



# Delivering Sustainable Growth



# WHAT'S INSIDE

01 Reflections from the Managing Director

02 Creating a Resilient Organisation in a Disruptive World

05 Rising to Meet the Challenges Our Planet Faces Today

09 Our Sustainability Strategy

10 The Needs and Expectations of Our Stakeholders

11 Environment

---

16 Social

---

24 Governance

---

## About the Report

We understand that the future of our planet depends on our ability to find viable ways to provide for the changing needs of our population. Our clear sense of purpose – of delivering joy to all our stakeholders – flows into everything we do. From the way we source our material, the products we create, the way we deliver them to our customers, and how we engage with our suppliers and people.

Our ESG Report encapsulates our ESG commitments towards our planet, our employees and all other stakeholders. It embraces our ambitious goals and plans for environment preservation and to serve the interests of all our stakeholders, helping demonstrate ever-greater progress.

## Materiality Assessment and Our Response

We conduct a comprehensive materiality assessment on a regular basis which includes evaluating our operating environment and engaging with a variety of stakeholders – both internal and external – to understand their needs and expectation. Our objective is to build a business that delivers sustainable growth in a responsible manner. The report seeks to demonstrate how we are responding to these material ESG matters through our focussed sustainability initiatives across three strategic pillars of People, Planet and Product.



# REFLECTIONS FROM THE MANAGING DIRECTOR

## Our Valued Stakeholders,

At Vaibhav Global Limited, sustainability has been at the heart of everything we do. For more than a decade, our vision and our commitment to sustainable development and our stakeholders has guided our everyday decisions and actions.

Our business exists with a clear sense of purpose in everything we do – from the products we create, the way we deliver them to our customers, and how we engage with our people and our suppliers.

We continue to monitor and assess emerging issues and trends and revisit our operations to mainstream environmental, social and governance (ESG) considerations in all our decisions. Our first annual ESG Report provides evidence of this commitment, but more importantly helps us to measure our progress and challenges us to do better. The Report also showcases how our priority ESG topics align with the key pillars of our ESG strategy.

Our ESG report provides a window on how we are fulfilling our purpose and applying these values across our organisation. It demonstrates the positive and purpose-driven way in which we approach our key responsibilities.

## Delivering Sustainable Growth

While the pandemic and our business turnaround demanded considerable attention in the past two years, sustainability continues to be our foremost priority. Our sustainability efforts are focussed on three distinct areas – Environment, Social and Governance – which support us in achieving our ambitious goals of being a consumer-driven, inclusive, responsible, and a fair business.

Nowadays, customers are also committed to bring positive impact in the natural environment. Our focus is to create positive environmental impact with our products, while reducing the impact in our own operations; strengthen the communities in which we operate and also our workforce; and to do business the right way.

## Our Key Initiatives

As a responsible global company, we engage ourselves in numerous initiatives to minimise our environmental footprint, from product development to production, and finally, to disposal. We encourage our vendors to adopt ethical business practices. We have also taken conscious steps to make our manufacturing and production process more sustainable, such as making use of renewable energy and introducing innovative production practices. For responsible waste management, we have partnered with Recycler for recycling and upcycling the waste generated in our operations.

All companies have a part to play in combating climate change. In this regard, we are proud to report that we installed and commissioned a solar power plant at two of our manufacturing facilities in Jaipur. This has increased our solar power capacity to 3.23 MW and addresses 100% of our energy requirements in Jaipur. We plan to build on this success by expanding renewable energy use in other factories and units too. Our two office

buildings in the US are also using 100% renewable energy.

We seek to create an inclusive and engaging workplace where every employee has an opportunity to learn, grow and belong. Most importantly, the safety and well-being of our people has always been a priority and continued to be a focus as we managed through the COVID-19 pandemic. We also care deeply about our customers and the communities in which we live and work and encourage our employees to take an active role in supporting local causes.

Earning trust through transparency is important to us. We value strong governance practices and remain committed to “doing business right”, which begins at the highest level of our leadership. We aim for diversity of expertise and experience on our Board of Directors. The Board’s governance oversight is guided by its commitment to its responsibilities and governance objectives.

Our inherent strength of innovation and continuous learning are our core business enablers. Further, we foster growth of high-potential businesses by leveraging our strong ecosystem of supply chain, production facilities and warehouses. This helps us to grow our local presence and generate employment.

## Response to COVID-19

The COVID-19 pandemic has upended lives and disrupted operations across the globe. As a company, we responded with resilience in this adversity. We learnt to adapt in the face of unprecedented challenges and ensured business continuity. While we provided essential services to the industries and communities we serve, we implemented adequate health and safety practices at all our offices and warehouses. We continue

We continue to monitor and assess emerging issues and trends and revisit our operations to mainstream environmental, social and governance (ESG) considerations in all our decisions



to improve our processes and follow strict protocols that enable us to open our offices and manufacturing units around the world and look forward to welcoming our employees back to office.

In response to the challenges created by the pandemic, we also contributed towards supporting local communities. In India, we facilitated the setting up of two oxygen plants, distributed oxygen concentrators and BiPAP machines at hospitals. Vaccination drives were held for employees and their families. We also donated masks and meals in the US and UK.

## Our ESG Journey Continues

We have consistently believed that value creation and sustainable business practices are complementary goals. This belief will continue to drive forward our ESG journey, with the aim to build a better company that benefits all our stakeholders. We are working to successfully manage this historic change.

Thank you for joining us in this quest.

Stay safe everyone.

With Warm Regards,

**Sunil Agrawal**  
Managing Director

# CREATING A RESILIENT ORGANISATION IN A DISRUPTIVE WORLD

## Overview of Vaibhav Global Limited

### Vaibhav Global – In Context

Since our inception in 1989, we have always taken pride in crafting beautiful fashion jewellery and lifestyle products. These products are testament to our commitment of “delivering joy” to all our Stakeholders – be it our Customers, our Employees, our Partners and our Shareholders.

### Our Value Positioning – A Vertically Integrated Supply Chain

Our USP lies in being a vertically integrated retailer. The greatest innovation in our business model is to hone our deep-discounting model. Our deep sourcing capabilities (30+ countries; especially from India, China, Thailand and Indonesia) and from our B2B business helps us be a low-cost manufacturer, providing a USP which other teleshopping retailers cannot match. We are not only able to source better resulting in low-cost manufacturing, we sell our products at competitive prices.



## FY2022 Numbers that Define Vaibhav Global

**~\$370 Million**  
Global Revenue

**2** Buildings operating each  
at India and US, at **100%**  
Renewable Energy

**31%**  
Return on  
Capital Employed

**23%**  
Return on Equity

**~59,000 Children**  
supported everyday through  
**'Your Purchase Feeds...'** programme

Manufacturing facility at SEZ, Jaipur is **LEED** (Leadership in Energy and Environmental Design) Platinum and **IGBC Certified** (Indian Green Building Council)

**4000+**  
Team Members Globally

**30+ Countries**  
Our global sourcing  
network spread

**19%** Revenue CAGR  
since last 25 years

**41%**  
Dividend Payout Ratio (Including  
Interim Dividends)

**63:37**  
TV and Digital Sales Mix

## OUR PRODUCT PORTFOLIO



### Instilling ESG Priorities into Our Business Practices



#### For Our Customers

By offering a strong value proposition through low-cost and high-quality products



#### For the Suppliers

We are inspiring our Suppliers to constantly working towards adhering to ESG standards as outlined in our Supplier Code of Conduct. We remain committed to using responsibly sourced gold and silver.



#### For Our Employees

We carried out vaccination drives, home delivery of medicines and oxygen concentrators. We remain dedicated to establishing an open internal communication with our employees and regularly engage with them through surveys and team activities.



#### For the Society

By integrating environmental and social considerations into our core business practices.

## OUR PURPOSE

Delivering Joy

## OUR MISSION

To deliver one million meals per day to children in need by FY 2030-31 through our one-for-one programme: **your purchase feeds...**

## OUR VISION

Be the Value Leader in Electronic Retailing of Jewellery and Lifestyle Products.

### Creating value with the Core Values we live by



Teamwork



Honesty



Commitment



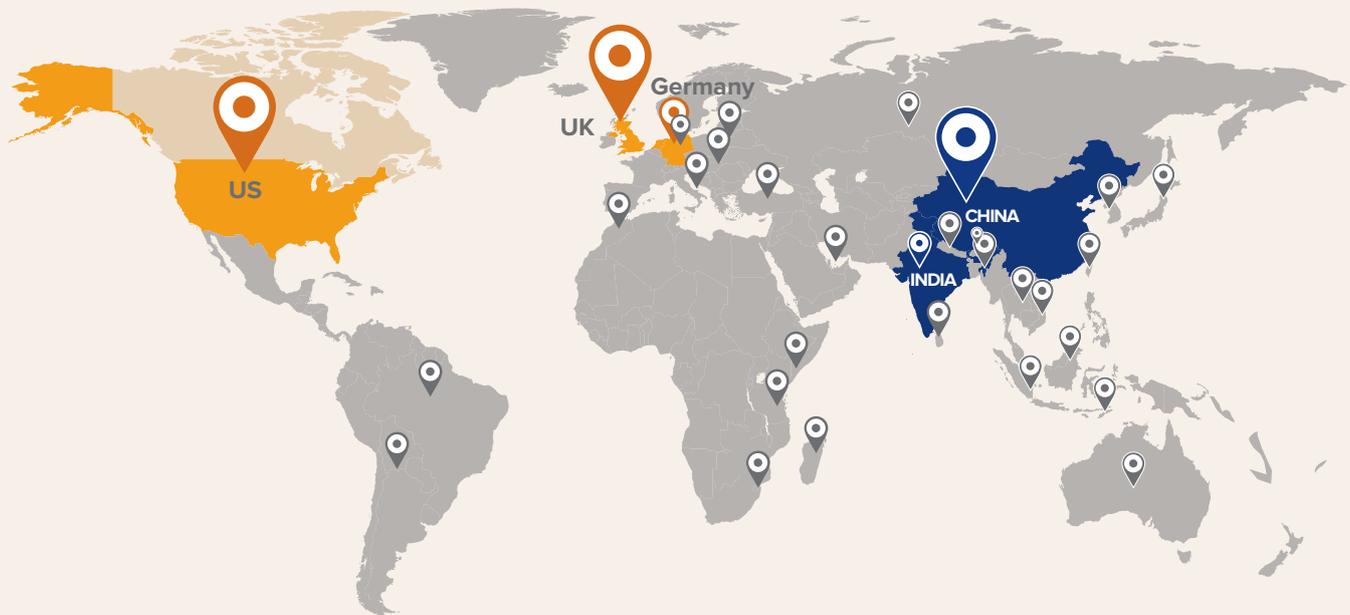
Passion



Positive Attitude

## A Growing Global Presence

An Expanding Presence in 30+ Countries



### 📍 Retail Markets

Shop LC (US) | TJC (UK)  
Shop LC (Germany) |  
Canada (served  
through Marketplaces)

