inovar
PACKAGING GROUP



ESG REPORT 2025

Packaging that protects, made responsibly

Environmental, Social and Governance Report · Calendar year 2025

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Packaging protects what matters. This report sets out how we try to do the same for people and the planet, and where we still have work to do.

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About this report

This report covers Inovar Packaging Group LLC's sustainability priorities, management approach and performance for calendar year 2025 (1 January to 31 December 2025). Figures for 2022 (our baseline year), 2023 and 2024 are shown for comparison, together with our targets to 2028. It is prepared in accordance with the GRI Universal Standards 2021, and greenhouse gas emissions are calculated under the GHG Protocol and ISO 14064. The reporting boundary is our Irving, Texas site at 9001 Sterling Street, Suite 100, where we carry out printing and service activities related to printing.

Reporting period: CY 2025
1 January – 31 December 2025



Message from Leadership

GRI 2-22

"Effective reporting requires reliable data, clear ownership and an honest explanation of both progress and areas needing further attention."

At Inovar Packaging Group, we recognize that packaging is an essential part of the products and supply chains we serve. The materials we select, the energy we consume, the way we print and finish our products, and our relationships with employees, suppliers and customers all shape our environmental and social footprint.

Our sustainability approach is grounded in responsible operations, product and material stewardship, ethical business conduct, respect for people and accountability across our supply chain. Our Environmental, Labor and Human Rights, Ethics and Sustainable Procurement policies set our commitments. Day-to-day procedures put them into practice, and clear workplace rules set out the rights, benefits and expectations that apply to everyone who works with us.

Our ESG performance framework translates these commitments into measurable indicators and 2028 targets. In 2025 we kept a strong safety record, increased training to 1,300 hours, and extended supplier sustainability assessments to half of our targeted suppliers.

We appreciate the contributions of our employees, customers, suppliers and other stakeholders as we pursue these priorities.

Jeff Brezek
Executive Chairman and CEO, Inovar Packaging Group LLC

2025 at a glance

A year of steady progress on people and governance, and a sharp rise in value-chain emissions that we are now working to understand.

ENVIRONMENT

5,096

tCO_2e total reported emissions in 2025, up from 2,998 in 2024

p. 13

–9%

Scope 1 emissions since 2022, after moving to battery-operated forklifts

p. 15

87%

of 2025 Scope 3 emissions come from purchased goods

p. 14

38%

sustainable sourcing of raw materials in 2025, up from 15% in 2022

p. 20

PEOPLE

0

fatalities and zero days lost to work-related injury or ill health

p. 24

1,300

employee training hours in 2025, a 27% increase on 2022

p. 22

100%

of employees covered by healthcare and the employee assistance program

p. 22

41%

of employees from minority and/or vulnerable groups in 2025

p. 27

GOVERNANCE

0

confirmed corruption incidents or data breaches

p. 28–29

2.1×

anti-corruption training hours, from 20 in 2022 to 42 in 2025

p. 28

50%

of targeted suppliers covered by a sustainability assessment in 2025, from none in 2022

p. 30

70%

of targeted supplier contracts include environmental, labor and human rights clauses

p. 30

All figures are for calendar year 2025 unless stated. Detailed tables sit in each section; progress against every 2028 target is on page 32.

WHO WE ARE

Who We Are

GRI 2-1, 2-6

Inovar Packaging Group LLC provides label and packaging solutions to brand owners across North America. Our activities cover packaging design, material sourcing, custom label printing, flexible packaging, finishing and customized solutions, supported by technology and logistics services. At our Irving, Texas site we carry out printing and service activities related to printing.



MARKETS WE SERVE

- Food and beverage
- Healthcare
- Personal care
- Consumer goods
- Industrial

Purpose. Bringing a product's purpose to life through innovation. **Core values.** Customer focused, team engagement and partnership driven.

Value chain and ESG relevance

Materials & sourcing	Design & customization	Printing & finishing	Distribution & logistics	Customer use & end of life

Value-chain stage	Business relevance	Key ESG considerations
Materials and sourcing	Paper, films, inks, adhesives and liners used in our labels and packaging	Responsible sourcing, recycled and certified content, supplier labor and environmental practices
Design and customization	Specifications developed to meet customer requirements	Material efficiency, product protection, recyclability and accurate claims
Printing and finishing	Printing, converting and finishing of labels and packaging	Energy, emissions, waste, water, chemicals, quality and worker safety
Distribution and logistics	Movement of inputs and finished products	Transport emissions, packaging reuse and supply continuity
Customer use and end of life	Product performance and disposal routes	Disposal guidance, recycling compatibility and take-back programs

Sustainability in packaging

Good packaging is judged on the whole product system. Using less material only helps if protection and performance hold, and recyclability depends on the full structure and on the recycling systems where the product ends up. That is why we back every recycled-content or recyclability claim with specifications and evidence, and treat product claims as a complement to, not a substitute for, operational performance.

HOW WE MANAGE SUSTAINABILITY

Sustainability Strategy and Management

GRI 2-23, 2-24

Our sustainability agenda is organized around four connected pillars. They reflect the impacts of our printing and related service activities and our business relationships, and the commitments set out in our policies.

Environmental stewardship

Focus: climate, energy, water, materials, waste and pollution prevention.

Emphasis: measure impacts, improve efficiency, comply with requirements and act on reduction opportunities.

People and workplace

Focus: health and safety, fair employment, human rights, inclusion and development.

Emphasis: prevent harm, promote fair treatment, train employees and maintain grievance channels.

Ethical governance

Focus: integrity, anti-corruption, conflicts of interest, data protection and compliance.

Emphasis: maintain controls, train relevant personnel, investigate concerns and protect information.

Responsible supply chain

Focus: supplier standards, due diligence, material sourcing and corrective action.

Emphasis: communicate expectations, assess risks, monitor suppliers and collaborate on improvement.

From policy to practice

Our four policies set the commitments. Written operating procedures apply them to daily work, covering hazardous substances, waste, water, energy, air emissions, product design, data protection, ethics due diligence, harassment prevention and employee health. Each procedure names who is responsible, how compliance is monitored and how often it is reviewed.

Workplace rules on equal opportunity, grievances, whistleblowing, safety, pay, benefits and leave apply to all employees, contractors and subcontractors.

The management cycle

1 · Plan	Set policy commitments, targets, responsibilities and data definitions.
2 · Do	Apply our procedures and workplace rules in daily work, with training and named owners.
3 · Measure	Collect environmental, workforce and supplier data monthly and quarterly using consistent units.
4 · Review	Department heads report KPIs to executive management monthly and quarterly; variances are investigated.
5 · Improve and report	Assign corrective actions, review each procedure at least once a year and report performance openly.

Each KPI has a defined calculation method, source record, reporting frequency and reviewer.

Who owns what: ESG governance and accountability

GRI 2-9, 2-12, 2-13, 2-23

Every indicator in this report has a named owner behind it. That is how a commitment becomes a number we can stand behind.

Executive management
Sets priorities, reviews KPI progress monthly and quarterly, and approves external disclosure

Technical Manager & Safety Head
All environmental KPIs: GHG inventory, energy, water, waste, air, noise and materials data

Human Resources Head
All social and governance KPIs: workforce, health and safety, human rights, inclusion, ethics and information security

Procurement Head
All sustainable procurement KPIs: Supplier Code, supplier assessments, contract clauses and buyer training

Specialist committees support these owners: the **Raw Material Optimization Committee** (quarterly review of material use and liner recovery), the **Environmental Sustainability Committee** (monthly water reuse data), the **Risk Committee** and **Audit Committee** (high-risk transactions and ethics audits), the **Internal Complaints Committee** (harassment investigations) and the **Grievance Resolution Committee** (escalated grievances).

Our policy framework

Document	What it covers
Environmental Policy	Energy and GHG emissions, water conservation, materials and waste, pollution control and sustainable packaging, with quantitative targets against a 2022 baseline.
Labor and Human Rights Policy	Fair treatment, safe conditions, equal opportunity, wellbeing and prevention of child labor, forced labor and human trafficking.
Ethics Policy	Anti-corruption, conflicts of interest, fraud, anti-money laundering, fair competition and information security.
Sustainable Procurement Policy	Responsible sourcing and ESG risk as part of procurement decisions alongside quality, cost and reliability.
Supplier Code of Conduct	Applies to primary and relevant secondary suppliers, contractors, consultants, service providers and representatives.

How a KPI earns its place
Before a figure is reported, four things are defined for it.

1 Calculation method
2 Source record
3 Reporting frequency
4 Named reviewer

Where our work meets the Sustainable Development Goals

GRI 2-22

We have mapped our priority topics to the six UN Sustainable Development Goals where a label and packaging business of our size can make a real contribution. We have not set SDG-specific targets; the mapping shows where our existing KPIs connect to the wider agenda.

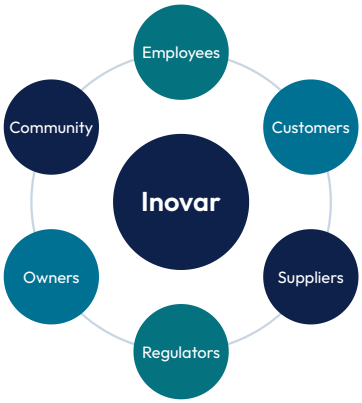
	**Good health and well-being**	Risk assessment at our site, joint management–worker safety committees, annual health check-ups and rising safety training; zero fatalities and zero days lost in 2025.	p. 24
	**Gender equality**	Targets for women in the organization, in top management and on the board, inclusion training for the whole workforce and gender pay gap monitoring.	p. 27
	**Decent work and economic growth**	Fair pay above minimum wage, healthcare and employee assistance for all employees, collective bargaining and elected representation, local hiring, and supplier standards on forced and child labor.	p. 22
	**Responsible consumption and production**	More sustainably sourced and certified materials, liner recycling, waste segregation, take-back and remanufacturing, and evidence-based recyclability claims.	p. 18, 20
	**Climate action**	A 2025 GHG inventory across all three scopes, compared with the 2022 baseline, forklift electrification, and targets of 20% below 2022 for each scope by 2028.	p. 13–15
	**Peace, justice and strong institutions**	Anti-corruption due diligence on all trading partners, ethics training for the whole workforce and protected whistleblower channels.	p. 28

LISTENING AND RESPONDING

Stakeholder Engagement

GRI 2-25, 2-26, 2-29

Stakeholder engagement helps us understand expectations, identify emerging issues and prioritize action. Engagement is proportionate to the relationship and to the potential impact of our activities. Feedback is most useful when it is recorded, reviewed and turned into decisions or improvement actions.



