Alternicq
Innovation at Scale



Sustainability Report

2025-2026

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Shapeshift for Tomorrow:

Towards Sustainable Packaging



ESG Governance within Our Company



Integration of Material Issues into Business Strategy



About the Report

Approach to Reporting

This report for FY 2025 - 26 discloses Alternicq Limited's efforts and practices aimed at building a sustainable future. AL remains committed to integrating innovative technologies that minimize the environmental impacts of our packaging solutions. Recognizing the challenges posed by our industry, we strive to create long-term value and positive outcomes across all aspects of our operations. This report serves as a key communication tool for our ESG initiatives, achievements, and progress to all stakeholders. AL intends to publish it annually. Throughout the report, Alternicq Limited is referred to as "AL," "we," or "our company."

Reporting Period, Scope, and Boundary

This report covers the consolidated operations of Alternicq Limited , including environmental, social, and governance indicators. The reporting period spans April 1, 2025, to March 31, 2026. It includes all company activities consolidated for financial reporting purposes.

Expanded Boundary

The reporting boundary now encompasses Scope 3 emissions totalling 600,601.73 tCO_2e. Major contributors include purchased goods and services (83.43%), downstream transportation and distribution (10.17%), and processing of sold products (4.74%). Alternicq addresses these high-impact areas through collaboration across the value chain, increased use of recycled and lower-emission materials, logistics optimization, resource-efficient product design and other targeted emission-reduction initiatives, supporting continued progress toward our sustainability and climate goals.

Responsibility Statement

The Board of Directors has approved this report to ensure the accuracy and relevance of its content. Selected key performance indicators in this report are subject to independent external assurance. The scope and conclusion of the assurance engagement will be presented in the independent assurance statement.

Cautionary Statement

This report includes forward-looking statements about anticipated future events. Actual results may differ materially due to various risks; readers should not place undue reliance on these statements.

Feedback Channel

Stakeholder feedback is valued to enhance our sustainability reporting. For questions or suggestions, contact sustainability@alternicq.com

Shapeshift for Tomorrow:

Towards Sustainable Packaging

Plastic packaging plays a vital role in modern society by ensuring product safety, preserving quality, reducing food waste, and enabling efficient transportation. However, the growing challenges of climate change, resource depletion, and plastic waste management demand a fundamental shift in the way packaging is designed, produced, used, and recovered. Building a circular economy for plastics has become imperative to reduce greenhouse gas emissions, conserve natural resources, and minimize environmental impact.

At Alternicq Limited (AL), we recognize both the value and responsibility that come with being a leading rigid plastic packaging manufacturer. We are committed to transforming the packaging industry through innovation, responsible material choices, and circular economy principles that enable sustainable growth while addressing global environmental challenges.

Our sustainability philosophy, “Shapeshift for Tomorrow,” reflects our commitment to creating packaging solutions that balance customer needs with environmental stewardship. Through increased use of recycled content, lightweighting initiatives, design for recyclability, renewable energy adoption, energy-efficient manufacturing, and collaborative partnerships across the value chain, we strive to reduce our carbon footprint and contribute to a low-carbon future.

As a market leader in rigid plastic packaging by installed capacity, AL aims to set industry benchmarks by embedding sustainability into every stage of the product lifecycle. We continuously invest in innovative technologies and responsible business practices that support climate action, resource efficiency, and circularity while delivering high-quality packaging solutions to our customers.

“Shapeshift for Tomorrow” is more than a theme—it is our commitment to accelerating the transition towards sustainable packaging, driving meaningful climate action, and creating long-term value for our stakeholders, society, and future generations.

INTRODUCING ALTERNICQ LIMITED

Manjushree
is now
Alternicq
Innovation at Scale

For decades, Manjushree has defined quality, reliability, and scale in the Indian rigid plastic packaging industry.
Now that legacy evolves.
Introducing our new brand name: "Alternicq"
Alternicq: An invented word that hints at alternative thinking
This philosophy is represented by our new identity-
Two rectangles come together to form a diamond. A symbol of rarity, brilliance and unique perfection.
One representing Alternicq and the other, its customers, coming together to create path-breaking solutions.
At this scale, what will truly differentiate us from the rest is our ability to Innovate at Scale.

ABOUT ALTERNICQ LIMITED

- We are India's largest Rigid plastic packaging producer. 45+ Years of packaging excellence
- 24 Manufacturing facilities, 326,000+ MTPA production capacity
- End to end Design and development capabilities across all major technologies (ISBM, EBM, IMM, IBM), & Substrates (PET, PP, HDPE, PCR)
- Pharmaceutical packaging plants are DMF, USFDA, cGMP, ISO certified – aligned with global standards & benchmarks
- Run by a professional management team & governed by independent high calibre Board of Directors
- Driven by values and behaviors – Customer centric, Performance Oriented, Collaborative Approach, Agile & Responsive, Ethics & Integrity

ALTERNICQ STRATEGY, VALUES & BEHAVIOURS

Long- term strategic objective


Profitable growth


Innovation leadership


Best in class operations

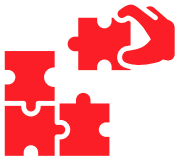

Digitisation

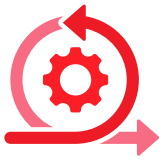

Employer of choice

Values that Guide us


Customer centric


Performance oriented


Collaborative approach


Agile & responsive


Ethics & integrity

Ownership Transparency

At AL, no individual government institution owns more than 5% of the total voting rights of our Company. Similarly, neither founding individuals nor their family members, whether directly or through affiliated entities, individually hold more than 5% of the voting rights in our Company in FY26.

24
Manufacturing plants

4
Decades Devoted to achieving excellence in packaging

Industries Served

- Beauty, Home & Personal Care (inc. exports)
- Beverages
- Pharmaceuticals
- Food & Nutrition (inc. OTC)
- Dairy & Alcoholic Beverages
- Industrials (Paints, Construction Chemicals & Agro chem)
- Retail

Alternicq Story

Alternicq Time Line

- **1987** — Manjushree Established
- **2015** — Kedaara Capital buys Stake
- **2018** — Advent International acquires
- **2025** — PAG acquires at $1Bn
- **2025** — Manjushree transforms to Alternicq

Accelerating growth to continue to lead the Market

Strategic Acquisitions Journey

- **2016** — Varahi Ltd.
- **2019** — NAPLA
- **2021** — Pearl Polymers Limited / Classy Kontainers
- **2022** — HP
- **2024** — Oricon Enterprises Ltd.
- **2025** — Pravesha

Advanced Manufacturing Capabilities

Our manufacturing excellence stems from leveraging advanced equipment and technologies, with a strong focus on sustainability and product innovation. We embrace high-quality standards and hold a range of quality certificates, including vendor and regulatory certifications.

We drive manufacturing excellence through the strategic utilization of cutting-edge equipment and state-of-the-art technologies, ensuring that our processes incorporate advanced technology and align with rigorous quality benchmarks. Additionally, our commitment to sustainability and product innovation excellence is reflected in our continuous efforts to develop environmentally friendly packaging solutions. This holistic approach guarantees our customers superior products and services, demonstrating our dedication to both quality and sustainable innovation.

One-stop shop for multi-technology platforms



ISBM
Injection Stretch Blow Molding of PET Jars & Bottles, PP & HDPE bottles



IM
Injection Molding of caps, closures



EBM
For PP/HDPE bottles & containers including angular neck bottle



Barrier
Co-extruded six-layer Barrier container for O2 & H2O barrier



IBM
Clean sterile containers for Various pharma & food industries



CCM
Sacmi technology for Precision closures for CSD & water application



IML
For thin wall containers for ice-cream, curd & other applications



Post Moulding Decoration
Wadding, Sleeving , 3D Printing & Labeling, IML & pad printing



Advanced Vision Technology
Detect print defects beyond human visibility, ensuring flawless quality.



Offset Printing
Precision printing for high-quality, consistent packaging designs



Advanced Holography
Cutting-edge technology for secure, anti-counterfeit packaging solutions.



Rotogravure Printing
High-speed, high-quality printing for sharp, consistent packaging graphics

We Use Best-in-Class Equipment

KAUTEX MASCHINENBAU | HUSKY | Sidel | SACMI | AOKI
Reifenhäuser | MILACRON | gallus A Heidelberg Group Company | HEIDELBERG
ASB Form Your Vision | TECHNE | TOSHIBA | FANUC | BOBST

Product Quality Certifications

TÜVINDIA | TÜV InterCert SAAR
ISO 9001 System Certification SGS | Food Safety System FSSC 22000 DNV
intertek Total Quality. Assured.

ISO & FSSC compliant facilities

- In-house design capabilities covering ideation research to conceptual design.
- DSIR-recognized R&D department under the Ministry of Science & Technology, Government of India.
- In-house tool shop ensuring quick customization to Moulds. 3D printing capabilities for a fast and accurate turnaround time for designs.
- Fail-safe detection and 100% backup of critical equipment. Advanced automation to reduce human error.

275,000 +
MTPA Production capacity

PRODUCT PORTFOLIO

AL strives to be a top player in sustainable, innovative packaging solutions. Our product portfolio comprises five categories: containers, preforms, caps and closures, pumps and dispensers, and recycling (in-house recycling of post-consumer plastic waste made from PP and HDPE).

We pay close attention to detail and employ advanced methodologies to meet customers' specific needs.

AL aims to become a prominent player in the circular economy, providing end-to-end solutions. A key initiative involves transforming waste into post-consumer recycled (PCR) resin at our Bangalore production plant, offering these as customized packaging solutions.

Container



Delivering 60KMT+ & 3Bn+ containers/year

Preforms



Delivering 6.6Bn+ preforms/year

Caps & Closures



Delivering 12Bn+ closures/year

Pumps & Dispensers



Delivering 300mn+ products/year

Pharmaceutical Packaging



Delivering 15KMT+ in Rigids & 2Bn+ pieces in Printing products/year

Recycle

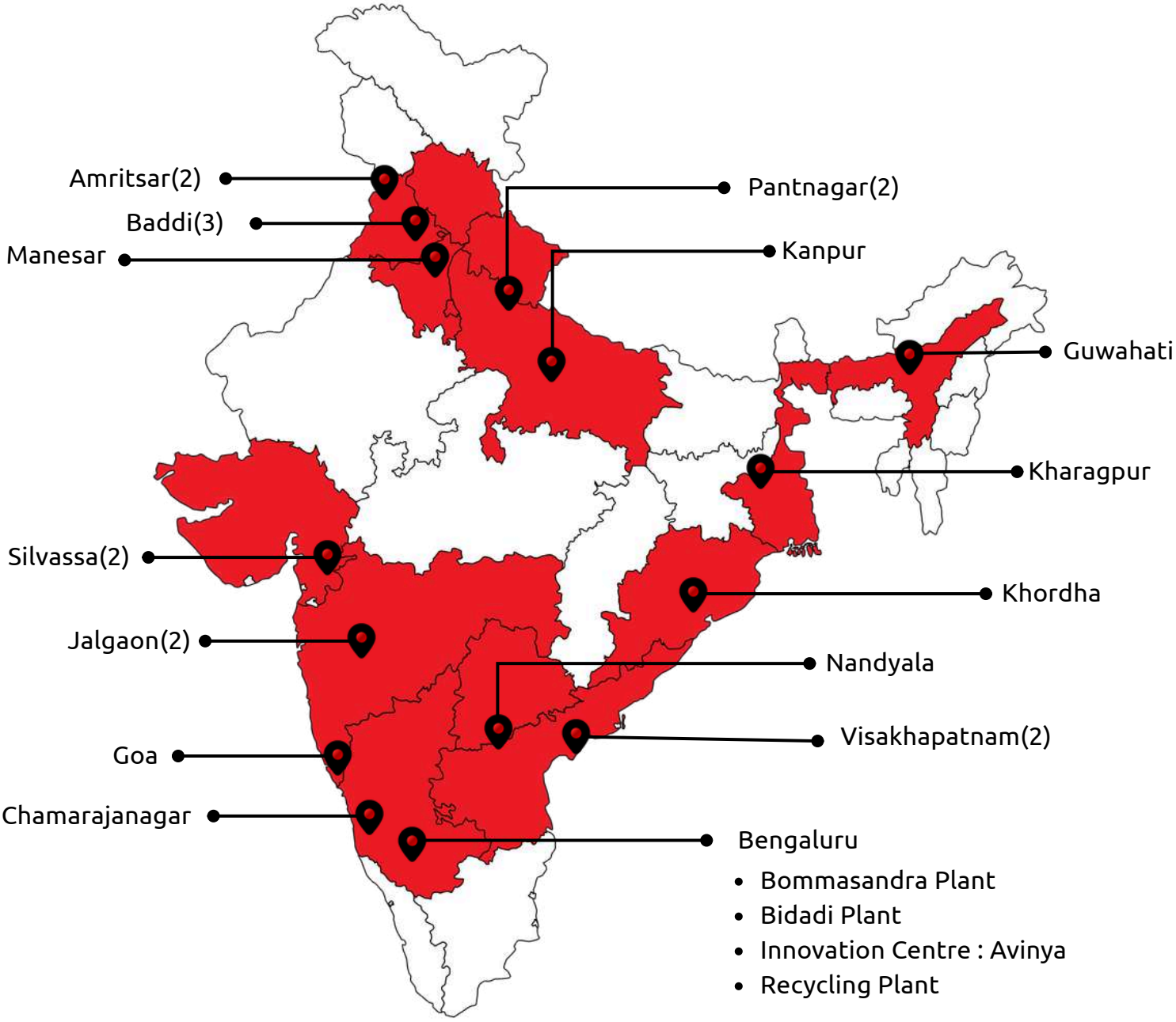
With our in-house recycling unit, we guarantee a secure supply of up to 6,000 MTPA, fortified by strategic sourcing and advanced technology partnerships

Long standing relationships 1000+ customers

Beauty, home & personal care	
Beverages	
Pharmaceuticals	
Food & Nutrients	
Dairy & alcoholic beverages	
Industrials	
Retail	

AL Everywhere : Our Pan-India Network

Our extensive pan-India network exemplifies AL's dedication to providing unparalleled convenience and accessibility to customers. With this widespread presence across India, AL has significantly reduced logistical friction for customers integrating our solutions into their manufacturing workflows—while simultaneously lowering associated costs and GHG emissions from logistics and product delivery. All AL operations are based exclusively in India, reinforcing



States with plant locations: **12**

Union Territories with plant locations: **1**

Total unique administrative regions: **13**

Corporate office **- 01**

Regional office **– 02**

Manufacturing plant **– 24**

AWARDS AND RECOGNITIONS

EcoVadis Sustainability Score Achievement – FY 2025-26

In January 2026, ALTERNICQ LTD achieved a significant sustainability milestone by securing an EcoVadis Overall Score of 70/100. This assessment reflects the organization's strong commitment to sustainable business practices and places it in the 82nd percentile globally, earning a Bronze Medal (Top 35%) recognition.

EcoVadis Sustainability Performance

- **Environment: 80/100**
- **Labour & Human Rights: 66/100**
- **Ethics: 60/100**
- **Sustainable Procurement: 72/100**

Overall EcoVadis Score 2026
70 / 100

This achievement positions Alternicq LTD among the stronger sustainability performers in the plastics manufacturing sector, demonstrating a proactive approach toward environmental stewardship, responsible labor practices, ethical business conduct, and sustainable supply chain management.

The score reflects the company's ongoing efforts to integrate sustainability into its operations and strengthen its ESG performance across key impact areas. The recognition from EcoVadis highlights ALTERNICQ's commitment to continuous improvement and responsible business practices.

S&P Global ESG Score Achievement – FY 2023-24

In FY 2023-24, Alternicq Limited achieved a significant milestone by securing an ESG score of 70 in the S&P Global Corporate Sustainability Assessment (CSA).

Alternicq Limited (AL) has been recognized as a Sustainability Yearbook Member in the 2025 S&P Global Sustainability Yearbook, based on its strong performance in the 2024 Corporate Sustainability Assessment (CSA). Out of more than 9,090 companies assessed globally, only 730 were selected, highlighting AL's leadership within the Containers & Packaging industry.

This achievement reflects AL's commitment to environmental stewardship, social responsibility, and strong governance practices. It demonstrates the company's progress in ESG performance, transparency, and sustainability initiatives, reinforcing its dedication to long-term value creation and alignment with global best practices.



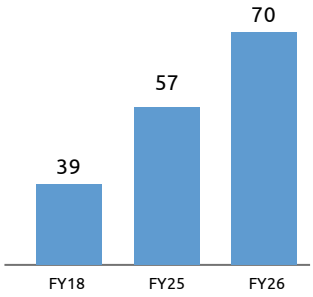
AWARDS AND RECOGNITIONS

As part of its evolving sustainability journey, Alternicq Limited (Alternicq) has demonstrated strong progress in embedding environmental, social, and governance (ESG) principles across its business operations. The company's structured and strategic approach to sustainability has led to significant recognition from leading global ESG rating agencies, including S&P Global, EcoVadis, and CDP.

Alternicq's improvement in these ratings reflects its commitment to aligning with international sustainability standards, enhancing disclosure practices, reducing environmental impact, and fostering ethical and responsible business conduct. These advancements are a testament to the collective efforts of teams across the organization to drive continuous improvement, transparency, and accountability in ESG performance.

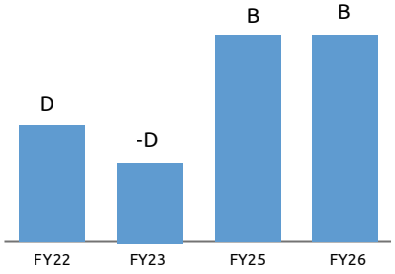
Through this upward trajectory, Alternicq reaffirms its long-term vision of creating sustainable value for all stakeholders while contributing meaningfully to global climate and development goals.

ecovadis



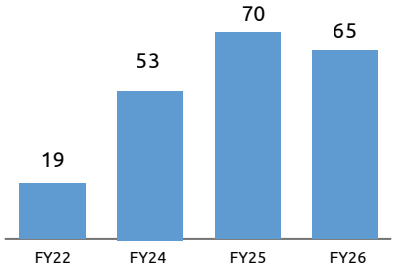
EcoVadis – We scored 70, places it in the 82nd percentile globally, earning a Bronze Medal (Top 35%) recognition.

CDP



CDP – Improved rating from D to B, reflecting strong progress in climate disclosure and sustainability efforts.

S&P Global



S&P CSA – S&P CSA – AL achieved a score of 70 in FY25, with the score moderating to 65 in FY26 due to certain factors during the year.

United Nations Global Compact

Commitment to the United Nations Global Compact

Alternicq Limited (AL) proudly reaffirms its commitment to the Ten Principles of the United Nations Global Compact (UNGC) across the areas of human rights, labor, environment, and anti-corruption. Over the past three financial years (**FY23, FY24, and FY25**), AL has actively upheld these principles and has submitted its Communication on Progress (COP) reports, earning the Certificate of Participation for each year.

As we continue into FY26, Alternicq remains steadfast in its dedication to advancing corporate sustainability, aligning with the UNGC framework, and contributing to a more responsible and inclusive global economy. We are pleased to confirm that our FY26 Communication on Progress (COP) has also been submitted, reflecting our ongoing commitment to transparency, accountability, and sustainable business practices.



AWARDS AND RECOGNITIONS

2021

SAFETY



Golden Peacock Occupational Health and Safety Award

Awards by the Institute of Directors (IOD)

Awarded the Golden Peacock Occupational Health and Safety Award at the prestigious Golden Peacock Awards ceremony

2022

QUALITY



Letter of Appreciation

Asian Paints Limited

Awarded for achieving 'Zero Quality Rejections' in FY 21-22 by Asian Paints Limited.

QUALITY

Agility, Quality and Sustainability Award

L'Oréal

Honored with the 'Agility, Quality, and Sustainability Award' recognizing overall supply performance.

2023

QUALITY

Packaging Company of the Year

Printweek 2023 Awards

Awarded 'Packaging Company of the Year - Rigid Packaging (Metal / PET / Plastic)' for outstanding structural designs.

QUALITY



Kansai Nerolac Paints Limited

Presented at the Nerolac Supplier Conference 2023 for consistent support and product delivery.

2024

QUALITY

Certificate of 'Industry Best Practice'

Marico Limited

Awarded for presentation on 'Quality Improvement Initiatives and Customer-Centric Approach' at the Supplier Quality Excellence Meet.

QUALITY

Certificate of 'Quality Excellence'

Marico Limited

Awarded for scoring highly in the Supplier Relationship Management (SRM) evaluation during the Supplier Quality Excellence Meet.

2024

PROCUREMENT

Procurement Team of the Year 2024



U&S Forums

Presented at the 9th edition of the Procurement Excellence Summit and Awards 2024.

PROCUREMENT

Best Procurement Transformation Award



U&S Forums

Presented at the 9th edition of the Procurement Excellence Summit and Awards 2024 to celebrate supply transition success.

QUALITY

Certificate of Appreciation



Kansai Nerolac Paints Limited

Presented at the Nerolac Supplier Conference 2024 for sustained standard consistency and alignment.

2025

SUSTAINABILITY

S&P Global Corporate Sustainability Assessment (CSA) Certificate



S&P Global

High ESG Score Achievement for the evaluation period of FY 2023-24, highlighting operational sustainability commitment.

SUSTAINABILITY

Partner Excellence Certificate



Hindustan Coca-Cola Beverages

Awarded under the Springboard 2025 Initiative for dedicated partnership and consistent support in delivering product excellence.

2026

QUALITY

Golden Peacock National Quality Award - 2026



Institute of Directors (IOD)

Recognizing excellence in quality management, organizational performance, and adherence to world-class quality standards under the Golden Peacock Excellence model.

CSR EXCELLENCE IN WATER MANAGEMENT AWARD

We are proud to share that Alternicq Limited has been conferred the Excellence in Water Management Award for our CSR initiative at the FKCCI Global CSR & Sustainability Summit 2026, organized by the Federation of Karnataka Chambers of Commerce and Industry (FKCCI) in collaboration with the UN Global Compact Network India (UN GCNI).

The award was presented on 23 July 2026 in recognition of our Lake Rejuvenation Project, which reflects our commitment to water conservation, sustainable water management, and environmental stewardship. Out of 147 applications received from organizations across diverse sectors, only 45 applications were selected for recognition by an esteemed global jury.

The project successfully restored a 17.25-acre lake, increasing its water holding capacity from 178.2 ML to 195.46 ML (9.68%). It has directly and indirectly benefited approximately 18,696 individuals, 4,596 households, across 22 villages and 2 Gram Panchayats. The initiative also enhanced biodiversity, strengthened groundwater recharge, and contributed to long-term environmental sustainability.



Aligned with SDGs 6, 11, 13, 15, and 17, the project supports India's priorities on water conservation, climate resilience, and ecosystem restoration.

This recognition reflects Alternicq Limited’s continued commitment to sustainability and responsible business practices. It highlights the Company’s efforts to advance water conservation, strengthen sustainable resource management and create positive, long-term environmental and social impact through its sustainability initiatives.

LEADERSHIP MESSAGE



"The Leadership and management of our Company work beyond the boundaries of the organization, forging collaborative partnerships to not only elevate environmental management practices but also contribute to the development of cutting-edge technological advancements."

AL focuses on driving resource efficiency and increasing renewable energy use across direct and indirect operations. Beyond environmental efforts, our company upholds strong governance principles and frameworks.

Dear stakeholders,

It gives me immense pleasure to present Alternicq Limited's (AL) fourth Sustainability Report, reflecting our continued journey towards creating long-term sustainable value for our stakeholders. This report represents our commitment to responsible business practices, environmental stewardship, transparent ESG performance, and continuous improvement. Our sustainability journey has continued to evolve since we initiated formal sustainability reporting in FY23, with ESG increasingly embedded into our business strategy, operations, products and decision-making.

The past year has marked another important phase in our transformation. Following the acquisition by PAG and the transition from Manjushree Technopack Limited to Alternicq Limited, we have entered a new chapter with renewed purpose and a stronger focus on sustainable and responsible growth. While our identity has evolved, our commitment to innovative, responsible and sustainable packaging solutions remains firmly at the core of our business.

As one of India's leading rigid plastic packaging manufacturers, we recognize that long-term business success is intrinsically linked to environmental stewardship, operational resilience, strong governance and social responsibility. Accordingly, our sustainability priorities continue to focus on climate action, renewable energy, energy and resource efficiency, circularity, sustainable packaging, water and waste management, responsible supply chains, and occupational health and safety.

Our performance during FY26 demonstrates the progress we are making. Despite a 29% increase in production, electricity intensity improved by approximately 21%, water intensity by approximately 21%, Scope 1 emissions intensity by 9%, Scope 2 emissions intensity by 6%, and Scope 3 emissions intensity by approximately 22%. These improvements demonstrate our continued focus on decoupling resource consumption and emissions from business growth.

Climate action remains one of our highest priorities. During FY26, our energy-efficiency initiatives delivered 5,286.459 MWh of energy savings, avoiding approximately 3,553.38 tCO_2e of greenhouse-gas emissions. These initiatives covered compressed-air optimization, VFD implementation, chiller and cooling optimization, high-efficiency motors and pumps, dryer optimization, smart injection-molding optimization, electrical infrastructure improvements, power-demand management and thermal insulation. From FY24 to FY26, our energy-efficiency projects contributed to 8,798.24 tCO_2e of sustained greenhouse-gas emission reductions.

We are also accelerating the transition towards renewable energy through increased renewable-energy procurement and expansion of rooftop solar across our manufacturing network. From FY23 to FY26, our renewable-energy initiatives contributed to avoiding 211,471.38 tCO_2e of emissions. Our long-term climate roadmap is supported by our SBTi-approved near-term and Net-Zero targets, providing a structured pathway for reducing emissions across our value chain. Our expanding manufacturing footprint presents both challenges and opportunities, and we remain focused on ensuring that growth is accompanied by improved environmental performance.

Circularity remains at the heart of our sustainable packaging strategy. In FY26, we utilized 10,039.393 MT of post-consumer recycled resin (PCR) in our production, compared with 7,744.54 MT in FY25, representing a 29.63% increase. We continue to strengthen our recycling ecosystem through our PCR capabilities in Bengaluru, while advancing lightweighting, recyclable and mono-material packaging solutions. Our innovation and circularity efforts are supported by collaborations with institutions such as the Indian Institute of Science (IISc), Bengaluru, and our work with recycling partners to advance higher-value recycled packaging solutions.

Our focus on resource efficiency also extends to product design. Through material optimization and lightweighting, we are working with customers to reduce material consumption while maintaining product performance. During FY26, 26 products underwent weight optimization, resulting in 1058.09 MT of material reduction, and this approach continues to be an important part of our product-development strategy.

Our Scope 3 emissions management has also become increasingly data-driven. In FY26, our reported Scope 3 emissions stood at 600,601.73 tCO_2e, representing a marginal increase of approximately 0.75% compared with FY25 (596,116.49 tCO_2e). Purchased goods and services remained the largest contributor, accounting for 83.43% of total Scope 3 emissions, followed by downstream transportation and distribution at 10.17% and processing of sold products at 4.74%.

Within the Scope 3 categories, emissions from Capital Goods decreased by approximately 98.5%, while emissions from Upstream Transportation and Distribution decreased by approximately 31.4% compared with FY25. These improvements reflect continued efforts in procurement planning, logistics optimization and value-chain engagement. Purchased goods and services and processing of sold products remain key areas of focus for further emissions-reduction opportunities and collaboration across the value chain.

Our commitment to responsible growth extends across our supply chain. We continue to strengthen ESG screening and assessment of suppliers, promote responsible sourcing, and work with our value-chain partners to improve environmental, social and governance performance. This complements our broader circularity and EPR commitments and supports the development of a more resilient and responsible supply chain.

Safety remains a fundamental part of our sustainability agenda. Through the Alterniq Production System (APS), we are strengthening a proactive and behavior-driven safety culture across our operations. The Safe Workplace pillar focuses on four core standards —Safe Work Conditions, Safe Work Practices, HIRA-based Risk Assessment and Behavior-Based Safety—with the objective of identifying and controlling risks before they result in incidents. We have also introduced initiatives such as the "One Moment" behavioral-safety module, reinforcing the message that every individual has a responsibility to make safe choices.

Our commitment to sustainability continues to be reflected through external recognition and benchmarking. During FY26, we achieved an EcoVadis score of 70 and received a Bronze Medal. We also sustained our CDP rating at B, while our S&P Global CSA score stood at 65. These recognitions reinforce our commitment to transparency, accountability and continuous improvement.

We remain equally committed to the Ten Principles of the United Nations Global Compact (UNGC).

We have continuously submitted our Communication on Progress (COP) from FY23 through FY25, and have also submitted our COP for FY26. This continued participation reflects our commitment to advancing human rights, labour standards, environmental responsibility and anti-corruption principles across our operations and value chain.

Our sustainability reporting continues to be aligned with the Global Reporting Initiative (GRI) framework and linked to the United Nations Sustainable Development Goals (UNSDGs), helping us strengthen transparency and demonstrate how our initiatives contribute to broader sustainable-development priorities. Our ESG roadmap encompasses climate strategy, energy management, water stewardship, waste management, emissions reduction, resource efficiency and circularity, providing a structured foundation for our continued progress.

As we look ahead, our focus will be on taking sustainability to the next level by accelerating renewable-energy adoption, delivering further energy and resource efficiencies, increasing recycled-content utilization, strengthening circular packaging solutions, reducing value-chain emissions, enhancing water stewardship, and building a safer and more resilient organization. We will continue to leverage innovation through our AVINYA Innovation Centre, together with our research and customer collaborations, to develop packaging solutions that combine performance, circularity and lower environmental impact.

Our sustainability journey is ultimately a journey of continuous improvement. We recognize that responsible growth requires us to continuously challenge ourselves, measure our progress, learn from our stakeholders and turn ambition into measurable action. As Alternicq Limited, we remain committed to building a resilient, responsible and future-ready organization that creates sustainable value for our customers, employees, partners, communities and the environment.

On behalf of the Board and leadership team, I extend my sincere gratitude to our employees, customers, suppliers, investors, partners and communities for their continued trust, collaboration and support. Together, we will continue to shape a more sustainable future through innovation, responsible growth and purposeful action.

Best Regards,

Mr. Thimmaiah N. P.
MD & CEO

ESG STEERING COMMITTEE



AL understands the profound impact of our decisions on the planet's future. Our dedication to ESG principles is not merely a duty but a testament to our commitment to shaping a world where plastic packaging solutions embody environmental responsibility, social progress, and ethical governance



Dear stakeholders,

Alternicq Limited (AL) is proud to present its **fourth Sustainability Report**, reaffirming our unwavering commitment to transparency, accountability, and sustainable value creation. This report reflects our continued efforts to integrate environmental, social, and governance (ESG) principles into our business strategy while sharing our progress and performance with all stakeholders.

Guided by our sustainability vision, "**Shapeshift for Tomorrow: Towards Sustainable Packaging**," we remain focused on developing innovative packaging solutions that support circular economy principles, reduce environmental impacts, and contribute to a low-carbon future. As climate change, resource scarcity, and evolving stakeholder expectations continue to reshape industries, we recognize our responsibility to drive meaningful action across our value chain.

FY26 marked another year of progress in our sustainability journey. We continued to strengthen renewable energy adoption, energy efficiency, resource optimization and emissions management across our operations. Our energy-conservation initiatives delivered significant savings, while renewable-energy adoption continued to contribute to reducing our environmental footprint. These efforts demonstrate our commitment to improving operational efficiency while supporting our long-term climate ambitions.

Circularity remains central to our sustainable packaging strategy. During FY26, our Post-consumer recycled resin utilization increased by approximately 29.63%, from 7,744.54 MT in FY25 to 10,039.393 MT in FY26, reflecting continued progress in the use of recycled materials across our operations We continued to advance recycled-content adoption, lightweighting, material optimization, recyclability and mono-material solutions. Through our recycling capabilities, innovation initiatives and collaborations with research and industry partners, we are working to enable packaging solutions that support a more circular economy and reduce dependence on virgin materials.

Our ESG roadmap continues to provide the foundation for embedding responsible business practices throughout our operations. It brings together priorities across climate action, renewable energy, water stewardship, waste management, resource efficiency, circularity, biodiversity and responsible supply-chain management. Supported by robust governance mechanisms and stakeholder engagement, the roadmap enables us to continually strengthen our sustainability performance and align with evolving global expectations.

The ESG Steering Committee supports the Board in overseeing AL's Environmental, Social and Governance (ESG) strategy and sustainability initiatives, including monitoring ESG priorities and evaluating related initiatives and performance. The Committee reviews key ESG assessments, including the Double Materiality Assessment and Water Risk Assessment (WTRS) completed in FY25, considering material topics, water-related risks and opportunities, and their implications for the sustainability strategy and Enterprise Risk Management framework. The findings support actions on water stewardship, climate resilience and risk mitigation, with relevant recommendations incorporated into business and risk management processes and monitored for progress

Our climate strategy is underpinned by science-based emission reduction and Net-Zero targets approved by the Science Based Targets initiative (SBTi). As our business continues to expand through acquisitions and greenfield developments, we are strengthening our decarbonization planning and reviewing implementation pathways to ensure that our climate actions remain relevant to our evolving operational footprint and long-term ambitions.

We have also continued to strengthen our management of Scope 3 emissions by improving data quality, identifying key emission hotspots and implementing reduction initiatives across our value chain. Procurement optimization, logistics consolidation, responsible sourcing and greater collaboration with suppliers are helping us address areas with significant value-chain emissions, while providing a stronger foundation for further reductions.

From a social perspective, the safety, well-being and development of our people remain fundamental to our sustainability agenda. Through the Alterniq Production - System (APS), we are strengthening a proactive and behavior-driven safety culture, with a particular focus on safe work conditions, safe work practices, HIRA-based risk assessment and behavior-based safety. We continue to promote a workplace built on respect, inclusion, equal opportunity, human rights and continuous learning.

Responsible supply-chain practices are also an important part of our ESG journey. We continue to strengthen supplier ESG assessments and engagement, enabling us to better understand sustainability risks and opportunities across our value chain and encourage responsible practices among our business partners.

Our progress has continued to be recognized through external sustainability assessments. During FY26, we achieved an EcoVadis score of 70 and received a Bronze Medal, while sustaining our CDP rating at B. Our S&P Global CSA score stood at 65. These recognitions encourage us to further strengthen our performance, transparency and accountability.

We also remain committed to the Ten Principles of the United Nations Global Compact (UNGC) across human rights, labour, environment and anti-corruption. Having consistently submitted our Communication on Progress in previous years, we continued this commitment through our FY26 COP submission, reinforcing these principles across our operations and value chain.

Our sustainability reporting continues to align with the Global Reporting Initiative (GRI) framework and supports our contribution to the United Nations Sustainable Development Goals (UNSDGs). Through transparent reporting and continuous improvement, we aim to strengthen the quality, relevance and accountability of our sustainability disclosures.

Innovation remains a key enabler of our sustainability journey. Through AVINYA, our Innovation Centre, and collaborations with institutions such as the Indian Institute of Science (IISc), Bengaluru, we continue to explore new materials, circular solutions, lightweight packaging and technologies that can reduce environmental impact while meeting customer and market requirements.

As we look ahead, we remain focused on accelerating renewable-energy adoption, improving energy and resource efficiency, increasing circularity, reducing value-chain emissions, strengthening water and waste management, and building a safer, more resilient and responsible organization. We recognize that sustainability is a continuous journey, and our ambition is to consistently raise the bar through innovation, collaboration and measurable action.

None of this progress would be possible without the trust, commitment and collaboration of our employees, customers, suppliers, investors, partners and communities.

We sincerely thank all our stakeholders for being an integral part of our sustainability journey. Together, we will continue to "Shapeshift for Tomorrow" by advancing sustainable packaging solutions, accelerating climate action, and creating long-term value for society and future generations.

Sustainability Highlights

Environment

Driving Energy & Climate Action

211,471.38 tCO_2e of greenhouse-gas emissions avoided through renewable-energy adoption and energy-efficiency initiatives from **FY23 to FY26**



103.20%
INCREASE IN IN-HOUSE RENEWABLE-ENERGY UTILIZATION FROM FY22 TO FY26



135.59%
INCREASE IN OVERALL RENEWABLE ENERGY UTILIZATION FROM FY22 TO FY26



143.86%
INCREASE IN PURCHASED RENEWABLE-ENERGY UTILIZATION FROM FY22 TO FY26.



12,391.89 MWh
OF CUMULATIVE ENERGY SAVINGS ACHIEVED FROM FY24 TO FY26, AVOIDING 8,798.24 TCO_2E OF EMISSIONS.

Social



100%
Eligible employees received performance and career development reviews



Zero
Reported incidents of child labor and discrimination



4.6
Average training hours per employee



1566.55 INR
Avg amount spent per employee on training and development

Governance

Zero
Cases of conflict of interest during FY 2026

26 Meetings
Meetings of the Board conducted during the FY 2026

Zero
Cases of corruption/bribery during FY 2026

90%
Board meeting attendance in FY26

100%
Employees trained in code of conduct

While our sustainability journey has delivered significant progress, the continued expansion of our manufacturing footprint presents new challenges that we are actively addressing. Our renewable-energy strategy continues to focus on increasing clean-energy adoption through renewable-energy procurement and expansion of rooftop solar across our operations.

Using FY24 as the base year, overall renewable-energy utilization decreased from 79,474.40 MWh to 77,900.82 MWh in FY26, a reduction of approximately 1.98%. Renewable energy accounted for 45.93% of total electricity consumption in FY24 and 38.50% in FY26. Over this period, in-house solar generation increased by 21.93%, while purchased renewable energy decreased by 4.06%.

