
Gearing Ratio	0.69	0.41
RoCE (%)	20.13%	12.44%

In FY24-25, Pakka delivered a resilient financial performance, the company sustained revenue growth and achieved year-on-year profitability improvement, with profit after tax rising significantly, underscoring the robustness of its business model.

Additionally, Pakka's gearing ratio improved markedly, reflecting a reduced reliance on debt financing and a stronger balance sheet. Although Return on Capital Employed (ROCE) moderated due to expansion investments, it continues to illustrate effective resource utilisation focused on long-term value creation.

Like a well-calibrated ecosystem, Pakka's business model aligns economic vitality with environmental responsibility, demonstrating that profitability and purpose can grow from the same root. This integrated

approach enables the creation of shared prosperity -supporting stakeholders, empowering local economies, and accelerating the global transition toward responsible packaging solutions.

Key innovation highlights include:

- Expansion of bagasse-based packaging as a viable alternative to conventional materials
- Development of flexible and specialty packaging aligned with evolving consumer and regulatory expectations
- Integration of sustainability principles across product design, lifecycle assessment, and scalability

To support this growth, Pakka strengthened its research and development capabilities through organisational restructuring and process optimisation, guided by Six Sigma methodologies. This has enhanced speed-to-market, reduced process variation, and improved consistency in product quality.

Simultaneously, capacity expansion projects in India and Guatemala are enabling the scalable production of regenerative packaging solutions, ensuring that sustainability is not niche, but mainstream and accessible across markets.

Recognition of Leadership

Industry recognition reaffirmed Pakka's role as a sustainability pioneer. The company was honoured with the FE Green Sarathi Award in two categories:

- Sustainable Packaging Award
- Sustainable Product Innovation Award

This highlights Pakka's ability to combine environmental responsibility with commercial success, validating its role as a pioneer in the packaging industry.

Today, Pakka's products reflect both the scalability and growing acceptance of regenerative packaging worldwide. By embedding sustainability into product innovation and global expansion, Pakka continues to demonstrate that eco-conscious design can drive long-term value creation for businesses, communities, and the planet.

Creating Value Beyond Numbers

Pakka's economic contribution extends well beyond financial metrics. Its integrated operations across pulp, paper, and compostable tableware support sustainable growth while generating meaningful socio-economic impact.

Broader economic value creation includes:

- Employment generation through expansion projects in Ayodhya and Guatemala
- Strengthening of local economies and supply chains

- Global market presence spanning over 30 countries, enabling shared value for shareholders, customers, and communities

By aligning economic performance with environmental stewardship, Pakka demonstrates that sustainability is not a cost centre, but a catalyst for resilient growth, where disciplined execution, innovation, and purpose move forward in lockstep.

Membership of Associations

- 1 IPPTA (Indian Pulp and Paper Technical Association)
- 2 CII (Confederation of Indian Industry)
- 3 ICPA (Indian Compostable Polymer Association)

Performance Highlights



98% of Energy consumed from Renewable sources



Zero POSH cases



50+ industrial safety training programs conducted across the organisation covering approximately 350 team members



Achieved energy intensity of 0.38 TJ/INR million



100% of eligible team members were covered in the performance appraisal.



Achieved ~500 tCO₂ from energy efficiency projects



6888.5 hours of training provided to the workforce

Awards and Recognition

Our ongoing dedication to sustainability, innovation, and fostering an inclusive workplace culture has earned us recognition from esteemed organisations. These accolades highlight our commitment to environmental responsibility as well as creating a supportive and diverse work environment for all employees. We are proud to have received the following awards:



**Sustainable Packaging
Award**
**FE GREEN SARATHI
AWARD**



**Sustainable Product
Innovation Award**
**FE GREEN SARATHI
AWARD**



**Great Place to Work
Certification**



**Most Preferred
Workplace for Women**

Reinforcing Good Governance

At Pakka, strong governance is the foundation of our ESG outlook. We prioritise transparency, regulatory compliance, and ethical behaviour at every level, making these values central to who we are. Our governance is purposeful rather than procedural; it fosters a transparent, responsive, and principled leadership culture that drives strategy while safeguarding stakeholder interests. For us, governance is a commitment to responsible leadership and long-term sustainable stewardship.

This ethos is exemplified through our comprehensive Code of Conduct, which guides the actions of our Board of Directors and Senior Management. Additionally, we have instituted a rigorous framework to oversee, regulate, and report trading activities by employees and their immediate relatives, ensuring accountability and reinforcing our culture of integrity.

By integrating these governance mechanisms into our operation, we not only uphold the highest standards of ethical practice but also drive long-term value creation. This holistic governance model empowers us to build enduring trust, elevate organisational performance, and advance our sustainability agenda with conviction and clarity.

Board of Directors



Pradeep Vasant Dhobale

Chairman & Independent Director



Ved Krishna

Managing Director



Manjula Jhunjunwala

Director, Promoter



Dinika Bhatia

Independent Director



Kimberly Ann McArthur

Director, Promoters' Group



Alok Ranjan

Independent Director



Himanshu Kapoor

Non-Executive Director



Anna Kay Warrington

Independent Director



Gautam Ghosh

Executive Director



Rahul K. Dharmadhikary

Independent Director



Basant Kumar Khaitan

Independent Director

Board Diversity

Pakka views board diversity as a strategic priority that strengthens oversight, drives better decision-making and aligns governance with the company's sustainability and growth ambitions. Our diversity approach aims to achieve a balance of gender, independence, professional background, age and international experience so the Board can analyse strategy, capital allocation and ESG risk with a broad range of perspectives.

Pakka's Nomination and Remuneration Committee (NRC) has adopted a Board Diversity Policy to strengthen governance by ensuring balanced representation across gender, age, cultural and educational background, professional experience, skills and tenure. The Policy prohibits discrimination, prioritises merit and competence, guides succession and appointments using a skills-based approach, and is reviewed periodically with progress disclosed in governance and sustainability reporting.

Board Committees

Audit Committee

The Audit Committee provides independent oversight of financial reporting, internal controls, audit processes and compliance. It reviews the integrity of interim and annual financial statements, monitors the effectiveness of the internal audit function, evaluates the performance and independence of external auditors, and oversees statutory and regulatory compliance related to financial disclosures. The Committee also reviews significant accounting policies, related-party transactions and management responses to audit findings to ensure transparent and reliable financial governance.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) manages Board composition, director selection, succession planning and remuneration strategy. It maintains a skills matrix to identify capability gaps, recommends appointments and re-appointments, and ensures a merit-based, diversity-aware selection process. The NRC designs and reviews executive compensation frameworks that align pay with long-term performance and sustainability objectives and monitors overall succession readiness for key leadership roles.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee oversees shareholder and stakeholder grievance redressal, investor relations and compliance with applicable listing and disclosure requirements. It ensures timely resolution of complaints, maintains transparent communication channels with investors and other stakeholders, and reviews trends in grievances to recommend process improvements. The Committee supports shareholder engagement practices that strengthen trust and regulatory compliance.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee sets CSR strategy, approves programs and monitors project implementation and spend in line with statutory obligations and Pakka's social priorities. It identifies community investment areas, reviews impact measurement and ensures alignment between CSR initiatives and broader sustainability goals such as livelihoods, nutrition and rural development. The Committee reports on CSR outcomes and governance to the Board and stakeholders.

Risk Management Committee

The Risk Management Committee oversees the enterprise risk management framework, identifying principal risks, reviewing mitigation plans and monitoring key risk indicators. It evaluates operational, financial, strategic and ESG risks, ensuring appropriate internal controls, insurance and contingency planning are in place. The Committee coordinates with management and internal audit to strengthen resilience across supply chains, manufacturing and new-market expansion.

Independent Directors / Ethics and Governance Committee

The Independent Directors / Ethics and Governance Committee safeguards independent oversight of governance, ethics and related-party matters. It reviews Board conduct, conflict-of-interest policies and governance practices, provides objective counsel on sensitive issues and supports ethical standards across the organisation. The Committee conducts periodic reviews of governance frameworks and recommends improvements to preserve board independence and fiduciary accountability.

The table shows the composition of Pakka's Board committees

Committee	Chair	Members
Audit Committee	Pradeep Vasant Dhobale	Pradeep V. Dhobale; Basant K. Khaitan; Alok Ranjan; Atul K. Gupta
Nomination and Remuneration Committee (NRC)	Ved Krishna	Ved Krishna; Manjula Jhunjunwala; Basant K. Khaitan; Indroneel Banerjee
Stakeholders Relationship Committee	Himanshu Kapoor	Himanshu Kapoor; Gautam Ghosh; Manjula Jhunjunwala
Corporate Social Responsibility (CSR) Committee	Jagdeep Hira	Jagdeep Hira; Manjula Jhunjunwala; Dinika Bhatia
Risk Management Committee	Gautam Ghosh	Gautam Ghosh; Rahul K. Dharmadhikary; Alok Ranjan
Independent Directors Committee / Ethics & Governance Committee	Basant K. Khaitan	Basant K. Khaitan; Anna K. Warrington; Atul K. Gupta

Nomination and Remuneration

Pakka's Nomination and Remuneration Committee (NRC) oversees all matters relating to the selection, appointment, development and compensation of Board members and senior leadership to ensure governance that supports long-term value creation and the company's sustainability agenda. Remuneration for executive directors combines fixed pay, benefits and performance-linked variable components tied to financial, strategic and measurable sustainability outcomes; incentive structures integrate non-financial KPIs such as ESG, operational efficiency and safety where appropriate. Independent and non-executive directors receive objective fees and permissible commissions; Independent Directors are not eligible for stock options to preserve independent oversight. All remuneration arrangements comply with statutory requirements and shareholder approvals.

The NRC maintains formal succession plans, conducts structured inductions for new directors and runs periodic Board and individual evaluations to assess effectiveness, attendance and contribution. Evaluation outcomes inform director development, succession actions and any recalibration of remuneration

structures. The Committee reviews its policies regularly and reports on Board composition, diversity metrics and remuneration outcomes in Pakka's Annual Report and Sustainability Report to uphold transparency, accountability and stakeholder confidence.

Business Ethics and Transparency

Pakka embeds integrity and transparency into its sustainability agenda through a robust compliance framework aligned with the Companies Act, SEBI Listing Regulations and industry best practice. The Audit Committee oversees financial integrity, insider-trading compliance and related-party transactions; all Committee recommendations in FY25 were adopted by the Board. A clear Code of Conduct, regular compliance training and attestations drive ethical behaviour across the organisation. A formal Vigil Mechanism provides secure, confidential channels for reporting concerns; credible disclosures are independently investigated and tracked to closure while whistle-blowers are protected from retaliation. Mr. Sachin Kumar Srivastava, Company Secretary and Legal Head is the designated Compliance Officer for regulatory filings, investor communications and share-transfer formalities. During FY25 the Company received one investor complaint, which was resolved, leaving a closing balance of zero. Key compliance metrics, investigation outcomes and corrective actions are disclosed in our Sustainability Report to ensure accountability and stakeholder trust.

Whistle-blower mechanism

Pakka maintains a robust Whistle-blower mechanism to enable confidential, protected reporting of unethical behaviour, fraud, compliance breaches, safety incidents and other misconduct that could affect the Company's integrity or sustainability performance. The policy provides secure multiple channels for disclosures and a defined process for intake, preliminary assessment and independent investigation. Where prima facie credibility exists, designated officers or a committee conduct impartial inquiries, document findings and monitor corrective actions to closure.

Pakka guarantees confidentiality and protection from retaliation for bona fide whistle-blowers and distinguishes good-faith reports from malicious or frivolous allegations, which attract disciplinary action. Oversight rests with the Audit Committee, which receives periodic summaries of reports, investigation outcomes and remedial measures. The mechanism is reviewed periodically and key metrics on reports received, investigations completed, and corrective actions taken are disclosed in the governance and Sustainability Report to demonstrate transparency and continuous improvement.

Code of conduct

Pakka's Code of Conduct sets mandatory standards for directors, senior management and employees, requiring lawful, honest and responsible behaviour that advances long-term stakeholder value and sustainability. All leaders must certify compliance annually and new joiners receive targeted induction on ethical expectations and reporting channels.

Integrity, Fraud and Corruption

Pakka enforces zero tolerance for fraud, bribery or corrupt practices. The Company operates robust controls, mandatory approvals for high-risk transactions and prompt independent investigations of credible allegations. Findings trigger corrective actions, disciplinary measures and process strengthening to prevent recurrence.

Discrimination

Pakka is committed to equal opportunity and a respectful workplace. Discriminatory conduct on grounds of gender, age, caste, religion, disability, sexual orientation or any other status is prohibited. Recruitment, promotion and remuneration decisions are merit-based and supported by policies that promote diversity, inclusion and psychological safety.

