Welspun LIVING

Sustainability Report
2025-26

Welspun 40



Leading Today, Transforming Tomorrow

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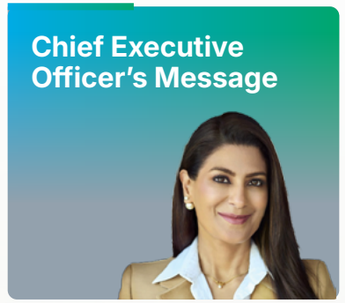
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About the Report

This Sustainability Report reflects our commitment to advancing our Sustainability Vision through responsible business practices and sustainable growth. It showcases our key initiatives, achievements, and progress across the pillars of Environmental Stewardship, Social Responsibility, and Ethical Governance.



The report highlights our performance in climate change mitigation through renewable energy adoption, water stewardship, resource circularity, and sustainable farming practices. It also showcases our commitment to employee well-being, health and safety, skill development, and community engagement, alongside our focus on strong governance through ethical business practices, board diversity and independence, supply chain sustainability, and responsible technology use. This report reflects our continued commitment to inclusive and environmentally responsible development. It outlines our long-term strategy and the roadmap guiding us toward achieving our sustainability targets. As a sector leader, we recognize our responsibility to lead by example, sharing knowledge, fostering collaboration, and engaging with peers to accelerate collective progress and sustain momentum across the industry. Through this report we transparently disclose our progress to keep our stakeholders informed and engaged in our journey towards a more sustainable future.

Reporting Principles & Framework

A key driver of our structured and comprehensive reporting approach is the concept of 'impact'. This includes the global impact of our products, the influence of our values on communities, and the effect of our operations on the environment. These dimensions form a crucial part of how we formulate our long-term strategy in achieving our targeted metrics.

This report has been prepared in reference with the core reporting principles of the Global Reporting Initiative (GRI) Standards, the United Nations Sustainable Development Goals (UN SDGs), and the Business Responsibility and Sustainability Report (BRSR) requirements mandated by the Securities and Exchange Board of India (SEBI) and guided by the National Guidelines for Responsible Business Conduct (NGRBC). In addition, we have incorporated relevant disclosures in line with the Sustainability Accounting Standards Board (SASB) Standards. The report maintains accuracy, balance, clarity, comparability, reliability, timeliness, and verifiability. It also maps our sustainability progress against the United Nations Sustainable Development Goals (UN SDGs).

Climate-related disclosures are presented in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), now integrated under the International Financial Reporting Standards Foundation (IFRS Foundation). These include our approach to climate-related risks and opportunities, along with scenario analysis to strengthen resilience and long-term value creation.

This report also incorporates the six capitals framework—financial, manufactured,

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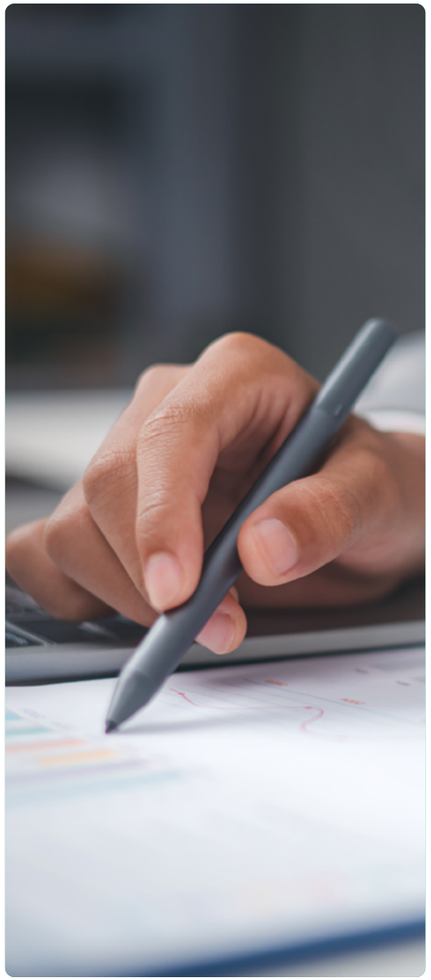
intellectual, human, social and relationship, and natural capital—as outlined in the Integrated Reporting Framework and addresses climate-related risks and opportunities in line with the International Financial Reporting Standards (IFRS).

Reporting Boundary

Our reporting boundary encompasses four manufacturing locations—Anjar (Gujarat, India), the Rugs and Terry Towel plants at Vapi (Gujarat, India), the flooring plant at Chandanvelly (Telangana, India)—and the corporate headquarters in Mumbai (Maharashtra, India). Across these locations, we present our performance on pivotal ESG indicators, including Energy management, GHG emissions, Water, Sustainable procurement and Waste management as well as employee well-being, diversity and inclusion, and transparent governance practices. Unless specifically stated, the report does not include data from external entities such as suppliers.

Reporting Timeline

We follow an annual reporting cycle aligning with our financial year, and this report covers the period from April 1, 2025 to March 31, 2026. Annual sustainability reporting aligning with the financial year allows us to integrate sustainability into our core business strategy enabling us to systematically track progress, benchmark performance, and provide consistent, transparent and timely updates to our stakeholders.



Double Materiality

Since 2023, we have adopted a double materiality approach, considering both financial materiality (risks and opportunities that impact our financial performance) and impact materiality (our environmental and social impacts). This enables a more comprehensive and balanced identification of our key material topics and strengthens the integration of sustainability into our business strategy.

Our materiality assessment is underpinned by continuous and structured engagement with both internal and external stakeholders, including employees, customers, suppliers, investors, and community representatives. Through surveys, consultations, and focused discussions, we regularly gather their insights, expectations, and feedback. This iterative process ensures that our priorities remain relevant, responsive to emerging risks and opportunities, and aligned with stakeholder expectations, while enhancing the robustness and credibility of our disclosures.

ESG Data Assurance

To enhance the reliability and robustness of our data, we have obtained limited assurance on select ESG KPIs from BDO India Pvt Ltd, an independent and reputed audit and assurance firm. This external validation strengthens the credibility of our disclosures, reinforces stakeholder confidence, and reflects our commitment to transparency, accuracy, and continuous improvement in ESG reporting practices.

Forward Looking Statements

Some statements in this report regarding our business pertain to future expectations and are based on discussions about our market position, financial status, business strategy, and objectives for upcoming operations. These forward-looking statements can be recognized by terms like 'anticipates,' 'expects,' 'intends,' 'may,' 'will,' 'believes,' 'estimates,' 'outlook,' and other similar expressions used when discussing future operational, environmental, social, and financial performance.

Feedback for additional information, enquiries, or comments regarding this report, please reach out to:

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Chief Executive Officer's Message



Dear Stakeholders,

Throughout history, businesses have evolved through ideas and principles that have shaped human aspirations and the goods and services created to meet them. One enduring lesson from this journey is that human progress is inseparable from the well-being of the planet, making sustainability not just a concept but a way of life.

At Welspun, sustainability guides every decision we make as we strive to meet evolving human needs while preserving resources, creating lasting value, and contributing to a better future. We believe that even the smallest conscious choices can lead to meaningful, lasting impact. Our approach is informed by the learnings of leading global organizations, aligned with the United Nations Sustainable Development Goals (UN SDGs), and driven by a commitment to purposeful action. Before every decision, we consider its long-term impact, believing that true progress begins with conscious intent. While global and market dynamics continue to evolve, our conscience remains the foundation of every choice we make.

This year is particularly meaningful for us as an organization as we celebrate four decades of Welspun's journey. What began with a vision to create world-class products has evolved into a global enterprise committed to creating long-term value for customers, communities, and the environment. Among the many milestones we have achieved, being recognized as the **S&P Global Corporate Sustainability Assessment (CSA), 2025 Rank #1 in the Textile, Apparel and Luxury Goods** sector stands as one of our proudest accomplishments. This recognition is more than an award; it validates the strength of our sustainability strategy, the dedication of our people, and our unwavering belief that business success and environmental stewardship must progress together.

Our transition towards renewable energy reflects this commitment in action. **Over the past years, we expanded our renewable energy portfolio to 42 MW of onsite capacity, complemented by an additional 18 MW through offsite power purchase agreements.** Today, two of our four manufacturing facilities operate entirely on green electricity, while a third is expected to transition soon with the completion of one of the **Welspun Group's largest Renewable Energy Round-the-Clock (RERTC) projects.** These investments represent more than infrastructure—they demonstrate our determination to decouple growth from emissions and accelerate our progress toward **Vision 2030.**

Cotton has always been at the heart of our business, making responsible sourcing one of our most significant responsibilities. During the year, we increased our sustainable cotton consumption to **95%**, marking another important milestone on our journey toward achieving **100% sustainable cotton** sourcing by 2030 through Better Cotton-certified and non-GMO organic cotton. However, our commitment extends far beyond procurement. We believe that building a resilient supply chain begins at the farm. Welspun has taken a distinctive approach to improving the representation and recognition of women farmers through its Equal Stock Initiative, while complementing it with broader livelihood and agricultural support programs. Through farmer engagement programs across Gujarat, Maharashtra, and Telangana, we continue to promote sustainable agricultural practices, improve productivity, and strengthen climate resilience, **positively impacting around 24,500 farmers.** By working closely with our suppliers as long-term partners, we strengthen innovation, enhance sustainability, and drive mutual growth across our value chain.

Our commitment to sustainability is equally reflected in the way we invest in people. Building an equitable, diverse, and inclusive workplace is fundamental to our long-term success. **Women today represent 29% of our workforce,** and we remain focused on increasing representation across every level of the organization. Initiatives such as **Jagriti, Women of Welspun, and RISE** continue to equip women with the skills, leadership capabilities, mentorship, and opportunities needed to grow into future leaders. By creating an environment where talent can thrive regardless of gender, we are strengthening both our culture and our business for the future.



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As our business continues to evolve, transparency and accountability have become increasingly important to our stakeholders. Through **Wel-Trak 2.0**, our advanced digital traceability platform, we have strengthened end-to-end visibility across our value chain—from farm to shelf—creating a single source of truth that builds trust and confidence among customers and partners alike. We firmly believe that the supply chains of the future must be resilient, transparent, and responsible. This is why we continue to collaborate closely with suppliers to support their low-carbon transition, embed ESG principles across our ecosystem, and ensure that every partner upholds the same standards of human rights, ethical labour, and responsible business practices that define Welspun.

Over the past year, the rapid advancement and widespread adoption of artificial intelligence have marked a defining moment in technological progress. As with every industry, manufacturing is embracing this transformation to unlock greater productivity, agility, and innovation. Technology is always a powerful catalyst shaping our future. We believe that artificial intelligence is not a replacement for human capability but an enabler that amplifies it. By **integrating AI with our Industry 4.0 manufacturing infrastructure,** we are transforming the way we produce, optimize resources, and respond to customer needs. AI-driven demand forecasting enables us to manufacture precisely what the market requires, when it requires it, reducing waste, improving operational efficiency, and maximizing resource productivity. This intelligent approach allows us to achieve responsible growth by producing more while consuming less, ensuring that innovation delivers both economic and environmental value.

As we look to the future, our aspirations extend well beyond business performance. Our ambition is to create enduring value for every stakeholder—our customers, employees, partners, investors, communities, and the planet. Sustainability will continue to define every innovation we pursue, every investment we make, and every decision we take. The challenges before us are significant, but so are the opportunities to shape a better future. Together, guided by purpose, strengthened by partnership, and inspired by innovation, we will continue building a business that is more responsible, more resilient, and more inclusive for generations to come.



Ms. Dipali Goenka
MD & CEO, Welspun Living Limited

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Statement from the Sustainability Desk

It gives me immense pride to reflect on the progress Welspun Living has made in advancing sustainability as a core business imperative. Over the years, our collective commitment has enabled us to emerge as a global leader in implementing sustainability across the textile value chain. This achievement is a testament to the unwavering dedication of our management, operational teams, and every individual who has embraced sustainability not as a function, but as a shared responsibility.

At Welspun Living Limited, Sustainability is woven intricately with the business strategy, enabling it to become a growth multiplier.