We continue to integrate renewable energy, energy efficiency and process optimization across our operations to reduce our environmental footprint. During FY26, electricity intensity improved by approximately 21%, while Scope 2 emissions intensity improved by approximately 6%, demonstrating continued gains in operational efficiency despite business expansion.

During FY26, our energy-efficiency projects delivered **5,286.459 MWh of energy savings**, avoiding approximately **3,553.38 tCO_2e** of greenhouse-gas emissions. From FY24 to FY26, these projects contributed to **8,798.24 tCO_2e of cumulative emissions avoided.**

We also continue to strengthen waste management and resource efficiency across our operations. The expansion of our manufacturing network has increased the complexity of waste management, and we remain focused on targeted reduction, segregation, recycling and responsible disposal initiatives.

Water stewardship remains an important priority as our operations expand. We continue to focus on efficient cooling systems, optimized STPs, improved monitoring and employee awareness to promote responsible water use and strengthen long-term water resilience.

Overall, our focus remains on **accelerating renewable-energy adoption, improving energy and resource efficiency, reducing emissions, strengthening waste management and enhancing water stewardship**, while ensuring that sustainability remains integral to our continued business growth.

APPROACH TO STRATEGIC GOVERNANCE FOR ORGANIZATIONAL SUCCESS

Corporate governance remains a cornerstone of the long-term success, resilience, and sustainable growth of Alternicq Limited (AL). The Company has established a robust governance framework supported by comprehensive policies that foster ethical conduct, integrity, accountability, transparency, and fairness across all levels of the organization.

Following the acquisition by **PAG** on **March 25, 2025,** and the subsequent rebranding to Alternicq Limited, FY26 marked the continued strengthening and stabilization of our governance framework under the newly constituted Board of Directors. The Company remains firmly committed to upholding the highest standards of corporate governance while embedding sustainability into its strategic decision-making and business operations.

The Board of Directors provides strategic oversight and guidance to ensure that ESG considerations, risk management, and long-term value creation are integrated into the Company's growth strategy. The Board comprises experienced professionals with diverse expertise and backgrounds, appointed in accordance with the **Board Diversity Policy** and the **Nomination and Remuneration Policy**, reinforcing our commitment to inclusive and effective leadership.

Throughout FY26, AL continued to enhance its governance practices by promoting responsible business conduct, strengthening internal controls, and ensuring compliance with applicable laws, regulations, and global best practices. The Board and its committees play an active role in overseeing key matters related to strategy, financial performance, sustainability, risk management, ethics, and stakeholder interests, enabling informed decision-making and fostering a culture of accountability across the organization.

Governance Highlights

Zero
Cases of conflict of interest during FY 2026

26 Meetings
Board and Committee Meetings conducted during FY26

Zero
Cases of corruption/bribery during FY 2026

90%
Board meeting attendance in FY26

37.5%
Percentage of Independent Directors on the Board

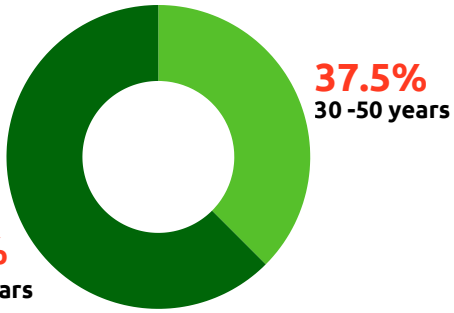
100%
Employees trained in code of conduct

CORPORATE GOVERNANCE STRUCTURE AT AL

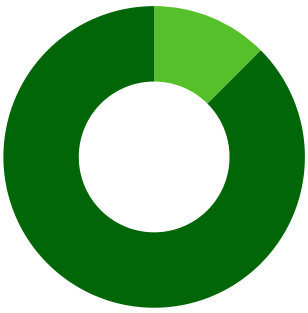
Board of Directors - Committees

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

Board Diversity

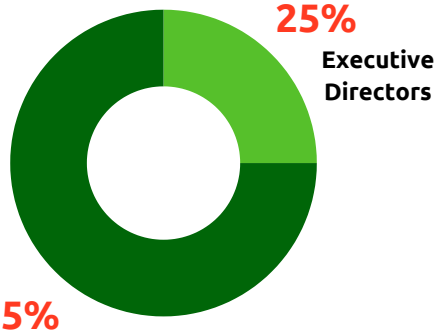


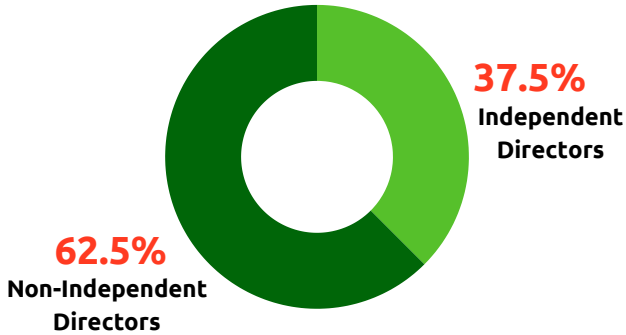
Age Diversity



Gender Diversity

Composition of the Board





PROFILE OF THE BOARD OF DIRECTORS

At the beginning of FY25, Alternicq Limited (AL) underwent a significant ownership transition, with PAG acquiring the company from Advent International. This strategic change led to a substantial shift in AL's leadership structure, including appointment of a new Board of Directors. The newly constituted Board brings diverse experience and strategic direction, strengthening corporate governance and aligning with AL's long-term growth and sustainability objectives.



M M M

Mr. Nikhil Kumar Srivastava

Chairman

Experience

Nikhil Srivastava is a seasoned investment professional and Partner & Managing Director, Head of India Private Equity at PAG, one of Asia's leading alternative investment managers with over USD 55 billion in assets under management. He played a pivotal role in establishing PAG's India office. Prior to this, he spent nearly a decade at KKR across India, Singapore, and the United States. His career also includes investment banking at Goldman Sachs and being an early employee at Inphi (NYSE: IPHI).

Education

A distinguished academic, Nikhil holds an MBA from Harvard Business School, a Master's in Electrical Engineering from Stanford University, and a Bachelor's in Electrical Engineering from BITS Pilani, where he graduated as a university gold medalist. He is also the author of multiple patents.



M M M

Mr. Thimmaiah N. P.

Managing Director and CEO (Executive Director)

Experience

Thimmaiah has over 30 years of leadership experience across the automotive and manufacturing sectors. He was previously associated with Meritor Commercial Vehicle Systems India Private Limited, Honeywell Turbo (India) Private Limited, Cummins India Limited, and Tata Cummins Limited.Known for leading transformation at scale, he combines operational rigour with strategic clarity across high-growth and private equity-led environments. At Alternicq, he is driving the company's next phase of growth with a focus on scaling circular packaging solutions, accelerating innovation, and building globally competitive manufacturing capabilities. He has also led multiple high-impact initiatives spanning capacity expansion, capability building, and performance transformation.He received the Economic Times Award for Most Promising Business Leaders of Asia (2020–2021) and the Outstanding Achievement Award at Meritor in 2015.

Education

Mr. Thimmaiah N.P. holds a bachelor's degree in automobile engineering from the University of Mysore



M

Mr. Aswin Vikram

Director

Experience

Aswin Vikram is a highly accomplished private equity professional with extensive experience across the investment lifecycle, including due diligence, deal execution, debt financing, portfolio management, and exit strategies. With a career spanning management consulting and private equity since 2009, he brings a strategic and analytical approach to business growth and value creation.

Education

An alumnus of IIM Bangalore (MBA) and IIT Madras (B.Tech), Aswin has a strong foundation in finance and business strategy. His expertise lies in driving high-impact investment decisions and delivering long-term value for stakeholders.

As per the Global Industry Classification Standard (GICS) Level 1, Alternicq Limited operates in the Materials sector, which includes containers and packaging, construction materials, and specialty chemicals. Out of the current Board of Directors, one Independent Director — Mr. Sameer Kaji — possesses relevant, practical work experience in this sector through his prior management role at Binani Industries Ltd., a company engaged in the manufacturing of cement and fiberglass products. The remaining Board members bring complementary expertise in areas such as manufacturing leadership in adjacent industries, strategy and consulting, finance, consumer businesses, and governance, but do not have direct operational experience in the Materials or packaging sector.



M

Mr. Sumit Mohan Nadgir

Director

Experience

Sumit Nadgir is a seasoned leader with a strong track record in private equity, corporate leadership, and business transformation. Currently a Managing Director at PAG, he has previously served as CEO of HiCare Services Pvt. Ltd. and Managing Director at True North Co. With extensive experience across investment management and operational leadership, Sumit has played a key role in driving business growth and strategic decision-making.

Education

His career includes leadership roles at India Value Fund Advisors (IVFA), Bain & Company, and Kirloskar Oil Engines Ltd., bringing deep expertise in investment strategy, corporate turnarounds, and operational efficiency. He is an alumnus of IIM Calcutta (MBA) and College of Engineering Pune (COEP) (B.E.).



M C C C

Mr. Sameer Kaji

Independent Director

Experience

Sameer Kaji is a seasoned business leader with over 35 years of experience in growth strategy, mergers & acquisitions, business transformation, and investor relations. He has held key leadership roles, including Chairman & Managing Director of RAS Propack Lamipack, where he successfully led the company to an IPO and established a strategic JV with Propack Holding, Switzerland.
Currently, Sameer is an Independent Director on the boards of Edelweiss Retail Finance Ltd., Edelweiss Asset Reconstruction Company Ltd., Nuvama Wealth & Management Ltd., Joule Textiles & Industries Ltd., and a few other companies. He actively contributes to corporate governance, chairing key committees on audit, risk, stakeholder relations, and ESG.

Education

Mr. Sameer Kaji holds a degree in Babson F.W. Olin Graduate School of And Master of Business Administration (MBA), Entrepreneurship & Finance



C M C

Mr. Kamlesh Vikamsey

Independent Director

Experience

CA Kamlesh Shivji Vikamsey is a distinguished Chartered Accountant with over four decades of experience in auditing, taxation, corporate advisory, and business consulting. He is a Senior Partner at KKC & Associates LLP (formerly Khimji Kunverji & Co. LLP), a firm with a legacy of over 80 years in financial and strategic advisory services.

Kamlesh has held prominent leadership roles in global and national financial oversight bodies. Currently, he serves as the Vice Chairperson of the Independent Advisory Oversight Committee (IAOC) of the World Intellectual Property Organization (WIPO), Geneva. He is also a member of the Oversight Advisory Committee (OAC) of the United Nations Population Fund (UNFPA), New York, and the National Advisory Board of Manav Sadhan Vikas Sanstha.

His past leadership positions include serving as Chairperson of audit and advisory committees for esteemed organizations such as UNICEF, IMF, ITU, UNDP, and WMO. He was also a Board Member of the International Federation of Accountants (IFAC) and the President of The Institute of Chartered Accountants of India (ICAI).

Education

Mr. Kamlesh Vikamsey was a Chartered Accountant and a past member of the central council of ICAI. He obtained B.Com degree from Mumbai University after studying in Podar College in 1981 and went on to become a Chartered Accountant in 1982.



Ms. Anisha Motwani

Independent Director

Experience

Anisha Motwani is a leading brand and business growth expert with over 35 years of experience across FMCG, automotive, financial services, and healthcare. She is the Founder of Storm the Norm Ventures and has advised global firms and public sector missions including Swachh Bharat and Clean Ganga through her work with the World Bank.

An accomplished author and speaker, Anisha serves on the boards of Abbott India, Godrej Finance, Raymond Lifestyle, Nuvama Wealth, and others. Recognized among India's 50 Most Powerful Women in Business by Business Today, she brings strategic vision, brand insight, and innovation expertise to our growth journey.

Education

Ms. Anisha Motwani holds a Bachelor of Science degree in Biology from Sophiyia College, Ajmer (1982–1984). She completed her Master of Business Administration in Marketing & Finance from the University of Rajasthan, graduating with First Grade in 1986



Mr. Raghavendra Kini

Whole-time Director

Experience

Mr. Raghavendra Kini is an accomplished business leader with nearly three decades of experience across the automotive, manufacturing, engineering and industrial sectors. He has expertise in P&L management, manufacturing operations, business strategy, supply chain, procurement, digital transformation and organisational development.

Prior to joining Alternicq, he served as Chief Executive Officer – Automotive Business at Jaya Hind Industries Ltd., part of the Force Motors Group. Earlier, he held senior leadership positions at Premium Transmission Ltd. and worked with Otis Elevator India, Alstom, LM Wind Power and Toyota Kirloskar Motor.

Education

He holds a Bachelor of Engineering in Mechanical Engineering from Bangalore University and has completed the Strategic Leadership Program from SP Jain Institute of Management and Research.

Subsequent Events

Subsequent to the reporting period, Mr. Raghavendra Kini (DIN: 11878414) was appointed as an Additional Director and Whole-time Director – Operations of Alternicq Limited with effect from 10 August 2026, for a term of five years commencing from the date of appointment. He is liable to retire by rotation in accordance with applicable provisions.

COMPOSITION OF THE BOARD COMMITTEES

- Audit Committee
- Risk Management Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee.
- Nomination and Remuneration Committee

C Chairman **M** Member

To know more about our Board of Directors, click Here https://www.alternicq.com/about/leadership

Independent Directors on Board

Following the acquisition of Alternicq Limited (AL) by PAG on 25th March 2025, the Board of Directors underwent a complete reconstitution. The current Board comprises seven male directors, including two Independent Directors, one Executive Director (MD & CEO), and three Non-Executive, Non-Independent Directors. This structure ensures continued compliance with Section 149(4) of the Companies Act, 2013, which mandates that at least one-third of the Board be independent.

The Board reflects a healthy mix of age diversity, with three directors above the age of 50 and three in the age group of 30 to 50. While the average tenure of the Board, as of 31st March 2026, stands at approximately 0.95 years, the directors bring with them a wealth of industry knowledge, leadership experience, and strategic insight. Despite the recent transition, AL remains committed to upholding a strong ESG governance framework. The current Board plays a pivotal role in shaping the company's purpose, values, and long-term sustainable growth, ensuring continued integrity, accountability, and responsible decision-making at the highest level.

Board Meeting Attendance

In compliance with Section 167 (1) (b) of the Companies Act, 2013, AL has a minimum attendance of at least one meeting for its Board members. AL abides by the norms and had a target of minimum attendance of 33.3% for Board members (based on the total number of 10 board meetings held for FY 2025-26).

The Meetings of the Board and Committees were held at regular intervals with time gaps of not more than 120 days between two consecutive Meetings. Additional Meetings of the Board of Directors were held when necessary.

- During the year under review ten (10) Board of Director Meeting 21-04-25, 21-05-25, 25-06-25, 25-08-25, 29-09-25, 17-10-25, 25-11-25, 13-01-26, 17-03-26 and 23-03-26.
- During the year under review, nine (9) Audit Committee Meetings were held on 21-04-25, 25-06-25, 25-08-25, 29-09-25, 17-10-25, 25-11-25, 13-01-26, 07-03-26, 23-03-26.
- During the year under review three (3) Nomination and Remuneration Committee Meetings were held on 21-05-25, 25-06-25 and 17-10-25.
- During the year under review, two (2) Corporate Social Responsibility Committee Meetings were held on 25-06-2025 and 23-03-2026.
- During the year under review, one (1) Stakeholders Relationship Committee Meetings was held on 23-03-2026.
- During the year under review, one (1) Risk Management Committee Meeting was held on 23/03/2026.

The Agenda of the Meetings are circulated to the Directors and Members in advance. Minutes of the Meetings of the Board of Directors and Committees are circulated amongst the Directors and Members for their perusal

Management Ownership

At AL, we recognize that current and future investors and shareholders are integral members of the extended Alternicq family. AL is committed to providing accurate, detailed, timely, and transparent information on financial performance, ESG initiatives, and future direction.

AL strongly believes that ESOP share ownership by the MD & CEO, along with other executive committee members, significantly influences financial performance and enhances returns for investors and shareholders. Accordingly, AL encourages these executives to hold ESOP shares, aligning their interests with shareholders and fostering greater commitment to organizational success.

Election and Re-election of Directors on Board

At Alternicq Ltd, we follow the election & re-election as per our Nomination and Remuneration Policy in line with guidelines according to the Section 152 (6) of the Companies Act, 2013 wherein 1/3 of directors (other than independent and Managing Director) on board are liable to be elected or re-elected during Annual General Meeting (AGM). Also, during AGM, we allow every shareholder to be an effective stakeholder in exercising their right of election of members of the Board

Board Diversity Policy

A Alternicq Ltd. is committed to ensuring that its board comprises individuals from diverse backgrounds, with a balanced mix of independent and non-independent directors, as required by the Companies Act, 2013, The Nominations and Remuneration Committee has established a Board Diversity Policy, which guides the board nomination process. This policy takes into account a range of factors, including thought diversity, perspectives, knowledge, skills, expertise, qualifications, regional and industry experience, cultural background, age, ethnicity, nationality, race, and gender. This approach supports the company's strategic and commercial goals. For more details, please visit the Board Diversity policy on our website

Other Mandates

Section 165 (1) of the Companies Act, 2013 states on the number of directorships: No person, shall hold office as a director, including any alternate directorship, in more than twenty companies at the same time, provided that the maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

Composition of Board of Directors

The Board of Directors (Board) of Alternicq Limited (AL), with the support of its Nomination and Remuneration Committee, follows a one-tier governance structure. The independence of Board members is assessed during each nomination to the Annual General Meeting and reviewed periodically to ensure continued compliance with governance requirements.

The Board comprises seven (7) male directors, with one (1) female director representation currently. The composition includes three Independent Directors (37.5% of the Board), two Executive Directors (including the MD & CEO and Whole-time Director), and three Non-Executive, Non-Independent Directors, collectively making up the remaining 62.5%. Despite recent changes, AL remains committed to strengthening diversity and ensuring a balanced and effective Board aligned with corporate governance best practices.

Clawback

Our company is governed by the Companies Act 2013 and clauses such as Section 199 are applicable for the recovery of remuneration from the management in certain cases of clawback.

DECLARATIONS FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS.

The Company has received necessary Declarations from all the Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 stating that they meet with the criteria of their Independence laid down in Section 149(6).

Compliance Statement for the Independence of the Board of Directors

Alternicq LTD has complied with the following criteria for the independence of Board of Directors for FY 2025-26:

- The directors are persons of integrity and possesses relevant expertise and experience.
- The directors are not indebted to the company and have not given a guarantee or provided any security in connection with the indebtedness of any third person to the company and its subsidiary.
- The directors are not accepting any payment except their remuneration and professional fees, or their Family Member are not accepting any payments from the Company or its subsidiary.
- The directors are not a "Family Member of an individual who is in senior management employed by the company or by any parent or subsidiary of the company.
- The directors are not (and are not affiliated with a company that is) an advisor or consultant to the company or a member of the company's senior management.
- The directors are not affiliated with a significant customer or supplier of the company.
- The directors have no personal services contract(s) with the company or a member of the company's senior management.
- The directors are not affiliated with a not-for-profit entity that receives significant contributions from the company.
- The directors have not been a partner or employee of the companies outside auditor, legal and consulting firm during the past year.
- The directors except Managing Director and CEO are not employed by the company in an executive capacity within the last year.
- The directors are not having any conflict of interest with the Company that the board itself determines to mean they cannot be considered independent.
- The director have not accepted except remunerations and professional fees or have a "Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of statutory limit during the current fiscal year", other than those permitted under the Companies Act 2013

Performance Evaluation of the Board

During the financial year, The Independent Directors of the Company convened to review the performance of Non-Independent Directors, the Board as a whole, and Non-Executive Directors for the fiscal year FY26. This meeting was held in accordance with the stipulations outlined in The Companies (Appointment and Qualification of Directors) Rules, 2014. During this meeting, the Independent Directors also reaffirmed their independence.

Annual Evaluation of the Performance of the Board, Its Committees, and Individual Directors

In accordance with the provisions of the Companies Act, 2013, the Board of Directors conducted an annual evaluation of its performance, as well as that of its committees and individual Directors.

Evaluation of the Board

The performance of the Board was assessed by seeking inputs from all Directors, based on criteria such as:

- Board structure and composition
- Formation and delegation of responsibilities to Committees
- Effectiveness of Board processes
- Quality of communication with stakeholders

Evaluation of Board Committees

The performance of Board Committees was evaluated based on inputs from Committee Members. The criteria for this evaluation included:

- Committee composition and structure
- Effectiveness of Committee Meetings

Evaluation by Independent Directors

The Independent Directors provided their assessment of the performance of Non-Independent Directors and the Board as a whole, taking into account the views of both Executive and Non-Executive Directors. The Board has confirmed that all Independent Directors meet the independence criteria as specified in the Companies Act, 2013, and that they maintain independence from the management.

Remuneration of the Board

Our Company has a remuneration policy comprising guidelines for the appointment and removal of directors, key managerial personnel, and senior management, as well as their remuneration criteria. The criteria cover fixed pay, minimum remuneration, and provisions for excess remuneration. It also lays down criteria for remuneration to Non-Executive/Independent Directors. Our NRC committee (consisting of 66.66% independent directors) has established a clear link between the performance of the Board and remuneration to ensure their effectiveness.

Our policy is publicly accessible on our website https://www.manjushreeindia.com/wpcontent/uploads/2023/09/Nomination-and-Remuneration-Policy.pdf

AL' s strategic growth plan takes shape with the upcoming commissioning of three new plants, encompassing two acquired sites and one freshly built operation, set to bolster our manufacturing capabilities and fuel future success

2407
AL' s Manpower



Names of all the resident entities

- **Corporate Office - 01**
- **Manufacturing Unit - 24**
- **Regional Office - 02**

MANUFACTURING FACILITY	BUSINESS VERTICAL	LOCATION
Alternicq LTD	Corporate office	Karnataka
Alternicq LTD	Regional office	Mumbai
Alternicq LTD	Regional office	Delhi
Amritsar Unit-I	Manufacturing unit	Punjab
Amritsar Unit-II	Manufacturing unit	Punjab
Baddi Unit-I	Manufacturing unit	Himachal Pradesh
Baddi Unit-II	Manufacturing unit	Himachal Pradesh
Baddi Unit-III	Manufacturing unit	Himachal Pradesh
Bidadi (Preform)	Manufacturing unit	Karnataka
Bidadi (Recycling)	Manufacturing unit	Karnataka
Bommasandra	Manufacturing unit	Karnataka
Chamarajanagar	Manufacturing unit	Karnataka
Goa	Manufacturing unit	Goa
Guwahati	Manufacturing unit	Assam
Jalgaon Unit-I	Manufacturing unit	Maharashtra
Jalgaon Unit-II	Manufacturing unit	Maharashtra
Kanpur	Manufacturing unit	Uttar Pradesh
Kharagpur	Manufacturing unit	West Bengal
Khordha	Manufacturing unit	Odisha
Manesar	Manufacturing unit	Haryana
Nandyala	Manufacturing unit	Andhra Pradesh

MANUFACTURING FACILITY	BUSINESS VERTICAL	LOCATION
Pantnagar Unit-I	Manufacturing unit	Uttarakhand
Pantnagar Unit-II	Manufacturing unit	Uttarakhand
Silvassa Unit-I	Manufacturing unit	Gujarat
Silvassa Unit-II	Manufacturing unit	Gujarat
Visakhapatnam Unit-I	Manufacturing unit	Andhra Pradesh
Visakhapatnam Unit-II	Manufacturing unit	Andhra Pradesh

Production volume achieved : **248,380 MT** in FY26.

REVENUE

Financial Reporting	FY 2025	FY 2026
Revenue (INR)	25,69,82,60,000	27,16,74,90,000
Earnings before Tax / Profit (Loss) before tax (INR)	2,66,71,50,000	24,33,10,000
Reported Taxes / Income tax accrued (INR)	19,08,90,000	-21,94,00,000
Cumulative acceptable adjustments (INR)	0	0
Effective Tax Rate (in %)	7.157	-90.173
	Calculated Average Rate -0.979	
Cash Taxes Paid / Income tax paid (INR)	23,66,50,000	13,79,30,000
Cash Tax Rate (in %)	8.872	56.689
	Calculated Average Rate 12.87	

ESG GOVERNANCE WITHIN OUR COMPANY



Our Board of Directors has established an ESG Steering Committee and a core ESG team. The committee supports the Board in overseeing AL's Environmental, Social, and Governance (ESG) strategy and sustainability efforts, including monitoring progress toward our vision, evaluating ESG-related practices, initiatives, and goals, and ensuring their continued effectiveness.

Members of the ESG core team have successfully completed ESG awareness training, strengthening their understanding of environmental, social, and governance principles and enhancing effective implementation across the organization .

Composition of ESG Steering Committee Name

Name	Designation
Mr. Thimmaiah N. P. (Chairperson)	Managing Director (MD) & Chief Executive Officer (CEO)
Mr. Shreedhar Krishnaswamy	Chief Operating Officer (COO)
Mr. Anil Patro	Chief Human Resources Officer (CHRO)
Mr. Kannan Bose	Head ESG, EHS & Compliance

The ESG Steering Committee meets the Board monthly through Management Review Meetings (MRM). These meetings provide an interactive platform where Board members actively discuss, question, and offer perspectives on AL's ESG strategies and challenges. Comprehensive ESG updates and key concerns are also shared with the Board via email, including regular reports, incident updates, and relevant performance data.

ESG initiatives at the operational level are executed by plant teams under Plant Head leadership. They review progress with the ESG Steering Committee during MRM sessions.

AL's Board of Directors actively oversees the ESG report approval process.



UPHOLDING THE HIGHEST STANDARDS OF ETHICAL CONDUCT

AL fosters principles of ethics and integrity through an established ethics policy and code of business conduct, promoting sustainable profitability and stable growth via lawful, ethical business practices with high transparency and compliance standards. AL also maintains a Supplier Code of Conduct to ensure suppliers and their personnel—including employees, officers, and directors—embrace and practice these values, forming the basis for transparency, fairness, and integrity in all interactions and transactions. Non-compliance may trigger appropriate corrective actions from management.

AL encourages reporting unethical practices via a whistleblower policy that empowers employees to escalate unfair transactions without fear of retribution. Additionally, our anti-bribery and anti-corruption policy prevents potential bribery and corruption within the company.

Prevention of Conflict of Interest

AL's Corporate Secretarial team and Nomination and Remuneration Committee jointly scrutinize activities related to conflicts of interest, related party transactions, and other potential conflicts. Directors abstain from relevant agenda items during meetings if they hold or are deemed to hold an interest.

AL transparently discloses conflicts of interest to stakeholders per established governance practices. Disclosures cover cross-board memberships, cross-shareholdings with suppliers and stakeholders, controlling shareholders and related parties, their relationships, transactions, and outstanding balances—maintaining transparency on potential conflicts affecting decision-making.

Our policy commitments are enlisted below:

Policy Commitments

AL has developed comprehensive policies that guide day-to-day operations and ethical conduct for internal stakeholders and value chain partners. These policy commitments received Board and CxO approval at the departmental level. All policies apply within defined scopes to employees, service providers, contractors, distribution partners, suppliers, communities, and customers.

AL communicates policy commitments through multiple channels, including emails, intranet for internal employees, website, displays, and training and awareness programs.

Political Contributions

AL is a company operating exclusively in India, adhering to all applicable laws and governance systems.

During FY26, AL did not make any contributions or expenditures towards political campaigns, political organizations, lobbyists, lobbying organizations, trade associations, or other tax-exempt groups.

Also did not make any contributions and donations that act as a means of bribery and corruption.

Furthermore, the Company refrained from contributing to political parties to influence decisions or gain business advantages in FY26.

We are committed to avoiding any activities or conduct that could be perceived as favors to or from any political party or individual. AL ensures that all donations made are legal and ethical under local laws and practices.

Report On Breaches

Reporting areas	Number of Breaches in FY25-26
Corruption or Bribery	0
Discrimination or Harassment	0
Customer Privacy Data	0
Conflicts of Interest	0
Money Laundering or Insider Trading	0



GOVERNANCE

- Ethics Policy
- Anti-Bribery and Anti-Corruption policy
- Nomination and Remuneration Policy
- Whistle Blower Policy
- Related-Party Transactions Policy
- Board Diversity Policy
- Code of Business Conduct Lobbying and Trade Associations, Tax Strategy, IT Policies
- Risk Management Policy
- Supplier Code of Conduct

ENVIRONMENT

- Environment, Health & Safety Policy (EHS)
- Energy Management Policy
- Waste Management Policy
- Water Management Policy
- Biodiversity Policy

SOCIAL

- Prevention of Sexual Harassment at WorkplacePolicy
- Human Rights Policy
  Grievance Policy for Employees
- CSR policy
- Equal Opportunity / Anti-discrimination Policy
- Child Labor Policy
- Maternity & Paternity Benefit Policy
- Employees Extended Benefits Policy
- Performance Management Policy
- DEI Policy

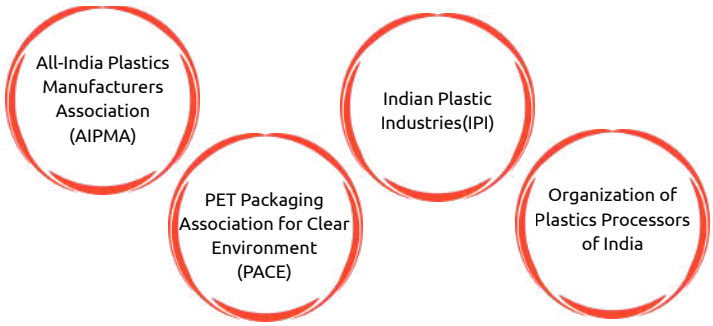
Adherence to Regulatory Compliance

AL upholds compliance with essential financial regulations, industry standards, and codes of conduct using the advanced Lawrbit software platform. This tool manages and monitors compliance activities, ensuring strict adherence to regulations and alignment with industry norms while reinforcing governance standards.

In addition to Lawrbit, AL utilizes Bluetree for contract labor management and Darwin Box for payroll staff compliance

Membership in Industry and Trade Associations

We believe in staying engaged in industry associations to stay informed about upcoming regulations, collaborate with peers, and contribute to the advancement and improvement of the industry in which we operate. Our memberships are enlisted below.



We comply with all environmental laws and regulations of India where we solely operate. In the past four fiscal years from FY 21 -26, there were zero fines, penalties, or show cause notices for noncompliance or violations with applicable environmental regulations at any of our locations

	FY 2023	FY 2024	FY 2025	FY 2026
Number of violations of legal obligations/regulations	0	0	0	0
Amount of fines/penalties related to the above.	0 INR	0 INR	0 INR	0 INR
Environmental liability accrued at year end.	0 INR	0 INR	0 INR	0 INR

PROACTIVE APPROACH TO ENTERPRISE RISK MANAGEMENT

AL stays vigilant against risks from the changing regulatory environment in our industry. Our Risk Management Policy and framework safeguard against emerging risks. The Enterprise Risk Management Policy applies to all employees, contractors, and stakeholders involved in operations, framed per Companies Act, 2013 requirements, and encompasses process-level and entity-level risks—including financial, non-financial, and climate risks.

The Board frames, implements, and monitors the risk management plan. It reviewed AL's risk exposure once in FY26 and holds authority to reconstitute the Risk Management Committee as needed. AL also maintains a Board-level Enterprise Risk Management Committee overseeing risk controls and processes

The Risk Management Committee supports the Board in formulating policy, overseeing implementation, monitoring, and assessing the efficacy of AL's Enterprise Risk Management Policy and practices. The committee plays a pivotal role in governing our climate change strategy.

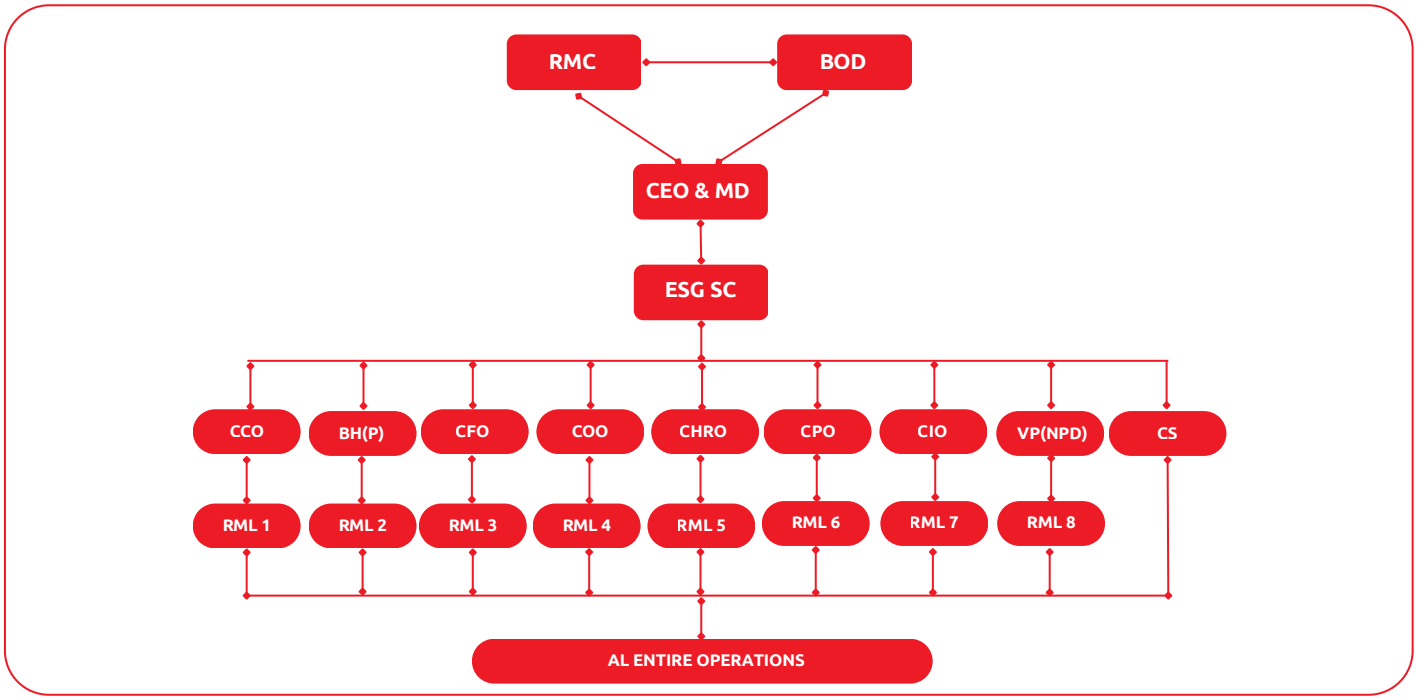
The Audit Committee conducts annual assessments of the risk management program and provides guidance to the Risk Management Committee. AL's risk management framework undergoes annual review and enhancement to adapt to changing internal and external contexts. Training, management standards, and procedures maintain a disciplined control environment where all employees understand their roles and obligations.

AL has implemented strategies to foster a robust risk culture across the organization as part of our enterprise risk management framework.

AL has established a comprehensive risk and opportunity management process integrating materiality assessment, ESG considerations, and enterprise risk management. Following thorough materiality assessment and identification of ESG-related enterprise risks, the Risk Management Committee reviews and validates findings, presented to the Board for guidance. The ESG Steering Committee develops strategies informed by Board advice, with action plans crafted alongside CXOs to outline specific mitigation measures and opportunity capitalization.

CXOs and the ESG Steering Committee closely monitor action plan execution for progress and accountability. The Risk Management Leader oversees implementation, while targeted employees receive tailored risk management education. AL incorporates risk criteria into product and service development where applicable and ties financial incentives to action plan performance, embedding ESG into operations for long-term sustainability and resilience.

Governance Structure for the Enterprise Risk Management



RMC - Risk Management Committee

BOD - Board of Directors

CEO - Chief Executive Officer

MD - Managing Director

ESG SC - ESG Steering Committee

BH(P) - Business Head, Pharmaceuticals

CCO - Chief Commercial Officer

CFO - Chief Finance Officer

COO - Chief Operation Officer

CHRO - Chief Human Resource Officer

CPO - Chief Purchasing Officer

CIO - Chief Information Officer

CS- Company Secretary

VP(NPD) - Vice President – New Product Development

RML - Risk Management Leader

EMBRACING MATERIALITY: ALIGNING SUSTAINABILITY WITH BUSINESS STRATEGY

Alternicq Limited (AL) conducted a comprehensive Double Materiality Assessment during FY25 to identify the environmental, social, governance (ESG), and business issues that are most significant to the Company's long-term value creation and sustainable growth. The assessment was undertaken in accordance with the GRI 2021 Standards, adopting a double materiality approach that evaluates both the Company's impacts on the environment and society (impact materiality) and the influence of sustainability-related matters on the Company's financial performance and enterprise value (financial materiality).

Following the transition in ownership to PAG and the evolution of the Company's strategic priorities, the FY25 assessment incorporated a broader and more diverse range of stakeholder perspectives. Structured engagement was conducted with key stakeholder groups, including customers, employees, investors, suppliers, business partners, regulators, community representatives, and senior leadership. Their inputs provided valuable insights into emerging sustainability risks, opportunities, and stakeholder expectations.

The identified material topics were evaluated using defined assessment criteria, benchmarked against industry peers, global sustainability frameworks, and evolving regulatory requirements. The results were subsequently reviewed and validated by the senior leadership team and the Board to ensure alignment with AL's business strategy, ESG commitments, and governance framework.

The materiality assessment serves as a key input for establishing strategic priorities, defining departmental and leadership Key Performance Indicators (KPIs), strengthening risk management processes, and guiding sustainability disclosures. The outcomes have been integrated into the Company's Enterprise Risk Management (ERM) framework, enabling proactive identification, assessment, and management of material ESG risks and opportunities.