Protection of Confidential Proprietary Information

Employees and directors must safeguard Pakka's confidential and proprietary information, including commercial, technical and sustainability data. Access is role-based, disclosures are authorized only through formal channels and misuse or unauthorized disclosure results in swift disciplinary and, where applicable, legal action.

Conflict of Interest

Directors, KMPs and all Pakka's team members (all Pakka's team members) must avoid personal or family interests that conflict with Pakka's interests. Potential conflicts must be disclosed promptly to the Company Secretary and managed through recusal, prior approvals or contractual safeguards. Related-party transactions require transparent approval and disclosure in line with governance standards.

Anti-Money Laundering and Insider Trading

At Pakka Limited, we uphold the highest standards of ethical conduct and regulatory compliance. We rigorously adhere to all applicable anti-money laundering, anti-fraud, and anti-corruption laws, supported by robust internal controls designed to prevent violations and promote transparency across our operations.

We maintain a zero-tolerance approach to insider trading. No team member, officer, or affiliate may use or disclose non-public, price-sensitive information for personal gain or to benefit others. This principle extends to immediate family, friends, and business associates. To ensure clarity and accountability, our Company Secretary remains available to provide guidance and support on compliance matters.

Board Performance evaluation

In alignment with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, Pakka undertakes a structured annual evaluation of the performance of its Board of Directors,

Board Committees, individual Directors, and the Chairperson. This process is designed to uphold transparency, accountability, and continuous improvement in corporate governance.

The evaluation is conducted through a detailed questionnaire distributed to all Board members. It covers key dimensions such as:

- Board composition and diversity
- Effectiveness of meetings and decision-making
- Strategic oversight and alignment with company goals
- Individual contributions and engagement

Directors are encouraged to provide open-ended feedback and suggestions to further enhance Board effectiveness and foster a culture of constructive dialogue.

Independent Directors play a central role in this evaluation process, offering impartial assessments that reinforce the integrity and objectivity of the review. Their insights are instrumental in identifying areas of strength and opportunities for refinement.

The feedback consistently reflects a high level of satisfaction with the functioning of the Board and its Committees. The leadership of the Chairperson and the Executive Team has been commended for its commitment to Pakka's values, sustainability vision, and ethical governance.

The findings from the evaluation are formally reviewed by the Board and serve as a foundation for strategic improvements, ensuring that Pakka continues to evolve as a purpose-driven and resilient organisation.

Sustainability Governance Framework

At Pakka Limited, sustainability is a core pillar that guides our strategic direction and operational activities. Our governance framework ensures a structured, transparent, and accountable approach to embedding sustainability principles throughout the organisation. The governance hierarchy is designed to connect strategy with execution, fostering robust decision-making and control mechanisms while clearly defining roles and responsibilities.

Governance Structure

Board of Directors

The Board of Directors holds ultimate responsibility for overseeing Pakka Limited's sustainability strategy and performance. Sustainability forms an integral part of the Board's agenda to align long-term business growth with responsible environmental and social stewardship. The Board regularly reviews sustainability-related risks, opportunities, and progress through comprehensive reports and updates from its committees and executive leadership.

Sustainability and Risk Management Committee

This committee serves as the nexus for integrating enterprise risk management with sustainability oversight. It identifies, assesses, and monitors both financial and ESG-related risks, ensuring a holistic view of the company's risk landscape.

Decisions within the committee focus on mitigation strategies for sustainability risks. The committee approves risk management frameworks and recommends sustainability targets and policies for Board approval.

Accountability is set through clear delegation of risk monitoring to management; the committee provides oversight and independent challenge, maintaining strong internal controls and reporting standards.

Executive Sustainability Council

Comprised of senior leadership across functions, the Council provides cross-departmental oversight of sustainability strategy, aligning goals from procurement to production, and HR.

Decisions within the Council include setting measurable sustainability targets, approving significant initiatives, and addressing emerging sustainability risks and opportunities. The Council fosters accountability by regularly reviewing performance metrics and ensuring corrective actions are taken where needed.

Operational Sustainability Team

This integrated team is responsible for executing sustainability actions at the operational level, directly within the manufacturing plant. Their responsibilities include monitoring energy and resource use, waste management, compliance with environmental standards, and implementing process improvements aligned with sustainability goals.

The team reports progress through defined KPIs and actively supports the Executive Council by providing data, insights, and implementation feedback.

Decision-making here is focused on operational effectiveness, continuous improvement, and adherence to internal control processes designed to uphold sustainability standards. The team collaborates closely with internal audit and compliance functions to ensure accuracy and completeness in sustainability reporting.

Pakka Limited has embedded multiple layers of control within its sustainability governance framework to maintain reliability, transparency, and continuous improvement. The frequency of reviews and meetings is designed to promote timely oversight and responsiveness.

Policies and procedures related to sustainability data collection, calculation methodologies, and operational processes are reviewed annually to ensure they remain relevant and aligned with evolving best practices and regulatory requirements. Operational teams conduct quarterly self-assessments of controls to identify gaps or improvement opportunities.

Sustainability processes and data are subject to internal audits to evaluate the design and effectiveness of controls. The internal audit team schedules sustainability-related audits on a quarterly basis.

Executive management, including the CEO and Executive Sustainability Council, conducts monthly reviews of sustainability KPIs, targets, and operational progress, ensuring that initiatives stay on track and corrective actions are taken promptly. Sustainability-related progress and key issues are escalated for discussion in relevant Board committees during their quarterly meetings.

The governance framework centers around the roles and responsibilities of the Board of Directors and the President and CEO, who are critical in strategizing and overseeing our sustainability initiatives. The Board supervises significant matters such as strategic planning, investments, organisational changes, and financial oversight, extending these responsibilities to sustainability matters. The CEO undertakes the day-to-day management activities, implementing strategies in accordance with the Board's guidance and upholding sustainability commitments.

Policies

At Pakka Limited, our commitment to responsible business conduct is anchored in a well-defined set of policies and codes that reflect our values, ethical standards, and sustainability priorities. These documents serve as guiding principles for decision-making and behaviour across all levels of the organisation and are publicly accessible to ensure transparency and accountability.

Through these policy frameworks, Pakka reinforces its dedication to ethical governance, inclusive growth, and long-term value creation.

Grievance redressal mechanism

At Pakka Limited, we uphold the principles of transparency, fairness, and ethical governance through a structured grievance redressal system. This mechanism enables stakeholders, including employees, partners, and community members, to voice concerns related to policy compliance, ethical conduct, and human rights.

Our process ensures that every grievance is addressed promptly, confidentially, and with due diligence. By fostering open communication and accountability, we strengthen stakeholder trust and reinforce our commitment to responsible business practices.

This system is a key component of our governance framework, supporting our broader sustainability goals and helping us maintain integrity across all operations.

Anti-Corruption and Anti-Bribery

Our organisation is firmly committed to conducting business with the highest standards of integrity, transparency, and ethical behaviour. We maintain a zero-tolerance policy towards corruption and bribery in any form, recognising that these practices undermine sustainable development, harm communities, and erode stakeholder trust.

We foster a culture where honesty and accountability guide our actions, and where any attempts at corrupt practices are promptly identified and addressed. By promoting ethical behaviour across all levels of the

organisation and in our relationships with partners and suppliers, we help create an environment that supports fair and responsible business practices.

Through these efforts, we contribute to economic and social sustainability while safeguarding our reputation and stakeholder confidence.

We are proud to report zero cases of corruption involving employees or business partners and zero public legal cases against the organisation in this regard.

Human Rights

Our organisation is deeply committed to respecting and promoting human rights in every aspect of our operations. We recognise that upholding fundamental human rights, including dignity, equality, and fairness, is essential to sustainable development, social justice, and ethical business practices.

Central to this commitment is providing a safe, respectful, and inclusive workplace free from any form of discrimination, harassment, or sexual harassment. We understand that preventing sexual harassment is vital to ensuring the well-being and dignity of all employees, contractors, and stakeholders.

To support this, we have established clear guidelines and robust processes to prevent, address, and resolve any complaints related to sexual harassment and other human rights concerns. Our initiatives include awareness programs, regular training sessions, and confidential reporting mechanisms that empower individuals to raise concerns without fear of retaliation.

Beyond our workplace, we respect the rights of all communities affected by our activities, including indigenous peoples and vulnerable groups, ensuring fair labor practices and supporting freedom of association.

Through transparent engagement with stakeholders and continuous improvement in our policies and practices, we strive to identify and mitigate any potential human rights impacts across our value chain. By fostering a culture of respect, accountability, and inclusion, we aim to create an environment where everyone feels valued and secure.

These efforts reinforce our commitment to building resilient communities, fostering trust, and supporting long-term social and environmental sustainability.

In FY25 zero human rights violations and zero discrimination cases were reported.

In FY25 zero POSH cases were reported

Risk Management

Credit Risk

Impact on capitals	Financial, Social and Relationship
Inherent risk	Possibility of defaults on trade receivables due to economic unpredictability
Mitigation strategy	- Receivables level considered safe - Focus on accelerating cash conversion cycle - Recovery specialists engaged - Secure export management

Health and Safety Risk

Impact on capitals	Human, Social and Relationship
Inherent risk	Occupational hazards from hazardous chemicals and high temperatures
Mitigation strategy	- Certified health and safety management system - Strict industrial safety measures - Investment in training, signage, protocols, and protective gear

Cybersecurity Risk

Impact on capitals	Intellectual, Financial, Social and Relationship
Inherent risk	Risk of data breaches and IT system failures impacting operations and confidentiality
Mitigation strategy	- Comprehensive IT controls and audits - Regular technical assessments - Robust data storage solutions - Employee training on information security

Reputational Risk

Impact on capitals	Social and Relationship, Financial, Human, Natural
Inherent risk	Poor management of social/environmental impacts could disrupt operations
Mitigation strategy	- Enforced code of conduct - Certified systems for quality, environment, and social accountability - Strong community and partner relationships

Market Volatility

Impact on capitals	Financial, Intellectual
Inherent risk	Fluctuations in market conditions affecting profit margins
Mitigation strategy	- Vertical integration from bagasse to finished products - Resilience across market conditions - Profitability from scale, diversity, and low long-term debt

Market Resistance

Impact on capitals	Financial, Social and Relationship
Inherent risk	Potential lack of market acceptance for compostable products
Mitigation strategy	- Expanding global market for compostables - Government support for plastic alternatives - Rising demand for compostable packaging and tableware

SECTION 04

Stakeholder Engagement and Materiality Assessment

How we listen to those who matter, and how we identified the issues most material to our business and stakeholders.

Stakeholder Engagement

Materiality Process

Material Topics

Stakeholder Engagement

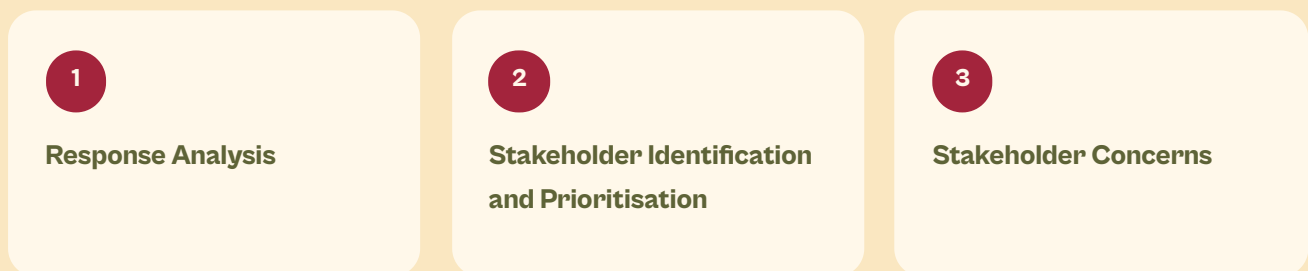
At Pakka, stakeholder engagement is a cornerstone of our governance and sustainability strategy. We believe that transparent, timely, and inclusive communication with our stakeholders, ranging from shareholders and team member to communities and regulators, is essential for building trust and driving long-term value.

In addition to operational transparency, Pakka ensures digital accessibility of key governance documents. Stakeholders can access the company's policies through the investor portal at pakka.com/investors. This open access empowers stakeholders to understand the company's strategic priorities, ethical commitments, and sustainability goals.

Through these integrated efforts, Pakka fosters a culture of openness, accountability, and stakeholder inclusion, reinforcing its mission to serve society without compromising the planet.

Engaging with stakeholders is considered a key priority, as it offers valuable insights into their main challenges and areas of concern. The engagement process is structured into four distinct stages, outlined below:

Stakeholder Engagement Process



Stakeholder Engagement

Stakeholders are identified based on their influence and relationship with the organisation. They are then prioritised by impact, interdependence, and strategic relevance. This ensures focused engagement with those most critical to success.

