



VVF India Limited

RESPONSIBLE TODAY
SUSTAINABLE TOMORROW



PEOPLE



PLANET



PROGRESS

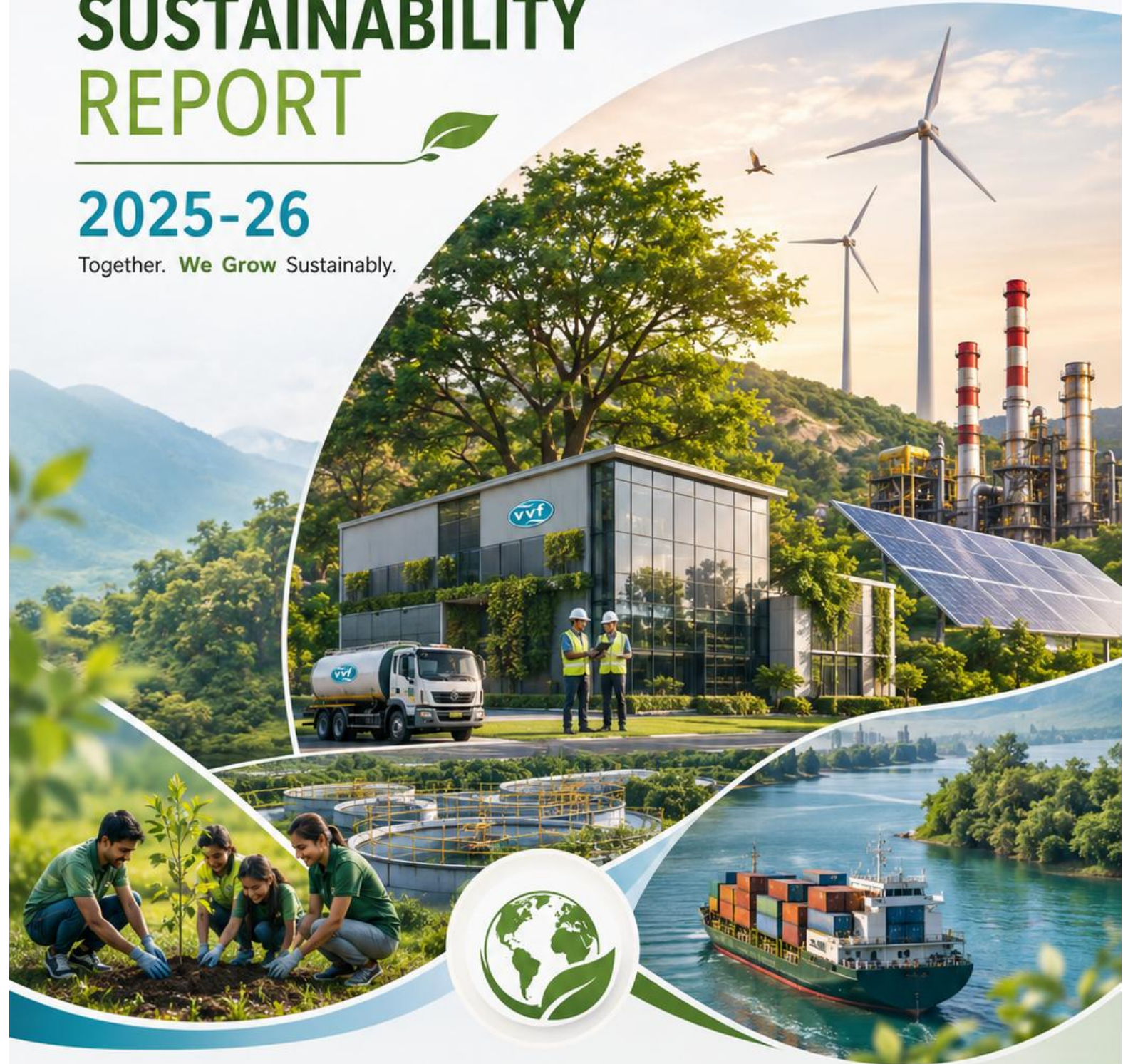


PARTNERSHIP

SUSTAINABILITY REPORT

2025-26

Together. **We Grow** Sustainably.



CLIMATE ACTION
Acting today for
a better tomorrow



WATER STEWARDSHIP
Conserving water.
Preserving life.



CIRCULAR ECONOMY
Reduce. Reuse.
Regenerate.



EMPOWERED PEOPLE
Nurturing talent.
Building together.



ETHICAL GOVERNANCE
Doing business
the right way.



About This Report

GRI REFERENCE GRI 2-1, 2-2, 2-3, 2-4, 2-5

About This Report

We are pleased to present the inaugural Sustainability Report of VVF India Limited's Oleochemicals Business. This report marks an important milestone in our sustainability journey, reflecting our commitment to integrating environmental stewardship, social responsibility, and sound governance into our business operations.

Through this report, we share our approach, initiatives, and performance across key sustainability priorities, highlighting the progress we have made while acknowledging the opportunities that lie ahead. As we continue to grow, we remain committed to creating long-term value for our stakeholders through responsible manufacturing, operational excellence, and sustainable business practices.

This inaugural report underscores our dedication to transparency and accountability and serves as the foundation for tracking our progress towards a more sustainable future.

Operationally, the Oleochemicals Business is manufactured at the Company's facility in Taloja, Maharashtra. Unless otherwise stated, all site-level performance data presented in this report — energy, water, waste, emissions, health & safety and workforce — is drawn specifically from the Taloja manufacturing unit, which represents VVF India's Oleochemicals manufacturing base.

Reporting Boundary and Scope

This report covers VVF India Limited's Oleochemicals Business — comprising fatty acids, fatty alcohols, glycerine, soap noodles and fatty tertiary amines — and excludes the Company's other business verticals (Contract Manufacturing / FMCG). The Business is manufactured at the Company's Taloja MIDC facility, Raigad district, Maharashtra, facility under Maharashtra Pollution Control Board (MPCB) jurisdiction. All environmental and social performance data disclosed in this report reflects the Taloja manufacturing unit specifically.

Reporting Period

This report covers 1 April 2025 to 31 March 2026 (“FY2025–26”), aligned with the Company's financial year. Prior-year figures (FY2023–24 and FY2024–25) are shown where available for trend comparison; any restatements are footnoted at point of use.

Reporting Principles

This report has been prepared in line with the GRI reporting principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability. Where data limitations exist, these are stated transparently rather than omitted.

Basis of Preparation and Assurance

Data has been compiled from site monitoring registers (stack and effluent monitoring, energy meters, waste manifests), statutory MPCB/CPCB returns, and internal EHS and HR management systems. The site is progressively strengthening its data systems and intends to pursue independent third-party assurance of selected disclosures in future reporting cycles, consistent with leading sector practice.

Restatements

No material restatements of prior-period data have been identified in this reporting cycle. Should restatements arise in future years (e.g., due to methodology refinements in GHG accounting or waste classification), they will be clearly flagged with an explanation of the change and its impact.

Reporting Approach and Basis of Preparation

This Sustainability Report has been prepared with reference to the GRI Universal Standards 2021 and covers the sustainability performance of VVF (India) Limited – Oleochemicals Business (Taloja) for the period 1 April 2025 to 31 March 2026. The report is based on information from internal management systems, statutory records, operational databases, and monitoring systems.

The FY2023–24 reporting year has been used as the baseline for selected performance indicators, with FY2024–25 presented as comparative data. Baseline values and historical information may be updated in future reporting cycles where improved methodologies, enhanced data quality, or changes in reporting boundaries require restatement, in line with GRI reporting principles.

This report has not been independently assured by a third party. VVF continues to strengthen its sustainability reporting processes and will evaluate external assurance as its reporting framework matures.

Policies Referenced in This Report

Throughout this report, VVF's corporate policy commitments are referenced against the Company's published policy framework. The complete set of policies — including the [Environmental Policy](#), [Occupational Health & Safety Policy](#), [NDPE Policy](#), [Sustainable Procurement Policy](#), [Suppliers' Code of Conduct](#), [CSR Policy](#) and the [VVF Policy Manual](#) — is publicly available on the Company's sustainability page at vfltd.com/sustainability.

Feedback and Contact

Comments or questions regarding this report are welcome and may be directed to the Corporate Communications team at corporatecommunications@vfltd.com

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Message from Business Leadership

GRI REFERENCE GRI 2-22 — Statement on Sustainable Development Strategy

The business landscape continues to evolve as customers, regulators, investors, and communities place greater emphasis on responsible manufacturing, climate resilience, resource efficiency, and transparent supply chains. Sustainability is no longer a differentiator — it is a fundamental business imperative that shapes long-term competitiveness and operational excellence. At VVF, we continue to strengthen our sustainability journey by embedding environmental stewardship, ethical business practices, and responsible sourcing into every part of our operations and decision-making. During the year, we reinforced VVF's commitment through our membership of the United Nations Global Compact, maintained ISO 14001 and ISO 45001 certifications with zero major non-conformities, and continued to demonstrate transparency through CDP disclosures, EcoVadis certification and RSPO recognition.

Our focus has remained on delivering measurable outcomes across VVF's manufacturing footprint — renewable energy, water and waste reduction. Renewable energy now accounts for 25% of our total energy consumption, contributing to a 46% reduction in Scope 1 emission intensity and a 35% reduction in Scope 2 emission intensity against our baseline. We further strengthened water stewardship by achieving 100% treated water recycling at our Daman facility while increasing water reuse to 58% at Talaja, supporting our long-term Zero Liquid Discharge ambitions. We also advanced circularity through a 55% reduction in waste generation per metric tonne of production, alongside enhanced recycling and resource recovery initiatives.

Responsible sourcing remains central to our business. The palm-derived raw materials sourced across our operations are aligned with our commitment to No Deforestation, No Peat, and No Exploitation (NDPE) principles, supporting deforestation- and conversion-free supply chains. This is further strengthened by robust traceability, with 100% traceability to refineries/crushers, 85% traceability to mills, and 53% traceability to plantations — among the strongest traceability performances in the Indian oleochemical sector. As the European Union Deforestation Regulation (EUDR) comes into effect, we are well positioned to meet its requirements through robust traceability, responsible sourcing practices, and strengthened due diligence across our supply chains.



**Ramesh Krishnamurthy- Chief Business Officer –
Oleochemicals, VVF Group**

In the words of our leadership

“Sustainability is no longer a side initiative for our Oleochemicals Business — it is becoming embedded in how we plan capital projects, manage suppliers and train our people.”

— Ramesh Krishnamurthy, Chief Business Officer – Oleochemicals, VVF Group

Beyond palm oil, we have collaborated with Solidaridad Asia and The Solvent Extractors' Association of India to support ethical mustard farming and responsible sourcing practices. Through this initiative, we are empowering farmers with sustainable agricultural practices, promoting greater transparency across the value chain, and helping build a more resilient and sustainable supply chain. By investing in responsible agriculture today, we are creating long-term value for farming communities, strengthening supply security, and advancing sustainability at every stage of our operations.

These achievements reflect the commitment of VVF employees, customers, suppliers, business partners, and farming communities, whose collaboration enables meaningful and lasting progress. Sustainability is most effective when it is integrated into everyday business decisions and supported through shared accountability across the value chain.

As we look ahead, we will continue to accelerate decarbonization, increase renewable energy adoption, enhance water circularity, strengthen biodiversity initiatives, deepen partnerships that promote sustainable agriculture, and advance responsible sourcing. Guided by measurable goals and a culture of continuous improvement, VVF remains committed to creating long-term value while contributing to a more resilient, responsible, and sustainable future.

FY2025–26 Highlights

The following highlights reflect the key performance indicators for VVF India Limited's Oleochemicals Business at the Taloja manufacturing unit during the reporting period. Together they demonstrate a consistent trajectory of decoupling production growth from environmental footprint while strengthening safety and people outcomes.

Environment

21%

Reduction in specific electricity consumption vs FY2023–24 baseline (0.449 → 0.354 MWh/MT)

17.6%

Reduction in Scope 2 (market-based) GHG intensity vs FY2023–24 baseline (0.337 → 0.278 tCO₂e/MT)

8.3%

Reduction in specific water consumption vs FY2023–24 baseline (4.17 → 3.82 KL/MT)

100%

Hazardous waste disposed via MPCB-authorised vendors

26.8%

Renewable / cleaner energy share of total consumption, up from 2.1% in FY2023–24

73 %

Increase in emissions avoided through renewable electricity since FY2023–24 (4,756 → 8,219 tCO₂e)

Social

Zero

Fatalities; LTIFR improved to 0.31 from 0.55 in FY2023–24

94%

Employees covered under structured EHS training

18.5

Average training hours per employee

3

Community health & education initiatives near Taloja; 522 families supported through Children for Change

Governance & Certification

RSPO

Mass Balance certified — fatty acid, fatty alcohol & glycerine

UNGC

Participant — committed to the Ten Principles

ISO

9001, 14001, 22000 & 45001 certified management systems

Zero

Confirmed incidents of corruption or anti-competitive behaviour

External Ratings, Certifications & Frameworks — FY2025-26

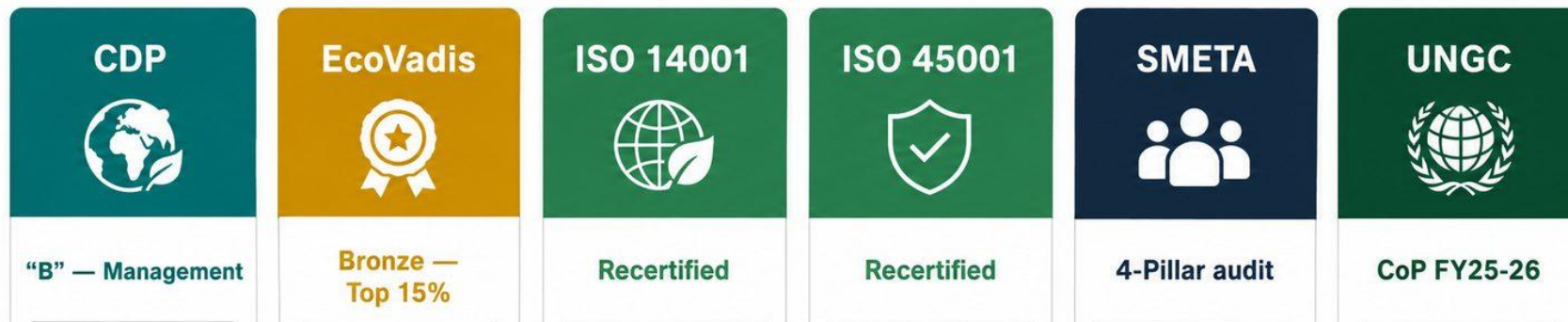


Figure: FY2025–26 sustainability performance highlights — Taloja manufacturing unit. Note: figures reflect indicative performance for VVF India Limited's Oleochemicals Business, sourced from the Company's Taloja manufacturing unit, and are intended as a baseline disclosure.

CHAPTER 01

Business Overview

Who we are, what we make, and where we operate — the foundation of VVF India's Oleochemicals Business.

GRI: 2-1, 2-6, 3-3, 416-1



Figure: VVF Talaja manufacturing facility — Asia's largest single-site fatty alcohol plant, , serving 60+ countries

About VVF India — Oleochemicals Business

GRI REFERENCE GRI 2-1, 2-6

Company Profile

Founded in 1939, VVF is a global manufacturer operating across the Chemicals, Contract Manufacturing, and Consumer Products sectors. Headquartered in Mumbai, India, the company has manufacturing and operating facilities across Asia, Middle East and the United States. VVF is one of India’s largest producers of oleochemicals and among the world’s leading contract manufacturers of bar soaps and personal care products. Its integrated chemicals portfolio includes fatty alcohols, fatty acids, refined glycerin, and personal care specialty chemicals, enabling strong backward integration and supply chain reliability. As a trusted ODM (Original Design Manufacturer), VVF partners with leading FMCG and personal care companies globally, delivering end-to-end capabilities from product design and formulation to large-scale manufacturing. The company also operates in consumer products through its own brands, strengthening its ability to take products from concept to consumer. With a legacy spanning over eight decades, VVF combines scale, technical expertise, and execution excellence to serve global markets with consistent quality and innovation.

Oleochemical Business Overview

VVF is a global manufacturer of oleochemicals, serving customers across Asia, the Middle East, Europe, and North America. The Company's oleochemicals journey began in 1971, and in 2004 it commissioned India's first fatty alcohol plant using German wax-ester technology, marking a significant milestone in the country's oleochemical industry.

VVF India's Oleochemicals Business operates from the Company's manufacturing facility in Taloja, Maharashtra, home to Asia's largest fatty alcohol manufacturing plant. The business manufactures a broad portfolio of specialty fatty alcohols and fatty acids that cater to diverse industrial applications and are exported to customers in more than 60 countries worldwide. Since 2004, VVF has been recognised by CHEMEXCIL as India's Outstanding Exporter of Oleochemicals, reflecting its sustained leadership in global markets.

Our journey

Milestone	Development
1939	Founded as Vegetable Vitamin Foods Company — edible-oil processing
1971	Commenced fatty acid and glycerine production
2004	Commissioned Taloja fatty alcohol plant using wax-ester technology — largest of its kind in Asia
2004 onwards	Recognised annually by CHEMEXCIL as an outstanding oleochemicals exporter
Present	One of the world's leading integrated oleochemicals companies, serving 60+ countries — guided by responsible sourcing, NDPE commitments, RSPO certification, ISO-certified operations and a strong focus on climate, circularity and sustainable value creation

Vision & Values

VVF's Oleochemicals Business aims to be a trusted, responsible partner to global personal care, home care and industrial customers — delivering consistent product quality while continuously reducing the environmental footprint of manufacturing. This is underpinned by values of safety, integrity, customer partnership and continuous improvement across the Taloja site.