Climate-related risks and opportunities continue to be assessed through the ERM governance structure, supporting informed decision-making and reinforcing AL's commitment to building a resilient, responsible, and future-ready organization.

How Stakeholder Feedback Influences Strategy and Disclosures

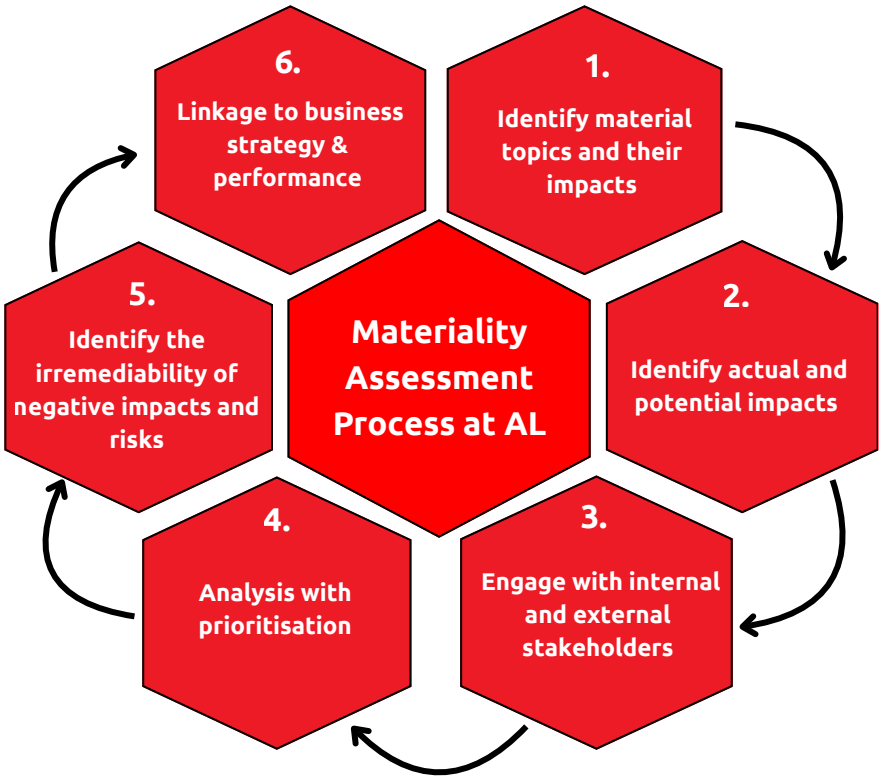
Stakeholder feedback remains integral to Alternicq Limited's decision-making process and sustainability strategy.
Customers continued to emphasize the importance of circular economy solutions, sustainable packaging, and increasing recycled content in products. In response, AL strengthened its investments in Post-Consumer Recycled (PCR) resin production, expanded collaborations to develop high-quality recycled packaging solutions, and continued to enhance product circularity through innovation and responsible material selection.
Investors and other financial stakeholders highlighted the importance of climate resilience, ESG governance, and transparent sustainability disclosures. Their feedback has reinforced AL's commitment to implementing its Science Based Targets initiative (SBTi)-approved near-term and Net-Zero targets, expanding renewable energy adoption, strengthening climate risk management, and continuously improving ESG performance and reporting.
Employees identified workplace safety, capability development, and operational excellence as key priorities through regular engagement and feedback mechanisms. Based on these insights, AL further strengthened its Behaviour-Based Safety (BBS) programme, implemented the Alternicq Production System (APS) Safe Workplace standards across operations, expanded EHS competency development initiatives, and continued integrating sustainability and safety objectives into departmental and individual performance management systems.
Feedback received from suppliers, customers, communities, regulators, and other stakeholders continues to guide AL in identifying emerging sustainability risks and opportunities, enabling the Company to strengthen its ESG strategy, improve operational resilience, and create long-term value for all stakeholders

The table below maps key stakeholder feedback to resulting actions:

Stakeholder Group	Key Concern/Feedback	Influence on Strategy/Disclosures	Resulting Action/Target/Policy
Customers	Plastic waste and circularity	Shaped product design and recycling disclosures	Developed 'Born Again' PCR initiative; 25% waste reduction target by FY2050
Investors	Climate change risks	Integrated into governance and ERM framework	Submitted SBTi net-zero targets; 30% emission reduction by FY2030
Employees	Energy and resource efficiency	Influenced PMS KPIs and training programs	Employee rewards for energy conservation projects; 55% renewable energy by 2027

Once the assessment is completed, the findings are benchmarked against industry standards and reviewed in detail by our Board. AL integrates all materiality assessments into the company's Enterprise Risk Management (ERM) process. This rigorous review process ensures that we are not only aware of the material issues affecting our business but are also actively addressing them in a way that supports our long-term success and sustainability. The assessing and managing climate-related risks and opportunities will be done as per the Enterprise Risk Management governance structure.

Process of Materiality Assessment



The assessment involved 41 valid stakeholder responses, comprising 24 internal and 17 external stakeholders. Stakeholder inputs were collected separately for impact and financial materiality and assessed based on impact direction, magnitude and likelihood. The consolidated results were analysed and prioritised using the defined scoring methodology and materiality thresholds.

Identify material topics and their impacts

Our materiality assessment process starts by compiling a comprehensive list of topics that could potentially impact our Company, derived from our stakeholder engagement efforts. We then analyze these topics, benchmarking them against those identified by our peers and competitors. This analysis ensures that our topics are aligned with global megatrends and risks, as well as relevant reporting frameworks such as GRI, TCFD, and others.

The organisation assesses the severity of impacts, likelihood of occurrence and its impact on economy, environment, and people, including human rights, across its activities and business relationships, both current and potential

Identify actual and potential impacts

Engage with internal and external stakeholders

Questionnaire-based interactions are held with our external stakeholders - customers, investors, NGOs, partners, collaborators, academic institutions, suppliers & vendors, and internal stakeholders - respective business heads, subject matter experts within the organisation. They rate each topic on a scale of 1-5 to indicate the severity of its impact, with 5 denoting the highest level of severity on the scale. Indirect feedback from ongoing engagements is considered too.

Analysis with prioritisation

The topics are further analysed by subject matter experts and the Board for their severity and irremediability. The topics are assigned priority for targeted action under each, with respect to their potential for impact and the time duration, actions required to be taken as per the environment in which we operate.

Identify the irremediability of negative impacts and risks

Material topics undergo a final review from a risk management perspective, including considering impact on human rights and negative impacts.

Linkage to business strategy & performance

We use these material topics to further define Key Performance Indicators for various business functions. These KPIs figure on the Balanced Score Card of key departments and their heads. The monitoring, implementation and achievement of these targets are taken into account while Stock options (Employee Stock Options (ESOPs)/ Restricted Stock Units (RSUs) are being given as a long-term incentive to associates.

Prioritization Methodology and Integration

Topics are prioritized using transparent criteria:

Severity Rating Matrix:

We employ a Severity Scale rated from 1 to 5 by our stakeholders to assess and prioritize key environmental, social, and governance (ESG) topics based on their potential impacts on the economy, environment, and human rights.

The scale is defined as follows:

Severity Rating	Description	Impact Level
1	Low impact	Minimal disruption
2	Minor impact	Limited effect
3	Moderate impact	Noticeable effect
4	High impact	Significant effect
5	Very high impact	Severe disruption

Thresholds:

Topics scoring greater than 4 are classified as **high-priority**.
Prioritization considers factors such as:

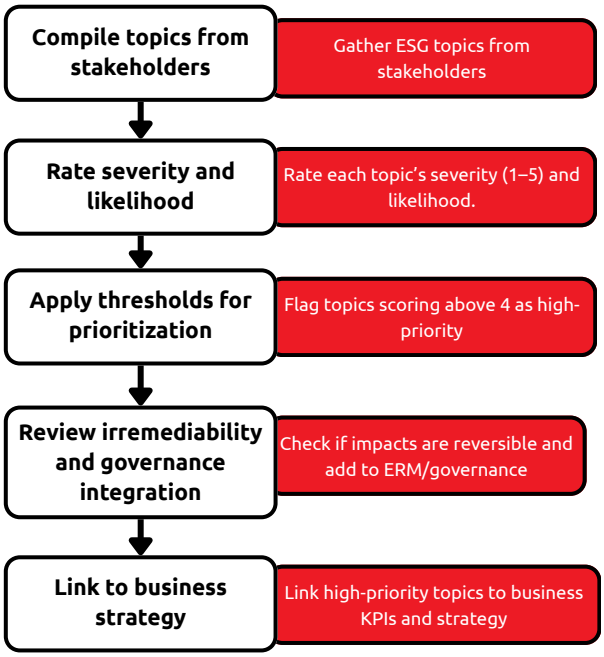
- Irremediability: Difficulty in reversing impacts.
- Likelihood: Probability of occurrence (High/Medium/Low) based on historical data and future forecasts.
- Scope: The extent of impact whether supply chain-wide or limited to operational sites.

Additional Factors:

- Benchmarking against industry peers.
- Alignment with Sustainable Development Goals (SDGs).
- Financial implications, including costs related to non-compliance and potential penalties.

High-priority risks and opportunities, such as climate change, are integrated into governance structures through the ESG Steering Committee (see p.16), which oversees implementation, and the Enterprise Risk Management (ERM) framework (see p.32), influencing board-level decisions and performance management systems (PMS) targets — for example, linking emission reduction KPIs with employee stock options (ESOPs) and restricted stock units (RSUs)

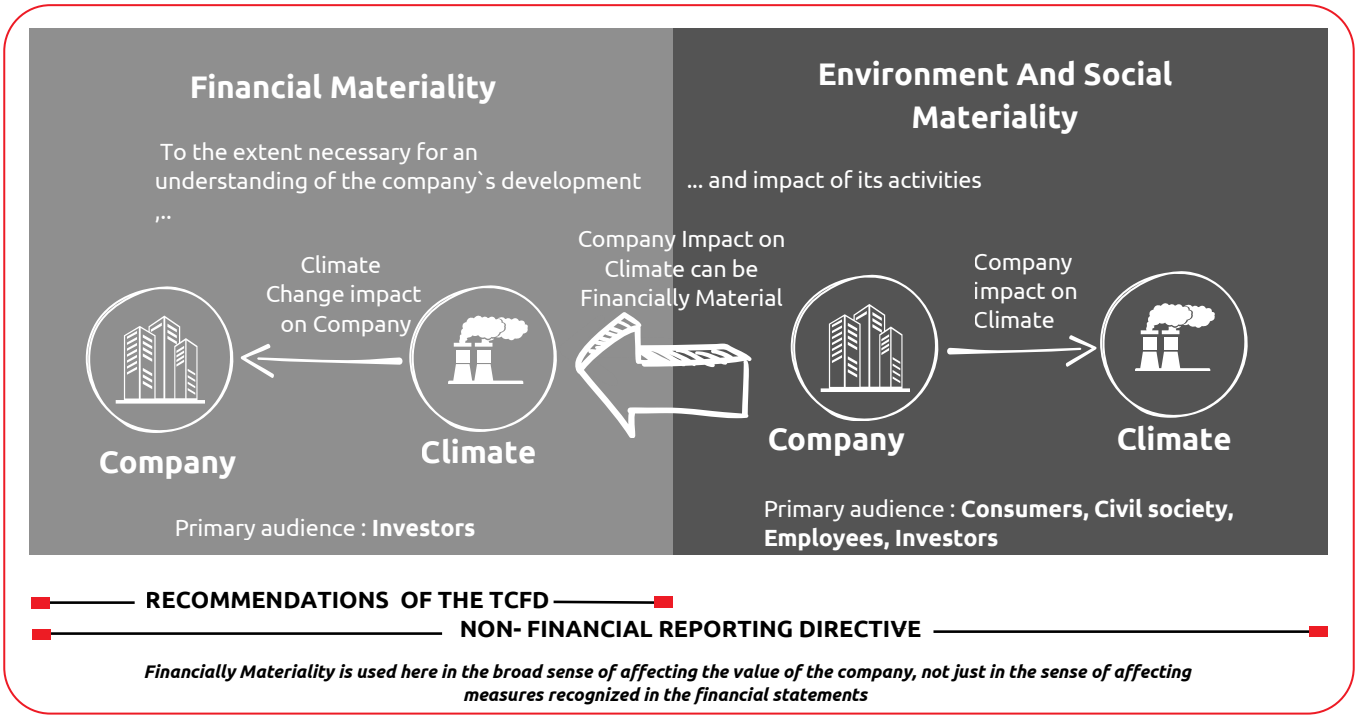
The flowchart below illustrates the prioritization steps:



Double Materiality

The concept of materiality has evolved significantly over the years. While traditional materiality primarily focused on the impact of sustainability issues on an organization's financial performance, the introduction of **double materiality** recognizes that companies must also assess the impacts of their activities on the environment, society, and the economy.

This approach aligns with leading global frameworks such as the **Corporate Sustainability Reporting Directive (CSRD), European Sustainability Reporting Standards (ESRS), and the Global Reporting Initiative (GRI)**, enabling organizations to better understand both sustainability-related risks and opportunities as well as their broader societal impacts



Double Materiality Assessment

At Alternicq Limited, sustainability is embedded into our strategic decision-making process. In FY25, we successfully completed our second Double Materiality Assessment, building upon the foundation established during our first assessment and adopting a more comprehensive methodology aligned with global best practices.

The assessment evaluated 15 key environmental, social, and governance (ESG) topics across our value chain from both impact materiality (our impact on society and the environment) and financial materiality (the impact of ESG issues on our business performance and long-term value creation). To ensure a balanced and representative outcome, we engaged with our stakeholders, through a structured assessment process covering impact magnitude, likelihood, and financial significance.

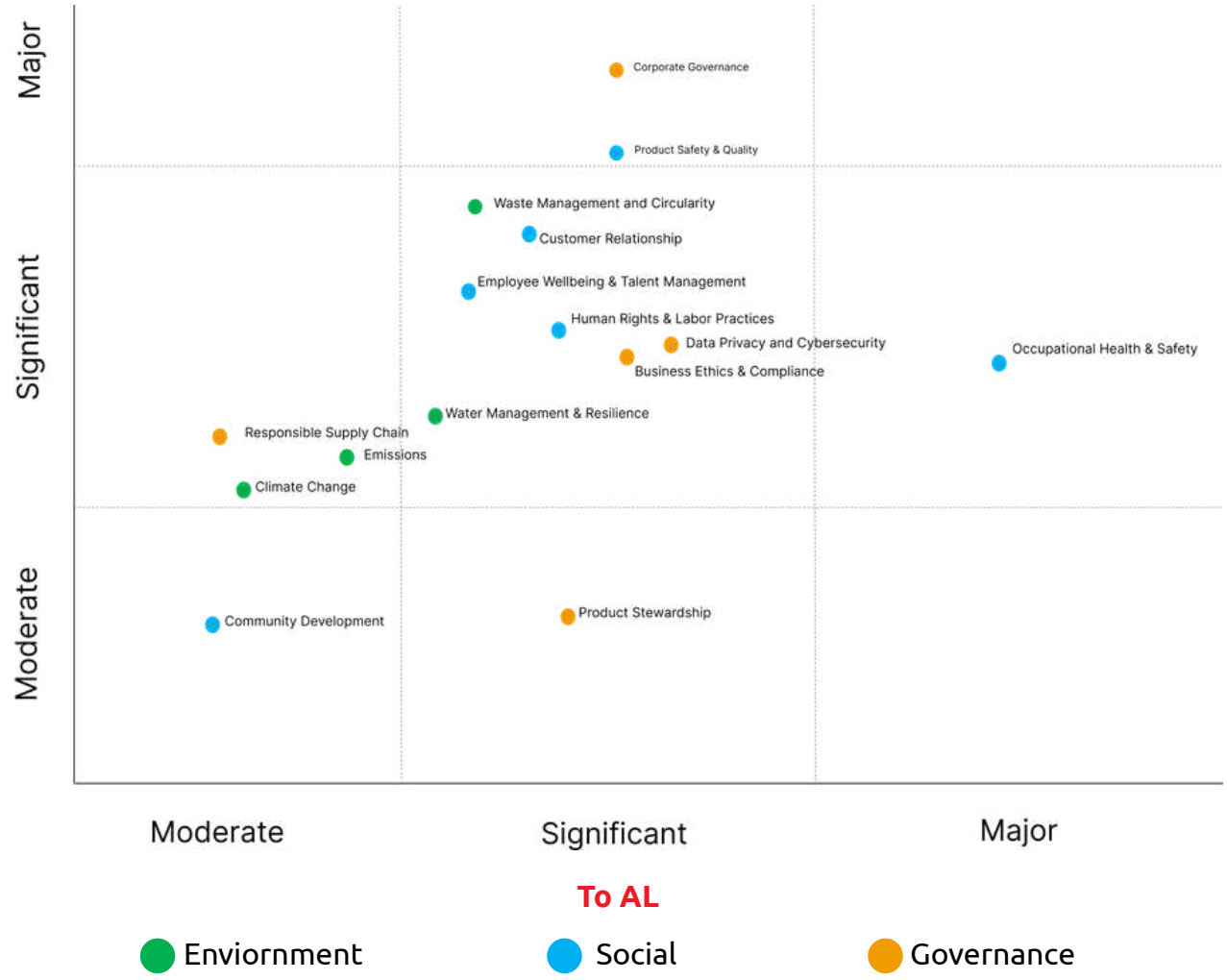
The results reaffirmed the importance of integrating sustainability into business strategy and identified the following as our Top 5 Material Topics, based on their combined impact and

These topics emerged as the highest priorities due to their significant influence on business resilience, stakeholder trust, regulatory compliance, operational excellence, and long-term value creation. Stakeholders emphasized the importance of maintaining a safe workplace, ensuring strong governance and ethical business practices, delivering high-quality and safe products, protecting information and digital assets, and fostering long-term customer confidence and satisfaction.

The findings from this second Double Materiality Assessment have been integrated into our sustainability strategy, Enterprise Risk Management framework, and governance processes, enabling us to proactively manage ESG risks and opportunities while creating sustainable value for all stakeholders. This assessment reinforces our commitment to transparency, responsible business practices, and embedding sustainability at the core of our long-term growth strategy.

financial significance:

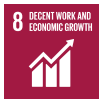
- Occupational Health & Safety
- Corporate Governance
- Product Safety & Quality
- Data Privacy & Cybersecurity
- Customer Relationship



Risk Management Framework

Material Topics	Management Approach	KPI Management	Linkage to risk	Expectancy of Occurrence	Mapping to disclosures	Impact
Occupational Health and Safety	At Alternicq, we are committed to providing a safe and healthy workplace through proactive hazard identification, risk assessments, robust safety protocols, machine safety standards, permit-to-work systems, and behavior-based safety initiatives. Through the APS Safe Workplace Pillar, continuous training, employee engagement, leadership commitment, and compliance with applicable health and safety requirements, we foster a strong safety culture, prevent workplace incidents, and drive continuous improvement to safeguard the well-being of employees, contractors, and visitors while ensuring operational excellence.	Zero LTI (Lost Time Injury) is the primary OHS objective. To achieve this, department specific OHS KPIs are monitored monthly against defined targets, covering incidents, near misses, safety inspections, hazard closure, training, corrective actions and compliance. KPI performance is reviewed monthly by Board members, with identified gaps addressed through corrective actions and tracked to closure. An annual assessment supports continuous improvement and sustains Zero LTI performance. Target: The OHS target is set and reviewed on an annual basis, with the goal of achieving Zero LTI each year.	• Human capital risk • Operational risk	Medium Term	GRI 403 3 GOOD HEALTH AND WELL-BEING	Negative
Corporate Governance	Corporate governance is fundamental to Alternicq's long-term success, fostering ethical leadership, accountability, transparency, and sustainable value creation. Following the acquisition by PAG and the transition from Manjushree Technopack Limited to Alternicq Limited, the Company strengthened its governance framework with a renewed Board and enhanced policies to align with its strategic vision, stakeholder expectations, and global best practices.	Corporate governance KPIs are established and monitored monthly against defined targets, covering Board effectiveness, compliance, policy implementation, risk management and internal controls. KPI performance is reviewed monthly by the Board, with identified gaps addressed through corrective actions and tracked to closure. An annual assessment is conducted to evaluate governance effectiveness and drive continuous improvement. Target: Corporate governance targets are set and reviewed on an annual basis.	• Reputation risk • Business continuity risk	Medium Term	GRI 2 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Positive
Product Safety and Quality	We collaborate with customers and leverage our in-house design expertise to develop innovative, sustainable packaging solutions that enhance circularity, optimize material usage, increase recycled content, and minimize environmental impacts across the product lifecycle, including emissions and waste generation.	The Quality & Product Safety Team monitors product quality and safety across the full product lifecycle through raw-material inspection, in-process quality checks, finished-product testing, regulatory compliance, customer complaint monitoring, product traceability and CAPA. Performance is reviewed monthly against defined quality and safety KPIs, with critical non-conformities immediately escalated and corrective actions implemented. Target: Product quality and safety targets are set and reviewed on an annual basis.	• Product liability risk • Reputation risk	High	GRI 416 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Positive

Material Topics	Management Approach	KPI Management	Linkage to risk	Expectancy of Occurrence	Mapping to disclosures	Impact
Data Security and Privacy	We prioritize the protection of information assets by implementing robust data security and privacy management systems to prevent data breaches and safeguard customer information. To further strengthen our cybersecurity framework, Alternicq is currently in the process of implementing and obtaining ISO/IEC 27001 certification, reinforcing our commitment to international best practices in information security.	The organisation monitors data security and privacy through periodic cybersecurity risk assessments, vulnerability monitoring, access-control reviews, security incident tracking, employee awareness programmes, internal audits and management reviews. Performance is assessed through defined KPIs, including data breaches, cybersecurity incidents, vulnerability closure, security training coverage, access-review completion and progress towards ISO/IEC 27001 certification. Target: Data security and privacy targets are set and reviewed on an annual basis.	• Cybersecurity risk • Data breach risk	High	GRI 418 	Negative
Customer Relationship	We strengthen customer relationships by delivering high-quality, innovative packaging solutions, maintaining transparent communication, addressing customer feedback, and ensuring product quality, safety, and regulatory compliance.	Customer relationships are monitored through customer satisfaction surveys, feedback and complaint tracking, retention analysis, product quality and safety monitoring, service response times and regulatory compliance reviews. Customer complaints and feedback are analysed periodically, with corrective actions tracked to closure. Key performance indicators are reviewed by management to identify trends and drive continuous improvement. Target: Customer relationship targets are set and reviewed on an annual basis.	• Customer retention risk • Reputation risk	Medium Term	GRI 416, GRI 418  	Positive
Waste Management & Circularity	We promote circular economy principles by optimizing material utilization, increasing recycled content (PCR), reducing waste generation, enhancing recycling and recovery, and driving resource efficiency across our operations.	We monitor circularity and resource efficiency through defined KPIs covering material utilization, PCR content, waste generation, recycling and recovery rates. KPI performance is periodically tracked and reviewed against targets, with deviations identified and corrective actions implemented to drive continuous improvement. Target: Waste reduction and circularity targets have been set for 2030, as disclosed in the Sustainability Report, supported by annual targets against which progress is reviewed each year.	• Environmental risk • Regulatory risk	Medium Term	GRI 306 	Positive

Material Topics	Management Approach	KPI Management	Linkage to risk	Expectancy of Occurrence	Mapping to disclosures	Impact
Business Ethics & Compliance	We uphold a culture of integrity through robust governance, ethical business conduct, anti-corruption practices, compliance monitoring, employee awareness, and strong whistleblower and grievance mechanisms.	We monitor business ethics and compliance through defined KPIs covering ethics training, compliance assessments, anti-corruption controls, whistleblower and grievance cases, and timely closure of identified issues. KPI performance is periodically reviewed by management, with deviations and confirmed cases investigated and corrective actions implemented. Target: Business ethics and compliance targets are set and reviewed on an annual basis.	• Compliance risk • Legal risk • Reputation risk	High	GRI 205, GRI 206 	Positive
Human Rights & Labor Practices	We are committed to respecting human rights by ensuring fair labor practices, equal opportunity, ethical employment, non-discrimination, freedom of association, and safe working conditions across our operations and supply chain.	We assess adherence to human rights and labour standards through periodic workplace and supplier reviews, employee feedback, grievance analysis, and monitoring of labour-related incidents. KPIs covering employee turnover, grievances, discrimination cases, freedom of association, working hours, and labour-law compliance are tracked and reviewed to identify gaps and strengthen workplace practices. Target: Human rights and labour practice targets are set and reviewed on an annual basis.	• Human rights risk • Reputation risk	Medium Term	GRI 408, GRI 409 	Positive
Employee Wellbeing & Talent Management	We foster an inclusive and engaging workplace by investing in employee development, leadership, diversity, health, well-being, and continuous learning while promoting a strong safety culture through the APS Safe Workplace Pillar.	We track employee development, inclusion, well-being and workplace safety through KPIs covering training hours, learning participation, employee engagement, diversity, absenteeism, health indicators and safety performance. Progress is reviewed periodically under the APS Safe Workplace Pillar, with gaps identified through audits, employee feedback and incident analysis and addressed through improvement actions. Target: Employee wellbeing and talent management targets are set and reviewed on an annual basis.	• Human capital risk • Talent retention risk	High	GRI 401, GRI 404  	Positive

Material Topics	Management Approach	KPI Management	Linkage to risk	Expectancy of Occurrence	Mapping to disclosures	Impact
Product Stewardship	We collaborate with customers and leverage in-house design expertise to develop sustainable packaging solutions that optimize material use, increase recyclability and recycled content, and reduce environmental impacts throughout the product lifecycle.	We monitor product stewardship through KPIs covering material efficiency, recycled content, recyclability, sustainable product development and lifecycle impacts. Performance is assessed through periodic product reviews, design evaluations and customer feedback to identify opportunities for reducing material use and improving the environmental performance of products. Target: Product stewardship targets are set and reviewed on an annual basis.	• Environmental risk • Compliance risk	Medium Term	GRI 301 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Positive
Water Management & Resilience	We responsibly manage water resources by improving water-use efficiency, implementing conservation initiatives, conducting water risk assessments, and enhancing resilience in water-stressed locations.	We monitor water performance through defined measures covering water consumption, water-use intensity, recycling and reuse, conservation initiatives and water-related risks. Performance is periodically tracked against established targets, with water-risk assessments and corrective actions implemented to strengthen resilience in water-stressed locations. Target: Water reduction targets have been set for 2030, as disclosed in the Sustainability Report, supported by annual targets against which progress is reviewed each year.	• Resource scarcity risk • Environmental risk	Medium Term	GRI 303 6 CLEAN WATER AND SANITATION	Positive
Emissions	We monitor and reduce Scope 1, Scope 2, and Scope 3 greenhouse gas emissions through renewable energy adoption, energy efficiency projects, operational improvements, and science-based climate targets.	We monitor emissions performance by tracking Scope 1, Scope 2 and relevant Scope 3 emissions, along with energy consumption, renewable energy adoption and emission-reduction initiatives. Emission trends are periodically assessed against reduction targets and baseline performance, with progress and gaps reviewed to strengthen energy efficiency and decarbonization efforts. Target: Energy and emission reduction targets have been set for 2030, as disclosed in the Sustainability Report, supported by annual targets against which progress is reviewed each ye	• Environmental risk • Regulatory risk	Medium Term	GRI 305 13 CLIMATE ACTION 8 DECENT WORK AND ECONOMIC GROWTH	Negative

Material Topics	Management Approach	KPI Management	Linkage to risk	Expectancy of Occurrence	Mapping to disclosures	Impact
Responsible Supply Chain	We strengthen responsible sourcing through supplier ESG assessments, sustainability evaluations, Supplier Code of Conduct implementation, and collaboration to improve environmental, social, and governance performance across the value chain.	We monitor supplier sustainability performance through periodic ESG assessments, supplier audits, Code of Conduct compliance reviews and corrective-action tracking. Supplier performance is evaluated against defined environmental, social and governance criteria, with identified gaps followed up through improvement plans and regular progress reviews. Target: Responsible supply chain targets are set and reviewed on an annual basis.	• Supply chain risk • Compliance risk	Medium Term	GRI 204, GRI 308, GRI 414 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Positive
Climate Change	We are committed to climate action through renewable energy expansion, energy optimization, GHG reduction initiatives, and implementation of our SBTi-aligned decarbonization roadmap towards net-zero emissions.	Climate-related KPIs are monitored periodically against defined targets, with performance, deviations and corrective actions reviewed through the established management and ESG reporting process. Target: Climate-related targets have been set for 2030, as disclosed in the Sustainability Report, supported by annual targets against which progress is reviewed each year.	• Environmental risk • Regulatory risk	Medium Term	GRI 305 13 CLIMATE ACTION	Positive
Community Development	We contribute to the socio-economic development of local communities through education, healthcare, environmental initiatives, employee volunteering, and livelihood enhancement programs, creating long-term positive social impact.	Community development KPIs are monitored periodically against defined targets, with program progress, beneficiary reach and impact reviewed through the established management and ESG reporting process. Target: Community development targets are set and reviewed on an annual basis.	• Social risk • Reputation risk	Medium Term	GRI 413 11 SUSTAINABLE CITIES AND COMMUNITIES	Positive

The materiality matrix presented in this report reflects the findings of Alternicq Limited's FY25 Double Materiality Assessment. The assessment evaluated material topics from both impact materiality and financial materiality perspectives, incorporating stakeholder inputs and considering the Company's business activities, value chain, sustainability risks and opportunities. The identified material topics have been integrated into the Company's sustainability strategy, Enterprise Risk Management framework and governance processes

The RMC and ESG-SC review the performance of the management as per the KPIs based on these topics. The RMC reviews our management approach based on these findings, and suggests a review or changes to the process as a result

The United Nations Sustainable Development Goals (SDGs), which commenced on January 1, 2016, under the United Nations 2030 Agenda for Sustainable Development, have been pinpointed by AL as the goals that are most critical to our sustainability impacts and agenda



As a leading provider of rigid plastic packaging solutions, Alternicq Limited (AL) plays a vital role in protecting products that are essential for health and well-being. Our packaging solutions ensure the safe, hygienic, and contamination-free delivery of pharmaceuticals, medical devices, food & beverages, home care, and personal care products. Beyond product protection, AL is committed to providing a safe and healthy workplace through robust Environment, Health & Safety (EHS) management systems, Behaviour-Based Safety (BBS) programmes, machine safety initiatives, employee wellness programmes, and continuous safety awareness training across all manufacturing facilities.



At Alternicq Limited (AL), we believe that continuous learning and skill development are fundamental to building a future-ready workforce and driving sustainable growth. We provide employees with regular technical, behavioural, leadership, Environment, Health & Safety (EHS), and sustainability-related training to enhance their competencies and support career progression. Through structured learning programmes, digital training platforms, competency development initiatives, and leadership development, we foster a culture of continuous improvement and innovation. Beyond our workforce, AL also supports community development through education, vocational training, and employability initiatives that empower individuals with industry-relevant skills and contribute to long-term social and economic development.



Water stewardship is a key pillar of AL's sustainability strategy. We are committed to optimizing water use efficiency across our operations through water conservation, recycling, wastewater treatment, rainwater harvesting, and groundwater recharge initiatives. Several of our facilities operate sewage treatment plants (STPs) and effluent treatment systems to maximize water reuse and minimize freshwater withdrawal. AL also conducts periodic water risk assessments and implements site-specific action plans to strengthen water security and enhance resilience in water-stressed regions.



AL is committed to fostering inclusive and sustainable economic growth by creating a safe, diverse, and engaging workplace. We invest in continuous learning and capability development through technical, behavioural, leadership, and safety training programmes that empower employees to grow professionally. Our governance framework promotes equal opportunity, diversity, fairness, ethical conduct, and employee well-being. Through responsible employment practices and skill development initiatives, AL contributes to long-term value creation for employees, communities, and other stakeholders.



Innovation lies at the core of AL's business strategy. Leveraging our in-house design and engineering capabilities, we continuously develop sustainable packaging solutions that reduce material usage, improve recyclability, and increase recycled content without compromising product performance. We actively collaborate with customers, technology partners, recyclers, and research institutions to accelerate circular packaging innovations. Investments in modern manufacturing technologies, energy-efficient equipment, digitalization, and process optimization further strengthen our commitment to building resilient and sustainable industrial infrastructure.



AL contributes to building sustainable communities through responsible packaging solutions that improve product safety, reduce material consumption, and support circular waste management systems. Our focus on recyclable packaging, increased recycled content, resource efficiency, and Extended Producer Responsibility (EPR) initiatives helps reduce environmental impacts across the value chain. We also engage with local communities through education, skill development, environmental awareness programmes, and social initiatives that contribute to resilient and sustainable communities.



AL is advancing the circular economy by embedding sustainability into product design, material selection, and manufacturing processes. We are increasing the use of post-consumer recycled (PCR) materials in our packaging solutions while promoting light weighting and design for recyclability. Collaborations with organizations such as IISc Bengaluru, Ganesha Ecosphere, and other value chain partners support the development of innovative circular packaging solutions. Through responsible resource management, waste reduction, recycling initiatives, and sustainable sourcing practices, AL contributes towards more sustainable production and consumption patterns.



Climate action is central to AL's ESG strategy. We have established science-based greenhouse gas reduction targets and remain committed to achieving net-zero emissions in line with our approved Science Based Targets initiative (SBTi) commitments. Our decarbonisation roadmap focuses on increasing renewable energy utilization through solar and wind power, improving energy efficiency across manufacturing operations, optimizing logistics, and reducing Scope 1, Scope 2, and Scope 3 emissions. Regular climate risk assessments, emissions monitoring, and implementation of low-carbon technologies reinforce our commitment to building a climate-resilient business.



AL upholds the highest standards of corporate governance, ethics, transparency, and accountability across its operations. Our governance framework is supported by robust policies including the Code of Business Conduct, Anti-Bribery and Anti-Corruption Policy, Whistle blower Mechanism, Human Rights Policy, Supplier Code of Conduct, and Risk Management Framework. The Board and ESG governance committees oversee sustainability performance, regulatory compliance, and ethical business practices. Through strong governance, responsible decision-making, and stakeholder engagement, AL continues to build trust and create long-term value.

Emerging Risk

Category: Technological

Description:

Rapid evolution of Artificial Intelligence (AI)-driven product design, manufacturing, and cybersecurity requirements may fundamentally change customer expectations, manufacturing processes, product development, and information security practices across the packaging industry. The pace of AI adoption and evolving global governance frameworks could require significant changes to business operations and digital infrastructure.

Impact on the Business:

Failure to adapt to AI-enabled manufacturing, quality assurance, predictive maintenance, customer collaboration, and emerging AI governance requirements could reduce operational competitiveness, increase cybersecurity exposure, affect customer confidence, and require substantial investments in technology, workforce capabilities, and digital transformation.

Mitigating Actions:

- Strengthening digital transformation initiatives across manufacturing operations.
- Implementing an Information Security Management System and progressing towards ISO/IEC 27001 certification.
- Enhancing cybersecurity controls and employee awareness.
- Building digital capabilities through employee training and technology upgrades.
- Monitoring emerging AI regulations and customer expectations.

Time Horizon

This risk is expected to evolve over the medium to long term (3–10 years) as regulatory frameworks, technologies, and societal expectations continue to develop.

Category : Environmental

Description:

Future global circular economy regulations and advanced recycled-content requirements may accelerate beyond current legislative expectations, requiring packaging manufacturers to redesign products, increase recycled content, enhance traceability, and invest in next-generation recycling technologies. While circularity is already an industry focus, the speed and scope of future international policy developments remain uncertain.

Impact on the Business:

Future regulatory developments and evolving customer sustainability requirements may require significant redesign of packaging portfolios, increased investment in recycling infrastructure, higher procurement of certified recycled materials, and modifications to manufacturing processes. This could affect long-term capital planning, product development strategies, and supply chain resilience.

Mitigating Actions:

- Expanding PCR utilization and recyclable packaging solutions.
- Investing in circular product design through in-house R&D.
- Strengthening supplier sustainability assessments and recycled material sourcing.
- Monitoring global packaging regulations and customer requirements.
- Integrating circular economy principles into long-term business strategy.

Time Horizon

This risk is expected to evolve over the medium to long term (5–10 years) as circular economy regulations, technologies, and consumer preferences continue to develop globally.



INTEGRATION OF MATERIAL ISSUES INTO BUSINESS STRATEGY

Material issues of external stakeholders are crucial for AL, influencing business success, reputation, and sustainability. These issues encompass concerns relevant to customers, contractors, investors, regulators, and communities. Prioritizing and addressing these material issues ensures alignment with societal expectations, boosting reputation, profitability, and long-term viability, fostering positive relationships and trust.

As per the FY 2025 materiality assessment, we have identified three key material issues impacting external stakeholders:

- **Occupational Health & Safety**
- **Corporate Governance**
- **Product Safety & Quality**

By addressing these material issues, AL ensures responsible business practices, stakeholder engagement, and long-term sustainability.

OCCUPATIONAL HEALTH & SAFETY

Business Impact

A safe and healthy workplace is essential to protect employees, contractors, and visitors while ensuring uninterrupted operations, regulatory compliance, and operational excellence. Inadequate safety management may lead to workplace injuries, operational disruptions, increased costs, legal liabilities, and reputational damage.

Cause of Impact on Value Chain

Safety incidents may arise from unsafe work conditions, inadequate risk assessments, machine hazards, unsafe behaviors, insufficient training, contractor safety gaps, and weak safety culture across operations and the value chain.