### 📍 Manufacturing Countries

India | China

### 📍 Sourcing Countries

India | China | Thailand | Indonesia | Tanzania |  
Russia | Morocco | Madagascar | Bolivia | Kenya |  
South Korea | Vietnam | Brazil | Sri Lanka | US |  
UK | Mozambique | Germany | Italy | Turkey |  
Poland | Singapore | UAE | Japan | Bangladesh |  
Philippines | Czech Republic | Nepal | Taiwan |  
Australia

## Omni-Channel Strategy in US, UK & Germany

### Proprietary TV & OTA Platforms



### Digital Platforms

#### Proprietary Digital & Mobile App

<http://www.shoplc.com/>  
<http://www.tjc.co.uk/>  
<http://www.shoplc.de/>



#### Market Place



#### Social Retail



# RISING TO MEET THE CHALLENGES OUR PLANET FACES TODAY

## Delivering Joy and What it Means to Vaibhav Global (also referred as Vaibhav Global/VGL/the Company)

### Our Broad ESG Framework and Our Approach to ESG

As a global company, we value the environment which provides us with all the natural resources to craft and deliver exquisite products to our customers. We value the people behind our creations – our network of suppliers. We also value the local communities that provide us with support to create our products; and our employees who design, manufacture and sell our products.

### Our ESG philosophy and How We Manage it

We understand that our business affects society and the environment. And hence, we have consciously incorporated sustainability aspects in our core company policies and practices. We are committed to doing what we can as a business to sustain the natural environment and our society. We are proud that our achievements are dedicated to responsible business practices that contribute in a positive way to nature and the communities in which we operate.

### Sustainability in Our Value Chain

Sustainability is central to how we approach, own and operate every segment of our value chain. This provides us with increased influence and leverage to embed sustainability standards across the business. Our product categories of fashion jewellery, gemstone and lifestyle products continue to incorporate the principles of Environmental Management Systems (EMS) at every level of operation. Our quality management system of ISO 9001:2015 certifies us for design development, manufacturing and sale of gemstones, diamonds and studded jewellery, and also the sale of lifestyle products.

## Sustainability in Our Value Chain

				
DESIGN	SOURCING	CRAFTING	DISTRIBUTION	MARKETING & SALES
<p>We create innovative product designs at affordable prices and using sustainable material, building on consumer insights and trends.</p>	<p>We are encouraging our suppliers to adhere to ESG standards through our Supplier Code of Conduct. We remain committed to using responsibly sourced gold and silver.</p>	<p>Every piece of our jewellery is hand-finished. We provide safe and healthy work conditions and are increasingly using renewable energy at our manufacturing facilities.</p>	<p>We optimise our distribution network and emphasise on environmentally conscious packaging to lower our transportation footprint.</p>	<p>We market our products responsibly. We are committed to protecting the privacy of our customers and employees. A part of every sale goes towards a social cause.</p>

## Accelerating Our Actions Towards Our ESG Priorities

### Key Highlights of FY2022

## ENVIRONMENT

**3.23 MW**

Solar Power capacity



**SEZ Unit, Jaipur**

The only manufacturing unit in Rajasthan with LEED Platinum certification by USGBC and Gold certification by IGBC.

Achieved IGBC performance challenge 2021 for Green Built Environment Award (under Factory Category)

**26,000**

saplings planted in 2 Miyawaki forests in India spread across 2 acres



**Majority**

of Jewellery are manufactured in-house in India



**100% Electricity**

in two manufacturing units in India derived from renewable energy sources. 2 Buildings in US operating at 100% Renewable Energy



**84 Scooters and 3 Four-wheelers**

procured for employee commute resulting in reducing carbon emissions by 30-32 tonnes



**~17,500 KL Water**

recycled per year



**~61 Lakh Litres**

Rainwater harvested every year



## SOCIAL

### ~63 Million

Meals provided under 'Your Purchase Feeds' programme  
 Providing resources for improvement in healthcare services  
 Providing upgraded facilities to old-age home



### 46 Hours

average training per employee  
 Employee engagement activities conducted on a regular basis to keep the workforce engaged and motivated



### 27%

Women Employees in Total Workforce



### ~19%

of Manager & Above roles handled by Women

### Scholarships

awarded to the children of our employees



### Humanocracy

At VGL, we have a strong zeal to implement Humanocracy across the organisation, which implies relying on people, instead of rigid rules & procedures.

For this purpose, we have also created 47 Micro Enterprises (ME's) across VGL Group. In future, we plan to employ more principles of 'Humanocracy' across the organization.

### HiPo Programme

New career development programme launched for high potential employees

## GOVERNANCE

Shop TJC (UK) awarded as **"One of UK's best places to work"** under medium category in 2021 Great Place To Work Survey

Certified as **"Great Place To Work"** in India, Greater China, United States and United Kingdom

VGL India featured in **Top 30 list of 'Manufacturing Companies'** by Great Place To Work

### Best Workplace for Women™

by Great Place To Work UK® in 2021 to Shop TJC (UK)

VGL India conferred with **VGL India conferred with 'IGJ Award for being Highest Exporter of Silver Jewellery from India'**

Received **'Rajasthan State Best Employer Award – 2021'**

VGL India awarded **'Commitment to Being a Great Place to Work'**

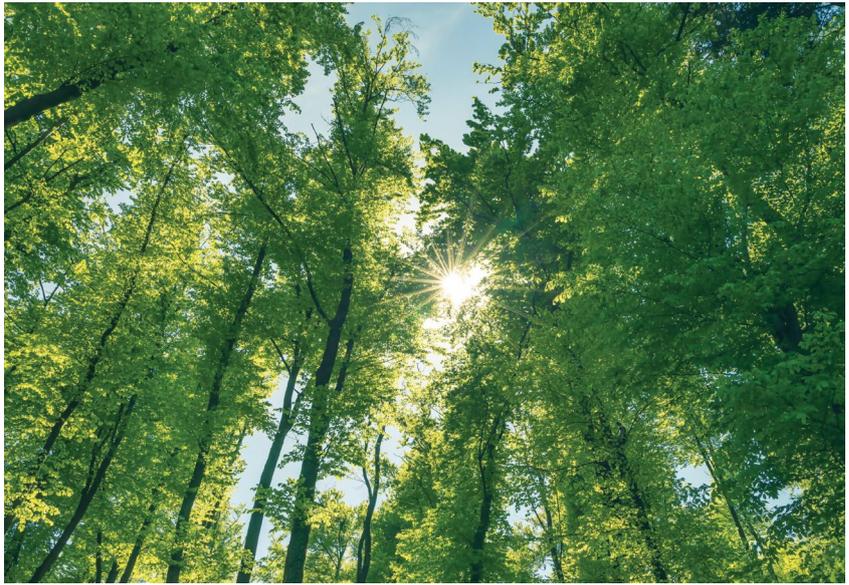
Best Leader in **Times of Crisis Award 2021** by Great Place To Work

The award has been given for best aligned HR practices in business, cultivating competencies for the future, talent management, performance-oriented culture and having an outstanding employee engagement strategy.

### Our Sustainability Vision

**Become Carbon Neutral in Scope 1 and Scope 2 GHG emissions by 2031.**

**Pursuing to become Carbon Neutral in Scope 3 GHG emissions.**



### Our Sustainability Roadmap

We Aspire to Achieve the Following Goals

#### TARGETS

VGL's Responsible Sourcing Charter Extended to Our Major Suppliers

Frequent engagement and training programmes conducted with our key suppliers to educate them on our Responsible Sourcing practices. Encouraging them to advocate the same principles to their vendors and partners.

Deploy Electric Vehicles for Employee Transportation

84 electric two-wheelers and 3 electric cars already deployed as on date

Secure Green Building Certification for Four Units

For more details on our green building initiatives, please refer to the Environment chapter

Our Mid-term Sustainability Targets

Provide guidance and assistance to our suppliers on achieving Net Zero

Secure green building certification for all buildings and facilities by CY 2024

All facility to run on 100% renewable energy by CY 2025

# OUR SUSTAINABILITY STRATEGY

We have conducted an in-depth materiality assessment to better understand the ESG risks to our business and assess how we should be reporting against those measures. We are continually evaluating our operating environment and engaging with our stakeholders to identify and respond to material ESG issues.

Establishing goals and targets related to our key ESG topics will drive resiliency across Vaibhav Global and deliver long-term value to our stakeholders.

Our sustainability strategy is effectively integrated with our strategy of long-term business growth. We strive to establish a responsible ecosystem and advance sustainability issues from our three strategic pillars of Planet, Product and People. We focus on innovative initiatives and energy efficient policies that are scalable, sustainable and mutually beneficial for us and the society at large.

In FY2022, we revisited the material topics based on emerging industry challenges, and also linked our strategic action and priorities to the UN Sustainable Development Goals (SDGs).



## Our Strategic Pillars



### PRODUCT

We are committed to delivering joy to all our stakeholders. We base this on a fundamental belief that the more joy there is in the world, the better the world is for all of us.