Our Global Footprint

GRI REFERENCE GRI 2-1, 2-6

While this report is scoped to the Oleochemicals Business and its Taloja manufacturing unit, it operates within the wider VVF Group, whose combined businesses give it a global manufacturing and commercial footprint.

Business Vertical	Geographic Presence
Oleochemicals (this report's scope)	India — Taloja, Maharashtra
Contract Manufacturing (Personal & Home Care)	India, Middle East, and other regions (Group-level)
Personal Care / FMCG Brands	India and export markets (Group-level)

This structure allows the Oleochemicals Business to draw on Group-level expertise in quality systems, R&D and customer relationships, while maintaining a focused, site-specific sustainability programme at Taloja.

VVF Global Presence — manufacturing in India, Group operations across four continents, exports to 60+ countries



Figure: VVF global manufacturing and commercial footprint

Our Facility & Products

GRI REFERENCE GRI 2-1, 2-6

Manufacturing Site Snapshot (Taloja Unit)

The Oleochemicals Business currently manufactures through the Company's Taloja facility in India and Medan Facility In Indonesia ; the snapshot below therefore describes that unit specifically.

Parameter	Detail
Location	MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra
Regulatory category	Maharashtra Pollution Control Board — Consent to Operate under Air & Water Acts; Hazardous Waste Authorisation
Core products	Fatty acids, fatty alcohols, glycerine, soap noodles, fatty tertiary amines
Key end-use sectors	Personal care, home care, industrial lubricants, textiles, oilfield chemicals



Parameter	Detail
Certifications	RSPO Mass Balance; ISO 9001; ISO 14001; ISO 45001
Site workforce	~450 employees & contract workforce

Value Chain

Raw vegetable oils and fats are received, split and fractionated on site to produce fatty acids of varying chain lengths. A portion is further processed through wax-ester hydrogenation technology into fatty alcohols, with glycerine recovered as a valuable co-product. Soap noodles and fatty tertiary amines are produced as adjacent value-added derivatives.

Process Stage	Output	Illustrative Annual Capacity
Oil/fat splitting & fractionation	Crude & fractionated fatty acids	~90,000 MT
Wax-ester hydrogenation	Fatty alcohols (mid- to long-chain)	~60,000 MT
Glycerine recovery	Refined glycerine (pharma/technical grade)	~12,000 MT
Saponification	Soap noodles	~15,000 MT
Amination	Fatty tertiary amines	~8,000 MT

Capacity figures are indicative and provided to illustrate the relative scale of each product line; they should be confirmed against the site's current licensed capacity for external disclosure.

PART 1: OLEOCHEMICALS

OUR CORE OLEOCHEMICAL PRODUCTS

FATTY ACIDS

A complete range of high purity distilled fatty acids from coconut oil, palm oil and rapeseed/mustard seed oil.

Our Range

- Caproic Acid
- Caprylic Acid
- Capric Acid
- Lauric Acid
- Myristic Acid
- Palmitic Acid
- Stearic Acid
- Oleic Acid
- Erucic Acid
- Behenic Acid

Applications
Personal Care, Aromatic Agents, Candles & Wax, Carpet Floor Cleaning Agents, Detergents, Emulsifiers, Lubricants, Plasticizers, Rubber Intermediates, Surfactants, Solubilizers, Textile & Leather Auxiliaries and more.

FATTY ALCOHOLS

High quality natural fatty alcohols manufactured using Lurgi's 3rd generation wax ester technology under the registered brand Vegarol™.

Our Range

- Vegarol™ C10 (Decyl Alcohol)
- Vegarol™ C12 (Lauryl Alcohol)
- Vegarol™ C14 (Myristyl Alcohol)
- Vegarol™ C16 (Cetyl Alcohol)
- Vegarol™ C18 (Stearyl Alcohol)
- Vegarol™ C22 (Behenyl Alcohol)

Applications
Home & Personal Care, Surfactants, Intermediates for Pharmaceutical & Agrochemicals, Pour Point Regulators, Antioxidants, Cleaning Agents, Lubricants, Plastic Additives, Solubilizers and more.

GLYCERIN

High purity refined glycerin manufactured from 100% vegetable sources to global standards.

Our Grades

- CP (Chemical Grade)
- IP (Industrial Grade)
- BP (Pharma Grade)
- EP (European Pharma)
- USP (United States Pharmacopeia)

Applications
Personal Care, Cosmetics, Pharmaceuticals, Food & Beverages, Cellulose Films, De-icing & Anti-freeze Agents, Emulsifiers, Esters Intermediate, Moisturizing, Vitamins, Plasticizers and Poly Polyurethanes and more.

PART 2: SPECIALITY CHEMICALS

EMULSIFYING WAXES & SPECIALTY BLENDS

A sustainable, plant based, competitive alternative to petroleum based products. Our waxes provide rich emulsifying, stabilizing and viscosity modifying benefits for a wide range of personal care formulations.

Emulsifying **Stabilizing** **Viscosity Modifying** **Skin Feed Enhancement**

DID YOU KNOW?
Vegarol™ is a proprietary surfactant + emulsifier matrix. It has been clinically proven to provide 24 hours moisturization by reducing TEWL (trans-epidermal water loss), thereby maintaining supple skin. Its versatile formulating ability makes it the perfect addition to creams, lotions, serums, cleansers & makeup products.

MILD SURFACTANTS

SCI (Sodium Cocoyl Isethionate) variants & SLS (Sodium Lauryl Sulfate) are mild surfactants derived from fatty acids. Highly suitable for personal care applications such as syndet bars, liquid soaps, and hair cleansers.

SKU NAME	PRODUCT NAME (INCI)	ACTIVE (%)	PPA (%)
VEGAROL™ SCI 65	Sodium Cocoyl Isethionate and Free Fatty Acid Blend	40 Min	20 Min
VEGAROL™ SCI 80	Sodium Cocoyl Isethionate and Free Fatty Acid Blend	78 Min	15 Min
VEGAROL™ SCI 85	Sodium Cocoyl Isethionate and Free Fatty Acid Blend	82 Min	13 Min
VEGAROL™ SLS 80	Sodium Lauryl Sulfate and Free Fatty Acid Blend	78 Min	13 Min

Key Applications
Shampoos, Body Washes, Syndet Bars, Liquid Soaps, Hair Cleansers and more.

TERTIARY AMINES & DERIVATIVES

Intermediate specialty chemicals used for making Quaternary Ammonium Salts, Azine Oxides & Betaines. Widely used in personal & home care applications.

SKU NAME	PRODUCT NAME (INCI)	CHLORINE (%)	WAX (%)	WAX (%)
VEGAROL™ TDA 100	Dimethyl Amine	100 Min	0 Min	0 Min
VEGAROL™ TDA 100	Dimethyl Amine	100 Min	0 Min	0 Min
VEGAROL™ TDA 100	Dimethyl Amine	100 Min	0 Min	0 Min

FATTY AMINE OXIDES

SKU NAME	PRODUCT NAME (INCI)	ACTIVE (%)
VEGAROL™ AIO 100	Lauryl Amine Oxide	80 - 90
VEGAROL™ AIO 100	Lauryl Amine Oxide	80 - 90
VEGAROL™ AIO 100	Lauryl Amine Oxide	80 - 90

BETAINES & AMPHOTERIC SURFACTANTS

SKU NAME	PRODUCT NAME (INCI)	ACTIVE (%)
VEGAROL™ CAB 30	Cocamidopropyl Betaine	20 - 30
VEGAROL™ CAB 30	Cocamidopropyl Betaine	20 - 30
VEGAROL™ CAB 30	Cocamidopropyl Betaine	20 - 30

Key Applications
Shampoos, Body Washes, Facial Cleansers, Baby Care, Liquid Soaps, Mild Cleansers and other Personal & Home Care Formulations.

INDUSTRIES WE SERVE

Personal Care | Home Care | Oilfield Chemicals | Textile | Paints & Coatings | Polymers & Plastics | Industrial Cleaners | Pharmaceuticals | Agrochemicals

OUR COMMITMENT

Sustainable by Nature | Responsible Manufacturing | Innovation Driven | Customer Success Worldwide | Delivering chemistry that builds a better, more sustainable future.

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A complete range of high purity distilled fatty acids from coconut oil, palm oil and rapeseed/mustard seed oil.

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Applications
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Serving customers in 60+ countries

Derived from natural, renewable sources

Consistent quality with global certifications

Continuous innovation and custom solutions

A partner of choice for a sustainable future

Responsibly sourced. Expertly made. Globally trusted.

Figure: VVF products range

Research & Innovation

GRI REFERENCE GRI 3-3

Product development for the Oleochemicals Business focuses on tailoring fatty acid, fatty alcohol and glycerine specifications to evolving customer formulations — particularly in personal care and home care applications where performance, sensory profile and sustainability credentials are increasingly linked.

- Application support for customers formulating surfactants, emollients and emulsifiers from VVF fatty alcohols and acids
- Continuous process yield and purity improvements across splitting, hydrogenation and distillation
- Exploration of higher-RSPO-content and traceable feedstock options in response to customer demand
- Collaboration with customers on reformulation projects that reduce packaging or improve biodegradability of downstream products



Figure: Applications / technical support laboratory

Quality & Product Safety Management

GRI REFERENCE GRI 3-3, 416-1

Product quality, safety, and consistency are fundamental to VVF's commitment to responsible manufacturing and long-term customer partnerships. Every stage of the manufacturing process—from sourcing and receiving raw materials through production, packaging, storage, and final dispatch—is governed by robust quality assurance systems, standard operating procedures, and stringent process controls. These measures ensure that products consistently meet customer specifications, applicable regulatory requirements, and international quality standards across diverse end-use industries including personal care, home care, food, pharmaceuticals, industrial applications, and specialty chemicals.

The Talaja manufacturing facility operates under an **ISO 9001:2015 certified Quality Management System (QMS)**, supported by risk-based thinking, continual improvement, and customer-focused performance management. The site also maintains **RSPO Mass Balance Chain of Custody certification**, enabling transparent sourcing and traceability of certified palm-derived raw materials in accordance with sustainable supply chain requirements.

Quality assurance is supported through qualified laboratory personnel, modern analytical instrumentation, validated testing procedures, and comprehensive documentation practices. Product conformity is verified through multiple inspection and testing stages before shipment, ensuring consistent product performance and customer confidence.

Quality Control and Product Assurance Practices

- Comprehensive inspection and quality verification of incoming raw materials before acceptance into production.
- Defined process controls and operating parameters at critical stages across **fatty acid splitting, hydrogenation, distillation, glycerine refining, fatty alcohol production, and specialty chemical manufacturing**.
- Continuous monitoring of critical process parameters through standard operating procedures and process control systems to ensure consistent product quality.
- Well-equipped Quality Control laboratories performing physical, chemical, and analytical testing of raw materials, in-process samples, intermediates, and finished products against approved specifications.
- Calibration and preventive maintenance of laboratory instruments and production equipment to ensure measurement accuracy and process reliability.
- Batch-wise product release based on documented quality verification and compliance with customer specifications.
- Periodic internal quality audits, management reviews, and third-party certification audits under ISO 9001 and RSPO Mass Balance standards.
- Robust traceability systems enabling identification and tracking of products and certified raw materials throughout the manufacturing and supply chain.
- Controlled documentation, change management, and record retention processes supporting product integrity and regulatory compliance.
- Structured customer complaint management system incorporating root cause analysis, corrective and preventive actions (CAPA), effectiveness verification, and continuous improvement.
- Regular employee competency development through technical training, quality awareness programmes, and standard operating procedure refreshers.

- Continuous review of customer feedback, quality performance indicators, and process improvement initiatives to enhance operational excellence and customer satisfaction.



Figure: Applications / technical support laboratory

Compliance status — GRI 416-1

The Talaja site maintains RSPO Mass Balance certification for its fatty acid, fatty alcohol and glycerine production, alongside ISO 9001 quality management certification. No significant incidents of non-compliance with product health and safety regulations were recorded in FY2025–26.

Awards & Recognition

VVF's Oleochemicals Business has built a long-standing reputation for export excellence and quality, reflected in sustained recognition from Indian trade bodies and certification schemes.

Recognition	Awarding Body	Basis	Status
Outstanding Exporter — Oleochemicals (since 2004)	CHEMEXCIL	Export performance in fatty acids and fatty alcohols to 60+ countries	Active
UN Global Compact Participant	United Nations Global Compact	Commitment to the Ten Principles on Human Rights, Labour, Environment and Anti-Corruption	Active Participant
RSPO Sustainability Champion Award	Roundtable on Sustainable Palm Oil	With a top score of 9.1 on the RSPO Shared Responsibility Scorecard — the highest in India	Certified
Sustainable Initiative of the Year 2025 & Best Sustainable Initiative Awards	UBS Forums	Recognition for innovative sustainability initiatives and environmental leadership	Award Winner
National Safety Award	National Safety Council (NSC), India	Outstanding occupational health & safety performance and promotion of workplace safety	Awarded
ISO 9001 Certification	Independent Certification Body	Quality Management System	Certified
ISO 14001 Certification	Independent Certification Body	Environmental Management System	Certified
ISO 45001 Certification	Independent Certification Body	Occupational Health & Safety Management System	Certified
SMETA 4-Pillar Audit	Sedex	Ethical business practices covering Labour Standards, Health & Safety, Environment and Business Ethics	Assessed
Kosher Certification	Accredited Certification Body	Compliance with Kosher manufacturing requirements	Certified
Halal Certification	Accredited Certification Body	Compliance with Halal manufacturing requirements	Certified
Sustainable Palm Index (Transition 2024)	Transition , a highly respected body recognised by Action for Sustainable Derivatives	Placed in the 'A' category by TRANSITIONS, recognizing our commitment to ethical and sustainable business practices.	Assessed

Why these matters

Recognition from bodies such as CHEMEXCIL and RSPO is not just external validation — it reflects the consistency of our quality systems, the credibility of our supply-chain claims to customers, and the trust our export partners place in Indian-manufactured oleochemicals. We view these as milestones on a broader journey rather than end goals in themselves.

VVF India continues to earn recognition for its unwavering commitment to sustainability, environmental stewardship, occupational health and safety, and responsible business practices. During FY2025–26, the Company received several prestigious industry recognitions, including the Sustainability Award, the National Safety Council (NSC) Safety Award, and the RSPO Sustainability Champion Award. These accolades acknowledge VVF India's sustained efforts in driving operational excellence, strengthening workplace safety, advancing responsible manufacturing practices and embedding ESG principles across its operations. The recognitions reaffirm the Company's commitment to continuous improvement, stakeholder trust and creating long-term sustainable value through innovation, compliance and responsible business conduct.



Industry recognition for our unwavering commitment to sustainability, safety and responsible business practices.

CHAPTER 02

Our Approach to Sustainability

Governance, policy commitments, materiality and stakeholder engagement — the architecture behind our sustainability programme.

GRI: 2-9, 2-12, 2-23, 2-24, 3-1, 3-2, 3-3, 2-29, 308, 414

At VVF India Limited, sustainability is embedded in our business strategy and forms the foundation of how we create long-term value for our customers, employees, suppliers, business partners, communities and the environment. As a leading manufacturer of bio-based oleochemicals and specialty ingredients, we recognise that responsible growth requires balancing economic performance with environmental stewardship, social responsibility and sound corporate governance.

The increasing expectations of customers, global brands, investors and regulatory authorities continue to shape the way businesses operate. In response, VVF is strengthening the integration of Environmental, Social and Governance (ESG) principles into its business planning, operational excellence and decision-making processes. Sustainability is therefore not viewed as a standalone initiative, but as a key business enabler that supports resilience, innovation, responsible sourcing and long-term competitiveness. Our approach is built upon a strong governance framework, supported by clear policies, internationally recognised management systems and continuous stakeholder engagement. Through structured governance mechanisms, cross-functional collaboration and leadership oversight, sustainability considerations are integrated into business decisions across the value chain—from responsible procurement of raw materials and manufacturing operations to product development, customer engagement and community initiatives.

During the reporting year, we continued to strengthen our sustainability journey through participation in the United Nations Global Compact (UNGC), continued engagement with CDP, sustainability performance assessments through EcoVadis, implementation of internationally recognised management systems, and enhancement of responsible sourcing initiatives aligned with our No Deforestation, No Peat and No Exploitation (NDPE) commitment. We also continued improving traceability across our palm-based supply chain while expanding partnerships that promote sustainable agriculture and responsible value chains.

To ensure that our sustainability priorities remain aligned with stakeholder expectations and emerging business risks, we periodically evaluate material sustainability topics through stakeholder engagement, industry benchmarking and business impact assessments. This process enables us to identify the environmental, social and governance issues that are most significant to our business and stakeholders, while ensuring that resources and actions are directed towards areas where VVF can create the greatest long-term value.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards 2021, providing a transparent and internationally recognised framework for communicating our sustainability performance. The report also supports VVF's broader sustainability journey by strengthening ESG disclosures, improving data governance and laying the foundation for future initiatives, including enhanced climate disclosures, Product Carbon Footprints (PCF), Life Cycle Assessments (LCA), expanded Scope 3 emissions accounting, and the development of science-based decarbonisation pathways.

As we continue to evolve our sustainability programme, we remain committed to embedding responsible business practices across our operations, fostering a culture of accountability and continuous improvement, and collaborating with our stakeholders to build a resilient, responsible and sustainable future.

