

<b>Prepared by:</b> GM EHS	<b>Revision Date</b>	26-04-2024
<b>Approved By:</b> CEO	<b>Revision No.</b>	00

At MTL, we undertake a comprehensive materiality assessment every two years to evaluate and address issues that impact our financial performance. This assessment process is crucial for monitoring, reviewing, and discussing the factors that influence our bottom line. By identifying and understanding these key issues, we can provide strategic input that informs the direction of our business verticals and other functions within the company.

Last year, we have diligently conducted our materiality assessment in accordance with the latest GRI standards of 2021. GRI 3, ‘Material Topics,’ was followed as the base principle while conducting the assessment process, ensuring thoroughness and alignment with industry best practices. We have adopted a double materiality approach, wherein the financial materiality, severity and likelihood of the areas is also considered when defining the impacts. Double Materiality emphasizes the consideration of both the impacts of an organization on external stakeholders and the external factors that may affect the organization.

The materiality assessment also plays a pivotal role in **establishing Key Performance Indicators (KPIs) for various departments and their leaders**. These KPIs are designed to align with our strategic goals and ensure that all parts of the organization are working towards common objectives. Our materiality assessment process is deeply informed by the continuous engagement we maintain with our stakeholders throughout the year. This engagement allows us to gather valuable insights and perspectives, which we then integrate into our assessment to ensure it reflects the concerns and priorities of those who are most important to our business. Once the assessment is completed, the findings are benchmarked against industry standards and reviewed in detail by our Board. This rigorous review process ensures that we are not only aware of the material issues affecting our business but are also actively addressing them in a way that supports our long-term success and sustainability.

### Process of Materiality Assessment

**Step 1.** Identify material topics and their impacts: Our materiality assessment process starts by compiling a comprehensive list of topics that could potentially impact our Company, derived from our stakeholder engagement efforts. We then analyse these topics, benchmarking them against those identified by our peers and competitors. This analysis ensures that our topics are aligned with global megatrends and risks, as well as relevant reporting frameworks such as GRI, SASB, and others.

**Step 2.** Identify actual and potential impacts: The organisation assesses the severity of impacts, likelihood of occurrence and its impact on economy, environment, and people, including human rights, across its activities and business relationships, both current and potential.