Stakeholder group	Topics of interest	Engagement mechanisms
Employees and workforce	Safety, fair treatment, skills, wellbeing, inclusion and grievances	Team communication, training, annual performance reviews, satisfaction surveys, grievance and whistleblower channels
Customers	Product quality, compliance, performance, reliability and packaging sustainability	Technical discussions, specifications, product safety feedback, training and awareness sessions
Suppliers and service providers	Requirements, specifications, payment practices, ESG expectations and continuity	Supplier Code, contracts, sustainability assessments, on-site audits and performance reviews
Regulators and authorities	Environmental, labor, safety and other legal obligations	Required filings, inspections, permits and formal correspondence
Management and owners	Risk, performance, strategic priorities, resilience and accountability	Monthly and quarterly KPI reviews, management review and risk reviews
Local community	Noise, odor, traffic and other local impacts; social initiatives	Community consultations, social initiatives and complaint channels

How concerns are raised and resolved

We operate a formal Grievance Redressal System open to employees and other stakeholders. Concerns can be raised in writing with a supervisor or department head, confidentially with Human Resources (HR@inovarpkg.com, (817) 635-6711) or anonymously through drop-boxes at our facility.

Grievances that are not resolved locally go to the Grievance Resolution Committee, which includes a director, the Head of HR, a department head not involved in the case and a legal, compliance or safety representative. Retaliation against anyone raising a concern in good faith is prohibited.

Step	Timeline
Supervisor acknowledges grievance in writing	**2 working days**
Response or action plan on cross-functional issues	**5 working days**
First response after escalation to the committee	**5 working days**
Final decision after escalation	**15 working days**
Typical resolution time	**15–25 working days**

HR keeps a secure log of escalated cases and reports grievance trends to senior management every quarter.

WHAT MATTERS MOST

Materiality Assessment and Priority Topics

GRI 3-1, 3-2, 3-3

We carried out a materiality assessment for the year 2025 based on GRI principles to identify the ESG topics most significant to our business, our stakeholders and our impacts on people and the environment. It considered our printing and related service activities, packaging materials, energy and emissions, waste, workforce conditions, business conduct and supplier practices. Our ESG indicators and 2028 targets were then built around these topics.

Environment People Governance Supply chain

Priority topic	Why it matters to Inovar	Management response	Key procedures
Climate and energy	Electricity use in printing and value-chain activities contribute to our GHG footprint	Maintain the GHG inventory, investigate year-on-year changes and improve energy efficiency	Energy Conservation; CCS Evaluation
Water	Water is used in our processes and wastewater must meet discharge limits	Monitor use and wastewater quality, and reuse treated water	Water Recycling; Wastewater Monitoring; AOX Removal
Materials and circularity	Material choice and process scrap influence resource use and end-of-life outcomes	Use certified and recycled inputs and substantiate recyclability claims	Sustainable Raw Material; Optimized Product Design; Disassembly and Recycling
Waste management	Production waste and disposal routes affect resource efficiency and environmental impact	Segregate waste streams, recycle liners and keep disposal evidence	Waste Management; Hazardous Substance Disposal
Health and safety	Printing and finishing tasks can expose employees to operational hazards	Risk assessments, equipment inspections, health surveillance and training	Hazardous Substance Exposure; Equipment Safety; Health Check-Up; Extreme Climate
Labor and human rights	Fair employment, dignity and safe conditions are fundamental workforce expectations	Apply policies, provide grievance mechanisms and monitor indicators	Prevention of Harassment; ID Document Retention
Ethics and data protection	Integrity and information security support trust and compliance	Maintain controls, training, reporting channels and incident management	High-Risk Transactions; Third-Party Due Diligence; Ethics Audit; Data Safeguarding; Incident Response
Responsible sourcing	Suppliers influence material impacts, labor practices and business continuity	Supplier standards, risk-based assessments, on-site audits and corrective action	Buyer Performance Evaluation

Each priority topic is linked to indicators and 2028 targets, and to the procedures that control it day to day. Topics and their ranking will be reviewed again as part of the next materiality assessment.



04 Environment

Most of our footprint sits outside our walls, in the materials we buy: nearly three quarters of our 2025 emissions were Scope 3. Understanding that is the first step to reducing it.

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Air, noise and traffic · 19

FIVE FOCUS AREAS IN OUR ENVIRONMENTAL POLICY

Compliance is the floor. The aim is to use less, waste less and prove what we claim.

ENVIRONMENTAL MANAGEMENT

How we manage our impacts

GRI 3-3, 2-27, 304-2

The Environmental Policy sets our focus areas and 2028 targets against a 2022 baseline. Routine controls with named owners and set monitoring frequencies put them into practice, and the Technical Manager & Safety Head reports all environmental KPIs to executive management every month and quarter. In 2025 our environmental risk assessment covered 100% of operational sites, and we received no environmental complaints.

Operational priorities

- Track energy and GHG emissions with consistent boundaries and documented calculations.
- Cut energy use through LED lighting, efficient motors, compressed-air and HVAC tuning, with an annual internal energy audit.
- Improve material use through machine calibration, digital proofing and first-time-right printing.
- Segregate waste in color-coded bins and keep recycling, recovery and disposal evidence.
- Monitor water use, reuse treated water and test wastewater quality quarterly.
- Maintain permits, inspections, incident records and corrective actions.

Environmental monitoring

Parameter	Frequency	Reviewed by
Boundary noise	Twice a year	EHS
Air emissions	Quarterly	EHS
Wastewater quality	Quarterly	EHS
Reused water quality	Monthly	EHS
Energy use vs KPIs	Monthly	Facility Head
Monitoring records	Monthly	EHS Manager
Environmental review	Annually	Management

Third-party environmental auditors carry out an annual audit of air quality compliance and nuisance controls.

Environmental management and biodiversity

We support one native species locally and include biodiversity in our internal risk assessment for every department. Our Environmental Policy commits us to increase green cover around our facilities by 5% and to launch two biodiversity restoration initiatives by 2028.

Indicator	2022	2023	2024	2025	2028 target
% of operational sites assessed on specific environmental risks	100%	100%	100%	100%	**100%**
# of Complaints	0	0	0	0	**0**
% of total workforce received training on environmental issues	89%	100%	100%	100%	**100%**
Number of native species supported	1	1	1	1	**1**
% of total workforce received training on Biodiversity conservation	100%	100%	100%	100%	**100%**
% of total department covered in Internal risk assessment Biodiversity	100%	100%	100%	100%	**100%**
Number of Awareness session conducted on Biodiversity conservation	1	1	1	1	**3**
Complaints received on Biodiversity	0	0	0	0	**0**

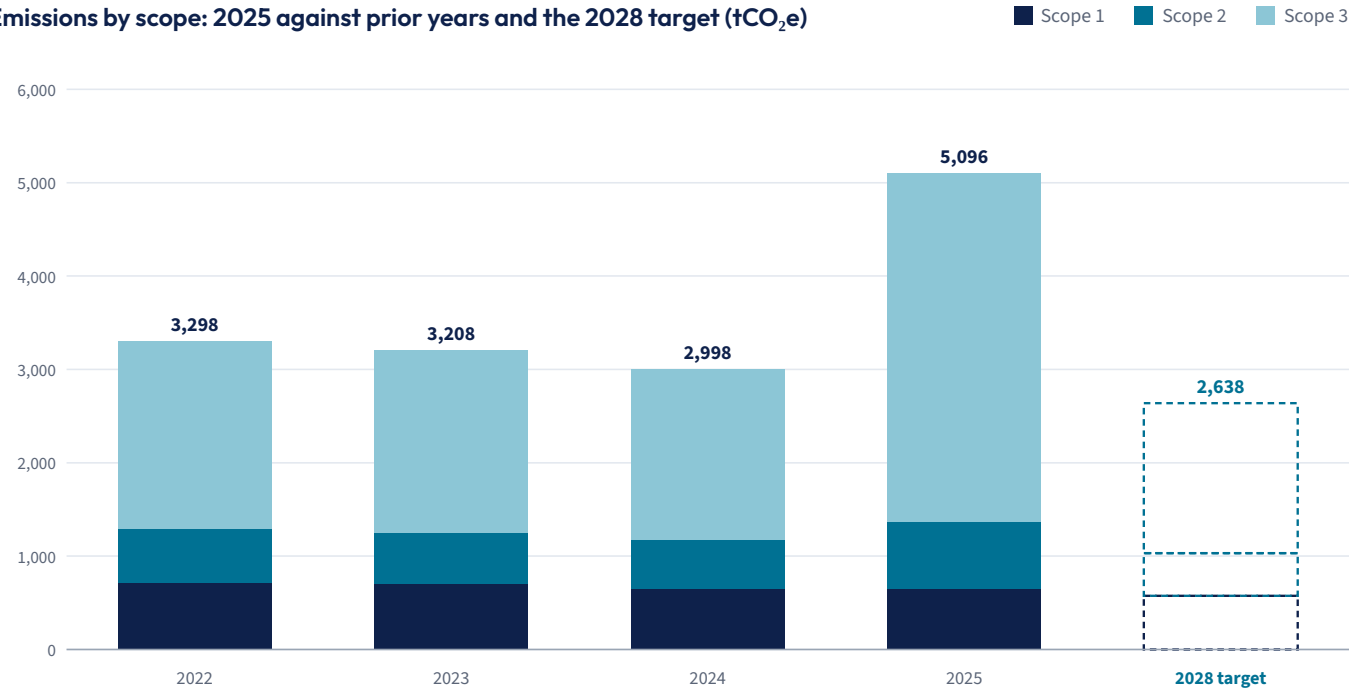
CLIMATE PERFORMANCE

GHG Emissions Performance

GRI 305-1, 305-2, 305-3, 305-4, 305-5

Three years of gradual decline, then a step change. The chart shows where the 2025 increase sits, and how far today's figures are from the 2028 targets.