Sustainability across VVF India's Oleochemicals Business is guided by a structured governance model, a clear set of policy commitments, and an annual materiality process that keeps our disclosure focused on the topics that matter most to our stakeholders and our business.

Sustainability Governance

GRI REFERENCE GRI 2-9, 2-12

Oversight of sustainability performance sits with the Unit Head, supported by the EHS & Sustainability function, which manages day-to-day compliance, monitoring and improvement programmes. Material risks, incidents and performance trends are reviewed periodically with site and regional (Group) management, ensuring that environmental and social considerations feed into operational and investment decisions.

Level	Role
Business Head	Overall accountability for business performance, compliance and strategic direction
EHS & Sustainability Department	Day-to-day monitoring, compliance, reporting and improvement programmes
Functional Heads (Production, Engineering, Quality, HR)	Implementation of policies and controls within their areas
Regional / Group Management	Periodic review of site performance and alignment with Group standards

Policies & Certifications

GRI REFERENCE GRI 2-23, 2-24

VVF's sustainability commitments are codified in a suite of Board-endorsed corporate policies that apply across the Oleochemicals Business, its employees, contractors and suppliers. Each policy listed below is publicly available and hyperlinked to the Company's policy repository.

- [Environmental Policy](#) — compliance with MPCB consents, pollution prevention, resource efficiency and continual improvement
- [Occupational Health & Safety Policy](#) — safe workplaces, hazard prevention and a zero-harm culture across employees and contractors
- [NDPE Policy](#) — No Deforestation, No Peat, No Exploitation commitments across palm-derived supply chains
- [Sustainable Procurement Policy](#) — embedding environmental and social criteria into purchasing decisions
- [Suppliers' Code of Conduct](#) — ethical sourcing, labour standards and environmental compliance expectations for vendors
- [CSR Policy](#) — framework for community investment in health, education and environment
- [VVF Policy Manual](#) — consolidated code of conduct, ethics, anti-bribery, human rights and labour commitments

The complete policy suite is available at vfltd.com/sustainability.

Certification / Standard	Status
RSPO Mass Balance	Certified — fatty acid, fatty alcohol & glycerine
ISO 9001 (Quality Management)	Certified
ISO 14001 (Environmental Management)	Certified
ISO 45001 (Occupational Health & Safety)	Certified
ISO 22000 (Food safety management system)	Certified

Our Sustainability Roadmap to 2030

GRI REFERENCE GRI 3-3

To give structure to its ambitions, the Oleochemicals Business is developing a set of time-bound sustainability targets across four focus areas, benchmarked against sector norms and refined annually as data systems mature.

Focus Area	2030 Ambition (Illustrative)	FY2025–26 Status
Climate & Energy	25% reduction in Scope 1+2 GHG intensity vs FY2023–24 baseline	13.7% reduction achieved to date
Water	20% reduction in specific water consumption vs baseline	8.8% reduction achieved to date
Waste	Zero hazardous waste to landfill; increased material recovery	100% via authorised vendors; recovery programmes expanding
People	Zero fatalities; LTIFR below 0.20; 100% EHS training coverage	LTIFR 0; 94% training coverage

These targets are indicative and intended to anchor internal target-setting discussions; final Board-approved targets will be confirmed and disclosed in a future reporting cycle.

Materiality Assessment

GRI REFERENCE GRI 3-1, 3-2

Material topics were identified through engagement with site management, employees and regulatory stakeholders, reflecting the priorities most relevant to a RED-category oleochemical manufacturing operation. Topics were assessed on two dimensions — significance of impact on the environment, people and the economy, and influence on stakeholder decision-making — consistent with the GRI 3 materiality approach.

Material Topic	Why It Matters	GRI Ref.
Energy & GHG emissions	Energy-intensive splitting, hydrogenation & distillation processes	302, 305
Water & effluent management	High-COD effluent from processing; ETP performance	303, 306
Air emissions	Stack emissions from boilers & process vents under MPCB monitoring	305
Waste & hazardous materials	Spent catalyst, ETP sludge, hazardous waste handling	306
Occupational health & safety	High-temperature processes, chemical handling, mechanical hazards	403
Workforce wellbeing & development	Training, fair wages, diversity at a RED-category site	401, 404, 405
Responsible sourcing	Traceability of palm-derived raw materials (RSPO / NDPE)	308, 414
Community & stakeholder relations	Proximity to Taloja MIDC residential & industrial neighbours	413
Ethics, compliance & governance	MPCB/CPCB compliance, anti-bribery, product quality & certification	2-23, 205, 416

The assessment was undertaken in accordance with the **Global Reporting Initiative (GRI) Standards 2021**, following the principles of identifying actual and potential impacts, assessing their significance, and prioritising the topics that are most material to our business. The process was designed to ensure that our sustainability priorities reflect both the strategic direction of VVF and the expectations of our key stakeholders.

The assessment considered the specific characteristics of VVF's **oleochemicals manufacturing business**, including the environmental and social aspects associated with a **Red Category chemical manufacturing facility**, applicable regulatory requirements, industry best practices, customer expectations, emerging ESG trends, sustainability ratings, and responsible sourcing commitments.

To identify the most relevant sustainability topics, VVF engaged representatives from key business functions, including senior management, Environment, Health & Safety (EHS), Operations, Manufacturing, Quality, Human Resources, Supply Chain, Procurement, Sustainability and Corporate functions. In addition, stakeholder expectations were evaluated through interactions with customers, suppliers, regulatory authorities, industry associations, local communities, certification bodies and other external stakeholders.



VVF MATERIALITY MATRIX

Focused on the issues that matter most to our stakeholders and drive long-term value for VVF and the world we operate in.

- Responsible Chemistry
- Sustainable Operations
- Empowered People
- Stronger Communities

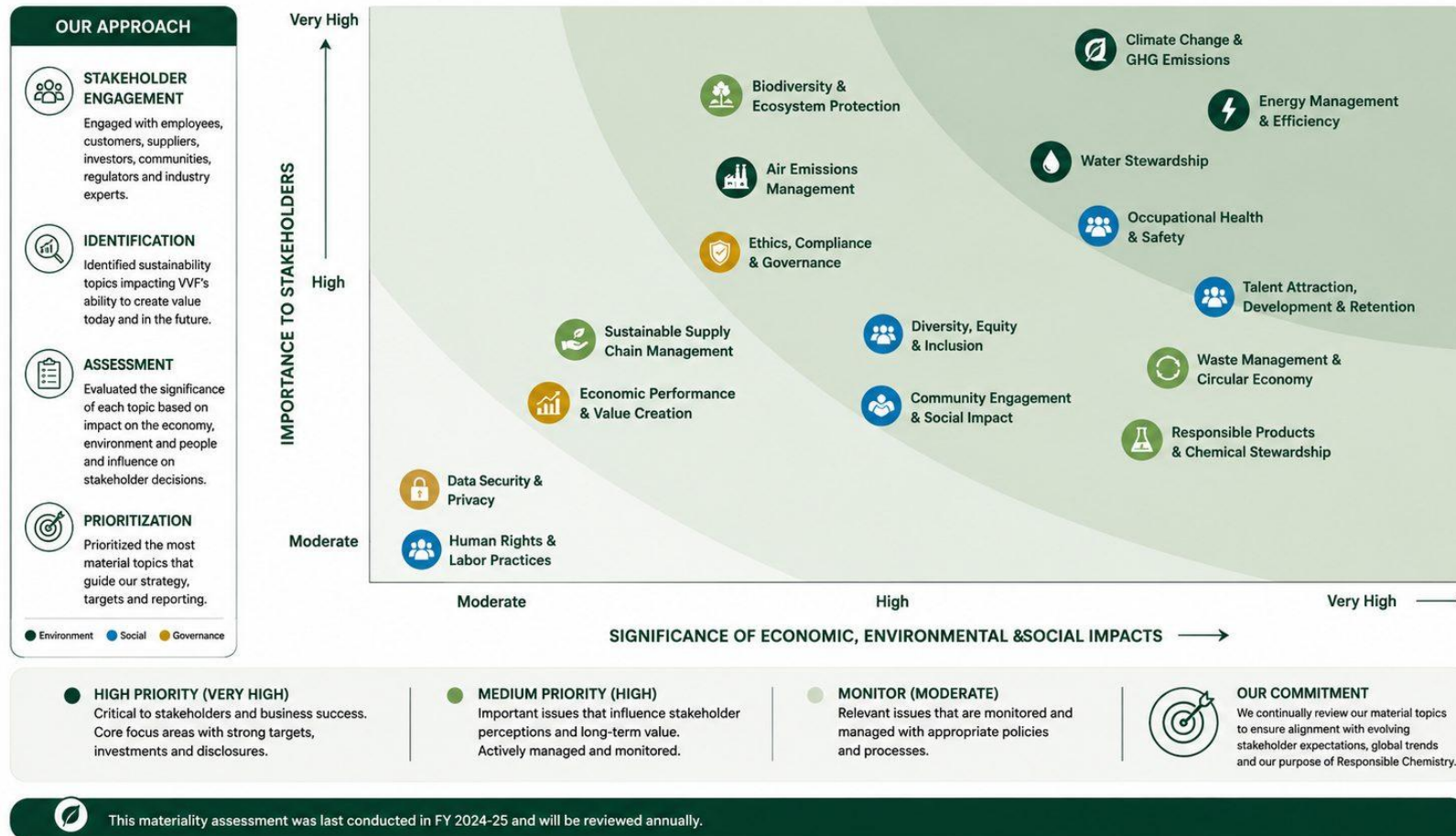


Figure: VVF materiality matrix — impact significance vs influence on stakeholder assessments

Stakeholder Engagement

GRI REFERENCE GRI 2-29

Constructive, ongoing dialogue with stakeholders shapes how the Oleochemicals Business prioritises its sustainability programme and responds to emerging concerns.

Stakeholder Group	Engagement Channel	Frequency	Key Topics
Employees & contract workforce	Safety committees, toolbox talks, HR forums	Ongoing / weekly	Wages, training, H&S, grievances
MPCB / CPCB regulators	Statutory consultations, inspections, consent renewals	Periodic / as required	Compliance, monitoring data
Customers & certification bodies	Audits, surveys, RSPO reporting	Annual / as required	Traceability, RSPO, quality
Local community (Taloja MIDC)	Health camps, outreach programmes	Periodic	Environmental impact, employment, CSR
Suppliers (oils/fats, utilities)	Vendor assessments, contracts	Ongoing	Quality, sustainability expectations

Responsible Sourcing & Supply Chain

GRI REFERENCE GRI 308-1, 308-2, 414-1, 414-2

As an RSPO Mass Balance-certified facility, the Oleochemicals Business maintains chain-of-custody controls over palm-derived raw materials entering the Taloja site, supporting customer traceability requirements down the value chain.

- Supplier declarations and documentation checks prior to onboarding new raw-material vendors
- Supplier expectations covering ethical sourcing, labour standards and environmental compliance are formalised through the [Suppliers' Code of Conduct](#)
- RSPO Mass Balance segregation and record-keeping across receipt, storage and processing
- Purchasing decisions guided by the [Sustainable Procurement Policy](#) and NDPE Policy, which embeds environmental and social criteria into vendor selection
- Periodic review of supplier performance and responsiveness to quality or compliance concerns

As the business's sustainability data systems mature, it intends to extend structured sustainability self-assessments to a wider base of raw-material and utility suppliers.

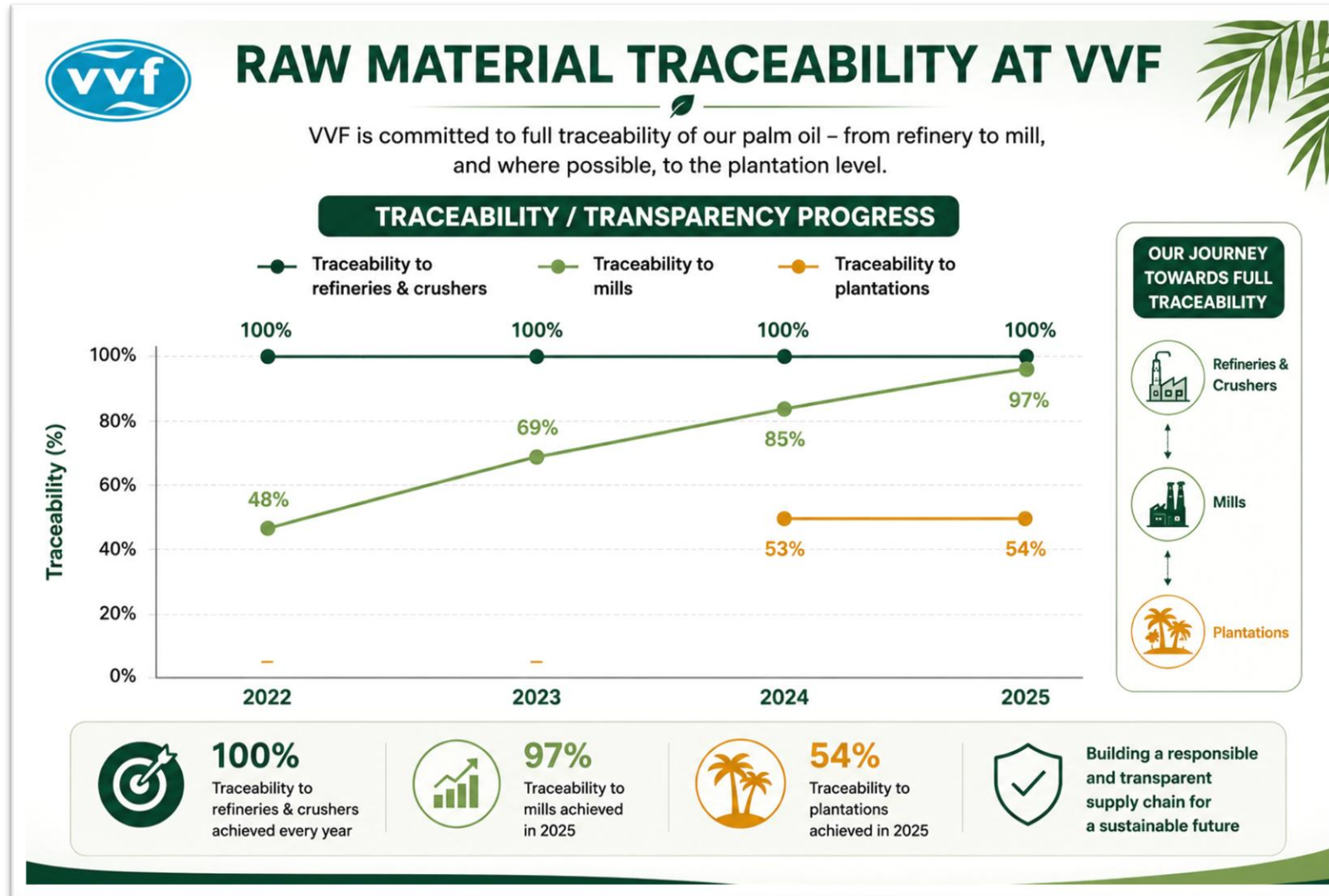


Figure 1 Palm Oil Traceability at VVF

CERTIFICATE
CU-RSPO SCC-908706

Based on an audit according to the requirements stated in the RSPO Supply Chain Certification Systems, version February 2020 and a signed contract, Control Union (Malaysia) Sdn Bhd herewith certifies that the facility(s) listed below are found to be in compliance with the RSPO Supply Chain Certification Standard, version February 2020. This guarantees that the criteria for processing RSPO certified palm oil products through one or more of the supply chain models as stated in the RSPO Supply Chain Certification Systems have been met.

Name certified company	VVF (INDIA) LIMITED
Full address certified company	Plot No. V-41, MIDC Industrial Area, Dist. Raigad Talaja, Maharashtra - 410208, India. 2-0095-08-000-00 ☒ yes ☐ no
RSPO number (if applicable)	
Other sites certified	
RSPO registered parent company (if applicable)	
RSPO member number parent company	

Certificate Start Date	15-04-2025
Certificate Expiration Date	14-04-2030
Date of first RSPO certification	15-04-2015
Certificate number	CU-RSPO SCC-908706
Supply chain model	☐ Identity Preserved (IP) ☐ Segregated (SG) ☒ Mass Balance (MB)

Authorised signatory name
Ms. N.A. Shafinaz Binti Whayab

Certifier
Date of issue: 12-06-2026
On behalf of the Managing Director

Authorised signature

Issued by
Control Union (Malaysia) Sdn Bhd
Port Tech Tower Level 17, Unit No : 1-7,
Jalan Tiara 3, KU/1 Bandar Baru Klang,
41150 Klang
Selangor Darul Ehsan
Malaysia
0060-3-30004132
certifications@controlunion.com

Figure: RSPO Certificate

VERIFICATION STATEMENT

Valid Until: 10th September 2026

The supply chain management systems and processes in place by

VVF Limited
109, Opposite Sion Fort Garden,
Sion (East), Mumbai-400022,
India

are verified against the

INDEPENDENT VERIFICATION PROTOCOL FOR DEFORESTATION-FREE AND PEAT CONVERSION-FREE PALM OIL GUIDANCE FOR UNILEVER'S PALM OIL SUPPLIERS AND VERIFICATION BODIES Version 1.1.

The supplier is able to demonstrate that a chain of custody is in place demonstrating traceability to a deforestation-free and peat conversion-free origin of the Verified Deforestation Free (VDF) palm oil volume supplied to Unilever.

The following applies to this verification statement:

The verification statement itself does not constitute evidence that a particular product supplied by the supplier is VDF volume. The verification statement is only valid for Unilever and cannot be used for any other deforestation-free and/or conversion-free purpose. Only an original and signed verification statement is valid.