Business Strategy

Our Occupational Health & Safety strategy focuses on eliminating workplace hazards through the APS Safe Workplace Pillar, comprehensive HIRA, Machine Safety Standards, Permit-to-Work systems, Behaviour-Based Safety (BBS), contractor safety management, employee engagement, and continuous competency development. We continuously strengthen our ISO 45001 management system to achieve zero harm across all operations.

Output metric linked to

- LTIFR
- APS Safe Workplace implementation
- Machine Safety Standard implementation
- BBS training hours
- Legal compliance

Impact metric to measure external impact

- Reduction in Lost Time Injuries
- Improvement in employee safety performance
- Improved workplace wellbeing

Our Target

1. Achieve Zero Lost Time Injuries (LTI)
2. 100% implementation of Machine Safety Standard in pilot plants by the end of 2027
3. 100% implementation of APS Safe Workplace standards end of 2027



CORPORATE GOVERNANCE

Business Impact

Strong corporate governance enables sustainable growth by promoting ethical leadership, accountability, transparency, effective risk management, and stakeholder confidence. Weak governance can expose the Company to compliance failures, reputational risks, and reduced investor trust.

Cause of Impact on Value Chain

Governance risks may arise from ineffective oversight, inadequate policies, poor internal controls, unethical conduct, regulatory non-compliance, and insufficient stakeholder engagement.

Business Strategy

Following the acquisition by PAG and the transition to Alternicq Limited, we strengthened our governance framework through a renewed Board, enhanced ESG governance, updated policies, robust compliance monitoring, enterprise risk management, whistleblower mechanisms, and improved sustainability disclosures aligned with global frameworks.

Output metric linked to

- Board governance effectiveness
- Compliance performance
- ESG disclosures
- S&P Global CSA performance

Impact metric to measure external impact

- Improved stakeholder confidence
- Enhanced governance ratings
- Regulatory compliance performance

Our Target

1. Strengthen governance practices aligned with international best practices
2. Improve S&P Global CSA Governance Score
3. Maintain 100% compliance with applicable legal and regulatory requirements by FY28
4. Enhance Board oversight on ESG risks and opportunities by FY28



PRODUCT SAFETY & QUALITY

Business Impact

Delivering safe, high-quality packaging products strengthens customer trust, protects end-users, enhances brand reputation, and supports long-term business growth. Product quality failures may result in customer complaints, recalls, regulatory actions, financial losses, and reputational damage.

Cause of Impact on Value Chain

Product quality issues may result from inadequate process controls, supplier quality variations, non-conforming raw materials, equipment failures, insufficient employee competency, and ineffective quality assurance systems.

Business Strategy

We maintain a robust Quality Management System through ISO 9001, FSSC 22000, and ISO 22000 certifications, stringent quality assurance processes, supplier quality management, continuous process improvements, customer feedback mechanisms, and product innovation to consistently deliver safe, compliant, and sustainable packaging solutions.

Output metric linked to

- ISO 9001/FSSC 22000/ISO 22000 certifications
- Customer complaints
- Product quality performance
- Customer satisfaction

Impact metric to measure external impact

- Net Promoter Score (NPS)
- Reduction in customer complaints
- Improvement in customer satisfaction

Our Target

1. Maintain certifications across all applicable manufacturing plants
2. Achieve continual improvement in product quality performance
3. Reduce customer quality complaints year-on-year
4. Strengthen product safety controls across the entire value chain by FY28



STAKEHOLDER MANAGEMENT

OUR STAKEHOLDER ENGAGEMENT PROCESS

Identifying stakeholders for a AL involves a systematic approach to ensure all relevant parties are considered. We perform following steps to identify our internal and external stakeholders:

Brainstorming and Listing Potential Stakeholders
Step-by-Step Process:

Brainstorming Session: Gather a diverse group of team members from different departments (e.g., marketing, operations, sustainability) to brainstorm and list potential stakeholders. Use techniques like open discussion to capture a wide range of perspectives.

Identify Stakeholder Categories: Categorize stakeholders broadly into internal (directly involved within the organization) and external (outside the organization but affected by its operations). This helps in structuring the brainstorming process effectively.

Analysing Influence of Stakeholders and Their Interest

Tools Used: SWOT Analysis

Step-by-Step Process:

SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats):

- Strengths: Identify stakeholders who have strong influence or positive impact on the firm (e.g., loyal employees, supportive investors).
- Weaknesses: Recognize stakeholders whose concerns or actions may pose risks or challenges (e.g., dissatisfied customers, regulatory bodies).
- Opportunities: Consider stakeholders who present opportunities for growth or collaboration (e.g., potential partners, supportive local communities).
- Threats: Assess stakeholders whose actions or demands could potentially harm the firm's reputation or operations (e.g., activist groups, critical suppliers).

Prioritizing Stakeholders

Tools Used: Mind Mapping

Step-by-Step Process:

Mind Mapping:

- Create a visual representation of stakeholders identified, linking them to the firm's activities, products, and impacts.
- Use branches to show relationships, dependencies, and influence levels between stakeholders and the organization.
- Prioritize stakeholders based on their influence (high, medium, low) and their level of interest in the firm's operations and sustainability initiatives.



These process helped us in determining which stakeholders require more attention and engagement.

Associates:

Our associates play a vital role in the core activities of our organization. They are essential to the operation and success of our business, with their dedication and expertise driving our mission forward. We highly value their contributions and aim to offer a supportive and inclusive work environment that promotes their professional development, well-being, and overall job satisfaction.

Investors and Shareholders:

Our investors and shareholders are fundamental pillars of our strength. Their support enables us to make a global impact through our products and our initiatives in community development and sustainability.

Government and regulators:

Policy-makers and regulators play a supportive role that is critical for the development and growth of our sector and the industry. Thus, they enable us to create value for all our stakeholders over the long term

Academic institutions:

We engage with academic institutions across various fields to help identify opportunities for collaboration in research and development, community development, as well as talent spotting and nurture.

Local communities:

We engage with local communities around our operations as part of need assessment exercises. These help inform our sustainability agenda at the organisational level. Our continuous presence and engagement over decades has helped us build a strong degree of trust, which is key to our shared value creation goals.

Partners and collaborators:

Our partners and collaborators are key players in our ecosystem, whose expertise and experience helps us create enhanced opportunities to drive impact across various sectors.

Customers:

We are an organisation driven by a strong sense of purpose, to enable our clients to experience and build on the advantages created by technology, innovation, and digital transformation. Our customers' trust and satisfaction drive our business growth.

Suppliers and vendors:

Strengthening our sustainable supply chain is a key focus area under our ESG Governance. Our suppliers undergo in-depth screening based on ESG factors. Thus, in addition to quality and delivery, our suppliers and vendors are expected to adhere to our policies like Sustainable Supply Chain Management. We have supplier code of conduct in place to assess their performance on sustainability as well as issues such as human rights, forced or child labour, and more.

We focus a majority of our stakeholder engagement efforts on eight key stakeholder groups with the aim to better understand their key concerns with our business, our strategy, our reporting, as well as our future plans and actions.

Stakeholder Group	How we engage with them/ (frequency)	Key concerns	Our response	Impact
Employees	Annual Meetings E-mails Information Boards Town Halls Surveys	Employee Engagement	We ensure that our employees have universal access to various portals to help connect with other teams and team members as well as organisational and policy support.	By fostering a culture of safety, continuous learning, employee well-being, diversity, equity and inclusion, and engagement through the APS framework, Alternicq empowers its people to thrive, enhances organizational capability, and creates a resilient, high-performing workplace that supports sustainable business growth. **Outcome:** Actions implemented based on feedback; progress communicated through town halls, emails, surveys, etc.
		Safety & Wellbeing	We are prioritising physical, mental, and emotional well-being through training and healthy interactions	
		Diversity & Inclusion	We are enhancing our talent pool by sourcing the right talent and helping our people upskill and progress their careers effectively	
		Talent & Skill Management	We are focused on improving the effectiveness of our diversity, equity, and inclusion agenda	
Customers	Annual Survey, Emails, Calls, Media Houses	Cybersecurity and data privacy	We follow advanced data governance practices and Conduct regular security audits	Alternicq fosters stakeholder trust through ethical practices, transparent communication, regulatory compliance, and strong information security, while progressing towards ISO 27001 certification. **Outcome:** Customer concerns incorporated into product/quality/circularity initiatives; communicate outcomes through customer engagement
		Ethics & compliance	We are setting global benchmarks in corporate governance and sustainability, anchored by our total compliance to regulatory frameworks and laws applicable to our business operations	
Investors and Shareholders	Annual Meeting Email	Ethics & Compliance	We follow the policy of 100% compliance to all the laws and regulatory requirements for our business and its operations	Through responsible governance, ethical decision-making, and robust compliance practices, we enhance stakeholder confidence and create sustainable long-term value for our investors and shareholders. **Outcome:** Feedback considered in governance, ESG strategy and disclosures
		Corporate Governance	We periodically review and adopt global best practices in corporate governance	
		Economic Performance	We are focusing on enhancing our profitability and growing our Return on Capital Employed	

Stakeholder Group	How we engage with them/ (frequency)	Key concerns	Our response	Impact
Partners & Collaboration	Conferences Surveys	Climate Impact	As a global sustainability leader in our industry, we ensure we are on track to achieve our climate action goals	1. Achieve 55% renewable energy across all operations, including future acquisitions, by FY27. 2. Convert PCW into high-quality PCR resin for customer-specific containers. Supports joint sustainability initiatives, innovation and value creation.
		Energy & Emissions Management	We are collaborating with various agencies to reduce our emissions and energy consumption	
Government & Regulators	Public policy Engagement Meetings E-mails	Ethics & Compliance	We are committed to 100% compliance	We adhere to total compliance while championing sustainability led initiatives. Inputs considered to strengthen regulatory compliance and sustainability practices.
		Climate Change	We are maintaining integrated approach to our sustainability initiatives and reporting that prioritises focused and collaborative action as well as transparency	
Academic Institutions	Recruitment Drives	Talent & Skill Management	We are among the reputed packaging company to work with	We strengthen our partnerships with leading academic institutions in the country for new recruitment as well as R&D purposes. Supports R&D collaboration, community initiatives and talent development.
		Innovation	Our innovation framework creates opportunities for employees to learn and progress significantly in their chosen career paths	
Local Communities	Meetings Events Community Volunteering	Economic Performance	We are optimising our spends to deliver maximum benefit to our beneficiaries by extending impact over their lifecycle	Community needs addressed through targeted CSR initiatives focused on education, employability, and disability.
		Diversity & Inclusion	We are ensuring that 50% of our CSR beneficiaries are women and girls	
Suppliers & Vendors	Meetings Workshops	Supply chain Management	We are embedding sustainability in our supplier code of conduct, supplier assessment and more	We involve our partners within the value chain in our climate change mitigation efforts. Conducted ESG training, workshops, codes of conduct, and environmental stewardship Supplier ESG assessments, training and engagement actions
		Energy & Emissions Management	We are holding trainings to help our supply chain partners to enhance their performance on energy and emissions management	
		Climate Change	We prioritise collaborating with partners who have robust mechanisms to support the global fight against climate change	

SOWING SEEDS OF SUSTAINABILITY: INSIGHTS INTO OUR ENVIRONMENTAL EFFORTS

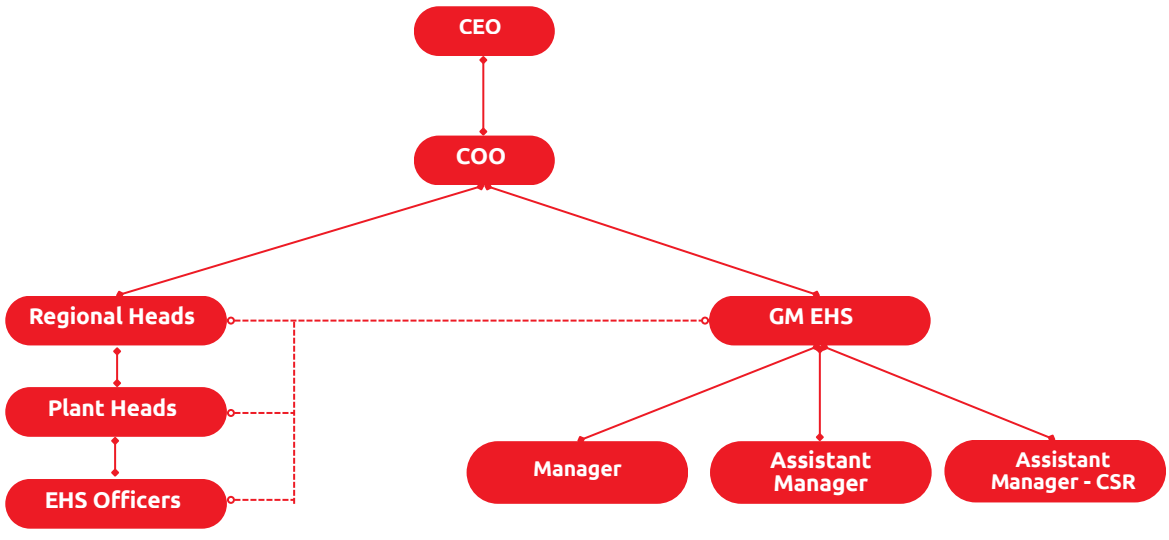
Alternicq integrates sustainability into its business strategy through climate action, renewable energy, GHG emission reduction, water stewardship, waste management, biodiversity conservation and circular economy initiatives. Through continuous innovation and responsible manufacturing, we aim to reduce our environmental footprint while creating long-term value for our stakeholders.

The implementation of our environmental strategy is driven by strong leadership oversight, the ESG Steering Committee, and cross-functional collaboration. Through effective governance, regulatory compliance, continuous monitoring, and a culture of continual improvement, we remain committed to reducing our environmental footprint and advancing our sustainability commitments.

Our Environmental, Health & Safety (EHS) Policy provides the foundation for managing environmental risks and opportunities across all operations, products, and services. We have strengthened our environmental performance through science-based climate targets, increased renewable energy utilization, greater adoption of recycled content, improved resource efficiency, and robust environmental management practices. Regular environmental risk assessments, including water risk assessments, support informed decision-making and resilience across our operations.



Organizational Structure for EHS Policy Implementation



Key Commitments within the Policy:

Adhering to all EHS statutory requirements and laws, AL recognizes compliance with statutory EHS requirements as the baseline performance standard. We are dedicated to exceeding these requirements and embracing more stringent standards

AL integrates EHS into business decisions to proactively safeguard the health and safety of employees and communities while advocating for environmentally sustainable practices.

AL minimizes waste and emissions, encourages material reuse and recycling, promotes renewable energy adoption, reduces greenhouse gas emissions, and conserves energy and water whenever feasible to lessen environmental impact. We actively strive to preserve biodiversity, including surrounding habitats

AL establishes health and safety standards to cultivate a secure and healthy workplace, consistently working to minimize hazards and risks to prevent workplace injuries and illnesses.

AL communicates both adherence to and deviations from compliance to relevant regulatory bodies and other stakeholders, accompanied by prioritized actions to rectify non-compliance.

AL communicates this EHS policy to employees, customers, shareholders, suppliers, communities, and stakeholders. Our EHS Standards, Procedures, and resources empower employees to implement it, share best practices, drive continuous improvement, and enhance performance

AL conducted an Environmental Management assessment to evaluate and improve environmental management practices across all plant locations, ensuring consistent adherence to sustainability standards and upholding high environmental stewardship. This involved evaluating aspects such as resource consumption, waste generation, emissions, and regulatory compliance. Through careful analysis, AL aims to identify improvement areas and implement sustainable strategies to mitigate environmental impact while enhancing operational efficiency.

To ensure best environmental management practices and adherence to sustainability and compliance across operations, AL employs a comprehensive auditing system encompassing both external and internal assessments. In last year external audits through SEDEX cover over 60% of operations, while the dedicated internal assessment team rigorously evaluates the remaining 40%. This dual approach ensures comprehensive scrutiny, accountability, and continual improvement in environmental stewardship efforts.

This methodology enabled AL to systematically prioritize and address environmental protection risks. Risks are quantified based on their occurrence across plant locations, enhancing the ability to proactively identify and address non-compliance issues, fostering a culture of continuous improvement and responsible corporate governance.

In cases where non-compliance is detected, AL's risk mitigation strategy involves implementing customized corrective actions that align with the specific risk level and context at hand.

Based on this assessment, AL has prioritized focus areas as per the table shown below

Environmental Management Assessment Results

Areas of Focus (Based on Ranking)	Risk Level	Measures Taken
Waste	Critical	Conducting audits and inspections at each plant to identify gaps in hazardous and non-hazardous waste management. Developing action plans to address these gaps and implement monitoring systems to track progress. Established plant-wise annual targets for hazardous and non-hazardous waste management and monitored year-wise progress against the defined targets.
Water	Medium	Separately tracking the legal compliance document issues by updating actual figures of utilization. Ensure proper maintenance of treatment plant and upgradation wherever required. Established plant-wise annual targets and monitoring year-wise progress for water utilization and conservation.
Air	Low	Tracking the legal compliance document issues by updating the accurate data.

- Emission Management
- Energy Management
- Biodiversity Conservation
- Waste Management
- Water Conservation

INTRODUCTION TO CLIMATE CHANGE STRATEGY

AL has identified climate change as one of its top three material risks. AL is committed to identifying financial risks and opportunities arising from climate change—both current and future—that could significantly impact business operations, revenue, or expenditures. AL is prepared to mitigate these risks and capitalize on opportunities, enhancing resilience and sustainability amid environmental challenges

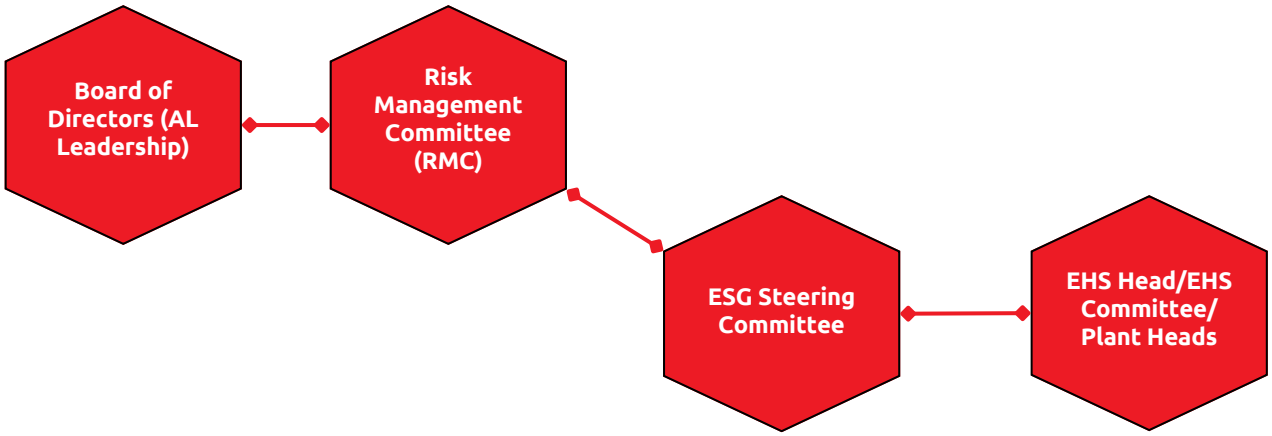


Governance: Board Oversight

Within the framework of corporate governance at AL, the highest tiers of leadership, encompassing the apex governance body and senior executives, assume a pivotal role in shaping and refining the fundamental ethos, values, mission statements, strategies, policies, and sustainable development goals of our Company. Their active engagement and decisive endorsement lend gravitas and solidity to these guiding principles.

Collaboration between these leadership cohorts is imperative in the formulation of sustainable strategies, policies, and objectives, ensuring a steadfast commitment to responsible practices, environmental stewardship, and positive societal impact. This iterative process remains dynamic, characterized by ongoing scrutiny and refinement, aimed at propelling AL ethically towards a sustainable future.

Climate Change Governance Structure



Climate-Related Management Incentives

AL is committed to integrating climate-related management incentives across all levels of our organization by embedding ESG (Environmental, Social, and Governance) targets into our Performance Management System (PMS). We have established Key Performance Indicators (KPIs) linked to our ESG objectives, starting from our CEO and CXOs, down to SBU heads and employees. These KPIs are tailored to each individual's or department's scope of work, ensuring that ESG-related targets are set as SMART (Specific, Measurable, Achievable, Relevant, Time-bound) goals.

The weightage of these KPIs is carefully calibrated based on the level of impact and scope each individual or department has on achieving the target. This approach ensures that our entire organization is aligned with our sustainability goals, fostering a culture of accountability and driving meaningful progress in our climate-related initiatives.

Roles and Responsibilities of the Committees for the Climate Strategy

Risk Management Committee:

Along with other financial and non-financial risks, we have integrated climate change risks into the board-level he Risk Management Committee provides oversight to identify, analyse and mitigate, the risk in the short, medium, and long term along with the ESG steering committee at the implementation level. The climate-related issues are reviewed annually.

ESG Steering Committee:

The committee comprises subject matter experts and a leadership member as a part of the committee. The ESG steering committee is responsible for the management of impacts, and ground-level implementation for effective mitigation and resilience to climate change risks and opportunities. ESG steering committee sets overall targets and drives the transition to a low-carbon economy. ESG-related concerns are effectively communicated to the highest governance body through two primary channels: email correspondence and Monthly Review Meetings (MRM). Via email, updates and critical issues are disseminated, including regular reports, incident updates, and pertinent data regarding the organization's ESG performance. Meanwhile, MRM meetings offer a dedicated platform for in-depth discussions on critical ESG matters. Here, board members engage in interactive discussions, pose questions, and offer insights into the organization's ESG strategies and challenges.

EHS Committee:

Along with other financial and non-financial risks, we have integrated climate change risks into the board-level Risk Management to identify, analyze and mitigate the risk in the short, medium, and long term along with the ESG steering committee at the implementation level. The climate-related issues are reviewed annually.

Climate Goals

AL's climate goals derive from a holistic approach, drawing from commitments to the Science-Based Targets Initiative (SBTi), United Nations Sustainable Development Goals (SDGs), and industry benchmarks. Alignment with SBTi ensures scientifically sound targets. Incorporating SDGs reflects global sustainability dedication, while peer benchmarking sets ambitious yet realistic goals.

AL prioritizes understanding operations to focus on material impact areas. This comprehensive strategy ensures robust, impactful climate goals in harmony with broader sustainability objectives, guiding toward a low-carbon future while addressing societal and environmental challenges

AL actively embraces sustainable practices to reduce its environmental carbon footprint. AL has set a short-term target of 30% emissions reduction across Scopes 1, 2, and 3 combined by FY2030, and a long-term net-zero commitment validated by SBTi by 2050 (FY24 base year). Measures include procuring renewable electricity from group captive sources and installing rooftop solar panels at facilities.

AL has partnered with the Science Based Targets initiative (SBTi) to establish science-based emission reduction targets and net-zero objectives. This collaboration sets long-term goals for 2050, aligning efforts with the latest scientific research and international climate goals.

ENTERPRISE RISK MANAGEMENT

We strongly believe in the values of extreme ownership & accountability and have a forward-looking perspective towards ESG & Climate change priorities. These values drive our commitment to proactively monitor and respond to the risks to our business. Our view on risk management encompasses identification and assessment of threats to our business, including Financial Capital, Business Assets etc. and incorporation of mitigation strategies & contingency plans. We assess risks from a wide spectrum of sources, including financial, legal, strategic, management and climate perspectives.

Over the years, we have continued to make improvements to our risk governance structure and risk management strategies to help us maintain high visibility & control over areas of Enterprise Risk Management, which helps us sustain, defend, and enhance our business, while maintaining excellent service quality, customer satisfaction, and business growth. Our enterprise risk governance mechanism enables us to monitor the risks landscape with openness and encouragement to identify emerging risks and their potential impact.

ESG RISK MANAGEMENT FRAMEWORK

Our robust risk management framework helps us maintain keen oversight on a wide spectrum of risks including financial, regulatory, treasury, market, service capability, economic, strategic, technological, cybersecurity as well as ESG and climate risks.

It involves continuous identification, assessment, monitoring, and reporting of internal and external risks as well as their impact over the short, medium, and long term. Based on this, mitigation and management strategies are developed for each risk. From a detailed analyses of these risks, we also identify key opportunities, which are then discussed with business heads and strategy experts. We commit to research and conduct due diligence for framing of strategies appropriate to the requirements of respective business functions. At AL, the key factors we use to assess risks are the potential outcome, its probability, as well as the magnitude of impact over defined risk horizons.

It helps us put an appropriate response structure in place, which helps protect and preserve the value we create for our key stakeholders. Our Enterprise Risk Management (ERM) Function interacts closely with each of our business units as well as management functions and covers all aspects of Risk Management for an organisation. The Board led Risk Management Committee (RMC) is charged with the overall responsibility for risk management at AL. It oversees the Enterprise Risk Management (ERM) function which is responsible for identification, monitoring, analysis, and reporting of risks on a quarterly basis.

Risk Governance also includes sustainability & climate change issues, wherein the Risk Management Committee (RMC) of the Board monitors, assesses and reviews climate/ sustainability risks in alignment with TCFD recommendations. The committee also reviews effectiveness of Risk Management policies & processes for ESG on a half yearly basis.

ESG RISK MANAGEMENT PROCESS

Enterprise Risk Management or ERM process at AL takes an integrated view of the risks and opportunities occurring across various geographies, business verticals, and time horizons. Risks are assessed based on multiple parameters of exposure, tolerance, and potential for impact. Climate change risks are included in the ERM process due to their broad ranging impacts. Our risk management process is designed to help us proactively identify, classify and manage as well as mitigate our financial and non-financial risks.

These risks along with their mitigation plans are reported to the relevant stakeholders, which include business heads, the leadership team, and the RMC Committee of the Board, for integration with the management decision-making process.

The process serves to strengthen business continuity. We make sure that risk awareness percolates to the associates through open and transparent communication, and that they are involved in risk management and mitigation.

APPROACH TO ESG RISK MANAGEMENT AND CLIMATE CHANGE RISK

Enterprise Risk Management or ERM process at AL takes an integrated view of the risks and opportunities across various geographies, business verticals, and regions. Risks are assessed based on multiple parameters of exposure, tolerance, and potential for impact. Climate change risks are an integral part of the ERM process due to their wide impact. The criteria used to prioritize climate change risks includes Quantum of impact on operations, changes in regulations, locations of our operations, scope of impact - regulatory, cost and stakeholder concerns, time and resources required for implementing changes, and potential return on sustainable investments. Our ERM process recognizes 'substantive impact' as an event that will probably occur or is expected to occur within a three-year horizon and has the potential to have a materially adverse effect on our business, financial condition, our operations and result in catastrophic loss to the environment or to the communities we serve.

At the highest level, AL's Board of Directors and its committees play a crucial role in shaping and guiding the company's sustainability strategy, ensuring it is integrated with overall strategic planning and risk management.

The board reviewed all our company's risk exposure once in FY25. During every Board meeting, the Chief Executive Officer, who is also a Board member, provides comprehensive sustainability updates, including those related to climate strategy.

The RM Committee at AL has thoroughly analyzed the identified climate-related risks and opportunities over the short, medium, and long term. Based on the guidance from the Board of Directors, appropriate control measures have been determined, and action plans have been developed and executed accordingly.

STRATEGY

Integrating the analysis into strategic planning and /or enterprise risk management framework. Assign oversight to relevant board committee/sub-committees. Identify which internal and external stakeholders to involve and how.

AL has identified the climate-related risks and opportunities over short, medium and long term. AL has adopted ERM framework to study and embrace TCFD. Standard TCFD's approach for climate scenario included 6 steps

1.Ensure Governance

Integrating the analysis into strategic planning and /or enterprise risk management framework. Assign oversight to relevant board committee/sub-committees. Identify which internal and external stakeholders to involve and how.

2. Assess Materiality of Climate-related Risks

Assess Materiality of Climate-related Risks

3. Identify and Define Range of Scenario

Transition Risk Scenario and Physical Risk Scenario

4. Evaluate Business Impacts

Impact on Input Cost, Operating Cost, Revenues, Supply Chain, Business interruption and timing

5. Identify Potential Response

Might Include, Changes to Business model, changes to portfolio mix, Investment in capabilities and technology

6. Document and Disclose

Document the process, communicate to relevant parties, be prepared to disclose key inputs, assumptions, analytical methods, outputs and potential management responses.

Alternicq Limited (AL) has conducted a comprehensive Climate Risk Assessment for FY24, which includes the identification of significant climate hazards, an evaluation of the exposure and vulnerability of their assets, and a ranking of both physical and transitional climate risks. The assessment also involves a detailed financial risk analysis, recommendations for risk adaptation and mitigation, and an examination of the financial risks posed by climate change. Additionally, AL has carried out a climate-related scenario analysis to better understand the potential impacts on the company.

To explore further please refer to Climate Risk Assessment report

Climate-Related Risks and Opportunities

On the basis of the assessment of our operations and climate goals, we have identified the following climate risks and opportunities along with potential financial implications on our Company.

Risk		
Risk	**Mitigation Approach**	**Potential Financial Implication**
Physical risk		
Acute		Reduced revenue from decreased production capacity due to halting of operations. Increased costs due to adverse impacts on operations and the health and safety of employees. Reduced revenue due to an increase in supply chain constraints and the halting of transport facilities. Increase in capital and operational costs due to damage to equipment and existing raw materials. Reduced revenue due to low sales and output. Increase in insurance premium due to facilities located at high physical risk.
Increased severity of extreme events Most of our units are situated at sites that are prone to extreme weather events like river floods, cyclones, and landslides. This has the potential to disrupt the business operations and cause an unforeseen risk to our Company.	AL will develop an emergency response plan, build resilient infrastructure, and establish alternate systems for business continuity. By end of FY27, we will conduct a detailed risk assessment for each plant location, identifying vulnerabilities to extreme weather events like floods, cyclones, and landslides. Based on the assessment, targeted action plans with timelines will be implemented to mitigate risks and ensure business continuity.	
Chronic		
Changing weather patterns Gradual changes in weather patterns like a rise in temperatures, semi-arid conditions and water scarcity due to irregular rains in parts where our operations are conducted can significantly impact the organization. It can lead to damage to units, a halt in production and a lack of productivity by human labor.	AL is committed to using water efficiently and implementing water management initiatives, with detailed plans and goals on page 81 of this report. Additionally, health and safety are prioritized, ensuring proper working conditions to boost labor productivity, with related plans and goals outlined on page 108.	
Rising sea levels Operations in the coastal regions are prone to the risk of flooding due to a gradual rise in sea levels. This can heavily impact our Company's ability to conduct operations in the future.	An emergency response plan has been created, and environmental assessments have been conducted to prevent hazards. Four coastal plants, including one in Vizag (less than 3 km from the sea), are being monitored for sea level rise.	
Transition risk		
Policy and Legal		
Mandates on and regulation of existing products Our current product offerings constitute a high amount of plastic, which is prone to environmental hazards and hence, any change in regulatory requirements around plastic can force us to increase the cost of production as well as compliance cost.	We are continuously monitoring any regulatory changes or any foreseen changes with regard to our products. We are also innovating products to transition to a low carbon economy.	Increase operational cost due to high and changing compliance requirements. Asset impairment and write-offs for existing assets due to changes in regulatory requirements. Decrease in revenue due to declining demand for existing products caused by changing regulatory requirements.
Exposure to litigation We have operations across the region and non-compliance to any environmental laws or changes in laws like EPR, disposing waste, etc. can lead to increased penalties.		

Risk	Mitigation Approach	Potential Financial Implication
Transition risk		
Technology		
Substitution of existing products with lower emissions options We offer products using HDPE, PP, and PET as primary raw materials. These are also prone to regulatory changes due to their highly polluting nature. Hence, it becomes essential to develop for the production of low-emitting products in the existing portfolio.	We invest in R&D to innovate product design such that we diversify into products with alternate materials and efficient design in the existing portfolio, which will emit less emissions. We have also invested in a recycling plant to offset our emissions produced from virgin raw materials.	Write-offs and early retirement of existing assets. Reduced demand for products. Research and development (R&D) Expenditures in new and alternative technologies. Capital investments in technology development. Costs to adopt/deploy new practices and processes.
Lack of R&D investment to innovate new technologies. Allocation of funds to R&D becomes essential as we progress towards our goals to achieve the climate targets. Lack of R&D investments will lead to a high probability of innovating products that are not only low emitters but also cost-efficient.	We, owing to our product portfolio, understand the need to cater to changing consumer preferences and high regulatory supervision. We have also collaborated with IISc to create innovative and sustainable plastic packaging solutions.	
Higher costs to transition to lower emissions technology. Technology transformation can have a significant impact on our Company. We have begun the use of renewable energies; however, to achieve long-term commitments like SBTi, we have to invest in diversified technologies, which can be disrupted and not cost-efficient in the short run.	We will devise strategies to diversify and allocate our investment into lower- emitting technologies. These will be done on the basis of the targets set and timeline to achieve lower emission targets.	
Market		
Changing customer behavior The wave of changing consumer shift to more eco-friendly products can hamper the demand for our products in the long run, impacting the financials of our Company.	We are focusing on innovating products by investing in R&D and partnership with research institutes	Reduced demand for goods and services due to shift in consumer preferences. Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatment). Abrupt and unexpected shifts in energy costs. Change in revenue mix and sources.
Increased cost of raw material Climate change impacts affect the functioning of the market and supply chain channels. Supply chain disruption creates a shortage of raw materials and increases demand for essential inputs causing the cost of raw material to rise. Other input costs such as water, energy and fuel can impact the operations as well. This can impact our production and hence we require to find alternate resources that need to be identified.	We consider the impact of the increase in raw materials as a risk to the functioning of the business. We have identified different suppliers and have a risk identification, mitigation and adaptation plan in place.	

Risk	Mitigation Approach	Potential Financial Implication
Transition risk		
Reputation		
Increased supply chain transparency and regulatory approvals Regulatory authorities are intensifying their oversight and demanding greater transparency regarding the supply chain in the production and sale of plastic goods. Any violation can lead to penalties and reputational damage to our Company.	At AL, we have a culture of strong corporate governance, and we comply with all regulatory requirements diligently. We ensure adherence to all regulatory requirements and transparency amongst our stakeholders.	Reduced revenue from decreased demand for goods/services. Reduced revenue from decreased production capacity (e.g., delayed planning approvals, supply chain interruptions). Reduced revenue from negative impacts on workforce management and planning (e.g., employee attraction and retention). Reduction in capital availability.
Stakeholder activism Climate change consciousness and awareness amongst the common public and shareholders are increasing. Demands from stakeholders to alter the business and make decisions toward climate-positive change are gaining momentum. If we do not take action, it can lead to reputational damage.	We have a stakeholder engagement plan in place to communicate with them regularly and understand their concerns and feedback. Also, we understand the need to transition to a lower carbon economy and we are taking the right steps.	

Opportunities

Opportunity	Adaptation Approach	Potential Financial Implication
Resource Efficiency		
Increased recycling We have identified the opportunity to leverage the recycling feature of plastic and recognizing the importance of offsetting emissions.	At AL, we have a culture of strong corporate governance, and we comply with all regulatory requirements diligently. We ensure adherence to all regulatory requirements and transparency amongst our stakeholders.	Reduced operating costs (e.g., through efficiency gains and cost reductions). Increased production capacity, resulting in increased revenues. Increased value of fixed assets (e.g., highly rated energy-efficient buildings). Benefits to workforce management and planning (e.g., improved health and safety, employee satisfaction) resulting in lower costs.
Efficient production and distribution process Efficient management of waste and other resources provides an opportunity to increase resource efficiency. Distribution causes emissions as well, an efficient channel of distribution can help offset the extra emissions. Both factors can help us reduce overall emission intensity.	We are fostering adoption through a Plastic Waste Processing Unit, collaboration with Ganesha Ecosphere, the Born-Again Initiative for supplying recycled materials to FMCG brands, partnership with Saahas Zero Waste, and cooperation with Waste Management Agencies to meet Extended Producer Responsibility goals.	
Reduced water usage and consumption The water sector contributes to the emissions through activities like pumping, treatment and wastewater management. We have operations across India and water is a critical area input, efficient management of water can help reduce overall emission intensity.	1.Enhance the efficiency of our process cooling system to cut water consumption significantly by 2030, targeting a 10% improvement 2.Install sewage treatment plants (STPs) in all necessary locations and improve STP operations across all facilities by 2030 to achieve zero liquid discharge.	