### PEOPLE

We believe in humanocracy - which means relying on people instead of rules and procedures. Our priority is to give back to our employees, the local communities and our customers.



### PLANET

We remain committed to protecting the planet and combating climate change.

# THE NEEDS AND EXPECTATIONS OF OUR STAKEHOLDERS

We engage in continuous internal dialogues and meetings to identify our key stakeholders. We make every effort to engage with them so as to understand their perspective and incorporate their inputs as much as we can.

## Strategic Approach to Stakeholder Engagement

Key Stakeholder	How We Communicate with Them	Areas of Interest	How We Respond
<b>CUSTOMERS</b> 	<ul style="list-style-type: none"> <li>Customer surveys and feedback</li> <li>Call centres</li> </ul>	<ul style="list-style-type: none"> <li>Product and service quality</li> <li>Ontime deliveries</li> <li>Safeguarding privacy</li> <li>Accurate product information</li> <li>Transparency</li> </ul>	<ul style="list-style-type: none"> <li>Enhance product quality and safety management system, offer benefits such as easy pay, loyalty programmes</li> <li>Provide product information on country specific websites</li> <li>Use ERP systems</li> <li>Proper Segmentation</li> <li>Investing in technology towards improving shipping in both US and UK</li> </ul>
<b>SHAREHOLDERS AND INVESTORS</b> 	<ul style="list-style-type: none"> <li>General shareholder meetings</li> <li>Board meetings</li> <li>Investor meetings</li> <li>Investor helpdesk</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Risk management</li> <li>Disclosure of information</li> <li>Sustainability issues</li> </ul>	<ul style="list-style-type: none"> <li>Stable generation of profits</li> <li>Dissemination of information on Company's Website promptly</li> <li>Consistent Wealth Creation</li> </ul>
<b>EMPLOYEES AND WORKERS</b> 	<ul style="list-style-type: none"> <li>Workers management committee</li> <li>Human resources</li> <li>Employee satisfaction surveys</li> <li>SAP JAM</li> </ul>	<ul style="list-style-type: none"> <li>Workplace health and safety</li> <li>Diversity and inclusion</li> <li>Employee stability and benefits</li> <li>Labour relations</li> </ul>	<ul style="list-style-type: none"> <li>Management mentoring and coaching</li> <li>Work environment management</li> <li>Creative work culture</li> <li>Training and development programme</li> <li>Career pathing and HiPo programme</li> </ul>
<b>SUPPLIERS</b> 	<ul style="list-style-type: none"> <li>Supplier meetings</li> <li>E-mails</li> </ul>	<ul style="list-style-type: none"> <li>Fair trade</li> <li>Shared growth</li> <li>Labour and human rights protection</li> </ul>	<ul style="list-style-type: none"> <li>Promoting fair trade and shared growth</li> <li>Timely payment</li> <li>Responsible management of suppliers' work environment</li> </ul>
<b>COMMUNITIES</b> 	<ul style="list-style-type: none"> <li>Dialogues with local NGOs</li> <li>Research done by employees</li> <li>Meetings with NGOs</li> </ul>	<ul style="list-style-type: none"> <li>Local recruitment and economy revitalisation</li> <li>Indirect economic effects</li> <li>Environmental protection</li> <li>Financial contribution and volunteer work</li> <li>Social responsibility for local communities and environment</li> <li>Contribution to UN SDGs</li> <li>Prompt and transparent disclosure of information</li> </ul>	<ul style="list-style-type: none"> <li>Vocal for local sourcing</li> <li>Environment and biodiversity protection initiatives at worksites</li> <li>CSR and BSR activities</li> <li>Engaging external auditors to conduct financial, social and waste audits</li> </ul>
<b>GOVERNMENT</b> 	<ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Policies and guidelines</li> </ul>	<ul style="list-style-type: none"> <li>Indirect economic effect</li> <li>Fair trade, health and safety</li> <li>Compliance</li> </ul>	<ul style="list-style-type: none"> <li>A Adherence of applicable laws</li> <li>Implement stringent internal corporate policies</li> <li>External auditors</li> </ul>

# ENVIRONMENT

We are a manufacturing company, and hence our focus on the environment is driven by what we consume and how we recycle. We are aware that the decisions we make every day have an impact on the environment. We remain committed to reducing the environmental impact of our operations. Reducing our footprint by using resources responsibly helps us increase efficiency.

We have systems and programs in place to manage environmental and safety impact of our products. We are committed to reducing the environmental impact of our operations through various measures grouped amongst key indicators for the purpose of this reporting.



## UN SDGs We Impact Through Our Environment Initiatives

 Clean Water and Sanitation

 Affordable and Clean Energy

 Industry Innovation and Infrastructure

 Climate Action

 Life on Land

## Relevant Strategic Pillar



## Stakeholders We Impact Positively Through Our Environment Initiatives



Planet

Product

People

Communities

Government

Customers

Shareholders

Employees

## Preserving Shared Resources Through Circular Management

### 1 ENVIRONMENT CONSERVATION

We continuously strive to reduce our carbon emissions, and source renewable energy. As a company we believe, in actively participating in green activities.

#### Key Highlights

**2.85 MW** + **0.38 MW** = **3.23 MW**

Capacity of installed Ground Mounted solar panel at Bikaner

Solar Rooftop installed in Jaipur’s facilities

Total solar energy generated by VGL, addressing **100% power requirement** for two manufacturing facilities at Jaipur



**40.4 Lakh kWh**

Solar energy generated in 2021



**42-45 Lakh kWh**

of solar energy estimated to be generated per year, reducing GHG emissions by 3,000 tonnes every year

**84 Two-wheelers**  
**3 Four-wheelers**

Investment in **Electrical Vehicles**

**26,000**

saplings planted in 2 Miyawaki forests in India spread across 2 acres



Installed **Wet Scrubbers** to reduce toxicity of fumes generated in jewellery manufacturing

**Partnered with Recyclers** for recycling and upcycling waste



Estimated Values for FY2021-22*	CO <sub>2</sub> emissions (in tonnes)
Gross Annual Global Emissions	~14,200
Less: Carbon offset value from ongoing initiatives	~4,000
<b>Net Annual Global Emissions (FY22)</b>	<b>~10,200</b>

\*We aim to achieve carbon neutrality in Scope 1 & Scope 2 GHG emissions by 2031. VGL also aims to achieve Carbon Neutrality in Scope 3 emissions in future.

#### Supporting Climate Solutions

We remain committed to supporting climate solutions. We achieve this by taking impacted communities and groups into consideration and advancing projects and partnerships that incorporate equity and justice in their approach. As these communities invest in nature-based carbon removal and infrastructure, they prioritise projects that create environmental, social and economic benefits for people most impacted by climate change.

#### Emission Reduction

We continuously work to implement new energy-saving measures across our global offices, warehouses, and

manufacturing facilities. These efforts signify our commitment towards Energy and Environmental Design. These certifications are a testament of our commitment towards Energy and Environmental Design. We are also investing in Electric Vehicles to further reduce our carbon footprint. We have deployed 84 two wheelers and 3 four wheelers, towards this end.

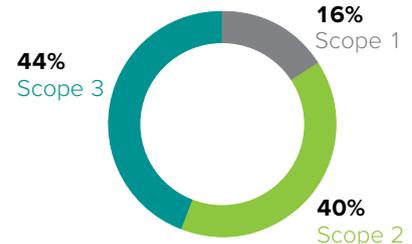
#### Offsetting Unavoidable Emissions

We believe in reducing carbon emissions by our own organic efforts, rather than purchasing offsets from a third party. We undertake and finance green projects to achieve this colossal task.

#### Environment Conservation Methods

As an enterprise, we are constantly adopting methods and measures to save water and electricity. We also invest and adopt energy and environment conservation methods related to waste recycling, water stewardship and electricity conservation.

#### Bifurcation of Emissions



### Green Building Certification

A ‘green’ building is a building that, in its design, construction or operation, reduces or eliminates the negative impacts on our climate and natural environment. It is the most recognised global symbol of sustainable achievement for high-performance structures. Key characteristics of a green building includes:

- 25%** Less energy
- 19%** Less O&M cost
- 11%** Less water consumption
- 27%** Higher occupant well-being

VGL’s manufacturing unit at the SEZ in Jaipur, Rajasthan, has received ‘LEED Platinum certification’ under the ‘LEED v4 Building Operations and Maintenance’. It is the only manufacturing unit in Rajasthan and one of the only two buildings across India to receive such a prestigious recognition.

### Renewable Energy

We source renewable energy from solar power plants in Rajasthan. Currently, we are providing power to 100% of the energy requirement at our manufacturing facilities in Jaipur.

As a part of our transition to a Net Zero economy, we strive to make use of renewable energy for our energy requirements and also aim to expand our renewable energy portfolio further. Each of our manufacturing and office premises are mandated to increase the use of renewable energy. We installed and commissioned our first rooftop solar panel at one of our manufacturing units in Jaipur in the year 2014.

In addition, we have also successfully commissioned a fully operational solar PV power generation at Bikaner, Rajasthan, for captive power generation. We will distribute the surplus to the local communities towards our commitment to generate clean energy. Further, our aim is to expand our green initiatives by

adding solar capacity at our vendors’ premises by FY2024.

The same facility has also received ‘IGBC Performance Challenge 2021 for Green Built Environment - Excellence Award’ during the Green Building Congress 2021. Apart from this, we have applied for LEED Certification for two buildings in US.



IGBC Performance Challenge 2021 for Green Built Environment



LEED Platinum Certification

### Energy Efficient Operations

We remain committed to conserve the use of energy in our operations through the application of global best practices and the use of renewable energy where possible. Following are some of the energy efficiency initiatives that we have undertaken so far:

- Upgrading to LED fittings in all our facilities
- Introducing sustainable practices into our capital expenditure
- Occupancy Sensor, VFDs on AHUs & secondary chilled water pumps in facilities
- Dynamically controlled HVAC
- Efficient Landscape design and irrigation system

### Electric Vehicles

Our Sustainability Vision encompasses becoming Carbon Neutral in Scope 1 and Scope 2 GHG emissions by 2031 and pursuing to become Carbon Neutral in Scope 3 GHG emissions. As part of our environmental initiatives, we purchased 80+ electric two-wheelers for our employees for their eco-commute. This investment is an extension of our ongoing conscious efforts to reduce Scope 2 carbon emissions value (equivalent to 25-28 ton per annum) and minimise our carbon footprint. With this investment, we expect to eliminate approximately 5 buses from our fleet, and will reduce further buses in future by adding more electric vehicles. This will help us our long-term goal to become a ‘zero carbon’ company and will further aid in integrating environmental and social considerations with our business practices.



