



CORPORATE
SOCIAL
RESPONSIBILITY

BOARD'S STATEMENT ON CSR & SUSTAINABILITY

The Board of Directors of Macpac Films Limited reaffirms its unwavering commitment to Corporate Social Responsibility (CSR) and the adoption of global best practices in sustainability. We recognize that our responsibility extends beyond generating shareholder returns — it encompasses creating long-term shared value for our employees, customers, communities, and the environment.

Our strategy is anchored in embedding Environmental, Social, and Governance (ESG) principles across the organization. The Board provides active oversight of sustainability initiatives, ensuring that policies, resources, and leadership direction are aligned with our mission of responsible growth. By integrating CSR into our decision-making processes, we strengthen Macpac Films Limited's resilience and reinforce our position as a leader in sustainable packaging solutions in Pakistan.

The Board also acknowledges the direct link between sustainability and financial performance. Initiatives such as achieving renewable energy, investing in circular economy practices, and fostering inclusive workplaces not only reduce costs and operational risks but also enhance productivity, innovation, and brand reputation. These factors contribute to improved efficiency, customer loyalty, and long-term profitability.

As custodians of governance, we remain committed to transparency in sustainability reporting, aligning with global disclosure standards well ahead of regulatory timelines. Through continuous investment in sustainable practices, Macpac Films Limited is building a stronger, more competitive, and future-ready business that generates enduring value for all stakeholders.

BOARD OVERSIGHT OF SUSTAINABILITY

Building on this commitment, the Board has established a clear oversight framework to ensure sustainability principles are systematically embedded into Macpac Films Limited's strategy and operations.

COMMITTEE OVERSIGHT

The Board of Directors of Macpac Films Limited provides active oversight of the Company's sustainability and ESG agenda. Responsibility for monitoring and guiding sustainability matters has been formally entrusted to the Human Resource & Remuneration Committee (HR&RC), reflecting the Company's commitment to embedding sustainability into governance at the highest level. The HR&RC, which includes at least one female director, ensures that diverse perspectives are incorporated into decision-making. By linking ESG oversight with workforce policies, employee well-being, diversity, and organizational development, while coordinating on environmental and governance considerations across functions, the Board ensures that sustainability remains fully integrated into the Company's long-term strategy and operations.

REPORTING TO THE BOARD

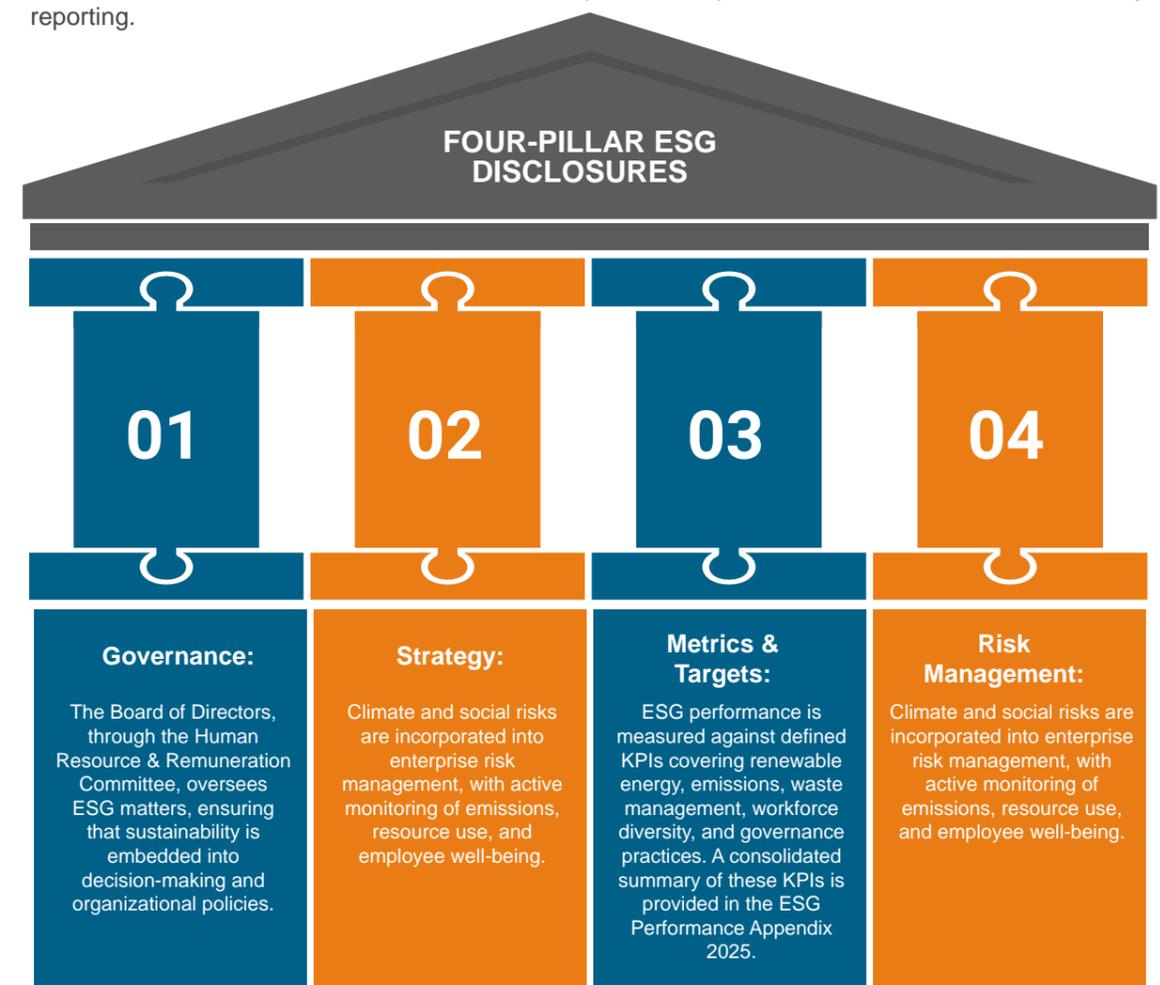
The HRRC reviews sustainability-related initiatives and submits a report to the full Board at least once a year. This report outlines the Company's progress in embedding sustainability principles into its operations and strategy.