Opportunity	Adaptation Approach	Potential Financial Implication
Energy source		
Use of low-emission sources of energy We have a diversified energy portfolio comprising both non-renewable and renewable sources. Aligned with our ambitious climate objectives and commitment to fostering a greener economy, we are actively advancing initiatives to transition towards more sustainable energy solutions.	Total in-house solar power generation increased by approximately 9.10%, rising from 9,078.273 MWh in FY25 to 9,904.378 MWh in FY26. This reflects the continued contribution of rooftop solar installations across the Company's operations and supports the transition towards greater use of renewable energy	Reduced operational costs (e.g., through the use of lowest-cost abatement). Reduced exposure to future fossil fuel price increases. Reduced exposure to GHG emissions and, therefore, less sensitivity to changes in the cost of carbon. Returns on investment in low-emission technology. Increased capital availability (e.g., as more investors favor lower-emissions producers). Reputational benefits result in increased demand for goods/ services.
Use of new technologies We operate manufacturing facilities across India, with a mix of renewable and non-renewable energy sources. We are progressively increasing renewable-energy adoption and exploring technologies such as energy storage and energy optimization to improve efficiency and reduce environmental impact	We have partnered with the Indian Institute of Science (IISc), Bengaluru, to pioneer innovative and sustainable plastic packaging solutions. Additionally, we forged a collaboration with Ganesha Ecosphere Group's bottle-to-bottle grade recycling division to jointly develop and deliver food and non-food grade packaging products crafted from recycled plastics	
Participate in energy policy initiatives As a socially conscious corporation, AL actively engages with numerous industry associations and chambers to advocate for best practices and contribute to policy initiatives. This collaborative approach enables our Company to drive positive transformations within the sector and implement measures aimed at reducing emissions effectively.	We have approved near-term and long-term science-based emission reduction and net-zero targets validated by SBTi in FY25. Following changes in our organizational footprint, including acquisitions and expansion, we are reviewing the emissions baseline and implementation pathway to ensure continued alignment with SBTi requirements. The approved climate ambition remains unchanged, while reduction pathways and plant-specific decarbonisation plans are being updated to reflect the current organizational boundary.	
Products		
We invest in R&D and collaborate with research institutions to develop innovative, resource-efficient and lower-emission packaging solutions for our customers	PROJECT OPTIMA serves as an umbrella initiative for innovation and product development. It enables collaboration with customers on sustainable solutions, including lightweighting, value engineering and improved resource efficiency	Increased revenue through demand for lower emissions products and services. Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services). Better competitive position to reflect shifting consumer preferences, resulting in increased revenues.
Diversify product offerings We continue to explore opportunities to diversify our product portfolio towards more resource-efficient and lower-emission packaging solutions.	We have introduced innovative products tailored to customer needs, including the incorporation of mono-materials, recycled plastic raw materials, and bio-based compostable materials.	

Opportunity	Adaptation Approach	Potential Financial Implication
Markets		
Access to new markets Relying solely on a single market poses a significant risk to our business, especially in the face of extreme climate change events within that region. Therefore, we are proactively exploring opportunities to diversify our distribution channels and expand into new markets. This strategic approach not only mitigates potential risks but also opens up avenues for capturing fresh opportunities and ensuring long-term growth and resilience.	We have constantly evolved our business, catering to a diversified customer base both domestically and in international markets. We aim to drive our growth sustainably and diversify to new markets, reducing the risk of dependency on concentrated markets.	Increased revenues through access to new and emerging markets (e.g., partnerships with governments and development banks). Increased diversification of financial assets (e.g., green bonds and infrastructure).
Diversify supply chain Our dependency on specific raw materials increases the risk of concentrated dependency on suppliers. Any opportunity to diversify our suppliers reduces the risk of any disruption in the supply chain of our Company affected by climate change factors.	Supply chain diversification is critical to our business considering the impact of any disruption in the value chain can significantly damage the operations. We constantly manage the supply chain considering price, commodity, and other risks to factor in climate impact as well.	

TCFD DISCLOSURE

TCFD Category	Disclosure Title	Document	Page
Governance	a) Describe the board's oversight of climate-related risks and opportunities	Sustainability Report	Page 61 & 62
	b) Describe management's role in assessing and managing climate-related risks and opportunities	Sustainability Report	Page 61 & 62
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	Sustainability Report	Page 62 to 68
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	Sustainability Report	Page 62 to 68
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Sustainability Report	Page 62 to 68 and 126–128
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks	Sustainability Report	Page 62 & 64
	b) Describe the organization's processes for managing climate-related risks	Sustainability Report	Page 62 & 64
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	Sustainability Report	Page 62 & 64
Metrics and targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Sustainability Report	Page 63 to 68
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks	Sustainability Report	Page 70 to 72
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Sustainability Report	Page 62 and 70 to 83

Emission Management

Alternicq recognizes that its manufacturing operations contribute to greenhouse-gas emissions and continues to strengthen its integrated energy and climate strategy, with a focus on renewable energy adoption, energy efficiency, process optimization and resource conservation. Our approach is aimed at reducing the environmental footprint of operations while supporting business growth through improved energy performance and greater adoption of cleaner energy sources.

Renewable energy remains a key pillar of this strategy. In FY26, overall renewable-energy utilization decreased by approximately 1.20% compared with FY25, from 78,844.60 MWh to 77,900.82 MWh, supported by a combination of renewable-energy procurement and rooftop solar generation.

As part of the continuing rooftop solar programme, installations have been implemented across Bommasandra, Pantnagar-1, Amritsar-1, Amritsar-2, Baddi-3, Vizag-1 and Khorda, while group captive renewable energy has been - utilized at Bommasandra and Jalgaon-1. These initiatives are helping us progressively increase the share of renewable energy across our operations and advance towards our 55% renewable-energy utilization target by FY27.

Internal Carbon Pricing:

Alternicq Limited uses shadow carbon pricing as a decision-support approach to incorporate carbon impacts into selected investment, energy sourcing, technology and energy-efficiency decisions. The framework primarily covers Scope 1 and Scope 2 emissions and helps compare business options based on their financial, operational and emissions implications. A core working shadow price of ₹1,500 per tCO_2e is proposed for internal evaluation, subject to management approval. The shadow price does not constitute an internal tax, fee or accounting charge, and is applied selectively to support the Company's climate objectives.

SCOPE 1 & 2:

Units(tCO2e)

Emission Category	FY2026	FY2025	FY2024	FY2023
Scope 1	1,642.10	1,344.67	738.38	770.22
Scope 2	88,338.36	72,475.83	66,999.53	59,963.52
Total Emissions (Scope 1 & 2)*	89,917.38	73,820.50	67,737.91	60,733.74
Emission Intensity for Scope 1 & 2 (tCO_2e / Production in Tons)	**0.362**	**0.384**	**0.403**	**0.419**

Scope 1 emissions were calculated using Department for Energy Security & Net Zero (DEFRA) "Greenhouse Gas Reporting: Conversion Factors 2025" (published June 10 2025)
Scope 2 emissions were calculated using the International Financial Institutions Technical Working Group (IFI-TWG) "Harmonised Approach to GHG Accounting" methodologies (latest grid factors dataset: "Harmonised IFI Default Grid Emission Factor Dataset 2021 v3.2

Alongside renewable-energy adoption, Alternicq continued to implement a range of energy-efficiency and operational improvement initiatives across its manufacturing facilities. These include optimization of injection moulding processes, compressed-air systems, variable frequency drives, chillers, motors and pumps, electrical infrastructure and demand management, supported by Kaizen and other continuous-improvement initiatives. These measures are contributing to lower energy consumption, improved operational efficiency and sustained emissions reduction.

During FY26, the expansion of operations, increased production volumes and integration of additional facilities resulted in an increase in absolute Scope 1 and Scope 2 emissions of approximately 17% and 22%, respectively, compared with FY25. However, emissions efficiency continued to improve. Scope 1 emissions intensity improved by approximately 9%, while Scope 2 emissions intensity improved by approximately 6%. On a combined basis, the Scope 1 and Scope 2 emissions intensity decreased from 0.419 tCO_2e/tonne of production in FY23 to 0.362 tCO_2e/tonne in FY26, representing an overall improvement of approximately 14% over the four-year period. Importantly, the combined emissions intensity has declined consistently year-on-year, from 0.419 in FY23 to 0.403 in FY24, 0.384 in FY25 and 0.362 in FY26. This sustained reduction demonstrates continued improvement in emissions efficiency despite the Company's expanding operational footprint and higher production volumes.

Going forward, Alternicq will continue to scale renewable-energy adoption, strengthen energy-efficiency measures, optimize manufacturing processes and pursue resource-efficient solutions across its operations. By combining the clean-energy transition with continuous operational improvement, the Company aims to further reduce its carbon footprint and continue decoupling emissions intensity from business and production growth, supporting its broader decarbonization pathway and the vision of "Shapeshift for Tomorrow: Towards Sustainable Packaging."

SCOPE 3:

Alternicq Limited (AL) initiated Scope 3 greenhouse-gas (GHG) emissions calculations in FY24 as part of its commitment to understanding and reducing its broader climate impact across the value chain. Given the complexity of value-chain activities and the availability of data across multiple categories, AL continues to strengthen its Scope 3 data collection, calculation methodologies and internal controls.

During FY26, AL reported Scope 3 emissions across 10 of the 15 GHG Protocol categories, maintaining the coverage established in FY25. Total Scope 3 emissions in FY26 were 596,003.35 tCO_2e, compared with 596,116.49 tCO_2e in FY25, representing a marginal decrease of approximately 0.02%. The overall movement was marginal, while emissions varied across individual categories, reinforcing the importance of continued data-quality improvement and value-chain emissions management.

GHG accounting and reporting are aligned with the GHG Protocol developed by WRI and WBCSD, providing a consistent and internationally accepted basis for emissions measurement.

LIMITATIONS AND EXCLUSIONS

AL applies the Operational Control approach as its organisational boundary for GHG consolidation. For FY26, emissions were quantified for ten Scope 3 categories: Purchased Goods and Services, Capital Goods, Fuel- and Energy-Related Activities, Upstream Transportation and Distribution, Waste Generated in Operations, Business Travel, Employee Commuting, Downstream Transportation and Distribution, Processing of Sold Products, and End-of-Life Treatment of Sold Products. The remaining five GHG Protocol categories—Upstream Leased Assets, Use of Sold Products, Downstream Leased Assets, Franchises and Investments—were not quantified in the FY26 inventory. Their applicability and exclusion rationale should be supported by the category-level assessment and calculation records.

Units(tCO2e)

Scope 3 Categories	FY2026		FY2025	
	Emissions	% Share	Emissions	% Share
Purchased goods and services	496,515.59	83.31%	463611.30	77.77%
Capital goods	602.68	0.10%	39724.41	6.66%
Fuel and energy related activities	3,998.67	0.67%	3618.92	0.61%
Upstream Transportation and Distribution	2,740.23	0.46%	3993.58	0.67%
Downstream Transportation and Distribution	61072.76	10.25%	60169.17	10.09%
Waste generated in operations	8.24	0.001%	2.77	0.0004%
Business Travel	1,197.91	0.20%	472.05	0.08%
Employee Commuting	686.77	0.12%	657.88	0.11%
Processing of Sold Products	28,471	4.78%	23225.49	3.90%
End-of-life treatment of sold products	709.50	0.12%	640.92	0.11%

**AL quantified emissions for ten Scope 3 categories in FY26. For purchased raw materials, Upstream and Downstream Transportation and Distribution, Waste Generated in Operations, Business Travel, Employee Commuting, and End-of-Life Treatment of Sold Products, emission factors from the Department for Energy Security and Net Zero (DESNZ, formerly DEFRA), Greenhouse Gas Conversion Factors 2025 (published 10 June 2025), were used. Capital Goods and Processing of Sold Products were calculated using a spend-based approach, converting expenditure from INR to USD and applying the relevant factors from the U.S. EPA Supply Chain GHG Emission Factors v1.3 (NAICS-6), version 1.3.0 (July 2024). The emission-factor source and calculation basis for Fuel- and Energy-Related Activities should be specified from the approved calculation workbook.*

Our Scope 3 emissions management has become increasingly data-driven. In FY26, reported Scope 3 emissions stood at 596,003.35 tCO_2e, representing a marginal decrease of approximately 0.02% compared with FY25 (596,116.49 tCO_2e). Purchased Goods and Services remained the largest contributor, accounting for 83.31% of total Scope 3 emissions, followed by Downstream Transportation and Distribution at 10.25% and Processing of Sold Products at 4.78%. Together, these three categories accounted for approximately 98.33% of total Scope 3 emissions, highlighting the importance of continued engagement across procurement, logistics and the value chain.

Emissions from Capital Goods decreased by approximately 98.5%, from 39,724.41 tCO_2e in FY25 to 602.68 tCO_2e in FY26, while Upstream Transportation and Distribution emissions decreased by approximately 31.4%, from 3,993.58 tCO_2e to 2,740.23 tCO_2e. The reduction in upstream transportation emissions is consistent with the lower reported emissions for the period. AL continues to focus on logistics optimization, truck-load utilization, vehicle efficiency and transportation planning, supported by procurement coordination and demand planning.

At the same time, emissions from Purchased Goods and Services increased by approximately 7.1%, reflecting its continued significance as the primary source of Scope 3 emissions. Processing of Sold Products increased by approximately 22.6%, with its share of total emissions rising from 3.90% to 4.78%. Downstream Transportation and Distribution emissions increased by approximately 1.5%. These trends reinforce the need for continued focus on procurement practices, supplier engagement, logistics optimization, regional sourcing and operational efficiency across the value chain.

Emissions also increased in several lower-contribution categories. Fuel- and Energy-Related Activities increased by approximately 10.5%, Business Travel emissions increased from 472.05 tCO_2e to 1,197.91 tCO_2e, and Waste Generated in Operations increased from 2.77 tCO_2e to 8.24 tCO_2e. Employee Commuting and End-of-Life Treatment of Sold Products also increased by approximately 4.4% and 10.7%, respectively. Although these categories accounted for a relatively small share of total Scope 3 emissions, AL will continue to strengthen data quality and internal controls, verify the underlying activity data and improve the consistency of value-chain reporting.

Going forward, Alternicq will prioritize the categories with the greatest potential impact, particularly Purchased Goods and Services, Downstream Transportation and Distribution, and Processing of Sold Products. The Company will strengthen supplier engagement, promote responsible and efficient procurement, explore opportunities for regional sourcing, optimize logistics and transportation, improve demand planning, and collaborate with value-chain partners to identify and implement targeted emissions-reduction measures. These actions will support continued improvement in Scope 3 performance and contribute to Alternicq's broader decarbonization pathway.

Goals And Plans

Target 71% renewable-energy utilization across the FY24 plant portfolio and 55% across all operations, including FY25 and future acquisitions, by FY27.	Employees are encouraged to propose energy-conservation projects. Selected ideas are piloted, and contributors are rewarded.	Employee training and awareness initiatives continue to promote responsible energy management and efficient energy use across operations.

AL targets a 30% reduction in combined Scope 1, Scope 2 and Scope 3 emissions by FY2030, using FY24 as the base year, and aims to achieve net-zero emissions by FY2050 in line with its SBTi commitment.



Energy Management

Plastic manufacturing processes are inherently energy- intensive, requiring significant amounts of electricity and fossil fuels. To minimize our reliance on non-renewable resources and decrease our carbon footprint, we have adopted a multifaceted approach to energy management. This includes the integration of energy-efficient machinery and processes, as well as the utilization of renewable energy sources such as solar power and wind power.

Through these efforts, we not only reduce our environmental impact but also enhance our operational efficiency and resilience to energy price fluctuations.

Year	Solar Power Generated
FY 2023	54,37,890 kWh
FY 2024	81,23,071 kWh
FY 2025	90,78,273 kWh
FY 2026	99,04,378 kWh

Year	Wind Power (MwH)	Purchased RE (MwH)	Generated Solar Power (MwH)	Total Renewable Power (MwH)
FY 2026	3,765.00	64,231.44	9,904.38	77,900.82
FY 2025	3,925.00	65,841.31	9,078.27	78,844.60
FY 2024	4,403.70	66,947.71	8,123.07	79,474.40
FY 2023	4,714.00	51,475.35	5,437.89	61,627.20

During FY26, Alternicq continued to strengthen its in-house renewable-energy generation capabilities. Total in-house solar power generation increased by approximately 9.10%, rising from 9,078.273 MWh in FY25 to 9,904.378 MWh in FY26. This reflects the continued contribution of rooftop solar installations across the Company's operations and supports the transition towards greater use of renewable energy.

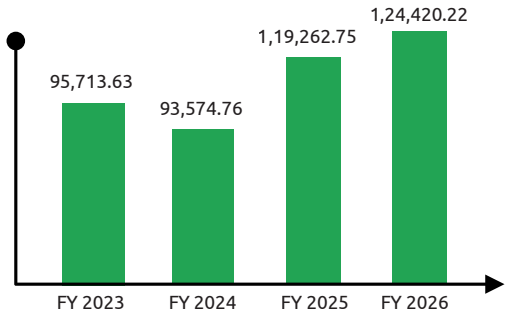
The Company's renewable-energy portfolio also comprises wind power and purchased renewable energy. During FY26, total renewable power amounted to 77,900.822 MWh, compared with 78,844.60 MWh in FY25, representing a 1.20% decrease. This change was primarily due to reductions in purchased renewable energy and wind power, while solar generation continued to increase. The Company remains focused on strengthening renewable-energy adoption through a balanced mix of in-house generation and renewable-energy procurement.

Renewable Energy Initiatives

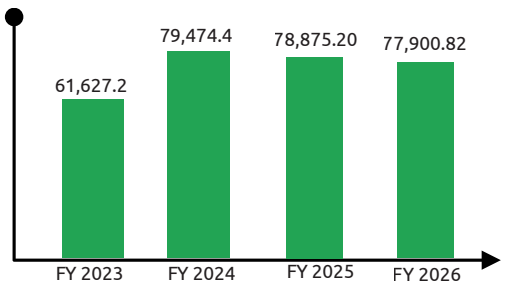
The reduction in dependence on conventional energy sources is supported by the continued deployment of renewable-energy solutions across manufacturing locations. Rooftop solar systems at Bommasandra, Pantnagar-1, Amritsar-1, Amritsar-2, Baddi-3, Vizag-1 and Khorda, together with Group Captive renewable-power procurement at Bommasandra and Jalgaon-1, form part of the Company's renewable-energy strategy. These initiatives are complemented by ongoing energy-efficiency and conservation measures across operations, supporting the Company's broader transition towards a lower-carbon energy mix.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION

From Non-Renewable Sources *(MWh)*

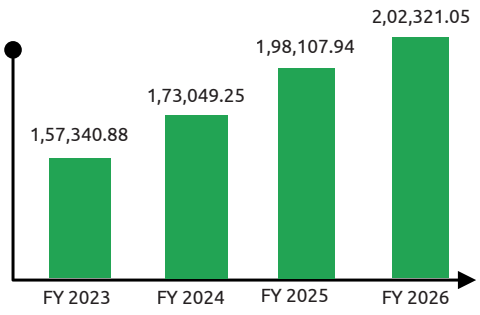


From Renewable sources *(MWh)*

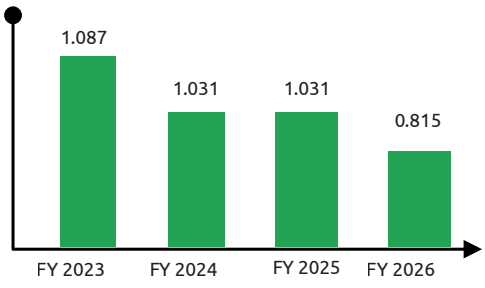


Total Energy Consumption *(MWh)*

(Renewable and Non-Renewable Sources)



Energy Intensity *(MWh / MT of Production)*



Although Alternicq Limited (AL) experienced significant growth in production during FY26, with production increasing to 248,380 MT from 192,227.73 MT in FY25, the increase in electricity consumption was comparatively limited. Electricity consumption increased from 198,107.94 MWh to 202,321.046 MWh, while electricity intensity improved significantly from 1.031 to 0.815 MWh per MT, representing an approximately 21% improvement in energy intensity. This demonstrates improved energy efficiency and stronger operational performance despite higher production volumes and an expanded operational footprint.

AL continued to strengthen its renewable-energy adoption as part of its long-term strategy to reduce dependence on conventional energy and associated greenhouse-gas emissions. During FY26, overall renewable-energy utilization decreased by approximately 1.20% compared with FY25, while in-house solar power generation increased by 9.10%, from 9,078.27 MWh to 9,904.38 MWh, while in-house solar power generation increased by 9.10%, from 9,078.27 MWh to 9,904.38 MWh. The Company continued to utilize a combination of rooftop solar, purchased renewable energy, wind power and group captive renewable-energy arrangements to progressively increase the contribution of renewable energy across its operations.

The Company further expanded its renewable-energy initiatives through rooftop solar installations at Amritsar-1, Amritsar-2, Baddi-3 and Vizag-1, with additional installations in progress at Bommasandra, Pantnagar-1 and Khorda. In addition, group captive renewable-energy procurement at Bommasandra and Jalgaon-1 continued to support the transition towards cleaner electricity. These initiatives are complemented by continuous energy-efficiency measures aimed at improving equipment performance, optimizing processes and reducing electricity consumption.

During FY26, AL implemented a range of energy-conservation initiatives across its manufacturing facilities, covering compressed-air systems, hydraulic systems, chillers and cooling systems, variable frequency drives (VFDs), high-efficiency motors and pumps, dryer optimization, injection-moulding processes, electrical infrastructure, power-quality improvement and demand management. These initiatives have been focused on reducing avoidable energy consumption while maintaining operational reliability and productivity.

Using FY24 as the base year, total energy consumption increased from 173,049.25 MWh to 202,321.05 MWh in FY26, an increase of approximately 16.92%. Energy intensity improved from 1.031 to 0.815 MWh per MT of production, representing a reduction of approximately 20.95%. This reflects improved energy efficiency despite higher production and an expanded operational footprint.

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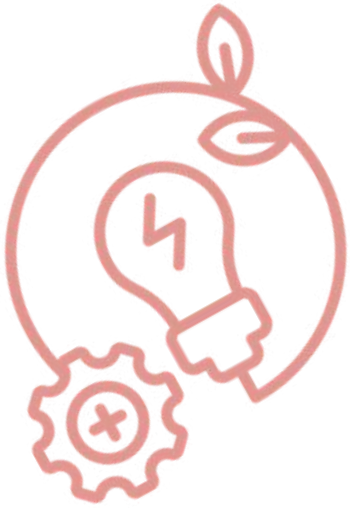
AL will continue to scale renewable-energy adoption and implement targeted energy-conservation and efficiency measures across its expanding operations. By combining renewable-energy transition with continuous process and equipment optimization, the Company aims to further improve energy performance, reduce its carbon footprint and support sustainable business growth.



GOALS AND PLANS

AL aims to achieve 71% renewable-energy utilization across the plant portfolio existing in FY24 by the end of FY27. Considering acquisitions made in FY25 and potential future acquisitions, the Company aims to achieve 55% renewable-energy utilization across all operations by the end of FY27.

In line with our target of a 5% reduction in energy intensity by FY 2030, employees are encouraged to submit energy conservation ideas. The best ideas will be trialled and rewarded.

Our efforts to conserve energy are being intensified, alongside training initiatives for employee on responsible energy management in overall usage of energy by 2025.

Energy Conservation Measures:

During the reporting period, Alternicq Limited implemented a series of targeted energy-efficiency projects across its operations, focusing on high-impact areas such as compressed-air systems, smart injection moulding, electrical infrastructure, VFD implementation, dryer systems, chillers and cooling systems, motor and pump efficiency, heating systems, thermal insulation, and power quality and demand management. These initiatives addressed both operational and equipment-level efficiencies through system optimization, efficient equipment operation, improved controls, and reduction of energy losses.

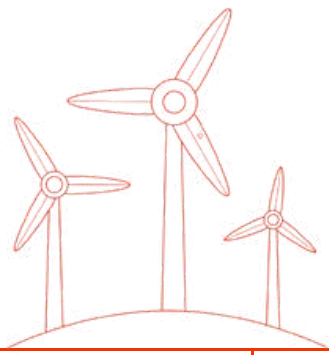
From FY24 to FY26, our energy-efficiency initiatives achieved cumulative energy savings of 12,391.89 MWh, avoiding 8,798.24 tCO_2e of greenhouse-gas emissions.

These sustained improvements reinforce our commitment to energy-efficient and sustainable operations and support our long-term climate action objectives. The key energy-conservation initiatives undertaken during FY26 and their respective annual energy savings are highlighted below:

Compressed Air System Optimization 1,155,417 kWh Saved	Variable Frequency Drive (VFD) Implementation 466,369 kWh Saved	Chiller & Cooling System Optimization 256,465 kWh Saved	Heating System Energy Efficiency 35,904 kWh Saved
High-Efficiency Motor & Pump Upgrades 315,682 kWh Saved	Dryer System Optimization 349,254 kWh Saved	Smart Injection Molding Optimization 1,249,960 kWh Saved	Electrical Infrastructure & Power Reliability 1,173,882 kWh Saved
	Power Quality & Demand Management 192,927 kWh Saved	Thermal Insulation Improvements 90,647 kWh Saved	

In FY26, energy-efficiency projects delivered 5,286.46 MWh of energy savings, avoiding 3,553.38 tCO_2e of greenhouse-gas emissions.

From FY24 to FY26, our energy-efficiency initiatives achieved cumulative energy savings of 12,391.89 MWh, avoiding 8,798.24 tCO_2e of greenhouse-gas emissions.



Biodiversity Conservation

The state of global biodiversity remains precarious, with urgent action needed to halt and reverse ongoing declines. Efforts to conserve and restore natural habitats and promote sustainable use of natural resources are essential for safeguarding biodiversity and ensuring the balance of ecosystems worldwide. We acknowledge the inherent interconnectedness between our operations and the natural environment. Accordingly, we have implemented a range of measures, including Biodiversity Risk Assessment, which encompasses both impact and dependency considerations.

Biodiversity Commitments of AL:

At AL, we commit to achieving 'No Net Loss' in biodiversity by prioritizing actions that generate positive impacts on biodiversity and actively avoiding any negative impacts. In cases where negative impacts persist, we will implement necessary mitigation measures to minimize or offset these effects. This will ensure environmental conservation and sustainable practices across our operations and value chain.

We are committed to zero-gross deforestation, pledging to halt or decrease all forms of deforestation within our operations and throughout our value chain.

We conducted a location-specific biodiversity risk and impact assessment covering all operational sites and their surrounding areas to evaluate potential impacts on biodiversity and ecosystems, using AL's internal assessment framework. The assessment found that the Company's existing plants are primarily located within government-notified industrial areas, and no material biodiversity risks or significant adverse impacts on natural habitats or sensitive ecosystems were identified at present.

The outcomes of the assessment will be integrated into AL's enterprise risk management process to ensure ongoing oversight and early identification of potential future risks.

As the business expands or new sites are developed, biodiversity considerations will continue to be incorporated into site selection, permitting, and operational planning to avoid, minimize, and mitigate potential impacts. This approach supports responsible growth, regulatory compliance, and the long-term protection of ecosystems and biodiversity.

This Biodiversity Aspect Impact Assessment (BAIA) methodology utilized a systematic approach aimed at comprehensively evaluating the potential impacts on biodiversity. This methodology involved a multi-step process, beginning with the identification of biodiversity aspects related to our activities. The assessment examines the potential environmental consequences of each aspect, considering factors such as habitat disruption, pollution, and resource extraction. Quantitative and qualitative evaluations are conducted to determine the significance of these impacts, also based on the dependency on the aspect of our Company and facilitating the prioritization of mitigation strategies based on our impact matrix. Furthermore, continuous monitoring ensures the effectiveness of our approach. This methodology underscores our commitment to responsible environmental stewardship and aligns with our broader sustainability goals.

Aspect	Description of impact
Natural Habitat	Habitat destruction
	Habitat preservation
Emissions	Air pollution
Climate Change	Greenhouse gas emissions lead to climate change, which can alter habitats, migration patterns, and the distribution of species
	Climate change adaptation to and mitigate the impacts of climate change on biodiversity, considering shifts in habitats and species distributions
Water	Circularity by which water is treated and reused High wastewater generation Disruption of water bodies
Introduction of Invasive Species	Trade and transportation associated with industrial activities can introduce non-native species, which may outcompete or prey upon local species, disrupting the natural balance.
Noise Pollution	Facilities may generate excessive noise, disturbing wildlife behavior, communication, and breeding patterns
Fragmentation of Habitats	Industrial development can fragment natural habitats, isolating populations and reducing genetic diversity
Biodiversity Conservation Plans	Implementation of strategies and plans to conserve and protect biodiversity within and around industrial areas
Waste Generation	Improper disposal of industrial waste can contaminate ecosystems and pose a threat to biodiversity

Aspect	Description of impact
Compliance with Regulations	Failure of adherence to local and international regulations and standards related to biodiversity conservation and environmental protection will lead to legal consequences and reputational damage
De-forestation	Impact to water resources, air, habitat and cause for climate change
Plastic waste in Ocean	Harms marine life (ingestion, entanglement), pollutes water, breaks into microplastics affecting food chain.
Plastic waste in Landfills	Doesn't decompose, takes up space, releases harmful chemicals, contaminates soil and water.

Application of Mitigation Hierarchy

STEP	ACTION / STRATEGY	DESCRIPTION / EXAMPLES
Avoidance	Prevent impacts through proactive planning	Conduct detailed habitat mapping; select project sites that do not impact critical Biodiversity Areas (CBAs); avoid activities during sensitive periods such as breeding seasons.
Minimization	Reduce unavoidable impacts during project execution	Implement buffer zones; optimize project design to reduce habitat fragmentation; control pollution and noise; limit project activities to non-peak wildlife periods.
Restoration	Rehabilitate and restore impacted ecosystems and habitats	Restore disturbed areas with native vegetation; implement soil restoration practices; create ecological corridors to reconnect fragmented habitats.
Offset / Compensation	Offset residual impacts that cannot be eliminated or minimized	Develop conservation projects; establish biodiversity banks or offsets; fund local biodiversity enhancement initiatives to compensate for residual impacts.
Monitoring and Adaptive Management	Continuously evaluate mitigation effectiveness and adapt strategies accordingly	Regular biodiversity monitoring; adjust mitigation measures based on findings; incorporate feedback loops for ongoing project and landscape impact assessments.
Stakeholder Engagement	Involve local communities and stakeholders in planning and mitigation actions	Conduct awareness programs; incorporate local ecological knowledge; engage communities in biodiversity conservation activities.

Key Actions Taken

For Emission Management (Air Pollution)

- Conducting comprehensive emission assessment to measure and record the emissions of pollutants, including particulate matter (PM), nitrogen oxides (NOx), Sulphur dioxide (SO2), and carbon monoxide (CO) with scheduled periodical maintenance.
- Actively seeking engineering controls, such as retrofitting and upgrading, to effectively manage emissions.
- Emission targets and an action plan have been formulated based on the assessment conducted.

For Climate Change

- Efforts are undertaken to mitigate the impacts of climate change on biodiversity, followed by the development of action plans and targets aligned with these objectives.
- AL is dedicated to environmental sustainability, working to reduce plastic waste in oceans and landfills, and promoting the conservation of marine ecosystems as part of our ongoing efforts.



For Compliance with Regulations

- A dedicated platform is instituted for the tracking of all legal compliance pertaining to biodiversity conservation and environmental protection. Subsequent follow-ups are conducted promptly.

Waste Management



Tackling plastic waste is a global environmental challenge. To address this issue, we have implemented comprehensive waste management strategies that prioritize the reduction, reuse, and recycling of plastic materials. Through investments in innovative recycling technologies and the promotion of closed-loop manufacturing processes, we aim to minimize waste generation and promote a circular economy. Additionally, we strive to develop sustainable packaging solutions by investing in cutting-edge technologies to minimize the unwanted impact that our products may cause, such as environmental pollution etc. We are also actively working towards achieving the goal of zero landfill.

"We have accomplished a 90% reuse of production waste through the processes of segregation and grinding."

The waste management efforts undertaken at AL include:

- Hazardous waste is disposed of only at PCB- approved TSDFs (Treatment, Storage, and Disposal Facilities).
- Reusing pre-consumer plastic waste generated within factory premises by shredding it and blending it with virgin granules.
- Incorporating Post-Consumer Recycled (PCR) materials along with virgin granules in the production of non-food grade containers.
- Initiated the 'Born Again Initiative' to deliver post-consumer recycled (PCR) materials to FMCG brands. Raw material bags are returned to the vendor, and surplus material is sent to the recycler.
- Reusing PP/HDPE bags of raw materials (i.e., virgin granules) for storing finished goods.
- Collaboration with Ganesha Ecosphere, Saahas Zero Waste (SZW), and Waste Management Agencies (to achieve the target of EPR).

From Waste to Resource: Embracing Circular Solutions

Memorandum of Understanding (MoU) with the Indian Institute of Science (IISc), Bangalore

The Memorandum of Understanding (MoU) with the Indian Institute of Science (IISc) is for the development of innovative and sustainable plastic packaging solutions. Under this agreement, IISc will establish a Centre of Excellence dedicated to the upcycling and recycling of thermoplastics. This partnership will focus on the development of solutions aimed at converting waste materials into plastic packaging, thereby facilitating the repeated recycling of products. The collaboration will encompass the following key objectives:

- Development of recyclable elastomeric material for all plastic pumps and triggers, including efforts to strengthen the caps of PET bottles, which are manufactured using 100% recyclable plastic.
- Substitution of cardboard based packaging, such as those utilized in pizza boxes, with foamed polyolefins, providing enhanced thermal insulation properties and reducing overall weight.
- Replacement of non-recyclable packaging materials with recyclable monolayer materials, aimed at reducing transportation costs and minimizing breakage and damage.

Collaboration Agreement with Ganesha Ecosphere Group

The collaboration with Ganesha Ecosphere Group is oriented towards the joint development and provision of food and non-food grade packaging products made from recycled plastics.

The partnership will offer top-tier plastic packaging products containing up to a 100% dosage of recycled plastic.

These products will be developed with the necessary approvals from regulatory bodies such as FSSAI, the US FDA, and the European Food Safety Authority. Furthermore, the partnership will assist brands in adhering to the new PWM regulations while also aligning with the Indian government's ambitious objective of substituting up to 60% of virgin plastic with recycled material by FY 2029.

By promoting a circular economy and expediting the adoption of 100% recycled plastic bottles, this collaboration aims to address this challenge comprehensively and provide optimized packaging solutions on a large scale.

Under this collaboration, we have the 'Born Again' initiative.

The 'Born Again' initiative is geared towards the collection of post-consumer plastic waste and its subsequent reprocessing at our state-of-the-art facility. This process transforms the waste into virgin equivalent post-consumer resin, which can then be utilized in the manufacturing of high-quality plastic products.

Consolidated Waste Data

(in Tons)

Particulars	FY2026	FY2025	FY2024	FY2023
Total waste recycled	1,678.83	177.61	17.46	14.27
Total waste reused	50.23	242.00	753.41	7,594.44
Total waste disposed	29.63	192.38	26.66	8.28
Waste landfilled	0	0	0	0
Waste incinerated with energy recovery	0	0	0	0
Waste incinerated without energy recovery	29.63	192.38	26.66	8.28

Bifuricated Waste Data

(in Tons)

Total Waste Generated				
Category	**FY2026**	**FY2025**	**FY2024**	**FY2023**
Hazardous Waste	274.92	206.37	26.87	23.99
Non-Hazardous Waste	1,483.77	405.62	770.66	7,593.00
Total Waste	1758.7	611.99	797.53	7616.99
Waste Intensity (Tons/MT of Production)	0.0071	0.0032	0.0047	0.052

(in Tons)

Details of Hazardous Waste				
	FY2026	**FY2025**	**FY2024**	**FY2023**
Waste Diverted				
Recycled (Offsite)	245.29	19.21	17.46	12.83
Reused (Onsite)	-	-	8.35	7.44
Waste Disposed				
Incineration without energy recovery (Offsite)	29.63	187.16	4.66	2.28
Details of Non-Hazardous Waste Generated				
Waste Diverted				
Recycled (Offsite)	1,433.54	158.40	3.60	1.44
Reused (Onsite)	50.23	242.00	745.06	7,587.00
Waste Disposed				
Incineration without energy recovery (Offsite)	-	5.22	22.00	6.00

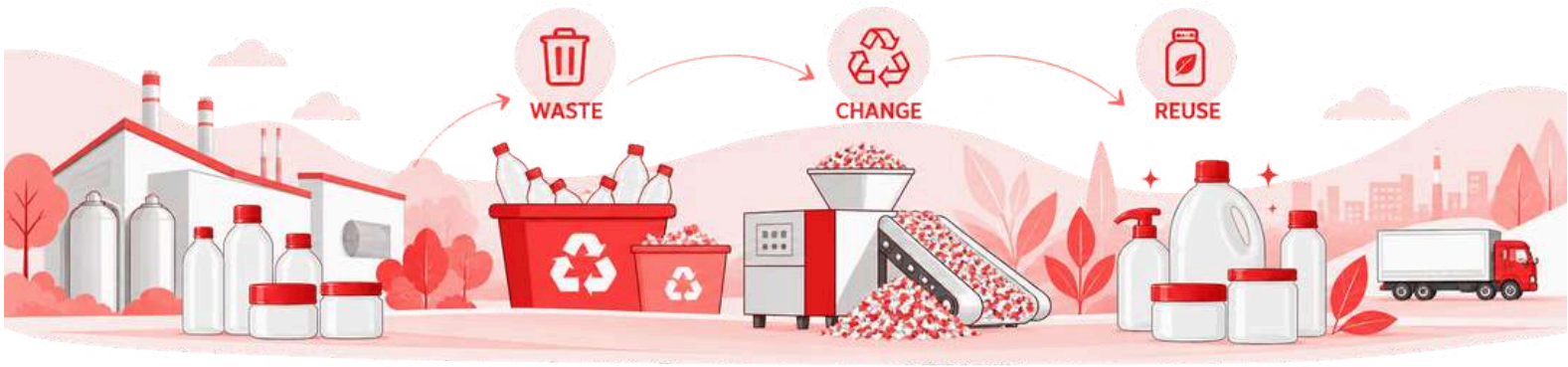
During FY26, Alternicq continued to strengthen its waste-management practices, with greater emphasis on waste segregation, categorization and accurate tracking across its operations. The Company's production increased by approximately 29%, from 192,227.73 MT in FY25 to 248,380 MT in FY26. The addition and ramp-up of Silvassa-2 and Kharagpur also contributed to the expanded operational footprint and the corresponding increase in reported waste generation.

Using FY24 as the base year, reported waste generation increased from 797.53 MT to 1,758.69 MT in FY26, while waste intensity increased from 0.0047 to 0.0071 tonnes per MT of production. This trend reflects the combined influence of higher production volumes, expansion of operations and improvements in waste identification, classification and tracking. Accordingly, the increase in reported waste should not be interpreted solely as an increase in underlying waste generation.