Our sustainability strategy continues to be anchored in globally recognized frameworks while remaining deeply relevant to the challenges and opportunities within our operating landscape. Guided by the **United Nations Sustainable Development Goals (UN SDGs),** we have aligned our priorities to contribute meaningfully to global development while addressing local environmental and social needs. Our pathway to achieving **Net Zero by 2040 has been validated by the Science Based Targets initiative (SBTi),** providing independent assurance that our climate ambitions are scientifically robust and aligned with the latest climate science. Complementing this long-term commitment, our Vision 2030 roadmap sets ambitious targets across carbon neutrality, freshwater positivity, 100% sustainable cotton procurement, and other material sustainability priorities, ensuring that our growth remains responsible, resilient, and future-ready.

As sustainability expectations continue to evolve, our approach remains rooted in scientific rigor, sound governance, and accountability. Today, sustainability extends well beyond environmental stewardship; it requires organizations to demonstrate measurable performance, transparent reporting, and strong governance while adapting to an increasingly dynamic regulatory environment. At Welspun Living, we have continued to strengthen our ESG framework by integrating sustainability into business processes, enhancing governance mechanisms, and embedding compliance, transparency, and accountability across every level of the organization. These principles provide the foundation upon which we build trust with our stakeholders and ensure that sustainability remains integral to every strategic decision.

At the heart of our approach lies a strong commitment to people and communities. We firmly believe that sustainable development must be inclusive, ensuring that economic growth creates opportunities for everyone while protecting natural ecosystems. Our social initiatives are designed not only to improve livelihoods but also to foster diversity, equity, inclusion, and long-term resilience across our workforce and the communities we serve. By investing in human potential and community well-being, we are creating lasting value that extends far beyond our own operations.

Equally important is our belief in the power of collaboration. The challenges posed by climate change, resource scarcity, and responsible sourcing cannot be addressed by any one organization alone. Lasting progress requires partnerships built on trust, shared learning, and collective action. We continue to engage proactively with industry peers, customers, suppliers, certification bodies, and other stakeholders to exchange knowledge, adopt best practices, and accelerate innovation across the value chain. This collaborative ecosystem enables us to scale impact while contributing to the broader transformation of the textile industry toward greater sustainability.

The past year has been both challenging and defining. Despite evolving geopolitical conditions and an increasingly complex global business environment, we remained focused on our long-term sustainability priorities. Our efforts continued to be centered on climate action, water stewardship, circular economy, responsible sourcing, and inclusive growth—five interconnected pillars that strengthen business resilience while delivering positive environmental and social outcomes. By maintaining this strategic focus, we have continued to build a business that is better prepared for the future while creating long-term value for all stakeholders.

Our progress in climate action is reflected in the continued expansion of our renewable energy portfolio, which now stands at **60 MW of renewable electricity capacity.** Alongside this transition, we significantly increased the use of biomass, consuming 10,741 metric tonnes during the year to further reduce our dependence on conventional fossil fuels. These initiatives have strengthened our environmental performance while improving energy resilience and supporting our long-term decarbonization pathway.

Water stewardship remains one of the defining pillars of our sustainability strategy. Through continuous investments in

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advanced treatment technologies and resource-efficient processes, we have **increased water recycling and reuse to 59% of our total water withdrawal.** A major contributor to this achievement is our **30 MLD sewage treatment plant at Anjar,** which represents a powerful example of integrated resource management. By treating municipal wastewater from three neighboring cities and reusing the treated water within our operations, the facility significantly reduces freshwater consumption while delivering meaningful environmental benefits to both industry and the surrounding communities.

Our commitment to creating positive social impact continued to grow during the year. Through our corporate social responsibility initiatives, we positively impacted over 1.06 million lives across areas including women's empowerment, farmer capacity building, education, and health and well-being. Flagship programmes such as **WelNetrutva, WelShiksha, WelSwasthya, and WelKrishi** continue to address critical development needs while enabling inclusive and sustainable progress at the grassroots level. These initiatives reinforce our conviction that business success must be accompanied by meaningful contributions to society.

Responsible sourcing remains another key priority within our sustainability agenda. During the year, we **trained more than 24,500 farmers** across approximately **1,84,500 acres in climate-resilient and sustainable agricultural practices.** These



programmes enhance farm productivity, promote efficient resource utilization, strengthen climate resilience, and improve livelihoods while ensuring a more sustainable and traceable cotton value chain. By working directly with farming communities, we are helping build a resilient agricultural ecosystem capable of supporting future generations.

Transparency and credibility remain fundamental to effective sustainability leadership. This year, we further strengthened stakeholder confidence by obtaining limited assurance on selected key sustainability performance indicators from BDO India Pvt Ltd, an independent third-party assurer. This independent assurance enhances the reliability of our disclosures, reinforces confidence in our reported performance, and reflects our ongoing commitment to robust data governance, transparency, and accountability.

Looking ahead, our focus remains firmly on building a resilient, low-carbon, and responsible value chain. We will continue to strengthen collaboration with suppliers, customers, industry partners, and communities to accelerate sustainability across the broader ecosystem. Through knowledge-sharing, innovation, and collective action, we are committed to creating a cleaner, more inclusive, and future-ready supply chain that generates lasting value for people, the planet, and our business. While the sustainability journey continues to evolve, our commitment remains unwavering to lead with purpose, act with integrity, and contribute meaningfully to a more sustainable future for generations to come.



Mr. Alok Mishra
President - Sustainability, Welspun World

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Company Profile

Welspun Living Limited

Welspun Living Limited is the vertically integrated textile manufacturing arm of the Welspun Group, a **USD 5 billion** global conglomerate with a presence in over 60 countries. With over **16,000 employees** and four state-of-the-art manufacturing facilities, the company manufactures innovative and sustainable home textile products including towels, bed linens, rugs, carpets, and flooring solutions. Recognized as the largest exporter of home textiles from India and the **#1 supplier to the U.S.** home textile market, Today every 4th Towel and 7th Sheet sold in the United States is made by Welspun Living Limited.

We have a strong reputation in quality, scale, and market leadership globally, along with collaborations with some of the world's most recognized brands and retail partners such as Martha Stewart, Disney and more.

Celebrating **Forty Years** of Excellence

Our journey began in 1985 with the establishment of Welspun Winilon Mills in the Palghar district. Starting as a small texturizing unit, we have grown into one of the world's largest home textile manufacturers. The transition to Welspun Living Limited marks a strategic rebranding aligned with the company's evolving mission to create innovative and sustainable products designed to improve everyday lives. Marking four decades of progress, Welspun's journey reflects sustained growth, innovation, and a commitment to delivering high-quality products to customers worldwide.

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Legacy Woven Through Time

1985 — Welspun Winilon Mills was born at Palghar

1991 — Listed on Stock Exchange

1996 — We became the 4th largest exporter of terry towels to Europe & USA

2004 — Welspun City was established at Anjar

2017 — Launched Wel-Trak 2.0 enforcing traceability through value chain

2020 — Flooring facility was established at Hyderabad

2022 — Har Ghar se Har Dil Tak Welspun

2023 — Welspun India Rechristened as Welspun Living

2026 — Towards an era of transformation



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Product Portfolio



Terry Towel- Performance-driven towels, wellness-focused textiles, and sustainably manufactured towel collections designed for comfort and durability.



BedLinen- Sheets, pillowcases, comforters, and duvets crafted from natural, organic, and recycled fibers, combining quality with responsible sourcing.



Rugs & Carpets- Machine-made and handcrafted rugs and carpets developed with a strong emphasis on circular design and sustainable materials.



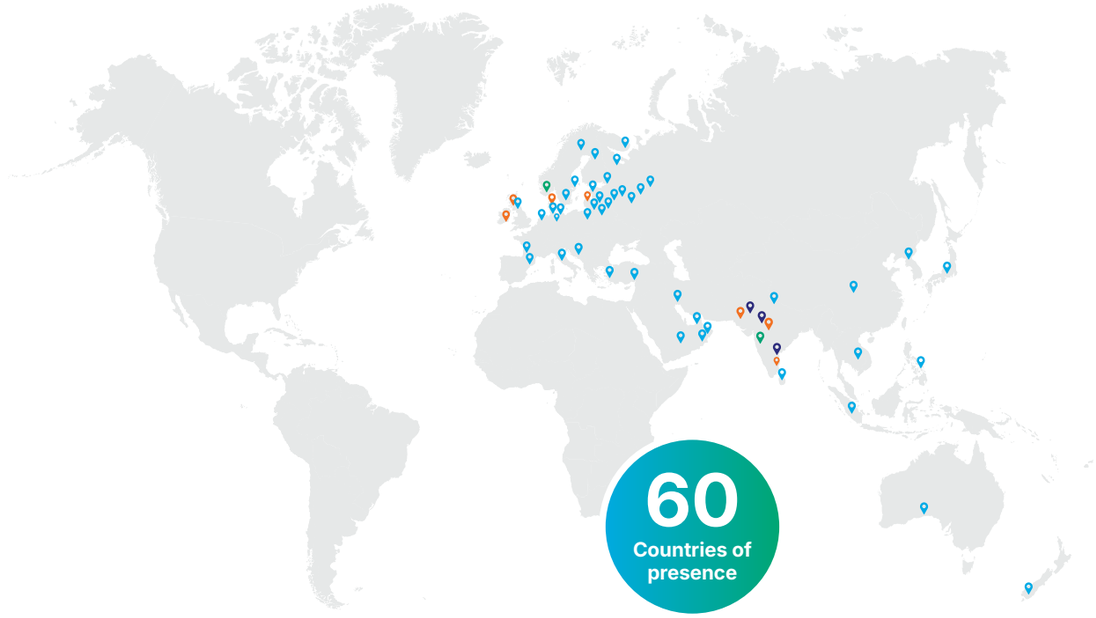
Flooring Solutions- Customized and standard flooring solutions tailored for residential and commercial environments.



Advanced Textiles- Innovative technical fabrics including spunlace and needle-punched non-woven materials, along with hygiene and cleaning solutions such as wet wipes, serving healthcare, hospitality, and allied sectors.

Global presence and Market Reach

Over the past four decades, we have expanded our global presence to more than 60 countries. We are a key supplier to leading global retailers including Walmart, Costco, Target, Macy's, IKEA, and JCPenney. With a strong international footprint, the company serves major markets across the United States, United Kingdom, Europe, Australia, and the Middle East, reinforcing its position as a global leader in home textiles.



Warehouses Facility Corp HQ/Marketing Offices Country Served

For more details on our locations, please visit our website at https://www.welspunliving.com/about-us

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Vision & Values

Delight our customers through innovation and technology, achieve inclusive and sustainable growth to remain eminent in all our businesses.

Home Textiles

Advanced Textiles

Flooring

Culture and Values form the backbone of Welspun Living Limited, it is how we work, collaborate, and innovate. The LITE values form a pivotal role in shaping how we do our business and deliver positive outcomes for all our stakeholders.



Learn = Learn, unlearn & relearn - discover something new every day.

Innovation = Do things differently and do different things.

Trust = Make truth & transparency a virtue.

Endurance = Push beyond your limits and aspire for more.

Guiding Principles

We place the needs and preferences of our customers at the heart of all our endeavours.

Collaboration forms the cornerstone of our operations, fostering synergy and shared success.

Our commitment to technological advancement and innovative thinking drives our progress.

We are dedicated to fostering growth that includes all stakeholders, leaving no one behind.





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Business Portfolio

As Welspun Living Limited completes four decades of innovation and transformation, the company continues to strengthen its commitment to innovation, sustainability, and global leadership. We offer a diverse portfolio of products through our owned brands like Spaces, Welspun Health, and Christy (UK) along with private-label manufacturing for leading global retailers. Over the past four decades, we have remained committed to reducing our environmental impact, and today this commitment is stronger than ever. We are advancing our manufacturing capabilities through the adoption of Industry 4.0 technologies and increased automation across our operations. As a fully integrated solutions provider, Welspun Living Limited caters to diverse customer segments, including retail, hospitality, healthcare, and institutional sectors, while continuously expanding its presence across new-age and digital platforms.