### Sustainable Packaging:

We acquired a 60% stake in Sri City based Encase Packaging Pvt Ltd, which specialises in manufacturing and trading of various types of packaging materials. This will enhance our supply chain network by providing required flexibility and cost advantage. This will strengthen our efforts towards developing a sustainable packaging for our products.

## 2 PROTECTING BIO-DIVERSITY

Deforestation is a shared challenge across the industry and its supply chain. Supporting nature-positive solutions is paramount to meet the demand for global food supply chain. At Vaibhav Global, we identify biodiversity related risks and opportunities across our value chain, assess deforestation and identify other issues that impact biodiversity.



### Biodiversity: **Strategy and Management**

#### Leveraging the Miyawaki Technique of Plantation

Leveraging the Miyawaki Technique of Plantation

Being a multinational enterprise, we play a key role in advancing responsible practices towards the aim of protecting biodiversity across regions. We strongly believe in supporting the local resources and protecting the flora and fauna of our region.

The effects of the Miyawaki technique are far-reaching. It helps in maintaining water level and reducing sound and dust pollution by over 30 times.

The Miyawaki method of plantation is a multi-layer plantation which uses full vertical space. Here, the soil is shielded from direct sunlight resulting in very less evaporation. As a result, a robust fungible network is developed over these forests, which play an instrumental part in augmenting the forest cover.

#### **Towards This Aim**

- We planted 26,000 saplings in 2 Miyawaki forests in India spread across 2 acres.
- We also planted 5,600 saplings in government schools.

- In order to promote biodiversity in Rajasthan, we initiated a multi-layer plantation akin to forest in the rural areas of Chandwaji and Bassi.
- We engaged with several stakeholders and collaborated with them to create two bio-diversity projects in rural locations in order to contribute towards environment protection and conservation.
- These initiatives are in alignment with our vision to become Carbon Neutral in Scope 1 and Scope 2 GHG emissions by 2031 & pursuing to become Carbon Neutral in Scope 3 GHG emissions

### 3 WATER & WASTE MANAGEMENT

#### Water Stewardship in Action

<p><b>100 KL</b> Rainwater Storage Tank commissioned</p>	<p><b>17,500 KL</b> Water recycled per year</p>	<p>Installed Sewage Treatment Plant</p>	<p><b>7 KL</b> water saved with installation of <b>Low LPM</b> faucets <b>per day</b></p>	<p><b>6,100 KL</b> Rainwater harvested every year</p>
				

#### Promoting Water Resilience

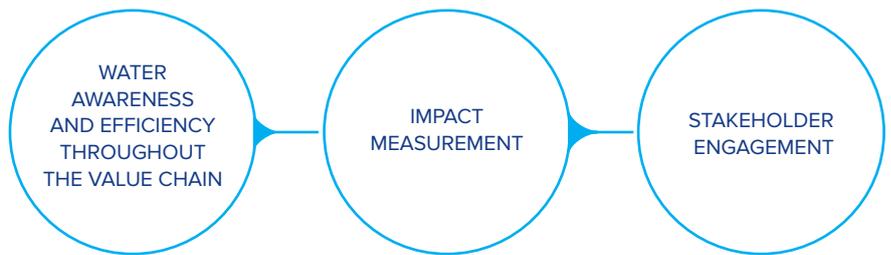
Clean water is a basic human right and essential for thriving biodiversity. We take appropriate precautions to conserve the resource, it's our responsibility to conserve water, reuse and recycle wherever possible, and keep it clean for future generations. We have been working to reduce our water impact across each part of the value chain for over a decade.

#### Our Water Mission

##### Initiatives Towards Water Conservation and Clean Water:

- Our mission is to conserve water through rainwater harvesting to replenish depleting groundwater table and to provide clean drinking water. An area in one of our manufacturing units has been converted into an underground tank with a capacity to hold 100 KL water.
- During the year ~1,300 Kg of E-waste and ~1,400 Kg of plastic waste has been recycled
- Tied up with a recycler for recycling the plastic waste at our manufacturing facility in India
- Wet scrubbers have been installed to reduce toxicity of fumes generated during jewellery manufacturing.

#### Water Stewardship Strategy: Key Focus



#### Waste Management

Waste reduction has been one of our key focus areas to improve our operational efficiency and minimise the impact on the environment. The waste generated through our operations can be broadly classified as dry waste, wet waste and e-waste.

We believe in and have aligned waste management practices to the '4R Policy' of Reduce, Recycle, Reuse and Reclaim in our operations and manage the solid waste efficiently. Few initiatives are provided below:

100% of bio-degradable waste (vegetables, food, leaves) generated is converted into manure. Other than

our core business operations, we are reducing waste generation through other initiatives. Reduction of paper consumption has been a key focus area within our business strategy.

The Ozonator water treatment plant facilitates removal of dirt, inorganic chemical impurities, and odour from water. This lowers the risk of groundwater contamination. An ozonator can generate 10 gm of oxygen per hour to disinfect water.

Wet scrubber installations reduce toxicity of fumes that are generated in the jewellery manufacturing process.



**80% of Wastewater**

flows back into ecosystems without being treated



**2 Billion People**

live in countries experiencing high water stress

# SOCIAL

Fostering strong relationships through focussed engagements with stakeholders has always been at the forefront of our business. Our vision is to build an enduring institution that serves the needs of our customers with sensitivity, and is supported by our commitment to our core values.

Our diverse stakeholders include customers, employees and the local communities directly or indirectly impacted by our activities. Our deep connection of trust and synergy with them empowers us to deliver on our strategy to create long-term sustainable value.



## UN SDGs We Impact Through Our Environment Initiatives



Zero Hunger



Good Health and Well-Being



Clean Water and Sanitation



Decent Work and Economic Growth

## Relevant Strategic Pillar



## Stakeholders We Impact Positively Through Our Environment Initiatives



Planet



People



Communities



Government



Shareholders



Employees

## Our Global Social Sustainability Initiatives



- Provided ~36 Million Meals to date
- Donated over 1,30,000 face masks to over 233 facilities in 35 states
- Support American Legions Child Education Program
- Donation of Blankets and Handbags for Hope Holiday Event
- Created and facilitated the Drive & Drop Food Drive
- Donated time and money to Round Rock Serving Center supporting needy families in local area
- Donation of clothing samples to Survive2Thrive Foundation corporate Champion for the Wounded Warrior Project



- Providing resources for healthcare services improvement to Prem Niketan Hospital
- Distribution of immunity boosters
- Distributed 117 Oxygen Concentrators, 31 BiPAP, 4 Ventilators & 2 Oxygen plant (Generator) to hospitals
- Facilitated procurement, transport and installation of oxygen plant in two hospitals
- Vaccination drives for employees and their families



- Donated Christmas Tree stock to local schools to help spread the Christmas spirit to their students
- Volunteered at School which benefits from the Magic Breakfast charity
- Provided ~28 million meals to school children
- Senior Members visited Poppy Factory which helps war veterans
- World Food Day - cook meal donate a meal
- Distribution of COVID-19 Masks



- Organised Happy Dragon Boat Festival
- COVID-19 Vaccination
- Miles Equal Meals Run/Walk Challenge
- Donation
- Nucleic Testing
- Distribution of COVID-19 Masks

## 1 DELIVERING JOY TO CUSTOMERS

We care deeply about our customers. We strive to delight customers by operating efficiently and sustainably. Owing to a vertically integrated supply chain, we cater to customers’ requirements in an efficient manner. Our endeavour is to procure products responsibly by embedding sustainable business practices, thus bringing joy to customers.

We ensured customer deliveries were on time by optimising our global supply chain. We work towards aligning our business interests with that of our customers, thus creating value and building long-term relationships. While our business is carried out with customer centricity in mind, even during the COVID-19 pandemic, we took various measures to ensure our customers experience an uninterrupted service.

### 4Rs of Customer Engagement



#### REACH

**124 Million**

- **TV:** Liner/OTA
- **Digital:** Browsers, Mobile apps, Social media, Marketplaces, OTT

#### REGISTRATIONS

**3.2 Lakh**

- (Trailing Twelve Months)
- Diverse products
  - Deep value proposition
  - Engrossing content

#### RETENTION

**40%**

- (Trailing Twelve Months)
- Enduring relationships
  - Convenience
  - Digitalisation/ Artificial Intelligence

#### REPEAT PURCHASE

**27 Full-time Equivalent**

- (Trailing Twelve Months)
- Expanding wallet share
  - Cross-selling

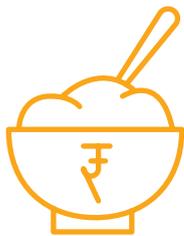
## 2 DELIVERING JOY TO COMMUNITIES

We strive to help the communities in which we operate, and also encourage our employees to adopt an active role in supporting local causes that are important to them. We are proud to become active participants in our local communities. Our ultimate goal is to bring tangible and sustainable benefits to the places in which we live and work.



### Benefiting Children

Through our flagship social endeavour “Your Purchase Feeds” started in October 2017, we deliver a meal with every purchase of the customer. Each partner operates on its own programme, with the same goal to feed kids so they can learn. Besides the meal, the endeavour helps feed the mind, soul and future of children across the world, paving way for them to achieve their complete potential. We are also engaged in providing scholarships and distributing toys to the under-privileged kids. In September 2021, Shop LC raised \$ 2,000 in support of the Hernandez Literacy Project at Hernandez Middle School. The funds will be utilised in purchasing about 300 books for students to practice and increase their literacy skills.