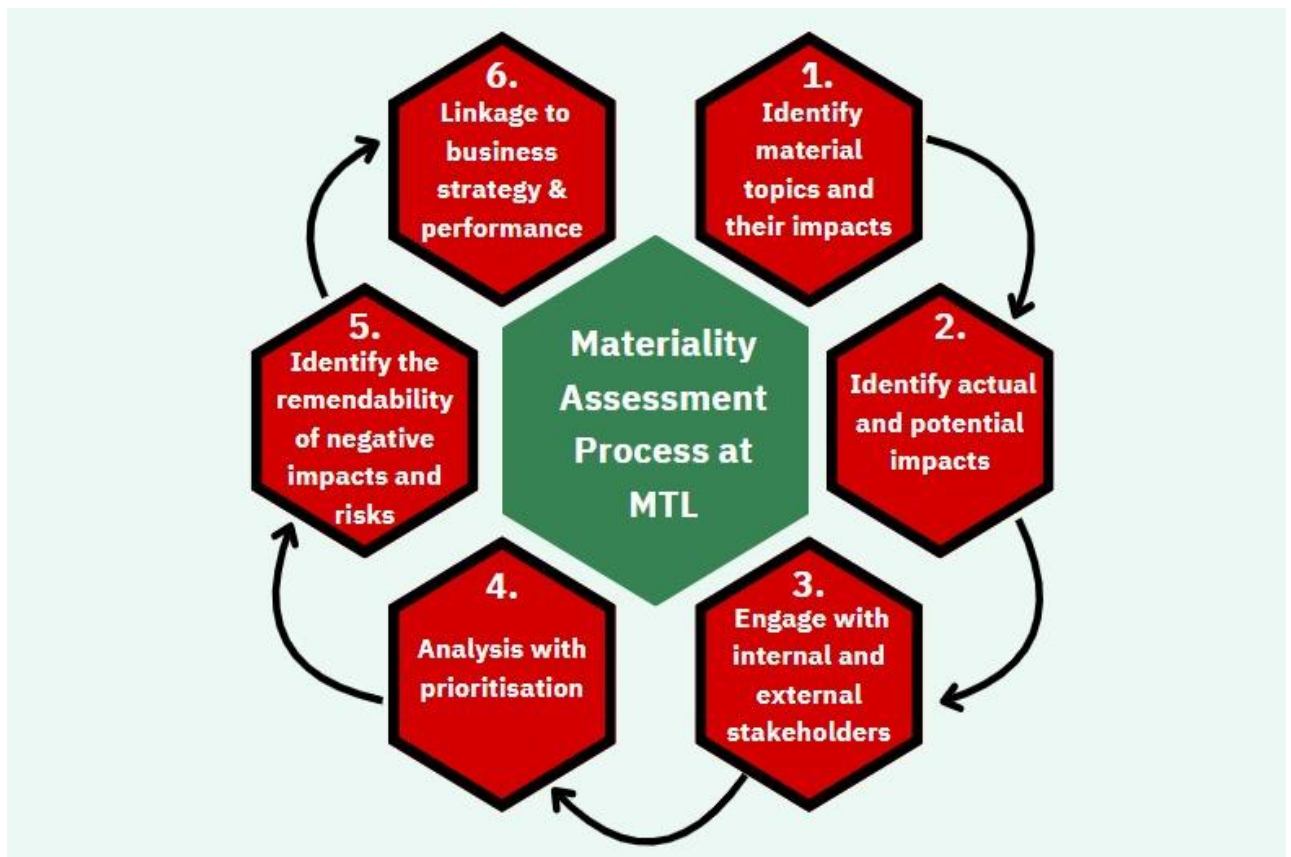
**Step 3.** Engage with internal and external stakeholders: Questionnaire-based interactions are held with our external stakeholders - **customers, investors, NGOs, partners, collaborators, academic institutions, suppliers & vendors, and internal stakeholders - respective business heads, subject matter experts within the organisation. They rate each topic on a scale of 1-5 to indicate the severity of its impact, with 5 denoting the highest level of severity on the scale. Indirect feedback from ongoing engagements is considered too.**

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**Step 4.** Analysis with prioritisation: The topics are further analysed by subject matter experts and the Board for their severity and irremediability. The topics are assigned priority for targeted action under each, with respect to their potential for impact and the time duration, actions required to be taken as per the environment in which we operate.

**Step 5.** Identify the remendability of negative impacts and risks: Material topics undergo a final review from a risk management perspective, including considering impact on human rights and negative impacts.

**Step 6.** Linkage to business strategy & performance: We use these material topics to further define Key Performance Indicators for various business functions. **These KPIs figure on the Balanced Score Card of key departments and their heads. The monitoring, implementation and achievement of these targets are taken into account while Stock options (Employee Stock Options (ESOPs)/ Restricted Stock Units (RSUs) are being given as a long-term incentive to associates.**