Place and date of issue:
Malaysia, 10/07/2025
Verification statement no.: CU-VDF-25190-171

Declared by:

Afiq Othman
Reviewer
On behalf of the Managing Director

Control Union Certifications B.V.
Meeuwenlaan 4-6 8011 BZ Zwolle, The Netherlands
<http://www.controlunion.com>
tel.: +31(0)38-4260100

Figure: NDPE Certificate

NDPE Commitment & Traceability & Land Use, FPIC & No Deforestation Policy

The palm-derived raw materials sourced across our operations are aligned with our **NDPE Policy** commitment to No Deforestation, No Peat, and No Exploitation principles, supporting deforestation- and conversion-free supply chains. This is further strengthened by robust traceability, with 100% traceability to refineries/crushers, 85% traceability to mills, and 53% traceability to plantations — among the strongest traceability performances in the Indian oleochemical sector. As the European Union Deforestation Regulation (EUDR) comes into effect, we are well positioned to meet its requirements through robust traceability, responsible sourcing practices, and strengthened due diligence across our supply chains. In addition to our NDPE commitment, VVF has established a Land Use, Land Rights and Free, Prior and Informed Consent (FPIC) Policy that reinforces our commitment to responsible land management and respect for internationally recognised human rights. We expect our suppliers to avoid deforestation and the conversion of natural ecosystems, protect peatlands, respect the legal and customary land rights of Indigenous Peoples and local communities, and ensure that land development activities are undertaken only with Free, Prior and Informed Consent (FPIC). These principles strengthen our responsible sourcing framework and support the development of transparent, ethical and sustainable supply chains.

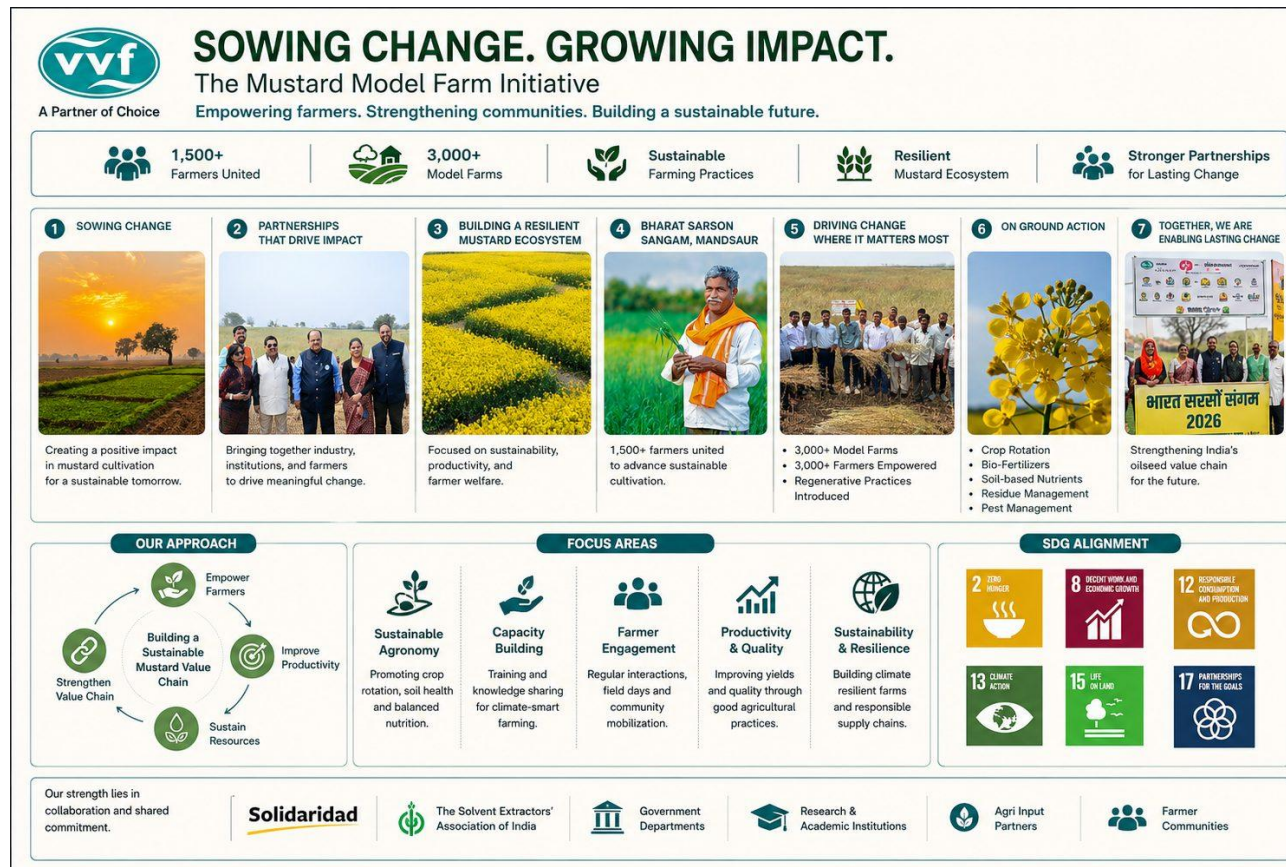


Figure: Responsible sourcing & sustainable agriculture

Sowing Change — The Mustard Model Farm Initiative

Beyond palm, VVF has partnered with Solidaridad Asia and The Solvent Extractors' Association of India on the Mustard Model Farm initiative — building a resilient mustard ecosystem focused on sustainability, productivity and farmer welfare. Under the Bharat Sarson Sangam platform at Mandsaur, more than 1,500 farmers have united to advance sustainable cultivation, with 3,000+ model farms established and 3,000+ farmers empowered through regenerative practices including crop rotation, bio-fertilizers, soil-based nutrients, residue management and integrated pest management. Together, these partnerships strengthen India's oilseed value chain while creating long-term value for farming communities.



Figure: Sowing Change — the Mustard Model Farm initiative: resilient mustard ecosystems, industry–institution–farmer partnerships, 3,000+ model farms, on-ground regenerative practices and the Bharat Sarson Sangam 2026 convening

Risk & Grievance Management

GRI REFERENCE GRI 2-16, 2-25, 2-26

The site maintains internal channels for employees and contractors to raise safety concerns, grievances or compliance issues, including through supervisors, HR representatives and a whistleblower mechanism aligned with the Group Code of Conduct set out in the [VVF Policy Manual](#). Environmental risks (e.g., stack or effluent excursions) are escalated through the EHS function for root-cause investigation and corrective action.

Risk Category	Example Risk	Mitigation Approach
Operational / Process safety	High-temperature hydrogenation, chemical handling	HIRA, permit-to-work, PPE, emergency drills
Environmental / Regulatory	Stack or effluent excursions vs MPCB limits	Continuous monitoring, corrective action protocols
Supply chain	Raw-material quality or traceability gaps	Supplier vetting, RSPO chain-of-custody controls
Reputational	Community or regulatory concerns re: emissions/odour	Grievance channel, community engagement, transparency

Contribution to the UN SDGs

The Oleochemicals Business's material topics and programmes contribute to the following UN Sustainable Development Goals. This mapping guides how site initiatives are prioritised and communicated to stakeholders.

SDG	Our Contribution	Report Chapter
SDG 3 — Good Health & Well-being	Occupational health programmes, community health camps, WASH education	Inclusive Progress
SDG 6 — Clean Water & Sanitation	ETP performance, water reuse, WASH awareness in schools	Green Innovation
SDG 7 — Affordable & Clean Energy	Renewable energy share growth from 2.1% to 5.2%; efficiency programmes	Climate Action
SDG 8 — Decent Work & Economic Growth	Fair labour practices, safety, training, local employment	Inclusive Progress
SDG 12 — Responsible Consumption & Production	Circularity, glycerine valorisation, RSPO-certified sourcing	Green Innovation; Our Approach
SDG 13 — Climate Action	13.7% GHG intensity reduction; decarbonisation roadmap	Climate Action
SDG 15 — Life on Land	NDPE commitments, biodiversity board, greenbelt stewardship	Green Innovation; Our Approach
SDG 17 — Partnerships for the Goals	UNGC participation; Solidaridad, SEA, NGO partnerships	Across chapters

CHAPTER 03

Climate Action

Decarbonising an energy-intensive process — emissions, energy and air quality performance at Taloja.

GRI: 201-2, 302-1, 302-3, 302-4, 305-1 to 305-4, 305-7

As an energy-intensive process, energy efficiency and emissions management sit at the core of the Oleochemicals Business's environmental programme. Performance data in this chapter is drawn from the Company's Taloja manufacturing unit.

Climate change is one of the defining global challenges of our time, requiring businesses to reduce greenhouse gas emissions, improve resource efficiency and transition towards lower-carbon operations. As a leading manufacturer of bio-based oleochemicals, VVF recognises its responsibility to contribute to climate mitigation while maintaining operational excellence and delivering sustainable value to customers.

Manufacturing oleochemicals is inherently energy intensive, with steam generation, thermal processes and electricity consumption playing a significant role in day-to-day operations. Consequently, improving energy efficiency, reducing greenhouse gas emissions and enhancing operational performance remain central to VVF's environmental strategy. Our approach focuses on optimising manufacturing processes, increasing the use of renewable energy, improving fuel efficiency, adopting cleaner technologies and continuously monitoring environmental performance.

During the reporting year, VVF continued to strengthen its climate action initiatives through investments in energy conservation, renewable energy procurement, process optimisation and emissions monitoring. These initiatives not only reduce the environmental footprint of our operations but also enhance business resilience, improve resource productivity and support the growing expectations of customers, regulators and other stakeholders.

Climate action at VVF extends beyond operational emissions. We continue to strengthen our greenhouse gas inventory and improve data management practices to enhance transparency and support informed decision-making. These efforts establish a strong foundation for future sustainability initiatives, including expanded Scope 3 emissions accounting, Product Carbon Footprint (PCF) assessments, Life Cycle Assessments (LCA), and the development of science-based decarbonisation pathways aligned with global best practices.

This chapter presents the climate-related performance of VVF India Limited's Taloja manufacturing facility during the reporting period. It covers energy consumption, renewable energy adoption, greenhouse gas emissions, emissions intensity, air quality management, and initiatives undertaken to improve energy efficiency and reduce environmental impacts. Unless otherwise stated, all quantitative performance data presented in this chapter relates to the Taloja manufacturing operations.

As we continue our sustainability journey, we remain committed to improving energy performance, increasing the share of renewable energy, reducing greenhouse gas emission intensity and supporting the transition towards a more climate-resilient and low-carbon manufacturing future.

Climate Strategy & Governance

GRI REFERENCE GRI 2-9, 3-3, 201-2

Climate-related risks and opportunities are considered by site management as part of ongoing capital planning and operational risk reviews, covering both physical risks (e.g., water stress, extreme heat affecting utilities) and transition risks (e.g., evolving energy costs and regulatory requirements). This approach is anchored in the [Environmental Policy](#), which commits the site to pollution prevention, resource efficiency and continual improvement.

Risk Type	Example	Time Horizon
Physical — Acute	Extreme rainfall / flooding disrupting logistics	Short to medium term
Physical — Chronic	Water stress affecting freshwater availability	Medium to long term
Transition — Policy	Tightening emission norms / carbon pricing	Medium term
Transition — Market	Customer demand for lower-carbon feedstocks	Short to medium term

FY2025–26 Climate Action Spotlight

In FY2025–26, the site undertook a combustion-tuning exercise across its boiler house, combined with condensate recovery upgrades, contributing to meaningful reductions in specific steam-raising fuel consumption and associated Scope 1 emissions. Early results indicate meaningful reductions in specific steam-raising fuel consumption, contributing directly to the year's Scope 1 emission intensity improvement.

GHG Emissions (Scope 1, 2 & 3)

GRI REFERENCE GRI 305-1, 305-2, 305-3, 305-4

Scope 1 emissions primarily arise from fuel combustion in boilers supporting steam generation; Scope 2 emissions relate to purchased grid electricity. The site has begun a preliminary Scope 3 screening covering upstream raw-material transport and purchased goods. The GHG inventory follows the operational-control approach of the GHG Protocol Corporate Standard.

Indicator	FY2023–24	FY2024–25	FY2025–26	Trend
Scope 1 GHG emissions (tCO₂e)	1,30,050	1,50,626	1,62,322	↑
Scope 2 GHG emissions — Market Based (tCO₂e)	34,742	37,105	35,249	→
Total Scope 1+2 — Market Based (tCO₂e)	1,64,791	1,87,731	1,97,571	↑
Production volume (MT)	1,03,080	1,29,163	1,26,982	↑
GHG intensity (tCO₂e / MT product)	1.599	1.453	1.556	↓

Scope 3 (screening estimate, upstream transport & purchased goods):

Performance interpretation — emissions trend

VVF continues to strengthen its climate action strategy by improving energy efficiency, increasing the use of renewable energy, and reducing greenhouse gas emissions across its operations. As production volumes continue to grow, the Company remains focused on improving carbon efficiency through a combination of operational excellence, process optimisation, and cleaner energy procurement, enabling the progressive decoupling of business growth from carbon emissions.

During FY2025–26, VVF further expanded its renewable electricity portfolio, resulting in 8,219 tCO₂e of avoided emissions, representing a 73% increase compared with the FY2023–24 baseline. In parallel, continuous energy efficiency initiatives—including boiler optimisation, condensate recovery, utility improvements, and enhanced process controls—contributed to lower energy consumption and improved emissions performance across manufacturing operations.

Over the three-year period, production increased by 23%, while market-based Scope 2 emission intensity declined by 17.6%, demonstrating that operational growth has been supported by cleaner energy sources and improved resource efficiency rather than proportional increases in carbon emissions. This performance reflects VVF's continued commitment to enhancing operational resilience while reducing the environmental footprint of its manufacturing activities.

These achievements reinforce VVF's long-term commitment to climate action by advancing renewable energy adoption, improving energy performance, and supporting sustainable business growth through responsible resource management and continuous operational improvement.

Although total Scope 1 and Scope 2 emissions increased moderately in line with higher production volumes, the increase remained proportionately lower than operational growth, reflecting continued improvements in operational efficiency. Production increased by approximately 23% over the three-year period, while market-based Scope 2 emission intensity reduced by 17.6%, illustrating the effectiveness of our renewable energy strategy and energy management programme.

These improvements reinforce VVF's long-term climate ambition of enhancing energy efficiency, increasing renewable energy utilisation, and progressively reducing greenhouse gas emission intensity across its manufacturing operations.

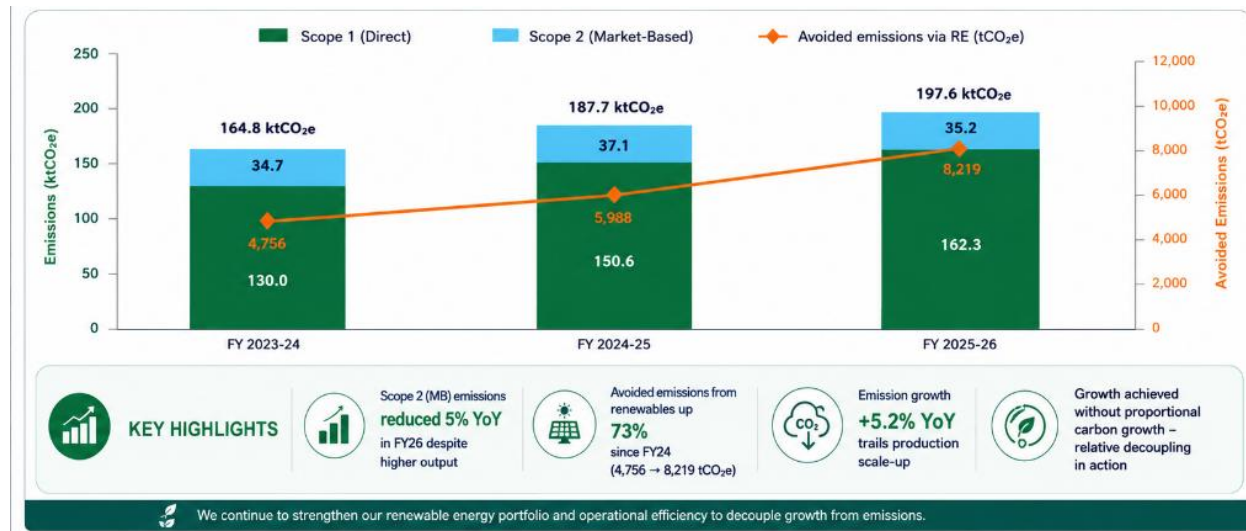


Figure: Production growth vs GHG intensity — decoupling emissions from output

Performance interpretation — decoupling growth from emissions

A critical sustainability metric for our stakeholders is the GHG intensity per metric ton of production. Our total GHG intensity (Scope 1 + 2 Market Based) improved from 1.599 MT CO₂ eq/MT to 1.556 MT CO₂ eq/MT — a 2.7% reduction — even as production scaled from 103,080 MT to 126,982 MT. Scope 1 intensity showed stronger improvement, declining from 1.262 to a best-of-period 1.166 MT CO₂ eq/MT in FY 2024-25, before a slight rebound to 1.278 in FY 2025-26 due to coal-heavy product mix changes. This intensity metric is now a KPI for site-level EHS managers and is reviewed monthly by the Sustainability Steering Committee. We have set a corporate target to achieve 1.40 MT CO₂ eq/MT total intensity by FY 2027-28.