Our Key Stakeholders

Effective engagement strategies provide stakeholders with clear channels to express concerns. The organisation remains committed to addressing each issue promptly and with a high level of responsiveness.

Stakeholder insights are highly valued and inform the development of targeted action plans to align our business activities with their expectations.

We use tailored engagement strategies for each stakeholder group, employing a variety of platforms for communication and interaction.

Stakeholder Map



Stakeholder Engagement Overview

Top management

Significance to Pakka	Critical for governance and strategic direction
Mode of engagement	Strategy workshops; executive briefings; board papers
Frequency	Quarterly; ad-hoc for major decisions
Subjects discussed	Corporate strategy; risk and performance; capital allocation
Focus areas & our approach	Corporate strategy; risk and performance; align capital allocation with sustainability priorities; executive ownership and action tracking

Team members

Significance to Pakka	Essential for operational delivery and culture
Mode of engagement	Town halls; internal surveys; training sessions; focus groups
Frequency	Monthly communications; annual surveys; ongoing training
Subjects discussed	Workplace safety; diversity and inclusion; career development; wellbeing
Focus areas & our approach	Workplace safety; diversity; career development; embed feedback into HR plans and performance metrics

Suppliers

Significance to Pakka	Key to supply-chain resilience and standards
Mode of engagement	Audits; workshops; supplier onboarding; performance reviews
Frequency	Annually; on contract renewal; as needed for incidents
Subjects discussed	Responsible sourcing; contract terms; compliance; environmental standards
Focus areas & our approach	Responsible sourcing; compliance; environmental standards; supplier capacity building and clear contractual KPIs

Distributors

Significance to Pakka	Important for market access and service quality
Mode of engagement	Account reviews; performance dashboards; joint planning sessions
Frequency	Monthly operations reviews; quarterly business reviews
Subjects discussed	Service levels; logistics efficiency; product availability; sustainability requirements
Focus areas & our approach	Service levels; logistics efficiency; sustainability requirements; collaborate on performance targets and improvement plans

Regulators

Significance to Pakka	High for legal compliance and license to operate
Mode of engagement	Compliance reporting; policy dialogues; inspection coordination
Frequency	As required by regulation; periodic reporting cycles
Subjects discussed	Legal adherence; operational permission; sustainability disclosures; industry standards
Focus areas & our approach	Legal adherence; permitting; disclosures; proactive engagement and timely submission of required documentation

Industry associations

Significance to Pakka	Useful for standards and sector collaboration along with cross sector collaborations through associations like CII, ICPA and IIPTA are central to intra sector dialogue.
Mode of engagement	Working groups; conferences; position papers
Frequency	Quarterly meetings; annual conferences; regular events organised by industry associations
Subjects discussed	Sector best practices; standard setting; collaborative decarbonization; influencing public policy
Focus areas & our approach	Best practice; standard setting; collaborative decarbonization; represent company perspectives and adopt sector guidance

Investors

Significance to Pakka	Influential on capital and long-term viability
Mode of engagement	ESG briefings; annual reports; investor meetings; roadshows
Frequency	Quarterly updates; annual reporting cycle
Subjects discussed	Climate strategy; governance; risk management; financial performance
Focus areas & our approach	Climate strategy; governance; financial performance; transparent disclosures and investor Q&A sessions

Customers

Significance to Pakka	Central to revenue and product relevance
Mode of engagement	Surveys; feedback platforms; service reviews; co-creation forums
Frequency	Ongoing feedback channels; product cycles
Subjects discussed	Product sustainability; quality; packaging innovation; ethical sourcing
Focus areas & our approach	Product sustainability; quality; ethical sourcing; incorporate customer input into product development and service improvement

Communities

Significance to Pakka	Important for social license and local impacts
Mode of engagement	Outreach programs; public consultations; community liaison meetings
Frequency	Biannual consultations; ongoing liaison
Subjects discussed	Local development; education; employment opportunities; environmental impact mitigation
Focus areas & our approach	Local development; education; environmental impact impact; community investment programs and grievance mechanisms

Research institutes

Significance to Pakka	Valuable for innovation and evidence
Mode of engagement	Joint studies; advisory panels; data-sharing agreements
Frequency	Project-based; periodic forums
Subjects discussed	Technology innovation; impact assessment; policy research; pilot projects
Focus areas & our approach	Technology innovation; impact assessment; pilot projects; partner on R&D and share outcomes for scale-up

Materiality Assessment Process

The materiality assessment was conducted during the current financial year, following a rigorous five-step methodology aligned with the Global Reporting Initiative (GRI) Standards 2021 and global best practices. The process involved extensive value chain mapping, impact identification, stakeholder engagement, and prioritisation of sustainability topics based on their significance to both the organisation and our stakeholders.

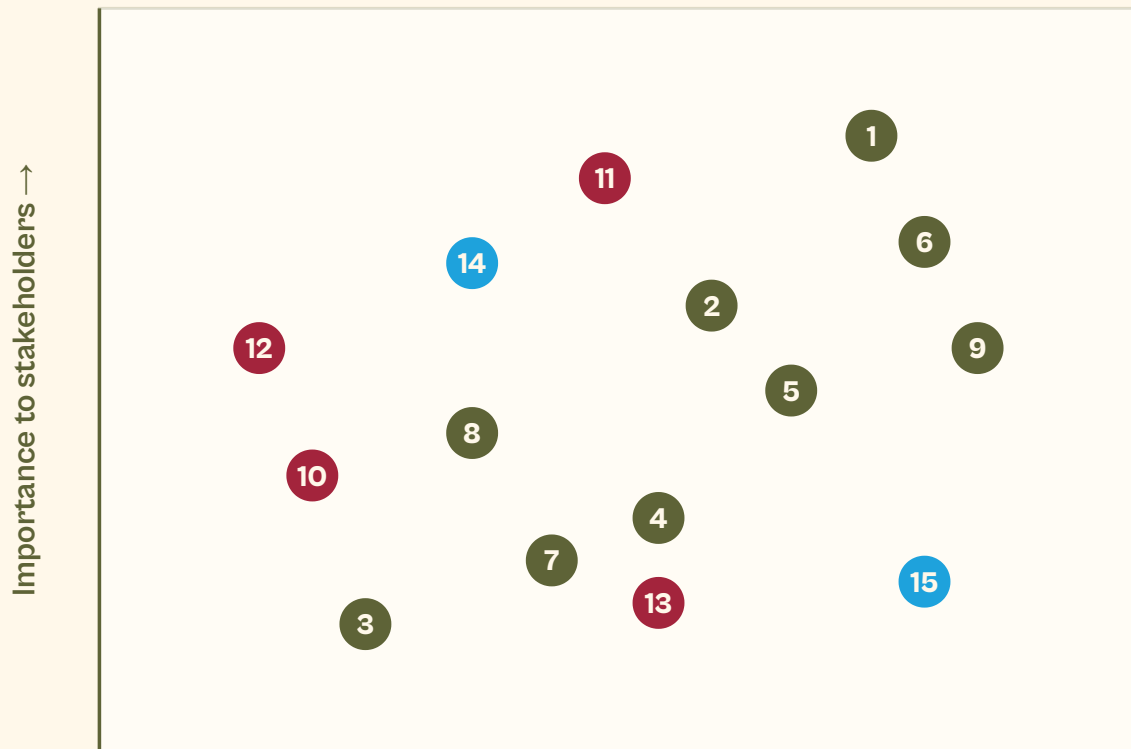
Throughout the assessment, the Sustainability team engaged with multiple internal functions, including Legal, Human Resources, Operations, and Supplier Management, as well as a wide spectrum of external stakeholders such as investors, customers, regulators, community representatives, and suppliers. These engagements were conducted through surveys, interviews, workshops, and review of industry trends to ensure a holistic and balanced appraisal of key sustainability challenges and opportunities.

Once the preliminary list of material topics was identified and prioritised, it was independently reviewed by the Executive Leadership Team, that includes the CEO and the CFO and the plant head. This step was crucial for aligning material topic prioritisation with organisational strategy, operational realities, and emerging regulatory landscapes.

After review by the Executive Leadership Team, the prioritised list of material topics was reviewed by the Sustainability and Ethics Committee of the Board. The Committee evaluated the methodology, stakeholder input, topic significance, and alignment with Pakka's strategic goals. Following discussion and clarification, the Committee endorsed the list.

Following a comprehensive materiality assessment and governance approval, Pakka has identified the following material topics that represent the key sustainability issues impacting our business and stakeholders.

Materiality Matrix



- | | | |
|-------------------------------|--------------------------------|----------------------------------|
| 1 Climate change | 2 Emissions management | 3 Air quality |
| 4 Energy management | 5 Renewable energy | 6 Water stewardship |
| 7 Waste & hazardous materials | 8 Product end-of-life | 9 Sustainable product innovation |
| 10 Fair labour & engagement | 11 Health & safety | 12 Human rights |
| 13 Community engagement | 14 Ethical business & advocacy | 15 Financial performance |

Positions indicate relative significance; all topics shown are material to Pakka.

Material Topics

ENVIRONMENTAL

- Climate change
- Emissions management
- Air quality
- Energy management
- Renewable energy
- Water management & stewardship
- Waste & hazardous materials management
- Product end-of-life treatment
- Sustainable product innovation
- Fair labour practices & team member engagement

SOCIAL

- Health & safety
- Human rights
- Community engagement

GOVERNANCE & ECONOMIC

- Ethical business practices & policy advocacy
- Financial performance & economic value creation

These topics will guide our sustainability strategy, risk management, and reporting. Each topic is managed through dedicated initiatives and performance indicators aligned with our commitments to responsible operations and long-term value creation.

Recognising the dynamic nature of sustainability challenges and stakeholder expectations, the Board has mandated that the materiality assessment be reviewed and refreshed at least every two years.

Climate Change

Description	Strategies and actions to reduce greenhouse gas emissions and adapt to climate impacts.
Stakeholders impacted	Regulators, Investors, Industry Associations, Communities
Why it matters	Regulators: Enforce climate policies Investors: Manage climate-related financial risks and support sustainability Industry Associations: Set industry standards Communities: Face climate impacts where operations occur

Emissions Management

Description	Monitoring, controlling, and reducing air pollutants and greenhouse gas emissions.
Stakeholders impacted	Regulators, Investors, Industry Associations
Why it matters	Regulators: Monitor compliance Investors: Assess operational and reputational risks Industry Associations: Promote best practices

Air Quality

Description	Initiatives to maintain and improve air quality in operational areas and surrounding communities.
Stakeholders impacted	Regulators, Communities
Why it matters	Regulators: Enforce air quality standards Communities: Health and wellbeing affected

Energy Management

Description	Efficient use of energy resources to reduce consumption and costs.
Stakeholders impacted	Investors, Suppliers (Logistics), Regulators
Why it matters	Investors: Cost savings and risk reduction Suppliers (Logistics): Optimise transport energy use Regulators: Energy usage compliance

Renewable Energy

Description	Adoption and integration of renewable energy sources like solar, wind, or biomass.
Stakeholders impacted	Investors, Regulators, Industry Associations
Why it matters	Investors: Support sustainable investments Regulators: Encourage renewables via policies Industry Associations: Drive sector transition

Water Management & Stewardship

Description	Sustainable use, conservation, and treatment of water resources.
Stakeholders impacted	Regulators, Communities, Investors
Why it matters	Regulators: Safeguard water quality and usage Communities: Depend on local water sources Investors: Evaluate water-related risks

Waste & Hazardous Materials Management

Description	Proper handling, reduction, and disposal of waste and hazardous substances.
Stakeholders impacted	Regulators, Suppliers, Communities
Why it matters	Regulators: Ensure safe disposal and compliance Suppliers: Responsible for materials supplied Communities: Environmental health concerns

Product End-of-Life Treatment

Description	Processes to recycle, dispose, or repurpose products after use to minimise environmental impact.
Stakeholders impacted	B2B Customers, Regulators, Investors
Why it matters	B2B Customers: Demand sustainable product lifecycle Regulators: Enforce disposal regulations Investors: Interested in circular economy benefits

Sustainable Product Innovation

Description	Developing products with lower environmental and social impacts throughout their lifecycle.
Stakeholders impacted	B2B Customers, Investors, Suppliers
Why it matters	B2B Customers: Prefer sustainable products Investors: See growth potential Suppliers: Align supplies with new product specs

Fair Labour Practices & Team Member Engagement

Description	Ensuring equitable working conditions, diversity, inclusion, and active employee participation.
Stakeholders impacted	Pakka's Team Members, Regulators
Why it matters	Pakka's Team Members: Directly affected and engaged Regulators: Enforce labour laws and standards

Health & Safety

Description	Maintaining workplace safety and promoting employee health and wellbeing.
Stakeholders impacted	Pakka's Team Members, Regulators
Why it matters	Pakka's Team Members: Safety of workforce Regulators: Workplace health and safety compliance

Human Rights

Description	Upholding fundamental human rights within operations and supply chains.
Stakeholders impacted	Pakka's Team Members, Suppliers, Regulators
Why it matters	Pakka's Team Members: Ethical workplace culture Suppliers: Compliance across supply chain Regulators: Legal enforcement

Community Engagement

Description	Active participation and investment in the wellbeing of local communities around operations.
Stakeholders impacted	Communities, Regulators
Why it matters	Communities: Directly impacted by operations Regulators: Monitor social license to operate

Ethical Business Practices & Policy Advocacy

Description	Conducting business with integrity, transparency, and advocating for responsible policies.
Stakeholders impacted	Pakka's Team Members, Regulators, Industry Associations, Investors
Why it matters	Pakka's Team Members: Uphold company ethics Regulators: Oversee legal compliance Industry Associations: Promote standards Investors: Risk and reputation management

Financial Performance & Economic Value Creation

Description	Delivering sustainable financial returns and contributing economic value to stakeholders.
Stakeholders impacted	Investors, Pakka's Team Members, Suppliers, Distributors
Why it matters	Investors: Primary interest in returns Pakka's Team Members: Deliver business results Suppliers & Distributors: Economic partners dependent on company performance



SECTION 05

Environmental Stewardship at Pakka Limited

Earth Love in action – energy, water, waste, emissions and our commitment to net-zero by 2050.