Emissions by scope: 2025 against prior years and the 2028 target (tCO_2e)



Indicator	2022	2023	2024	2025	2028 target
Gross Scope 1 GHG Emission (tCO2eq)	718.09	698.51	652.81	652.80	**574.47** (20% reduction)
Gross Scope 2 GHG Emission (tCO2eq)	570.64	555.07	518.76	710.68	**456.51** (20% reduction)
Gross Scope 3 GHG Emission (tCO2eq)	2008.82	1,954.03	1,826.20	3,732.85	**1607.06** (20% reduction)
Gross Scope 3 Downstream GHG Emission (tCO2eq)	116.72	113.54	106.11	115.38	**93.38** (20% reduction)
Gross Scope 3 Upstream GHG Emission (tCO2eq)	68.64	66.77	62.4	27.09	**54.91** (20% reduction)
GHG Emission Intensity (Scope 1 + Scope 2) (tCO2eq / Million USD Revenue)	222.19	183.41	160.49	186.78	**141.23** (36% reduction)
People Trained on GHG (Manhours)	20	30	40	42	**60** (200% increase)

2028 targets are a 20% reduction on 2022 for each scope, in line with the Environmental Policy. Totals in the chart are the sum of Scope 1, 2 and 3.

Performance analysis. Total emissions fell 9.1% from 2022 to 2024, then rose 70.0% in 2025 to 5,096.33 tCO_2e, 54.5% above the 2022 baseline. Scope 1 continued to decline as fuel-powered forklifts were replaced by battery-operated units; fugitive refrigerant emissions remain the main Scope 1 source. Scope 2 rose to 710.68 tCO_2e and Scope 3 roughly doubled to 3,732.85 tCO_2e, making value-chain emissions the main driver. Scope 1+2 intensity was 186.78 tCO_2e per million USD of revenue in 2025 (222.19 in 2022), against a 2028 target of 141.23. GHG awareness training reached 42 man-hours in 2025, against a 2028 target of 60.

WHERE EMISSIONS COME FROM

GHG Emissions by Source

GRI 305-1, 305-2, 305-3

Scope mix, 2022



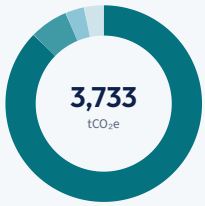
Scope 1	21.8%
Scope 2	17.3%
Scope 3	60.9%

Scope mix, 2025



Scope 1	12.8%
Scope 2	13.9%
Scope 3	73.2%

Scope 3 breakdown, 2025



Purchased goods	87.3%
Waste disposal	6.4%
Downstream	3.1%
All other	3.2%

Emission category (tCO_2e)	Scope	2022	2023	2024	2025
Mobile combustion	1	0.01	0.01	0.01	0.00
Fugitive emissions	1	718.08	698.50	652.80	652.80
Purchased electricity	2	570.64	555.07	518.76	710.68
Purchased goods	3	1,491.52	1,450.84	1,355.92	3,259.60
Upstream activities	3	68.64	66.77	62.40	27.09
Downstream activities	3	116.72	113.54	106.11	115.38
Transmission & distribution losses	3	43.61	42.42	39.64	39.82
Waste disposal	3	285.60	277.81	259.64	237.18
Water supply	3	0.51	0.49	0.46	0.03
Business travel — air	3	1.60	1.55	1.45	48.49
Business travel — land	3	0.45	0.44	0.41	0.29
Hotel stays	3	0.18	0.17	0.16	4.06
Employee commuting	3	0.00	0.00	0.00	0.91

Key movements. Purchased goods rose from 1,355.92 to 3,259.60 tCO_2e between 2024 and 2025, air travel from 1.45 to 48.49 and hotel stays from 0.16 to 4.06. To manage these emissions, we will improve supplier activity data for purchased goods, strengthen travel booking records and emission factors, and keep waste and water documentation consistent.

CASE STUDY Scope 1 · Operations



Taking fuel out of the warehouse

GRI 305-1, 305-5

Our forklift fleet has moved from fuel-powered trucks to battery-operated units. On-site forklift fuel combustion is gone from Scope 1, and the reported mobile-combustion line has fallen to zero.

Electrification is not free of emissions. Charging draws on the grid, so that electricity now appears under Scope 2, and we track it as part of our electricity review.

Mobile combustion

0.01 → 0.00

tCO_2e, 2022 → 2025

Where charging sits

Scope 2

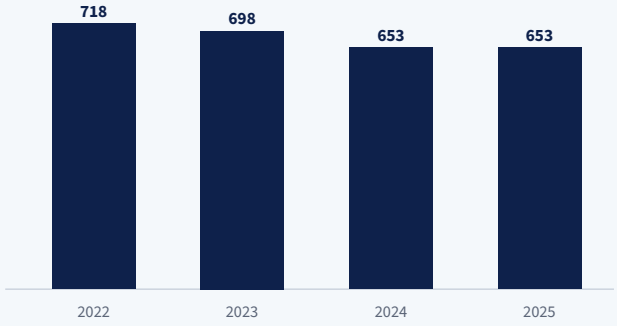
purchased electricity

Refrigerants: our largest direct source

With forklift fuel gone, fugitive refrigerant losses from cooling equipment make up virtually all of our Scope 1 emissions. They fell 9% between 2022 and 2025. Keeping them falling depends on three habits:

- Planned maintenance of refrigeration and HVAC equipment
- Leak prevention and prompt repair when losses are found
- Accurate records of every refrigerant top-up

Fugitive emissions (tCO_2e)



Scope 1 activity data

Source	Unit	2022	2023	2024	2025
Mobile combustion (forklifts)	miles	55.00	53.50	50.00	0.00
Fugitive refrigerant (HFC-143a)	kg	149.60	145.52	136.00	136.00
Scope 1 total	**tCO_2e**	**718.09**	**698.51**	**652.81**	**652.80**

Next steps on value-chain emissions

Total emissions rose 70% in 2025, mainly from purchased goods. Our next steps focus on four areas.

1 · Supplier data
Work with key suppliers to improve activity data for purchased goods

2 · Materials
Increase recycled and certified inputs to lower material emissions

3 · Travel
Reduce air travel and hotel stays where possible

4 · Tracking
Track each Scope 3 category every year against the 2028 target

ENERGY MANAGEMENT

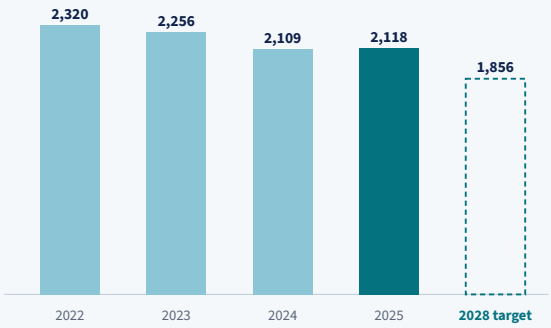
Energy Efficiency

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

Purchased electricity is our only significant energy source. Our forklifts now run on batteries, and on-site fuel use is now negligible. Energy management lowers operating costs and Scope 2 emissions, and energy intensity helps separate efficiency from changes in sales.

Electricity use fell 8.7% between 2022 and 2025, from 2,319,653 kWh to 2,117,837 kWh, and energy intensity improved from 0.40 to 0.27 kWh per USD of revenue. Use rose by only 0.4% in 2025, yet Scope 2 emissions rose 37%. The difference comes from the electricity emission factor applied in 2025.

Electricity consumption (MWh)



Indicator	2022	2023	2024	2025	2028 target
Total energy consumption (in KWH) (electricity Consumption)	2,319,653	2,256,389	2,108,775	2,117,837	**1,855,722.4** (20% reduction)
Energy Intensity (KWH/Revenue (in USD.))	0.40	0.33	0.29	0.27	**0.25** (38% reduction)
Total renewable energy consumption (in KWH)	0	0	0	0	**371,144.48**
Renewable Energy against Total Energy (%)	0%	0%	0%	0%	**20%**
People Trained on Energy Efficiency (Manhours)	288	150	200	280	**300** (4% increase)

How we save energy

- Annual internal energy audit to find high-use equipment and areas.
- LED lighting, motion sensors and timers in low-use areas; IE3 or better motors and pumps.
- Compressed-air and HVAC optimization and preventive maintenance of electrical equipment.
- Monthly review of energy data against KPIs, and a quarterly energy dashboard review.
- Energy-saving signage and awareness sessions for employees.

Toward 20% renewable electricity

The Environmental Policy commits us to a 20% renewable share of electricity by 2028, equal to about 371,144 kWh at the target consumption level. Our route is to assess rooftop solar feasibility, explore green power purchases or Renewable Energy Certificates, and use solar-powered external and emergency lighting. Any renewable instrument will be documented with its accounting treatment before it is reported.

Forklift electrification. Fuel-powered forklifts were replaced with battery-operated units, removing on-site forklift fuel combustion from Scope 1. Charging electricity is included in the purchased electricity figures above.

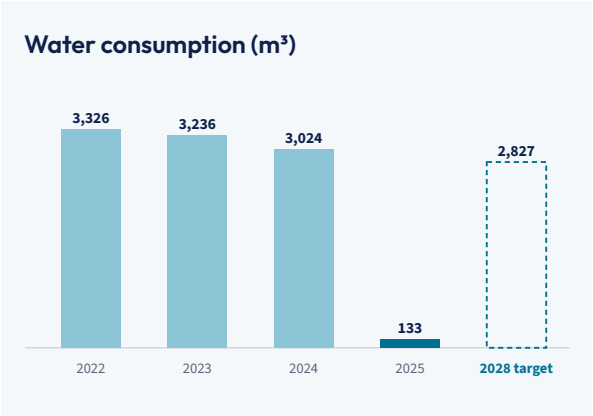
WATER STEWARDSHIP

Water and Wastewater

GRI 303-1, 303-2, 303-4, 303-5

Water conservation and wastewater management are focus areas in the Environmental Policy. Our targets for 2028 are a 15% cut in water consumption against 2022, a 30% water recycling rate and rainwater harvesting across company-owned buildings.

Consumption fell steadily from 3,326.40 m^3 in 2022 to 3,024.00 m^3 in 2024. Consumption fell to 133 m^3 in 2025, and water-supply emissions fell by a similar proportion. In 2025 we also began harvesting rainwater (10 m^3). All water consumed is treated before discharge.