Flooring Solutions - Engineered for Performance, Designed for Living

At our Hyderabad facility, we produce a comprehensive range of flooring solutions, including carpet tiles, area rugs, bathmats, and artificial turf. Designed to deliver durability, low maintenance, and strong aesthetic appeal, these products cater to both residential and commercial environments. With a continued emphasis on sustainability, our flooring solutions incorporate recycled materials, low-VOC finishes, and recyclable design principles—ensuring a balance between style, functionality, and environmental responsibility.

Flooring	Unit	Annual Capacity	FY2025-26
Flooring	Mn Sq Mtrs.	18	6.5

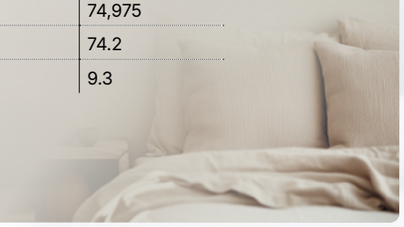


Product Profile

Home Textiles - Enhancing Everyday Living Through Innovation

Welspun Living Limited offers a premium collection of bed and bath textiles—including bedsheets, duvets, towels, and bathrobes—crafted using high-quality and responsibly sourced materials such as organic cotton and recycled fibers. Designed to deliver superior comfort, durability, and functionality, these products incorporate advanced features like temperature regulation, quick-dry performance, and antimicrobial protection. Through water-efficient processes and low-impact manufacturing practices, Welspun ensures that innovation, wellness, and sustainability are seamlessly integrated across both home and hospitality segments.

Home Textile	Unit	Annual Capacity	FY2025-26
Bath Linen	MT	96,400	74,975
Bed Linen	Mn Mtrs.	108	74.2
Rugs & Carpets	Mn Sq Mtrs.	12	9.3



Advanced Textile Solutions - Innovating for Tomorrow

Our advanced textile solutions are engineered to meet the evolving needs of performance-driven sectors such as hygiene, automotive, and industrial applications. Leveraging technologies including needle punch, spunlace, and thermal bonding, we develop smart, lightweight, and environmentally responsible fabric solutions. These products reflect our strong commitment to technical innovation while minimizing environmental impact.

Advanced Textile	Unit	Annual Capacity	FY2025-26
Spunlace	MT	27,729	14,966
Needlepunch	MT	3,026	1,350
Wet Wipes	Mn Packs	100	19.9



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Product Innovation

Resource-Efficient Production

Our manufacturing facilities recycle wastewater for use in production processes, significantly reducing dependence on freshwater resources. By treating and reusing wastewater, we enhance water efficiency while minimizing our environmental impact.

Sustainable packaging practices

We prioritize the use of recycled cartons, cardboard, and other packaging materials to reduce our environmental footprint. This approach supports responsible resource use while minimizing waste generated across our packaging operations.

Promoting Circularity

Our efforts lie in maximizing the reuse and recycling of waste generated in our operations. We have established on-site waste cotton recycling unit to increase circularity.

Waste to Best

Waste materials generated during manufacturing are creatively repurposed into products such as designer pillows and handicrafts. This practice not only diverts waste from disposal but also transforms it into value-added products.

Hygrocotton

HygroCotton uses innovative air-pocket yarn technology to enhance moisture management, comfort, absorbency, and long-lasting softness.

Wel-Trak

Powered by blockchain technology, WEL-TRAK® ensures transparent, reliable, and end-to-end traceability throughout the supply chain.

Charcoal

Charcoal-infused textiles combine natural detoxifying and anti-odor properties with softness and breathability to deliver long-lasting

Anti Allergic Fabric

Powered by patented Nano Core™ technology, our anti-allergy textiles provide a chemical-free natural allergen barrier designed for sensitive skin.

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6 Capitals

Financial Capital

Input

- Net Debt = ₹775.4 Cr
- Equity = ₹4,977.95 Cr
- Fixed assets net block = ₹4,729.02 Cr
- Working capital = ₹1,797.17 Cr

Output/outcomes FY2025-26

- Market capitalisation ~ ₹10,400 Cr (as on 31st March 2026)
- ROCE (Pre tax) = 5.6%
- ROE = 4.2%
- Dividend payout recommended for FY26 = ₹9.59 Cr
- Total income = ₹9,468 Cr
- EBITA = ₹862 Cr
- EBITA Margin = 9.1%
- EPS = 2.14
- Continued investment in manufacturing, innovation and sustainability

Value Creation

- Drives financial resilience, funds innovation and ESG initiatives
- Generates sustainable financial returns
- Funds innovation
- Enables long-term business growth

Manufacturing Capital

Input

- With Four domestic manufacturing facilities, we possess the means to produce diverse and innovative products and services that bring high value to our customers
- Domestic manufacturing facilities: 4

Output/outcomes FY2025-26

- Production of bath linen, bed linen, rugs/carpets, flooring products, spunlace, needle-punch and wet wipes
- High value created for customers
- Bath linen - 74,975 MT
- Bed linen - 74.2 Mn Meters
- Rugs & Carpets - 9.3 Mn Sqm

Value Creation

- Improves productivity, reduces environmental footprint, supports circularity
- Creates high-quality products
- Manufacturing efficiency
- Customer value and employment

Human Capital

Input

- Our team of employees, including a significant representation of women talent, forms the backbone of our success
- Total workforce: 21,946 Including Permanent and contractual workers
- Women representation - 29%

Output/outcomes FY2025-26

- Employees with tenure >10 years: 2,890
- Investment in employee development and well-being
- Retention rate: 97%
- New recruits: 7,110

Value Creation

- Builds a future-ready workforce and inclusive culture
- Builds workforce capability Productivity, retention and an inclusive workplace

Intellectual Capital

Input

- Our intellectual prowess is evident in our dedicated R&D team and a portfolio of 50 patented technologies, positioning us as a leader in our field
- R&D and PD team strength: 78
- Patented technologies owned by WLL: 50

Output/outcomes FY2025-26

- Percentage of sales in FY26 from innovation: 22%
- Development of differentiated and sustainable products

Value Creation

- Strengthens competitive advantage
- Product differentiation and future growth

Natural Capital

Input

- We remain conscious of our environmental footprint and are proactively implementing measures to conserve natural resources
- Energy Consumption: 63,52,230 GJ
- Water Withdrawal: 61,67,270 KL

Output/outcomes FY2025-26

- Energy Intensity: 836.62 GJ per ₹ Cr
- GHG intensity: 104.95 tCO_2e per ₹ Cr
- Annual sewage water recycled: 3.6 billion liters
- Recycled cotton consumed | 5,447 MT
- Sustainable cotton consumption | 95%

Value Creation

- Reduces environmental footprint
- Improves resource efficiency
- Supports climate resilience
- Protects long-term resource availability

Social and Relationship Capital

Input

- We believe in giving back to the community and investing in Corporate Social Responsibility (CSR) initiatives
- Investment on CSR initiatives in FY26: ₹12.65 Cr
- Stakeholder engagement

Output/outcomes FY2025-26

- 10 lakh+ cumulative community lives impacted
- WLL- 2,48,683
- People benefitted through WelSwasthya: WLL-47,515
- 24,566 farmers enrolled in sustainable farming projects
- 100% of suppliers assessed against the stated FY25 ESG target

Value Creation

- Builds social goodwill, strengthens supply chain resilience, enhances brand equity
- Builds stakeholder trust
- Strengthens supply-chain resilience
- Supports livelihoods
- Enhances social licence to operate

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Sustainability at WLL



ESG Vision

Our aim is to always be kinder and gentler to the planet tomorrow than we were today, to improve the lives of the people we serve as well as those we work among, and do it all with a sense of integrity that is second to none.

Our vision will be achieved through our ESG Strategies in our aspiration to be a global beacon in sustainability.

Welspun's Holistic ESG Strategy



Key Considerations

Global Trends | Customer Goals | Peer Analysis | Global Reporting Frameworks | ESG Ratings

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ESG Policy

Our ESG Policy puts the Triple Bottom Line approach into execution by covering People, Planet, and Profit — for the organisation and the communities it operates in. The Policy extends from our manufacturing facilities to our upstream and downstream value chains.

It emphasizes environmental stewardship with a sustained focus on Water, Air, Climate Change, and Energy Management. At the same time, Transparent Governance and Social Responsibility carry equal weight — people remain at the forefront of our growth, enabling a people-driven just transition. Human and labour rights, a fair workplace culture, and equal opportunity for all are non-negotiable for us. These measures are most effective when implemented through a top-to-bottom approach.

Our Board maintains active oversight of the overall sustainability strategy, with quarterly board ESG & CSR Committee meetings to track progress and identify opportunities for improvement. Business integrity remains our top priority, with zero tolerance exercised toward malpractice and corrupt behaviour.

Click here to read

The ESG Policy



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Prioritizing What Matters Most

Materiality

Identification of Material Issues

Welspun Living Limited conducted a materiality assessment in FY2022-23 to identify and prioritize sustainability issues crucial to its business and stakeholders. This process, aligned with international reporting standards, involved engaging key internal and external stakeholders to gather diverse insights. Each potential material issue was thoroughly analyzed, considering feedback from both stakeholders and management, leading to a well-informed prioritization of topics that reflect their significance to the company's operations.

Moving from Single Materiality to Double Materiality

We have adopted a double materiality approach in our materiality assessment to evaluate both the financial implications of sustainability issues on our business and the broader environmental and social impacts of our operations. Unlike traditional impact materiality, which focuses solely on a company's impact on ESG factors, this approach enables a more comprehensive understanding of risks and opportunities—ensuring that both business performance and societal impact are effectively addressed.

Guidelines from Global Reporting Initiative (GRI) and Corporate Sustainability Reporting Directive (CSRD) have been taken into consideration when carrying out the double materiality assessment. This approach allows us to analyse not only the financial effects of our activities but also their environmental and social consequences. By embracing this dual perspective, we gain valuable insights into the sustainability issues that matter most to our stakeholders, enabling us to effectively address their concerns and ensure our business's long-term viability.

Impact Materiality involves understanding the actual and potential impacts of our operations on society and the environment. We are dedicated to assessing both the current and potential effects of our activities and value chain.

Financial Materiality pertains to socio-environmental issues that influence our financial performance. By comprehending the relationship between Impact and Financial Materiality, we can make informed decisions that advance our business while ensuring financial stability and growth for our stakeholders.



Our Double Materiality Approach

Preliminary identification of material issues

In the initial phase of our assessment process, we compiled a preliminary list of material topics based on our previous materiality assessment, the SASB framework, and industry-specific issues. This step identified key issues impacting our financial and sustainability performance, encompassing financial risks as well as environmental and social concerns.

Grouping of Similar Issues

Grouping issues is essential in double materiality. Considering issues in isolation can obscure their full impact on the company. By grouping them, we can better understand their interactions and how they may amplify or mitigate each other's effects.

Identification of Potential and Actual Impact, Risks & Opportunities

Identified their potential, actual, positive, and negative impacts by examining the direct and indirect effects of our operations, value chain, products, and services on society and the environment. We also assessed the associated risks and opportunities.



Stakeholder Engagement

We actively engage with both our internal and external stakeholders through structured and ongoing interactions to continuously review and validate our material topics. This enables us to gather valuable insights on emerging risks, opportunities, and impacts across our value chain.

Finalization of Key Materiality Issues

After stakeholders rated the material issues, we calculated average scores for Scale, Scope, and Remediability. We summed up these scores to derive Impact Materiality scores. Key material issues were identified by multiplying the Financial and Impact Materiality scores.

Final Mapping and Sharing results with stakeholders

After the completion of the assessment and prioritization, the final results are shared with board level ESG & CSR Committee for their feedback and signoff.