As tracking mechanisms have improved, waste previously recorded under broader or consolidated categories is now being classified into specific waste streams. This enables clearer monitoring of the quantities generated, recycled, reused and disposed across operations. The improved visibility strengthens the Company's understanding of its waste profile and supports more effective identification of opportunities for waste reduction, recycling, reuse and resource recovery.

AL recognizes that continued growth in production and expansion of its manufacturing network may create additional waste-management challenges. The Company is therefore strengthening waste-data monitoring and internal controls to improve the consistency and reliability of reported information. Greater emphasis is being placed on waste segregation, responsible disposal and resource recovery, while exploring opportunities to minimize waste generation across manufacturing processes.

Going forward, AL will continue to focus on reducing waste generation and intensity, improving the proportion of waste diverted from disposal, and strengthening recycling and reuse practices. These efforts will support progress towards the Company's waste-reduction targets while promoting more efficient resource utilization and responsible waste management across its operations.



Driving Circular Solutions with our PCR Recycling Plant



We want to establish a significant presence in the Circular Ecosystem by offering comprehensive solutions to our customers, spanning from waste collection to sustainable packaging. In pursuit of this goal, we have established a PCR plant with 6k MT capacity p.a. in Bangalore. We will be procuring input materials (PCW) through direct involvement in the collection ecosystem and collaborating with NGOs such as 'Saahas', etc. This waste will undergo processing and transformation into high-quality PCR resin, providing our customers with the option to leverage it according to their preferences.

Advantages to our customers:

- Assurance of quality and consistency in the post-consumer recycled (PCR) resin.
- Assurance of consistent supply of PCR resin.
- Certification of compliance with Extended Producer Responsibility (EPR) obligations and PCR utilization.

Alternicq Limited (AL) is committed to responsible waste management to preserve the environment and promote sustainability. Our commitment includes minimizing waste generation, ensuring proper waste disposal, promoting recycling and recovery, and achieving zero waste to landfill.

Over the past five years, AL has expanded its manufacturing units and increased production capacity across India. In line with this growth, we are setting ambitious waste reduction targets.

To achieve these goals, we are actively engaging all employees and management personnel. We encourage employees to propose projects focused on waste reduction. The best ideas will be piloted, and the contributors will be recognized and rewarded.

Our intensified efforts on waste reduction are complemented by comprehensive training initiatives to support these objectives.

GOALS AND PLANS

- **Using FY24 as the base year, AL aims to reduce both hazardous and non-hazardous waste generation by 10% by FY2030 and 25% by FY2050.**

Water Conservation

Water conservation is essential for managing various issues like degradation of freshwater resources and mitigating water scarcity. We have implemented water conservation measures such as optimizing water usage and investing in water-efficient technologies. We have initiated a special drive towards water conservation, aimed at reduction, recycling, and reuse, including recharging of bore well pits. Efforts have been initiated towards reducing water consumption by improving and investing in our product efficiency, ultimately achieving a reduction in water requirement per ton of production.

In our ongoing efforts to improve water efficiency, we have installed and invested in modern water treatment technologies like the Moving Bed Biofilm Reactor (MBBR), Multi-Grade Filter (MGF), and Activated Carbon Filtration (ACF) as well. Additionally, the wastewater we generate undergoes treatment at the Sewage Treatment Plant (STP) and is subsequently recycled for reuse in the cooling tower system. Our Domestic Effluent Treatment Plant (at Amritsar, Bidadi, Bommasandra, Guwahati and Pantnagar Units) helps in treatment of 60,000 litres of domestic effluents on a daily basis. We are treating over 21 million litres of domestic effluent, which is then reused for gardening and toilet flushing.



AL promotes water conservation through efficient water use, recycling, reuse and groundwater recharge. In FY26, plant-level records show 22.75 ML of wastewater routed to on-site STP/ETP systems and 3.09 ML sent to third-party CSTPs. Treated wastewater is reused for cooling, gardening and toilet flushing at applicable facilities.

Water Management Summary

(In Megaliters)

Category	FY2026	FY2025	FY2024	FY2023
Water Withdrawal				
Total Water Withdrawal	462.72	453.58	326.60	232.52
Water Discharge				
Total Water Discharge (Internal & External)	25.84	23.41	21.04	49.07
Water Consumption				
Total Water Consumption (Total Water Withdrawal-Total Water Discharge)	436.88	430.17	305.56	183.45
Water Intensity				
Water Intensity (Megaliters/ MT of production)	0.0018	0.0022	0.0018	0.0013
Water Consumption in Areas with Water Stress				
Total net freshwater consumption in water-stressed areas (Total water withdrawals – Total water discharges)	425.59	416.18	312.67	171.60

Based on Aqueduct screening, all operational plants except Guwahati are located in water-stressed areas. FY26 net freshwater consumption in these areas was 425.59 ML, calculated by excluding Guwahati's water withdrawal and deducting wastewater volumes routed to on-site STP/ETP and third-party CSTP systems.

During FY26, Alternicq Limited continued to strengthen water management through monitoring, conservation, reuse and process optimization. Using FY24 as the base year, total water consumption increased from 305.56 ML to 436.88 ML, an increase of approximately 42.98%. Water intensity remained at 0.0018 ML/MT in both FY24 and FY26 at the reported precision.

AL continued to implement targeted water-conservation initiatives, including improved process monitoring, water reuse and reduction of freshwater dependence. At Bidadi, an online water-monitoring system, pipeline optimization and reject-water reuse measures were implemented. The initiative enables 100% reuse of reject water for lorry leakage testing and toilet flushing and has resulted in approximately 100–120 KL/day of water savings.

The Company also strengthened borewell-water management, with borewell usage at Bidadi reduced by approximately 40% through improved monitoring, operational controls and water-level management.

Quantitative Water Highlights – FY26

- 18% reduction in water intensity
- 100% reuse of reject water for identified reuse applications

Going forward, AL will continue to strengthen water conservation, reuse, monitoring and process optimization, with a focus on improving water efficiency while supporting business growth and responsible resource management.

	FY 2023	FY 2024	FY 2025	FY 2026
Number of water-related incidents	0	0	0	0
Total actual and opportunity costs (e.g. forgone income) from water-related incidents	0	0	0	0

Goals and Plans

Enhance the efficiency of our process cooling system to cut water consumption significantly by 2030, targeting a 10% improvement.

Install sewage treatment plants (STPs) in all necessary locations and improve STP operations across all facilities by 2030 to achieve zero liquid discharge.

Employees are encouraged to provide projects on using water efficiently, and best ideas will be trailed, and the employee will be rewarded for the same.

Our efforts to conserve water are being intensified, alongside training initiatives for employees on responsible water management in both production and domestic settings by 2025.

We have processed the adoption and rejuvenation of a lake or pond located near our Bommasandra plant a water-stressed area. Rejuvenation will be completed by 2028, as part of our CSR efforts.

RETURN ON ENVIRONMENTAL INVESTMENTS

'Born Again' is a testimony of our commitment to support our customers in their journey of creating a greener world. Our first recycling plant in Bidadi, Bangalore was inaugurated with a capital investment of 12,03,07,787.22 INR on 15th June 2020 and has a capacity to process more than 6,000 MTPA of plastic waste (PP, HDPE) to convert it into a virgin-like quality PCR resin. As more and more brands pledge towards reduction of plastic waste and move towards 100% recyclable packaging, it is an opportune time for us to enable packaging solutions made from recycled plastics.



APPROACH TO CUSTOMER CENTRICITY

We are dedicated to pioneering low-cost innovative packaging solutions in India, known as "INDOVATION," for our customers. As such, we heavily invest in research and development as well as cutting-edge technology to realize our vision. From the initial design phase to full-scale commercial production, our commitment lies in meeting all customer requirements to streamline lead times, expedite product launches, and minimize overall costs for our clientele. Our operational framework is aimed at fortifying rapid prototyping, which facilitates efficient decision-making processes, ensuring the delivery of optimal outcomes to our esteemed customers. With our extensive experience in this industry, our teams are equipped with specialized expertize in troubleshooting, thereby ensuring smooth operations throughout the development, production as well as post-production phases.



Quality Certifications

Environment and Sustainability Certifications

Customer Certifications

Regulatory Certifications

Setting the Bar High: Our Standards and Certifications

We are dedicated to pioneering low-cost, innovative packaging solutions in India, known as 'INDOVATION,' for our customers. To realize this vision, we invest heavily in research and development as well as cutting-edge technology. From the initial design phase to full-scale commercial production, our commitment lies in meeting all customer requirements to streamline lead times, expedite product launches, and minimize overall costs for our clientele. Our operational framework is designed to strengthen rapid prototyping, which facilitates efficient decision-making and ensures the delivery of optimal outcomes to our esteemed customers. With extensive experience in this industry, our teams possess specialized expertise in troubleshooting, thereby ensuring smooth operations throughout the development, production, and post-production phases.

"During FY 2025, we did not have any non-compliance pertaining to product information and labelling and marketing communications from our customers".

Certifications and Accreditations



ISO 14001:2015



ISO 45001:2018



Ecovadis Rating



S&P Global

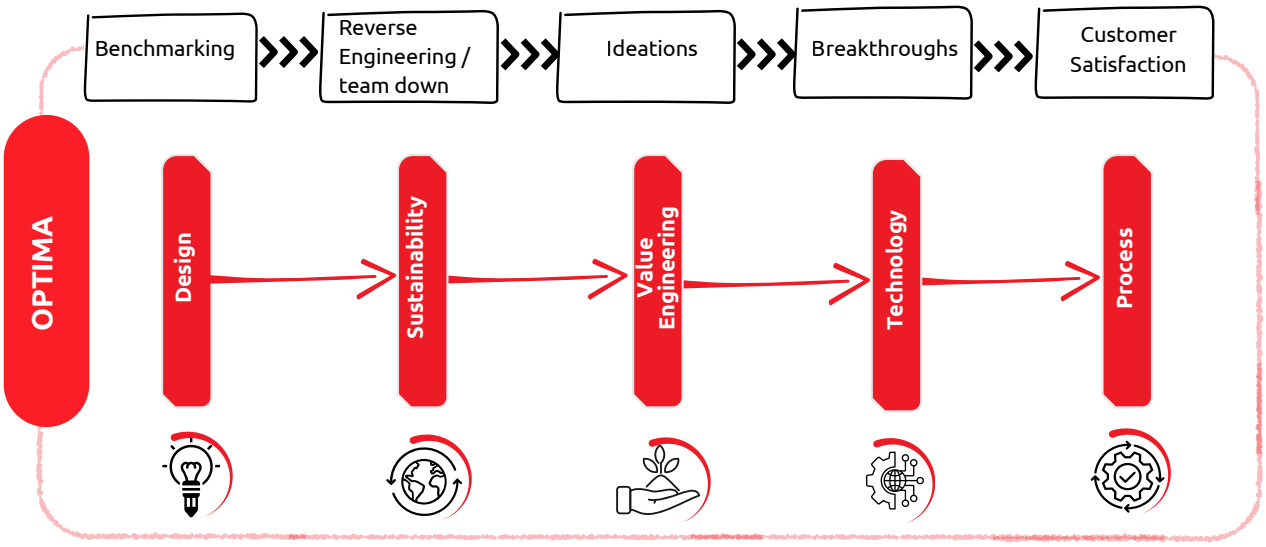
Our Approach to Innovation: Driving Change for Sustainable Solutions

At AL, sustainable packaging solutions drive our innovation efforts through Project Optima, our structured platform for delivering customised, value-driven solutions to customers. This initiative ensures a holistic focus on design, sustainability, value engineering, technology, and processes, enabling innovative and customer-centric outcomes.

We manufacture low-carbon products tailored to customer requirements, helping reduce greenhouse gas emissions. Our climate-focused product portfolio contributes to 100% of our total revenue, reflecting our strong commitment to sustainability.

The projected total emissions avoided for FY 2026 are estimated at 15,330.21 TCO2 by substituting virgin raw material with recycled material. Furthermore, an additional 3,645.85 TCO2 of emissions have been reduced through the reduction of raw material consumption by the lightweighting projects

AL Innovation Approach

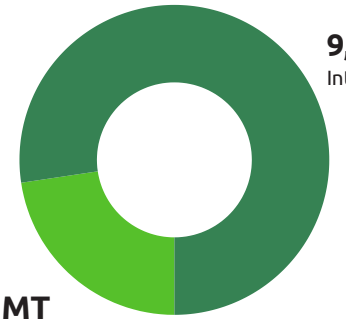


Material Reduction and Circularity Initiatives

In metric tons

Sales Volume		
	FY2026	FY2025
Volume Processed	1,93,129.35	1,78,251.49
Production Material Type		
	FY2026	FY2025
Plastics	100%	100%
Resin Purchasing		
	FY2026	FY2025
India	1,33,353.70	1,60,358.36
Import	14,604.67	12,095.90

Circular Resin Sourcing



9,889.238 MT
Internally Reprocessed PCR

150.155 MT
Externally Purchased PCR

10,039.393 MT
Total post-consumer recycled resin (PCR) utilized for our productions in FY26

The total Post-Consumer Recycled Resin (PCR) utilized increased from 7,744.54 MT in the previous year to 10,039.393 MT in the current year, representing an overall increase of 29.63%.

Incorporation of recycled PET (rPET) and other post-consumer recycled materials (PCR) into packaging solutions with a goal to achieve higher percentages of recycled content.

In Metric Tons

	PCR included in Our Production	
	FY 26	FY 25
rPET	6,285.28	3,602.23
rHDPE	2,160.752	1588.22
rPP	1,443.206	2364.09
rFILM-RM	150.155	190.00

through the use of recycled material rather than virgin raw material, we estimate we help avoid the projected total emissions for FY 2026 are estimated at 15,330.21 TCO2*

Regulatory Targets for Recycled Plastic Content

In accordance with India's Plastic Waste Management Rules, 2016, as amended, Alternicq Limited follows the mandatory category-wise recycled-plastic-content requirements applicable to plastic packaging manufacturers. For Category I (rigid plastic packaging), the prescribed minimum recycled-plastic-content targets are 30% for FY2025–26, 40% for FY2026–27, 50% for FY2027–28 and 60% from FY2028–29 onwards. During FY2026, the Company utilised 10,039.393 MT of post-consumer recycled (PCR) resin in its production, representing a 29.63% increase over FY2025. The Company continues to strengthen recycled-material sourcing and utilisation to support compliance with applicable regulatory requirements.

Customer collaboration for lightweighting

In Metric Tons

	No: of Products	Quantity Reduced
Weight Optimization light weighting done in FY-25 (Material reduction)	26	1,058.09

Our product line, focused on addressing climate change, accounts for 100% of our total revenue. The projected total emissions avoided for FY 2026 are estimated at 3,645.85 TCO2* of emissions have been reduced through the reduction of raw material consumption by Weight Optimization light weighting

In FY 25, our Bidadi Preform plant operated on 99.8% renewable energy, producing 73,355.11 tons of plastic products — accounting for 29% of our total product sales. Our Bommasandra plant operated with 89.9% renewable energy, delivering 17,880.78 tons of plastic products, representing 7.02% of our overall sales. These achievements demonstrate our continued commitment to integrating renewable energy in our operations while meeting significant portions of our production demand.

100%
of our products are recyclable

Through product light-weighting, manufacturing reusable products, and incorporating post-consumer recycled (PCR) materials, AL helps our customers reduce their carbon footprint while fulfilling their specific requirements

**The EPA's GHG Emission Factors Hub (12 September 2023) and the CEA's CDM - CO2 Baseline Database User Guide Version 19 have been utilized for the purpose of GHG emissions calculations. Additionally, the GWP factor from the IPCC's Intergovernmental Panel on Climate Change, Fifth Assessment Report (AR5) in 2013, has been employed in the calculation process.*

Introducing Our Patented all plastic pump by replacing metal from packaging material to enable its REUSE /RECYCLE

- No Metal Spring.
- Sustainability / Mono Material.
- 100% Recyclable

Switched from metal to plastic packaging solutions, potentially reducing the amount of material used.

Developed thinner PET bottles for paint containers.

Exploring the redesigning of caps and closures to eliminate separate rings, opting for a single piece.

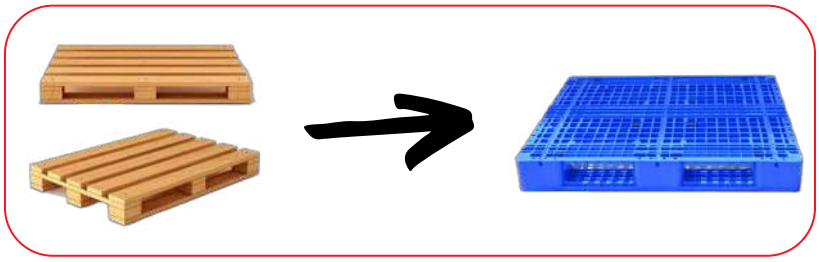
Utilization of the Syngenta Wad elimination for PVM jar and liquor caps.

We are the first Company in India to manufacture recyclable valves for two-way caps designed specifically for inverted bottles.



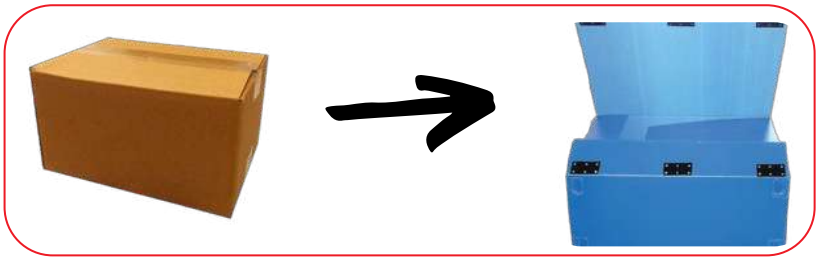
AL has made substantial progress in packaging sustainability by replacing wooden pallets with reusable, life-extended plastic pallets for 30% of overall product sales, and swapping carton boxes for Plastic Gaylords & Steel Cage 40% of total preform product sales. These initiatives have delivered notable environmental benefits, including reduced waste generation, lower carbon emissions, and improved resource efficiency.

Replacing wooden pallets with plastic pallets offers several sustainability benefits:



- **Increased Durability:** Plastic pallets last longer, reducing the need for frequent replacements.
- **Recyclability:** They are often made from and can be recycled into new products, minimizing waste.
- **Resource Conservation:** Reduces the demand for timber, helping to conserve forests.
- **Lower Emissions:** Lighter weight reduces fuel consumption and CO2 emissions during transport.
- **Hygiene:** Easier to clean and don't require chemical treatments, reducing environmental impact

Replacing carton boxes with plastic reusable boxes offers several sustainability benefits:



- **Reduced Waste:** Plastic reusable boxes cut down on single-use cardboard waste and reduce landfill contributions.
- **Durability:** They are more durable and can be used multiple times, decreasing the need for frequent replacements and resource consumption.
- **Lower Environmental Impact:** The extended lifespan of plastic boxes lowers the environmental impact per use compared to disposable cartons.
- **Recyclability:** Plastic reusable boxes are often recyclable at the end of their life, contributing to a circular economy.
- **Efficient Transportation:** They can be more robust and space-efficient during transport, potentially reducing transportation-related emissions and costs.

Conflict Minerals

Alternicq Limited (AL) conducts business with integrity and transparency, recognizing the importance of responsible sourcing and ethical supply chain management.

After thorough evaluation and analysis, AL affirms that conflict minerals do not apply to its operations. AL does not source, process, or utilize materials classified as conflict minerals.

AL's product lines and supply chain do not involve extraction or trade of tin, tantalum, tungsten, or gold (3TG) from conflict-affected and high-risk areas. Thus, AL has no obligations under conflict minerals reporting requirements

We remain committed to ethical business practices and will continue to monitor our supply chain to ensure compliance with all relevant laws and regulations. Should there be any changes to our operations or supply chain that could potentially involve conflict minerals, we will reassess our position and take appropriate actions in line with our commitment to responsible sourcing.

Alternicq Limited publishes an annual Conflict Minerals Disclosure. In the fiscal year FY 25-26, we outline our approach to evaluating and addressing any potential risks associated with the use of 3TG in our products. We also confirm that none of these minerals are utilized in our manufacturing processes.

Following a comprehensive assessment of our company's products, we have evaluated the presence of restricted substances listed in Annex XVII of the REACH Regulation and substances on the Candidate List of Substances of Very High Concern (SVHC) for Authorization above 0.1% by weight. Our assessment revealed that only one component, PVC sleeves used for labelling purposes, contains a restricted substance listed in Annex XVII of the REACH Regulation. No other products or components were found to contain SVHCs above the 0.1% threshold. We are taking appropriate measures to address the use of PVC sleeves and ensure compliance with REACH regulations.

Transitioning to a mono-material approach by replacing foil seals to simplify recycling process-es for enhanced sustainability.

Utilizing debossing and embossing techniques as alternatives to traditional printed PVC labels (sleeves) due to the challenges associated with its recycling.

By the year 2030, we have set a target to reduce hazardous substances by 65%.

Our risk assessment approach for exposure to hazardous substances

Identify Hazards:

- Restricted substance in Annex XVII (PVC).
- Potential health and environmental risks.

Assess Exposure:

- Who: Workers, customers, end-users.
- Where: Manufacturing, storage, transportation, use.
- How: Handling, installation, disposal.

Evaluate Risks:

- Likelihood (L): 1-5 (unlikely to very likely).
- Severity (S): 1-5 (minor to catastrophic).
- Risk Level (RL): L x S = 1-25 (low to very high).

Prioritize Risks:

High-risk scenarios:
- Worker exposure during manufacturing.
- Environmental release during disposal.

Medium-risk scenarios:
- Customer exposure during use.
- Transportation accidents.

Low-risk scenarios:
- Storage, installation.

Implement Controls:

- Elimination: Replace PVC sleeves with alternative materials.
- Substitution: Use safer alternatives.
- Engineering Controls: Improve ventilation, handling procedures.
- Administrative Controls: Training, labeling, warnings.
- Personal Protective Equipment (PPE): Gloves, masks.

Monitor and Review:

- Regularly assess exposure and risk levels.
- Update controls as needed.
- Consider new information, regulations, or technologies.

RISK LEVEL	DESCRIPTION	CONTROLS
High (16-25)	Critical risks requiring immediate attention	Elimination, substitution, engineering controls.
Medium (6-15)	Significant risks requiring mitigation	Administrative controls, PPE.
Low (1-5)	Acceptable risks with minimal controls	Labeling, warnings

By following this risk assessment approach, you can systematically identify, evaluate, and mitigate the risks associated with the PVC sleeves, ensuring compliance with REACH regulations and protecting human health and the environment.

AVINYA - OUR INNOVATION CENTRE



Our Innovation Centre, AVINYA, marking the most significant step in Alternicq Limited's journey towards becoming an innovation-centric organization. This state-of-the-art facility, boasting advanced capabilities, enables us to conceptualize, develop, and launch sustainable rigid packaging solutions that meet the evolving needs of our customers and the industry.

AVINYA is truly a one-stop shop, bringing packaging visions to life with unmatched excellence. From the initial creative ideas to the final mock-up's, our Innovation Centre is equipped to handle every aspect of the packaging development process. The facility includes a Design/Styling Studio for creative conceptualization, a Product Display area to showcase innovations, and a Reverse Engineering & MS Lab for meticulous analysis and development.

Furthermore, AVINYA is outfitted with cutting-edge technology, including Rapid Prototyping capabilities for swift model creation, a 3D Scanning system by Zeiss for precise measurements, and an Application Lab for comprehensive product testing. The centre also features an FTIR (Fourier-transform infrared spectroscopy) system by PerkinElmer and a Universal Testing Machine (UTM) by ZwickRoell, ensuring that our products meet the highest standards of quality and performance.

With these advanced resources, AVINYA empowers us to lead in the realm of sustainable packaging, offering our clients innovative solutions that are not only functional and aesthetically pleasing but also environmentally responsible. This milestone is a testament to our commitment to pushing the boundaries of packaging technology and delivering unparalleled value to our customers.



Design / Styling Studio



Product Display



Rapid Prototyping



Reverse Engineering & MS Lab



3D Scanning- Zeiss
UTM – ZwickRoell; FTIR – PerkinElmer

Leading by Innovation



T/E Snap Cap

Alternicq introduced tamper evident featured cap for wad elimination with no increase in Jar & cap weight to attain T\E.



ECO Nip Cap

Double T/E featured liquor cap with a sustainable non littering solution.



PCR- Special Grades

Enabled higher dosing of PCR by customized Prime/Class grades for Poly-olefins.



DOY Pack

Flexible moulded pack with ultra low weight container with customized options for sustainable monomaterial, refill packs etc.



All Plastic Pump

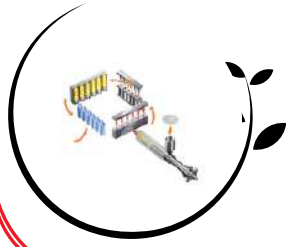
Elimination of metal spring to enable circular economy.



Container

Light weighting solutions in various containers for e.g Liquidator. Complete set optimized to enable low carbon footprint.

Commercialized Innovations



Zero Cooling

Pioneer in India in adoption of zero cooling technology in ISBM, reducing cycle time by 15-25%.



Bottle with Handle

2 liter bottles with handle for liquor industry- USL.



Angular Neck for Harpic

Developed angular neck in EBM for Harpic.



Glass to PET Conversion

Pioneers of Glass to PET conversion in India with Dettol, Dabur, Bajaj etc.



Pioneers in Multilayer Bottles in India

Kissan & Heinz ketchup.

Approach to Data Privacy and Security

We place paramount importance on data privacy and cyber security within AL. It is crucial for safeguarding sensitive information and ensuring the integrity of our systems. In line with this commitment, we conduct tests like Vulnerability Assessment and Penetration Testing (VAPT) to meticulously identify and address potential vulnerabilities and security gaps that could compromise the confidentiality, integrity, and availability of our data and systems. Prompt actions are taken to mitigate these risks and to maintain the highest standards of data protection and cyber security. The results of the VAPT assessment are shown below.

Vulnerabilities Identified	Mitigation Measures Implemented
SSH insecure key exchange algorithms	Upgraded SSH configuration to eliminate insecure key exchange algorithms.
Outdated TLS version supported on server	Disabled outdated TLS versions on the server to enhance security.
MS09-048 vulnerabilities detected in windows TCP/IP, Manual detection limited	Addressed MS09-048 vulnerabilities in windows TCP/IP promptly.
Weak IPsec encryption settings detected	Strengthened IPsec encryption settings for better security.

Zero

Complaints received regarding breaches of customer privacy and data losses

Zero

Instances of data leaks, thefts, or data losses

Zero

Total number of clients, customers and employees affected by the breaches

The FY26 figures are based on AL's IT security incident records and customer privacy complaint records for the reporting period. The assessment covers all business units, regional offices and the corporate office. Identified vulnerabilities are assessed and addressed through corrective measures, with progress tracked through the Company's information-security processes.



AL aims to achieve ISO/IEC 27001:2013 certification for our IT infrastructure and information security management system by 2027. This certification will demonstrate our commitment to protecting information assets and adhering to best practices in information security.

Cybersecurity Responsibility and Measures at AL

Chief Information Officer (CIO) - Role in Cybersecurity

The Chief Information Officer (CIO) Mr. Thiyagarajan at AL is responsible for overseeing and ensuring the security of the company's information systems. The CIO leads the cybersecurity strategy and operations, focusing on protecting AL's digital assets from both internal and external threats.

Cybersecurity Measures for Internal and External Breaches

Internal Security Measures:

Access Control:

Implementation of role-based access control (RBAC)was done to ensure that employees have access only to the data and systems necessary for their roles.

We do regular audits of access permissions to prevent unauthorized access.

Employee Training and Awareness:

We do regular cybersecurity training sessions to educate employees about potential threats, safe practices, and the importance of cybersecurity.

We give phishing simulation exercises to enhance employees' ability to recognize and respond to phishing attempts.

Data Encryption:

We use encryption protocols for sensitive data at rest and in transit to prevent unauthorized access or data breaches.

We do regular updates to encryption standards to keep up with evolving threats.

Endpoint Security:

Deployed antivirus, anti-malware, and endpoint detection and response (EDR) solutions on all company devices.

Regular patch management to ensure all systems and software are up to date with the latest security patches.

Monitoring and Auditing:

We do continuous monitoring of network activity and system logs to detect unusual activities.

Regular internal audits to identify and mitigate potential security weaknesses will be done.

External Security Measures:

Firewall and Network Security:

Implementation of advanced firewalls and intrusion detection/prevention systems (IDS/IPS) to monitor and block malicious traffic has been done.

We did segmentation of the network to contain and limit the spread of potential breaches.

Secure Communication:

We use of secure communication channels, such as VPNs, for remote access to the company's network.

Ensured all external communications are encrypted to protect data integrity and confidentiality.

Third-Party Risk Management:

Conducting thorough security assessments of third-party vendors and partners regularly.

We established security requirements and regular audits for third-party services to ensure compliance with AL's cybersecurity standards.

Incident Response Plan:

Development and regular updates of a comprehensive incident response plan to quickly and effectively address security breaches was done.

Establishment of an incident response team (IRT) trained to handle various types of security incidents.

Regular Penetration Testing:

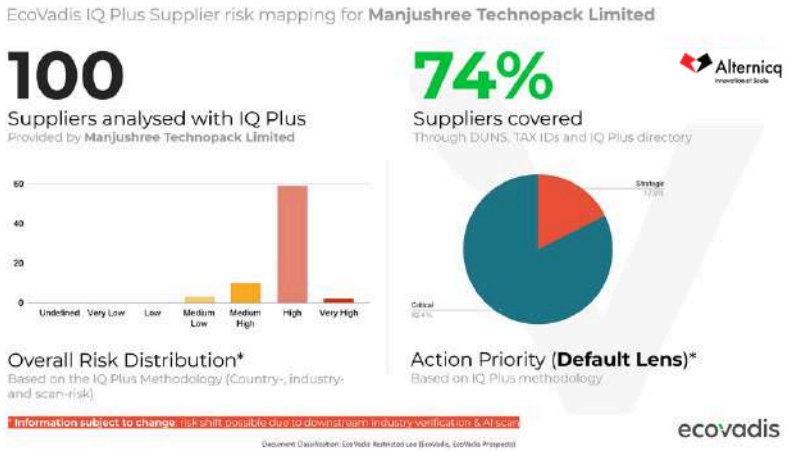
Conducting regular penetration testing to identify and remediate vulnerabilities in the company's systems and network.

We collaborated with external security experts to provide an objective assessment of AL's cybersecurity posture.

By implementing these comprehensive cybersecurity measures, AL ensures robust protection against both internal and external threats, safeguarding the company's digital assets and maintaining the trust of its stakeholders.

SUPPLY CHAIN MANAGEMENT

AL initially conducted a supplier risk analysis with EcoVadis covering 100 suppliers, representing 74% of the supplier base at that time. The assessment classified 82.4% of these suppliers under the "Critical" action-priority category and 17.6% as "Strategic." The FY26 significant-supplier population and subsequent ESG assessment coverage are reported separately below.



Environment

We examined supplier's environmental policies and management systems, including their compliance with pollution control regulations. We focused on their efforts in water conservation, waste management, recycling initiatives, and carbon footprint/emissions.

Social

We evaluated how suppliers handle employee training and well-being, adherence to human rights standards, and their processes for reporting and investigating workplace accidents.

Governance

Our review covered corporate governance frameworks, community engagement, data protection measures, and anti-corruption protocols.

Building on these results, we initiated ESG assessments for our **top 50 suppliers by FY26**

As part of our responsible supply-chain strategy, AL has identified 238 unique significant suppliers, representing approximately 82.4% of our total procurement spend, based on procurement spend and strategic relevance. Within this population, 50 unique significant suppliers are covered through detailed EcoVadis ESG assessment, of which 24 completed the assessment during FY26. The remaining 188 unique significant suppliers are covered through EcoVadis Vitals, a proportionate assessment approach, with 4 suppliers assessed during FY26. In addition, 12 suppliers participated in our Supplier Capability Development Programme during FY26 to strengthen ESG awareness and performance.

SUPPLIER SCREENING	FY 2026
Total number of Tier-1 suppliers	440
Total number of significant suppliers in Tier-1	238
% of total spend on significant suppliers in Tier-1	82
Total number of significant suppliers in non Tier-1	0
Total number of significant suppliers (Tier-1 and non Tier-1)	238

KPIs for Supplier Assessment and Development

SUPPLIER ASSESSMENT	FY 2026
Total number of suppliers assessed via desk assessments/on-site assessments	24
% of unique significant suppliers assessed	48
Number of suppliers assessed with substantial actual/potential negative impacts	10
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	100
Number of suppliers with substantial actual/potential negative impacts that were terminated	0

Coverage and progress of suppliers with corrective action plans

CORRECTIVE ACTION PLAN SUPPORT	FY 2026
Total number of suppliers supported in corrective action plan implementation	10
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100

Coverage and progress of suppliers in capacity building programs

CAPACITY BUILDING PROGRAMS	FY 2026
Total number of suppliers in capacity building programs	12
% of unique significant suppliers in capacity building programs	50



EMPOWERING OUR EMPLOYEES

At AL, we unequivocally assert that our employees* constitute our most invaluable asset. We are devoted to cultivating a corporate culture that places immense value on their well-being and satisfaction while empowering each one of them. We highly emphasize on the principles of Diversity and Inclusion and embed them in our organizational ethos, fostering an inclusive environment characterized by respect and a sense of belonging.
Additionally, we accord paramount importance to the safety and well-being of our employees, considering it a fundamental pillar of our operational philosophy. Our HR management process serves as a catalyst for both individual and collective success within our organization. Our HRM process is designed with a strong focus on employee satisfaction. From strategic talent acquisition, comprehensive onboarding, and targeted training to performance reviews, we strive to ensure a positive work experience. The emphasis on career planning and positive relations contributes to an enriching workplace atmosphere.

"Focus Areas of Our Human Resource Management Strategy"



**Employee refers to employment under AL, including both employees and workers. This applies to all the employee related data given in this report*

Employee Diversity by Age

AGE GROUP	FY2026			FY2025		
	UNDER 30 YEARS	30-50 YEARS	OVER 50 YEARS	UNDER 30 YEARS	30-50 YEARS	OVER 50 YEARS
Percentage	28.04%	64.69%	7.27%	26.03%	66.97%	7%
Number	675	1,557	175	539	1,389	146

Employee Diversity by Gender

GENDER	FY2026		FY2025	
	MALE	FEMALE	MALE	FEMALE
Percentage	89.16%	10.84%	88.53%	11.47%
Number	2,146	261	1,836	238

Employee Diversity by Region

Category (INDIA)	Share in total workforce (as a % of total workforce)	Share in all management positions, including junior, middle and senior management (as a percentage of total management workforce)
North	38.20%	26.42%
South	34.20%	31.24%
East	10.20%	10.00%
West	17.40%	15.50%

The higher share in total workforce from the North (38.20%), followed by the South (34.20%), East (10.20%), and West (17.40%) reflects the regional distribution of our manufacturing plants. Regions with a greater number of operational facilities—particularly the North—naturally see a higher workforce percentage due to increased manpower needs in production and plant operations.

Diversity Indicator	Percentage
Share of women in total workforce	10.8%
Share of women in all management positions	3.9%
Share of women in junior management positions	5.4%
Share of women in top management positions	2.0%
Share of women in management positions in revenue-generating functions	8.4%
Share of women in STEM-related positions	4.3%

Alternicq Limited is committed to strengthening gender diversity and building a more inclusive workforce. The Company aims to increase the representation of women in its total workforce to 20% by 2028, supported by equal employment opportunities, inclusive recruitment practices and a workplace culture that promotes diversity, equity and inclusion.

Gender Pay Indicators

Particulars	Average Monthly Salary - Women (in INR)	Average Monthly Salary - Men (in INR)
Executive level (base salary only)	-	8,46,435
Executive level (base salary + other cash incentives)	-	10,36,038
Management level (base salary only)	1,04,661	1,09,960
Management level (base salary + other cash incentives)	1,10,940	1,20,353
Non-management level	24,150	27,339

AL is committed to fair and equitable compensation practices. The average monthly salaries presented above are grouped by employee category and compensation components and do not represent like-for-like comparisons of employees performing identical roles. Compensation is determined based on role, skills, experience, education and performance, with the objective of maintaining equitable and non-discriminatory pay practices.

Executive Compensation and Management Share Ownership

CEO-to-Employee Pay Ratio	Ratio
The ratio between the total annual compensation of the CEO and the mean or median employee compensation: CEO compensation divided by the mean or median employee compensation	**46.63**
Management Ownership	**Ownership Multiple**
Ownership multiples of Chief Executive Officer	**20.17**
Average ownership multiple of other Executive Committee members owning company shares	**5.60**
Management Ownership Requirements	**Required Multiple**
Minimum share ownership requirement for the CEO	**4.00x annual base salary**
Minimum share ownership requirement for other Executive Committee members	**4.00x annual base salary**

AL has established predefined corporate performance indicators that are critical to determining the Chief Executive Officer's variable compensation, based on predefined corporate performance indicators, including EBITDA, free cash flow, and sales performance.

These indicators are carefully selected to align the CEO's compensation with the company's financial health and growth objectives, ensuring that leadership efforts are directly tied to AL's financial performance and long-term success.