### Your Purchase Feeds

**59,000**  
children supported every day

**63 Million**  
Meals provided since inception

**350+**  
schools covered since inception

Served **13 Million** meals to children this year

Aiming to deliver **1 Million meals per day** by FY 2030-31 through “One-for-One Meal” programme

**Akshaya Patra, No Kid Hungry and Backpack Friends**  
NGO Partners worked with



**COVID-related Initiatives**

**FOR SOCIETY**

- Leveraged our supply chain to procure, install and donate an Oxygen Generator Plant with capacity to supply oxygen to 150 beds at Santokba Durlabhji Memorial Hospital, Jaipur
- Secured and donated 110 oxygen concentrators, 30 BiPAP machines and two Ventilators to several local hospitals and Associations
- Distributed 117 Oxygen Concentrators, 31 BiPAP, 4 Ventilators & 2 Oxygen plant (Generator) & other vital medical equipment to various hospitals
- Distributed 2.64 lakh masks in USA, UK, India and China
- Provided 34 lakh meals to people in need through Akshaya Patra in Jaipur
- Provided Health Resources for Prem Niketan Ashram, an old-age home

- Panelled with a doctor - City Health care for online consultation and awareness sessions of infected employees
- Setting up
  - Yoga Classes
  - Menstrual Hygiene Initiatives
- Group Health Insurance benefit
- Ambulance Facility
- Pool of Blood Bank
- Group Health Checkup
- Vaccination drives as per the Government guidelines
- 24 x 7 COVID helpline and dedicated COVID task force



**3 DELIVERING JOY TO EMPLOYEES**

**Leveraging Human Capital for Organisational Goals**

We remain dedicated to establishing an open internal communication with our employees and regularly engage with them through surveys and team activities. We aim to make them feel connected and empowered to lead with confidence and gain from the experience of their peers. Our Mentorship policy helps young talent to be mentored by the senior employees. Through Career pathing, we align opportunities for employees' career growth with our talent priorities. This facilitates the employees in understanding their career direction based on vertical, lateral and cross-functional roles, depending upon their skills, interests and career objectives.

We encouraged our employees to "Work from Home" and provided them technical support during lockdown. We also carried out vaccination drives, home delivery of medicines and oxygen concentrators for the employees. Besides, we also provided

online consultation by medical experts to employees during the pandemic. We also took considerable safety precautions at the facilities and continued to operate without notable disruption from the virus outbreak. In addition, we conducted online



training and events for employees to look after their mental and social well-being.

Our company is gender-neutral, equal opportunity employer, with zero tolerance for any discrimination based on gender, religion, caste or class. Our commitment to our employees

stands on our cornerstones of a supportive environment, learning and growth, and fairness. We cater to the priorities of all employee segments through various policies, processes and initiatives.

**Provided Employee Ownership Through**

- ESOPs and RSUs (Restricted Stock Options)
- Performance Incentive
- Reward Programs for Employees
- Regular Interactive Sessions
- Training and Skill Development

**Great Place to Work**

**GPTW Certified in India, US, UK**

We bagged the ‘Great Place To Work’ certification after receiving feedback from our Employees. The Certification is considered the ‘Gold Standard’ in identifying and recognising Great Workplace Cultures

**GPTW-related Achievements**

Our India, US and UK locations have received the coveted “Great Place To Work® certification”.



GPTW India



GPTW UK



GPTW USA

**Employee Benefits**

We aim to achieve Gender Pay Equity, Career Pathing for each Employee and also provide Health & Retirement Benefits to the employees.

- |  |   |  |
|--|---|--|
|  <p><b>PENSION</b></p> <ul style="list-style-type: none"> <li>■ Social security</li> <li>■ Health insurance</li> </ul>  |  <p><b>FACILITIES</b></p> <ul style="list-style-type: none"> <li>■ Employee transport</li> <li>■ Parking</li> <li>■ Ambulance</li> <li>■ AC spaces</li> <li>■ No Smoking Zone</li> </ul>   |  <p><b>HEALTH &amp; SAFETY POLICY</b></p> <ul style="list-style-type: none"> <li>■ Safe and healthy environment</li> <li>■ Health check-up</li> <li>■ Blood bank</li> <li>■ Yoga classes</li> <li>■ First Aid training and Health check</li> <li>■ Fire extinguisher service</li> <li>■ Evacuation drill</li> <li>■ Water portability test</li> </ul> |
|  <p><b>GIFTS &amp; PARTIES</b></p> <ul style="list-style-type: none"> <li>■ Function gifts</li> <li>■ Office sports</li> <li>■ Outing/stress relieving</li> </ul> |  <p><b>RECOGNITION</b></p> <ul style="list-style-type: none"> <li>■ A performance driven organization recognizing best talent</li> <li>■ Long Service Award</li> <li>■ Social Award</li> <li>■ VGL Best Citizen Award</li> </ul> |  <p><b>LEARNING</b></p> <ul style="list-style-type: none"> <li>■ Learning Management System</li> <li>■ Learn and develop</li> <li>■ Scholarship for Employees Children</li> <li>■ Training Centre set-up</li> </ul>   |
|  <p><b>EMPLOYEE AND FAMILIES</b></p> <ul style="list-style-type: none"> <li>■ Children scholarship</li> <li>■ Crèche facility</li> </ul>                          |  <p><b>GRIEVANCE REDRESSAL</b></p> <ul style="list-style-type: none"> <li>■ Suggestion/Complaints</li> <li>■ Workers’ Committee</li> </ul>   |  |

## Humanocracy: Creating Human-centric Organisation

At VGL, we have a strong zeal to implement Humanocracy across the organisation, which implies relying on people instead of rigid rules and procedures. This is defined as the design of an organisation to maximise human contribution. It is a full-scale analysis and takedown of the limitations of power and position-based bureaucracy. At VGL, we are working towards moving beyond the bureaucratic processes towards human ability and results, with innovation and management thinking.

As a first step towards achieving our maximum potential, we have formed independent micro enterprises within our organisation. Every ME is encouraged the freedom to set its own strategy, hire team members, and distribute financial rewards .

**Till date, 47 Micro Enterprises (MEs) have been created, which are micro-organisations responsible for operational efficiency. The ME members are incentivised through an evolving concept. Our plan is to employ more principles of 'Humanocracy' across the organization in the future. 'Experimentation' and 'Authority Delegation' are the principles that are likely to be implemented in the coming months.**

## HiPo Programme: Creating High-potential Employees

Our HiPo programme is aimed at creation of high-potential employees within the organisation. This implies identifying rising stars that are highly motivated, have problem-solving abilities, can manage conflict resolutions, and are creative and ambitious. The appraisal process for HiPo programme primarily looks for qualities such as learning agility, initiative, passion and emotional intelligence. The programme candidates are also given the flexibility to choose their area of passion and progression within the Company.

Some key benefits accrued by a HiPo employee are:

- Opportunity for fast-track career growth and progression
- Higher increment during annual appraisal
- ESOP grant irrespective of job level
- Mentoring from senior executives
- Recognition on global platform via VGL Insider and SAP Jam

## Journey to Process Innovation

Another key achievement undertaken towards benefiting our employees was the initiation of the "Process Innovation" scheme, whereby employees were encouraged to submit ideas related to process improvement. These ideas were aimed at increasing productivity and integrating technology to shorten the manufacturing and service lead time and improve quality. But primarily, they were aimed at benefiting the employees by helping them think out-of-the-box and look at different perspectives in innovation. As a result of this process, the end-users entered into direct interaction with the Process Innovation team to share their thought processes and get them implemented.

Every approved idea was rewarded monetarily, besides sharing with the employees an ROI benefit. Till FY2022, 330 ideas have received approval out of a total of 2,086 ideas. Of these 330 ideas, 246 ideas have already been implemented. All these ideas are being worked upon to grant the requisite strength to the employees to help them improve productivity, enhance quality, reduce lead time and also earn monetary benefits.

### Catapult

Our global initiative 'Catapult' is a fast-track product launch scheme targeted at bringing innovative products to market in a record time. Catapult aims to find product creators, innovators and entrepreneurs with exciting products to be launched on TV channels of Shop LC in US and Germany and Shop TJC in UK. Through this, we help our customers reach out to newer products with quick

speed to market. Through Catapult, we are looking for ideas in jewellery, apparel, home, beauty, fitness, accessories and kitchen products. During the year, we received 1,212 product entries under 572 brands from 38 countries. There were 44 finalists shortlisted and invited to share their brand stories and demonstrate their products. Of these, 11 brands were finalised for launch. Besides launching ready products on the channel, we are also offering them our manufacturing capabilities.

## Women Empowerment

Being a multinational enterprise, we remain committed to ensure women empowerment and gender parity at the workplace and recognising their efforts. We strive to create a culture and community of respect, dignity and worth for our women employees by way of our internal policies and programmes.