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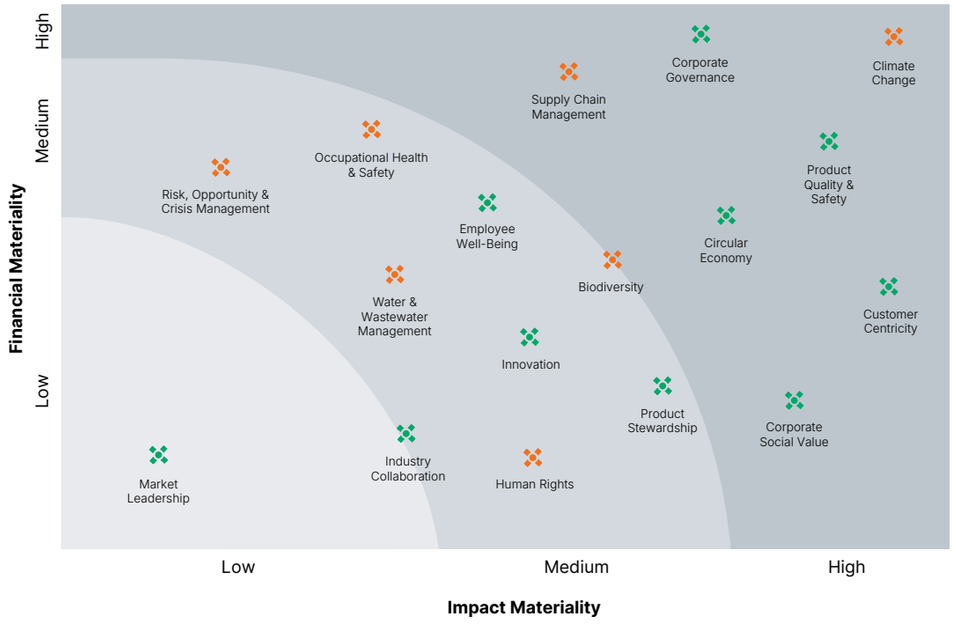
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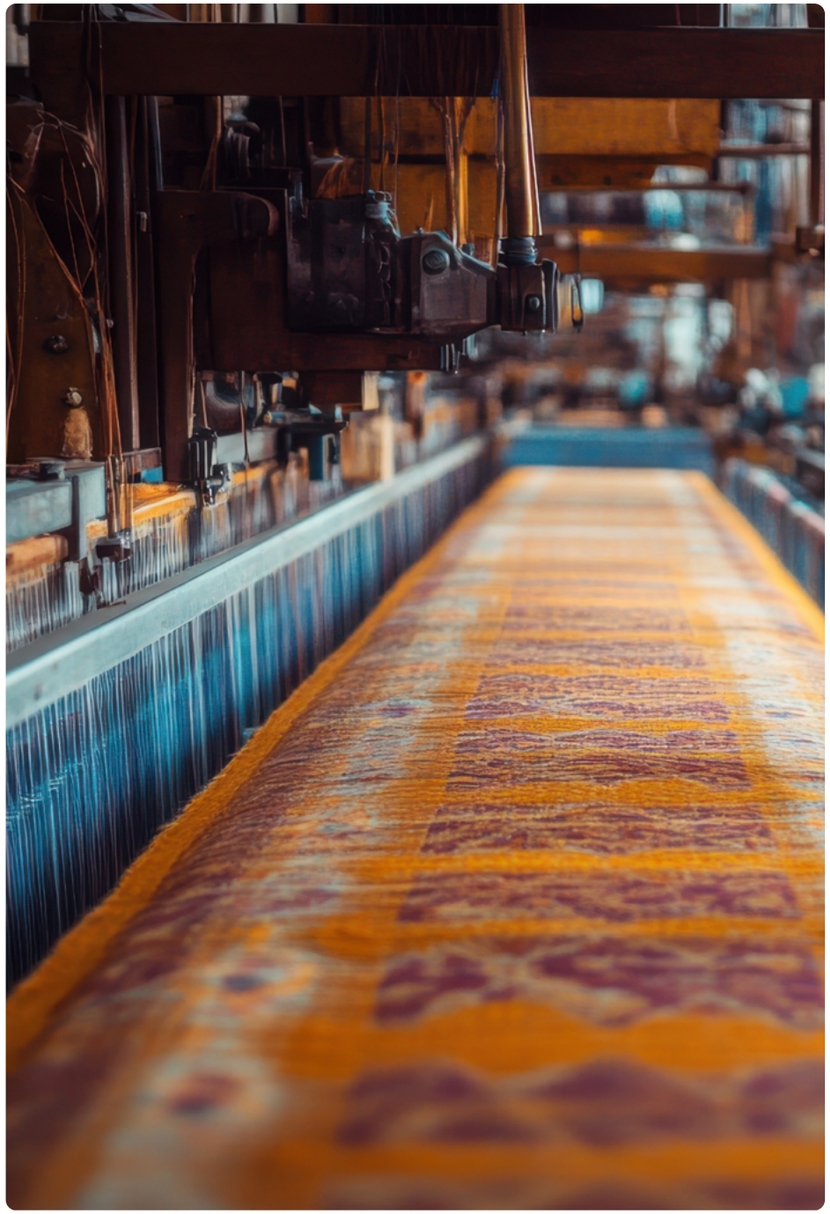
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Rating Criteria

Rating Criteria for Double Materiality	0	1	2	3	4	5
Scope of Impact	None	Limited	Concentrated	Medium	Widespread	Global
Scale of Impact	None	Minimal	Low	Medium	High	Absolute
Remediability of Impact	None	Minimal	Low	Medium	High	Irreversible
Financial Materiality	None	Minimal	Informative	Important	Significant	Critical

Material Topics





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Our Sustainability Journey in FY26

Plastic waste recycled
466 MT

Electricity saved
82,58,220 KWH

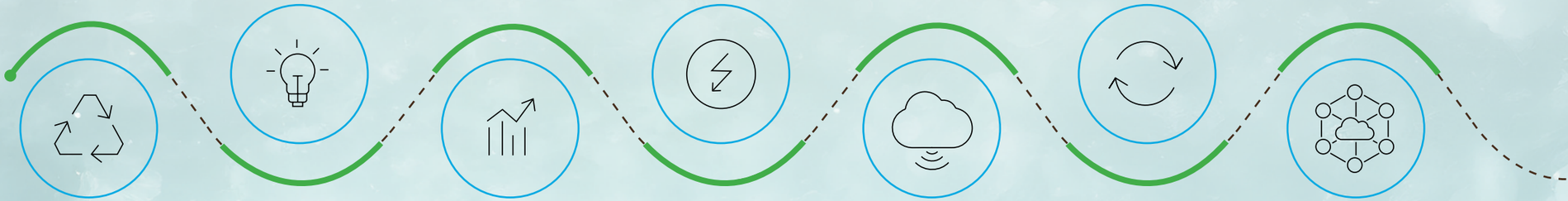
GHG intensity
4.8 tCO_2e/MT

Energy intensity
38.9 GJ/MT

GHG avoidance
(GHG avoidance of total RE electricity)
94,894 tCO_2e

Total waste recycled or reused
36,060 MT

GHG reduction
(baseline-2021)
17%



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Our Sustainability Journey in FY26

Women in workforce
29%

Sustainable cotton
95%

Women empowerment through livelihood initiatives
23,793

Waste Diverted from Landfill
99.75%

Patents
50

Sustainable packaging
83%

Coal avoided
8,866 MT



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ESG Ratings, Awards & Recognitions

S&P Global

Score of 90/100

in Textiles, Apparels & Luxury goods Category

CDP

A- in Water Security
B in Climate Change

ecovadis

74, Silver rating,

top 15 percentile

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Great Place To Work® Certified 2026 INDIA™

Awards

- Welspun Living Limited was ranked **World No. 1 in S&P Global's Corporate Sustainability Assessment** for the Textile, Apparel & Luxury Goods category as on 11.12.2025.
- Welspun Living was recognised as Rank One by Business World Magazine at India's Most Sustainable Companies Awards 2026 in the Consumer Services, Retail & Entertainment category.
- Ranked among **India's Best Companies to Work For 2025** and was recognised as one of India's Best Workplaces in Textiles.
- Felicitated as a **Champion of Green Business** Practices at Sustainable Organisations 2025.
- Recognised among the **Top 50 Companies at the CII Industrial Innovation Awards 2025.**
- **Welspun Living received the IGBC Platinum Award.**
- Recognised in additional categories including **Best Workplaces Building a Culture of Innovation by AI**, India's Best Workplaces in Manufacturing, and India's Best Workplaces in Textiles & Textile Products.
- Received the Innovator in **Digital Technology Integration Award** at the ET Supply Chain Awards.
- Welspun Living Advanced Textiles won the Gold Award in the MediTech category at the **MATEXIL Exports Awards 2025.**
- Welspun Living was awarded **'India's Greatest Brands 2024-25' by Asia One Magazine.**
- Welspun Living secured Triple Recognition at the **2024/25 Vision Awards, including the Gold Award (Industry Category), Technical Achievement Award, and a global ranking of #83 among all reports evaluated**



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Aligned with Global Goals

Our sustainability journey is firmly aligned with the **United Nations Sustainable Development Goals,** guiding our focus on both environmental and social impact. We have surpassed our commitment of impacting one million lives through CSV ahead of time, reflecting the scale and effectiveness of our initiatives. With a strong position in 100% sustainable cotton, we continue to advance steadily across key priorities—enhancing renewable energy adoption, reducing freshwater consumption, and progressing towards zero hazardous waste to landfill—demonstrating consistent momentum towards our long-term goals.

Goals	FY26 Progress	Target 2030	Status
GHG Emission reduction (baseline: 2021)	17%	100% Reduction	On track
100% Sustainable Cotton	95%	100%	On track
Freshwater Intake	14.5 KL/MT	0 KL/MT	On track
Zero Hazardous Waste to Landfill	86.5 MT	0 MT	On track
Impacting one million lives through CSV	10,67,551	18,00,000	On track
Farmers in Welspun Sustainable Farming Project	24,566	50,000	On track

Facility Certifications

- STeP - Sustainable Textile Product
- IGBC Platinum
- Zero Waste Standard
- Integrated Management System (ISO 9001:2015, ISO 14001:2018, and ISO 45001:2018)
- LEED BD and CV4

Product Certifications

- Green Pro
- Third-party verified LCA and EPD for our products
- CE
- GREENGUARD GOLD
- CRI GLP
- Global Recycled Standard
- SCS Indoor Advantage Gold
- SGBP
- NSF/ANSI 140 Gold rating
- FloorScore
- OEKO-TEX®

Other certifications:

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Product Stewardship

Stewardship Goals

Circular Products by 2030

Transitioning to the production of only circular products, designed for reuse and recyclability.

Biodegradable Products

Ensuring all products are biodegradable to minimize environmental impact.

End-of-Life Solutions

Implementing innovative recycling and upcycling initiatives to give products a new life at the end of their lifecycle.

Strategy

We have developed a comprehensive strategy to advance product stewardship across our entire product portfolio. Our approach is structured around water conservation, energy efficiency, eco-friendly packaging, waste reduction, and sustainable raw materials, each supported by clearly defined KRAs and measurable KPIs. Through rigorous monitoring and evaluation, we continuously identify opportunities for improvement and drive performance enhancements. Our stewardship efforts extend across the value chain, with a strong emphasis on responsible sourcing and sustainable procurement practices.

We are using sustainable cotton in our production **95%**

Status

Identifying Environmental Hot Spots at this stage, the primary focus of our LCAs is to identify pollution hot spots across the product life cycle. By pinpointing the stages that contribute the most to environmental degradation whether it's in raw material sourcing, energy use during production, or end-of-life disposal we are gaining a clearer understanding of where improvements can be made

Based on our Life Cycle Assessment (LCA) findings, we have implemented several strategic initiatives aimed at significantly reducing our carbon footprint and enhancing water and resource efficiency. By identifying key areas for improvement throughout our production processes, from raw material extraction to production, distribution, use, and disposal. We have set ambitious targets to minimize emissions and optimize resource use. These initiatives include adopting energy-efficient technologies, reducing waste through circular economy practices, and implementing water conservation measures.

Across our operations, we prioritize resource efficiency and circularity. Wastewater recycling and reuse initiatives have been implemented to move towards freshwater-positive manufacturing processes. Renewable energy generation and procurement form a critical pillar of our carbon neutrality strategy, contributing to a lower environmental footprint of our products. In addition, we actively promote recycling and on-site reuse of various waste streams to maximize circularity.

Majority of our packaging materials are sustainable and supported by credible third-party certifications.