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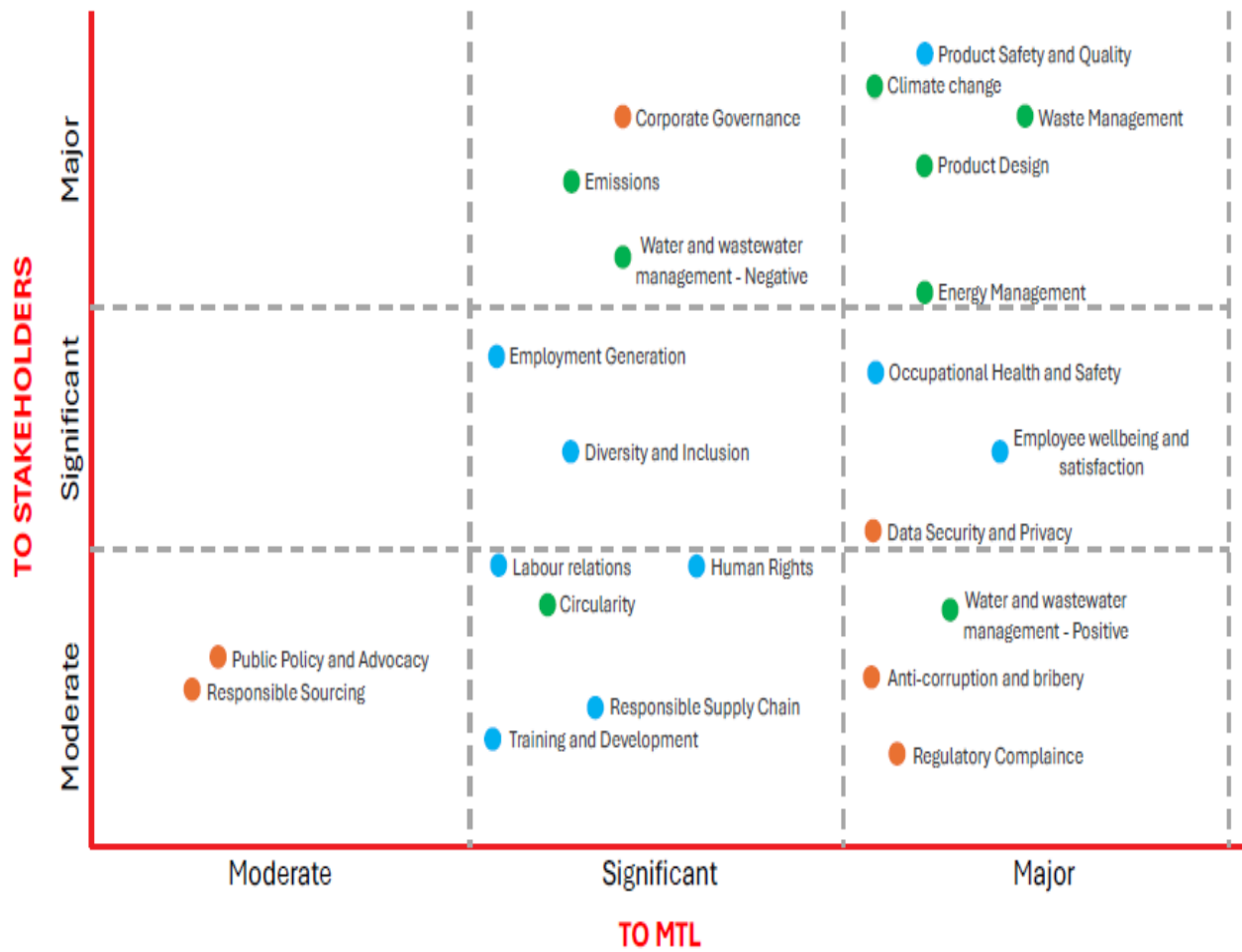
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List of material topics, management of material topics

OUR MATERIAL TOPICS

Presenting our material topics in detail in their order of priority assigned as per the materiality assessment for FY23

Sl. No. Material topic and management approach	Material topic and management approach	Linkage to risk	Expectancy of Occurrence	Mapping to disclosures	Impact
1	<b>Product Safety and Quality:</b> - We regularly train employees on safety protocols and maintain rigorous safety policies. Utilizing the Safety Management System Self-Assessment & Development tool, we proactively assess and enhance safety protocols. Oversight by the EHS committee and department ensures adherence to safety standards, complemented by periodic safety mock drills and audits to enhance preparedness and effectiveness.	<ul style="list-style-type: none"> <li>•Regulatory risk</li> <li>•Reputation risk</li> </ul>	Medium Term	GRI 301	Negative
2	<b>Climate Change:</b> - The impacts of climate change are being felt globally. As such it poses physical and transition risks to our business. It has potential to disrupt customer behaviour and expectations, business operations, and our supply chain. These could impact us and our clients' business, further impacting our ability to service them.	<ul style="list-style-type: none"> <li>•Climate action failure risk</li> <li>•Chronic risk</li> <li>•Physical risk of extreme weather events</li> <li>•Supply chain risk</li> <li>•Market risk</li> <li>•Business continuity</li> </ul>	Long Term	GRI 201	Negative
3	<b>Waste Management:</b> - Efficient management of waste and transitioning toward Zero Waste to the Landfill is a global imperative	<ul style="list-style-type: none"> <li>•Climate action failure risk</li> <li>•Regulatory risk</li> </ul>	Medium Term	GRI 306	Positive