Energy & Renewables

Water Stewardship

Waste & Circularity

Climate & Emissions

Net-Zero 2050

At Pakka Limited, our commitment to the environment is rooted deeply in our core values of Earth Love. As a company that transforms agro waste into sustainable packaging solutions, we recognise that our success is intrinsically linked to the health and vitality of the planet. Protecting the environment is not just a responsibility, it is a guiding principle that drives every decision we make.

Our value of Earth Love inspires us to act as vigilant custodians of the natural resources entrusted to us. We aim to minimise our ecological footprint by innovating with renewable materials and adopting production processes powered by biomass energy. This respect for nature fuels our ambition to create products that do not just serve humanity's needs but also contribute positively to the planet's wellbeing.

Finally, our pursuit of Excellence compels us to continuously improve our environmental performance. We strive beyond compliance, setting ambitious targets for energy efficiency, water stewardship, waste reduction, and pollution abatement. Excellence is embedded in our operational discipline and drives us to innovate sustainable solutions that are scalable and repeatable.

Resource Efficiency and Environmental Protection

At Pakka Limited, we recognise that efficient resource management and stringent environmental protection are essential to achieving sustainable manufacturing excellence. Anchored in our core values of Earth Love, Courage, Trust, and Excellence, we systematically optimise energy use, implement comprehensive water stewardship practices, and pursue ambitious waste reduction targets. Our approach is underpinned by a rigorous Environmental Policy aligned with international standards and regulatory requirements. We ensure clear accountability at every organisational level and maintain active collaboration with stakeholders to foster environmentally responsible operations throughout our value chain.

This section details how we manage energy use, water resources, and waste within our operations, reflecting on both the opportunities and risks arising from these topics, the policies guiding us, the specific actions undertaken, and our mechanisms to evaluate progress and effectiveness.

Energy Management and Renewable Energy

Pakka Limited is committed to enhancing energy efficiency as a fundamental aspect of our environmental stewardship and operational excellence. This commitment aligns with our broader objective to reduce environmental impact while improving resource efficiency and supporting our transition to renewable energy sources.

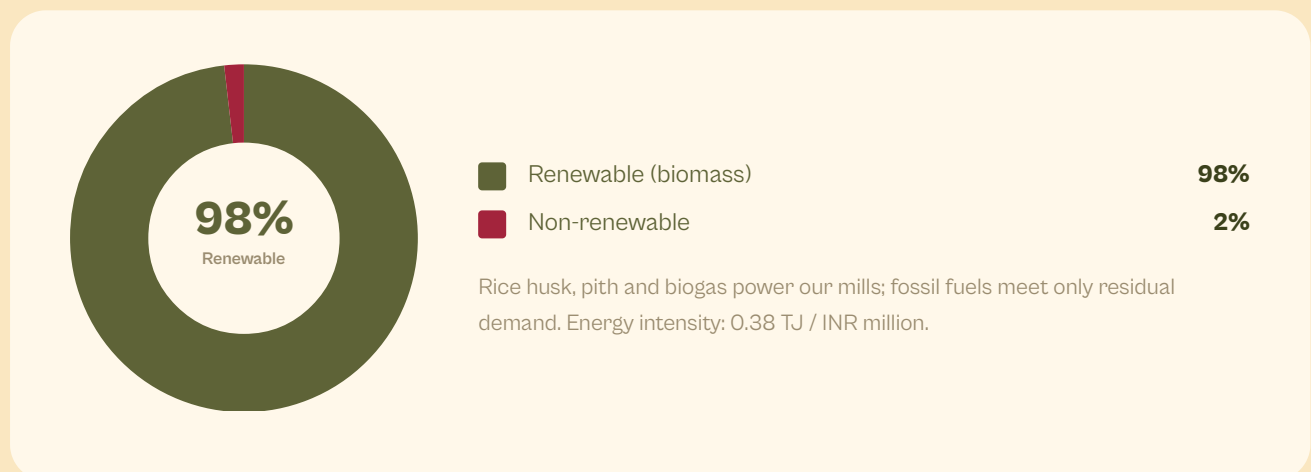
Our energy management strategy targets continuous reductions in specific energy consumption per tonne of finished product. We have established internal benchmarks and pursue investments in energy-efficient technologies to optimise power and steam consumption. Since inception, Pakka has leveraged biomass energy, including cogeneration systems utilising rice husk and black liquor as primary fuels, significantly reducing reliance on fossil fuels and associated greenhouse gas emissions.

To support these objectives, Pakka's Operations Sustainability Team has been assigned the responsibility for overseeing energy consumption, wastewater quality, and key environmental parameters on a continuous basis.

The accounting and reporting of energy consumption and savings follow established principles which focus on the operational impacts within the reporting period. Our approach includes detailed energy audits to quantify baseline consumption and savings generated through technology upgrades and process improvements. Energy consumption figures encompass all manufacturing processes where Pakka has operational control, ensuring comprehensive measurement of electricity, biomass fuel, and auxiliary energy use.

We apply rigorous verification protocols including internal audits to confirm the accuracy of energy data and ensure conservatism in classifying energy sources as renewable, based strictly on contractual knowledge of supplier origin. Where source information is unavailable, energy sources are conservatively categorized as non-renewable to maintain transparency and avoid overstatements.

ENERGY CONSUMPTION



Fuel	Energy (GJ)
LSHS	6,412.89
Diesel	3,556.44
LPG	233.00
Petrol	360.81
Rice Husk	1,264,328.73
Pith	249,803.87
Biogas	13,337.73
Grid Electricity	20,081.93

Pakka's sectoral classification falls within the agriculture-based manufacturing niche, placing an emphasis on responsible use of renewable agricultural residues. Consequently, the company's energy intensity is evaluated relative to production volume, offering insights into efficiency gains and benchmarking progress against industrial standards. Energy intensity – 0.38 TJ/ INR Million

ENERGY CONSERVATION AT PAKKA

Key energy efficiency initiatives led by the team include upgrading motors with variable frequency drives (VFDs), implementing process interlocks to optimise equipment operation, and replacing outdated equipment with energy-efficient alternatives. Current and planned projects also focus on boiler optimisation, deployment of advanced control technologies, and the evaluation of innovative solutions such as micro turbines and high-efficiency pumps to further enhance energy performance. The list of energy efficiency projects are as follows:

ENERGY EFFICIENCY PROJECTS · FY 2024-25

~500 tCO₂e

Annual emissions avoided

13

Conservation initiatives delivered

VFDs

Motors, interlocks & process upgrades

Energy Conservations Initiative	Energy Saving(KWh)	Annual Emission Reduction(tCO ₂)
Replaced 132 KW, 975 RPM motor of TDR by 110 KW,750 RPM.	25	130.86
Installed VFD on PP-2 Cooling tower fan 1&2.	6	31.41
Replaced FRP blades on chemical recovery evaporator cooling tower fan1&2.	4	20.94
Installed VFD on Tableware pulper motor.	15	78.52
Downsized UTM agitator Pulper motor in PM-3	5	26.17
Hood exhaust blower interlocked with MG Motor in PM-3	0.8	4.19
Installed VFD on caustic pump in pulp mill.	14	73.28
Interlock done in hood blower 1&2 with felt vacuum in PM-2	4	20.94
Back water pump motor size reduced from 7.5 KW to 2.2 KW in PM-2	4	20.94
Separator pit motor permanently stopped by vacuum pump sealing line modification in PM-2	3.7	19.37
Johnson screen motor (2.2 KW) interlocked with pulper motor in PM-2	1	5.23
Decker motor (2.2 KW) interlocked with Johnson screen motor in PM-2	1	5.23
Baggase tank, blending chest agitator interlocked with pumps in Tableware.	12	62.81

Water management & stewardship

Pakka Limited's manufacturing operations, reliant on agro-waste such as sugarcane bagasse, necessitate careful water management to balance production needs with environmental stewardship. Water is a vital but increasingly scarce resource, and efficient water use is central to minimising Pakka's environmental footprint, safeguarding local ecosystems, and supporting community water security.

Our commitment to responsible water management is firmly embedded in our Environmental Policy and executed through a dedicated Operations Sustainability Team. This team plays a central role in continuously monitoring water consumption and quality, ensuring strict compliance with both internal standards and external regulatory requirements.

Water Use & Management

WATER BALANCE · FY 2024-25



Pakka Limited's manufacturing operations rely heavily on water, primarily withdrawing groundwater to support critical processes such as pulp washing, papermaking, cooling, and cleaning within our plant. Water is essential for product quality and operational efficiency, and our plant is strategically equipped to optimise water use while minimising environmental impacts.

Water consumption at Pakka occurs through direct use in production and is discharged after treatment through our Effluent Treatment Plant (ETP). The treated effluent is rigorously tested and monitored before being released back into the environment, ensuring compliance with environmental standards and safeguarding local water bodies.

Potential environmental impacts linked to water use include runoff during monsoon seasons and process water discharges. Pakka actively monitors these impact vectors using advanced measurement tools and environmental management practices to ensure that water usage and discharge remain within permissible limits, preventing adverse effects on local ecosystems and communities.

Pakka includes all operational water uses within its manufacturing facility in its water accounting.

Withdrawals account for groundwater pumped for processing and cooling, while consumptions include evaporative losses and residual volumes incorporated into the product or lost through treated discharge.

Effluent discharges tracked encompass treated process water released post-ETP. The company adheres to internationally accepted methods and local standards to ensure the integrity of water reporting. Data collection systems are regularly improved for accuracy, and external audits verify reporting processes to maintain transparency and credibility.

WATER WITHDRAWAL

Source of water withdrawal	Unit	Total
Ground water	Kl	21,56,370

Water Consumption: 11,44,626 kL

WATER DISCHARGE

Minimum quality standards for water discharge are derived from regulatory frameworks established by CPCB and SPCB, focusing on critical parameters such as Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), Total Suspended Solids (TSS), pH, and colour. These are supplemented with sector-specific criteria issued for pulp and paper manufacturing, emphasising colour and organic load control.

The receiving water body profiles are carefully studied to establish appropriate discharge limits. Evaluations include consideration of flow dynamics, dilution potential, seasonal hydrological changes (including pre- and post-monsoon variations), and the presence of sensitive aquatic species and habitats. This has resulted in Pakka enforcing more rigorous internal discharge limits in locations where the local ecosystem's vulnerability demands heightened protection.

Water discharge to all areas	Unit	Total
Surface Water	Kl	10,11,744

Responsible Water Management and Conservation

To effectively manage water risks, the team conducts systematic assessments that identify and evaluate water-related impacts across our operations. These include periodic water audits, environmental impact assessments, and comprehensive water footprint analyses. Supporting these efforts, Pakka employs advanced technologies such as ultrasonic flow meters, Supervisory Control and Data Acquisition (SCADA) systems, and Online Continuous Emission Monitoring Systems (OCEMS), which provide precise and real-time data crucial for optimising water use and quality management.

Understanding that water risks extend beyond direct operations, we also engage in stakeholder consultations and collaborate with experts to assess indirect impacts. These evaluations, conducted in line with regulatory requirements, help us identify potential risks to local water resources and the communities that depend on them, ensuring a comprehensive approach to sustainable water stewardship.