Indicator	2022	2023	2024	2025	2028 target
Total Water consumption (in Cubic meters/ Year)	3326.40	3,235.68	3,024.00	133.00	**2827.44** (15% reduction)
Total Water recycled and reused (in Cubic meters/ Year)	105	117	121	5.32	**848.23**
Total Rain Water Harvested (in Cubic meters / Year)	0	0	0	10	**666**
Total water consumption per employee (in Litres / Employee / Day)	107	104	97.5	97.9	**78** (27% reduction)
Total Water Treated (In % of Total Water consumption)	100%	100%	100%	100%	**100%**
Water Intensity (m^3 per Million USD Revenue)	573.51	473.40	414.25	16.96	**387.32** (32% reduction)
People Trained on Water Efficiency (Manhours)	60	125	128	130	**140** (133% increase)

Wastewater quality (mg/L, result against limit)

Indicator	Limit	2022	2023	2024	2025	2028 target
Pollutants present in waste water Total Suspended Solids (milligram / Litre) (Limit / Result)	<100	48	42.7	34	33	**<100**
Pollutants present in waste water Ammoniacal Nitrogen (milligram / Litre) (Limit / Result)	<1	—	<1	<1	<1	**<1**
Pollutants present in waste water Chemical Oxygen Demand (milligram / Litre) (Limit / Result)	<250	121.29	185.3	102.32	102.64	**<250**
Pollutants present in waste water Biological Oxygen Demand (milligram / Litre) (Limit / Result)	<30	28.09	29.32	28.99	28.87	**<30**

All results were within limits in every year. BOD stays close to its limit, so it is watched closely in the quarterly testing program.

Water recycling and reuse

- Map water streams suitable for treatment and reuse.
- Test treated water at least monthly for physical, chemical and microbiological quality.
- Report reuse data monthly to the Environmental Sustainability Committee.

Rainwater harvesting and wastewater

- Clean catchments and filters monthly in the rainy season; inspect tanks quarterly.
- Sample each discharge point quarterly or as permits require.
- Run an annual wastewater performance audit.

CIRCULARITY AND POLLUTION PREVENTION

Waste Management and Circularity

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

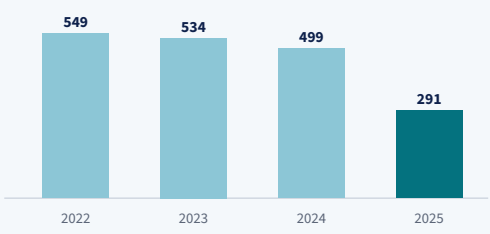
Material losses affect cost, resource efficiency and environmental performance. Our approach starts with prevention, then reuse where technically suitable, recycling or recovery, and responsible disposal.

Total waste fell from 548.9 t in 2022 to 291 t in 2025, and hazardous waste from 3 t to 1.58 t. The share diverted from landfill rose from 5.3% to 8.1%, and 36 t of waste was recovered in 2025. Our Environmental Policy commits us to cut waste sent to landfill by 25% against 2022, which is why the 2028 diversion target is 21%.



Indicator	2022	2023	2024	2025	2028 target
Total Waste Generated (in Metric Tonnes)	548.9	533.93	499	291	**494.01** (10% reduction)
Total Hazardous Waste Generation (in Metric Tonnes)	3	3.1	2.3	1.58	**1** (67% reduction)
Total non-Hazardous Waste Generation (in Metric Tonnes)	545.9	527	496.7	289	**493.01** (10% reduction)
% of total waste from company operations diverted from landfills	5.3%	5.8%	7.4%	8.1%	**21%**
Total Waste recovered in a year (in Metric Tonnes)	29	31	37	36	**40**

Total waste generated (t)



How we manage waste

Step	What we do	Evidence
1 · Prevent	Calibrate machines, use digital job proofing and short-run tests, and use thinner liners that cut liner waste by up to about 15%	Production records and scrap reports
2 · Reuse	Circulate returnable totes and corrugated bins in warehousing and kitting; reuse leftover ink on compatible runs	Closed-loop reuse logs
3 · Recycle	Sort waste in color-coded bins (blue recyclables, red hazardous, black e-waste, green PCR material); send liners to take-back programs such as AD Circular and RafCycle	Recycling certificates and weight tickets
4 · Dispose	Use vetted vendors that follow EPA RCRA rules for residual and hazardous waste	Manifests and disposal records

Supervisors check bins for cross-contamination weekly, EHS inspects waste storage monthly, and the master waste-stream log is updated twice a year. EHS and Procurement audit hazardous-waste disposal vendors every year.

LOCAL ENVIRONMENTAL QUALITY

Air Emissions, Noise, Odor and Traffic

GRI 305-7, 3-3

Our air emissions and nuisance controls cover particulate matter, VOCs, SOx, NOx, noise, odor, light and traffic. Monitoring defines parameters, locations, frequency, limits and escalation; any exceedance is investigated, corrected and verified.

Ambient air quality (µg/m³)

Indicator	Limit	2022	2023	2024	2025	2028 target
SOx (µg/m³) (Limit /Result)	≤196	21.2	18.54	25.41	23.87	**≤196**
NOx (µg/m³) (Limit /Result)	≤188	24.7	22.17	28.32	28.08	**≤188**
PM10 (µg/m³) (Limit /Result)	≤150	63.5	53.41	58.01	55.13	**≤150**
PM2.5 (µg/m³) (Limit /Result)	≤35	28.1	22.88	25.74	24.89	**≤35**
Ammonia (µg/m³) (Limit /Result)	≤400	3.5	4.11	10.32	9.03	**≤400**
Lead (µg/m³) (Limit / Result)	≤0.15	BDL	BDL	BDL	BDL	**≤0.15**
Ozone (µg/m³) (Limit / Result)	≤137	12.5	12.39	9.96	9.10	**≤137**

BDL: below detection limit. All results were within limits in every year. PM2.5 is the closest to its limit (about 71% of the limit in 2025).

Noise at the site boundary, dB(A)

Indicator	2022	2023	2024	2025	2028 target
Ambient Daytime Noise Levels (dbA)	55	56	56.8	54	**<75**
Ambient Nighttime Noise Levels (dbA)	40	44	49	45	**<60**

Limits follow the Irving, Texas city code for industrial property (75 dB by day and 60 dB at night). Noise is measured twice a year with a calibrated meter, and workplace exposure is kept below the OSHA level of 90 dB(A) over an 8-hour shift.

Odor, light and complaints

Indicator	2022	2023	2024	2025	2028 target
Cases of Non-Compliance of applicable US lighting standards (OSHA / IES)	0	0	0	0	**0**
Odor Complaints per Year	0	0	0	0	**0**
Average Odor Complaint Resolution Time (Days)	NA	NA	NA	NA	**NA**
Traffic-Related Community Complaints (Per Year)	0	0	0	0	**0**

Traffic and transport

Indicator	2022	2023	2024	2025	2028 target
Annual Vehicle Movement Count	9752	8011	6915	6711	**5010** (49% reduction)
Peak-Hour Delivery Reduction (%)	45%	55%	70%	71%	**75%**
Employee Sustainable Transportation Usage (%)	35%	47%	52%	53%	**85%**

Vehicle movements fell 31% between 2022 and 2025 as deliveries were consolidated and moved out of peak hours. Internal vehicle movements are tracked quarterly from facility traffic logs.

How we control air emissions and nuisance

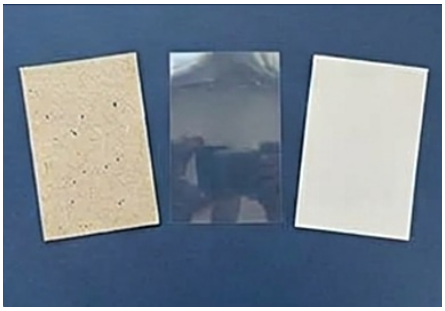
- Move from high-VOC inks and coatings to water-based or UV-curable formulations where possible, and use fume extraction in press rooms.

PRODUCT STEWARDSHIP

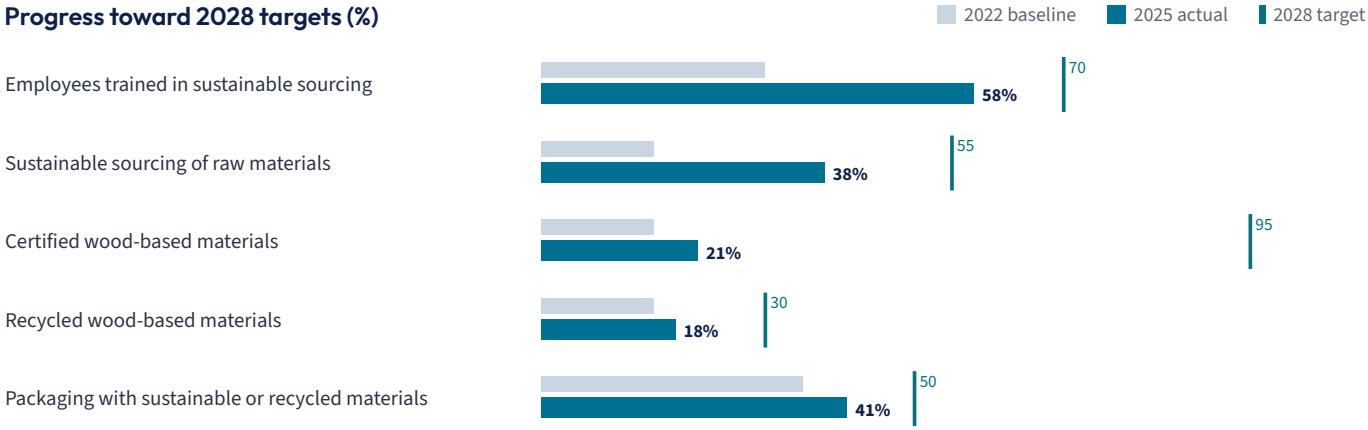
Materials and Sustainable Packaging

GRI 301-1, 301-2

Material efficiency is a core operational consideration. Procurement specifications, production planning, press settings and quality controls all influence yield and scrap. Our sourcing approach prioritizes FSC®-certified paper, post-consumer recycled films and APR-recognized recyclable label constructions, requires sustainability declarations from material vendors, and allows compostable materials only with third-party certification such as ASTM D6400 or EN 13432.