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4	<b>Product Design:</b> - We collaborate to create sustainable packaging solutions, leveraging internal design expertise to innovate traditional packaging, with a particular emphasis on minimizing environmental impact related to emissions and waste.	<ul style="list-style-type: none"> <li>•Reputation risk</li> </ul>	Medium Term	GRI 301	Positive
5	<b>Energy Management:</b> - Environmental sustainability is integral to our commitment to sustainability. We are taking focused action on reducing our carbon footprint, thereby making the entire value chain more responsible. Efficient energy management is an important element of these efforts	<ul style="list-style-type: none"> <li>•Climate action failure risk</li> <li>•Emerging regulation risk</li> </ul>	Medium Term	GRI 302	Positive
6	<b>Corporate Governance:</b> - Corporate governance practices play an important part in framing the organisational culture and aligning it to the Company's values and vision. It becomes the core framework to help build its strategies, best practices, and key capabilities.	<ul style="list-style-type: none"> <li>•Reputation risk</li> <li>•Business continuity risk</li> </ul>	Medium Term	GRI 2	Positive
7	<b>Emissions:</b> - Implemented multiple strategies to decrease emissions, such as enhancing design specifications and adopting renewable energy sources like wind and solar power. Our focus includes meticulously monitoring emissions to strive towards achieving net zero emissions.	<ul style="list-style-type: none"> <li>•Regulatory risk</li> <li>•Reputation risk</li> </ul>	Medium Term	GRI 305	Negative
8	<b>Water and Wastewater Management:</b> - Water is a key natural resource which must be protected and preserved for current and future use at all costs.	<ul style="list-style-type: none"> <li>•Regulatory risk</li> <li>•Water stress risk</li> </ul>	Medium Term	GRI 303	Negative

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9	<b>Occupational Health &amp; Safety:</b> - Prioritizing a safe workplace through proactive measures, robust safety protocols, and comprehensive training, fostering a culture where employee well-being and operational excellence are paramount. Our commitment to occupational health and safety ensures a secure environment with continuous improvement and awareness across our organization.	<ul style="list-style-type: none"> <li>•Human capital</li> <li>•Reputation risk</li> </ul>	Medium Term	GRI 403	Negative
10	<b>Employee Wellbeing &amp; Satisfaction:</b> - Ensuring zero data breaches and protecting customer privacy is our foremost concern, and we have implemented systems accordingly.	<ul style="list-style-type: none"> <li>•Human capital</li> <li>•Technology risk</li> <li>•Service quality risk</li> </ul>	Short Term	GRI 401	Positive
11	<b>Data Security and Privacy:</b> - We consider this a top priority and have implemented systems to ensure zero breaches of data and customer privacy.	<ul style="list-style-type: none"> <li>•Reputation risk</li> <li>•Business continuity risk</li> <li>•Quality and service delivery risk</li> </ul>	Medium Term	GRI 418	Negative
12	<b>Employment Generation:</b> - MTL intends to launch new units, which will result in creating more job opportunities for an expanded workforce	<ul style="list-style-type: none"> <li>•Human capital risk</li> <li>•Reputation risk</li> </ul>	Medium Term	GRI 401	Positive
13	<b>Diversity &amp; Inclusion:</b> - We view diversity and inclusion as part of our commitment to human rights.	<ul style="list-style-type: none"> <li>•Human capital risk</li> </ul>	Medium Term	GRI 405	Positive
14	<b>Water and Wastewater Management:</b> - Water is a key natural resource which must be protected and preserved for current and future use at all costs.	<ul style="list-style-type: none"> <li>•Regulatory risk</li> <li>•Water stress risk</li> </ul>	Medium Term	GRI 303	Positive