**We provide learning and career opportunities for women in various roles and at all levels of the company across the Group. Our key focus areas are:**

- To Encourage women to make the leap
- To Promote a fair parental-leave policy
- To Create new roles for women, so companies can develop better
- To Prevent sexual harassment
- To Create more options for women
- To Pay equal salary for equal work and experience
- To Diversify leadership by promoting women to management and executive positions

**27%**

Women employees in  
Total Workforce globally

**~85%**

Women  
workforce in  
Encase  
Packaging

**~76%**

Women  
employees  
in China

### Ratio of Women Workforce in our units

Units	Staff Count	Female %
Bangkok & Bali	64	90%
US	510	63%
Germany	70	43%
China	79	76%
UK	263	52%
India	3,061	16%
Grand Total	4,047	27%

### Facilities Provided:

- Flexible arrangements for working mothers
- Unpaid parental leave, adoption leave, time off for emergencies involving children
- Free sanitary products and sanitary dispensers in female toilets
- Flexible working hours for returning mothers with separation anxiety
- Statutory rights to maternity, adoption leave and maternity pay
- Lactation room for nursing mothers
- Crèche facility available for all Employees' & their children
- Maternity Leaves granted to female employees

### Our Principles on Women Empowerment

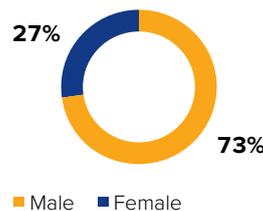
Establish high-level corporate leadership for gender equality	Treat all women and men fairly at work — respect and support human rights and non-discrimination	Establish high-level corporate leadership for gender equality	Promote education, training and professional development for women
Implement enterprise development, supply chain and marketing practices that empower women	Promote equality through community initiatives and advocacy	Measure and publicly report on progress to achieve gender equality	

### Diversity & Inclusion in the Workplace

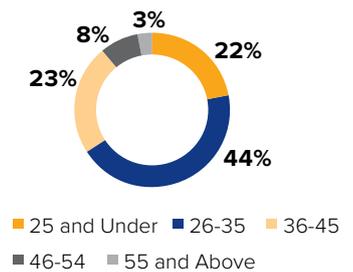
Embracing diversity and valuing inclusion is fundamental to our business progress. We believe all the employees should be treated fairly and with respect. Based on their diverse experiences, cultural backgrounds and innovative product ideas, every employee can make a unique contribution to our Company. With these values, we make deep and meaningful connections and acquire, retain and develop exceptional talent. We have developed comprehensive policies and training programmes to help our employees feel a sense of dignity and respect at our workplace. Our HR policies are designed to ensure inclusion at the work place.

#### Gender Diversity

##### Aggregate



#### Age Group Diversity



## 4 INNOV8: DELIVERING JOY THROUGH CONTINUED INNOVATION

 A Global product innovation and search program	<b>11,500+</b> Ideas Received	<b>3,850+</b> Ideas Proposed to Buyers	<b>1,950+</b> Ideas Approved by Buyers
 Crowdsourcing of ideas from employees, customers and other external stakeholders	<b>1,350+</b> Orders Placed	<b>860+</b> Products Sold at Channels	

 YTD 11,500+ ideas received and 860+ new and innovative products launched

### SPARK

Launch of “SPARK” incubator program to foster entrepreneurship within the organisation. Top 5 ideas are shortlisted out of 63 business ideas.

### CATAPULT

Powered by SHOP LC & tJC

A launchpad for outside innovators and product owners  
**1,200+** ideas received across **38** countries  
**11** ideas shortlisted and **3** already went live on channels in US and UK

# GOVERNANCE

Vaibhav Global Limited is committed to adopting the highest business, governance, ethical and legal standards in the conduct of our operations. Our sound governance and committed leadership enables us to integrate a cohesive ESG strategy and practices across the Company.

We are committed to ‘setting the tone from the top’ to create a culture of integrity throughout the organisation by engraining good corporate governance systems and principles in our business operations and culture, including our ESG practices. We promote responsible behaviour amongst our employees through various measures and initiatives. Through various awareness campaigns, we familiarise our employees with various policies to ensure adherence to the highest standards of ethical behaviour.



## UN SDGs We Impact Through Our Environment Initiatives

## Relevant Strategic Pillar

## Stakeholders We Impact Positively Through Our Environment Initiatives



Industry, Innovation and Infrastructure



Good Health and Well-Being



Responsible Consumption and Production



Peace, Justice and Strong Institutions



Planet



People



Product



Government



Shareholders



Employees



Customers



Suppliers

## Our Diverse and Sustainable Value-Creating Board

We believe sustainable growth of any organisation depends on good governance. Our Board recognises ethics and governance to be of prime importance. We have built a strong governance framework through our policies, processes and practices. We continue to build on our foundation by enhancing our structures, processes and controls that support transparency and ethical behaviour.

We have an appropriate mix of professionalism, experience and knowledge which enables the Board to discharge its responsibilities effectively. The Board of the Company is composed of appropriately qualified people with diverse skills relevant to the business of the Company, which is important to achieve effective corporate governance and sustained commercial success of the Company. The Board and our senior management take their responsibility very seriously and set the tone at the top and to provide effective leadership. The Board comprises 50% Independent directors including one independent woman director. The position of Chairperson of the Board and Managing Director

are separate. All appointments at Board level are made on merit, in the context of skills, experience, independence, knowledge and integrity which the Board requires to be effective. The Board carries an annual performance evaluation of its own performance, the Directors individually (including Independent Directors) and Board Committees.

The Managing Director represents his balance score card to the Board quarterly.

The Board has various functional Committees comprising relevant experienced and skilled members. Apart from the regular Board Meetings, the Board members do strategic meetings and also participate in Bi-annual Management Committee Meetings which helps them to understand the business more closely and have focussed interactions with the leadership team. The Board periodically reviews the compliance report of all laws applicable to the Company. The Corporate policies readily and easily available to respective stakeholders.



### Robust Corporate Governance

#### 50% Independent Board

#### Credible Auditor

- Statutory Auditors - BSR & Co. (KPMG)
- Internal Auditor - Deloitte

#### Marquee investor base

#### Transparency and full disclosures

**41%**

Dividend Payout Ratio (FY 2021-22)

#### Strong and healthy Balance Sheet

#### Robust compliance management with satisfactory checks and balances mechanism

#### Individual communication of quarterly results with shareholders

#### Consistent dividend payouts

#### Fund-based limits (Long-Term)

- a) [ICRA] A (Outlook - Stable)
- b) CARE A (Outlook - Stable)

#### Non-fund based limits (Short-Term) for Bank Guarantee & Forward Contract

- a) [ICRA] A1
- b) CARE A1

## BOARD OF DIRECTORS



**Mr. Harsh Bahadur**  
Non-Executive -  
Independent Director,  
Chairman

Mr. Harsh Bahadur holds a Masters degree in History from St. Stephen's College, Delhi, and an MBA from Boston University, USA. He has three decades of rich experience in varied sectors ranging from retail, branded FMCG, music, sportswear, business services and jewellery. He is currently on the Board of Indian Terrain Fashions Ltd. and is a senior advisor at PricewaterhouseCoopers (PwC). Mr. Bahadur also advises private equity funds and has evaluated companies in the automobile servicing, branded food and e-commerce sectors.



**Mr. Sunil Agrawal**  
Executive Director,  
Managing Director

Mr. Sunil Agrawal is a commerce graduate with an MBA from Columbia University, New York (US). A first-generation entrepreneur, he has deep domain knowledge on gemstones and jewellery and is an expert in strategy, leadership and innovation. He is a hands-on promoter and actively involved in running the business. He established this organisation in 1980 with the objective to formalise and bring international best practices to the gems and jewellery industry in India.



**Mr. Nirmal Kumar Bardiya**  
Non-Executive  
Non-Independent Director

Mr. Nirmal Kumar Bardiya is a Commerce Graduate and is one of the most renowned jewellers of Jaipur. He has four decades of experience and expertise in the manufacturing of coloured gemstones. He has been associated with VGL for close to two decades.



**Mrs. Sheela Agarwal**  
Non-Executive  
Non-Independent Director

Mrs. Sheela Agarwal is a philanthropist and an active social worker. She has distinguished herself in the field with her business acumen and deep understanding of the sector.



**Mr. Pulak Chandan Prasad**  
Non-Executive  
Non-Independent Director

Mr. Pulak Chandan Prasad holds an engineering degree from IIT Delhi and has completed his postgraduation from IIM Ahmedabad. He is the founder of Nalanda Capital that holds large and long-term stakes in small to mid-cap listed companies in India on behalf of the US and European institutional investors (primarily endowments and foundations).



**Mr. Santiago Rocés**  
Non-Executive  
Independent Director

Mr. Santiago Rocés is a Law Graduate from Oviedo University School of Law, Spain and an MBA from Madrid Business School, University of Houston. He is a turnaround strategist and has extensive experience with start-ups ranging from Walmart, SUPERVALU/Save-A-Lot, Yum! Brands to Carrefour. For companies he has been associated with, he has achieved revenue and profit targets that required innovative strategic planning and Sales/merchandising tactical programmes in highly complex organisational structures.



**Mr. James Patrick Clarke**  
Non-Executive  
Independent Director

Mr. James Patrick Clarke holds a Bachelor of Science degree from United States Military Academy, West Point, New York and an MBA from Harvard University Graduate School of Business Administration, Boston. He has previously worked at Guardsmark Inc., Omni Computer Products, Ya Ya Interactive Media, and other companies of repute. He has also led QVC, a global video and e-commerce retailer of fashion, jewellery and home products, as CEO, QVC, China.



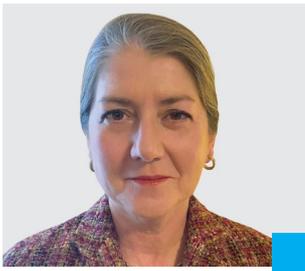
**Mr. Sunil Goyal**  
Non-Executive  
Independent Director

Mr. Sunil Goyal holds a postgraduate degree in Commerce and Arts, a graduate degree in Law, and a Post Graduate Diploma in Taxation and in Labour Laws. He is a member of ICAI, ICSI, ICWAI and served as the President of ICAI between 2004-05. He has vast experience in the fields of Finance, Internal Control, Risk Assessment and Risk Management, Corporate Governance, Accounting Standards, Assurance, Banking and Insurance as well as judicial processes by the virtue of being a member of various disciplinary committees. He has been deeply involved with the formulation and implementation of 'Accounting and Auditing Standards' in India.



**Mr. Sanjeev Agrawal**  
Non-Executive  
Non- Independent Director

Mr. Sanjeev Agrawal is a commerce graduate from University of Rajasthan and is a renowned personality in the field of Natural Dimensional Stones in India and across the globe. A first-generation entrepreneur, he established Stone Age Group in 1991, with the aim of promoting Indian stones in the global market. Mr. Agrawal was instrumental in establishing Strata Stones Limited in 2005, which is now one of the leading suppliers of Natural Stones to landscape industry in the UK. Another of his ventures, ORVI Design Studio, was launched in 2013, with a strong R&D culture, creating unique surfaces and articles that are used in high-end projects around the world.