Our Operations Sustainability Team conducts ongoing water consumption monitoring and wastewater quality testing, ensuring operational responsiveness and compliance with environmental standards. Real-time data from SCADA and monitoring equipment supports immediate adjustments where necessary, optimising water-intensive processes for efficiency.

To mitigate impacts from monsoon-induced runoff and episodic variations in water demand or discharge, Pakka employs robust contingency planning and environmental controls. Collaborations with local authorities enable a coordinated response to external water-related risks.

Site-Specific Water Conservation Initiatives

Pakka Limited invests continuously in site-specific technologies and process improvements to enhance water efficiency. Examples include the installation of Micro Plate Settlers (MPS) that enable reuse of backwater at

the process source, reducing both freshwater consumption and pollutant discharges to the ETP.

Six rainwater harvesting pits have been constructed to capture and utilise rainfall, although efforts are underway to meter recharge volumes accurately to assess their full impact on groundwater replenishment.

Target Setting and Monitoring

Water-related targets at Pakka Limited are integrated into a broader environmental management framework aligned with national and international directives, including CPCB regulations and the UN SDGs. Our structured target development process involves:

Target Description	Target Value	Timeframe	Progress
Reduce freshwater withdrawal	10% per ton of production	March 2025-26	Our overall freshwater withdrawal increased slightly by 2% in the reporting as this year we are also expanding our plant capacity at Ayodhya. However, once plant expansion is completed and we are running at our full production capacity, we will ensure that we achieve our water withdrawal reduction target of 10% per ton of production.
Reuse of Treated water	80% reuse	FY 2025-26	50%
Rainwater harvesting	8 no. of pits	March 2026	6

Waste and Hazardous Materials Management

Pakka Limited operates with a strong environmental governance framework that prioritises responsible resource use and waste management grounded in circular economy principles. Our Environmental Policy mandates regular review of all environmental guidelines to ensure ongoing alignment with legislative changes, industry best practices, and international sustainability frameworks such as the UN Sustainable Development Goals.

Central to our approach is Pakka's adoption of the '4R' waste strategy: Reduce, Recycle, Reuse, and Reclaim. This policy directs all waste management activities across our value chain, reaffirming our commitment to minimise waste generation, optimise resource recovery, and design processes that support product circularity and material stewardship.

To prevent environmental harm, Pakka strictly complies with statutory and regulatory frameworks for waste and hazardous material management. We adhere to national and state-level standards, including Central Pollution Control Board (CPCB) guidelines and sector-specific industry norms for pulp and paper waste management.

We have implemented rigorous waste segregation at source, full traceability of hazardous waste streams, and timely disposal through authorized channels. Monitoring is enhanced via regular internal audits to maintain transparency and reliability. Ongoing risk assessments help identify and mitigate potential waste-related incidents before they occur.

Oversight for waste and hazardous material management is embedded within Pakka's Sustainability Governance Framework. The Operations Sustainability Team holds responsibility for day-to-day execution, monitoring, and reporting of waste management performance. This team reports regularly to the Executive Sustainability Council, which reviews compliance, operational effectiveness, and innovation in waste valorization on a quarterly basis.

Our robust digital and manual data collection protocols ensure the accuracy of waste volumes reported and facilitate continuous improvement initiatives informed by credible data.

Metrics related to Waste



Particular	Quantity
WASTE GENERATED	
Hazardous Waste Generated	13,555.63 MT
Non-Hazardous Waste Generated	18,775 MT

Waste Management and Circular Economy Commitment

Pakka Limited demonstrates a steadfast commitment to effective waste management and fostering a circular economy throughout its operations. Our approach is rooted in the company's Environmental Policy, ensuring responsible handling of all waste streams and maximising resource recovery to minimise environmental impact.

At the heart of our waste management strategy is the adoption of the '4R' principle, Reduce, Recycle, Reuse, and Reclaim, applied rigorously across all operational stages. This commitment extends to hazardous waste management, safe disposal practices, and innovative waste valorization initiatives. Following regulatory frameworks set by the Central Pollution Control Board (CPCB), State Pollution Control Boards, and industry-specific standards, we strive not only to comply but often exceed minimum requirements to protect the environment and safeguard community health.

A flagship example of circular economy implementation is the repurposing of effluent treatment plant (ETP) sludge within our manufacturing premises to produce egg trays. This closed-loop approach exemplifies our 'Waste to Wealth' ethos, turning potential waste liabilities into value-added products. Similarly, rejected fiber waste is reclaimed and reused internally, reducing waste generation and supporting operational efficiency.

Our investment in wastewater treatment technology, including the adoption of advanced Integrated Fixed Film Activated Sludge (IFAS) systems, enhances our capacity to treat and recycle water efficiently, reducing liquid waste discharge and supporting sustainable water use, which directly complements our waste and circularity goals.

The effectiveness of our waste management and circular economy efforts is continuously measured using key indicators such as waste segregation rates, volumes of waste recycled or repurposed, and compliance with relevant environmental discharge limits.

Metrics related to Waste recycling and disposal

Particular	Quantity (Tonnes)
Waste diverted from disposal (Hazardous Waste)	13555
Hazardous Waste Recycled	0.633
Hazardous Waste Other recovery operations	13555
Waste diverted from disposal (Non-Hazardous Waste)	18775

Climate & Emission Management

Management Approach for Climate & Emission Management

Pakka Limited acknowledges Climate Change, Emissions Management, and Air Quality as critical material topics that affect both our operational footprint and broader economic and environmental contexts.

As a sustainable manufacturer leveraging agro-waste and biomass energy, Pakka's activities contribute positively to the circular economy by reducing dependency on finite natural resources and fossil fuels. This helps mitigate GHG emissions and supports regional air quality improvements. Additionally, our eco-innovative packaging solutions promote lower lifecycle carbon footprints and foster sustainable consumption

patterns. However, we recognise the associated negative environmental impacts from our operations. Indirect environmental impacts also arise from our business relationships, particularly in our supply chain operations, such as raw material sourcing, transportation, and third-party services, which may contribute to emissions and air quality challenges.

Organisational Involvement and Business Relationships

Pakka Limited actively manages and reduces negative environmental impacts stemming both directly from our manufacturing plant and indirectly through our extended supply chain. We maintain stringent operational controls at our facility to monitor and minimise emissions, supported by continuous environmental monitoring systems. Our Environmental Policy explicitly requires all suppliers and contractors to comply with Pakka's sustainability standards, ensuring adoption of responsible practices that minimise emissions and environmental degradation.

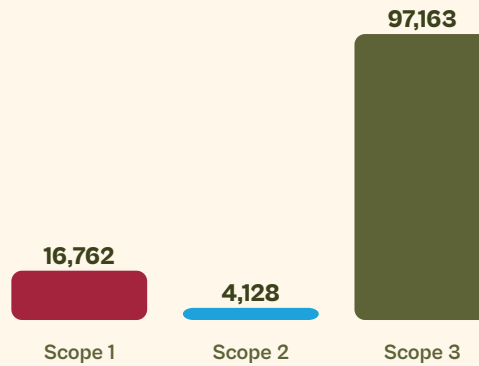
Policies and Commitments

Our Environmental Policy formally commits Pakka Limited to comply with all relevant local, national, and international environmental regulations, including alignment with the UN Sustainable Development Goals. We are dedicated to continuous improvement through regular audits, systematic environmental performance monitoring, and investment in renewable energy sources. Our commitment includes progressive transition from fossil-based energy to biomass and other renewables, incorporation of pollution control technologies, and rigorous emissions management practices to maintain air quality within statutory and voluntary thresholds.

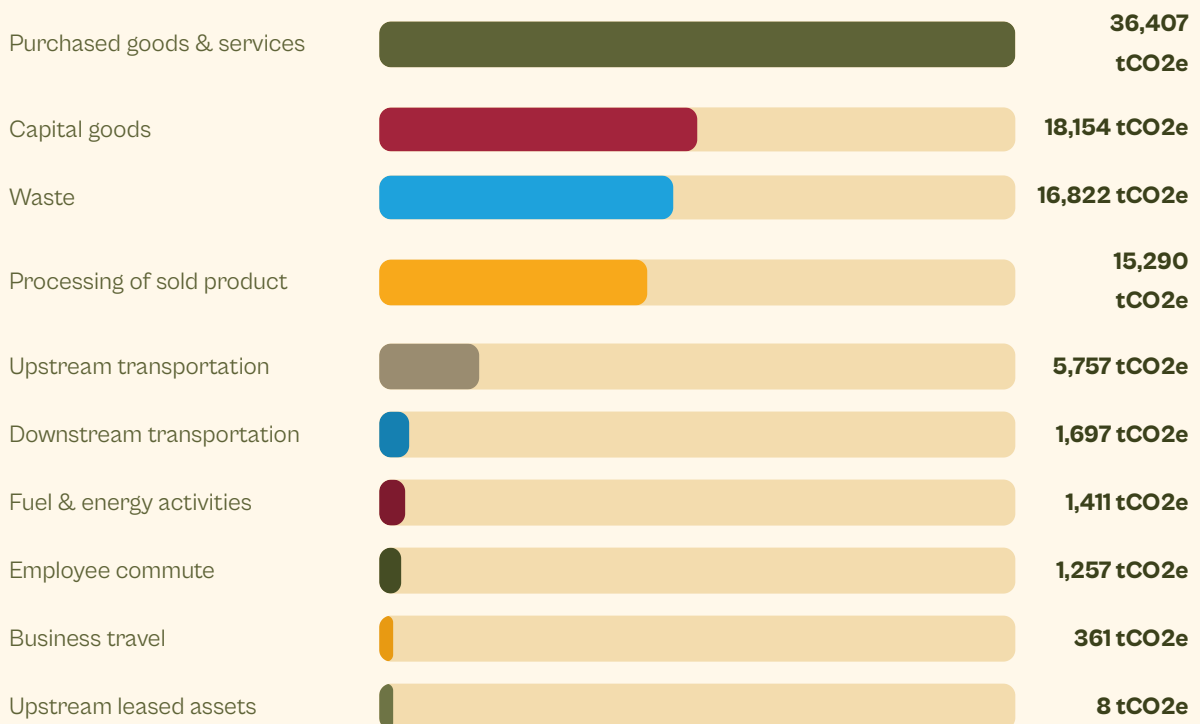
GHG Emissions

The total greenhouse gas (GHG) emissions stand at 1,18,053.17 tCO₂e, encompassing emissions from all three scopes as outlined by the GHG Protocol. Direct emissions, classified as Scope 1, are estimated at 16,762.20 tCO₂e, constituting 80.24% of the combined Scope 1 and 2 emissions. Scope 2 emissions, associated with the use of purchased electricity, amount to 4,127.97 tCO₂e, representing 19.76% of the total emissions from Scopes 1 and 2. The largest portion of emissions falls under Scope 3, which includes indirect emissions generated across the entire value chain, totalling 97,163 tCO₂e and accounting for a substantial 82.3% of the overall emissions.

GHG EMISSIONS BY SCOPE (tCO₂e)



SCOPE 3 BREAKDOWN · 97,163 tCO₂e



Emission Source	Emissions (tCO ₂ e)
Scope 1 (Direct)	16,762.20
Scope 2 (Indirect)	4,127.97
Total Scope 1+2 emissions	20,890
Purchased Goods & Services	36,407
Capital Goods	18,154
Fuel and Energy Related Activities	1,411
Upstream transportation	5,757
Waste	16,822
Business Travel	361
Employee Commute	1,257
Upstream Leased Assets	8
Downstream transportation	1,697
Processing of sold product	15,290
Total Scope 3 Emission	97,163

EMISSION SOURCES

SCOPE 1 EMISSION SOURCES (tCO₂e)

Stationary combustion		16,203 tCO ₂ e
Fugitive emissions		318 tCO ₂ e
Mobile combustion		241 tCO ₂ e

Emission Source	Emissions (tCO ₂ e)
Mobile Combustion	241.02
Stationary Combustion	16,203.18
Fugitive Emissions	318.01

NET-ZERO COMMITMENT AND DECARBONIZATION ROADMAP

Pakka Limited has formally committed to achieving net-zero greenhouse gas emissions by 2050, aligning our pathway with the rigorous Science Based Targets initiative (SBTi) Net-Zero Standard. This milestone reflects our firm dedication to driving transformative climate action grounded in the latest climate science and global best practices. Through this commitment, Pakka is positioning itself at the forefront of sustainable manufacturing innovation, embracing renewable energy adoption, supply chain decarbonization, and circular economy principles as fundamental pillars of our climate strategy.