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15	<b>Anti-Corruption &amp; Bribery:</b> - Implemented anti-corruption policies and procedures and conduct regular integrity assessments.	<ul style="list-style-type: none"> <li>•Reputation risk</li> <li>•Business continuity risk</li> </ul>	Short Term	GRI 205-206	Negative
16	<b>Regulatory Compliance:</b> - We conduct frequent audits to verify compliance with regulations and utilize 'Lawrbit' software for effective management and monitoring of compliance activities. Additionally, we employ the 'Bluetree' platform for managing contract labour and ensure payroll staff compliance through the use of 'Darwin Box'.	<ul style="list-style-type: none"> <li>•Reputation risk</li> <li>•Business continuity risk</li> </ul>	Medium Term	GRI 2	Positive
17	<b>Labour Relation:</b> - We have improved our systems by enhancing open communication channels, including secure email IDs and establishing dedicated helpline numbers. Employees play a crucial role as effective liaisons between management and staff, fostering clear and direct communication.	<ul style="list-style-type: none"> <li>•Human capital</li> </ul>	Short Term	GRI 401	Negative
18	<b>Human Rights:</b> - Protection and promotion of human rights is core to our contribution	<ul style="list-style-type: none"> <li>•Reputation risk</li> <li>•Human capital risk</li> <li>•Legal and current regulation risk</li> <li>•Emerging regulation risk</li> </ul>	Short Term	GRI 405, 406, 408 and 409	Negative
19	<b>Circularity:</b> - At the heart of our operations is a commitment to sustainability, demonstrated through collaborations and MOUs with institutions and organizations focused on advancing sustainable packaging. Additionally, we prioritize the principles of reduce, reuse, and recycle (3R) for plastic packaging materials.	<ul style="list-style-type: none"> <li>•Reputation risk</li> <li>•Regulatory risk</li> </ul>	Medium Term	GRI 301	Negative

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<b>20</b>	<b>Responsible Supply Chain:</b> - We have implemented clear strategies for responsible supply chain practices, emphasizing sustainable sourcing, environmental impact reduction, regulatory compliance, and collaboration with suppliers.	<ul style="list-style-type: none"> <li>•Business continuity risk</li> <li>•Upstream risk</li> <li>•Downstream risk</li> </ul>	Medium Term	GRI 301	Negative
<b>21</b>	<b>Training and Development:</b> - Provide continuous training and development opportunities for employees, ensuring that training programs are aligned with their professional growth objectives.	<ul style="list-style-type: none"> <li>•Human capital risk</li> </ul>	Medium Term	GRI 404	Positive
<b>22</b>	<b>Public Policy and Advocacy:</b> - We engage with industry associations and liaise with policymakers on pertinent issues.	<ul style="list-style-type: none"> <li>•Regulatory risk</li> </ul>	Medium Term	GRI 2	Negative
<b>23</b>	<b>Responsible Sourcing:</b> - We are committed to ethically and environmentally responsible procurement and management of goods and services throughout our entire supply chain.	<ul style="list-style-type: none"> <li>•Regulatory risk</li> <li>•Reputation risk</li> </ul>	Medium Term	GRI 301	Negative

This materiality matrix is as per the materiality assessment exercise undertaken during FY22-23. There is no change in our list of topics material to our business, compared to those presented in the previous year. Our material topics drive business strategy discussions within Board meetings. ***The audit committee and the Chief Internal Auditor review the performance of the management as per the KPIs based on these topics. The audit committee reviews our management approach based on these findings and suggests a review or changes to the process as a result.*** Our materiality matrix also helps us track our targets under our 5-year (FY22 to FY26) ESG roadmap developed in alignment with our materiality matrix for FY22-23.