For example,

Raw Material Sourcing: Assessments have revealed significant environmental impacts associated with the cultivation and processing of cotton, leading us to explore more sustainable alternatives like organic or recycled fibres. We are using 95% sustainable cotton in our production.

Water Consumption: Through LCA, we have identified that dyeing and finishing processes are water-intensive and are now prioritizing technologies that reduce water usage or enable water recycling.

Sustainability Aspect	Description	Benefits
Mono Fibers	Utilize singlefibre materials in product design to enhance recyclability and reduce waste.	Simplifies recycling processes and reduces contamination.
Durable and Strong Products	Design products for enhanced durability and strength to prolong their lifespan.	Decreases frequency of replacement, reducing overall waste.
Biodegradable Products	Incorporate biodegradable materials to ensure products break down naturally at the end of life.	Minimizes environmental impact and landfill waste.
Safe Chemicals	Use non-toxic, eco-friendly chemicals in the dyeing and finishing processes.	Protects the health of workers and consumers while reducing environmental harm.

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Product Design Improvement

We have conducted Life Cycle Assessment of specific products providing us detailed insights on its whole product cycle, which will be utilized in upgrading the current manufacturing along with better raw material souring which will have minimal impact on the environment.

Future Goals

Reducing Hot Spots Impact: With pollution hot spots identified, our next step is to prioritize initiatives that directly target these areas, such as shifting to low-impact dyeing methods or adopting renewable energy across our production facilities.

Long-Term Strategy: We aim to use the findings from these LCAs to drive long-term product innovation, ensuring that future products minimize their environmental footprint from conception through disposal.



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Leadership and Development Initiatives

Over the past year, Welspun Living Limited has remained focused on strengthening leadership and fostering workforce development. We have rolled out targeted initiatives for associates across our textile operations, with a specific emphasis on the cut-and-sew segment of our terry towel and rugs facilities.

We conducted detailed skill gap assessments. The insights derived from these evaluations have enabled us to design customized training programs that build capabilities, support individual growth, and enhance overall operational performance.

Global Alliances

United Nations Global Compact

We are a proud member of the United Nations Global Compact, the world's largest corporate sustainability initiative. Through this association, we are strengthening our sustainability journey by aligning our operations and strategies with its ten principles across human rights, labor, environment, and anti-corruption, embedding responsible practices at the core of our business.

Fashion for Good

Collaborating with Fashion for Good to accelerate innovation and drive sustainable transformation across the fashion value chain. We actively promote circularity by embedding responsible practices that extend product life cycles and reduce environmental impact. Our focus on innovation enables us to minimize waste generation while developing circular product lines, reinforcing our commitment to a more regenerative and resource-efficient future.

Textile Exchange

As a member of Textile Exchange, a global non-profit organization, we actively drive the adoption of preferred materials across the textile value chain, reinforcing our commitment to a more sustainable and climate-aligned future.

Fair Labor Association

We adhere strictly to FLA's workplace code of conduct in line with the International Labor Organisation (ILO) principles. Unannounced audits by FLA are carried out at our manufacturing facilities, ensuring that our labor practices are always up to the mark.

Zero Discharge of Hazardous Chemicals (ZDHC)

Our chemical management practices are aligned with the ZDHC framework, ensuring that chemicals listed on the ZDHC Manufacturing Restricted Substances List (MRSL) are not procured or utilized at our facilities. We continue to work toward full conformance with ZDHC's wastewater and chemical management guidelines across our manufacturing operations.



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Stakeholder Engagement

At Welspun Living Limited, we recognize that creating long-term value is intrinsically linked to strong and meaningful stakeholder relationships. Our approach is anchored in fostering collaborative partnerships that strengthen our business model while advancing sustainable growth. Guided by this philosophy, we actively consult and prioritize stakeholder expectations, ensuring their perspectives are embedded in our strategic decision-making.

Stakeholders play a critical role in shaping our sustainability agenda, with their insights forming the foundation of our goal-setting process. We engage proactively with key stakeholder groups through structured and ongoing channels, enabling us to better understand their evolving priorities and requirements.

By systematically identifying and prioritizing both internal and external stakeholders based on their relevance and influence, we tailor our engagement approaches to ensure effective and meaningful interactions. This two-way dialogue provides valuable insights into our performance, supports informed decision-making, and enhances our ability to respond to emerging risks and opportunities.

We place strong emphasis on integrating stakeholder feedback into our ESG and business strategies. This dynamic engagement framework enables continuous improvement, strengthens transparency, and reinforces trust across our value chain—ultimately driving resilient and sustainable growth.

Stakeholder	Mode of Engagement & Activities	Key Aspects/Areas of Interest for Stakeholders
Investors	• Quarterly investor calls • Press releases and e-mails • Investor relations • Investor feedback form on website • Stock exchange disclosures	• Economic value/Sustainable wealth creation • Strategy and risk management • Capital allocation | Financial performance • Business outlook | Minority shareholder interest • Transparency and disclosure
	Frequency- On going	Responsiblity- Investors relations
Customers	• Customer satisfaction surveys • Visits and meetings	• Product quality | Timely delivery • Service level | Innovation
	Frequency- As needed	Responsiblity- Marketing department
Suppliers	• Need-based participation in industry-level consultation groups • Participation in forums • Policy advocacy	• Compliance and good governance • Sustainable practices • Inclusive growth • Knowledge building
	Frequency- Project based	Responsiblity- Marketing department and Sustainability department
Government & Regulatory Agencies	• Need-based participation in industry-level consultation groups • Participation in forums • Policy advocacy	• Compliance and good governance • Sustainable practices • Inclusive growth
	Frequency- As needed	Responsiblity- Compliance department
Employees	• Surveys | Town halls | Workshops • Capacity building | Appraisals • Newsletters and rewards	• Professional growth | Work-life balance • Diversity and equal opportunity • Learning and development • Organizational culture/workplace
	Frequency- Ongoing	Responsiblity- Human Resources department
Contractual workers	• Health and safety committee meetings • Direct interactions	• Minimum wages | Working conditions • Health and safety
	Frequency- Continuous process	Responsiblity- Human Resources department
Societies, NGOs and communities	• Direct engagement • Visits and camps • Community needs assessments • CSR projects and engagement	• Infrastructure development • Education and healthcare • Environmental protection • Employment opportunities
	Frequency- Ongoing	Responsiblity- Corporate Social Responsbility department
Bankers and Lenders	• Meetings and conferences	• Economic value • Compliance and covenants
	Frequency- As needed	Responsiblity- Investor relations
Media	• Press releases • Media events/Interviews	• Financial news • Information on business developments
	Frequency- As needed	Responsiblity- Corporate communication
Peers	• Global Networking • Annual Reports, Quarterly calls/ reports • Regular one on one group meet-ings	• Competitive positioning • Compliance • Sustainability performance
	Frequency- As needed	Responsiblity- Corporate communications

We place strong emphasis on integrating stakeholder feedback into our ESG and business strategies.

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Economic Performance

Introduction

Driving Resilient Growth Through Innovation, Sustainability, and Strategic Market Expansion in a Challenging Global Environment.

We believe that sustainable and responsible business practices are key to achieving long-term economic growth while creating shared value for nature and communities. The year presented several global challenges, including geopolitical conflicts, evolving regulatory landscapes, and market disruptions, which contributed to economic volatility worldwide. Despite these uncertainties, We demonstrated resilience and adaptability, successfully navigating the challenges while continuing to advance the sustainability agenda.

Financial Management

In FY26, We maintained a disciplined approach to capital allocation and debt management amid a challenging global operating environment marked by tariff pressures and subdued demand conditions. The Company prioritized financial resilience by strengthening working capital discipline, optimizing inventory and receivable cycles, and enhancing operational efficiencies to support cash flow stability. These measures enabled improved free cash flow generation and sequential margin expansion despite revenue pressures. Management focused on prudent capital deployment, balancing investments in high-value product categories, geographic diversification, and domestic branded growth while maintaining a healthy capital structure. Through continued cost optimization and liquidity management, the Company reinforced its ability to navigate near-term market volatility while supporting long-term strategic growth and sustainable value creation.

FY 2025–26 marked a defining period of transformation, where we reimagined the role of financial growth as a lever for delivering sustainable impact, innovation, and stakeholder value. Remarkable growth was driven by initiatives across various segments, including the Flooring Business, which continued to be a key growth driver.

In a year marked by inflationary pressures, changing trade dynamics, and tightening sustainability regulations across international markets, we not only upheld our operational excellence but also advanced our position as a future-focused, purpose-led enterprise.

Supply Chain Management: We manage our supply chain with a sharp focus on anticipating risks, fostering transparency, and upholding quality excellence throughout. This agile approach empowers us to adapt swiftly to market shifts and maintain seamless operations. Strengthening this framework, we've rolled out key initiatives including a Sustainable Supply Chain and Procurement Policy, a comprehensive Supplier Code of Conduct, ESG training for suppliers and periodic ESG assessments of our supplier base. Together, these actions reflect our dedication to responsible sourcing, environmental stewardship, and a future-ready supply chain that aligns with international best practices and stakeholder trust.

Market Diversification: Economic sustainability hinges on minimizing reliance on any single market or customer segment. We mitigate risks posed by market fluctuations by diversifying our product portfolio and broadening our customer base. By expanding into new geographical regions and targeting a wider range of customer segments, we are unlocking new growth opportunities while reducing our exposure to economic volatility.

Cost Management and Efficiency: Advancing economic sustainability remains a key priority, achieved through rigorous cost control and streamlined operations. We conduct regular assessments across our production systems, supply chain activities, and overhead structures to identify efficiency opportunities. By implementing lean manufacturing practices, optimizing inventory flows, and integrating energy-efficient solutions, we strive to reduce our operational footprint while boosting productivity. These strategic initiatives contribute to financial robustness and reinforce our commitment to delivering lasting stakeholder value through responsible business performance.



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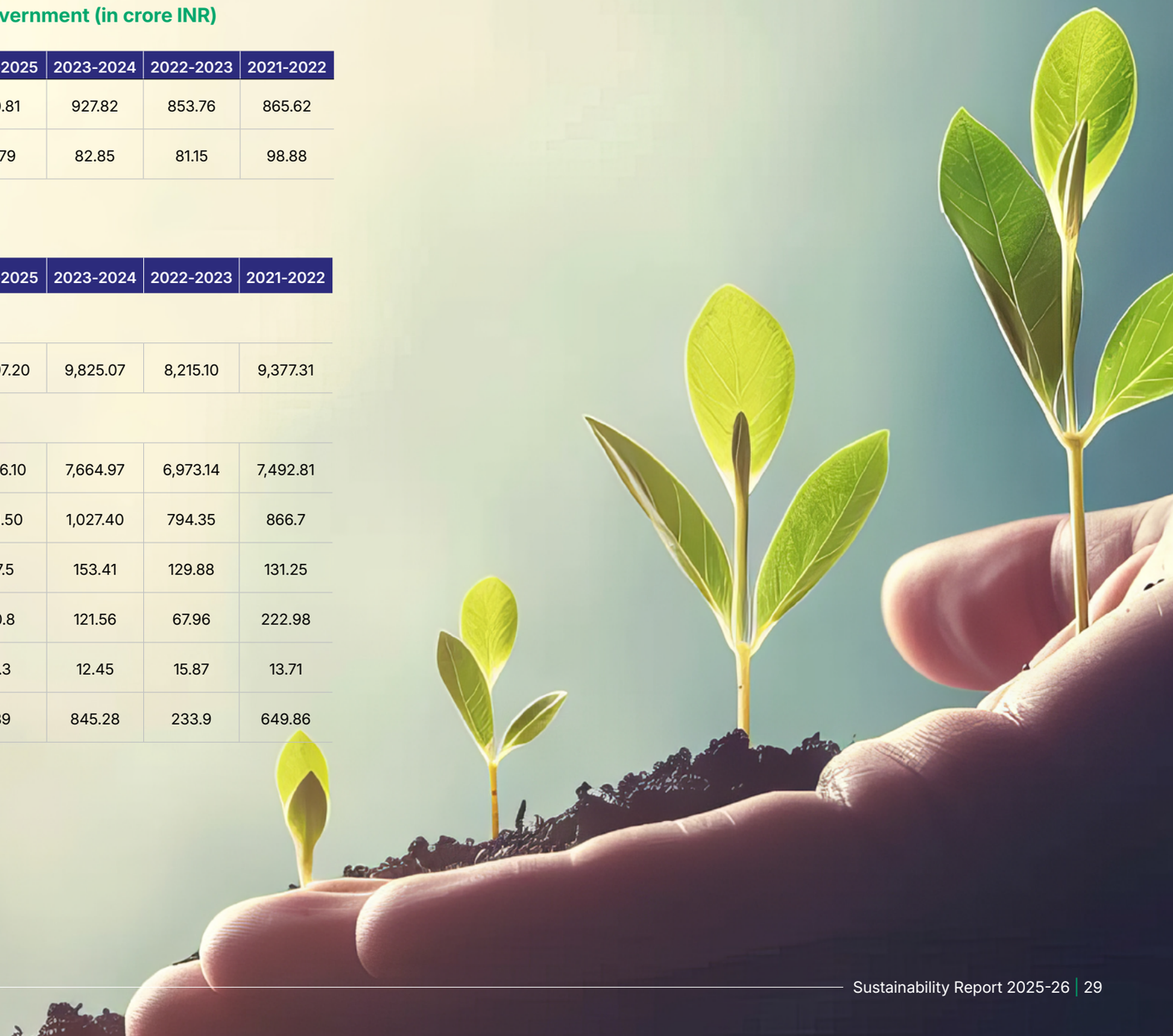
Financial Performance