**Ms. Stephanie Renee Spong**  
Non-Executive  
Independent Director

Ms. Stephanie Spong is a venture capitalist with over three decades of professional experience in strategy, operations, and finance, working with both start-ups and established companies in the U.S., Japan, Hong Kong, and Mexico. She brings seasoned business judgement and financial skills, and as Managing Director of Razorfish's Los Angeles office, she gained valuable operating experience and immersion in the digital media space. Her previous experience includes Goldman Sachs, McKinsey, Citibank, EPIC Ventures, and Monitor Group. She is currently a partner with Royal Street Ventures, an early-stage venture capital fund, serving on the boards of U.S.-based portfolio companies Trelora and Art and Craft Entertainment. For over a decade, Ms. Spong has supported fast-growth start-ups in tech-enabled industries as a Board member and Board observer/adviser. Ms. Spong is a graduate of Brigham Young University and earned her MBA from Harvard Business School.

## MANAGEMENT TEAM



**Mr. Sunil Agrawal, Managing Director**

Mr. Sunil Agrawal is a Commerce Graduate with an MBA from Columbia University, New York (US). A first-generation entrepreneur, he established this organisation in 1980 with the objective to formalise and bring international best practices and professionalism to the gems and jewellery trade in India. He is widely travelled and has immense knowledge on gemstones and jewellery, bringing to the Company the industry expertise and foresight that has been instrumental in its success. Simplicity, ethics, transparency & high benchmarked corporate governance are key focus areas of Mr. Agrawal.



**Mr. Vineet Ganeriwala, Group CFO, VGL Group**

Mr. Vineet Ganeriwala is a qualified Chartered Accountant and has done Executive Programme in Business Management from IIM Kolkata and International Programme on Development of Management Perspectives from IIM Kolkata. Mr. Ganeriwala is a finance leader with 21 years of experience across diverse industries (listed Indian companies and multinational corporations) and multiple geographies. He has been proficient at providing strategic direction, engaging with stakeholders and Board members. He has successfully led various transformation initiatives resulting in process improvements, cost efficiencies, improved margins, leading to sustainable growth.

Prior to the current assignment, Mr. Ganeriwala has worked with Vodafone Group as Country Finance Controller for Italy and Germany. He has also served as Finance Controller at Astra Zeneca Pharma India Ltd. (listed Company) and Head of Finance for Rajasthan circle at Aircel Ltd.



**Mr. Ankur Sogani, Vice President, Commercial, Shop LC (US)**

Mr. Ankur Sogani has over 20 years of experience in retail as a senior leader driving merchandising and innovation strategy across different channels. He holds an MBA in Marketing & Finance from the University of Rajasthan. He draws on his passion for jewellery, gemstones, and creating innovative techniques that makes him an expert in the gemstone and jewellery trade. His strong ability to recognize trends has influenced several million dollar brands under his management. He is known for having a close relationship with technology teams, leading to strong product roadmaps and solid execution. He has also established procurement facilities across China, Bali, India, Bangkok, and Philippines, instituting low-price point multichannel merchandising strategies to achieve the lowest return rate and highest gross profit rate in the industry.



**Mr. Deepak Sharma, Vice President, Owned Brands, Shop LC (US)**

Mr. Deepak Sharma holds significant experience in the retail world. He is a commerce graduate with an MBA. He began his career in 2006 as a merchandiser with clothing exporter and manufacturer Pratibha Syntex Pvt Ltd. In 2008, he joined Vaibhav Gems Ltd, as an Assistant Manager and has been a part of the organization's growth and success since the past 14 years. In 2015, he was offered the role of GMM for Lifestyle Buying & Merchandising in Shop LC. During this period, he along with his team elevated GMM's revenue substantially. Thereafter, he was appointed as the Senior Director and Vice President of owned brands in 2021-22.

A strong focus on positive customer experience has helped him to successfully navigate a complex retail environment and stay ahead of the trends for business and improve customer retention. He has served on the Covid task force team at Shop LC, wherein he implemented safe mitigation practices to protect employees and their families. His hobbies include spending time with his family, listening to music, and engagement in social activities.



**Mr. Srikant Jha, Managing Director, TJC (UK)**

Mr. Srikant Jha joined VGL Group straight out of his MBA school in 2007. After spending two years as a Management Trainee, learning the manufacturing and sourcing side of the business, Srikant spent the last ten years at Shop LC (Austin, Texas) and has been instrumental in its growth since then. Mr. Jha, with his great analytical skills and proven leadership qualities, has been able to excel in fast-paced, high-pressure environments while maintaining an upbeat, positive attitude. He has been a key member of Shop LC and has witnessed the company grow from a team of 58 employees in 2009 to a highly profitable business with a team of nearly 500 employees as of today. In his recent role as VP of Sales and Marketing at Shop LC, Mr. Jha was managing major business areas, including marketing, sales, eCommerce, content, planning, etc., and has built a solid team to drive the business forward. In his journey at VGL, in July 2019, he was appointed Managing Director, TJC, UK. His passion, sense of humor, and high energy have always made him popular among his colleagues, family, and friends.



**Mr. Raj Singh, Vice President, Supply Chain, VGL Group**

Mr. Raj Singh is a graduate in Chemistry and trained in Mechanical Maintenance. He began his career with Shrenuj & Company Ltd. In his career of 21 years; he has gone from strength to strength, improving and innovating businesses. His current stint with VGL Group appears to be a crescendo of an ever-climbing career. At VGL, he is instrumental in turning strategy into operational & financial success. Like Gems Studed Stainless Steel Jewellery, Ion Plating, etc., his initiatives are ground-breaking in the Jewellery industry. For an industry that is typecast as labor-intensive, Mr. Singh has led many automation drives and successfully grinding out cost efficiencies. His relentlessness is not limited to saving costs and improving product quality, as his versatility is reflected in the construction of VGL's SEZ Factory in record time. He affirms that the SEZ factory is one of the most environment-friendly buildings in the Country. It helps that Raj has a huge appetite for work while being able to relax outside of it.



**Mr. Pushpendra Singh, Vice President, Human Resources, VGL Group**

Mr. Pushpendra Singh started his career with NTPC as a Management Trainee immediately after completing his postgraduation in management. His keen sense of human behavior dynamics had him win the approval of not just his managers but his peers early on. He rose rapidly in ranks as his prowess in HR was prodigious. At Reliance Communication, he was widely acknowledged for his strategic thinking, solution orientation, and logical aptitude. He has thrived in roles that demand quick thought and action. His vast and versatile experience, coupled with an undying urge to challenge himself, got him moving again. He joined VGL Group in 2011 and is credited with restructuring and re-visioning HR to make HR an effective Business Partner. Currently, he is dedicated to making VGL a Great Place to Work. His efforts have led to accelerated employee engagement for productivity gains at VGL. He was awarded "20 Most Talented HR Leaders in Industry" by World HRD Congress in 2013.



**Mr. Deepak Mishra, Managing Director, Shop LC (Germany)**

A Managing Director, Shop LC (Germany) with 14 years' experience in the TV Home Shopping industry with a proven track record of achieving sales and profit growth. Skilled in Team Leadership, Multi-channel Retail, E-commerce, Trend Analysis, Strategy Building and Developing New Categories. Cross category experience, including Jewellery, Accessories, Fashion, and Home. Led the creation of new strategies to rejuvenate the Jewellery category which was in decline, achieving double digit turnover growth within 2 years and increasing the overall profitability.



**Mr. Ashish Dawra, Vice President, Global IT**

Mr. Ashish Dawra is a highly experienced IT leader and technology strategist with extensive experience of presiding over global teams. He holds an M.Sc. in computer science and is passionate about accelerating digital business through technology and has been with VGL for almost 2 decades now. He has delivered technology platforms for TV shopping, website, mobile apps, Smart TV, contact centres, logistics & ERP domains for retail business. He is a technically sophisticated Practice Manager with a career reflecting over 20+ yrs of experience in Planning, Analyzing, Designing/Architecting & Leadership qualifications, coupled with a hands-on management style.

## Board Committees



### Audit Committee

Review the financial reporting process and the disclosure of financial information, Recommendation for appointment, remuneration and terms of appointment of auditors of the Company, Scrutiny of inter-corporate loans and investments, review and approve all transactions/agreements with related parties etc.



### Stakeholder Relationship Committee

Scrutinise the status of shareholder correspondences, queries, grievances, review of service standards of RTA and measures/initiatives taken to reduce the quantum of unclaimed dividends etc.



### Nomination and Remuneration Committee

Criteria determination of Board's qualifications, independence and remuneration, formulation of criteria for evaluation of performance of Board and directors, recommend senior management remuneration.



### CSR Committee

Formulate and monitor Corporate Social Responsibility Policy, recommend CSR expenditure to be incurred on the activities, oversee the implementation of Business Responsibility Policies.



### Risk Management Committee

Identifies the risks impacting the business and formulates and administers policy strategies aimed at minimising and mitigating these risks.

## Board Diversity

### Independence



**5** Independent

### Gender diversity



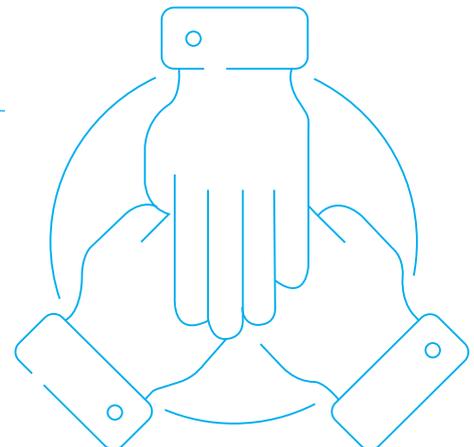
**80%** Male



**5** Non-independent



**20%** Female



## Evaluating and Identifying Climate-related Risks and Opportunities

Our vertically integrated business model and evaluation strategy helps us manage climate-related risks and enhance our ability to identify and participate in climate-related opportunities. We view climate-related risks as a method of mobilising and harnessing climate-related opportunities for the Company. Our ability to effectively manage climate risks and opportunities is imperative in serving our stakeholders and efficiently safeguarding our existing pools of assets, while creating opportunities for further growth.