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

**Goal 2 – Zero Hunger:** Packaging will always play a crucial role, especially in tackling global hunger. MTL’s packaging solutions safeguard and preserve food products across complex global distribution networks. They extend shelf life and minimize food loss, preventing leakage, breakage, and waste, ensuring that essential food and nutrients reach those in need. Plastic containers are particularly effective for storing dry and non-perishable foods, like canned goods. These containers protect contents from pests, external moisture, and air, maintaining their quality.



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**Goal 3 – Good Health and Well-being:** As we advance in a post-pandemic world, the crucial role of packaging in safeguarding products is evident. MTL packaging guarantees that essential supplies reach their destinations safely, reliably, and without contamination. We are proud that our work directly helps reduce global health risks by protecting valuable medical, pharmaceutical, home and personal care, and food and beverage products.

**Goal 5- Gender Equality:** Gender equality for us at MTL is a human rights imperative. We have dedicated policies to encourage and support women as well **as members of the LGBTQ+ communities** through gender-agnostic POSH policy and gender-neutral infrastructure. We are equally committed to fostering an inclusive work culture and promotes diversity among employees.

**Goal 6- Clean Water and Sanitation:** MTL’s water stewardship programme focusses on optimizing water resource efficiency within our plant, responsible sourcing and engendering water security. Both within our operations, we have invested in water recycling, wastewater treatment, rainwater harvesting and Participative Ground Water Management. We have also Established sewage treatment plants for zero water discharge.

**Goal 7- Affordable and Clean Energy:** At MTL, our focus on clean energy is paramount, driving us to optimize our energy sources. We are committed to using 100% renewable energy, and in FY 2023, we achieved significant milestones in reducing our environmental impact. Through the adoption of renewable sources such as solar and wind power, we successfully mitigated 17,810 metric tons of CO2 equivalent greenhouse gas emissions. Furthermore, our dedication to sustainability is underscored by our substantial investment in solar energy. In FY 2023, we expanded our in-house solar panel project, increasing its capacity by an impressive 241.19% compared to our 2020 baseline. This expansion not only enhances our operational efficiency but also reinforces our commitment to a greener future.

**Goal 8- Decent Work and Economic Growth:** Sustained economic growth based on the core tenets of equality of opportunity, fairness and transparency, as well as diversity and inclusion are a key enabler of long-term value creation for society at large. Our contribution in this value creation process is through ensuring business sustainability and futureproofing by means of helping our associates with appropriate opportunities to upskill and grow in their careers. We facilitate our communities with economic growth by enabling them to develop and grow their talents through our programmes on employability which include vocational trainings and skill development initiatives that are aligned with employee’s professional growth objectives. The Chief Human Resources Officer ensures regular policy reviews and updates in compliance with regulations.

**Goal 9 – Industry, Innovation and Infrastructure:** At MTL we are actively engaging in collaboration to develop sustainable packaging solutions. Leveraging our in-house design capabilities, we are driving innovation in traditional packaging methods with a keen focus on reducing environmental impact, particularly in areas such as emissions and waste. Through strategic partnerships and collaborative efforts, we are pioneering sustainable packaging solutions that not only meet but exceed industry standards. By integrating advanced technologies and sustainable materials, we aim to minimize our carbon footprint and promote responsible consumption and production practices. Our commitment to SDG 9 underscores our dedication to fostering innovation and building resilient infrastructure that supports sustainable development goals. Through continuous improvement and forward-thinking initiatives, we are shaping a more sustainable future for generations to come.

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**Goal 10- Reduced Inequalities:** MTL is dedicated to promoting diversity among our employees. We have established inclusive practices deeply ingrained in our company culture to ensure a workplace that values and respects individuals from all backgrounds. At MTL, diversity is celebrated as a strength that enriches our teams and fosters creativity and innovation. We actively recruit from diverse talent pools, ensuring equal opportunities for all employees regardless of gender, ethnicity, or background. Our commitment extends beyond recruitment to creating an inclusive environment where everyone feels empowered to contribute their unique perspectives and talents. Through ongoing training, awareness programs, and inclusive policies, we strive to eliminate barriers and promote a culture of respect and understanding. By embracing diversity, MTL not only strengthens its workforce but also contributes to a more equitable society in line with SDG 10's objectives. Here we believe that diversity is not just a goal but a fundamental principle that drives our success and enriches our workplace community.