Financial Assistance Received from the Government (in crore INR)

Financial year	2025-2026	2024-2025	2023-2024	2022-2023	2021-2022
Financial incentives	757.85	880.81	927.82	853.76	865.62
Other financial benefits	77.94	75.79	82.85	81.15	98.88

Economic Value Retained (in crore INR)

Financial year	2025-2026	2024-2025	2023-2024	2022-2023	2021-2022
Economic value generated (A)					
Revenues	9,467.91	10,697.20	9,825.07	8,215.10	9,377.31
Economic value distributed (B)					
Operating costs	7842.34	8,456.10	7,664.97	6,973.14	7,492.81
Employee wages and benefits	1,145	1,151.50	1,027.40	794.35	866.7
Payment to providers of capital	161.48	217.5	153.41	129.88	131.25
Payment to government	76.29	170.8	121.56	67.96	222.98
Community investments	12.65	12.3	12.45	15.87	13.71
Economic value retained (A-B)	230.15	689	845.28	233.9	649.86

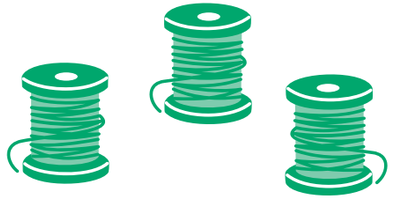


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Innovation and Technology Adoption: Innovation and technology are key drivers of sustainable success in the textile industry. At Welspun Living Limited we continuously invest in research and development to bring forth innovative products that cater to shifting customer preferences and market trends. By adopting advanced technologies like automation, data analytics, and digitalization, we enhance our operational efficiency, reduce costs, and maintain our competitive edge. Additionally, we leverage emerging tools such as AI to optimize production processes, which enable more efficient resource utilization and eco-friendly practices, reinforcing our commitment to sustainability and technological leadership.

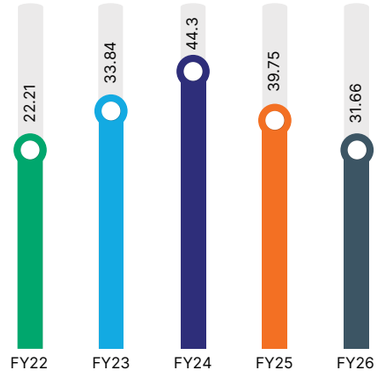
In line with this belief, we are making significant investments in Industry 4.0 technologies to improve our process efficiency through digitization and automation of business processes and RPA (Robotics Process Automation), to handle a high volume of repetitive activities, such as accounts payable and PO to SO process. Our relentless focus on precise execution with 100% quality OTIF and lean, but agile supply chain, is helping to improve the turnaround time from factory to shelf. To ensure 'First-Time Right' quality products and to avoid delays, Welspun Living Limited has invested in specialized equipment on the shop floor.



R&D Investment: As a forward-looking company, WLL continues to strengthen its innovation ecosystem through sustained investment in research and development (R&D). In FY 2025-26, R&D spending was 31.66 crores. This upward trend reflects our commitment to developing cutting-edge textile technologies, enhancing product functionality, and advancing sustainability-led innovations such as recycled blends, quick-dry fabrics, and energy-efficient manufacturing processes. With over 50 patents, our R&D investments are not just financial commitments but strategic drivers of long-term differentiation and environmental stewardship.

Our R&D efforts focus on developing eco-friendly materials, improving fabric performance with reduced environmental impact, and optimizing processes to enhance water, energy, and chemical efficiency. Through innovation in sustainable fibers, responsible dyeing and finishing techniques, and circular design approaches, we aim to minimize resource consumption while delivering high-quality products. These investments enable us to align product innovation with evolving sustainability expectations and support our transition toward more resilient and responsible manufacturing systems.





R&D Investment (in crore INR)

Working Capital: Efficient working capital management is essential for maintaining the financial health and economic sustainability of Welspun Living Limited. We employ a comprehensive approach that includes optimizing cash flow, maintaining optimal inventory levels, and refining our accounts receivable and payable processes to enhance liquidity. In addition to these practices, we also focus on strengthening supplier relationships and negotiating favourable payment terms to ensure smooth cash cycles. By closely monitoring our working capital and forecasting future needs, we effectively reduce the risk of liquidity shortages, improve our ability to meet short-term obligations, and support long-term growth initiatives.

Debt Management: Effective debt management is crucial for ensuring long-term economic sustainability. At Welspun Living Limited, we maintain a balanced capital structure by continuously monitoring our debt levels and interest expenses. By keeping our debt obligations well within manageable limits, we minimize financial risks and safeguard a strong credit profile, supporting our overall financial stability and growth.

Investment and Capital Expenditure: Strategic investments and capital expenditure decisions play a critical role in driving the long-term economic resilience of Welspun Living Limited. Each opportunity is rigorously assessed to ensure alignment with our growth vision, technological evolution, and shifting market needs. Our focus lies in identifying initiatives that deliver strong returns on investment while enhancing operational efficiency and productivity. We prioritize investments that reinforce our market leadership—such as adopting advanced technologies, scaling production capacity, and modernizing infrastructure. By thoughtfully balancing immediate costs with long-term value creation, we ensure that our capital deployment supports sustained business growth and competitiveness.



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Climate-Related Risk and Opportunity Management

Climate Accountability and Transparency aligned with TCFD & IFRS S2

Following the transition of climate-related disclosure oversight from the Task Force on Climate-related Financial Disclosures (TCFD) to the International Financial Reporting Standards (IFRS) Foundation through the International Sustainability Standards Board (ISSB), IFRS S2 establishes a globally consistent framework for climate-related financial reporting. The standard enables organizations to transparently disclose how climate risks and opportunities influence strategy, performance, and financial position. By integrating climate considerations with financial reporting, IFRS S2 enhances the quality and comparability of information available to investors, supporting more efficient capital allocation decisions. It provides a comprehensive overview of governance, strategy, risk management, and climate-related metrics and targets, enabling structured assessment of financial impacts arising from climate change. This improved transparency strengthens risk evaluation and supports informed decision-making, helping organizations align long-term growth with the transition to a low-carbon economy.

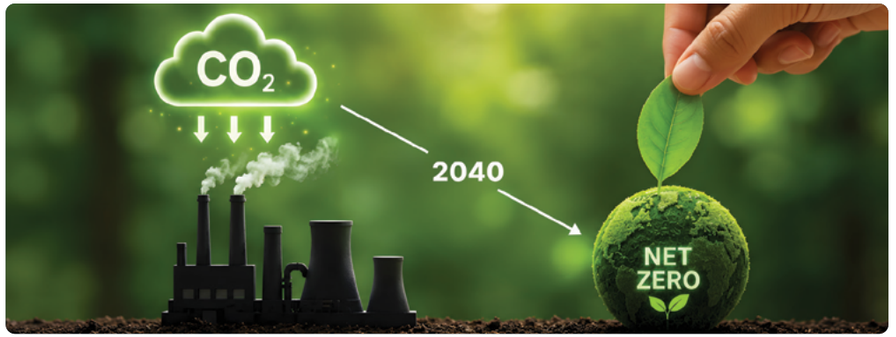
Net Zero target by 2040, climate resilience across operations.

Governance

Welspun Living Limited has a dedicated ESG & CSR Committee to oversee ESG-related strategies, decisions, and performance. The Committee evaluates climate-related risks, opportunities, impacts, and dependencies, while monitoring environmental compliance with applicable regulatory requirements. It tracks progress against climate targets and provides quarterly updates to the Board to support informed oversight and decision-making. The Committee also plays a key role in developing and guiding the implementation of the organization's climate transition plan. In addition, it facilitates capacity-building initiatives and specialized training sessions for Board members to enhance awareness of emerging climate-related developments and evolving sustainability expectations.

Strategy

Welspun Living Limited is committed to achieving its Net Zero target by 2040, with the management team providing strategic guidance and allocating the necessary financial resources to strengthen climate resilience across operations. Climate considerations are integrated into capital allocation and investment decisions to ensure alignment with the organization's long-term decarbonization pathway. Increasing investments are being directed toward research and development to advance sustainable product innovation, low-carbon manufacturing technologies, and resource-efficient operations. These initiatives not only enhance operational efficiency but also support climate risk mitigation, improve resilience to evolving environmental challenges, and accelerate the organization's transition toward a sustainable and future-ready business model.



Risk Management

Senior leadership and the ESG & CSR Committee play a critical role in identifying, assessing, and addressing risks arising from climate change. Climate-related risks are categorized into physical and transition risks, enabling the Company to develop targeted mitigation and adaptation strategies. Stakeholder engagement processes provide valuable insights into emerging risks and evolving expectations, strengthening the organization's risk identification framework. In addition, materiality assessments are conducted every three years to identify and prioritize key environmental, social, and governance (ESG) topics, ensuring that significant risks and opportunities are systematically integrated into strategic planning and risk management processes.

Metrics and Targets

Clearly defined targets provide a structured approach to measuring progress toward climate action. We have an ambitious target to achieve carbon neutrality by 2030. In addition, Our Net Zero target for 2040 has been validated and approved by the Science Based Targets initiative (SBTi), reinforcing the credibility of its long-term decarbonization pathway.

Welspun Living Limited measures its carbon footprint in accordance with the GHG Protocol Corporate Accounting and Reporting Standards, using the latest emission factors from the IPCC's Sixth Assessment Report (AR6), with data assured by an independent third party. Emissions are comprehensively tracked across Scope 1, Scope 2, and Scope 3 emissions (11 Categories), across manufacturing operations. Furthermore, ESG-linked incentives for Welspun's C-suite leadership are aligned with organizational climate performance, strengthening accountability, and driving progress toward climate goals.

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Scenario Analysis Methodology

To evaluate the implications of climate change on our operations and value chain, Welspun Living Limited adopted a structured and science-based scenario analysis aligned with the TCFD recommendations. Our analysis focused on five globally recognized Shared Socioeconomic Pathways (SSPs)- SSP1-1.9, SSP1-2.6, SSP2-4.5, SSP3-7.0 and SSP5-8.5 which represent a range of potential global emissions trajectories and socioeconomic developments.



SSP1-1.9 (Lowest Emission)

very low GHG emissions: CO2 emissions cut to net zero around 2050

SSP1-2.6 (Sustainability Pathway)

Assumes strong mitigation efforts that limit global temperature rise to below 2°C, aligned with the Paris Agreement.

SSP2-4.5 (Stabilization Pathway)

Reflects moderate emissions reduction efforts, with a projected temperature rise between 2.6°C and 4.8°C.

SSP3-7.0 (High Emissions Pathway)

Assumes limited mitigation efforts and high fragmentation, leading to global temperature rise of approximately 3.6°C by 2100, representing a high-emissions pathway with significant physical climate risks.