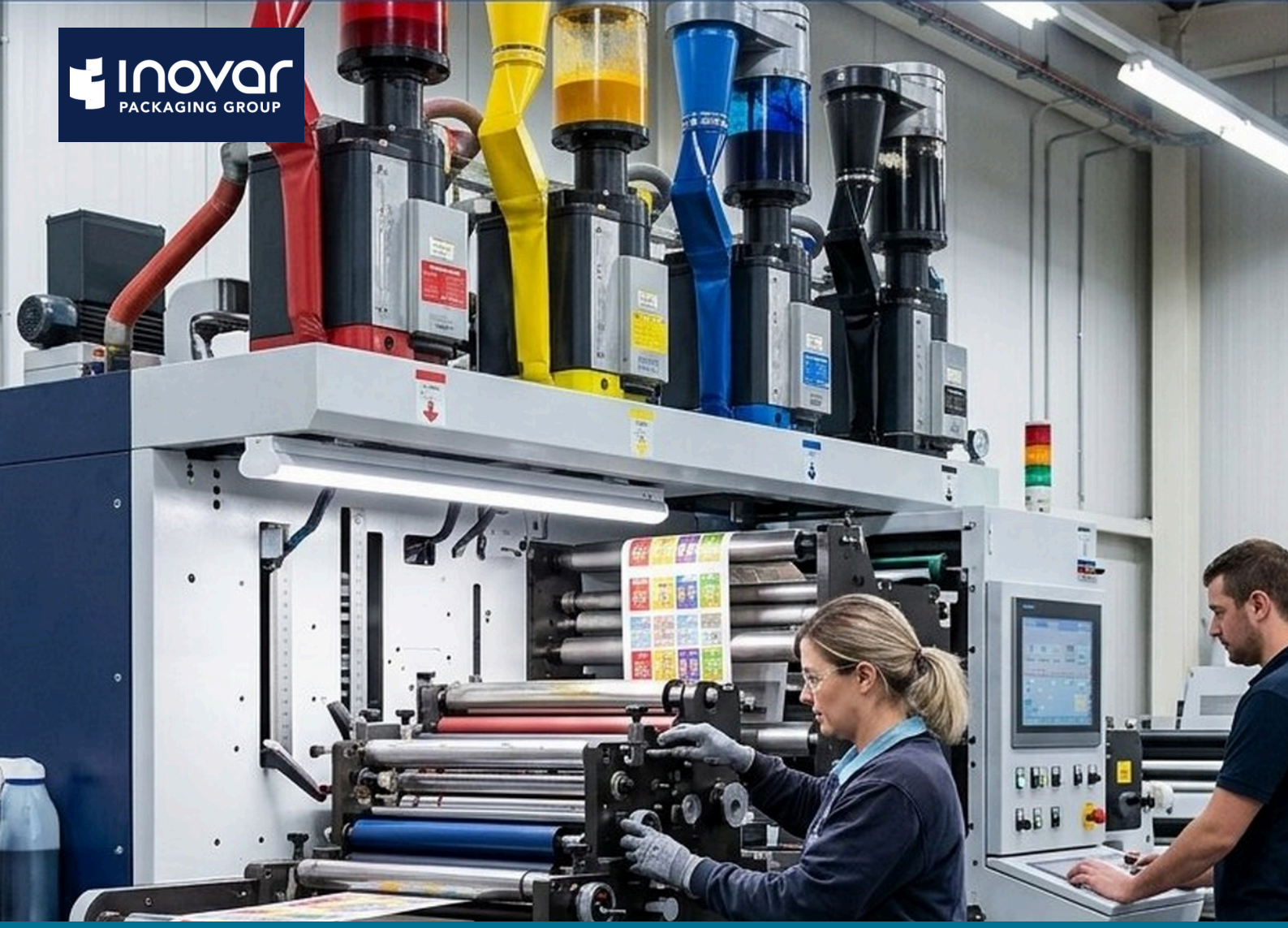


Progress toward 2028 targets (%)



Indicator	2022	2023	2024	2025	2028 target
Consumption of Hazardous Raw Materials (in Metric Tonnes)	11	5	6	6	**8.8** (20% reduction)
Consumption of Non- Hazardous Raw Materials (in Metric Tonnes)	1190.2	1163.44	1086	1211	**952.16** (20% reduction)
Number of accidental pollution events due to company operations	0	0	0	0	**0**
Percentage of recycled input material out of total materials consumed	5.387%	6%	8%	9%	**13%**
% of recycled wood and wood-based products or materials	15%	8%	10%	18%	**30%**
% of certified wood and wood-based products or materials	15%	18%	19%	21%	**95%**
% of Employees Trained Sustainable Sourcing of Raw material	30%	40%	50%	58%	**70%**
% of Sustainable Sourcing of Raw material	15%	20%	35%	38%	**55%**
Percentage of packaging designed using sustainable or recycled materials.	35%	30%	38%	41%	**50%**
Percentage of resource savings achieved due to resource efficient product designs	5%	17%	20%	25%	**50%**

Raw material targets are a 20% reduction on 2022. The Raw Material Optimization Committee reviews usage, recovery rates and substitution progress every quarter.



05 **People**

Every label we print passes through skilled hands. Keeping those people safe, fairly paid and growing is the part of this report we take most personally.

Workforce · 22

Health and safety · 24

Human rights · 25

Diversity and inclusion · 27

EMPLOYMENT AND WELLBEING

People, Employment and Wellbeing

GRI 2-21, 2-30, 401-1, 401-2, 404-1, 404-2, 404-3

The Labor and Human Rights Policy commits us to fair treatment, safe working conditions, equal opportunity and prevention of child labor, forced labor and human trafficking. We put these into practice through clear employment terms, annual performance reviews, open internal job postings and confidential channels for concerns.

Indicator	2022	2023	2024	2025	2028 target
Attrition Ratio (%)	3	2.1	2.4	2.4	**2.4** (20% reduction)
Total Training Hours of employees	1020	1050	1275	1300	**1450** (42% increase)
Avg Training Hours per employee	12	14	17	18	**20** (67% increase)
Average Salary above Minimum Wages (USD.)	29,258	32,220	35,128	36,485	**38,000** (30% increase)
Pay ratio between the highest-paid person and the median employee (ratio)	5:1	5.12:1	5.18:1	5.14:1	**3:1**
Subcontractor's Workers Covered under Minimum Wage rules	100%	100%	100%	100%	**100%**
Hiring of Local People (%)	95%	95%	98%	98%	**95%**
Hiring of People with Disability (%)	1.2%	1.2%	1.2%	1.2%	**1.5%**
% employees covered by employee assistance program (EAP)	100%	100%	100%	100%	**100%**
employees satisfaction rate	99%	98%	98%	99%	**99%**
employees covered with healthcare	100%	100%	100%	100%	**100%**

Pay, benefits and time off

- Pay set by job duties, wage survey data and performance, and reviewed periodically against cost of living, inflation and market rates.
- Paid vacation from 80 hours a year (years 1–5) up to 120 hours (10+ years), plus 24 hours of paid sick time and paid holidays.
- Education assistance at 100% of approved costs, up to $5,000 per employee per year.
- Workers' compensation at no cost to employees, FMLA leave of up to 12 weeks, and flexible work options where feasible.

Flexible and fair

Working hours, overtime and timekeeping follow federal and state law. Flexible work arrangements such as part-time schedules, flex-time, shift adjustments and job-sharing are considered wherever the role allows.

DEVELOPMENT, WORKING CONDITIONS AND SOCIAL DIALOGUE

Career Development and Working Conditions

GRI 2-30, 401-3, 402-1, 404-2, 404-3

We support growth through open internal job postings, job rotations and cross-functional roles, and every employee has a personal development plan. Working conditions are assessed at all our facilities, and employees are represented through elected representatives and joint committees.

Indicator	2022	2023	2024	2025	2028 target
% of the total workforce across all locations who received career- or skills-related training	100%	100%	100%	100%	**100%**
number of skills trainings provided	1	1	1	1	**2**
number of internal mobility cases	0	0	2	2	**5**
% of employees with personal development plans	100%	100%	100%	100%	**100%**
Awareness Session conducted on Career Management	5	5	5	5	**7**
# of Hours Worked (Manhours)	187,925	187,950	188,012	188,258	**190,819**
% of your facilities that were assessed	100%	100%	100%	100%	**100%**
Incident of non-potable drinking water identification	0	0	0	0	**0**
Incident of non-compliance of working conditions principles	0	0	0	0	**0**
% Of the total workforce represented in formal joint management-worker health & safety committees	100%	100%	100%	100%	**100%**
% of the total workforce covered by formal collective agreements	66.8%	68.2%	66.4%	67%	**70%**
% of employees covered by formally elected employee representatives	100%	100%	100%	100%	**100%**
Complaints registered on the violation of Collective Bargaining Agreement	0	0	0	0	**0**

Employee voice and development

Elected employee representatives cover 100% of the workforce, and there were no complaints about collective-agreement violations. Every employee received career or skills training and has a personal development plan, with five career management awareness sessions each year. Performance reviews take place after the initial 90-day period and every year after that, with a mid-year check-in.

Hours worked. Employees worked 188,258 hours in 2025, compared with 187,925 in 2022. The 2028 target reflects planned growth to 190,819 hours.

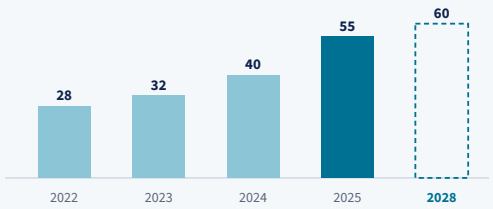
KEEPING PEOPLE SAFE

Occupational Health and Safety

GRI 403-1 to 403-6, 403-9, 403-10



Employees trained on health and safety



Prevention and preparedness

It is company policy to conform to all aspects of the Occupational Safety and Health Act. Our approach combines hazard identification, risk assessment, safe work procedures, protective equipment, training, incident reporting and corrective action. Employees must report every injury, however minor, and any unsafe condition, anonymously if they wish, and retaliation for reporting is prohibited.

- High-risk equipment such as presses and conveyors is checked weekly, other equipment monthly, and all major equipment is audited every year by certified external auditors.
- Chemicals are handled under the OSHA Hazard Communication Standard, with labeled containers, accessible safety data sheets, spill kits and annual refresher training.
- Annual health check-ups for all employees, hearing and respiratory screening for machine operators, and twice-yearly checks for chemical handlers and high-noise roles.
- Set measures protect employees from extreme heat and cold.

Indicator	2022	2023	2024	2025	2028 target
# of Work-related Accidents	1	0	0	0	**0**
Absenteeism Rate due health and safety	0	0	0	0	**0**
# of Fatal Incidents	0	0	0	0	**0**
Number of days lost to work-related injuries, fatalities and ill health	0	0	0	0	**0**
Lost time injury (LTI) frequency rate for Employees	0.00	0.00	0.00	0	**0.00**
Lost time injury (LTI) frequency rate for Subcontractor's Workers	0.00	0.00	0.00	0	**0.00**
Lost time injury (LTI) severity rate for Employees	0.00	0.00	0.00	0	**0.00**
Lost time injury (LTI) severity rate for Subcontractor's Workers	0.00	0.00	0.00	0	**0.00**
number of employee health and safety risk assessments conducted	1	1	1	1	**2**
number of employees trained on health and safety issues	28	32	40	55	**60** (114% increase)
Percentage of operational facilities that are certified ISO 45001 (%)	0%	0%	0%	0%	**100%**

DIGNITY AT WORK

Labor Standards and Human Rights

GRI 406-1, 407-1, 408-1, 409-1

The Labor and Human Rights Policy addresses fair treatment, equal opportunity, safe working conditions and prevention of child labor, forced labor and human trafficking. Our Supplier Code of Conduct extends these expectations into the supply chain.