**Goal 12 – Responsible Consumption and Production:** MTL emphasizes the reduction, reuse, and recycling of plastic packaging materials through strategic initiatives. We collaborate with partners like IISC Bangalore and Ganesha Ecosphere to innovate sustainable packaging solutions that foster circularity. These efforts aim to minimize environmental impact and promote efficient reuse and recycling within closed-loop systems. By prioritizing responsible practices in consumption and production, MTL contributes to a sustainable future and environmental stewardship.

**Goal 13 – Climate Action:** At MTL, Climate Action is a cornerstone of our ESG Governance framework. We are deeply committed to mitigating climate change through a robust climate strategy that engages us across diverse platforms and initiatives aimed at driving impactful action. Central to our efforts is our pledge to track emissions meticulously, working towards achieving net zero emissions. Implementing a range of measures, we focus on reducing our carbon footprint by enhancing design specifications and leveraging renewable energy sources such as wind and solar power. These initiatives underscore our proactive approach to sustainability, ensuring that we not only meet but exceed our environmental responsibilities. At MTL, our dedication to Climate Action shapes every facet of our operations, as we continue to innovate and collaborate towards a sustainable future.

**Goal 14- Life Below Water:** MTL is dedicated to optimizing water resource efficiency within our operations. We have implemented rainwater harvesting systems across our plants to capture and utilize rainwater in place of freshwater sources. Additionally, we have established sewage treatment plants to achieve zero water discharge, effectively managing and recycling wastewater. These initiatives are part of our commitment to reducing environmental impact and promoting sustainable water management practices, contributing to the conservation of marine ecosystems and overall environmental stewardship.

**Goal 15 – Life on Land:** MTL is committed to advancing biodiversity conservation and sustainable land use practices through proactive initiatives. We implement stringent environmental management protocols to preserve natural habitats and protect endangered species. Engaging in reforestation and habitat restoration projects, we enhance ecosystem resilience and promote biodiversity. Our partnerships with conservation organizations and local communities foster stewardship of natural resources, supporting sustainable agriculture practices to mitigate land degradation. MTL integrates biodiversity considerations into our business strategies, ensuring responsible land management for future generations.

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**Goal 16- Peace, Justice and Strong Institutions:** MTL is deeply committed to SDG 16 - Peace, Justice and Strong Institutions, exemplified by our establishment of robust governance structures that prioritize transparency and accountability. We adhere rigorously to best practices in corporate governance, ensuring ethical conduct and integrity across all facets of our operations. Our commitment to transparency is foundational, fostering trust among stakeholders through open communication and clear disclosure of information. By upholding principles of fairness and the rule of law, we contribute to a stable and inclusive society. MTL strives to set a benchmark for governance excellence, promoting peace and justice both within our organization and in the broader community, as we work towards sustainable development goals.

**Goal 17- Partnerships for the Goal:** MTL exemplifies SDG 17 - Partnerships for the Goals through proactive leadership and collaborative efforts that extend beyond organizational boundaries. We have forged strategic partnerships aimed at advancing environmental management practices and driving technological innovations. A notable collaboration includes our partnership with Ganesh Ecosphere Group's bottle-to-bottle grade recycling division, pioneering recycled plastic packaging solutions in compliance with the upcoming PWM Rules. Additionally, our alliance with the Science Based Targets initiative underscores our commitment to setting science-based emission reduction targets and achieving net-zero objectives. Through partnerships with entities like Saahas Zero Waste and Waste Management Agencies, we are actively promoting Extended Producer Responsibility goals. Furthermore, our collaboration with the Indian Institute of Science in Bengaluru focuses on pioneering sustainable plastic packaging solutions, demonstrating our dedication to leveraging partnerships for sustainable development and environmental stewardship.



N P Thimmaiah

Managing Director & Chief Executive Officer