Through this reporting and oversight process, the Board ensures that sustainability is not treated as a separate function but is fully embedded into the Company's governance and long-term value creation strategy.

SUSTAINABILITY GOVERNANCE, STRATEGY & PERFORMANCE

To explain this oversight into action, the Company aligns its sustainability disclosures and performance reporting with SECP guidelines and global standards, structured around a four-pillar framework.

Macpac Films Limited acknowledges the Securities and Exchange Commission of Pakistan's (SECP) ESG Disclosure Guidelines as a baseline for transparent, comparable, and accountable sustainability reporting.



Macpac Films Limited will continue aligning with SECP's evolving sustainability roadmap and global best practices to strengthen its long-term resilience, competitiveness, and stakeholder trust.



HIGHLIGHTS OF SUSTAINABILITY PERFORMANCE, POLICIES, INITIATIVES AND PLANS

These governance structures and strategic priorities are reflected in a wide range of initiatives and policies across social, environmental, technological, and resource management dimensions.

At Macpac Films Limited, sustainability is embedded in every aspect of our operations, policies, and future planning. The Company has adopted a forward-looking approach that balances financial growth with social responsibility, environmental stewardship, and technological advancement. Our commitment is to create shared value for stakeholders while ensuring responsible use of resources for future generations.



SOCIAL INITIATIVES

Macpac Films Limited recognizes its responsibility to foster inclusive growth, improve employee well-being, and positively impact communities.

Employment Generation & Inclusion:

The Company has doubled women's participation in its workforce, including representation at leadership levels, while also offering equal opportunities to underrepresented groups and persons with disabilities.



Employee Health & Safety:

Workplace safety standards are continuously upgraded, supported by dedicated wellness and relaxation zones, rooftop gym and prayer facilities, and safe transportation services.



Community Support:

Initiatives such as subsidized wheat and free ration distribution to workers reflect our focus on improving livelihoods.



Education & Childcare:

An on-site daycare facility enables employees to balance professional and family commitments, further supporting inclusive workplace culture.



ENVIRONMENTAL INITIATIVES

As pioneers in BOPP films in Pakistan, Macpac Films Limited is actively leading the transition towards sustainable manufacturing practices.

Climate Change Mitigation:

The Company is in process of transition to solar energy, reducing Scope 2 emissions, and initiated an ISO 14068-1 aligned carbon neutrality study covering Scope 1–3 emissions.