- Prohibit child labor, forced labor, trafficking, coercion and abusive practices
- Respect freedom of association and collective bargaining
- Lawful wages, working hours, rest periods and benefits
- Prohibit harassment, discrimination, intimidation and retaliation
- Accessible grievance channels with set response times
- Assess identified risks and remediate where warranted

Indicator	2022	2023	2024	2025	2028 target
number of child or forced labor incidents reported	0	0	0	0	**0**
number of child or forced labor audits conducted in own operational sites	0	1	1	1	**1**
Human Trafficking (%)	0	0	0	0	**0**
Sub Contractor's Workers in Agreement with Employee Code of Conduct (%)	100%	100%	100%	100%	**100%**
# of Complaints reported on Child Labor / Human Trafficking	0	0	0	0	**0**
# of Complaints reported on Sexual Harassment	0	0	0	0	**0**
# of Complaints reported on Discrimination (Internal)	0	0	0	0	**0**
# of Complaints reported on Discrimination by Suppliers	0	0	0	0	**0**
# of Complaints reported on Discrimination by Customers	0	0	0	0	**0**
# of Complaints reported on Discrimination by Other Stakeholders	0	0	0	0	**0**
External Stakeholder Human Rights Impact Reporting Compliance Count (%)	100%	100%	100%	100%	**100%**
People Trained on Human Rights (Manhours)	20	30	40	42	**60** (200% increase)

EXTERNAL STAKEHOLDERS AND SOCIAL AUDITS

Human Rights Assessments and Certification

GRI 2-25, 407-1, 413-1, 414-1

We assess human rights risks at our own site and engage external stakeholders on human rights issues. Social audits cover labor and human rights at all operational sites, and our 2028 targets include SA8000 and SMETA certification.

Indicator	2022	2023	2024	2025	2028 target
Number of External human rights violations identified in audits	0	0	0	0	**0**
Number of human rights impact assessments performed	0	0	0	1	**2**
Number of External human rights-related grievances received and resolved.	0	0	0	0	**0**
Number of community consultations held on human rights issues.	0	0	2	1	**4**
% of operational sites undergone the Labor and Human Rights Assessments	100%	100%	100%	100%	**100%**
Percentage of operational facilities that are certified SA8000 (%)	0%	0%	0%	0%	**100%**
SMETA Certification	0%	0%	0%	0%	**100%**

Controls in practice

- Identity and work-eligibility checks (Form I-9) are completed for every new hire.
- We never keep employees' identity documents. Any document held temporarily must be returned within 24 hours, and HR audits this every quarter.
- Harassment complaints are acknowledged within 48 hours, reviewed within 7 days and investigated within 30 days.
- Internal audits review recruitment, working hours, wages and workplace conditions; the grievance system is reviewed every quarter.

Interpreting zero. Zero recorded complaints is the reported value for the period, not a conclusion that risk is absent. Effective controls require people to know how to raise concerns and to trust that they will be handled properly. That is why we train every employee on harassment and discrimination, publicize our channels and protect people who speak up.

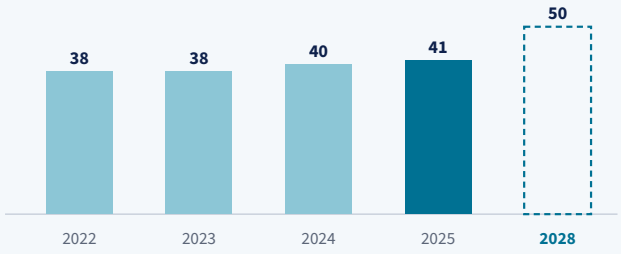
EQUAL OPPORTUNITY

Diversity, Equity, Inclusion and Development

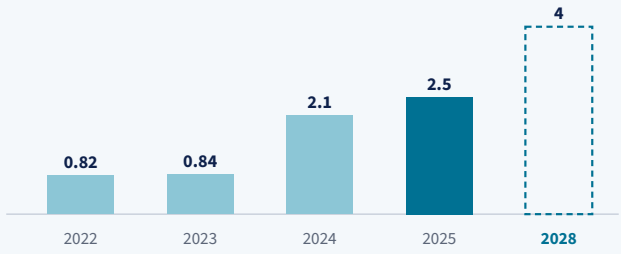
GRI 405-1, 405-2, 406-1

We are an Equal Opportunity Employer. Employment decisions are made without regard to race, color, religion, age, national origin, sex, gender identity, sexual orientation, disability, veteran status or any other protected characteristic, and we provide reasonable accommodations, including for lactation. We support the advancement of underrepresented groups through mentoring, development programs and open internal job postings.

Employees from minority and/or vulnerable groups (%)



Women employed in the whole organization (%)



Indicator	2022	2023	2024	2025	2028 target
% of women employed in whole organization	0.82%	0.84%	2.1%	2.5%	**4%**
% of women at top management level	0%	1%	1%	2%	**2%**
% of women within the organization's board	0%	0%	0%	0%	**5%**
Percentage of employees from a minority and/or vulnerable group in the whole organization	38%	38%	40%	41%	**50%**
Percentage of employees from a minority and/or vulnerable group at top management level	0%	0%	1%	5%	**10%**
Hiring of Vulnerable / Marginalized People at Top Management level (%)	0%	0%	0%	0%	**1%**
Hiring of Vulnerable / Marginalized People in company (%)	2.0%	2.0%	2.0%	2.0%	**2.0%**
Average unadjusted gender pay gap (Woman to man %)	0	0	0	0	**0**
% of your employees with disabilities feel included and supported in the workplace?	100%	100%	100%	100%	**100%**
% of the total workforce trained on diversity, equity and inclusion	100%	100%	100%	100%	**100%**
Percentage of Employees Trained on Anti-Discrimination and Harassment	100%	100%	100%	100%	**100%**
People Trained on Gender Equality (Manhours)	40	44	48	55	**60** (50% increase)
# of Employee Resource Groups Conducted	0	0	1	1	**5**
Number of identified discrimination or harassment incidents or corrective actions	NIL	NIL	NIL	NIL	**NIL**
Percentage of Departments with Zero Reported Incidents	100%	100%	100%	100%	**100%**

Where we stand. Women make up a small share of our workforce, and none of our board members are women. Representation of minority and vulnerable groups is higher at 41% of employees and has grown at top management level, from none in 2022 to 5% in 2025. Our 2028 targets aim to raise representation at every level.

SECTION 06 · ETHICAL GOVERNANCE

Ethics, Integrity and Compliance

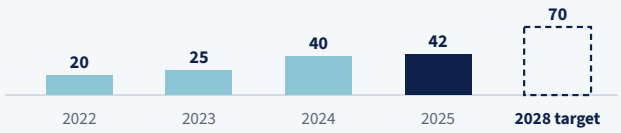
GRI 2-15, 2-26, 205-1, 205-2, 205-3, 206-1

The Ethics Policy covers ethical conduct, prevention of corruption, conflicts of interest, fraud, anti-money laundering, fair competition and information security.

Core standards of conduct

1. Prohibit bribery, kickbacks, fraudulent conduct and improper payments to public officials or private parties.
2. Disclose actual, potential or perceived conflicts of interest for appropriate review.
3. Control gifts, hospitality, sponsorships, charitable contributions and third-party relationships.
4. Keep accurate books and records; never falsify or conceal material information.
5. Protect confidential, personal and commercially sensitive information.
6. Provide channels for raising concerns and prohibit retaliation against good-faith reporters.

Anti-corruption & bribery training (man-hours)



Speaking up. Concerns can be raised with a supervisor, HR or the Whistleblower Officer, by email (HR@inovarpkg.com), by phone ((817) 635-6711) or anonymously through drop-boxes. Reports are acknowledged within 2–3 working days, investigated impartially and protected from retaliation. Every employee receives annual training on how to report.

Indicator	2022	2023	2024	2025	2028 target
Number of confirmed corruption incidents	0	0	0	0	**0**
Percentage of Trading Partners Covered by Due Diligence on Corruption(%)	100%	100%	100%	100%	**100%**
People Trained on Anti-Corruption & Bribery (in Manhours)	20	25	40	42	**70** (250% increase)
Percentage of operational sites certified with anti-corruption management system (ISO 37001) (%)	0%	0%	0%	0%	**100%**
Percentage of total workforce trained on business ethics issues (%)	100%	100%	100%	100%	**100%**
Employee feedback on ethics training (satisfaction rate)	100%	100%	100%	100%	**100%**
% of risky trading partners covered by a due diligence process on corruption or information security	100%	100%	100%	100%	**100%**
% of all operational sites for which an internal audit/risk assessment concerning business ethics issues has been conducted	100%	100%	100%	100%	**100%**
Number of whistleblower reports received	0	0	0	0	**0**
Incident of Deceptive Advertising:	0	0	0	0	**0**
% departments covered under Risk Assessment Internal Audit	100%	100%	100%	100%	**100%**

Controls. We require a risk-based review of high-risk transactions by Compliance, Finance and Legal, with Risk Committee approval and quarterly internal audit; ethics due diligence on third parties, with high-risk parties re-screened every year; and an annual internal audit plan for ethical business practices approved by senior management and the Audit Committee.

PROTECTING INFORMATION

Data Protection and Information Security

GRI 418-1



Information security is a focus area in our ethics commitments. Our controls cover consent for processing confidential stakeholder information, protection of third-party data and incident response. We track data breaches, information-security due diligence of trading partners, data-retention compliance and privacy complaints.