SSP5-8.5 (High-Emissions Pathway)

Represents a future with limited climate action and high emissions, potentially exceeding 4.8°C warming by 2100.

This analysis helps us identify and evaluate a range of physical risks—such as extreme heat, flooding, and water stress across our operations and supply chain. Understanding these climate scenarios is vital to enhancing long-term resilience and guiding strategic decision-making.

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Impact Assessment of Climate Risks and Opportunities Based on TCFD Recommendations

Climate Related Physical Risks

Risk/opportunity description	Impact description	Financial implications	Methods to manage	Costs of actions taken
Extreme Weather Events	Increased frequency of floods, storms, and cyclones disrupt operations	• Downtime at manufacturing sites • Supply chain and logistics delays • Asset damage	• Resilient infrastructure design • Business continuity planning • Real-time risk monitoring	Moderate to high capital costs for infrastructure upgrades
Localised Urban Flooding	Sudden monsoonal rains and poor drainage systems impact manufacturing clusters	• Facility downtime • Material spoilage • Maintenance and insurance claims	• Improved storm water drainage • Elevated construction and warehouse design	Moderate construction and retrofitting costs
Supply Chain Disruption from Climate Events	Crop failure (cotton), port closures, transport interruptions	• Raw material shortages • Price volatility • Missed customer deliveries	• Supplier diversification • Inventory buffers • Geographic risk mapping	Increased logistics costs; supply chain risk monitoring investment
Ecosystem Disruption	Biodiversity loss impacts cotton quality, pest resistance, and water ecosystems	• Increased input costs • Reputational risk from unsustainable sourcing	• Sustainable cotton sourcing (e.g., BCI) • Biodiversity conservation in nearby areas	Varies: Farmer training, NGO partnerships, ecosystem restoration

Climate Related Opportunity

Risk/opportunity description	Impact description	Financial implications	Methods to manage	Costs of actions taken
High-Carbon Infrastructure Obsolescence	Older machinery becomes unviable under decarbonisation norms	• Stranded assets • Retrofitting costs	• Phased adoption of low-carbon tech • Asset replacement planning	High Capex for low-emission machinery
Regulatory & Carbon Pricing Exposure	Expansion of India's PAT scheme, Carbon Credit Trading Scheme (CCTS) requirements	• Higher compliance costs • Emission penalties • Export barriers	• Emission monitoring systems • Shift to renewable energy (PPA, solar, WHR)	Emission management tools and carbon accounting systems
Water Scarcity & Industrial Usage Regulation	Higher scrutiny of textile water consumption	• Operational limits • Higher water sourcing costs	• STP/ETP installation • Rainwater harvesting • ZLD compliance	High capex with moderate long-term savings
ESG Pressure from Investors & Buyers	Increased demand for Scope 3 data and science-based targets	• Restricted funding or procurement access if ESG goals aren't met	• Science-based target setting • ESG platform integration • Enhanced disclosures	Internal ESG team training, assurance audits, reporting software

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Climate Related Transition Risks

Risk/opportunity description	Impact description	Financial implications	Actions Taken	Costs of actions taken
Stringent Emission Regulations	Stricter emission caps, mandatory disclosures, and enforcement of sustainability standards	• Fines for non-compliance • Higher abatement costs • Cost of legal compliance	• Early adoption of science-based targets • Regulatory tracking and proactive alignment • Third-party audits	Legal advisory and compliance costs; investment in emission reduction technologies
Decarbonisation of Value Chain	Buyer mandates for Scope 3 disclosures and net-zero roadmaps	Loss of customers not meeting Scope 3 targets • Pressure on suppliers • Need for full value chain visibility	• ESG data integration with supply chain • Supplier capacity-building • LCA and carbon foot-printing tools	Investment in digital platforms, training, and LCA tools
Changing Consumer Preferences	Shift in demand from traditional textiles to sustainable alternatives	• Decline in market share for unsustainable products • Reputational damage	• Product innovation pipeline • Certifications (e.g., GOTS, OEKO-TEX) • Branding on sustainability credentials	Certification, R&D, and rebranding expenses
Technology Disruption	Rapid innovation in low-carbon manufacturing outpaces existing operations	Risk of obsolescence • Technology lock-ins • Higher transition costs	Tech scanning and partnerships • Flexible capex planning • Pilot testing of new solutions	Pilot project costs and strategic partnerships
Trade and Export Barriers	CBAM-like regulations in the EU and other key markets and tariff implications	• Competitive disadvantage in exports • Mapping carbon intensity of exported goods	• Regional manufacturing strategy • Advocacy through trade bodies	Carbon tracking systems, stakeholder engagement, export-specific compliance costs
Energy Market Volatility	Shift from fossil to renewable energy leads to pricing and availability challenges	• Higher short-term energy procurement costs • Supply intermittency impacts	• Long-term PPAs • Onsite solar and WHR systems • Energy storage pilots	High initial capex; potential long-term savings and carbon credit revenues

Climate Change Transition Risk & Opportunities

Risk/opportunity description	Impact description	Financial implications	Actions Taken	Costs of actions taken
Sustainable Products & Materials	Increased demand for low-carbon, circular textiles	• Premium pricing • New export markets • Lower resource costs	• SPUN initiative • Organic cotton and recycled polyester use • Circular product design	R&D, marketing, and certification costs
Green Finance Access	Eligibility for sustainability-linked loans or green bonds	• Preferential interest rates • Enhanced investor trust	• Engagement with ESG ratings • GHG accounting and disclosures	Reporting setup, ESG ratings fees, assurance
Waste Heat Recovery (WHR) & Energy Efficiency	Energy savings and reduced emissions	• Lower fuel costs • Compliance benefits	• Installed WHR systems at key units • PAT mechanism benefits	High initial cost; excellent long-term ROI
Circular Economy Business Models	Take-back, reuse, and recycling drive long-term brand and cost value	• Lower virgin input dependency • Customer retention and loyalty	• Takeback programs • Textile-to-textile recycling pilot • Material recovery innovations	Moderate infrastructure and collection costs
Digitalization for Environmental Monitoring	IoT and AI improve decision-making	• Reduced losses • Improved compliance	• Smart water meters, energy tracking systems • Predictive maintenance	Moderate IT investments, high operational efficiency gains

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Environmental Stewardship

Introduction

Welspun Living Limited maintained its continued attention throughout the financial year 2026 in improving the symbiosis with natural environment around. In addition to the ongoing ventures, new initiatives were experimented and appended to bring better value in water treatment and management, energy reduction and decarbonization, boosting sustainable raw materials, and reducing the impact on biodiversity at any tier of the supply chain.



Highlights

Coal avoided **8,866 MT**	Electricity saved **82,58,220 KWH**	Sustainable Packaging **83%**
Farmers benefitted **24,566**	Sustainable Cotton **95%**	Total waste recycled/reused **36,060 MT**

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Environment Care: Strategies and Policies



Welspun Living Limited remains committed to advancing environmental sustainability through robust, forward-looking strategies aligned with its long-term sustainability vision. As part of its 2030 goals, the company is undertaking focused initiatives to transition to 100% renewable energy across its operations, thereby decarbonizing its energy portfolio and reducing reliance on fossil fuel-based sources. In alignment to the carbon neutrality goals, SBTi has validated and approved Our Near Term and Net Zero Targets.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C

Welspun Living Limited has set GHG emissions reduction targets in alignment with the SBTi. GHG reduction targets have been approved by SBTi, aiming to achieve Science based Net-Zero targets by 2040.

Overall Net-Zero Target: Welspun Living Limited commits to reach net-zero greenhouse gas emissions across the value chain by FY2040.

Near-Term Targets: Welspun Living Limited commits to reduce absolute scope 1 and 2 GHG emissions 58.8% by FY2034 from a FY2024 base year. Welspun Living Limited also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, fuel and energy-related activities, use of sold products, end-of-life treatment of sold products, investments 58.8% within the same timeframe.

Long-Term Targets: Welspun Living Limited commits to reduce absolute scope 1, 2 and 3 GHG emissions 90% by FY2040 from a FY2024 base year.

Fuel optimization and Carbon reduction

Strategy to adopt biofuels for energy generation: To reduce emissions, we are transitioning to greener fuels by gradually replacing fossil fuels with biomass and adopting biomass blending practices with conventional fuels. In parallel, we are increasing renewable electricity sourcing through on-site generation and power purchase agreements, supporting a continued reduction in our overall carbon footprint and advancing our decarbonization journey.

Renewable Energy generation and procurement is a critical component of the our strategy & is being rigorously pushed year over year to utilize green energy across our sites. Carried out through PPAs, On-site and Off-site Hybrid projects.



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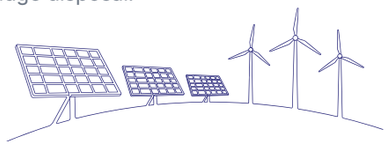
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Energy Management & RE Transition

Energy is a crucial resource in manufacturing process, and Welspun Living Limited has adopted multiple measures to reduce its consumption as well to transform existing resources to renewable ones. More solar and wind energy got channeled to our facilities replacing the conventional fuels. Renewable energy is integrated to our manufacturing units through on-site generation, Power Purchase Agreements (PPAs) and transition to biofuels. Timely technology upgradation and regular energy audits aid Welspun in maintaining a progressive energy profile.

60MW of the electric power required for the operations was procured from Renewable sources in FY2026. Solar panels are installed at all our factories and offices to generate electricity during daytime, in the form of rooftop installations as well as, in huge solar farms and floating solar panels. RE is also procured via Power Purchase Agreements (PPA) with external entities. At our Anjar facility, we now employ a **Solar Dryer system to treat ETP Sludge** reducing its moisture content before being reused as boiler fuel. This innovative solution leverages renewable energy, cuts dependence on conventional sources, and lowers greenhouse gas emissions linked to sludge disposal.



To further accelerate renewable adoption, an additional 250 MW RE-RTC at Anjar is under development and expected to be commissioned in 2026.



10,741 tons of biomass was utilized throughout FY2026 replacing fossil fuels. Rice Husk completely replaced the coal consumption at our Hyderabad facility with the help of specialized biomass boilers. Different types of biomass and repurposed dried sludges are blended with conventional fuels to set off the shift to green steam at Anjar and Vapi. The ongoing experimentations and studies are keenly looked on, to enable a complete transition here. The adoption of these alternative fuels has enabled coal savings and contributed to the avoidance of associated greenhouse gas emissions. Going forward, we aim to further increase biomass utilization as part of our greener energy transition and a low-carbon operational footprint.

Several Process and Technology Improvements have been adopted as part of our Energy Efficiency Measures, which include for example: **heat recovery systems.** These steps cut energy use, optimize resources, and lower environmental impact while creating long-term value. In our sustainability efforts, transitioning to **LED lighting** is a key initiative in this regard, not only reducing our carbon footprint but also enhancing the quality of workspace illumination. We also reduce our carbon footprint by promoting sustainable commuting. Employees are encouraged to use **EV**s, supported by workplace charging stations, and to opt for public transport through **awareness drives and incentives.** We also convert food and horticulture waste into biogas for kitchen fuel, reducing landfill waste and cutting fossil fuel use, thereby lowering our carbon footprint.