Circular Economy Practices:

Waste from non-recyclable multilayer plastics is repurposed into eco-bricks, at factory, thereby diverting waste from landfills.

Water Stewardship:

Safe, sustainable drinking water is provided through the in-house RO plant, supporting both employee health and responsible consumption.

Future Outlook:

Investments in renewable energy and continued innovation in circular economy solutions remain central to reducing the Company's environmental footprint.

TECHNOLOGICAL INNOVATION

Macpac Films integrates technological innovation into its sustainability roadmap, ensuring that environmental and social priorities go hand-in-hand with operational efficiency.

Product Innovation:

Focus on sustainable packaging solutions ensures that the Company remains competitive while addressing the evolving needs of environmentally conscious customers.

Energy Efficiency:

Adoption of renewable energy and advanced equipment reduces reliance on fossil fuels and mitigates emissions.

Digitalization for Governance:

Sustainability reporting to improve transparency, accuracy, and long-term monitoring.



RESOURCE CONSUMPTION & MANAGEMENT

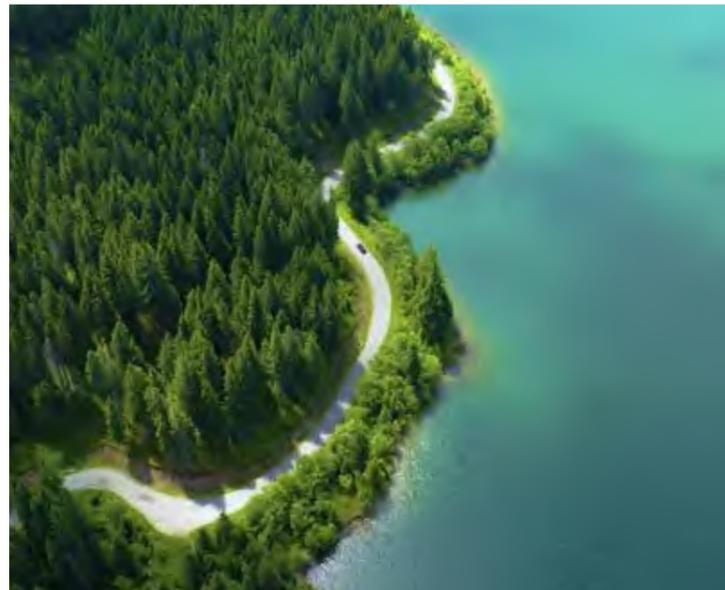
Macpac Films Limited monitors and optimizes its use of natural and energy resources to minimize depletion and environmental degradation.

WATER:

The Company's RO water system not only provides safe water to employees but also promotes sustainable water use.



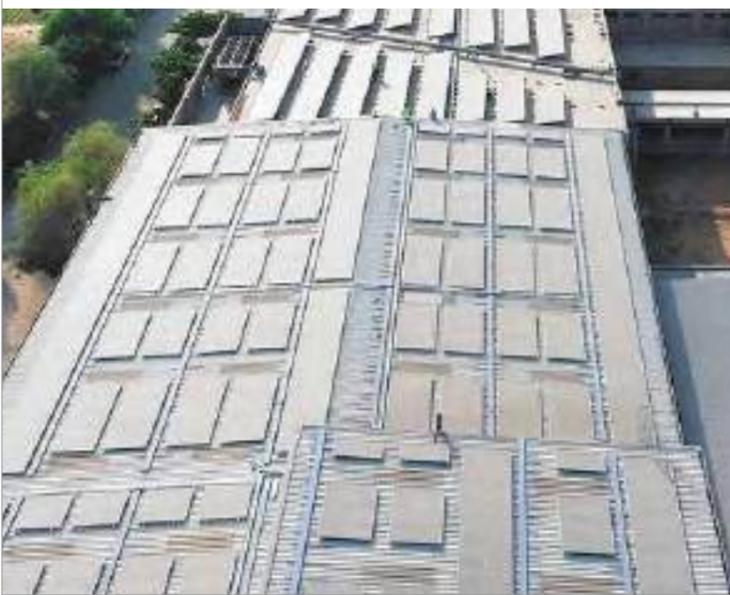
02



MATERIALS:

Recycling and reuse initiatives, including eco-bricks and waste diversion, reduce landfill contributions and promote a circular economy

03



ENERGY:

Transition to renewable solar energy has significantly reduced carbon emissions and enhanced energy resilience.