OUR NET ZERO TRANSITION PLAN

OUR NET-ZERO TRANSITION PLAN · TARGET 2050



To measure the effectiveness of our climate and emissions management activities, Pakka Limited has established a comprehensive suite of Key Performance Indicators (KPIs) related to energy consumption, and renewable energy sourcing. These metrics are tracked continuously by our Operations Sustainability Team,

leveraging state-of-the-art monitoring systems and reporting platforms to provide real-time and historical data for analysis.

AIR POLLUTION

Pakka Limited maintains a comprehensive environmental framework that prioritises air pollution control as a critical component of our environmental responsibility. Our commitment is to comply fully with all applicable air quality regulations. We implement precautionary management practices aimed at preventing or mitigating any adverse environmental or health impacts arising from air pollutant emissions associated with our manufacturing activities. Our pollution control efforts are embedded within our Environmental Management System (EMS), which drives systematic improvements in air quality and operational performance on an ongoing basis.

Our manufacturing processes primarily generate emissions from biomass combustion for steam and power generation and from agro-waste pulping and paper production operations. We have deployed robust systems and technologies to monitor and control these emissions, including:

Continuous environmental monitoring systems that track particulate matter, volatile organic compounds, and other relevant air pollutants.

Advanced pollution control technologies such as dust collectors, scrubbers, and boiler process optimisation to reduce emission levels.

Scheduled maintenance and operational improvements focused on reducing fugitive emissions and optimising combustion efficiency.

Emissions to air by pollutant

14.80 MT

SOx emissions to air

60.65 MT

NOx emissions to air

218.93 MT

PM emissions to air

Pollutants	Emissions (MT)
SOx	14.80
NOx	60.65
PM	218.93

SUSTAINABLE INNOVATION

Product end-of-life treatment

We implement a comprehensive product lifecycle management framework designed to minimise environmental impact from design through disposal. This framework encourages innovation in product design, resource efficiency, and waste reduction.



SECTION 06

Social Commitment at Pakka Limited

People and communities at the heart of progress – our workforce, benefits, development and inclusion.

Our Workforce

Diversity & Inclusion

Benefits

Learning & Development

People and Communities at the Heart of Progress

At Pakka Limited, our commitment to people and communities is a vital part of our business philosophy. We believe that enduring progress begins with empowering individuals, strengthening local bonds, and fostering inclusive growth. This belief is deeply embedded in how we operate, shaping the way we engage with people, build relationships, and contribute to a more equitable society.

We aim to create lasting value for all stakeholders by cultivating a workplace culture rooted in well-being, fairness, and opportunity. Our social efforts are guided by a people-first approach that focuses on:

- Building meaningful and respectful connections with communities
- Supporting continuous learning and development of our team members
- Embracing diversity, equity, and inclusion across the organisation
- Practicing transparency and ethical governance
- Integrating our operations thoughtfully within local contexts

Together, these elements form the social foundation on which Pakka's sustainable growth rests.

Our workforce

OUR PEOPLE AT A GLANCE

764

Total workforce

430

Team members

334

Contractual workers

6.76%

Women in workforce

At Pakka Limited, we believe that a truly agile and future-ready workforce is one that thrives on diversity, inclusion, and shared purpose. As pioneers in sustainable packaging, we understand that our people are central to driving innovation, operational excellence, and long-term impact.

We are committed to fostering a workplace where individuals, regardless of age, gender, background, or ability, feel respected, empowered, and supported throughout their journey with us.

Our people practices are grounded in:

- Fairness and equal opportunity
- Accessibility and non-discrimination
- Respect for individual dignity and contribution

We strive to create an environment where diverse perspectives are not only welcomed but actively encouraged. This diversity strengthens our ability to collaborate, solve problems creatively, and lead with empathy. Our teams are encouraged to bring their whole selves to work, contributing to a culture that values openness and mutual respect.

As part of our ongoing commitment to transparency and inclusion, we proudly monitor workforce demographics to track progress and identify opportunities for growth. Our total workforce stands at 764 individuals, comprising 430 Team member and 334 contractual workers. Women currently represent approximately 6.76% of this total, with encouraging strides in leadership roles, Senior Management at 14.29% and Junior Management at 13.92%. These figures reflect meaningful advancement in empowering women across key areas of leadership and development. We are especially proud of the structured mentorship, leadership training, and career development programs in place to guide and encourage women in junior management as they progress toward senior roles. By fostering a culture of support and opportunity, we are building a more inclusive leadership pipeline and remain dedicated to advancing gender balance across all levels of the organisation, including middle management and contractual roles. We remain committed to fostering a workplace that reflects the values of equity, representation, and opportunity, ensuring that all individuals who contribute to Pakka Limited are empowered to thrive.

Team Member Category	<30 years	30-50 years	>50 years	Male	Female
Senior Management (Sevak)	0	4	3	6	1
Middle Management (Sanghrakshak)	0	33	4	35	2
Junior Management (Emerging Leaders)	13	64	2	68	11
Non-management (Utpadak)	70	260	60	363	27
Contractual	130	282	52	439	25
Total	213	643	121	911	66

Diversity of Governance Bodies and Team Member

Team Member Category	<30 years	30-50	>50 years	Male	Female
Board of Directors	-	5	6	7	4

Recruitment Process

Our recruitment process reflects our commitment to sustainability, equity, and ethical business practices. We focus on attracting and retaining skilled professionals who align with our values, while fostering a workplace culture built on trust and respect. Hiring decisions are made solely on the basis of candidates' skills and qualifications, ensuring a fair and inclusive approach. We do not consider regional or personal categorization during selection, reinforcing our dedication to equal opportunity.

Hires for FY25

Team Member Category	<30 years	30-50 years	>50 years	Male	Female
Senior Management	0	0	1	1	0
Middle Management	0	4	0	3	1
Junior Management		10	2	1	11
Non-Management	16	17	0	27	6
Contractual	30	35	8	69	4
Total	46	66	11	101	22

Team Member turnover FY25

Team Member Category	<30 years	30-50 years	>50 years	Male	Female
Senior Management	0	2	0	1	1
Middle Management	0	0	3	3	0
Junior Management	2	13	0	13	2
Non-Management	10	12	8	21	9
Contractual	20	42	8	66	4
Total	32	69	19	104	16

Performance Review and Appraisals

We recognise that regular performance evaluations are essential to fostering team member growth, aligning individual contributions with organisational goals, and maintaining a culture of accountability and development. Our performance review process is structured to provide constructive feedback, identify strengths and areas for improvement, and support career progression. Reviews are conducted at defined intervals and are based on transparent criteria that emphasise fairness, merit, and measurable outcomes. During the reporting year 100% of eligible team members were covered in the performance appraisal.

Team Member Category	Male	Female	Total
Top Management	6	1	7
Senior Management	5	1	6
Middle Management	34	2	36
Junior Management	5	6	11
Associates/Non-Management	319	146	465
Total	369	156	525

Team Member benefits

At Pakka Limited, we prioritise the physical, emotional, and financial well-being of our team members through a comprehensive and thoughtfully designed benefits framework.

Key benefits include:

Supporting Families through Comprehensive Maternity and Paternity Benefits

Team Pakka is dedicated to promoting the well-being of its team members and their families by providing robust maternity and paternity benefits. Eligible female team members receive 182 days of fully paid maternity leave, with the option to begin leave early and work from home when feasible, ensuring a healthy work-life balance during this important phase. Eligible fathers are granted 15 days of paid paternity leave within 90 days of childbirth, allowing them to actively support their partners and bond with their newborn.

In addition to leave benefits, Team Pakka offers financial support of Rs. 15,000 for normal deliveries and Rs. 25,000 for caesarean deliveries, applicable up to two children. This support underscores our holistic approach to family care and our commitment to easing the financial burden on new parents.

These initiatives reflect our dedication to fostering a nurturing and inclusive workplace that supports team members' personal milestones and contributes to the sustainable growth of our organisation and community.

Comfortable and Convenient On-Site Accommodation

To support the health, safety, and well-being of team members working round-the-clock in production and maintenance roles, the Company provides comfortable accommodation within the factory premises. This ensures that team members have easy and timely access to their workplace during all hours, reducing commute stress and enhancing their ability to respond quickly to operational needs.

The accommodations are fully equipped with essential furnishings such as fans, lighting, air conditioning, sanitation facilities, kitchens, beds, tables, chairs, and sofas, creating a comfortable living environment. Team members are encouraged to personalize their spaces with soft furnishings like cushions and mattresses to create a sense of home, with the option of financial support through interest-free advances to assist with these purchases.

A dedicated maintenance team ensures that all housing facilities remain in excellent condition, attending promptly to electrical, plumbing, and structural needs. Each resident receives a formal allotment letter detailing the provided furnishings and is entrusted with caring for the accommodation to maintain its quality.

By providing convenient, well-maintained accommodation, the Company not only enhances the quality of life for its team members but also promotes a supportive work environment that prioritises their comfort, safety, and overall well-being.

Gratuity Policy

Our organisation is committed to ensuring the long-term financial security and well-being of our team members, both during their tenure and after retirement. As part of this commitment, we have established a comprehensive gratuity policy aligned with the Payment of Gratuity Act, 1972.

We have created a dedicated trust, the "Trustee Pakka Limited (Formerly known as Yash Pakka Limited) Employees Group Gratuity Fund Trust," which holds a corpus funded by the company. This corpus is managed prudently through a policy with LIC of India, aimed at meeting the gratuity liabilities as they arise.

Team members become eligible for gratuity upon completion of continuous service of four years and 240 working days in the fifth year. The gratuity amount is calculated based on 15 days' last drawn salary for each completed year of service, in accordance with statutory guidelines. Notably, our policy ensures that the gratuity amount payable is without capping, going beyond the limits prescribed by the Payment of Gratuity Act and the Income Tax Act, thus reflecting our dedication to fair and just team member compensation.

This policy reinforces our philosophy of securing our team members' futures by providing them with deserved financial recognition for their service to the organisation.

Team members Health and Well-being Initiative

At Pakka, we prioritise the holistic well-being of our team members, recognising the intrinsic link between physical fitness and mental health in creating a productive and positive workplace. To foster a culture of health, we have established a dedicated gymnasium accessible to all team members.

The gymnasium membership is affordably priced at INR 300 per month, with convenient salary deductions ensuring seamless enrolment. Each member receives a membership card renewed annually, and biometric entry systems maintain a secure and efficient environment. Our facility operates with gender-specific and open hours to accommodate diverse schedules: early morning sessions for ladies and gents separately, and inclusive evening slots for all team members during weekdays and Saturdays.

We emphasise the importance of personal hygiene and proper workout attire to maintain a clean and respectful environment. Additionally, an adjoining area is designated for indoor games, promoting recreational engagement and team bonding, available on Saturdays.

This initiative not only supports physical health but also enhances immune resilience, focus, and overall productivity among the workforce. By investing in such facilities, Pakka demonstrates its commitment to sustaining a healthy, motivated, and efficient team, thereby driving both individual and organisational growth.

For assistance or further information regarding the gymnasium and recreational facilities, team members can contact the designated support personnel directly.

Kaizen Policy for Continuous Improvement

At Pakka Ltd, we are committed to fostering a culture of continuous improvement and active team member engagement through our structured Kaizen Policy. This initiative empowers every team member to contribute proactively towards enhancing operational efficiency, reducing waste, improving quality, and ensuring workplace safety.

Our Kaizen Policy encourages each team member to submit at least one improvement suggestion per month, including a mandatory safety-focused Kaizen annually, promoting a safer and more productive work environment. Contributions are recognised and rewarded through a well-defined system that includes monthly awards across key categories such as Productivity, Quality, Cost, Delivery, Safety, and Morale/5S, with special incentives for cost-saving ideas.

Training is provided to all new team members within their first 45 days to ensure they understand and actively participate in the Kaizen process. This inclusive approach not only supports individual growth and recognition but also drives collective organisational excellence.

By embedding Kaizen into our operational culture, Pakka Ltd enhances job satisfaction, encourages teamwork, and reinforces our commitment to sustainable and responsible business practices.

Marriage Gift Support

Pakka recognises that marriage is a significant milestone in the lives of our team members and their immediate family. To celebrate this joyous occasion, we provide financial gifts to team members and their family members. The amount varies according to the recipient's relationship to the team member, thus ensuring inclusivity across different family situations. For example, team members (self) receive INR 5,100, while daughters of members may receive up to INR 11,000. Additionally, team members attending customers' or suppliers' marriages are eligible for official vehicle use, travel allowances, and can regularize attendance as

on-duty, facilitating seamless participation in these important events. This initiative embodies Pakka's philosophy of sharing happiness and supporting life's big moments as an extended family.

School Fees Concession

Education plays a pivotal role in shaping the future, and at Pakka, we prioritise enabling the children of our team members to access quality schooling without financial burdens.