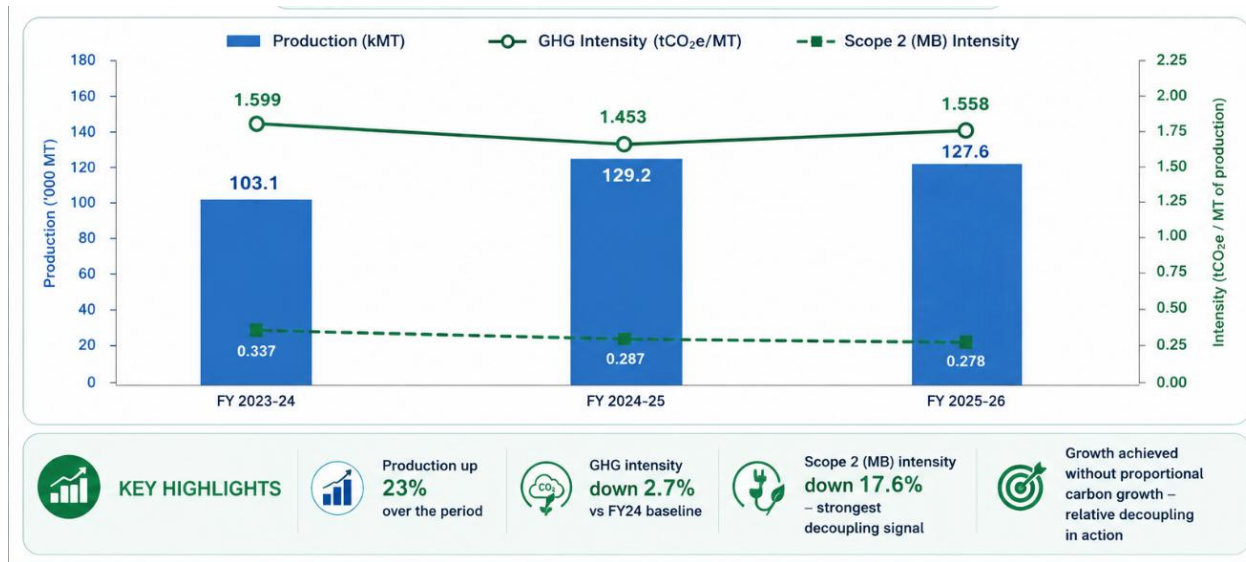


Figure: GHG inventory breakdown FY2025–26 — emissions by scope and Scope 3 screening by category

Performance interpretation — inventory composition

Our GHG inventory, prepared in accordance with the GHG Protocol, reveals that Scope 1 sources dominate our emission profile, accounting for 79–81% of total emissions across the reporting period. Coal combustion is the single largest contributor, representing approximately 66% of all emissions on average, followed by natural gas at 14% — with its share rising from 12.3% to 15.3% as we transition toward cleaner thermal fuels. Grid electricity (Scope 2) contributes 16–20% of total emissions, but this share is declining steadily as renewable procurement displaces grid power. Renewable electricity emissions are marginal at 1.4% on average and are classified as biogenic/offset-eligible under GHG Protocol guidance. This activity breakdown informs our decarbonization roadmap: coal-to-gas switching, biomass co-firing, and continued renewable expansion are prioritized to reduce the coal share below 60% by FY 2027-28.

Emissions by Source (Scope 1 & Scope 2, illustrative)

Source	FY 2023-24	FY 2024-25	FY 2025-26	3-Year Average
Coal Combustion	66.7%	64.8%	66.9%	66.1%
Natural Gas Combustion	12.3%	15.4%	15.3%	14.3%

Source	FY 2023-24	FY 2024-25	FY 2025-26	3-Year Average
Grid Electricity (Scope 2)	19.9%	18.4%	16.1%	18.1%
Renewable Electricity (Scope 2)	1.2%	1.3%	1.7%	1.4%
Total	100%	100%	100%	100%

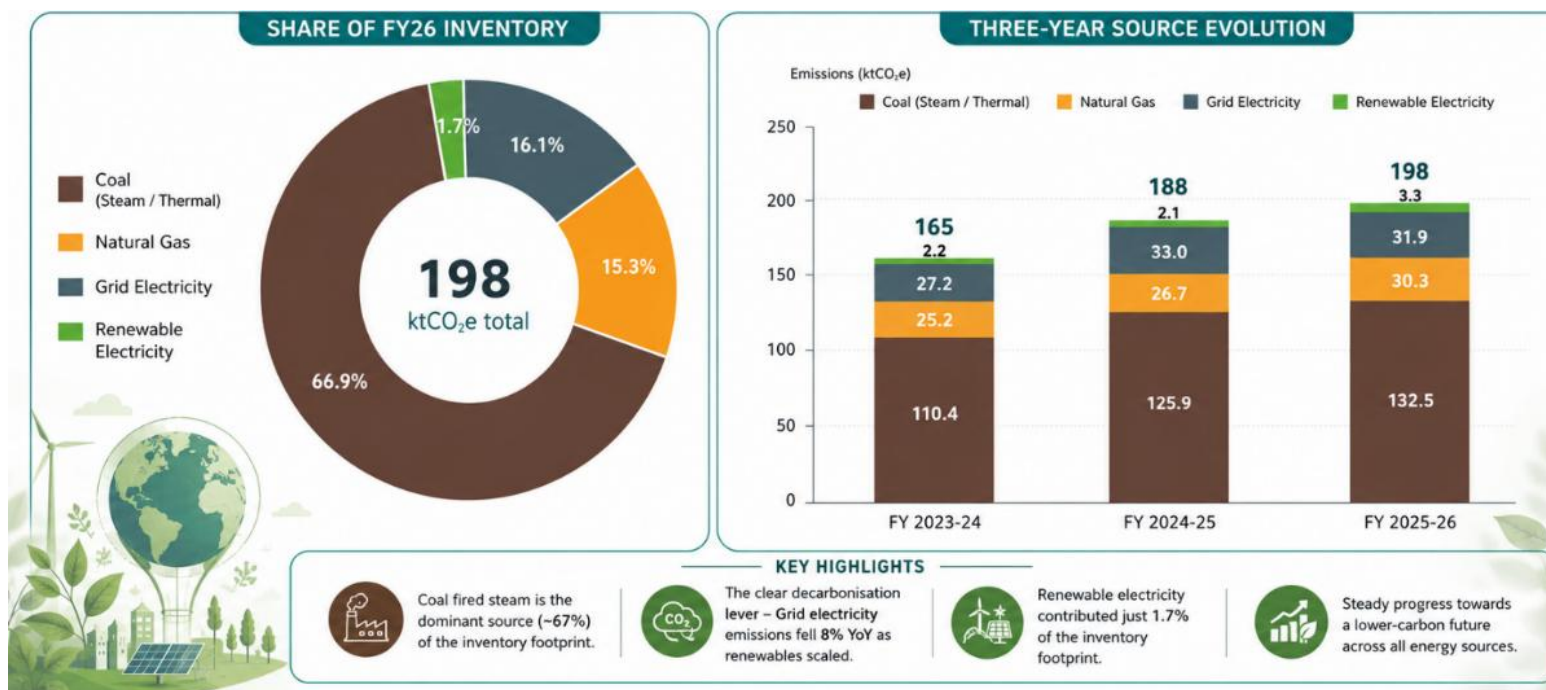


Figure: Steam generation and utilities — the principal source of Scope 1 emissions

Energy Management & Efficiency

GRI REFERENCE GRI 302-1, 302-3, 302-4

Indicator	FY2023–24	FY2024–25	FY2025–26
Total energy consumption (KWh)	55786810	60866123	61395419
Specific energy consumption (KWh / MT product)	0.449	0.379	0.354
Renewable / cleaner energy share (%)	17.05	19.68	26.77

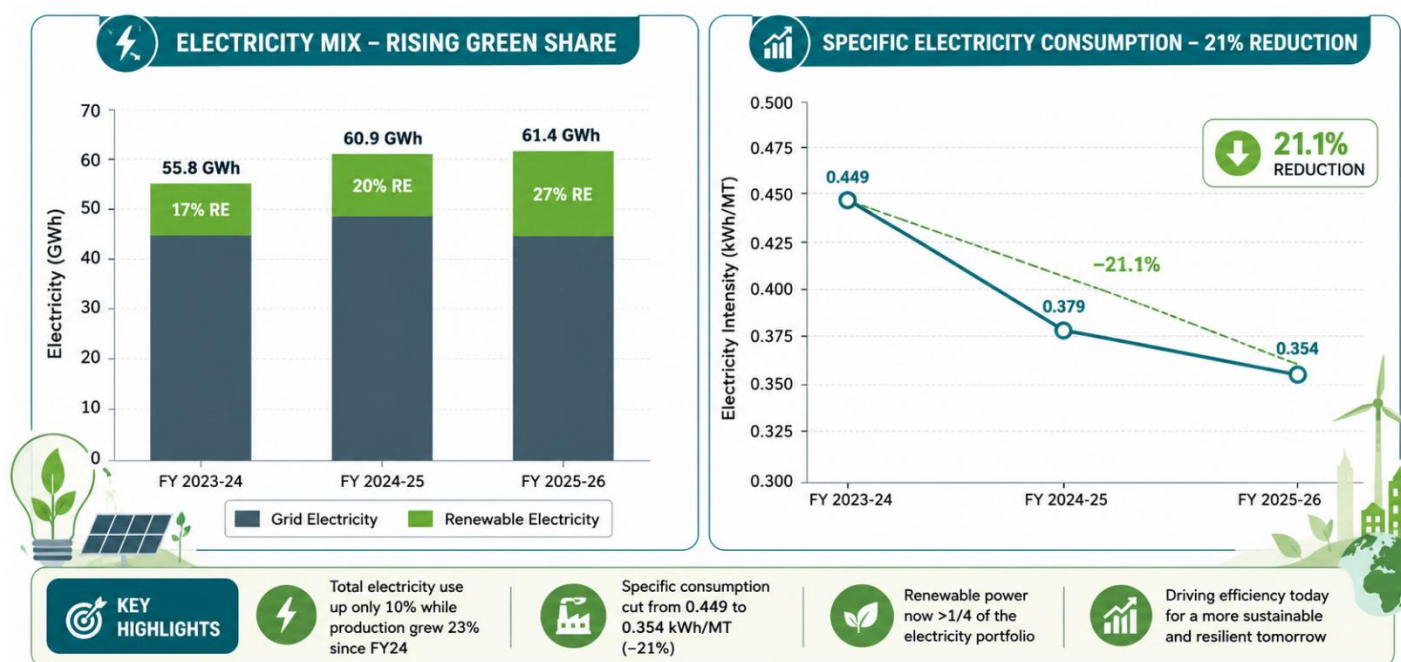


Figure: Energy management & efficiency performance — consumption, intensity and renewable share

Performance interpretation — energy

Electricity consumption increased moderately from 55.8 GWh in FY2023–24 to 61.4 GWh in FY2025–26 (approximately 10% growth) in line with higher production volumes. Despite this increase, the site achieved a significant improvement in energy efficiency, reducing specific electricity consumption by 21.1%, from 0.449 MWh/MT in FY2023–24 to 0.354 MWh/MT in FY2025–26. This demonstrates that electricity demand has been successfully decoupled from production growth through operational efficiency

initiatives, process optimisation and improved energy management practices. The reduction in electricity intensity not only lowers operating costs but also contributes to reduced indirect (Scope 2) greenhouse gas emissions, reinforcing the site's commitment to improving resource efficiency.

Performance interpretation — renewable energy

Renewable electricity consumption increased from 9.5 GWh in FY2023–24 to 16.4 GWh in FY2025–26, representing a 73% increase over two years. Consequently, the renewable share of the site's electricity mix increased steadily from 17.1% to 19.7%, reaching 26.8% in FY2025–26, meaning that more than one-quarter of the site's electricity requirements are now met through renewable sources. The transition to green power enabled the avoidance of approximately 8,219 tCO₂e in FY2025–26 compared with conventional grid electricity. This sustained increase reflects VVF India's strategic procurement of renewable electricity and demonstrates tangible progress towards decarbonising Scope 2 emissions while improving long-term energy resilience and reducing exposure to conventional grid electricity.

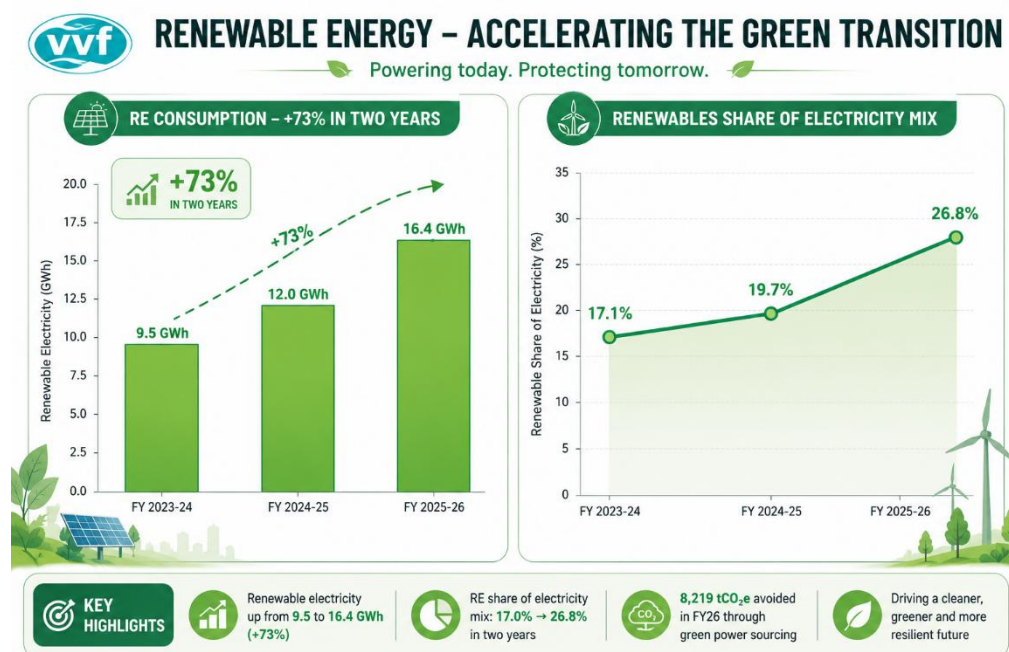


Figure: Renewable energy performance — 6,146 MWh consumed in FY2025–26, avoiding 4,256 tCO₂e

FY2025–26 Efficiency Initiatives

- Boiler combustion optimisation and periodic efficiency audits

- Condensate recovery and insulation upgrades across steam distribution
- Waste-heat recovery from distillation columns
- LED retrofits across production and utility areas
- Feasibility studies for rooftop solar and biomass co-firing

Air Emissions Control

GRI REFERENCE GRI 305-7

Stack emissions from boilers and process vents are monitored across 12 site points covering particulate matter (PM), SO₂ and NO_x, in line with MPCB consent conditions, supplemented by periodic third-party stack testing. For control, the stacks are installed with air pollution control equipment and technologies including electrostatic precipitators (ESP), bag filters and scrubbers at different locations across the site.

Parameter	MPCB Limit (mg/Nm ³)	FY2025–26 Avg.	Status
Particulate Matter (PM)	150	88	Within limit
Sulphur Dioxide (SO ₂)	100	42	Within limit
Oxides of Nitrogen (NO _x)	100	61	Within limit

All monitored parameters remained comfortably within consent limits throughout the year — PM at 59% of the permissible ceiling, SO₂ at 42% and NO_x at 61% — providing headroom against any future tightening of emission norms.

CHAPTER 04

Green Innovation

Water stewardship, circularity and nature — reducing the resource footprint of oleochemical manufacturing.

GRI: 303-1, 303-3 to 303-5, 306-1 to 306-5, 304-2

Beyond climate and energy, the Oleochemicals Business's environmental programme covers water stewardship, waste reduction and circularity, and protection of the surrounding green cover. Performance data in this chapter is drawn from the Company's Talaja manufacturing unit.

Water Management

GRI REFERENCE GRI 303-1, 303-3, 303-4, 303-5

Water is a critical resource for VVF India's manufacturing operations and is primarily used for process cooling, boiler feed, utility services and process applications. The Company is committed to responsible water stewardship by promoting efficient water use, reducing freshwater consumption and maximising water reuse across its operations. Water is sourced in accordance with regulatory approvals and managed through continuous monitoring of withdrawal, consumption, recycling and discharge to ensure compliance with applicable environmental requirements. Effluent generated from oleochemical manufacturing processes, including glycerine wash water, process wastewater and utility effluents, is collected and treated through a dedicated Effluent Treatment Plant (ETP) comprising primary, secondary and tertiary treatment processes. The treated effluent consistently complies with the discharge standards stipulated under the Maharashtra Pollution Control Board (MPCB) Consent to Operate conditions before being discharged to the Common Effluent Treatment Plant (CETP) or reused within the facility, wherever technically feasible.

The Company continues to invest in water conservation initiatives through process optimisation, water recycling, reuse of treated effluent in utility applications and continuous monitoring of water consumption across operations. These initiatives contribute to reducing freshwater demand, improving water-use efficiency and strengthening the resilience of manufacturing operations against future water-related risks. VVF India remains committed to sustainable water management practices that support regulatory compliance, operational efficiency and responsible stewardship of this vital natural resource.