Indicator	2022	2023	2024	2025	2028 target
Percentage of operational sites certified with information security management system (ISO 27001) (%)	0	0	0	0	**0**
Data Breach Incidents	0	0	0	0	**0**
Percentage of Trading Partners Covered by Due Diligence on Information Security (%)	100%	100%	100%	100%	**100%**
Data Retention Compliance:	100%	100%	100%	100%	**100%**
User Complaints:	0	0	0	0	**0**
# of Complaints reported on Data Privacy / Security (Internal)	0	0	0	0	**0**
# of Complaints reported on Data Privacy / Security by Suppliers	0	0	0	0	**0**
# of Complaints reported on Data Privacy / Security by Customers	0	0	0	0	**0**
# of Complaints reported on Data Privacy / Security by Other Stakeholders	0	0	0	0	**0**

Control framework

Access limited to business need, reviewed quarterly

Encryption of sensitive data in storage and transfer

Set retention periods and secure disposal

Annual cybersecurity training for all employees

Incident response with severity-based timelines

Incident response

Severity	Action within	Led by
Low — internal only, limited impact	24 hours	IT and department head
Medium — potential data compromise	4 hours	IT and Compliance Officer
High — confirmed breach, legal impact	1 hour	Information security director and executive management

A root cause analysis is completed within 5 working days, and legal or contractual notification duties are met within required timelines.



SECTION 07 · RESPONSIBLE SOURCING

Sustainable Supply Chain

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

The Sustainable Procurement Policy and Supplier Code of Conduct set expectations on environmental stewardship, labor rights, ethics, confidentiality and accountability for primary and relevant secondary suppliers, contractors, consultants, service providers and third-party representatives.

Screen Risk and criticality	**Communicate** Code and sign-off	**Assess** Questionnaires, audits	**Improve** Actions and owners	**Monitor** Closure and trends	**Collaborate** Build capacity

Indicator	2022	2023	2024	2025	2028 target
% of targeted suppliers covered by a sustainability assessment	0%	5%	25%	50%	**80%**
% of targeted suppliers covered by a sustainability on-site audit	0%	5%	25%	50%	**80%**
% of targeted suppliers with contracts that include clauses on environmental, labor, and human rights requirements	50%	60%	70%	70%	**100%**
Suppliers in Agreement with company Policies (in %)	100%	100%	100%	100%	**100%**
Suppliers in Agreement with company's Supplier Code of Conduct (in %)	100%	100%	100%	100%	**100%**
Average Number of Non-Conformities Found per supplier	0	0	0	0	**0**
Avg Number of Corrective Actions taken / Supplier	0	0	0	0	**0**
Percentage of audited/assessed suppliers engaged in corrective actions or capacity building	0%	0%	0%	0%	**0%**
% of suppliers with human rights policies aligned with international standards (UN Guiding Principles, ILO, etc.)	100%	100%	100%	100%	**100%**
% of raw material suppliers audited for human rights compliance	0%	25%	40%	45%	**100%**
% of buyers across all locations who have received training on sustainable procurement	75%	100%	100%	100%	**100%**

Buyers share the goal. High-spend and critical suppliers are assessed every year against our sustainability goals, buyers include a sustainability summary in their annual appraisal, and Procurement and EHS hold joint reviews every quarter. All buyers have been trained on sustainable procurement since 2023.

Reading the data. Code acknowledgement, sustainability assessment, on-site audit and corrective action are different measures and are reported separately. Zero recorded non-conformities is not evidence of full compliance while audit coverage is at 50%. Our priorities are to extend assessments and contract clauses to the full targeted group and to build supplier capacity.



SECTION 08

Product responsibility and community

GRI 413-1, 416-1, 416-2, 417-1

A sustainability change is only worth making if the pack still does its job. Product responsibility at Inovar ties customer requirements, packaging performance and material choice to what happens after use, so no change compromises protection, safety, quality or compliance.

We would rather make one claim we can prove than three we cannot.

How we steward products

1. Design for less material, mono-materials and easy disassembly where performance holds
2. Back recycled-content and recyclability statements with technical and supplier evidence
3. Give customers clear end-of-life disposal guidance on labels and digital channels
4. Cut VOCs through water-based or UV-curable inks and engineering controls
5. Learn from product safety feedback and complaints to improve design and communication

Indicator	2022	2023	2024	2025	2028 target
numbers of incidents related products safety	0	0	0	0	**0**
number of product recalls	0	0	0	0	**0**
number of customer feedback collection regarding product safety	0	25	158	200	**500**
Number of customer training / awareness sessions conducted (product safety, use and end-of-life disposal)	2	2	2	2	**2**
% of customers who participated in product-related training and awareness sessions (product use and end-of-life disposal)	10%	15%	27%	55%	**100%**
# Number of environmental service and advocacy events organized	5	3	3	3	**5**
Reporting on Product End of Life Treatment	0	0	0	0	**1**
The percentage of packaging materials returned by customers through product take-back program	0.66%	0.65%	0.67%	0.55%	**0.5%**
% of product remanufactured	0%	5%	6%	10%	**17%**
Used products collected and recycled.	0%	5%	6%	10%	**17%**
No. of Product recycling programs	1	1	1	1	**2**

Community

Indicator	2022	2023	2024	2025	2028 target
Amount Spent on CSR (USD thousand)	0	6.12	47.44	49.32	**60**
# of social initiatives at National and Local level	5	6	7	6	**9**

Our CSR spending grew from $6,120 in 2023 to $49,320 in 2025 across six national and local social initiatives. Future reports will describe each initiative, who benefited, the resources contributed and the results achieved, without implying impact beyond what our records support.

How far we have come toward 2028

Progress shows how much of the gap between the 2022 baseline and the 2028 target has been closed by 2025. Detailed year-by-year data sits in each section.

Indicator	2022	2025	2028	Gap closed	Status
ENVIRONMENT					
Scope 1 emissions (tCO_2e)	718.1	**652.8**	574.5	45%	Progressing
GHG emission intensity (tCO_2e / million USD revenue)	222.19	**186.78**	141.23	44%	Progressing
Scope 2 emissions (tCO_2e)	570.6	**710.7**	456.5	—	Moving away
Scope 3 emissions (tCO_2e)	2,008.8	**3,732.8**	1,607.1	—	Moving away
Electricity consumption (MWh)	2,320	**2,118**	1,856	44%	Progressing
Renewable share of electricity	0%	**0%**	20%	0%	Not started
Waste diverted from landfill	5.3%	**8.1%**	21%	18%	Progressing
Sustainable sourcing of raw materials	15%	**38%**	55%	57%	Progressing
Certified wood-based materials	15%	**21%**	95%	8%	Progressing
Recycled input material	5.4%	**9%**	13%	47%	Progressing
PEOPLE					
Training hours per employee	12	**18**	20	75%	Progressing
Employees trained on H&S	28	**55**	60	84%	Progressing
Human rights training (man-hours)	20	**42**	60	55%	Progressing
Collective agreement coverage	66.8%	**67%**	70%	6%	Progressing
Minority / vulnerable group employees	38%	**41%**	50%	25%	Progressing
Women in the whole organization	0.82%	**2.5%**	4%	53%	Progressing
Women on the board	0%	**0%**	5%	0%	Not started
Customers in training sessions	10%	**55%**	100%	50%	Progressing
CSR spending (USD thousand)	0	**49.32**	60	82%	Progressing
GOVERNANCE & SUPPLY CHAIN					
Anti-corruption training (man-hours)	20	**42**	70	44%	Progressing
Suppliers covered by sustainability assessment	0%	**50%**	80%	62%	Progressing
Contracts with sustainability clauses	50%	**70%**	100%	40%	Progressing
Sites certified to ISO 37001	0%	**0%**	100%	0%	Not started

Holding the line

Already at target and maintained: zero fatalities and days lost, zero work-related accidents since 2023, 100% healthcare and employee assistance coverage, 100% ethics training, zero corruption incidents and data breaches, and 100% Supplier Code acknowledgement.

Total waste (291 t in 2025) is already below its 2028 target of 494.01 t.

LOOKING AHEAD TO 2028

Targets and Forward Roadmap

GRI 3-3

Our ESG targets run through 31 December 2028. Department heads report progress to executive management every month and quarter, and corrective action is taken where performance moves away from target.

2022
Baseline year

2023–2024
Annual actuals tracked

2025
Reporting year

2026–2027
Actions on priority gaps

2028
Target year

Priority	Next action	Accountable function	Evidence of progress
GHG inventory	Reduce Scope 2 and Scope 3 emissions toward the 2028 targets	Technical Manager & Safety Head	Annual GHG inventory
Purchased goods emissions	Review supplier quantities, categories, factors and data completeness	Procurement Head with technical support	Supplier data and calculation workbook
Energy and renewables	Deliver efficiency projects and a renewable electricity plan for 20% by 2028	Technical Manager & Safety Head	Energy audit, utility data and renewable instruments
Water and waste	Raise landfill diversion to 21% and water recycling to 30%	Technical Manager & Safety Head	Bills, meter records, waste tickets and vendor evidence
Workforce and inclusion	Increase women and minority representation; achieve ISO 45001 and SA8000	Human Resources Head	HR records, training logs and certificates
Supplier due diligence	Extend assessments and audits to 80% and contract clauses to 100% of targeted suppliers	Procurement Head	Supplier register, assessments and audit reports
Governance	Prepare ISO 37001 certification and keep ethics and security indicators current	Human Resources Head and control owners	Training, complaint and incident records
Report governance	Review claims and approve the final disclosure	Executive management	Documented review and approval

Target-setting principles

Each target is achievable, measurable and a meaningful improvement. Where a reliable baseline is not yet available, the measurement process is set up before a quantified commitment is published. Every target specifies its baseline year, unit, boundary, target year, accountable owner and review frequency.

Closing statement

Our priorities connect operational efficiency with responsible products, respect for people, ethical conduct and supplier accountability. By improving our data, explaining significant changes honestly and turning commitments into measurable actions, we intend to make each year's report more useful than the last.

GRI content index

Mapping of disclosures to pages. This report has been prepared in accordance with the GRI Universal Standards 2021.