01

EMISSIONS & WASTE:

Reducing emissions and minimizing waste through continuous improvement.

04



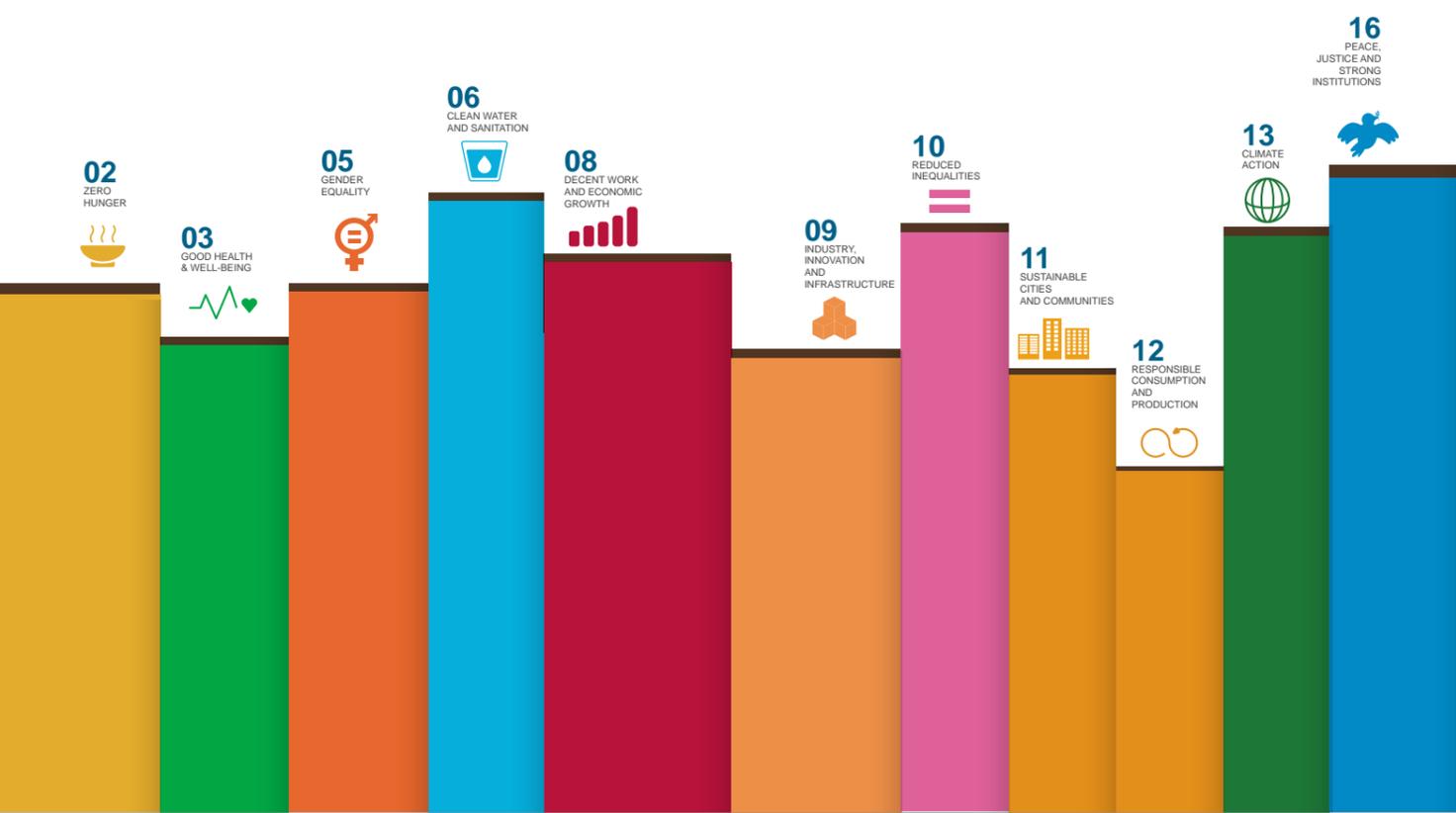
CSR & SUSTAINABILITY HIGHLIGHTS 2025

While these initiatives represent our ongoing commitment, the year 2025 also marked specific milestones that demonstrate measurable progress and impact.