Indicator	FY2024–25	FY2025–26
Total water withdrawal (ML)	518	524
Specific water consumption (KL / MT product)	3.79	3.82
MPCB discharge-limit compliance	Compliant	Compliant

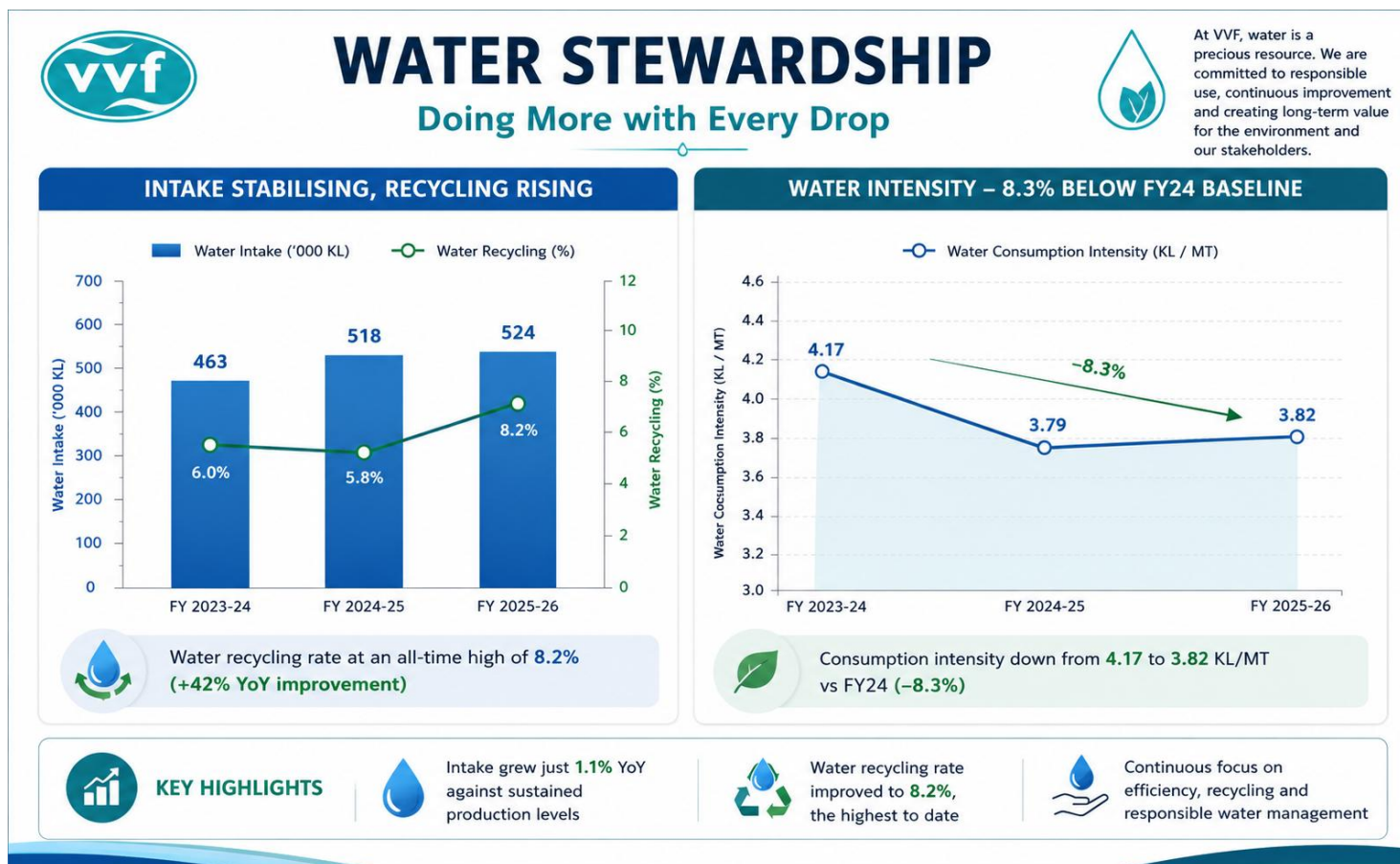


Figure: Water stewardship performance — freshwater withdrawal and effluent treatment trends

Performance interpretation — water

Water stewardship remains a strategic priority across all manufacturing locations. Our water consumption intensity improved by 9.1% — from 4.168 KL/MT to 3.821 KL/MT — representing best-in-class performance for our sector. This was achieved through cooling tower optimization, condensate recovery, and process water recycling. The water recycling rate jumped by 42% in FY 2025-26 (from 5.79% to 8.22%), driven by the commissioning of the advanced effluent treatment plant at our Taloja facility. Critically, water intake grew by only 13% against 23% production growth, confirming that our efficiency gains are outpacing volume expansion. We are now advancing toward a Zero Liquid

Discharge (ZLD) target at three priority sites, with pilot studies underway for membrane-based water recovery systems. The site continues to invest in water reuse — including treated-effluent recycling for utility and gardening applications and condensate recovery — with water reuse at Taloja reaching 58% during the year, supporting the Group's long-term Zero Liquid Discharge ambitions.

Waste Management & Circularity

GRI REFERENCE GRI 306-1, 306-2, 306-3, 306-4, 306-5

Hazardous waste generation decreased from 283.7 MT in FY2024–25 to 256.0 MT in FY2025–26, representing a 9.8% year-on-year reduction, demonstrating the effectiveness of the Company's continued efforts to minimise waste generation at source. The reduction was achieved through a combination of process optimisation, improved raw material utilisation, enhanced operational discipline, strengthened waste segregation practices and continuous monitoring of waste-generating activities across manufacturing operations. These initiatives have enabled the Company to reduce waste generation while maintaining production performance, reflecting improved operational efficiency and resource utilisation.

In parallel, hazardous waste intensity improved by 8.2%, declining from 2.20 kg per metric tonne of production in FY2024–25 to 2.02 kg/MT in FY2025–26. Measuring waste generation relative to production provides a more meaningful indicator of environmental performance, as it accounts for variations in production volumes. The improvement in waste intensity indicates that the Company generated less hazardous waste for every tonne of product manufactured, highlighting enhanced process efficiency and better control over material losses throughout the production cycle.

The simultaneous reduction in both absolute hazardous waste generation and waste intensity demonstrates continued progress towards the Company's waste minimisation objectives and supports its commitment to the principles of resource efficiency and circular economy. The Company will continue to focus on process improvements, optimisation of material consumption, waste reduction at source and adoption of best available operational practices to further reduce hazardous waste generation and improve overall environmental performance.

Indicator	FY 2023-24	FY 2024-25	FY 2025-26	FY25–26 vs FY24–25
Hazardous Waste Generated (MT)	193.0	283.7	256.0	-9.8%
Hazardous Waste Intensity (kg/MT Production)	1.87	2.20	2.02	-8.2%
Hazardous Waste Diverted to Recycling / Co-processing (%)	56%	83%	68%	-15 percentage points
Hazardous Waste Directed to Disposal (%)	44%	17%	32%	+15 percentage points
Non-Hazardous Waste Recycled (%)	~95%	~95%	~95%	Maintained



WASTE MANAGEMENT – HAZARDOUS WASTE & CIRCULARITY

Reducing Hazard. Driving Circularity. Responsible by Design.

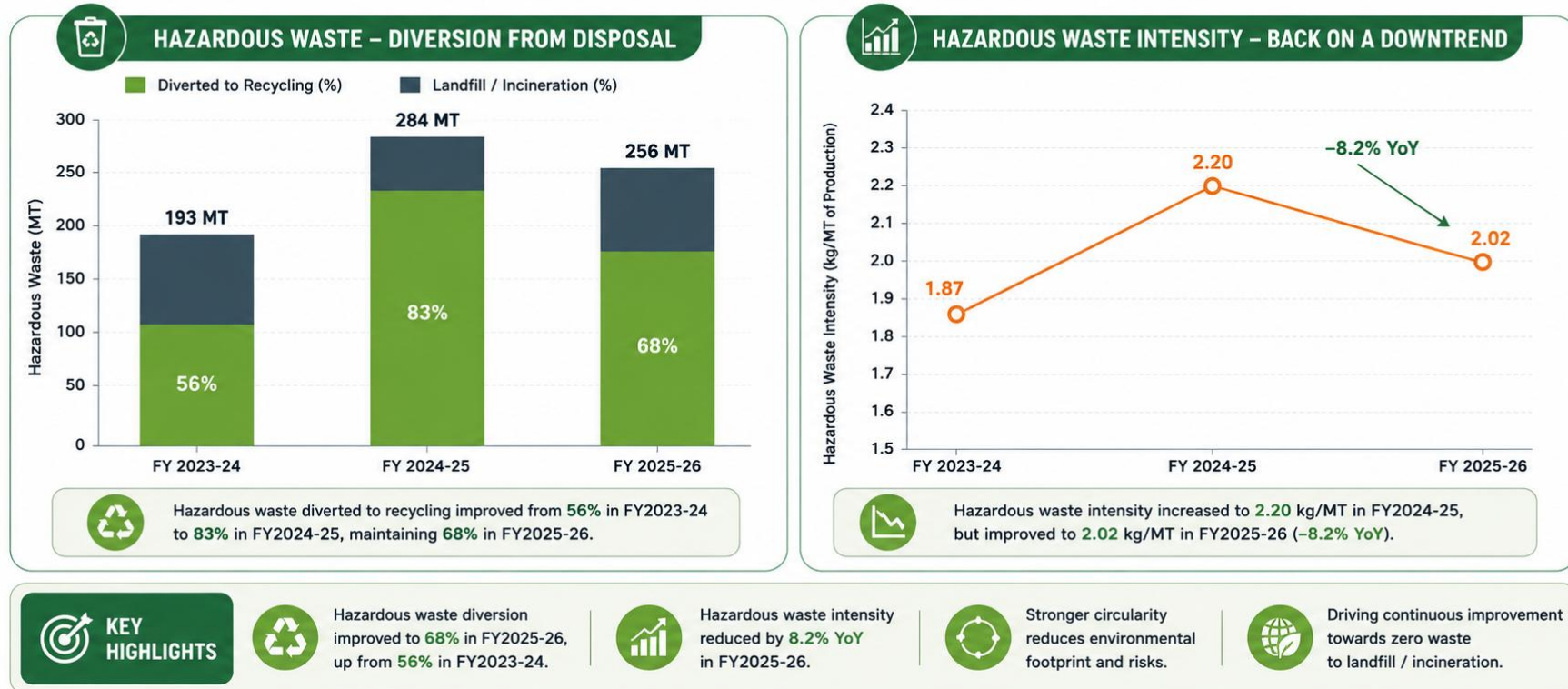


Figure: Waste management & circularity dashboard — composition by stream and hazardous waste trend

Performance interpretation — waste & circularity

The Company continued to prioritise recovery over disposal by directing hazardous waste to authorised recyclers and co-processing facilities wherever technically and environmentally feasible. In FY2025-26, 68% of hazardous waste generated was diverted from landfill and incineration through recycling and co-processing, compared with 83% in FY2024-25 and 56% in FY2023-24. While the diversion rate moderated from the previous year due to changes in the waste composition generated during operations, it remained substantially higher than the FY2023-24 baseline, demonstrating continued progress towards circular resource management. In addition, approximately 95% of non-hazardous waste generated during FY2025-26 was recycled or recovered through authorised channels, minimising disposal requirements and supporting the Company's waste hierarchy approach of prevention, reuse, recycling, recovery and responsible disposal.

Glycerine Valorisation

Rather than treating all glycerine process residue as waste, the site has expanded recovery of technical-grade glycerine as a saleable by-product — improving material efficiency while reducing the volume routed to disposal.

Biodiversity & Nature

GRI REFERENCE GRI 304-2

VVF India recognizes that healthy ecosystems and biodiversity are fundamental to resilient supply chains, responsible manufacturing and long-term business sustainability. As an oleochemicals manufacturer sourcing renewable raw materials, the Company acknowledges its responsibility to minimise impacts on nature while contributing to the conservation and enhancement of biodiversity across its operations and value chain.

The Company's biodiversity strategy focuses on protecting natural ecosystems through responsible sourcing practices under its No Deforestation, No Peat and No Exploitation (NDPE) Policy, enhancing green infrastructure within manufacturing facilities and integrating biodiversity considerations into environmental management and operational decision-making. Environmental aspects associated with land use, emissions, water management and resource consumption are periodically reviewed to minimise potential impacts on surrounding ecosystems.

A well-maintained greenbelt is developed and sustained within and around the Taloja manufacturing facility in accordance with the conditions stipulated by the Maharashtra Pollution Control Board (MPCB). The greenbelt serves multiple environmental functions, including dust suppression, noise attenuation, microclimate improvement, carbon sequestration and the creation of habitats for local flora and fauna, thereby contributing positively to the ecological value of the surrounding industrial landscape.

To strengthen biodiversity conservation, the Company undertakes the following initiatives:

- Regular tree plantation drives using native and climate-resilient species to enhance local biodiversity and improve green cover.
- Periodic maintenance and expansion of the greenbelt to improve vegetation density, ecological connectivity and habitat quality.
- Landscaping with native plant species to support pollinators, birds and other beneficial fauna while enhancing ecological resilience.
- Monitoring and documentation of biodiversity, including periodic identification of plant, bird, butterfly and other faunal species observed within the facility, enabling better understanding and management of local biodiversity.
- Employee awareness and engagement programmes, including plantation drives, biodiversity campaigns and nature-based activities during environmental observance events such as World Environment Day, to foster environmental stewardship across the workforce.
- Compliance with environmental regulations and implementation of operational controls to minimise impacts on surrounding ecosystems through effective management of emissions, wastewater and waste.

As part of its commitment to biodiversity conservation, VVF India is a signatory to the **India Business & Biodiversity Initiative (IBBI) Declaration**, reaffirming its commitment to integrating biodiversity conservation into business decision-making and supporting the conservation of natural ecosystems. The declaration reflects the Company's voluntary commitment to promote responsible resource use, reduce impacts on biodiversity and encourage continual improvement in environmental stewardship.

Green Belt Development

The Company has developed and maintains approximately **4,825 m² of greenbelt**, comprising more than **2,100 trees and plants** within the manufacturing facility. The greenbelt is continuously maintained through systematic plantation, irrigation, pruning and replacement of native and adaptive plant species to ensure healthy vegetation growth throughout the year.

Beyond regulatory compliance, the greenbelt provides multiple ecosystem services by:

- Enhancing local biodiversity through habitat creation for birds, butterflies and beneficial insects.
- Acting as a natural carbon sink through continuous carbon sequestration.
- Improving ambient air quality by trapping particulate matter and absorbing gaseous pollutants.
- Providing effective dust suppression and noise attenuation around operational areas.
- Improving the site's microclimate through temperature moderation and increased green cover.

Annual plantation drives are organised during **World Environment Day** and other environmental campaigns to continuously expand green cover while actively engaging employees in biodiversity conservation.

Water Biodiversity Enhancement

To strengthen ecological value within the industrial premises, VVF India has established an **in-house aquatic ecosystem** comprising a landscaped waterbody with a functional recirculating fountain system. The waterbody supports aquatic species and creates a stable micro-habitat that enhances ecological diversity within the facility.

The ecosystem is maintained through:

- Introduction and periodic monitoring of suitable aquatic species.
- Routine water quality management and ecological maintenance.
- Regulated feeding and habitat management by trained personnel.
- Continuous monitoring to maintain ecological balance and support aquatic life.

The waterbody also serves as an important ecological feature by attracting birds and other fauna while contributing to landscape aesthetics and improving the overall environmental quality of the manufacturing facility.

Biodiversity Monitoring and Employee Engagement

The Company periodically documents the diversity of flora and fauna observed within the facility to understand ecological trends and evaluate the effectiveness of biodiversity enhancement initiatives. Employee participation is encouraged through tree plantation drives, biodiversity awareness programmes and environmental campaigns that foster environmental stewardship and strengthen the culture of nature conservation.



Through these initiatives, VVF India continues to integrate biodiversity conservation into its operational practices, contributing towards ecosystem resilience, enhancement of local habitats and the creation of long-term environmental value.

Figure: Greenbelt zones maintained within the Taloja site boundary



Figure: Tree plantation drive with employee volunteers

Biodiversity Awareness — Biodiversity Board, Interactive Web Page & UNEP World Environment Day Showcase

Biodiversity Awareness — Biodiversity Board, Interactive Web Page & UNEP World Environment Day Showcase

As part of **World Environment Day 2026**, VVF India strengthened its commitment to biodiversity conservation by inaugurating a **Biodiversity Information Board** at its Taloja manufacturing facility and launching an **interactive QR-enabled Biodiversity Web Page**. The Biodiversity Board documents **42 species of flora and fauna** recorded within

the plant premises, including the **State Butterfly and State Flower of Maharashtra**, as well as species protected under **Schedule II of the Wildlife (Protection) Act, 1972**. Each species is presented with its common and scientific names, conservation status, ecological significance and role within the site's ecosystem, promoting greater awareness of local biodiversity among employees and visitors. The initiative was showcased as part of **World Environment Day 2026** through the **United Nations Environment Programme (UNEP) Global Events Map**, where VVF India's event was officially registered and featured alongside sustainability initiatives from organisations around the world. This global participation highlighted the Company's commitment to environmental stewardship and biodiversity conservation while demonstrating how industrial facilities can actively contribute to nature-positive outcomes through responsible environmental management.

The QR-enabled digital platform allows employees, visitors and other stakeholders to access detailed information on the documented species, strengthening environmental education and encouraging greater appreciation of local ecosystems. Together, the Biodiversity Board and digital platform provide tangible evidence of the effectiveness of VVF India's environmental management practices and well-maintained greenbelt in supporting a healthy and diverse ecosystem, reinforcing the Company's long-term commitment to biodiversity conservation, stakeholder engagement and nature-positive operations.