The company does not currently operate a formal multi-year performance-based vesting structure, deferred bonus arrangement, or performance-linked share plan for the CEO beyond statutory requirements and existing ESOP grants

Percentage of Employees per Employee Category on the Basis of Gender

	FY2026		FY2025	
Position of Employment	MALE	FEMALE	MALE	FEMALE
Board Level	85.71%	14.29%	100%	0%
Executive Level	100%	0%	100%	0%
Senior Management	98.57%	1.43%	98.08%	1.92%
Middle Management	95.53%	4.47%	96.48%	3.52%
Junior Management	94.75%	5.25%	96.02%	3.98%
Others	73.28%	26.72%	73.69%	26.31%

Note:
FY2026 data presented in this table is based on the Board composition as at 31 March 2026 and excludes subsequent changes to the Board after the reporting period.

Percentage of Employees per Employee Category on the Basis of Age

	FY2026			FY2025		
Position of Employment	UNDER 30 YEARS	30-50 YEARS	OVER 50 YEARS	UNDER 30 YEARS	30-50 YEARS	OVER 50 YEARS
Board level	0%	50%	50%	0%	50%	50%
Executive Level	0%	25%	75%	0%	41.67%	58.33%
Senior Level	0%	72.86%	27.14%	0%	67.93%	32.07%
Middle Level	7.29%	86.35%	6.35%	3.82%	89.13%	7.05%
Junior level	40.33%	56.25%	3.42%	30.93%	65.09%	3.98%
Others	20.92%	65.95%	13.13%	22.48%	69.18%	8.34%

2,407
Total employees

10.84%
Percentage of female in workforce

100%
Eligible employees received performance and career development reviews

Creating a Secure and Inclusive Workplace

At AL, our central focus is on establishing a secure and inclusive workplace characterized by principles of fairness, respect, and a commitment to the prevention of harassment.

Our policies aimed at establishing a secure and safe working environment:

- Human Rights Policy
- Ethics Policy
- Grievance Policy
- Child Labour policy
- Equal Opportunity / Anti-Discrimination Policy
- Prevention of Sexual Harassment at Workplace Policy – POSH
- Environment, Health and Safety Policy
- Whistle Blower Policy
- Diversity, Equity and Inclusion Policy

Alternicq Limited (AL) proudly upholds and champions human rights by treating employees with equality, dignity, and respect, fostering a workplace where every individual has a voice. Human rights commitments form the core of corporate values, shaping a workplace that respects, supports, and protects the rights of every individual involved in operations.
AL has a Human Rights Policy in place, reviewed and approved by the Chief Human Resources Officer, designed to safeguard employees from potential situations compromising their rights. Oversight of the policy is entrusted to Human Resources personnel at each location and the Chief Human Resources Officer, who ensures regular review and updates in accordance with changing regulations.

You can access our human rights policy through the following link
https://www.Alternicqindia.com/investor-relation/

We vehemently oppose any instances of discrimination based on caste, race, sex, color, creed/religion, disability, age, height, weight, veteran status, or marital status. We have instituted an internal committee specifically dedicated to handling cases of violations with sensitivity and utmost confidentiality.

Furthermore, we are dedicated to upholding fair employment practices, which encompass equitable compensation, reasonable work hours, and comprehensive benefits for all employees. This commitment extends to respecting the principles of freedom of association and collective bargaining, ensuring that our employees can exercise their rights without any form of undue influence.

All policies aimed at establishing a secure and safe working environment are systematically supported through mandatory training programs for all employees. These trainings are delivered by qualified internal and external subject matter experts and include practical, role-based learning to ensure effective understanding and implementation of the policies. The programs are integrated into employee onboarding and reinforced through periodic refresher sessions to ensure continued awareness, compliance, and alignment with regulatory, ethical, and organizational requirements

Approach to Social Due Diligence

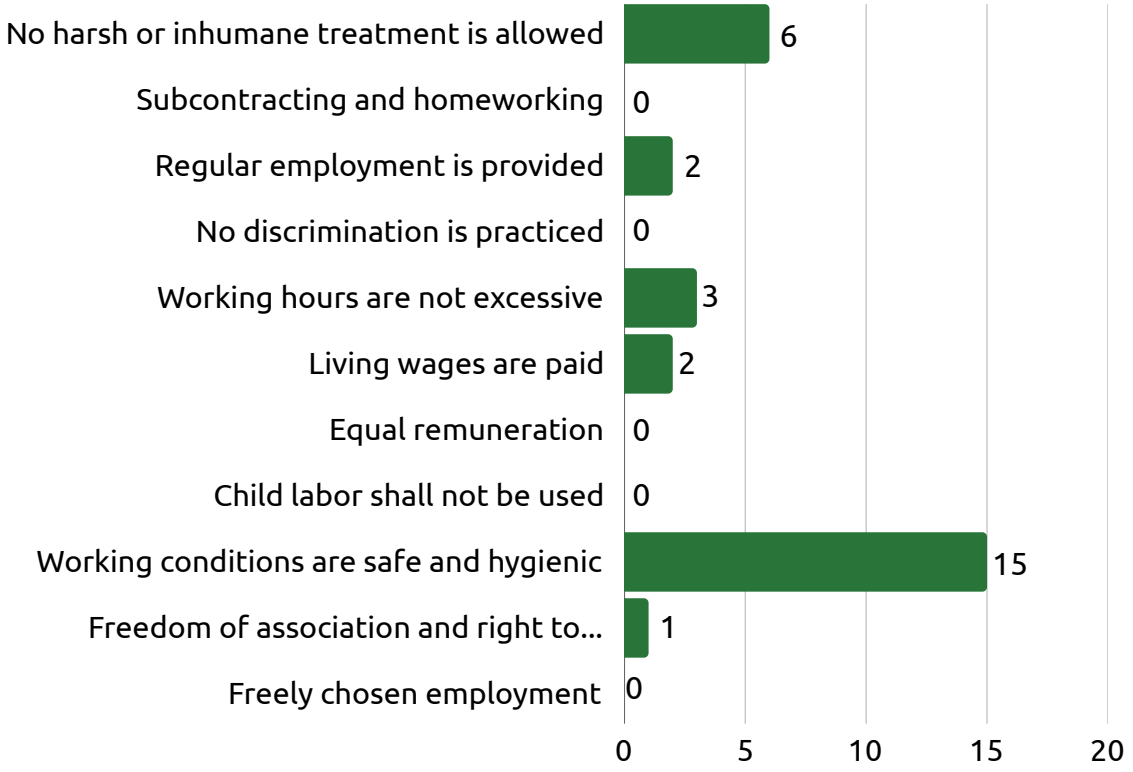
At AL, we have conducted a social due diligence process with a primary objective to align our practices pertaining to social dimensions with national and international standards. Our social due diligence extends beyond the boundaries of regulatory compliance, encompassing the entire supply chain, workforce, and community engagement initiatives. This year, our assessment covers all our employees, migrant employees and the third-party employees.

The social due diligence process consisted of six-steps and serves as a robust framework to ensure the effective implementation, adherence, and continuous monitoring of all established social standards.





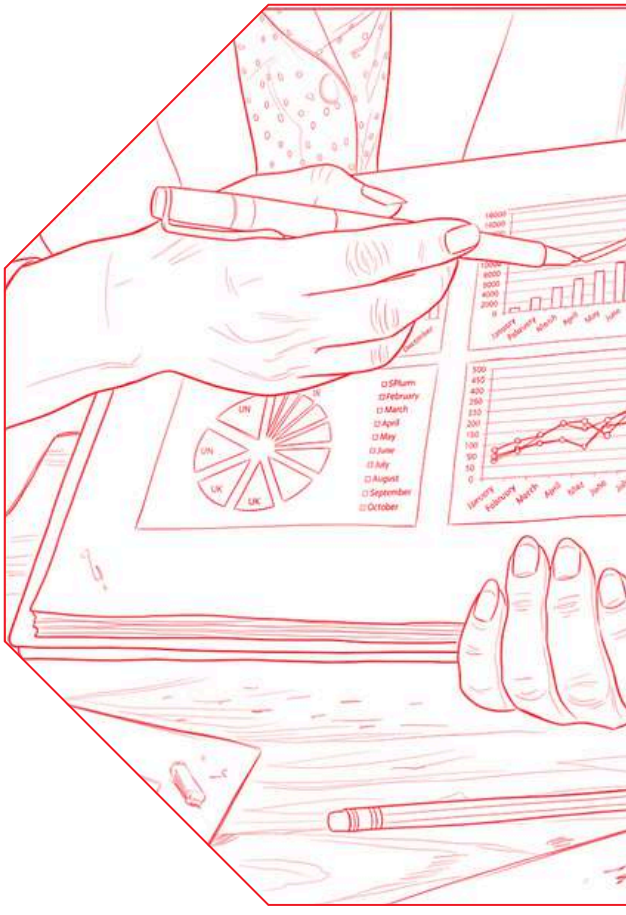
Based on the assessment and occurrence of events across our plant locations, we have found and prioritized significant social topics, as shown in the chart below:



Results of Human Rights Risk Assessment

The social dimensions were analyzed and prioritized based on the risk scores for plants sharing similar HR policies and the degree of non-compliance within each category. The risk level is calculated considering various factors such as geographical locations, supplier practices, and local regulations. In instances where non-compliance is identified, our risk mitigation strategy involves implementing corrective actions tailored to the specific risk level and context.

We will be conducting these social due diligence assessments to identify and mitigate potential human rights risks on an annual basis.



S. No.	Social Dimension	Risk Description	Risk
1	Child Labor	Employment of underage individuals	Low
2	Forced Labor and Human Trafficking	Presence of forced labor or human trafficking	Low
3	Work Place Health and Safety	Inadequate safety measures in the workplace	Critical
4	Work Hours, Wages, and Benefits	Violations of labor laws related to hours, wages, etc	Medium
5	Freedom of Association and Collective Bargaining	Restrictions on forming unions and bargaining	Low
6	Fulfillment of concerned authority directions	Non-compliance with regulatory directives	Medium
7	Harassment and Discrimination	Instances of workplace harassment and discrimination	High
8	Regular Employment	Non-compliance with regular employment standards	Medium
9	Local Communities	Negative impact of AL's business on local communities	Medium

We remain devoted to upholding Human Rights policy commitments and taking a proactive approach in updating policies as needed, emphasizing better standards in areas such as forced labour, child labour, EHS, minimum wage, working hours, discrimination, and harassment. All the policies are clearly communicated to our employees, contractors, and relevant stakeholders utilizing various channels of communication.

Update on Our SEDEX Audits and Compliance

Over the past four years, we have continued to strengthen our commitment to ethical practices and human rights across our operations. In FY26, **SEDEX audits were conducted at seven of our strategic plants, covering more than 84% of our production capacity.** These audits support our ongoing efforts to uphold responsible labour practices, assess compliance with applicable requirements and drive continuous improvement across our operations.

Ensuring Continuous Improvement

AL's corporate HR team conducts annual reviews of external audits—including Sedex and customer audits—along with internal audits based on the International Labour Organization (ILO) code and local human rights laws. For smaller plants where external audits are not conducted, AL ensures thorough internal audits. The team then updates procedures to reflect changes in laws, regulations, or best practices, fostering continuous improvement and strengthening human rights policy effectiveness while preventing and addressing forced labor.

Over the past three years, AL has rigorously conducted social assessments across 100% of operations, both externally and internally. SEDEX audits covered 7 strategic plants, representing 84% of production capacity. Remaining plants underwent internal audits adhering to the same ILO code and local human rights law standards.

Mitigation plans and corrective action processes are implemented across all operational sites. As of FY26, 100% of AL's manufacturing plants are covered under human rights risk mitigation and remediation plans, including periodic audits, corrective action tracking, and follow-up reviews

Measures Taken for Enhancing Human Rights

Contractor agreements are revised to comply with our human rights policies, and annual contractor audits ensure compliance.

Training programs raise awareness about human rights policies among employees and management.

AL HO conducts annual internal and external audits to assess compliance with human rights policies in all its plant.

All AL plant HR teams maintain confidential reporting channels for employees to raise concerns related to human rights policies. Issues are escalated to the AL Head Office HR team for necessary actions.

AL plant HR teams of all plants diligently maintain records of audits, training sessions, and corrective actions to ensure compliance with human rights policies.



Zero

Reported incidents of child labor and discrimination



Zero

Reported incidents in Human Rights

Labor Practices Program

The Company ensures that all employees are paid in accordance with applicable government minimum wage regulations and statutory requirements. Wage compliance is monitored through internal social audits and verified through periodic third-party customer and compliance audits to ensure continued adherence and fairness.

Working hours and attendance are managed and monitored through the Darwin HR application, which integrates time, attendance, leave, and shift data. Employees work within defined shift schedules of 8 hours, and overtime is not practiced as part of regular operations, ensuring compliance with legal working hour requirements.

The Company engages employees and their representatives through formal committees such as the Works Committee, POSH Committee, Canteen Committee, and EHS Committee, which serve as structured platforms for dialogue on working conditions, safety, wellbeing, and workplace concerns

The Company follows an equal remuneration policy ensuring fair and non-discriminatory pay practices based on role, skill, and responsibility, without differentiation on gender or other personal attributes. Compliance is monitored through internal social audits and third-party customer audits to ensure continued equity.

In addition to statutory social security benefits, the Company provides enhanced social protection through employee support and wellbeing initiatives such as an Employee Assistance Program (confidential counselling), wellness programs, flexible work arrangements, health check-ups, and extended benefits including marriage and bereavement support. These measures strengthen employee wellbeing and resilience beyond public social protection programs.

Together, these programs demonstrate the Company's commitment to fair labor practices, employee wellbeing, compliance with legal requirements, and continuous improvement of working conditions across all operations

Nurturing Talent through Training and Development Initiatives

Our Conscientiousness to employee enrichment is rooted in the belief that continual learning not only enhances individual capabilities but also fortifies the collective strength of our Company. The dynamic nature of today's business landscape demands agility and adaptability, and hence it becomes imperative to equip our workforce with the latest industry insights and technological advancements.

Our Training and Development initiatives are meticulously designed to empower employees at every stage of their careers.

We provide a diverse array of learning opportunities from onboarding programs that ensure a seamless integration into our corporate culture to advanced skill-building trainings that cater to specialized roles.

Behavioral Training	Technical Training
Leadership Skills	Powerpoint
Data based Decision-making	Six Sigma
Critical Thinking	Machine Maintenance
Influencing Skills	Container sales Technical Training

Employee Training Details

LEADERSHIP DEVELOPMENT PROGRAM

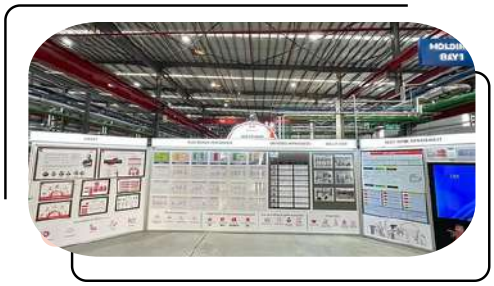
For BOD & CXOs

The BOD & CXO Leadership Offsite focused on building trust, strengthening collaboration, and aligning the leadership team on key business priorities, values, and behaviours. A strong step towards leading together and building Alternicq.



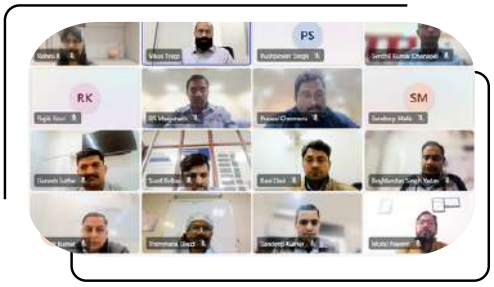
For Plant Leadership Team

Train-the-Trainer (ToT) Safety Induction Training was conducted for 227 Plant-Level Trainers (PLTs) across our plants, equipping designated personnel to deliver safety induction training to new employees and conduct periodic/annual refresher training.



Supervisory Development Program- Supervisors (DETs)

Functional development, Supervisory development, College to corporate- development and to develop their functional & managerial capability



OTHER TRAININGS

Technical/ Functional skill development .

- Design Thinking
- Six Sigma
- DFMEA & PFMEA
- COBC & PowerPoint
- NPI Training





Employees receive continuous guidance and development support through a combination of internal leaders and external subject matter experts, enabling hands-on learning, knowledge transfer, and practical capability building across technical, functional, and leadership areas.

4.6

Average training hours per employee

1,566.55 INR

Average amount spent per employee on training and development

Developing a Well-being Culture: Prioritizing Employee Health and Benefits

Employee well-being is a crucial factor in cultivating a robust and productive workforce. Centered on nurturing holistic health, it addresses physical, mental, and social dimensions

AL employees receive a minimum medical insurance coverage of 2 Lakhs, while contract employees are covered under the Employee State Insurance (ESI) scheme.

We continually devise wellness strategies to prioritize our employees' overall health and happiness. A series of initiatives were taken during the year to promote employee well-being, including a mental health awareness workshop and yoga classes for physical and mental fitness.

Our workspaces are designed with a focus on ergonomics, featuring comfortable seating, proper lighting, and supportive equipment to enhance physical well-being.

In addition, we also offer our employees a range of benefits to enhance their overall well-being and satisfaction.

"We will be conducting a detailed employee wellbeing survey for our employees from FY 2028.
The purpose of conducting this survey is to gain comprehensive insights into the well-being of our employees, which will enable us to better understand their needs, concerns, and overall satisfaction within the workplace."

A Comprehensive Overview of Employee Benefits

We provide numerous employee benefits aimed at fostering well-being and security within our workforce. **The employee benefits are listed below:**



Medical Insurance



Parental Leave



Disability and Invalidity Coverage



Health Care Facilities



Stock Ownership Plans

Striving for Zero Incidents: Occupational Safety Mastery

AL prioritizes the health and safety of employees as an employer, implementing robust occupational health and safety measures. AL strives to address and mitigate potential workplace health risks, creating a conducive atmosphere that safeguards employees while enhancing job satisfaction and performance. AL has established safety and health department policies and procedures, along with the Environmental, Health, and Safety (EHS) policy.

AL utilizes a Safety Management System Self-Assessment & Development Tool to proactively assess, develop, and optimize safety protocols. This tool ensures a robust framework aligned with industry benchmarks, fostering a secure and compliant work environment. Management allocates necessary technical and financial resources to facility managers (SBU Heads/Plant Heads).

AL's Hazard Recognition, Assessment, and Control (Haz-RAC) procedure forms a critical facet of safety protocols, with key responsibilities assigned to specific individuals. This involves collaboration and accountability among the Corporate EHS Manager, SBU Head/Plant Head, and Facility Safety Coordinators/Officers. Each AL facility has a Safety Coordinator designated by the SBU Head/Plant Head, along with a backup Coordinator.

Ultimate responsibility for proper implementation and maintenance of safety compliance programs lies with the SBU Head/Plant Head.



Together, these designated professionals play a pivotal role in ensuring the effective identification, assessment, and control of hazards within our operations, reflecting our commitment to maintaining a safe and secure working environment.

Moreover, our commitment to safety and well-being is reinforced by the presence of an EHS committee and a specialized Safety and Health Department, both instrumental in ensuring adherence to standards and fostering a secure workplace environment.

Responsibilities of the EHS Committee:

- **Constitution of a Safety Committee consisting of representatives of employers and workers in various locations, as described in the EHS policy.**
- **Maintain accurate records for EHS committee meetings, including Minutes of Meetings (MOM) and progress on corrective actions. This transparent record-keeping fosters accountability and supports continuous improvement in environmental, health, and safety initiatives.**
- **Designate the SBU or Regional head as the chairperson for the EHS committee, as outlined in the EHS Policy.**
- **Conduct monthly EHS committee meetings to discuss environmental, health, and safety issues, incident reports, and compliance updates.**

Particulars	FY 2026	FY 2025	FY 2024	FY 2023
Number of fatalities because of work-related injury	1	0	0	0
Number of Recordable Lost time injuries *	2	12	6	5
Lost time injury frequency rate (LTIFR)* (excluding fatalities)	0.15	0.65	0.38	0.29
Employee working hours	1,41,65,608	11,83,661	1,56,75,382	1,70,02,634
Number of fatalities because of work-related ill health	0	0	0	0

*# including Contract employees *The calculation has been done in accordance with the Factories Act, 1948.*

**Safety metrics include employees and contract employees. LTIFR is calculated using recordable lost-time injuries, excluding fatalities, per 1,000,000 corresponding working hours. The reporting population and working hours are reconciled with the underlying employee and contractor records.*



During FY26, Alternicq Limited continued to strengthen workplace health and safety through preventive controls, behavioural safety initiatives and enhanced risk management. Recordable lost-time injuries decreased from 12 in FY25 to 2 in FY26, while LTIFR improved from 0.85 to 0.14, excluding fatalities. These results reflect continued efforts to strengthen hazard identification, risk assessment and safe work practices.

However, one work-related fatality was recorded during FY26, highlighting the importance of strengthening critical-risk controls and fatality prevention across all operations.

The incident has further emphasized the need to move beyond injury reduction and strengthen our focus on **critical-risk prevention and fatality prevention** across all operations.

As part of this effort, AL is strengthening its **APS Safe Workplace framework**, with focused attention on the four core pillars of Safe Work Conditions, **Safe Work Practices, HIRA-based Risk Assessment and Behaviour-Based Safety**. The Company has also reinforced behavioural safety through **EBS training and the "One Moment" safety initiative**, encouraging employees to pause, assess risks and make safe decisions before undertaking work.

In parallel, AL is developing and implementing **critical safety standards**, including the **Machine Safety Standard**, to establish consistent requirements for high-risk activities and equipment across plants. These standards are supported by stronger risk assessments, workplace inspections, training and regular safety reviews to identify gaps and drive timely corrective actions.

Going forward, AL will continue to strengthen its safety governance by focusing on **critical-risk controls, machine safety, behavioural interventions, competency development and effective implementation of safety standards across all plants**. The Company remains committed to learning from incidents, preventing recurrence and building a proactive safety culture with the overarching objective of zero fatalities and continuous reduction in workplace injuries.

Goals and Plans

- AL is committed to achieving zero fatalities across its operations and continuously strengthening its safety culture, critical-risk controls and preventive measures.
- We pledge to provide 6 man-hours of training per person, including both company employees and contractors, on Behaviour-Based Safety and other EHS (Environmental, Health, and Safety) topics in FY27.

OHS Management System: A Sneak Peek

OHS risk and hazard assessments to identify what could cause harm in the workplace.

At our company, workplace safety is treated as a core priority, and we follow a structured and systematic approach to identify and manage risks. Hazard Identification and Risk Assessment (HIRA) is a defined standard within our MPS digital portal, and each plant is required to regularly identify hazards, unsafe conditions, and unsafe behaviours and upload their HIRA assessments into the portal for Head Office review and approval. These assessments are conducted with the involvement of the EHS officer, employee supervisors, and department heads to ensure that risks are comprehensively identified and appropriately addressed. The HIRA is formally reviewed and updated at least once every six months, or earlier in case of process changes, incidents, or new equipment. Based on the outcomes, suitable control measures are defined and implemented to eliminate or reduce risks, and their effectiveness is monitored. Through this structured, role-based, and regularly reviewed process, we aim to proactively prevent incidents and continuously strengthen our workplace safety performance.

Prioritization and integration of action plans with quantified targets to address those risks.

Findings from HIRA, monthly audits, unsafe act and unsafe condition (UA/UC) observations, and check sheets are captured in a centralized CAPA tracking system. Actions are prioritized based on risk levels, assigned with defined owners and timelines, and reviewed monthly to ensure timely closure and continuous risk reduction.

Integration of actions to prepare for and respond to emergency situations.

We take emergency preparedness seriously, and it shows in our thorough approach. We have clear policies and procedures in place for different scenarios like earthquakes, hazardous materials spills, and bomb threats. Our training covers everything from basic safety to detailed drills, so everyone knows what to do in a crisis. These programs are tailored to fit the specific needs of each of our plants, with procedures adjusted to address plant and area-specific risks. We also stay ahead by regularly assessing risks, keeping essential supplies on hand, and ensuring smooth communication and coordination with outside agencies. This all comes together to help us handle emergencies effectively, keep everyone safe, and quickly recover when things go wrong.

Evaluation of progress in reducing/preventing health issues/risks against targets.

In the Management Review Meeting (MRM), we systematically assess progress in reducing and preventing health issues and risks by evaluating plant performance across several key metrics. This includes a thorough review of incidents, audit results, and inspections to identify patterns and areas for improvement. Unsafe acts and conditions are scrutinized to develop targeted interventions. Additionally, we evaluate the effectiveness of training programs and mock drills, ensuring they meet compliance standards and address potential gaps. Legal compliance is also assessed to guarantee that all regulatory requirements are being met. By leveraging these evaluations, we implement strategic measures to enhance plant safety performance, with a focus on reducing incident rates and continuously improving overall health and safety standards.

Internal inspections.

Internal inspections are conducted across all plants through a monthly “MPS Safe Workplace Audit,” which evaluates both safe working conditions and safe work practices to benchmark and continuously improve workplace safety standards. In addition, formal internal audits aligned with ISO 45001 requirements are conducted annually to assess the effectiveness of the OHS management system and ensure ongoing compliance.

Procedures to investigate work-related injuries, ill health, diseases and incidents.

Our organization has established comprehensive procedures for managing work-related injuries, ill health, diseases, and incidents to ensure a safe and healthy workplace. We have proactive measures in place for prevention, including risk assessments and safety training programs. When incidents do occur, we follow a detailed investigative procedure to identify root causes and implement corrective actions to prevent recurrence. All incidents are documented in a centralized register and maintained with thorough records. Additionally, we conduct annual summaries of these records to analyse trends, evaluate the effectiveness of our health and safety practices, and ensure continuous improvement in our workplace safety protocols.

OHS criteria introduced in procurement and contractual requirements.

OHS requirements are contractually integrated into procurement and supplier agreements through the Purchase Order General Terms & Conditions. Suppliers and service providers are required to comply with statutory health and safety provisions, conduct risk assessments prior to commencing work, provide safety training and PPE to personnel, report and investigate incidents, comply with AL’s EHS plans and standards, and are subject to audits, penalties, suspension of work, or termination in case of non-compliance.

Strategies for Building a Vibrant and Engaging Work Culture

We uphold a collaborative ethos, firmly believing in the impactful influence of employee engagement initiatives. Numerous employee-driven activities were conducted throughout the year, encompassing a cricket tournament in sports and celebratory events for cultural occasions such as Makar Sankranti, Holi, Dussehra, Diwali, and Christmas. Additionally, monthly birthday celebrations and an annual family get-together were organized.

We also recognize our employee's performance in key projects through various forms of Recognition and Rewards (R&R).

This includes spot recognition, team lunches or dinners, appreciation letters, thank-you cards, annual awards, and quality awards.

Moreover, we leverage several platforms collectively contributing to cultivating a workplace culture that values communication and collaboration. We maintain constant interaction to our employee via email, Microsoft Teams, Darwinbox Vibe, Intranet, and an internal newsletter.

Our employees also get opportunities to open dialogue through various managerial interactions. From Weekly MEX Meetings to Monthly and Quarterly Townhalls, along with personalized 1:1 session with Key Talents and Focus Group Meetings with DETs, these engagements have transpired consistently throughout the year.

New Measures Taken During The Year

- Improved employee data organization with the implementation of the Darwinbox platform and People Works Payroll.
- The organizational structure has been formulated and enhanced to reinforce accountabilities across all corporate and plant functions.
- To foster employee development, the identification of highpotential individuals and key talents has been carried out, and the Leadership Development Program (LDP) has been launched. Additionally, plans are underway to implement a Management Development Program (MDP) for the management staff.
- A master dashboard has been established to meticulously monitor monthly headcount, encompassing details related to employee arrivals and departures.
- Management System (PMS) process has been strategically designed and digitized for enhanced efficiency and effectiveness.
- Standardization of policies has been undertaken, unifying diverse practices in leave and attendance, travel, hiring, retirement, and salary structure.
- Implemented a unified and centralized payment system for all Company employees, utilizing PeopleWorks for regular staff and Blue Tree for contract labor.

We are set to use the 'Lawrbit' application for labor laws and other regulatory compliances, a legal tech platform to facilitate compliance management and document automation for enhanced efficiency and regulatory adherence.

Transparent Solutions: A Step-by-Step Employee Grievance Approach

We are deeply committed to fostering a workplace where employees feel heard and valued. We understand the importance of addressing employee grievances promptly and effectively. We prioritize transparency, fairness, and timely actions to ensure that employees' voices are heard and issues are addressed comprehensively. We have implemented a formal grievance policy to ensure the prompt and effective resolution of concerns raised by our employees.

Step 1

Employees are encouraged to share their grievances with their immediate superiors, who will make every effort to address and resolve the concerns. If satisfaction is not achieved, they can move on to step 2.

Step 2

The employee should discuss the grievance with their department manager in consultation with the human resource officer. If resolution remains elusive, proceed to step 3.

Step 3

The matter is escalated to the head of the plant and HR, accompanied by written details. A hearing will be convened by the heads within 10 working days to address and attempt to resolve the grievance.

Employee Turnover Rate

Particulars	FY 2026	FY 2025	FY 2024	FY 2023
Total employee turnover rate	21.61%	20.76%	23.43%	18.81%
Voluntary employee turnover rate	13.70%	10.34%	23.43%	18.81%

The above given data coverage is 100%
Strategic Works are initiated by our management team to reduce the employee turnover rate.

Details of New Hires

Particulars	FY 2026	FY 2025	FY 2024	FY 2023
Total number of new employee hires	355	284	322	50
Average hiring cost per FTE in INR	33,570	19,495.00	17,364.37	15,750.00

Human Capital Return on Investment

Particulars	FY 2026	FY 2025	FY 2024	FY 2023
Total Revenue in INR (A)	27,16,74,90,000	25,69,82,60,000	21,17,00,27,000	20,96,33,87,000
Total Operating Expenses in INR (B)	25,78,79,90,000	23,71,95,54,681	18,98,55,24,017	19,356,543,000
Total Employee-related Expenses in INR (Salaries+ Benefits) (C)	1,89,52,20,000	2,89,97,22,367	1,38,50,25,598	1,36,54,85,000
ROI (A -(B-C))/C	1.73	1.68	2.58	2.18
Total Number of Employees Covered	2407	2074	1775	1,802

AL fully respects employees' right to freedom of association, including the right to form or join trade unions in accordance with applicable laws. While employees have not chosen to form or join a union, the Company has established Works Committees at all plants in line with statutory requirements. These committees provide an effective and legally recognized platform for employee representation, dialogue, and participation in workplace matters, and are treated as an equivalent mechanism for exercising freedom of association and collective engagement.

Performance Management

Here's a sneak peek at our Performance Management System (PMS):
A systematic procedure for measuring the performance of the Organisation/Team/Individual against the set KRAs.

- **Reflect on Goal Accomplishments**
- **Feedback from manager**
- **Ensure alignment of the organizational objectives with individuals' personal goals**
- **Fair recognition & appraisals**

Performance Goals 80%

How the individual has performed against stated Goals
eg: Safety, Quality, sales, Cost, Attrition etc.

Value and Behaviour 20%

How the individual has performed demonstrated the ALs Values and Behaviours
eg: Developed Organizational Capability

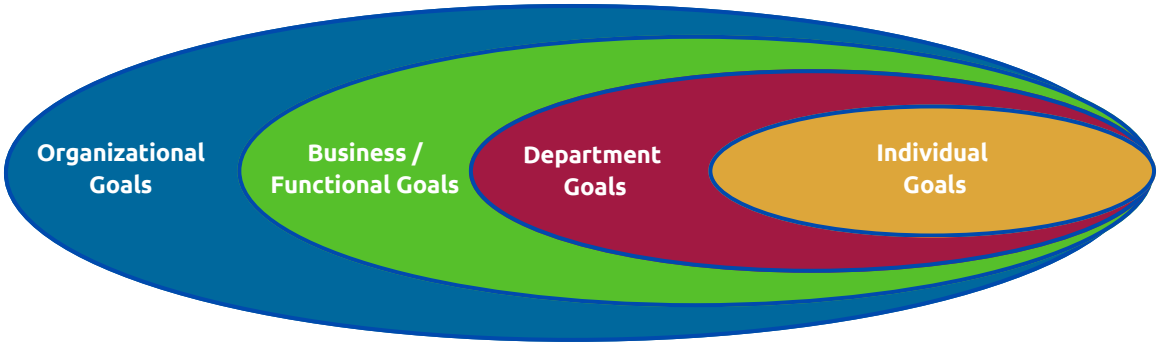
3 Phases of PMS

Our PMS is designed to align individual goals with organizational objectives, ensuring everyone is working toward common goals. It involves a three-phase process: setting clear and actionable goals, conducting a mid-year review to assess progress, and a year-end evaluation to measure overall performance. Throughout the year, ongoing feedback and discussions help employees stay on track and continuously improve. This system not only supports personal and professional growth but also reinforces our commitment to excellence at every level of the organization.

Goal setting	Mid Year Review	Year-End evaluation
Develop individual performance Goals derived from departmental Goals	• Progress Discussions. • Barriers identified. • Plan of action for Second half of the year.	• Year End Review Meetings. • Final Assessment of performance & Behaviours.
1st April - 30th April	**1st Oct - 31st Oct**	**15th March - 10th May**

Ongoing Feedback and Discussion During the Assessment period

Everyone is responsible for supporting the organizational goals



AL offers Long-Term Incentives for employees, providing retention bonuses for those below the senior management level, who make up 97% of our workforce. These bonuses are typically paid out on average after 2 years, reinforcing our commitment to retaining talent and rewarding long-term contributions.

BUILDING A BETTER WORLD THROUGH SOCIAL IMPACT

"CSR is not an expense, but an investment in building a world where sustainability and equity flourish. In the ledger of corporate responsibility, it is an addition to the collective wealth of society. With each initiative, we sow the seeds of progress, nurturing a legacy of positive change for generations to come.

At AL, we believe in the profound impact that corporate social responsibility (CSR) initiatives can have on communities. We implement a diverse range of programs aimed at fostering positive change in the lives of people lacking access to funds and opportunities for personal growth, thereby improving their quality of life. From educational endeavors designed to empower the youth to environmental stewardship projects aimed at preserving our planet, we are dedicated to making a meaningful difference. We partner with various CSR implementing agencies to execute initiatives that enrich the lives of those in need.

Composition of the CSR Committee



Mr. Sameer Ambarish Kaji
Chairperson
CSR Committee



Mr. Thimmaiah N. P.
Member
CSR Committee



Mr. Nikhil Srivastava
Member
CSR Committee

Responsibility of the CSR Committee

- Formulate and propose a Corporate Social Responsibility Policy (CSR Policy) to the Board.
- Recommend specific CSR activities to be undertaken by our Company.
- Monitor the implementation of the CSR Policy framework.
- Advise on the allocation of resources for CSR endeavors.
- Recommend the amount to be spent on CSR activities to the Board.

CORPORATE SOCIAL RESPONSIBILITY

AL consistently prioritizes Corporate Social Responsibility (CSR) as a core aspect of its business ethos, actively engaging in initiatives that contribute to the well-being of communities and the environment. AL collaborates with numerous non-governmental organizations (NGOs) to execute a wide range of CSR activities, demonstrating our commitment to making a positive impact

In FY-26, AL partnered with 9 different NGOs to carry out various social and environmental projects. Through these collaborations, we invested a total of ₹23,100,000 in initiatives aimed at promoting water conservation, healthcare, sports development, localized community infrastructure, mobility for the specially-abled, nutrition, and environmental sustainability. This significant contribution underscores AL's dedication to driving meaningful change and fostering long-term community development.

ENVIRONMENT - WATER CONSERVATION

Alternicq Limited, in partnership with United Way of Bengaluru (Wake the Lake initiative), undertook the scientific restoration of Punagumaranahalli Lake (17.25 acres) in Ramohalli & Chunchunakuppe Gram Panchayat, Bengaluru South. The project addressed silt accumulation, encroachments, and degraded water flow through de-silting, main & peripheral bund strengthening (230m & 820m), inlet/outlet improvement, island creation for biodiversity, and chain-link fencing.

Key Outcomes: Water storage capacity increased by 17.26 ML (9.68%); 18,696 community members benefited; carbon sequestration of ~5.78 tonnes CO_2/year; 68 species of flora & fauna recorded; silt redistributed to local farmers to enrich agricultural land.





CSR amount Spent (Pungamaranahalli lake) **14,800,014 INR**

CSR amount Spent (Muddapura Karenahalli Kere) **6,94,756 INR**

ECONOMIC AND SOCIAL – MOBILE HEALTHCARE

The company partnered with Smile Foundation to deploy a Mobile Health Care Unit ("Smile on Wheels") providing doorstep primary healthcare to underserved communities in Guwahati, Assam. Services include OPD consultations, diagnostics, maternal and child healthcare, and health awareness programmes, covering 13 locations. Aligned with SDG 3 — Good Health and Well-being

CSR amount Spent **4,197,080 INR**





ECONOMIC AND SOCIAL - EDUCATION SUPPORT - GOVERNMENT SCHOOLS

CHAMARAJANAGAR GOVERNMENT SCHOOLS (2 SCHOOLS)

Portable study tables, school bags, and student desks with benches were provided to 503 students (Std 1–7) across Government School, Bandigere (265 students) and Government School, Doddamole (238 students) in Chamarajanagar district.

BIDADI GOVERNMENT SCHOOLS (3 SCHOOLS)

School bags with portable study tables were distributed to 311 students aged 6–17 across three Government Schools in the Bidadi area — Karenahalli GMPH School, Karenahalli Government High School, and Shana Mangala GMPH School. Implemented by The Bodhi Tree.

CSR amount Spent **11,51,016 INR**





PHILANTHROPIC - SPECIALLY ABLED - MOTORIZED TRICYCLES

As part of its philanthropic CSR commitment, the company procured and issued 5 motorised tricycles to specially abled individuals in the Bommasandra area, empowering them with independent mobility, dignity, and livelihood opportunities. The vehicles were identified and distributed in coordination with the Government.