### Climate-related Initiatives

Our manufacturing units are situated in Rajasthan, India, which faces acute water scarcity. This acted as a catalyst for us to spearhead water conservation initiatives.

We strongly advocate and adopt regenerative use of water and aspire to implement an integrated circular water use in our operations – Reduce, Reuse, Recycle and Replenish.

For our jewellery manufacturing facilities, a Hazard Identification and Risk Assessment (HIRA) is regularly conducted by an external auditor. This is a procedure that helps the Company establish, implement and maintain documented processes for continuous identification of hazards and assessing the risks attached. This procedure is instrumental in assessing occupational hazards and environmental risks in terms of potential and magnitude.

### Climate-related Risks

Risk	Risk Definition	Risk Type
<b>Physical</b>	Increasing risk of fire or damages due to climate-related events such as floods, cyclones and hurricanes could increase physical and operational risks and the cost to insure our buildings.	Acute
<b>Physical</b>	Weather-related events such as hurricanes and snowstorms may disrupt our supply chain, i.e., procurement of raw materials and product deliveries to customers, thus increasing our operating costs and/or may reduce customer demands.	Acute
<b>Physical</b>	Increased severity of chronic climate-related events such as water scarcity and droughts can impact our operating locations and disrupt systems, people and processes across our global footprint.	Chronic
<b>Transition</b>	Increasing regulations and evolving public preference may increase our operating costs and/or reduce demands for some products.	Regulatory

### Climate-related Opportunities

We have identified some climate-related opportunities for the Company, based on Taskforce on Climate-Related Financial Disclosures, the internationally accepted benchmark for climate-related financial disclosures.



#### Resource Efficiency

- Purchasing E-vehicles for transportation
- Water Stewardship
- Making our buildings Green



#### Products and Services

- Product and Sustainable Innovation
- Waste Management



#### Energy Source

- Using renewable energy at our facilities
- Using new technologies



#### Resilience

- Participating in energy efficiency measures
- Diversification and Resource Substitution

## SMETA Audit

As a key milestone in our ESG journey, we have successfully completed our 4-pillar SMETA (Sedex Member Ethical Trade Audit) for Vaibhav Lifestyle Limited, a subsidiary of Vaibhav Global Limited, and SEZ unit of Vaibhav Global Limited.

The Supplier Ethical Data Exchange, or Sedex for short, is a globally renowned online platform that allows members to provide customers and partners with detailed information about their social and ethical performance. The aim behind the audit is to ensure greater transparency across the entire supply chain.

The audit is conducted independently to assess our sites based on standards of labour, health and safety, environment and business ethics. The audit is aimed at assessing whether our responsible business practices are meeting with social compliance requirements. Following this, we seek to incorporate and implement the Corrective Action Plan (CAPR) recommended by the external audit team.

## Our Responsible Practices

### 1 RESPONSIBLE MANUFACTURING & PRODUCTION

We offer services like customising and personalising of jewellery for our customers, enabling them to share the exquisite pieces of jewellery with generations to come. Each piece is designed to not only be beautiful, but to create a lasting memory. Customers enjoy our precious metals and gemstones in jewellery for a lifetime. Care and repair allow customers to keep their jewellery in like-new condition.

All our jewellery is hallmarked, which is a mark stamped into precious metal items to guarantee a certain purity, fineness. Our product disclosures and hallmarking practices are audited by our internal team.

For our less popular products, we offer online bidding feature to the customers. Through auctions, our customers are able to own extraordinary pieces at throw-away sale prices, and we are in

turn able to sell our unutilised stocks. For jewellery pieces that remain unsold after a particular shelf period, we repurpose, redesign and re-circulate the precious metals and stones at our manufacturing facilities. We attempt to reuse every component from trade-in jewellery, including the 'gold dust'.

### 2 RESPONSIBLE SOURCING

Our vertical integration model helps incorporate environmental and social integrity in sourcing, processing and crafting our jewellery. We are dependent on our suppliers for adhering to acceptable global standards for mining. At present, we are capable of overseeing sourcing till the first stage of procurement i.e., till our first supplier. We plan to expand our traceability chain to include assessment up to the mining stage for at least one gemstone from next year onwards. We also remain committed to reducing the environmental impacts, respecting human rights and contributing to the well-being of local communities we operate within.

As we do not own or operate any mine, we are dependent on suppliers for adhering to acceptable global standards for mining. We work closely with the suppliers and adopt best possible practices to encourage them and increase awareness on responsible sourcing. These suppliers are expected to follow a stringent Supplier Code of Conduct and are encouraged to follow ethical and ecological protocols for their mining operations. We are committed to reducing environmental impact, respecting human rights and contributing to the well-being of local communities in which we operate.

As part of the ESG process, interactive sessions with vendors were conducted

in India, Thailand and Indonesia on key ESG aspects, particularly on the principles of ethical sourcing. These sessions covered key ESG aspects including waste management, green building certification, carbon emissions and their abatement process, responsible sourcing and renewable energy, among others. We intend to cover these sessions again in the future.



During the year, we acquired a majority stake of 60% in Encase Packaging, which is engaged in the business of manufacturing and trading all kinds of packaging material. Being largely dependent on sourcing of packaging material from China for our jewellery products, this acquisition will further consolidate our existing integrated supply chain network providing requisite flexibility and cost advantage. It will strengthen our efforts to develop a sustainable packaging for our products.

### Supplier Audits

For suppliers who are not members of Responsible Jewellery Council (RJC), we monitor their on-going compliance to the Supplier Code of Conduct by conducting surprise online and physical visits. RJC is a pioneer institute in promoting ethical sourcing practices. We encourage them to adopt industry best practices and ensure their supply chain partners also adopt the Supplier Code of Conduct or applicable laws. In future, we plan to conduct third-party planned and unannounced audits at the Supplier sites to ensure accountability and compliance. The SEZ unit of the Group is now a member of RJC, which will enable us to support responsible business practices in the entire supply chain This is another step of the Group towards our sustainable growth journey.



### Supplier Code of Conduct

We are inspiring our suppliers to adhere to sustainable business practices. We work closely with our suppliers and adopt best practices to raise awareness about the importance of responsible sourcing. This Code of Conduct helps uphold our basic expectations on ethical business practices.

- The Supplier Code of Conduct expects suppliers to align with the United Nations Guiding Principles on Business and Human Rights and work conscientiously to operate within that framework
- They are encouraged to go beyond the local laws of their home countries and support higher ethical values
- Our guidelines have helped suppliers streamline their policies and work ethics according to globally accepted labour standards and policies
- The Code covers labour relationships, employment practices, human rights and ethical business and environmental principles
- We recognise certain similar policies or frameworks such as the Responsible Jewellery Council certifications used by a supplier as equivalent to the Code
- We expect suppliers to encourage their own contractors and vendors to incorporate the principles of the Code into their business policies and practices. Each operating company is responsible for working with its own suppliers and to formally share the Code with them. Using a risk-based approach, our suppliers are responsible for defining an appropriate due diligence process, including encouraging their suppliers to follow responsible and ethical sourcing

## 3 RESPONSIBLE MARKETING

We display product information on the label as per every country's requirement. However, on certain products, we communicate product specifications such as safety measures, authenticity, test report of the products, etc. through online platforms, print, and live presentations for the convenience of customers.

## 4 CUSTOMER PRIVACY AND DATA PROTECTION

We regularly handle personal data relating to customers. We strictly follow the GDPR guidelines for privacy and data protection. Personal data is only used for legitimate business purposes. It is protected, used, stored and shared in accordance with the manner agreed upon collection and in accordance with applicable data protection laws. We offer relevant training and guidelines for our staff and use masking mechanism to protect sensitive personal information of our customers. Complaints are investigated and resolved in line with applicable data protection legislation.

## 5 WASTE REDUCTION POLICY

We have a well-drafted waste policy. In addition to minimising waste at our crafting facilities, we encourage our warehouse staff to sort and dispose of in-warehouse waste and adhere to local disposal and recycling requirements. The AAGA machines in our facilities convert factory waste into organic manure. We are planning to assess our waste management systems as we expand our circular ambitions.

## 6 GRIEVANCE REDRESSAL MECHANISM

The Grievance Redressal Policy for Employees (India, USA, UK, China, Hongkong and Bangkok), HR Escalation Matrix, and the presence of a strong grievance redressal body helps us maintain an uncompromising stand on value transgressions.

Our business partners acknowledge and comply with the Supplier Code of Conduct, which upholds the Anti Bribery Policy.

Our robust Whistle Blower Policy helps maintain the sanctity of the organisation. There are no significant fines and non-monetary sanctions for non-compliances with laws and/ or regulations in the social and economic areas.

### Our Principles on Grievance Resolution

Well-drafted policies and grievance mechanism

Time-bound resolution

Engaging in dialogues while protecting anonymity

Focus on remedification

## 7 OTHER CODES AND POLICIES

We have several other codes and policies in place that help us manage our sustainability and uphold integrity in our day-to-day operations.

Please visit <https://www.vaibhavglobal.com/code-policies> to know more.

Awards that Promote Robust Governance within VGL



Rajasthan State Best Employer Award - 2021



Conferred with IGIA Award for being 'Highest Export of Silver Jewellery category for FY 2019-20'. This was the sixth consecutive year that VGL has been conferred with this award.



GPTW Best Leaders in Times of Crisis 2021



'VGL's SEZ Unit has been conferred with 'Excellence Award' for 'IGBC Performance Challenge 2021 for Green Built Environment'



**Vaibhav Global Limited**

CIN: L36911RJ1989PLC004945

Registered Office: K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004

Tele No.: 91-141-2601020 • Fax No.: 91-141-2605077

Email: [investor\\_relations@vaibhavglobal.com](mailto:investor_relations@vaibhavglobal.com) • Website: [www.vaibhavglobal.com](http://www.vaibhavglobal.com)