Team members with a monthly salary of ₹50,000 receive a 50% company contribution towards their children's education expenses. The contribution increases or decreases proportionately with salary, up to an eligibility cap of ₹1,00,000 per month, ensuring fairness and sustainability.

The contribution is applicable for up to two children per team member, including adopted children, with special consideration in the case of twin births. The same percentage support applies to both tuition and admission fees, reducing both recurring and upfront financial burden.

This values-driven initiative reinforces Pakka's commitment to social equity, family well-being, and long-term people development.

Travel Guidelines and Allowances

Recognising the importance of safe and efficient travel during official duties, Pakka has established clear travel guidelines to balance comfort, cost efficiency, and timely delivery. Allowances differ by designation:

- Utpadak and Sahayak grades receive daily allowances at actuals or up to INR 800 without bills, hotel charges on actuals or INR 3000 max without bills, and rail travel by AC III class.
- Sanghrakshak members have access to AC II/1 or flight tickets with prior approval.
- Sevaks are entitled to AC I or flight travel.

For international assignments, hotel stays are reimbursed on actuals with per diem allowances capped at USD 50 for daily expenses. Additional provisions include 50% higher food and hotel allowances for travel to major metropolitan areas such as Delhi NCR, Mumbai, and Bangalore, recognising higher living costs. Chauffeurs are eligible for night call allowances when detained overnight at the workplace. In cases of travel shorter than 12 hours, 50% of the daily allowance is compensated. Flight bookings require prior consent from the appropriate authorities, emphasising responsible taxation of resources. These guidelines ensure that travel undertaken for work is comfortable yet prudent, reinforcing Pakka's sustainable approach to resource management.

Retirement Recognition.

Najiwan– Honouring Lifelong Commitment and Dignified Retirement

At Pakka, we believe that employment extends beyond active service and represents a lifelong relationship built on trust, respect, and shared values. To honour this philosophy, we have institutionalised Najiwan, a

comprehensive retirement and post-retirement engagement program designed to ensure a smooth, respectful, and fulfilling transition for our team members upon reaching the retirement age of 60 years.

Najiwan, meaning “New Life,” is an integrated initiative that recognises the invaluable contributions of our retiring team members, facilitates structured succession planning, and sustains enduring bonds with retirees as valued members of the Pakka family.

KEY FEATURES OF THE NAJIWAN PROGRAM

Pre-Retirement Succession Planning: Two years prior to retirement, a structured succession planning process begins. Successors are identified, evaluated, and trained through shadowing, assessments, and regular reviews. This ensures seamless knowledge transfer and continuity in leadership and critical roles.

Retirement Farewell Celebration: We proudly celebrate the contributions of each retiree with a heartfelt ceremony that includes speeches, sharing of memorable experiences, and formal recognition. Retiring team members receive a gold coin or bar equivalent to 0.2 grams per year of service (rounded up), a traditional handloom shawl, a personalised appreciation letter, and farewell memorabilia. Statutory benefits including gratuity and full-and-final settlement are handed over during the ceremony, and company-arranged transportation is provided as a gesture of care and respect. All retirements occurring within a month are formally honoured through a collective retirement ceremony held on the first day of the following month.

Post-Retirement Engagement: Najiwan fosters lifelong connections by offering retirees continued access to company premises, invitations to events, personalized greetings, community engagement via dedicated communication groups, and home visits. Furthermore, we extend employment priority to the children of our retirees, reinforcing our commitment to their families.

Through Najiwan, Pakka not only facilitates a smooth and respectful retirement journey but also embeds retirees within our extended family, acknowledging their wisdom, dedication, and invaluable contributions. This initiative reflects our commitment to sustainable human resource practices and the holistic well-being of our team members.

These benefits are designed to support individuals across various roles and employment types, reinforcing our commitment to fostering a workplace built on care, respect, and security for all who contribute to Pakka Limited.

Parental Leave¹

At Pakka Limited, we are proud to offer a comprehensive parental leave policy that supports our team members during the important life event of welcoming a new child.

Paid maternity leave of 182 days in full compliance with the Maternity Benefit Act

Paid paternity leave of up to 15 days per child for eligible team members

Dedicated initiatives under the Maternity Care Policy to support expecting mothers

1. *No female team member took parental leave

Our approach to parental leave is rooted in our broader commitment to Diversity, Equity, and Inclusion. By fostering a family-friendly and inclusive workplace, we aim to attract and retain top talent while nurturing a culture of care and belonging.

■ PARENTAL LEAVE – RETURN-TO-WORK & RETENTION

Indicator	Male	Female
Return-to-work rate	100%	100%
Retention rate	94%	—*

*No female team member took parental leave during the reporting year.

Learning and Development

Learning and Development play a crucial role in building a sustainable organisation. Through continuous learning, skill enhancement, and safety awareness, we ensure long-term growth, member's well-being, and responsible operations. Our organisation actively conducts various training programs focused on sustainability, Technical, Non-Technical, safety, and soft skills development.

Total training hours provided to the workforce: 6888.5 hours

Objective of Training Programs

- To improve team members skills and competencies
- To promote sustainable work practices
- To ensure a safe and healthy work environment
- To enhance communication, teamwork, and leadership skills
- Energy Conservation and Resource Optimisation

Orientation and Induction Programs

- The objective is to familiarize members with the organisation's culture, values, and sustainability goals.
- New team members are introduced to company policies, code of conduct, and workplace rules.
- Safety guidelines, emergency procedures, and use of PPE are explained during induction.
- New members are informed about health, safety, and environmental (HSE) practices followed at the workplace.
- Basic training on quality standards and sustainable work practices is provided.
- Roles, responsibilities, and departmental workflows are clearly explained.

- Awareness is created about ethical practices, teamwork, and continuous improvement.

Pakka Trainees | Rookie to Rockstar Program

The Rookie to Rockstar Program is a structured development initiative designed for Pakka trainees to support their transition from beginners to skilled professionals. The program focuses on building technical knowledge, workplace discipline, safety awareness, and soft skills. Through classroom sessions, on-the-job training, and regular mentoring, trainees are equipped to perform confidently, follow safe and sustainable work practices, and contribute effectively to organisational growth.

E-Learning Practices-Skill Soft

E-Learning (Skill Soft) is an important part of our training and development initiatives. Team members enhance their soft skills and technical skills through structured LMS (Learning Management System) modules. These digital learning programs provide flexible, self-paced learning and help employees continuously upgrade their knowledge. E-Learning supports skill development, standardisation of training, and long-term sustainability of learning practices.

Person-Oriented Training – Industrial Development Program (IDP)

Person-Oriented Training focuses on the overall development of all members by enhancing their technical competencies, behavioural skills, and professional conduct. Under this approach, we conduct the Industrial Development Program (IDP) to support continuous learning and sustainable workforce development.

The IDP includes technical training to strengthen job-specific knowledge and improve operational efficiency. Along with this, non-technical training such as communication skills, teamwork, leadership, and time management is conducted to improve workplace effectiveness and collaboration.

As part of responsible and inclusive workplace practices, POSH (Prevention of Sexual Harassment) training is an integral component of the IDP. This training creates awareness about respectful behaviour, legal compliance, and a safe and inclusive work environment.

The program also covers process improvement training, where employees are trained on identifying gaps, improving work processes, reducing waste, and enhancing productivity. This helps in building a culture of continuous improvement and operational excellence.

Overall, the Industrial Development Program (IDP) plays a vital role in developing skilled, confident, and responsible employees, contributing to individual growth as well as long-term organisational sustainability.

Industrial Safety Training

During FY 2024-25, a total of 50+ industrial safety training programs were conducted across the organisation. These trainings covered approximately 350 team members, focusing on workplace safety, hazard awareness, emergency response, and safe work practices. The initiative strengthened safety awareness, reduced risk, and reinforced the organisation's commitment to a safe and sustainable work environment.

The training hours for each management level are provided below:

Team Member category	Total number of training hours		Total number of executives		Average training hours per employee	
	Male	Female	Male	Female	Male	Female
Top Management (Sevaks)	43	5.5	6	1	7.17	5.5
Senior Management(Sanghrakshaks)	160.5	7	35	2	4.59	3.5
Middle Management(Emerging Leaders)	80.5	40	68	11	1.18	3.6
Junior Management(Utpadak/Sahayaks)	6193	359	363	27	17.06	13.3



Industrial safety training across the organisation - 50+ programmes reaching ~350 team members.

Pakka demonstrates a strong commitment to sustainability through structured and continuous training and development initiatives. Programs such as orientation and induction, soft skills training, industrial safety training, e-learning through LMS, the Rookie to Rockstar trainee program, and the Industrial Development Program (IDP) have collectively strengthened employee skills, safety awareness, inclusivity, and process efficiency. By investing in both technical and person-oriented development, the organisation ensures a competent, safe, and motivated workforce, supporting long-term growth, operational excellence, and sustainable business practices.



SECTION 07

Occupational Health and Safety

A safe workplace for every team member, contractor and visitor – governance, systems and a culture of care.

OHS Governance

HIRA

Occupational Health

Worker Participation

At Pakka, the health and safety of our team members, contractors, and visitors is a top priority. We are committed to fostering a safe and healthy workplace environment by adhering to stringent occupational health and safety standards and continuously improving our safety practices.

Our approach to Occupational Health and Safety (OHS) is built on proactive risk management, team members engagement, and compliance with all applicable legal and regulatory requirements. We conduct regular safety training sessions, emergency preparedness drills, and health awareness programs to empower our workforce with the knowledge and tools they need to work safely.

We maintain a systematic incident reporting and investigation process that helps us identify potential hazards early and implement corrective measures promptly. Our safety culture is further strengthened through transparent communication and collaboration between management and team members. We encourage all team members to take ownership of safety, report unsafe conditions, and participate actively in safety committees and initiatives.

Through these ongoing efforts, Pakka aims to create a resilient work environment that protects our people, maintains business continuity, and supports sustainable growth for our company and communities.

Occupational Health and Safety Governance

At Pakka, robust governance of Occupational Health and Safety (OHS) is fundamental to ensuring a safe workplace and embedding a culture of safety across all levels of the organisation. Our OHS governance framework is designed to provide clear accountability, systematic oversight, and continuous improvement in health and safety performance.

The responsibility for OHS governance lies with the senior management team, who set the strategic direction and allocate resources to uphold safety standards. A dedicated Health and Safety Committee, comprising representatives from management, employees, and safety experts, regularly reviews OHS policies, monitors compliance, and evaluates the effectiveness of safety programs.

We have established comprehensive OHS policies aligned with national legislation and international best practices, which are communicated throughout the organisation. Regular audits, risk assessments, and incident investigations form an integral part of our governance system, ensuring timely identification and mitigation of safety risks.

Training and capacity-building initiatives are governed to ensure that all employees and contractors are equipped with the necessary knowledge and skills to maintain safe working conditions. Additionally, transparent reporting mechanisms enable employees to raise safety concerns proactively, fostering an inclusive and participative safety culture.

Through this structured OHS governance, Pakka is dedicated to safeguarding the health and safety of its workforce while driving operational excellence and long-term sustainability.

OHS management system

Pakka has established a comprehensive Occupational Health and Safety (OHS) Management System to systematically identify, assess, and manage health and safety risks across all our operations. This system is integral to ensuring a safe work environment and promoting the well-being of our team members, contractors, and stakeholders.

Our OHS Management System is aligned with recognised international standards and best practices, providing a structured approach to hazard identification, risk assessment, and control measures. We implement clear procedures for incident reporting and investigation, enabling timely responses and continual improvement in our safety performance.

Key components of our system include regular occupational health screenings, safety audits, emergency preparedness plans, and ongoing training programs. These elements work together to ensure compliance with regulatory requirements and to embed safety consciousness into daily operations.

The system also facilitates active participation from all employees, encouraging open communication and feedback on health and safety matters. This inclusive approach helps us foster a proactive safety culture where risks are managed effectively, and safety responsibilities are clearly defined.

Through continuous monitoring and review of the OHS Management System, Pakka strives to minimise workplace hazards, prevent incidents, and ensure that health and safety remain core to our operational excellence and sustainable growth.

Hazard Identification, Risk Assessment, and Incident Investigation

At Pakka Limited, the safety and well-being of all employees, contractors, and visitors remain a paramount priority. We have established and implemented comprehensive and documented processes to systematically identify work-related hazards and assess associated occupational health and safety (OH&S) risks for both routine and non-routine activities. Our Hazard Identification and Risk Assessment (HIRA) process encompasses all operations, processes, machinery, and work environments across the organisation.

In managing risks, Pakka Limited rigorously applies the hierarchy of controls—prioritising elimination, substitution, engineering controls, administrative controls, and personal protective equipment (PPE), to effectively eliminate hazards or minimise their impact. Risk assessments are reviewed regularly and are updated promptly in response to any changes involving processes, equipment, legal requirements, or identified risks.