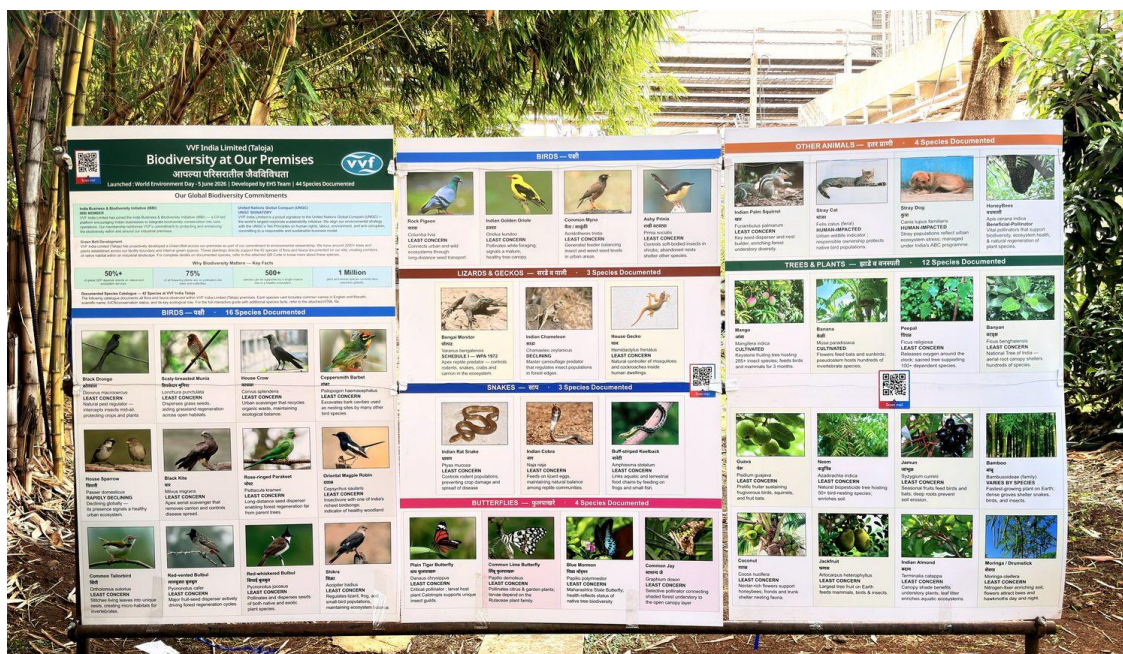


Figure: — World Environment Day 2026, Taloja



CHAPTER 05

Inclusive Progress

People, safety and communities — the human dimension of responsible manufacturing.

GRI: 2-23, 401-1, 403-1 to 403-9, 404-1, 405-1, 405-2, 407-1, 408-1, 409-1, 413-1

Our people and the communities around our operations are central to how the Oleochemicals Business defines success. This chapter covers human rights, workforce management, occupational health & safety, and community impact. Workforce, safety and community data in this chapter is drawn from the Company's Talaja manufacturing unit.

Upholding Human Rights

GRI REFERENCE GRI 2-23, 407-1, 408-1, 409-1

VVF India is committed to respecting internationally recognised labour rights across its operations, anchored in the Group's Human Rights & Labour commitments set out in the [VVF Policy Manual](#). This includes non-discrimination, freedom of association and collective bargaining, and a zero-tolerance approach to child and forced labour, applied to both direct employees and contract workforce at Talaja. The same expectations are extended to vendors through the [Suppliers' Code of Conduct](#).

- Age verification at hiring to prevent underage employment
- Non-discrimination in hiring, pay and promotion, regardless of gender, religion or caste
- Contractor onboarding checks to extend the same labour standards to contract workforce
- Freedom of association respected — no operations identified where rights to collective bargaining are at risk

Our Workforce

GRI REFERENCE GRI 401-1, 404-1, 405-1, 405-2

People are at the core of VVF India's long-term success, and the Company is committed to fostering a safe, inclusive and high-performing workplace where employees are empowered to contribute, innovate and grow. The Company's human capital strategy focuses on attracting and retaining skilled talent, strengthening employee capabilities through continuous learning, promoting diversity and equal opportunity, and maintaining a workplace built on mutual respect, integrity and collaboration.

VVF India follows fair and transparent employment practices that comply with applicable labour laws and uphold the principles of non-discrimination, equal opportunity and merit-based employment. Recruitment, career progression, performance evaluation and remuneration are based on competencies, qualifications and performance, ensuring equal opportunities for all employees irrespective of gender, age, religion, caste, disability or other protected characteristics.

Continuous learning and capability development remain integral to the Company's people strategy. Employees are provided with structured learning opportunities through technical training, functional development programmes, behavioural and leadership workshops, statutory compliance training and Environment, Health & Safety (EHS) awareness programmes. Training programmes are designed to strengthen technical competence, enhance operational excellence and support professional growth while preparing employees for evolving business and sustainability requirements.

The Company is committed to building a diverse and inclusive workforce that values different perspectives, experiences and backgrounds. Diversity and inclusion principles are embedded across recruitment, talent development and leadership processes to create an equitable workplace where every employee is treated with dignity, fairness and respect. Equal remuneration practices are maintained for employees performing work of equal value, in line with applicable legal requirements and the Company's commitment to pay equity.

Employee engagement and well-being remain key priorities. Regular communication platforms, employee participation initiatives, health and wellness programmes, safety campaigns, recognition programmes and grievance redressal mechanisms encourage open dialogue and foster a culture of trust, collaboration and continuous improvement. Through sustained investment in its workforce, VVF India continues to strengthen organisational capability while creating long-term value for employees, customers and other stakeholders



Figure: Operations team at the Talaja manufacturing unit

Category	Male	Female	Total
Permanent employees	282	28	310
Contract workforce	128	12	140
Total	410	40	450

FY2025-26 workforce indicators

Women in workforce: 9% | Average training hours per employee: 18.5 | Employee turnover rate: 8.2%

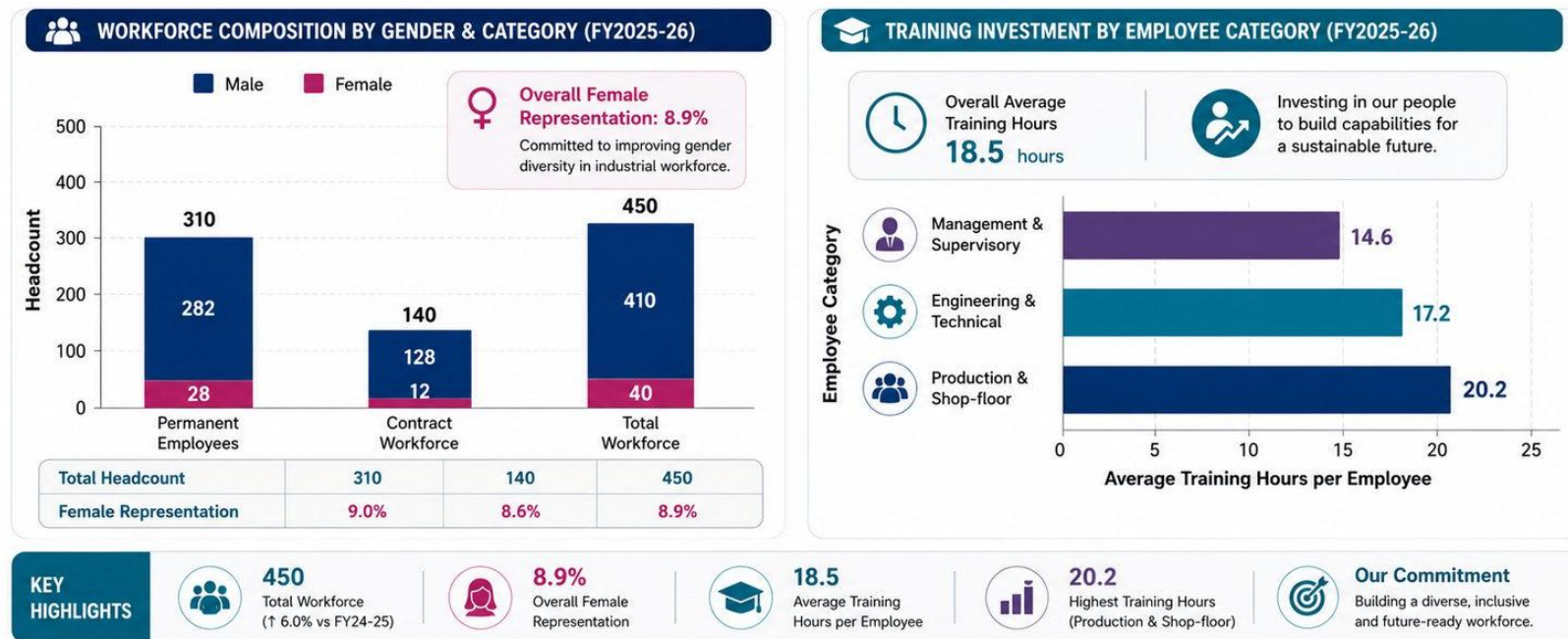


Figure: Workforce composition by gender and category; training investment by employee category

THE LEADERS SHAPING WHAT'S NEXT

Delna Joshi
CSGTO & Global Sales
Head - CMB

Pranjali Agrawal
Chief Business Officer -
US Business

Paramita Sarkar
Chief Business Officer -
Specialties & ODM

Sheila Diwan
Director - Chemicals, VVF
Singapore

Madhulika Pathak
CFO- VVF PVT. LTD

Tetty Doloksaribu
Human Resource Lead -
VVF Indonesia

Gitanjali Diwan
Head- Strategy &
Implementation, VVF Dubai

Leadership in Action — Powered by Women at VVF

Performance interpretation — workforce & development

People remain the foundation of VVF India's operational excellence and long-term sustainability. During FY2025–26, the workforce expanded by approximately 6%, reaching 450 employees, comprising 310 permanent employees and 140 contract workers, reflecting continued business growth and the strengthening of operational capabilities. The Company continues to invest in building a skilled, engaged and diverse workforce while fostering a culture of safety, collaboration and continuous learning.

Female representation stood at 8.9% of the total workforce, including 9.0% among permanent employees and 8.6% among contract employees. While these figures reflect the demographic characteristics typically observed within the Indian chemical manufacturing sector, VVF India remains committed to improving gender diversity through inclusive recruitment practices, equal employment opportunities, leadership development and initiatives that create a supportive and respectful workplace for all employees.

Employee capability development remains a strategic priority. During the reporting period, employees received an average of 18.5 training hours per person, covering technical competency, process safety, environmental management, quality systems, behavioural development, statutory compliance and leadership skills. Training investments were aligned with operational requirements, with production and shop-floor employees receiving an average of 20.2 training hours, followed by engineering and technical personnel (17.2 hours) and management employees (14.6 hours). This targeted approach ensures that employees performing higher operational risk activities receive enhanced competency development, contributing to improved operational reliability, product quality and workplace safety.

Employee turnover remained at 8.2%, indicating a relatively stable workforce and supporting the retention of critical technical expertise and institutional knowledge. VVF India continues to focus on employee engagement, career development and performance management programmes to strengthen workforce capability while fostering a culture of continuous improvement, innovation and accountability.

Employee Benefits

The Company is committed to providing a safe, healthy and inclusive workplace while ensuring the well-being of its employees through comprehensive welfare programmes and statutory benefits. Eligible employees are provided with benefits including:

- Provident Fund (PF), Gratuity and Employees' State Insurance (ESIC) or medical insurance in accordance with applicable statutory requirements.
- Paid maternity and paternity leave in compliance with Indian labour legislation.
- Periodic occupational health examinations and preventive health check-up programmes.
- On-site first-aid facilities, emergency medical response systems and access to occupational health services.
- Employee engagement, awareness and wellness initiatives that promote physical, mental and occupational well-being.

These programmes support employee welfare while contributing to improved productivity, higher engagement and long-term organisational resilience.

VVF is committed to equitable treatment across hiring, compensation and development, in line with applicable Indian labour law, and continues to work towards greater gender diversity within a traditionally male-dominated industrial workforce.

Employee Relations & Social Dialogue

VVF India recognises that constructive employee engagement and open communication are essential to maintaining a productive and harmonious workplace. The Company respects employees' rights to freedom of association and collective bargaining, in accordance with applicable laws and internationally recognised labour principles.

The VVF Taloja Workers Association provides a structured platform for constructive dialogue between employees and management, facilitating consultation on workplace matters, employee welfare and operational improvements. Regular interactions with employee representatives encourage collaborative problem-solving, strengthen mutual trust and support a positive industrial relations environment.

The Company's labour practices and working conditions are periodically evaluated through independent assessments, including Control Union audits and SMETA 4-Pillar ethical audits, covering labour standards, health and safety, environmental performance and business ethics. These assessments help verify compliance with applicable legal requirements and international best practices while identifying opportunities for continual improvement in workforce management.



Figure: VVF Taloja Workers Association engagement with Control Union assessors

Employee Engagement and Participation — Training Programmes

Structured technical, behavioural and EHS training programmes ran throughout the year, covering 94% of employees. Sessions spanned process safety, firefighting, first aid, permit-to-work discipline, RSPO chain-of-custody awareness and supervisory development.



Figure: Classroom-based technical and EHS training sessions



Figure: Employee development and engagement programmes at Taloja

Sports & Cultural Programmes

Sports tournaments, festival celebrations and cultural programmes were organised through the year, strengthening cross-functional camaraderie and employee wellbeing beyond the workplace.



Inter Department Sports Tournaments



Cultural celebrations with employees and families

Occupational Health & Safety

GRI REFERENCE GRI 403-1, 403-2, 403-5, 403-9

VVF operates a structured OH&S management system certified to ISO 45001 and governed by the [Occupational Health & Safety Policy](#), providing a structured framework to identify, assess and manage workplace health and safety risks. The system is implemented through the Company's Occupational Health & Safety Policy and is supported by documented procedures, operational controls, periodic performance reviews and continual improvement initiatives.

Considering the nature of operations involving high-temperature processes, pressurised equipment, chemical handling and material movement, systematic Hazard Identification and Risk Assessment (HIRA) is conducted for routine and non-routine activities. Identified risks are controlled through engineering measures, administrative controls and the mandatory use of appropriate Personal Protective Equipment (PPE), following the hierarchy of controls.

A robust Permit-to-Work (PTW) system is implemented for high-risk activities, including hot work, confined space entry, work at height, electrical isolation and line breaking, ensuring that hazards are adequately assessed and controlled before work commences. Process safety is further strengthened through standard operating procedures, machine guarding, preventive maintenance programmes, contractor safety management and regular workplace inspections.

Emergency preparedness and response are integral components of the OH&S management system. The site maintains documented emergency response procedures covering fire, chemical spills, gas leakage and other potential emergency scenarios. Periodic emergency drills, mock exercises and awareness programmes are conducted to evaluate response effectiveness and strengthen organisational preparedness.

Employee competence remains a key focus area. Regular EHS training programmes are conducted for employees and contractors covering safe work practices, hazard communication, emergency response, behavioural safety and statutory requirements. During FY2025–26, 94% of employees received EHS training, reflecting the Company's continued commitment to building a strong safety culture through awareness and competency development.

Safety performance continued to remain strong during the reporting period. Lost Time Injury Frequency Rate (LTIFR) remained at zero for the second consecutive year, with zero work-related fatalities reported. Total recordable injuries reduced from 5 cases in FY2024–25 to 3 cases in FY2025–26, representing a 40% reduction, demonstrating the effectiveness of proactive risk management, preventive controls and continuous employee engagement in occupational health and safety.