CSR amount Spent **4,05,403 INR**



PHILANTHROPIC - SHELTER (BUS- STOP)

As part of its CSR initiative, the company constructed a covered bus shelter at Badanaguppe Village to provide a safe and comfortable waiting area for school students, daily commuters, and industrial workers. The shelter is designed to accommodate approximately 20 seated and 30 standing passengers and is equipped with lighting for enhanced safety and convenience. Inaugurated on 29 May 2026, the facility benefits around 250–300 commuters every day. This initiative reflects the company's commitment to improving public infrastructure and enhancing community well-being

CSR amount Spent **484,732 INR**



PHILANTHROPIC - COMMUNITY WELFARE — FOOD & NUTRITION

The company supports ISKCON's food distribution programme, providing nutritious meals to underserved communities to address hunger and promote welfare.
Through a partnership with Akshaya Patra, the company funds mid-day meal programmes for school children, improving nutrition, school attendance, and overall well-being — aligned with SDG 2: Zero Hunger.

CSR amount Spent **9,17,000 INR**





PHILANTHROPIC - EDUCATION FOR UNDERPRIVILEGED CHILDREN

The company donated to Christel House India to support the holistic education of 5 children from underprivileged communities, covering their academic, social, and personal development needs

CSR amount Spent **400,000 INR**

PHILANTHROPIC - YOGA & WELLNESS PROGRAMME

The company contributed to Vishwa Jagriti Mission Trust to support their yoga and wellness programme, promoting physical and mental well-being in the community through traditional practices.

CSR amount Spent **50,000 INR**



GRI INDEX

Alternicq Limited has reported the information cited in this GRI content index for the period 1st April, 2025 to 31st March, 2026 with reference to the GRI Standards.

GRI STANDARD	DISCLOSURE	LOCATION
"GRI 2: General Disclosures 2021	2-1 Organizational details	About Alternicq Limited
	2-2 Entities included in the organization's sustainability reporting	About the Report
	2-3 Reporting period, frequency and contact point	About the Report
	2-4 Restatements of information	Not Applicable
	2-5 External assurance	About the Report
	2-6 Activities, value chain and other business relationships	About Alternicq Limited
	2-7 Employees	Empowering our Employees
	2-9 Governance structure and composition	Approach to Strategic Governance for Organizational Success
	2-10 Nomination and selection of the highest governance body	Approach to Strategic Governance for Organizational Success
	2-11 Chair of the highest governance body	Approach to Strategic Governance for Organizational Success
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG Governance within our Company
	2-13 Delegation of responsibility for managing impacts	ESG Governance within our Company
	2-14 Role of the highest governance body in sustainability reporting	ESG Governance within our Company
	2-15 Conflicts of interest	Prevention of Conflict of Interest
	2-16 Communication of critical concerns	Approach to Strategic Governance for Organizational Success
	2-17 Collective knowledge of the highest governance body	Profile of the Board of Directors
	2-18 Evaluation of the performance of the highest governance body	Performance Evaluation of the Board

GRI STANDARD	DISCLOSURE	LOCATION
"GRI 2: General Disclosures 2021	2-19 Remuneration policies	Remuneration of the Board
	2-20 Process to determine remuneration	Remuneration of the Board
	2-21 Annual total compensation ratio	Empowering our Employees
	2-22 Statement on sustainable development strategy	ESG Committee Message
	2-23 Policy commitments	Policy Commitments
	2-24 Embedding policy commitments	Policy Commitments
	2-25 Processes to remediate negative impacts	Transparent Solutions: A Step-by-Step Employee Grievance Approach
	2-26 Mechanisms for seeking advice and raising concerns	Transparent Solutions: A Step-by-Step Employee Grievance Approach
	2-27 Compliance with laws and regulations	Adherence to Regulatory Compliance
	2-28 Membership associations	Membership in Industry and Trade Associations
	2-29 Approach to stakeholder	Driving Business Success through Stakeholder Management
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Embracing Materiality: Aligning Sustainability with Business Strategy
	3-2 List of material topics	Embracing Materiality: Aligning Sustainability with Business Strategy
	3-3 Management of material topics	Embracing Materiality: Aligning Sustainability with Business Strategy, Respective Sections in the Report
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Embracing Materiality: Aligning Sustainability with Business Strategy, Introduction to Climate Change Strategy
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Upholding the Highest Standards of Ethical Conduct, Policy Commitments
	205-3 Confirmed incidents of corruption and actions taken	Governance Highlights
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance Highlights
GRI 301: Materials 2016	301-2 Recycled input materials used	Our Approach to Innovation: Driving Change for Sustainable Solutions
	302-1 Energy consumption within the organization	Energy Management
GRI 302: Energy 2016	302-3 Energy intensity	Energy Management
	302-4 Reduction in energy consumption	Energy Management
	302-5 Reductions in energy requirements of products and services	Energy Management

GRI STANDARD	DISCLOSURE	LOCATION
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Conservation
	303-2 Management of water discharge-related impacts	Water Conservation
	303-3 Water withdrawal	Water Conservation
	303-4 Water discharge	Water Conservation
	303-5 Water consumption	Water Conservation
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities products and services on biodiversity	Biodiversity Conservation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emission Management
	305-2 Energy indirect (Scope 2) GHG emissions	Emission Management
	305-3 Other indirect (Scope 3) GHG emissions	Scope 3
	305-4 GHG emissions intensity	Emission Management
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management
	306-2 Management of significant waste-related impacts	Waste Management
	306-3 Waste generated	Waste Management
	306-4 Waste diverted from disposal	Waste Management
	306-5 Waste directed to disposal	Waste Management
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Details of New Hires, Employee Turnover Rate
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	A Comprehensive Overview of Employee Benefits
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Striving for Zero Incidents: Occupational Safety Mastery; OHS Management System: A Sneak Peek
	403-2 Hazard identification, risk assessment, and incident investigation	Striving for Zero Incidents: Occupational Safety Mastery
	403-9 Work-related injuries	Striving for Zero Incidents: Occupational Safety Mastery
	403-10 Work-related ill health	Striving for Zero Incidents: Occupational Safety Mastery
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Training Details
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training Details
	404-3 Percentage of employees receiving regular performance and career development reviews	Empowering our Employees

GRI STANDARD	DISCLOSURE	LOCATION
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Empowering our Employees, Board Diversity
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Measures Taken for Enhancing Human Rights
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor.	Our Commitment to Human Rights
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Our Commitment to Human Rights
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Building a Better World Through Social Impact
	413-2 Operations with significant actual and potential negative impacts on local communities	Building a Better World Through Social Impact
GRI 415: Public Policy 2016	415-1 Political contributions	Political Contributions
GRI 416: PCustomer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Safety & Quality,
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	Setting the Bar High: Our Standards and Certifications
	417-3 Incidents of non-compliance concerning marketing communications	Setting the Bar High: Our Standards and Certifications
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Approach to Data Privacy and Security

ANNEXURE - I
CLIMATE RISK ASSESSMENT REPORT

1.Identification of Significant Climate Hazards

Current Climate Hazards:

- Water Stress and Drought: Amritsar (Plants 1 and 2) is classified as a high or very high water-risk location. Bommasandra (Plant 16) and Bidadi (Plants 18 and 19) are identified as locations with significant drought exposure requiring targeted water-management and climate-adaptation measures.
- Flooding: Plants in humid subtropical and tropical regions, such as Guwahati (Plant 10), Vizag (Plants 11 and 12), Odisha (Plant 22), and Goa (Plant 23), are exposed to moderate to high flood risks.
- Drought: Plants in arid and tropical regions,including Jalgaon (Plants14 and 15), Bommasandra (Plant 16), and Bidadi (Plants 18 and 19), face high drought risks.
- Cyclones: Plants in coastal regions, especially Vizag (Plants11 and 12), Odisha (Plant 22), and Goa (Plant 23), are exposed to cyclones.

Future Climate Hazards:

Increased Frequency of Extreme Weather Events: The frequency and severity of droughts, floods, and cyclones may increase, exacerbating existing vulnerabilities. Rising Temperatures: Higher temperatures may increase drought severity and water stress, particularly in arid regions.

2. Exposure and Vulnerability of Assets

- Arid Region Plants: High vulnerability to water scarcity and drought (Plants 1, 2, 13, 16, 18).
- Flood-Prone Areas: High exposure to flooding and cyclones (Plants10, 11, 12, 14, 22, 23).
- High Revenue Plants: Plants such as Bidadi (Plant 18), Pantnagar (Plant 8), and Bommasandra (Plant 16) generate significant revenue, heightening financial vulnerability to climate risks.

3. Ranking of Physical and Transitional Climate Risks

a. Physical Climate Risks:

- Drought: High risk for arid region plants, especially Bidadi (Plant 18) and Bommasandra (Plant 16), due to high revenue and asset value.
- Flooding and Cyclones: High risk for coastal plants in Vizag (Plants 11 and 12), Odisha (Plant 22), and Guwahati (Plant 10).
- Water Scarcity: Significant risk in arid regions, especially for Amritsar (Plant 1) and Manesar (Plant 6).

b. Transitional Climate Risks:

- Regulatory Changes: Potential regulations on water usage and carbon emissions could impact operations in high-risk plants.
- Market Shifts: Changing consumer preferences towards sustainable products might affect market positioning, especially for plants with high environmental footprints

4. Financial Risk Analysis

a. Revenue at Risk:

- Top Revenue Plants: Bidadi (Plant 18) with INR 629.22 crore, Pantnagar (Plant 8) with INR 241.13 crore, and Bommasandra (Plant 16) with INR 349.65 crore are critical to the company's financial health. Drought and water scarcity in these regions could lead to significant revenue loss due to operational disruptions.
- Flood-Prone Plants: Vizag(Plants 11 and 12) and Guwahati (Plant10) face high flood risks. Flooding could cause prolonged shutdowns, leading to a loss of INR
- 175.5 crore in combined revenue.

b. Asset Value at Risk:

- High Asset Value Plants: Bidadi (Plant 18) has an asset value of INR 220.54 crore, and Bommasandra (Plant 16) has INR 121.78 crore. Drought-related damage could result in significant asset depreciation or increased maintenance costs.
- Flood and Cyclone-Prone Assets: Vizag (Plants 11 and 12), with combined assets of INR 31.56 crore, and Odisha (Plant 22), face risks of asset damage from floods and cyclones. Repair and replacement costs could be substantial.

c. Increased Operational Costs:
Water Procurement: Plants in high water-risk areas(e.g., Amritsar, Manesar, Jalgaon) may face increased costs for securing water supplies, impacting profitability.
Insurance Premiums: As the risk of extreme weather events increases, insurance premiums for flood and cyclone-prone plantscould rise, affecting overall financial performance.

d. Potential Profit Impact:
Operational Disruptions: If major plants like Bidadi, Bommasandra, or Pantnagar experience disruptions, it could result in a significant decline in overall profitability. For instance, a 10% operational downtime in Bidadi alone could result in a revenue loss of approximately INR 62.92 crore.

e. Supply Chain Disruptions:
Extreme weather events affecting the supply chain could lead to increased raw material costs, particularly for high-consumption plants like Bommasandra and Bidadi.

5. Recommendations for Risk Adaptation and Mitigation

a. Short-Term Measures:
- Water Management: Implement water-saving technologies and alternative sourcing strategies, particularly in arid regions (Plants 1, 2, 16, 18).
- Flood Protection: Enhance flood defenses for plants in flood-prone areas (Plants 10, 11, 12, 22).
- Insurance Review: Reevaluate insurance coverage to ensure adequate protection against extreme weather events and rising premiums.
- Carbon emission reduction - Implement a carbon reduction plan and invest in renewable energy.

b. Long-Term Measures:
- Diversification of Operations: Consider geographical diversification to reduce dependency on high-risk areas.
- Climate-Resilient Infrastructure: Invest in infrastructure upgrades to enhance resilience against drought, flooding, and cyclones.
- Sustainable Business Practices: Transition to sustainable supply chains and production processes to mitigate market and regulatory risks.

6. Financial Risks of Climate Change

a. Risks Driven by Changes in Regulation:
Regulatory changes related to carbon emissions, water usage, and waste management could increase compliance costs for Limited. This includes the introduction of carbon pricing mechanisms or stricter environmental regulations that would necessitate upgrades in technology and processes, particularly in plants with high water and disaster risks.

- Estimated financial implications: ₹100-150 crore (estimated based on the potential need for investment in new technology and increased operational costs).
- Average estimated time frame: 3-5 years (as governments are accelerating regulatory changes to meet climate goals).
- Estimated costs of these actions: ₹75-100 crore (assuming the costs of compliance measures, such as upgrading to energy-efficient equipment, water recycling systems, and implementing new waste management protocols).

b. Risks Driven by Changes in Physical Climate Parameters:
Brief description: Increased frequency and severity of droughts, floods, and cyclones could disrupt operations, particularly in plants located in high-risk regions such as Vizag and Jalgaon. These events could lead to temporary shutdowns, damage to infrastructure, and increased costs for raw materials due to supply chain disruptions.

- Estimated financial implications: ₹200-300 crore (considering potential revenue losses, repair costs, and increased insurance premiums).
- Average estimated time frame: 5-10 years (reflecting the anticipated increase in extreme weather events).
- Estimated costs of these actions: ₹150-200 crore (for infrastructure reinforcement, flood defenses, and backup power systems).

c. Financial Opportunities Arising from Climate Change Opportunities:

Investing in sustainable technologies and processes could enhance brand reputation and open new markets. For example, adopting water-efficient processes and renewable energy sources could lead to cost savings and attract environmentally conscious customers.

- Estimated financial implications: ₹300-500 crore (based on potential revenue growth from new market segments and cost savings from efficiency improvements).
- Estimated time frame: 3-7 years (aligning with the timeline for implementing significant technological changes and achieving market recognition).
- Estimated costs associated with developing this opportunity: ₹200-250 crore (for investments in renewable energy, water recycling systems, and sustainable product development).

d. Physical Climate Risk Adaptation

Alternicq Limited has a context-specific plan to adapt to physical climate risks in existing and new operations.

- Public Reporting: We publicly report on our context-specific plan to adapt to physical risks.
- Coverage of Existing Operations: 70% of total revenues (assuming the major revenue-generating plants are covered under the adaptation plan).
- Timeline for Implementation (Existing Operations): Medium-term (3-5 years).
- Coverage of New Operations: 80% of new operations (assuming new plants will be built with advanced climate adaptation features).

7. Climate-Related Scenario Analysis for Alternicq Limited

AL assessed physical climate risks under the IPCC RCP 2.6 and SSP5-8.5 scenarios and transition risks under the IEA Net Zero Emissions by 2050 scenario. The assessment considers plant-level exposure, operational vulnerability, revenue and asset values, potential disruptions, repair and replacement costs, insurance impacts and market changes across relevant time horizons. Financial estimates represent scenario-based planning assessments rather than forecasts of actual losses and should be interpreted against the documented assumptions, source data and calculation methodology.

a. Transition Scenario: IEA NZE 2050

The IEA NZE 2050 (Net Zero Emissions by 2050) scenario represents a global pathway towards achieving net-zero CO2 emissions by 2050, with the goal of limiting global temperature rise to 1.5°C. This scenario is characterized by an unprecedented scale of transformation across all sectors of the economy, including a massive shift towards renewable energy, widespread electrification, increased energy efficiency, and the deployment of carbon capture, utilization, and storage (CCUS) technologies.

Impact on Alternicq Limited:

Regulatory Pressure:

- Carbon Pricing: Under an illustrative 2030 carbon-pricing scenario of US$75–150 per tonne of CO_2 and an assumed 100,000 tonnes of emissions subject to carbon pricing, the estimated annual exposure would be approximately ₹57.7–115.4 crore, using an exchange rate of ₹76.92 per US dollar. This is a scenario estimate and depends on the emissions covered and the applicable carbon-pricing mechanism.
- Compliance Costs: Compliance with stricter environmental regulations could require investments of up to ₹50 crore in cleaner technologies and reporting frameworks, spread over the next five years.
- Technology Transition: Renewable Energy: Transitioning 70% of energy needs to renewables by 2030 could require an investment of approximately
- ₹150 crore in solar and wind installations. This transition could reduce annual energy costs by 20% in the long run, saving approximately ₹30 crore per year by 2035.
- Energy Efficiency: Implementing energy efficiency measures (e.g., upgrading machinery, improving insulation) could cost around ₹30 crore, with payback periods ranging from 5 to 10 years, leading to energy savings of 10-15%, translating to ₹15-20 crore annually by 2030.

Market Dynamics:

- Demand for Sustainable Products: As consumers and businesses increasingly prioritize low-carbon products, Alternicq could capture 5-10% of the market for sustainable packaging solutions, potentially increasing revenue by ₹200-300 crore by 2030.
- Risk of Obsolescence: Failing to adapt to the low-carbon economy could result in a 10-20% decline in market share, leading to potential revenue losses of ₹400-500 crore by 2030.

Financial Implications:

- Capex Requirements: The total capital expenditure required to align with IEA NZE 2050 could reach ₹200-250 crore over the next decade, focused on renewable energy, energy efficiency, and sustainable product development.
- Operational Savings: Long-term operational savings from reduced energy costs, lower carbon pricing exposure, and increased market share could amount to ₹50-100 crore annually from 2030 onwards.

Strategic Actions:

- Accelerate Renewable Energy Adoption: Invest in solar and wind energy projects, aiming to achieve 70% renewable energy usage by 2030.
- Energy Efficiency Investments: Prioritize investments in energy efficiency, targeting a 15% reduction in energy consumption by 2030.
- Product Innovation: Develop and market a range of sustainable packaging solutions to capture emerging market opportunities.

b. Physical Scenario: RCP 2.6 (Below 2°C)

The RCP 2.6 (Representative Concentration Pathway 2.6) scenario is one of the most optimistic pathways, where stringent mitigation measures lead to a stabilization of greenhouse gas concentrations and limit global warming to below 2°C. This scenario assumes:
A significant reduction in greenhouse gas emissions by 2050.
Stabilization of CO2 concentrations in the atmosphere at 421 ppm by 2100.
Reduced frequency and intensity of extreme weather events compared to higher RCP scenarios.

Impact on Alternicq Limited:

Physical Climate Risks:
Reduced Extreme Events: The frequency of extreme weather events such as floods, droughts, and cyclones would be significantly lower. For example, the likelihood of severe floods in Vizag (currently a high-risk area) could be reduced by 30-40% by 2050, minimizing operational disruptions.

Asset Protection: The potential damage to assets from extreme weather could decrease, saving the company approximately ₹10-20 crore annually in repair and insurance costs.

- Improved Water Resources: Regions facing high water stress, such as Bidadi and Jalgaon, could see a 20-30% improvement in water availability by 2050, reducing the risk of production halts due to water scarcity.
- Long-term Planning: The reduced urgency allows for a phased approach to water management investments, with ₹20-30 crore allocated over the next 10 years for water-efficient technologies and infrastructure.

Financial Implications:

- Insurance Savings: With lower physical risks, insurance premiums could decrease by 10-20%, leading to annual savings of ₹5-10 crore.
- Cost Avoidance: By reducing the likelihood of operational disruptions, the company could avoid potential revenue losses of ₹50-100 crore annually, particularly in high-risk regions like Jalgaon and Vizag.

Strategic Actions:

- Climate-Resilient Infrastructure: Continue investing in climate-resilient infrastructure, focusing on plants in high-risk areas such as Jalgaon, Vizag, and Pantnagar.
- Water Management: Implement water-efficient technologies, focusing on the most vulnerable plants, while maintaining a phased investment strategy.

c. Physical Scenario: SSP5-8.5 (Above 2°C)

The SSP5-8.5 scenario represents a future with high fossil fuel use, limited climate policy intervention, and a global temperature increase above 2°C, resulting in more frequent and severe extreme weather events. This scenario assumes increased heatwaves, more intense rainfall, higher flood risk, stronger cyclones, and worsening water stress across vulnerable regions.

Impact on Alternicq Limited:

Physical Climate Risks:

- Increased frequency and severity of droughts in arid regions such as Bidadi, Jalgaon, and Bommasandra, increasing water procurement costs and operational disruptions.
- Higher flood and cyclone risk in coastal and eastern plants such as Vizag, Odisha, Goa, and Guwahati, increasing the likelihood of production shutdowns and asset damage.
- Higher heat stress leading to increased energy demand for cooling and worker safety measures.

Financial Implications:

- Potential annual revenue losses of ₹150–250 crore due to operational disruptions and downtime.
- Increased asset repair and replacement costs estimated at ₹80–120 crore over the next decade.
- Rising insurance premiums of 15–25% for flood- and cyclone-exposed plants.

Strategic Actions:

- Accelerate flood protection, drainage upgrades, and cyclone-resilient infrastructure in coastal and flood-prone plants.
- Expand water recycling, rainwater harvesting, and alternative sourcing in drought-prone regions.
- Strengthen business continuity and disaster recovery planning for high-risk locations

Conclusion:

Alternicq Limited faces considerable financial risks due to climate-related vulnerabilities. By aligning with the IEA NZE2050 transition scenario and considering both RCP 2.6 and SSP5-8.5 physical scenarios, the company can strategically navigate the challenges and opportunities of a low-carbon, climate-resilient future.

The inclusion of both below-2°C and above-2°C scenarios enables AL to test the resilience of its strategy across a range of plausible climate futures and ensures alignment with TCFD and S&P Global CSA expectations.

Prioritizing renewable energy adoption, energy efficiency measures, climate-resilient infrastructure, and sustainable product development is crucial to securing the company's future in a changing global climate.

Annexure: 1

Plant Name	Location	Water Risk	Disaster Risk	Region
Plant 1	Amritsar	High	Very Low	Arid
Plant 2	Amritsar	Very High	Very Low	Arid
Plant 3	Baddi	Low Risk	Very Low	Arid
Plant 4	Baddi	Low Risk	Very Low	Arid
Plant 5	Baddi	Low Risk	Very Low	Arid
Plant 6	Manesar	Very High	Very Low	Arid
Plant 7	Kanpur	Medium	Moderate Flood and Draught	Humid Subtropical
Plant 8	Pantnagar	Very Low	Moderate Flood	Humid Subtropical
Plant 9	Pantnagar	Very Low	Moderate Flood	Humid Subtropical
Plant 10	Guwahati	Very Low	High Flood	Humid Subtropical
Plant 11	Vizag	Medium	High Flood, Cyclone, and Draught	Tropical Wet and Dry
Plant 12	Vizag	Medium	High Flood, Cyclone, and Draught	Tropical Wet and Dry
Plant 13	Nandyala	Very High	High Flood and Draught	Arid
Plant 14	Jalgaon	High	Very High Flood and Draught	Tropical Wet and Dry
Plant 15	Jalgaon	High	Very High Flood and Draught	Tropical Wet and Dry
Plant 16	Bommasandra	Medium	Very High Draught	Arid
Plant 18	Bidadi	Medium	Very High Draught	Arid
Plant 19	Bidadi	Medium	Very High Draught	Arid
Plant 20	Raipur	Medium	Low Draught	Humid Subtropical
Plant 21	Chamarajanagar	High	Very High Draught	Arid
Plant 22	Odisha	Low Risk	High Flood, Cyclone, and Draught	Tropical Wet and Dry
Plant 23	Goa	Low Risk	Moderate Flood and Cyclone	Tropical Monsoon

ANNEXURE - II

INDEPENDENT ASSURANCE STATEMENT

To,
Alternicq Limited
(Formerly known as Manjushree Technopack Limited)
1st & 2nd Floor, MBH Tech Park,
46-47 Hosur Road, Electronic City, Phase II
Bengaluru, Karnataka 560 100

Independent Assurance Statement on the Sustainability Report for Financial Year 2025-26.

Introduction and Objective of Engagement

As **ENEN Green Services Private Limited** (CIN: U93000HR2014PTC051801), we are engaged by **Alternicq Limited (AL)** (referred to as the "Organisation") to undertake an independent assurance engagement on the disclosures presented in its Sustainability Report for the reporting period **April 1st,2025 to March 31st, 2026** referred to as FY26 in this report**.** The objective of this engagement is to assess the Organisation's sustainability disclosures in terms of their reliability, quality and completeness within the agreed assurance scope, and to evaluate the Organisation's adherence to the AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact. The assurance engagement has been conducted in accordance with the AccountAbility AA1000 Assurance Standard v3 (AA1000AS v3), at a **Type 2, Moderate Level of Assurance**, covering adherence to the AA1000 AccountAbility Principles and the reliability and quality of specified sustainability performance information, as defined within the agreed scope of the engagement.

Responsibility of the Management

The management of Alternicq Limited (AL) is responsible for the preparation and presentation of the Sustainability Report, including the identification of material sustainability topics, determination of reporting boundaries, selection of relevant performance indicators, and disclosure of sustainability-related policies, initiatives, targets and performance.
Management is also responsible for establishing and maintaining appropriate systems, processes and internal controls for collecting, calculating, consolidating, validating and reporting sustainability information. This includes ensuring that the information presented in the Sustainability Report is supported by appropriate documentation and is free from material misstatement, whether due to fraud or error.
The Organisation is responsible for determining the applicable reporting framework(s), sustainability reporting requirements and methodologies used in preparing the report, and for ensuring that the disclosures are consistent with the applicable criteria identified for this engagement.

Reporting Boundary

The assurance engagement covers the Sustainability Report of Alternicq for the **period from April 1st,2025 to March 31st, 2026, covering 24 Manufacturing plants, 2 Regional Offices & 1 Corporate Office.**

The scope of assurance includes the sustainability disclosures identified and agreed upon with the Organisation. These include environmental performance, greenhouse gas emissions, energy consumption, water management, waste management, employee and workforce-related information, occupational health and safety, diversity and inclusion, human rights, community engagement, business ethics, governance, sustainability policies, targets and other relevant ESG indicators, where applicable and included within the agreed scope. The assurance does not automatically extend to every statement, metric or claim contained in the Sustainability Report. The specific disclosures covered by this engagement are limited to those identified in the agreed assurance scope.

Subject Matter

The subject matter of this engagement comprises the sustainability-related disclosures and performance information presented by Alternicq in its Sustainability Report for the reporting period under review.
The assurance engagement evaluates:

1. **Inclusivity:** The extent to which the Organisation identifies and engages relevant stakeholders and considers their perspectives in its sustainability-related decision-making and reporting.
2. **Materiality:** The extent to which the Organisation identifies and prioritises sustainability topics that are relevant and significant to its business, stakeholders and impacts.
3. **Responsiveness**: The extent to which the Organisation demonstrates responses to material sustainability topics and stakeholder concerns through relevant policies, actions, initiatives and performance disclosures.
4. **Impact:** The extent to which the Organisation identifies, understands and discloses its actual and potential impacts on the economy, environment and people, as relevant to the reporting scope.
5. **Reliability and quality of specified sustainability performance information:** The extent to which selected sustainability data and disclosures are supported by records, evidence, documented methodologies and appropriate internal processes.
   The assessment is undertaken against the applicable criteria agreed for the engagement, including the AA1000 AccountAbility Principles and the relevant sustainability reporting framework(s) identified in this statement.

Our assurance procedures focused on the following ESG disclosures:

Pillar	KPI Name	Description
Environmental Performance	**GHG Emissions (Scope 1, Scope 2 & Scope 3)**	• Covers direct emissions, purchased electricity and relevant upstream and downstream value-chain emissions) • GHG accounting is reported in alignment with the WRI/WBCSDGHG Protocol.
	• Scope 1 • Scope 2 • Scope 3	• FY26 Scope 1 emissions: 1642.10 tCO_2e; Scope 2 emissions: 88,338.36 tCO_2e; Scope 3 emissions: 596003.35 tCO_2e
	Renewable Energy & Energy Efficiency	• Tracks renewable energy utilization, in-house generation, purchased renewable energy and energy efficient initiatives. • Energy efficiency initiatives delivered 5,286.459 MWh of savings during FY26.
	Energy Consumption	• FY26 renewable -energy utilization was reported at 77,900.82 MWh
	Water Stewardship	• Monitors water withdrawal, consumption, discharge and water intensity. • Initiatives include wastewater treatment, reuse, water conservation and groundwater recharge.
	• Water Withdrawal • Water Consumption • Water Discharge • Water intensity	• FY26 total water withdrawal was 462.72 ML, Consumption was 436.88 ML and discharge was 25.84 ML. • Water intensity FY26 stands at 0.0018 ML/MT of production.
	Waste Management	• Covers waste management, segregation, recycling and responsible disposal across operations. • Includes monitoring of hazardous and non-hazardous waste, waste intensity and resource-efficiency initiatives.

	• Waste generated • Waste Disposed • Waste Intensity • Reuse & Recycling	• Total waste generated in FY26 was 1,758.69 MT, from which 274.92 MT is hazardous waste and 1,483.77 is non-hazardous waste. • 245.29 MT of hazardous waste is recycled and 29.63 is Incinerated (without energy-recovery whereas all non-hazardous waste was recycled and reused in FY26. Waste intensity FY26 was 0.0071 Tons/MT of production.
	Circular Economy and Sustainable Packaging	• Covers recycled material utilization, post-consumer recycled resin and initiatives to promote circular packaging. • Includes resource-efficient product design and recycling initiatives.
	Environmental Compliance and Biodiversity	• Covers environmental risk assessments, water stewardship, conservation initiatives and related environmental management activities.
Social Performance	**Employees and Training**	• Monitors employee training, capability development and awareness of ethical business practices.
	• Training Hours • Employee Development • Code of Conduct	• Average training hours for FY26 stood at 4.6 per employee. • All employees received performance and career development reviews and are trained in Code of Conduct.
	Employee Well-being and Human Rights	• Covers Employee welfare, diversity, inclusion, ethical employment and human rights related disclosures.
	• Diversity and Inclusion • Labour Practices • Non-discrimination	• The report highlights zero reported incidents of child labour and discrimination.
	Occupational Health & Safety	• Covers occupational health and safety management, workplace risk prevention and employee safety initiatives. • Hazard and Identification and Risk Assessments are also conducted for incidents and risk management.
	CSR & Community Development	• Covers CSR programmes supporting communities, water conservation, healthcare and other initiatives.
	• Community Investment • Water Conservation • Social Initiatives	• Integration of materiality assessments into Enterprise Risk Management (ERM). • Oversight by Audit, CSR, Risk Management, and Nomination & Remuneration Committees.
Governance Performance	**Board Governance**	• Covers Board Structure, independence, diversity, committee oversight and Governance practices.
	• Board Composition • Board Meetings • Board Attendance	• The report records 26 Board and Committee meetings and 90% Board meeting attendance during FY26. • Board composition in FY26 stood at 85.71% male and 14.29% female.
	Ethics & Integrity	• Covers ethical Business conduct, anti-bribery policies, conflict of interest management, reporting mechanisms and Whistleblower policy. • The report records zero cases of corruption/bribery and conflict of interest during FY26.
	Risk Management and Compliance	• Covers governance processes for identifying, assessing and managing business, ESG and climate-related risks. • The report also covers Enterprise Risk Management Regulatory Compliance and ESG Risk Oversight.

	ESG Governance and Transparency	• Covers ESG Governance, Board Oversight, sustainability reporting and disclosures relating to material ESG matters. • The report covers ESG steering Committee, and Stakeholder engagement.

Our Independence, Ethical Requirements and Quality Control

ENEN Green Services Private Limited is a professional company offering Advisory, Assurance, and Business Services to both domestic and international organisations across various industries. Our specialised Sustainability and ESG Team, comprised of diverse professionals with expertise in sustainability, greenhouse gas reporting standards, and assurance principles, is responsible for non-year assurance engagements.

With extensive experience, our team independently assures greenhouse gas data, systems, and processes in different sectors and locations, ensuring credibility and reliability throughout the assurance process. Complying with ENEN Green Services Private Limited's independence policies and AccountAbility's AA1000AS V3 requirements, our multidisciplinary professionals confirm their impartiality and state "no conflict of interest" in this assurance engagement. We have maintained complete impartiality towards any individuals interviewed during the assurance engagement.

Our Responsibility

Our responsibility is to express an independent assurance conclusion on the subject matter identified in this statement, based on the procedures performed and the evidence obtained during the engagement.
The engagement was conducted in accordance with the AccountAbility AA1000 Assurance Standard v3 (AA1000AS v3), at a Type 2, Moderate Level of Assurance, in respect of the agreed scope.
A Type 2 engagement considers adherence to the AA1000 AccountAbility Principles as well as the reliability and quality of specified sustainability performance information.
A Moderate Level of Assurance involves procedures designed to obtain sufficient appropriate evidence to support a conclusion, with a lower level of assurance than a reasonable assurance engagement. The procedures performed depend on professional judgement, the nature of the disclosures and the risks of material misstatement.

Our work included, as applicable to the agreed scope:

- Discussions with relevant management representatives and personnel responsible for sustainability reporting, data management and operational performance.
- Review of the Organisation's sustainability governance arrangements, policies, procedures and processes relevant to the disclosures under review.
- Assessment of the processes used to identify material sustainability topics and consider stakeholder expectations.
- Review of the systems and controls used to collect, consolidate, validate and report sustainability performance information.
- Examination of supporting records, source documents, calculations and other evidence on a sample basis.
- Review of selected environmental, social and governance indicators against the underlying records and applicable reporting criteria.
- Assessment of the reasonableness of methodologies, assumptions, estimates and calculation approaches used for selected disclosures.
- Evaluation of the consistency and clarity of the sustainability information presented in the report.
- Assessment of how the Organisation responds to material sustainability topics and considers its actual and potential impacts, where relevant to the agreed scope.

The nature and extent of these procedures were determined using professional judgement, taking into consideration the reporting boundary, the nature of the information and the risks associated with the disclosures. We relied on the information, explanations, records and supporting documents made available by the Organisation. Our procedures included evidence review and discussions with relevant personnel, as appropriate to the engagement. Testing was conducted on a sample basis and did not constitute an examination of every transaction, record or disclosure.

Limitations of our Audit

The assurance engagement is subject to the following limitations:

- The assurance is restricted to the reporting period, organisational boundary and disclosures specified in the agreed scope.
- Testing of underlying records and supporting documentation was performed on a sample basis. Accordingly, not every data point, transaction or disclosure was independently examined.
- Where information was based on estimates, assumptions, third-party data or management representations, our assessment was limited to the evidence and explanations made available for review.
- Forward-looking statements, projections, ambitions, commitments and future performance targets are not independently assured unless expressly included in the agreed scope.
- Information relating to entities, facilities, operations or activities outside the defined reporting boundary is excluded from this engagement.
- This engagement does not constitute a legal compliance audit, financial statement audit or certification of all sustainability-related claims made by the Organisation.

These limitations should be considered when interpreting the assurance conclusion.

Our Conclusions

Based on the procedures performed and the evidence obtained during our engagement, and subject to the scope, criteria and limitations described in this statement, we conclude that:

a. Adherence to the AA1000 AccountAbility Principles
Within the scope of our assessment, the Organisation's Sustainability Report presents information relating to its approach to stakeholder inclusivity, identification of material sustainability topics, responsiveness to material matters and consideration of its impacts, as applicable to the reporting criteria and evidence examined.
Our assessment of these principles is limited to the processes, disclosures and evidence reviewed during the engagement.

b. Reliability and quality of sustainability performance information
Based on the sample-based procedures performed, the specified sustainability performance information covered by our assurance engagement was supported by the records and explanations made available to us and was, in all material respects, consistent with the applicable reporting criteria, except for any matters, qualifications or exceptions specifically described in this statement.

c. Overall conclusion
Based on the evidence obtained, nothing has come to our attention that causes us to conclude that the specified sustainability disclosures within the agreed assurance scope are materially misstated or that the Organisation has failed to demonstrate adherence to the applicable AA1000 AccountAbility Principles in the respects assessed.
This conclusion is subject to the scope limitations and any exceptions or qualifications identified during the engagement. It should not be interpreted as an assurance conclusion on disclosures or performance indicators that were outside the agreed scope.

Other Matters

Our report does not extend to any disclosures or assertions relating to future performance plans and/or strategies disclosed in the reports. The maintenance and integrity of the Organisation website is the responsibility of its management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information on the website, the reports or our independent assurance report that may have occurred since the initial date of presentation.

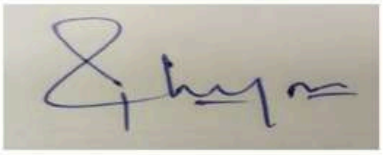
Restriction on use and distribution

Our work has been undertaken to enable us to express a moderate assurance conclusion on the Sustainability Report data to the management of the Organisation in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than the entity, for our work, for this report, or for the conclusion we have reached.

For and on behalf of ENEN Green Services Private Limited

This assurance engagement was independently conducted and concluded by an Associate Certified Sustainability Assurance Practitioner (ACSAP), in full compliance with AA1000AS v3 standards. The procedures, evaluation, and conclusions stated herein reflect the professional judgment and independence of the undersigned ACSAP, based on evidence reviewed and validated during the assurance process.

Puneet Chopra
Associate Certified Sustainability
Assurance Practitioner (ACSAP)-A09052502



Place: Delhi, India
Date: 16 October, 2026

AA1000
Licensed Assurance Provider
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ENEN Green Services Private Limited is an India-based international firm specialising in technical professional services. We are proud to be recognised as an AccountAbility AA1000AS Licensed Provider, holding a unique License No. 000-524 issued by Accountability, UK, specifically for non-financial reporting assurance. Our company offers a comprehensive range of technical and professional services, along with specialised consulting and training services, catering to a diverse clientele worldwide. This includes companies, organisations, and government agencies seeking our expertise and support.

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