To ensure the highest quality of our hazard identification and risk assessment activities, individuals involved undergo specialised training, ongoing awareness programs, and skills development initiatives. Clear roles and responsibilities are assigned to maintain accountability and competency. The effectiveness of these safety processes is continuously monitored through a combination of workplace inspections, internal audits, incident investigations, and management reviews. This ongoing evaluation drives corrective and preventive actions aimed at the continual improvement of our Occupational Health and Safety Management System (OHSMS).

We have established robust mechanisms for workers to report hazards, unsafe conditions, near misses, or hazardous situations, fostering a transparent and proactive safety culture. Reporting channels include safety suggestion boxes, incident/near-miss reporting forms, toolbox talks, safety committee meetings, and direct communication with supervisors or safety officers. Importantly, Pakka Limited guarantees protection against reprisals, discrimination, or any adverse consequences for workers who report in good faith, a commitment clearly communicated through our OH&S policy, induction programs, and safety awareness activities. Confidentiality is maintained wherever necessary, ensuring that all concerns are thoroughly investigated and promptly addressed, with feedback provided to encourage active employee participation and continual system enhancements.

Recognising the critical importance of worker empowerment, Pakka Limited upholds policies that allow employees to stop work and remove themselves from any task or environment they reasonably believe presents a risk of injury or ill health. This right is fully supported and safeguarded against any form of reprisal or disciplinary action, reinforcing our commitment to a safe workplace culture.

All work-related incidents and near-misses undergo prompt and thorough investigation to identify root causes and associated hazards. Corrective actions arising from these investigations adhere to the hierarchy of controls, ensuring not only the resolution of immediate issues but also contributing to systemic improvements. These investigative insights feed back into the continuous enhancement of the Occupational Health and Safety Management System, reinforcing our dedication to sustaining a safe and healthy working environment for all.

Through these integrated processes of hazard identification, risk assessment, reporting, and incident investigation, Pakka Limited demonstrates its unwavering commitment to occupational health and safety excellence as a fundamental component of our sustainability ethos.

Occupational Health Services

Pakka Limited is dedicated to promoting the health, safety, and well-being of every employee through a comprehensive occupational health program. This program is integral in identifying and eliminating health hazards and minimising occupational health risks. Key services include:

- Pre-employment and periodic medical examinations
- Health surveillance
- First aid and emergency medical response
- Occupational disease prevention
- Fitness-for-work assessments
- Health awareness programs

These services support proactive hazard management and enhance health risk controls within the workplace.

Ensuring Quality and Accessibility

To maintain the highest standards in occupational health provision, Pakka Limited:

- Engages qualified medical professionals to provide expert service
- Conducts regular reviews of medical records and ensures compliance with relevant legal and regulatory requirements
- Maintains well-equipped first aid facilities on-premises, staffed by trained first aiders
- Partners with nearby hospitals to manage emergencies effectively
- Guarantees all employees have easy and timely access to occupational health services, with prompt and confidential handling of health concerns

Confidentiality of Health Information

Protecting the privacy of workers' personal health data is a core principle. Pakka Limited ensures:

- Secure storage of medical records accessible only to authorized medical personnel
- Controlled and restricted sharing of health information on a strict need-to-know basis
- Compliance with applicable laws and internal policies governing confidentiality

Non-Discrimination and Fair Treatment

The company is committed to safeguarding employees against any discrimination or unfair treatment related to their health information or participation in occupational health services. Important safeguards include:

- Using medical information solely for health monitoring, prevention of occupational illness, and fitness-for-work determination
- Prohibition of bias, discrimination, or unfavourable treatment based on health status
- Ensuring confidentiality and fairness throughout all processes

Through these robust occupational health services, Pakka Limited reinforces its commitment to employee well-being, contributing meaningfully to a sustainable and safe workplace environment aligned with our broader sustainability goals.

Worker Participation, Consultation, and Communication on Occupational Health and Safety

Pakka Limited firmly believes that effective worker participation and consultation are essential to the success of our Occupational Health and Safety Management System (OHSMS). To foster a collaborative and inclusive safety culture, we actively involve workers in all aspects of occupational health and safety through multiple engagement platforms. Regular safety meetings, toolbox talks, and safety committees provide forums where workers contribute directly to hazard identification, risk assessment, and incident

investigations. Through these participatory processes, employees receive timely and relevant safety information and training, empowering them to take an active role in maintaining a safe workplace.

Our organisation has established a formal joint management-worker Health and Safety Committee, ensuring equal representation from both management and workers. This committee convenes regularly to review safety performance, identify emerging hazards, and recommend corrective actions. It holds decision-making authority to propose improvements to management, reinforcing a transparent and responsive approach to workplace safety. We are committed to full worker representation on this committee to guarantee that all employee perspectives are considered in safety deliberations.

Furthermore, Pakka Limited maintains formal agreements with local team member representatives and trade unions that address key occupational health and safety topics. These agreements specifically cover workplace safety protocols, hazard identification, proper use of personal protective equipment (PPE), incident reporting procedures, and ongoing health monitoring. By embedding these topics into formal agreements, we ensure compliance with legal standards while promoting continuous improvement in our OHS performance at both local and organisational levels.

Through robust worker participation, structured consultation mechanisms, and clear communication channels, Pakka Limited reinforces its dedication to creating a safe, healthy, and collaborative working environment as part of our broader sustainability commitment.

Worker training on occupational health and safety

Pakka Limited places significant emphasis on providing comprehensive occupational health and safety (OH&S) training tailored to the needs of all workers, including employees and contractors. Training requirements are carefully assessed based on thorough risk assessments and the specific hazards associated with different job roles and work activities.

Our OH&S training program includes both generic and specialised topics such as safety induction, correct use of personal protective equipment (PPE), fire-fighting techniques, machine safety protocols, and emergency response procedures, including regular mock drills. All training is delivered at no cost to the workers and conducted during working hours to ensure full accessibility.

To maximise understanding and effectiveness, training sessions are provided in languages easily understood by all participants. Pakka Limited also evaluates the impact of the training through a combination of knowledge tests, workplace observations, and internal audits to ensure continuous improvement and reinforce a strong safety culture across the organisation.

Promotion of worker health

Pakka Limited is committed to supporting the overall health and well-being of its employees beyond occupational health requirements. To facilitate workers' access to non-occupational medical and healthcare services, the organisation provides comprehensive health insurance coverage and maintains tie-ups with reputable local hospitals. Additionally, on-site medical facilities are available to support employees with outpatient consultations, hospitalization, emergency care, and routine health check-ups. Awareness about

these healthcare provisions is regularly communicated through HR channels and reinforced via medical camps, ensuring employees are well informed and encouraged to utilise these services.

In addition to facilitating access to medical care, Pakka Limited actively promotes voluntary health programs aimed at addressing major non-work-related health risks such as lifestyle diseases, stress management, and general wellness. These health promotion initiatives include health check-up camps, nutrition and fitness awareness sessions, yoga and mental well-being programs, and vaccination drives. Employees benefit from convenient access to these programs through on-site activities, clear communication from the HR department, and collaboration with external healthcare providers.

Recognising the sensitive nature of personal health information, Pakka Limited enforces strict data protection policies to maintain confidentiality and privacy. Medical records and health-related data are securely stored, with access strictly limited to authorized medical professionals and designated HR personnel. All management of personal health information complies fully with applicable legal and ethical standards, ensuring employees' trust and confidence in the handling of their health data.

Through these initiatives, Pakka Limited fosters a holistic approach to employee health, contributing to a healthier workforce and supporting the organisation's broader commitment to sustainability and well-being.

Work-related injuries

35

Near-miss reports

22

First-aid cases

0

Major accidents

0

Fatalities



SECTION 08

Community Engagement & CSR

Through the Pakka Foundation – early education, youth skilling, women's empowerment and green livelihoods.

Education

Youth Skilling

Women Empowerment

Ecology

At the heart of our commitment to sustainable development lies a focused approach to Corporate Social Responsibility (CSR), through Pakka foundation, the social responsibility arm of Pakka Limited, aimed at fostering inclusive growth and improving the quality of life in the communities where we operate. The initiatives implemented during the year were closely aligned with the Companies Act, 2013 – Schedule VII guidelines, emphasising early childhood education, livelihood generation, women's economic empowerment, and sustainability linked skills development. These strategic focus areas reinforce our broader sustainability agenda and contribute to building resilient, self-reliant communities.

CSR Alignment with Companies Act, 2013 – Schedule VII

PAKKA FOUNDATION · COMMUNITY IMPACT FY 2024-25

10

Pre-primary learning centres

280

Children enrolled

221

Youth skilled for green jobs

90%

Skilled youth placed

35

Girls in vocational training

2

Women-led green enterprises

Our CSR portfolio for FY 2024–25 aligns explicitly with the relevant clauses under Schedule VII of the Companies Act, emphasising three critical pillars:

- Education and Skilling Initiatives (Clause ii): Focused on promoting education and enhancing vocational skills that improve employability and economic opportunities.
- Women Empowerment (Clause iii): Dedicated to promoting gender equality through targeted programs that enhance women's skills, confidence, and economic independence.
- Environmental Sustainability (Clause iv): Centred on ensuring ecological balance by embedding sustainability principles within community programs and promoting environmentally conscious livelihoods.

Education: Strengthening Early Childhood Foundations

Recognising the importance of early education as the foundation for lifelong learning and development, Pakka Foundation operated 10 pre-primary learning centres spread across underserved rural villages. These centres enrolled a total of 280 children during FY 2024–25, delivering joyful, play based pedagogy designed to foster early cognitive and social skills.

The child-centred approach facilitated holistic development and ensured a smooth transition to formal schooling by creating a positive learning environment that encourages curiosity, creativity, and confidence.

Continuous engagement with parents and community members helped reinforce the value of early education and built sustained support for the program's success.

Employment: Youth Skilling & Placement

To address unemployment and underemployment challenges in rural communities, Pakka Skills, a flagship skilling initiative, enrolled 221 youth in sustainability focused vocational training programs. The curriculum was tailored to align with evolving market demand for green skills, ensuring that participants are equipped to contribute meaningfully in emerging sectors.

An impressive 90% of these youth secured gainful employment post training, with average salaries exceeding local market rates by more than 25%. These outcomes validate the program's effectiveness in not only skilling youth but also facilitating their economic integration.

Training modules emphasised practical skills, soft skills, and sustainability principles, fostering well rounded candidates capable of driving inclusive growth while championing environmental stewardship.

Vocational Training for Girls

Women's empowerment remains a central pillar of the CSR strategy. During this fiscal year, 35 girls received specialised technical vocational training designed to enhance their employability and foster economic independence.

The training focused on skillsets that align with market needs, coupled with confidence building and leadership development activities. By responding to cultural and socioeconomic barriers specific to women in rural areas, these initiatives created pathways for girls to participate actively in the workforce and community decision making processes.

Women Led Sustainable Enterprises

Harnessing the power of entrepreneurship as a tool for social change, two women led sustainable enterprises were established:

1. Recycled Paper Products Enterprise
2. Jute / Natural Fibre Products Enterprise

These ventures promote green livelihoods rooted in environmentally friendly products and processes, blending traditional craftsmanship with modern sustainability standards.

By empowering women as entrepreneurs, these enterprises contribute to the local economy, foster self-reliance, and drive community development, while promoting responsible production and consumption. The enterprises also serve as replicable models showcasing how sustainability and women's empowerment can be successfully integrated.

Ecology: Sustainability Embedded Across Programs

Environmental sustainability was a crosscutting theme embedded throughout all CSR initiatives during FY 2024–25. Key efforts included:

Integrating sustainability linked skills training focused on ecofriendly practices and technologies.

Promoting the use of recycled and natural fibre products in local livelihoods to reduce environmental impact.

Conducting community awareness campaigns aimed at encouraging responsible production, consumption, and waste management behaviours.

These measures not only help maintain ecological balance but also enable communities to transition towards greener and more resilient economies, consistent with global and national sustainability goals.

Conclusion

The FY 2024–25 CSR initiatives implemented demonstrate clear compliance with Schedule VII of the Companies Act, 2013, while driving measurable social and environmental impact. By strengthening educational foundations, advancing economic inclusion through youth and women empowerment, and embedding sustainable practices across community programs, these efforts contribute directly to building resilient, empowered, and sustainable communities.

As we move forward, our ongoing CSR commitment will continue to prioritise scalable, impactful interventions that align with both regulatory requirements and our overarching sustainability vision, creating shared value for our stakeholders, society, and the planet.

APPENDIX

GRI Content Index

This report is prepared with reference to the GRI Standards. The index below maps each GRI disclosure cited in this report to the page on which it appears.

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