GRI	Disclosure	Page	Status
2-1	Organizational details	05	Reported
2-2	Entities included in reporting	02	Reported
2-3	Reporting period, frequency and contact	02	Reported
2-6	Activities, value chain and relationships	05	Reported
2-9	Governance structure and composition	07	Partial
2-22	Statement on sustainable development strategy	03	Reported
2-5	External assurance	35	Reported
2-23	Policy commitments	07	Reported
2-25	Processes to remediate negative impacts	09	Reported
2-26	Mechanisms for seeking advice and raising concerns	28	Reported
2-29	Approach to stakeholder engagement	09	Reported
2-30	Collective bargaining agreements	22	Reported
3-1, 3-2	Material topics: process and list	10	Reported
205-2	Anti-corruption communication and training	28	Reported
205-3	Confirmed incidents of corruption	28	Reported
301-1, 301-2	Materials used; recycled input materials	20	Reported
302-1, 302-3	Energy consumption; energy intensity	16	Reported
303-4, 303-5	Water discharge; water consumption	17	Reported
305-1, 2, 3, 4	Scope 1, 2 and 3 GHG emissions; intensity	13	Reported
305-7	SOx, NOx and other air emissions	19	Reported
306-3, 306-4, 306-5	Waste generated, diverted and disposed	18	Reported
308-1, 414-1	Suppliers screened on environmental and social criteria	30	Reported
401-2	Benefits provided to employees	22	Reported
403-1, 403-5, 403-9	OHS management, training and work-related injuries	24	Reported
404-1	Average training hours per employee	22	Reported
405-1	Diversity of governance bodies and employees	27	Reported
406-1	Incidents of discrimination	25	Reported
408-1, 409-1	Child and forced labor risk	25	Reported
416-2	Product health and safety incidents	31	Reported
418-1	Complaints on breaches of privacy	29	Reported

Methodology

Prepared in accordance with the GRI Universal Standards 2021. GHG emissions: GHG Protocol and ISO 14064, operational control, factors from DEFRA, IPCC and CADI. Values in tCO_2e. Reporting period CY 2025; 2022 baseline and 2023–2024 shown for comparison; targets to 31 December 2028. Intensity figures use annual revenue in USD.

Boundary

Inovar Packaging Group LLC, 9001 Sterling Street, Suite 100, Irving, Texas 75063: printing and service activities related to printing.

External assurance

The ESG information presented in this report has been subject to independent external assurance on a Limited Assurance basis by Anares Analytics LLP, a qualified third-party assurance provider, to enhance the credibility, transparency and reliability of the disclosed data.

Terms

Scope 1 direct emissions from owned or controlled sources
Scope 2 indirect emissions from purchased energy
Scope 3 other indirect value-chain emissions
tCO_2e tonnes of CO_2 equivalent
Baseline 2022 reference year for comparison



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INDEPENDENT ASSURANCE STATEMENT GRI 2-5

Independent Assurance on Verification of Sustainability Information

Anares/AR/26-08

Reporting Period – January 2025 to December 2025

The Management

Innovar Packaging Group LLC.

9001 Sterling Street, Suite 100, Irving, Texas 75063, United States of America.

Independent Assurance Report

Anares Analytics LLP (hereina fter referred to as "The Service Provider" or " Anares Analytics LLP ") have been engaged by Innovar Packaging Group LLC. (hereinafter referred to as "The Company) to conduct a limited assurance engagement on the sustainability information presented in the Company's ESG Report CY 2025 disclosure for the specified reporting period. This critical task involved a thorough examination to verify the accuracy and reliability of the sustainability data disclosed in the report. The sustainability information provided within the report has been prepared with reference to the Global Reporting Initiative's (hereinafter referred to as "GRI") Universal Standards 2021. The greenhouse gas (GHG) emissions information included within the reporting scope has been reviewed with reference to the principles and requirements of ISO 14064-1:2018, where applicable, and the assurance engagement has been conducted in accordance with the principles of ISO 14064-3:2019 for verification of greenhouse gas statements, ensuring that the reported data aligns with globally recognized sustainability reporting frameworks. This engagement by Anares Analytics LLP underscores the Company's commitment to transparency and accountability in its sustainability practices, highlighting its dedication to adhering to international principles for reporting on its Environmental, Social, and Governance (hereinafter referred as "ESG) initiatives.

Scope of Assurance and Methodology

The verification was conducted to provide a limited assurance conclusion on selected non-financial sustainability disclosures for the reporting period and to assess their alignment with the applicable criteria, including the GRI Universal Standards 2021. For the greenhouse gas (GHG) emissions information within the defined assurance scope, the review also considered the applicable principles and requirements of ISO 14064-1:2018, including relevance, completeness, consistency, transparency and accuracy. The assurance procedures for the GHG emissions information included a review of the organizational and operational boundaries, identification and classification of emission sources, activity data, emission factors, calculation methodologies, consolidation of emissions and supporting documentation, on a selective test basis. The assessment was performed with consideration of the principles of ISO 14064-1:2018 and the applicable verification principles of ISO 14064-3:2019.

The assurance engagement was conducted in accordance with the defined scope, criteria, and methodology established for this engagement. Based on our review, the Company has demonstrated materiality in disclosures, inclusivity in stakeholder engagement, responsiveness to key sustainability concerns, and consideration of impacts across relevant areas.

- Remote verification of data, on a selective test basis, for the following units/locations, through consultations with the site team and ESG committee members of the Innovar Packaging Group LLC

1. 9001 Sterling Street, Suite 100, Irving, Texas 75063, United States of America

- Execution of audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed:
- Review of the GHG emissions inventory, including organizational and operational boundaries, emission sources, activity data, emission factors, calculation methodologies, consolidation approach and supporting evidence, with reference to the applicable principles of ISO 14064-1:2018.
- Review of company's plans, policies and practices, pertaining to their Environmental, Social & Governance Strategy, so as to be able to make comments on the fairness of sustainability reporting or disclosures.
- Review of company's approach towards materiality assessment disclosed in the report to identify relevant issues.
- Evaluation of the GHG emissions information using risk-based and sampling-based assurance procedures, with consideration of the principles of ISO 14064-3:2019, including materiality, evidence gathering, data verification and assessment of identified misstatements.

Company's Accountability

The ESG Committee Representative at the Company is responsible for preparing the ESG Report CY 2025, including the GHG emissions information, in accordance with the applicable reporting criteria and for ensuring that the information is free from material misstatement. The Company is responsible for establishing appropriate methodologies, determining organizational and operational boundaries, collecting and maintaining activity data and supporting evidence, selecting appropriate emission factors, performing calculations and ensuring the completeness and accuracy of the reported GHG emissions information with reference to the applicable principles of ISO 14064-1:2018.

This entails specifically choosing and applying suitable methodologies for sustainability reporting and GHG quantification, gathering and organizing relevant data, selecting appropriate emission factors, maintaining supporting records, and making well-founded assumptions or estimates where necessary.

The Company is responsible for the preparation and submission of ESG Report CY 2025 including ensuring accuracy of the data appropriateness of methodology, and completeness of supporting evidence.

Our Observations

The Company has prepared the ESG Report CY 2025 with sustainability information with reference to the GRI Universal Standards 2021. The GHG emissions information included within the assurance scope has been reviewed with consideration of the applicable principles and requirements of ISO 14064-1:2018, including relevance, completeness, consistency, transparency and accuracy. The ESG Report CY 2025 includes a description of the Company's stakeholder engagement process, materiality assessment and relevant performance disclosures on the identified material topics. There is further scope to strengthen data/information management system to ensure uniform and accurate reporting or disclosures. Areas of further improvement wherever identified have been brought before the attention of the management & ESG Committee representatives of the company. These observations do not affect our conclusion presented in this statement.

INDEPENDENT ASSURANCE STATEMENT GRI 2-5

Areas for improvement include:

- Strengthening data accuracy through enhances internal controls.
- Expanding disclosures on supply chain sustainability performance.
- Linking ESG performance more explicitly with strategic business outcomes

Guidelines for Utilization of This Statement

The Company is obligated to replicate the Anares Analytics LLP's Independent Assurance statement along with any attachments in their entirety, ensuring no alterations, deletions, or supplements are made.

This statement is specifically designed to convey the outcomes of the commissioned evaluation to the Company, defining the boundaries of the engagement. It is important to note that Anares Analytics LLP has not taken into account the potential interests of any third parties regarding the chosen sustainability information, this assurance report, or the conclusions drawn by Anares Analytics LLP. Consequently, nothing within the scope of this engagement or statement grants any third-party entities any form of rights or entitlements.

Limitations

The assurance engagement outlined herein does not encompass the following areas.

1. Our assurance does not cover any data or information pertaining to the financial performance of the Company
2. Our role is strictly limited to providing assurance services as detailed in this letter. We will not undertake any management functions or make decisions on behalf of the Company, It is the responsibility of the Company's management to make all decisions, including those related to the acceptance and implementation of our services.
3. Any data or information that falls outside the specified reporting period is not covered by our assurance scope
4. Our assurance is limited to the operations and locations explicitly mentioned within the defined Assurance Boundary. Any data or information pertaining to operations outside of this boundary is excluded, unless specifically stated otherwise in this report.
5. The Company's statements expressing opinions, beliefs, aspirations, expectations, or future intentions, as well as assertions related to intellectual Property rights and competitive matters, are beyond the scope of our assurance.
6. We do not cover the Company's strategy and any related disclosures expressed in the report.
7. Our assurance does not extend to the mapping of the report with any reporting frameworks or standards other than the criteria explicitly specified within the scope of this assurance engagement, including the GRI Universal Standards 2021 and the applicable requirements of ISO 14064-1:2018 for GHG emissions information.

Our Assurance Team and independence:

Our assurance team comprises multidisciplinary professionals with expertise in sustainability, environmental, social, and governance (ESG) matters and has experience in conducting similar engagements for a range of organizations. As an independent assurance provider, Anares Analytics LLP maintains objectivity, impartiality, and professional integrity throughout the insurance process and has implemented appropriate measures to safeguard its independence and avoid conflicts of interest. Anares Analytics LLP's independence policies and procedures ensure compliance with this standard. Details of Anares Analytics LLP's independence policies and procedures can be made available to stakeholders upon request by contacting us at contact@anaresassure.com

Restriction of Liability

This assurance statement has been prepared solely for the Company in accordance with the terms of our engagement. Anares Analytics LLP does not accept or assume any responsibility to any third party for the information contained in this statement. This assurance statement applies exclusively to the Company's ESG Report CY 2025 as defined within the scope. It may not be relied upon by other stakeholders for different purposes. Anares Analytics LLP shall not be held liable for any decisions or actions taken by third parties based on this assurance statement.

Conclusion

On the basis of our limited assurance procedures, nothing has come to our attention that causes us to believe that the Company has not fairly presented the sustainability information included in its ESG Report CY 2025 for the reporting period, in all material respects, in accordance with the applicable reporting criteria. With respect to the GHG emissions information within the defined assurance scope, nothing has come to our attention that causes us to believe that the information has not been prepared, in all material respects, with consideration of the applicable principles and requirements of ISO 14064-1:2018.



Signature,
Mr. Pankaj Shah

Director
Anares Analytics LLP

Date: 18th Feb 2026

Place: India