Indicator	FY2024–25	FY2025–26
Lost Time Injury Frequency Rate (LTIFR)	0	0
Total recordable injuries	5	3
Fatalities	0	0
Employees trained on EHS (%)	89%	94%
Emergency mock drills conducted	6	8

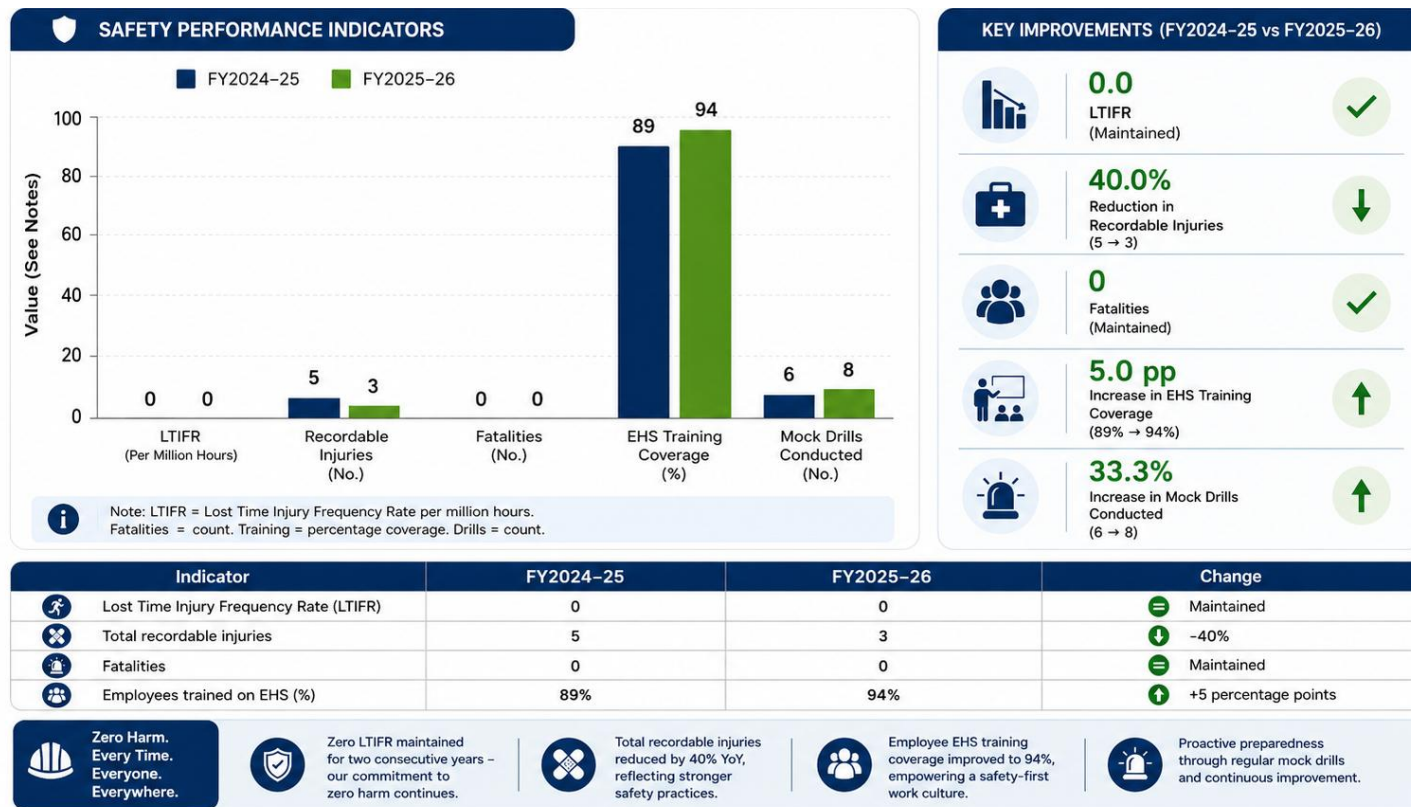


Figure: Occupational health & safety performance comparison — year-on-year improvement trajectory

Performance interpretation — safety

Safety performance improved across every tracked indicator in FY2025–26. LTIFR fell 26.2% year on year to 0.31 per million hours worked — and 44% against the FY2023–24 level of 0.55 — while total recordable injuries declined 40% from 5 to 3. The site maintained its record of zero fatalities. Leading indicators strengthened in parallel: EHS training coverage rose five percentage points to 94% of employees, and emergency mock drills increased from 6 to 8, covering fire, chemical spill and medical emergency scenarios. The simultaneous improvement in both lagging outcomes (injuries) and leading inputs (training, drills, behavioural observations) indicates a maturing safety culture rather than statistical variation and positions the site credibly against its 2030 ambition of LTIFR is 0.

Safety Governance

An internal Safety Committee, comprising representatives from operations, engineering and EHS, reviews incidents, near-misses and audit findings on a regular cadence, escalating systemic issues to site leadership.

Key Safety Initiatives

- Behaviour-based safety observation programme across shifts
- Permit-to-work system for hot work, confined-space entry and working-at-height activities
- Structured PPE compliance monitoring and refresher training
- Periodic emergency mock drills covering fire, chemical spill and medical emergency scenarios
- Contractor safety induction prior to site access

Community Impact

GRI REFERENCE GRI 413-1

VVF Taloja engages with its neighbouring MIDC community through health camps, educational support and environmental awareness initiatives, alongside statutory CSR contributions governed by the [CSR Policy](#).

Initiative	FY2025–26 Reach / Outcome
Health check-up camps	1 camp; ~150 community members reached
Educational support to local schools	Learning material and infrastructure support
Tree plantation / greenbelt drives	500+ saplings planted with community volunteers
World Environment Day awareness activities	Employee & community participation event

Community Health Camp

In partnership with a local healthcare provider, the site organised a general health check-up camp for residents near Talaja MIDC, offering basic screening and referrals — part of a broader effort to build trust and goodwill with neighbouring communities.

Children for Change — CSR Initiative

Children for Change is a child-focused CSR initiative of VVF. We are guided by a simple belief, that care, when given thoughtfully, has the power to change lives. Our work transforms futures in everyday spaces where childhood is shaped — schools, aanganwadis, paediatric wards and community settings where support matters most.

In partnership with childcare NGO SOS Children's Villages of India, CRY, We Foundation, Akshaya Chaitanya Foundation, HKM Foundation, VVF Children for Change recently supported the NGO SOS Children's Villages of India- Family Strengthening Programme in Alibaug, focused on improving access to essential hygiene and educational resources. Through this effort, we were able to sponsor hygiene and educational kits, benefiting 522 families of the community.

At VVF Children for Change, we believe that small, consistent actions can lead to lasting change. Our commitment to hygiene and infrastructural empowerment is rooted in the idea that every child deserves a safe, supportive environment to learn and grow. Initiatives like these go beyond immediate support — they help build confidence, encourage healthy habits, and create pathways for a brighter future.

Through VVF's Children for Change CSR initiative, in collaboration with The WE Foundation, students across schools in Kolkata are learning about the importance of Water, Sanitation and Hygiene (WASH). From interactive classroom sessions to practicing proper handwashing techniques, the program helps children understand how a simple habit — washing hands with soap — can prevent illness and promote healthier communities.

This initiative aligns with the UN Sustainable Development Goals for Water, Sanitation and Hygiene (WASH), reinforcing that small actions like washing hands can create a big impact on health and well-being.

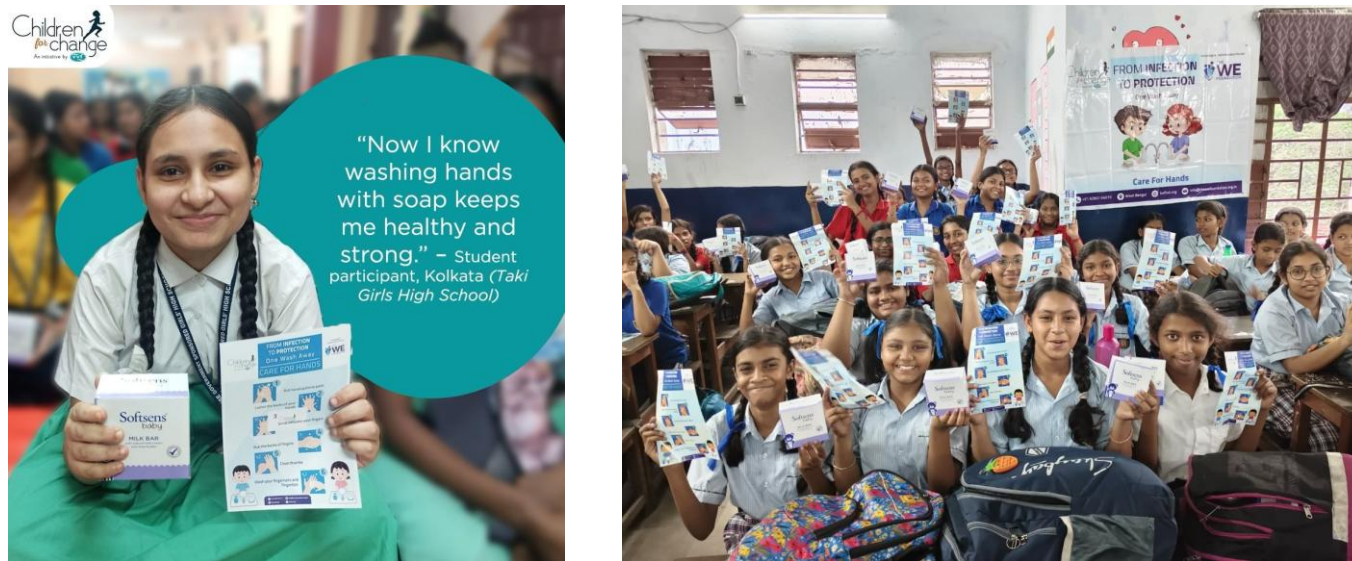


Figure: Children for Change — WASH awareness sessions in Kolkata schools



Agape AIDS Orphan Care Partnership

Lynne Guhman-Voggu, originally from Massachusetts, USA, founded **Agape AIDS Orphan Care** in Hyderabad in 2003 with a vision to provide a safe, nurturing, and dignified future for children orphaned, abandoned, or affected by HIV/AIDS. Over the past two decades, Agape has evolved into a holistic care institution that provides not only shelter, nutritious meals, quality education, and healthcare, but also emotional support, life-skills development, counselling, and opportunities for higher education and vocational training, enabling children to become confident and self-reliant members of society.

VVF has been privileged to partner with Agape as part of its commitment to creating positive social impact beyond its business operations. Through financial assistance and continued engagement, the Company contributes towards the well-being, education, and overall development of these vulnerable children. This partnership reflects VVF's belief that sustainable development extends beyond environmental stewardship to include meaningful investments in people and communities, helping build a more inclusive, equitable, and compassionate society.

By supporting organisations such as Agape AIDS Orphan Care, VVF seeks to create lasting value where it matters most—empowering children with opportunities to learn, grow, and realise their full potential, irrespective of the challenges they face early in life.



Agape AIDS Orphan Care — VVF CSR partner

CHAPTER 06

Governance & Business Ethics

Ethical conduct, compliance and economic contribution — doing business the right way.

GRI: 2-23, 2-24, 201-1, 205-2, 206-1, 416-1

VVF India operates under the Group's Code of Conduct, set out in the [VVF Policy Manual](#), which sets expectations on anti-bribery and anti-corruption, fair competition, conflicts of interest and whistleblower protection. Employees receive periodic training on the Code of Conduct and applicable compliance requirements.

Business Ethics & Anti-Corruption

GRI REFERENCE GRI 205-2, 206-1

- Zero-tolerance policy on bribery, facilitation payments and conflicts of interest
- Whistleblower channel enabling employees to report concerns confidentially, without fear of retaliation
- Periodic Code of Conduct training for employees, with targeted sessions for procurement and finance roles

FY2025–26 status — GRI 205, 206

No confirmed incidents of corruption or anti-competitive behaviour were recorded at the Taloja site in FY2025–26.

Regulatory Compliance

GRI REFERENCE GRI 2-27

The site operates under a Consent to Operate issued by the Maharashtra Pollution Control Board (MPCB) covering air and water discharge, and Hazardous Waste Authorisation under the Hazardous and Other Wastes (Management & Transboundary Movement) Rules. No significant fines or non-monetary sanctions for environmental non-compliance were recorded during the reporting period.

Data Governance & Cybersecurity

GRI REFERENCE GRI 2-12

Site data systems (production, EHS monitoring, HR) are managed under the Group's IT governance framework, with access controls and periodic review of system integrity supporting reliable sustainability reporting. Sensitive employee and business data is handled in line with Group data-protection practices.

Economic Contribution

GRI REFERENCE GRI 201-1

Beyond direct employment, the Oleochemicals Business contributes to the local and regional economy through wages, statutory payments, supplier spend and community investment. Figures below are illustrative pending finalisation of Group-level economic value-distribution disclosures.

Economic Value Distributed (Illustrative)	FY2025–26
Employee wages & benefits	Significant contributor to local employment income
Payments to suppliers (raw materials, utilities, services)	Majority of operating expenditure
Statutory payments (taxes, duties, regulatory fees)	Ongoing compliance-linked contribution
Community investments (CSR)	Health, education and environmental initiatives

The site's continued operation also supports indirect economic activity in the Taloja MIDC area through logistics, ancillary services and local vendor relationships.

Way Forward

Building on the FY2025–26 baseline, the Oleochemicals Business will prioritise the following commitments over the coming reporting cycles:

- Finalise Board-approved 2030 targets for GHG intensity, water, waste and safety, and disclose progress annually
- Complete the full Scope 3 inventory, prioritising cradle-to-gate feedstock emissions and upstream logistics
- Progress rooftop solar and biomass co-firing from feasibility to implementation, lifting the renewable energy share beyond 5.2%
- Advance water circularity towards near-zero liquid discharge, building on 58% reuse achieved at Taloja
- Extend structured sustainability self-assessments across the supplier base and deepen EUDR-readiness of palm supply chains
- Introduce independent third-party assurance of selected environmental and safety disclosures

GRI Content Index

VVF India Limited's Oleochemicals Business has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards. GRI 1: Foundation 2021 was used.

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	About VVF India — Oleochemicals Business
	2-2 / 2-3 / 2-4 / 2-5 Scope, period & assurance	About This Report
	2-6 Activities & value chain	Our Facility & Products
	2-9 / 2-12 Governance structure	Sustainability Governance
	2-16 / 2-25 / 2-26 Grievance & remediation	Risk & Grievance Management
	2-22 Statement from leadership	Message from Business Leadership
	2-23 / 2-24 Policy commitments	Policies & Certifications; Governance
	2-27 Compliance with laws and regulations	Regulatory Compliance
	2-29 Stakeholder engagement	Stakeholder Engagement
GRI 3: Material Topics 2021	3-1 / 3-2 / 3-3 Materiality	Materiality Assessment
GRI 201: Economic Performance 2016	201-1 Economic value distributed	Economic Contribution
	201-2 Climate risks & opportunities	Climate Strategy & Governance
GRI 205: Anti-corruption 2016	205-2 Anti-corruption training	Business Ethics & Anti-Corruption
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions	Business Ethics & Anti-Corruption
GRI 302: Energy 2016	302-1 / 302-3 / 302-4	Energy Management & Efficiency
GRI 303: Water & Effluents 2018	303-1 / 303-3 / 303-4 / 303-5	Water Management
GRI 304: Biodiversity 2016	304-2 Significant impacts on biodiversity	Biodiversity & Nature
GRI 305: Emissions 2016	305-1 / 305-2 / 305-3 / 305-4 / 305-7	GHG Emissions; Air Emissions Control

GRI Standard	Disclosure	Location
GRI 306: Waste 2020	306-1 to 306-5	Waste Management & Circularity
GRI 308: Supplier Environmental Assessment 2016	308-1 / 308-2	Responsible Sourcing & Supply Chain
GRI 401: Employment 2016	401-1 New hires & turnover	Our Workforce
GRI 403: Occupational Health & Safety 2018	403-1 / 403-2 / 403-5 / 403-9	Occupational Health & Safety
GRI 404: Training & Education 2016	404-1 Training hours	Our Workforce
GRI 405: Diversity & Equal Opportunity 2016	405-1 / 405-2	Our Workforce
GRI 407: Freedom of Association 2016	407-1	Upholding Human Rights
GRI 408: Child Labor 2016	408-1	Upholding Human Rights
GRI 409: Forced or Compulsory Labor 2016	409-1	Upholding Human Rights
GRI 413: Local Communities 2016	413-1 Community engagement	Community Impact
GRI 414: Supplier Social Assessment 2016	414-1 / 414-2	Responsible Sourcing & Supply Chain
GRI 416: Customer Health & Safety 2016	416-1	Governance & Business Ethics; Quality

External Assurance

This report has not yet been subject to independent third-party assurance. The Oleochemicals Business intends to progressively introduce external verification of selected environmental and safety disclosures in future reporting cycles, consistent with leading sector practice.

Appendices — Performance Data Tables

A1. Three-Year Environmental Summary

Indicator	FY2023–24	FY2024–25	FY2025–26
Total energy consumption (GJ)	200,832	219,118	221,024
Scope 1+2 GHG emissions (tCO ₂ e)	164,791	187,730	197,571
Total water withdrawal (ML)	462.7	517.9	523.6
Hazardous waste generated (MT)	192.6	283.7	256.0
LTIFR	0	0	0

A2. Workforce Data

Category	Male	Female	Total
Permanent employees	282	28	310
Contract workforce	128	12	140
Total	410	40	450

A3. Air Emissions Monitoring Summary

Parameter	MPCB Limit (mg/Nm ³)	FY2025–26 Avg.
Particulate Matter (PM)	150	88
Sulphur Dioxide (SO ₂)	100	42
Oxides of Nitrogen (NO _x)	100	61

A5. Training Hours by Employee Category (Illustrative)

Category	Average Training Hours, FY2025–26
Production & shop-floor staff	20.5
Engineering & technical staff	17.0
Management & supervisory staff	14.5
Overall average	18.5

A6. Community Investment Summary (Illustrative)

Category	FY2025–26 Activity
Health	1 community health camp; ~150 people reached
Education	Learning materials & infrastructure support to local schools
Environment	500+ saplings planted; greenbelt upkeep

Glossary of Terms

Term	Definition
BOD / COD	Biochemical / Chemical Oxygen Demand — indicators of organic pollution load in effluent
CDP	Carbon Disclosure Project — global environmental disclosure system
EcoVadis	Global sustainability ratings platform assessing ESG performance
UNEP	United Nations Environmental Programme
EUDR	European Union Deforestation Regulation
GRI	Global Reporting Initiative — a global standard for sustainability reporting
HIRA	Hazard Identification and Risk Assessment
LTIFR	Lost Time Injury Frequency Rate, per million hours worked
MPCB / CPCB	Maharashtra / Central Pollution Control Board
NDPE	No Deforestation, No Peat, No Exploitation — responsible sourcing principles for palm oil
RSPO Mass Balance	Roundtable on Sustainable Palm Oil supply-chain model allowing mixing of certified and non-certified material with tracked volumes
Scope 1 / 2 / 3 emissions	Direct emissions (Scope 1), indirect emissions from purchased energy (Scope 2), and value-chain emissions (Scope 3)
TSDF	Treatment, Storage and Disposal Facility (authorised hazardous-waste facility)
WASH	Water, Sanitation and Hygiene

This report was prepared by the EHS & Sustainability Department, VVF India Limited — Oleochemicals Business.

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