In 2025, Macpac Films Limited delivered tangible results from its sustainability strategy. The year was marked by a complete transition to renewable energy, progress toward carbon neutrality, and expansion of employee well-being and inclusivity programs. Our initiatives not only strengthened operational resilience but also reinforced our position as an industry leader in sustainable packaging.

KEY HIGHLIGHTS:

- Initiated ISO 14068-1 aligned carbon neutrality study (Scopes 1–3).
- Expanded circular economy practices by repurposing plastics into eco-bricks.
- Enhanced employee well-being with daycare, wellness zones, and transport facilities.
- Increased female participation in the workforce, including leadership representation.
- Strengthened community support through food security and livelihood initiatives.
- Adopted Diversity, Equity & Inclusion (DE&I) policy and aligned with UN SDGs.



ESG PERFORMANCE APPENDIX 2025

PILLAR	KPI	2025 PERFORMANCE	FUTURE TARGET	RELEVANT SDGS
Environmental (E)	Renewable Energy Usage	Installation of Solar energy to reduce carbon emissions	Expand renewable integration in operations	SDG 7, 13
	Carbon Neutrality	ISO 14068-1 carbon neutrality study initiated (Scopes 1–3 mapped)	Achieve carbon neutrality certification	SDG 13
	Waste Management	Eco-bricks made from non-recyclable plastics repurposed at factory	Expand circular economy solutions to reduce landfill waste	SDG 12
	Water Stewardship	In-house RO plant providing safe drinking water to all employees	Reduce water footprint through recycling/reuse initiatives	SDG 6
Social (S)	Workforce Diversity	Women's participation increased since 2020; Board & Executive representation achieved	Improved women's participation in the overall structure by 2030	SDG 5, 10
	Employee Well-being	On-site daycare, gym, prayer & wellness facilities introduced	Expand wellness programs and employee healthcare coverage	SDG 3, 8
	Worker Support	Free rations and subsidized wheat	Broaden worker livelihood initiatives and expand family support programs	SDG 2, 8
	Accessibility	Communal employee transport provided to/from factory	Expand routes and improve green mobility solutions	SDG 11
Governance (G)	ESG Oversight	ESG integrated into Board agenda and decision-making	Enhance Board-level ESG training and stakeholder reporting	SDG 16
	Transparency & Reporting	Aligning the Company for the sustainability	Fully align with IFRS/ISSB S1 & S2 by 2027	SDG Accessibility 17
	Ethics & Compliance	Incorporating sustainability risk management into ERM	Expand ethical supply chain monitoring and ESG-linked procurement	SDG 9, 12

Only mention= Deaf Reach, AKU, KDSP, TCF, OTF, Akhuwat, Nust

HIGHLIGHTS OF CORPORATE SOCIAL RESPONSIBILITY

At Macpac Films Ltd, we believe success goes beyond profits—it’s about creating positive change. Driven by sustainability, compassion, and community empowerment, we proudly support initiatives in education, healthcare, and social welfare that leave a lasting impact on society.

SUPPORTING HEALTHCARE AND WELL-BEING



The Patient Behbood Society – AKU:

We extended our support to the Patient Behbood Society at the Aga Khan University Hospital, enabling them to continue their impactful work in patient care.

INVESTING IN EDUCATION AND YOUTH DEVELOPMENT



The Citizens Foundation (TCF):

Education is the foundation of progress. Through our support to TCF, we contributed to providing quality education to underprivileged children, helping bridge the education gap and empower communities.



NUST – Defining Futures Fundraiser:

In collaboration with the National University of Sciences and Technology and the Saturday Welfare Group, we supported the Annual Fundraiser 2025 in Karachi. Our contribution helped finance tuition for financially challenged students, reaffirming our commitment to transforming youth through education.



Orange Tree Foundation:

By supporting the Orange Tree Foundation, we contributed to educational programs for underprivileged children, enabling them to pursue brighter futures.

EMPOWERING MARGINALIZED COMMUNITIES



Karachi Down Syndrome Program (KDSP):

We are proud to support KDSP in its mission of fostering inclusivity and empowerment for individuals with Down syndrome, helping build a compassionate and equitable society.



Deaf Reach:

Our contribution to Deaf Reach reflects our belief in equal opportunities for differently-abled individuals, ensuring access to education and skill development.



Akhuwat:

By donating to Akhuwat, a leading microfinance and poverty alleviation institution, we played a role in enabling financial independence and dignity for marginalized communities.