Resource and energy conservation are the most crucial aspect of our operational strategy implemented by programs like Kaizen, focused improvements (FIP), and Manthan across facilities. These programs involve identification of measures that can reduce energy consumption through innovation, elimination or upgradation of existing equipments. One of the key benefits of our Manthan program is that the team members involved in ideating the energy conservation measures are rewarded for their innovative mindset. Key measures of Energy Conservations include optimization of mechanical machinery such as blowers, pumps, and aeration units, utilization of gravity-based piping wherever possible to eliminate electrical pumps, addition of upgraded insulations to prevent energy losses, etc. **Welspun Living Limited has saved a total energy of 8,258,220 KWh in FY2026, avoiding 5,800+ tCO2e.**



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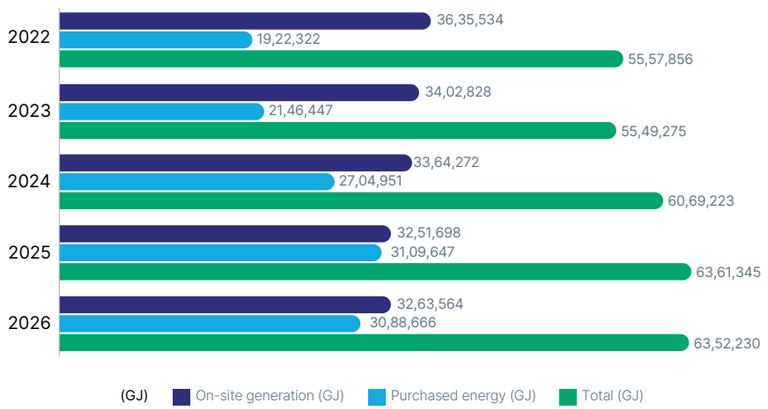
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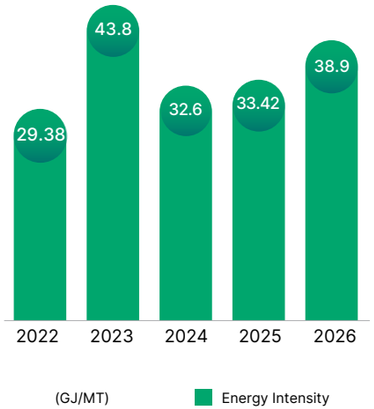
Energy Management Program

Goals and objectives: Our goal is to reduce overall energy consumption by promoting energy awareness among employees, integrating renewable energy solutions, optimizing operational practices, and leveraging advanced metering systems for data-driven energy management.

Mandatory Energy Audit: An independent energy audit was conducted on August 2023 across our manufacturing operations to evaluate energy performance and identify improvement opportunities. The scope of this audit process involves on-site measurements, analysis of energy consumption trends, evaluation of boiler and turbine performance, assessment of utility systems like pumps and fans, and identification of energy-saving opportunities supported by cost analysis. Data collection was carried out using structured questionnaires and verified energy consumption information. Opportunities for energy optimization in key equipment were analyzed, and the resulting insights and recommendations were presented to top management to support strategic actions. The outcomes are enabling us to implement targeted energy optimization initiatives, improving operational efficiency while reducing direct greenhouse gas emissions. The important measures suggested includes CPP auxiliary power reduction, optimization of air generation pressure, solar adoption, regular maintenance, replacement of old machineries, fixing leakages and HVAC upgrades.

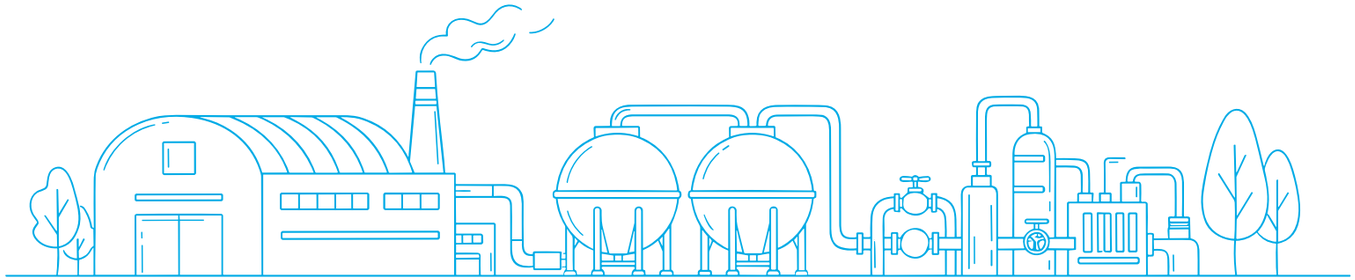
Energy Management





Energy Sources FY2026

Energy type	Energy source / Form		Energy equivalent in GJ
Purchased energy	Green Electricity		4,81,152
	Steam from Waste Heat Recovery		14,41,157
Fuels for On-site generation	Green fuels	Bio-mass	1,67,773
		Sludge (recycled)	464
	Fossil fuels	Coal	29,48,632
		Natural gas	1,39,342
		Petroleum products	7,353



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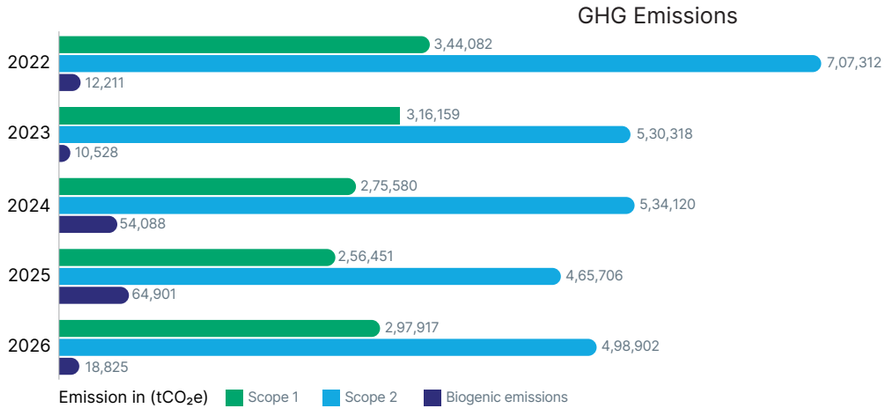
GHG Emissions and Climate Action

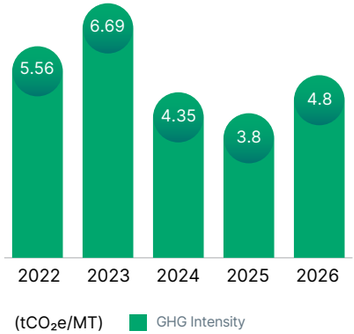
FY2026 was a year of reformation where we focused mainly on long term technological implementations and its development. GHG emissions show a marginal increase this year. This happened due to poor availability of biomass of the right quality and quantity. The company, however is clearly focused on the long term GHG reduction and **working towards the implementation of 250 MW hybrid RE project which will supply 100% green power to Anjar facility from next FY.** Management planning, decisions and measures were the important focus this year, and investments are made to reduce the GHG emissions significantly in the coming years.

Our strong interventions in the value chain has reduced our GHG Scope3 emissions, and this has given us a refreshed energy in enhancing supply chain engagement programs.

During the reporting period, our operations generated **18,825 tCO_2e of biogenic emissions,** primarily resulting from the use of renewable biomass-based fuels.







Category	GHG Scope 3 Emission Categories (in tCO_2e)	FY2024	FY2025	FY2026
1	Purchased Goods and Services	130,596	128,172	1,05,098
2	Capital Goods	357	3,381	515
3	Fuel and energy related Emission	103,018	91,164	84,319
4	Upstream transportation and Distribution	119,042	88,334	88,425
5	Waste Generated in Operations	1,874	2,000	1,812
6	Business Travel	822	518	292
7	Employee Commute	2,725	2,671	2,827
	Upstream GHG Scope 3 Emission	**358,434**	**316,240**	**2,83,288**
9	Downstream transportation and Distribution	81,963	82,105	72668
11	Use of sold Products	66,661	52,665	83028
12	End of Life Treatment of Sold Product	58,890	61,583	63503
13	Investment	289,806	281,524	2,44,662
	Downstream GHG Scope 3 Emission	**497,353**	**477,924**	**4,63,862**
	Total GHG Scope 3 Emission	**855,787**	**794,164**	**7,47,150**

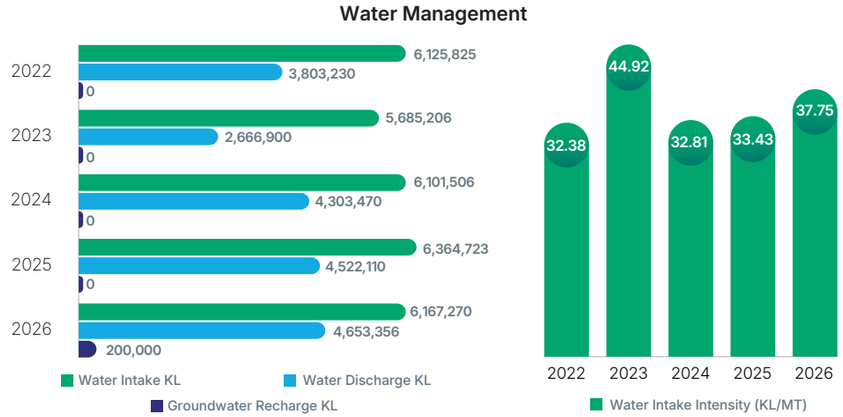
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Water, a shared resource

Welspun Living Limited complies with statutory standards established by the Central Pollution Control Board (CPCB) and the respective State Pollution Control Boards (SPCBs). Our facilities are equipped with Advanced Treatment Technologies such as Reverse Osmosis, Multi-Effect Evaporators and Advanced filtration units that results in most of our water usage being recycled. The Company has consistently maintained full compliance, with no instances of violations related to statutory requirements. **Continuous Monitoring Systems** are installed to transmit real-time performance data directly to regulatory authorities, reinforcing transparency and operational accountability. In addition, **daily laboratory analysis** of effluent samples is conducted to monitor treatment efficiency, complemented by monthly third-party testing to ensure accuracy, authenticity, and reliability of results.

During the reporting year, **59% of our total water intake was procured via water recycling** (36,23,295KL) through our Advanced Wastewater Treatment Plants. The **30MLD Sewage Treatment Plant (STP)** at Anjar, Gujarat treats sewage from the neighbouring municipalities to make the facility freshwater-independent for manufacturing operations. At the Anjar facility, only water that is required for drinking and domestic purposes are obtained from municipal sources. The water recycling facilities at Vapi and Hyderabad plants is increasingly recovering water from the waste stream for production purposes. The Hyderabad facility operates under a Zero Liquid Discharge (ZLD) system, ensuring that 100% of water is being recycled.

This year we have started to **harvest rainwater back to the ground water table,** contributing to groundwater recharge and supporting improved water availability in surrounding areas. This progress reflects our continued focus on conserving natural resources, reducing environmental impact, and improving operational efficiency. Our approach to water stewardship emphasizes maximizing water reuse, minimizing freshwater dependency, and ensuring sustainable water availability for both our operations and neighbouring communities. In addition, we go beyond local regulatory requirements by aligning with the stringent guidelines of the Zero Discharge of Hazardous Chemicals (ZDHC) initiative. All operational effluents are thoroughly treated to meet prescribed discharge standards, supported by robust monitoring and control systems to safeguard surrounding ecosystems and prevent environmental harm.



Other Key initiatives:

Smart real-time water monitoring meter systems are deployed to track, analyze, and optimize water consumption, supported by data analytics to drive continuous efficiency improvements. Welspun enables

- **Eco-efficient processing** with the implementation of water-efficient dyeing and finishing technologies, including low-liquor ratio dyeing, air dyeing, digital printing, and closed-loop systems to reduce water usage across operations. Transitioning towards eco-friendly and low-water or waterless chemical treatments ensures
- **Sustainable Chemistry** minimizing water consumption while ensuring safe and compliant discharge. Applying lean manufacturing principles aids our **Process Optimization** Strategies reducing water use in washing, rinsing, and finishing processes through operational efficiency and resource optimization.

Welspun living Limited also conducted a comprehensive **Employee Engagement Program** involving awareness programs, training sessions, and recognition initiatives cultivating a culture of water conservation across the workforce. Establishing water-use guidelines for suppliers and conducting audits to encourage adoption of water-efficient practices throughout the value chain enables **Supply Chain Collaboration** in our water conservation efforts. We implement and promote **Zero Liquid Discharge (ZLD)** to ensure all wastewater is treated, purified, and recycled back into processes, eliminating any kind of liquid waste discharge. Advanced Recycling & Reuse – Installing systems to treat and reuse greywater from dyeing, washing, and rinsing for non-potable uses such as cooling, irrigation, and cleaning.



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CASE STUDY

Our Depth of Commitment - Conserving every drop

One of our facilities is located in Kutch, Gujarat, a water stressed dessert region. Water is a highly precious resource at that location for us as well as the communities thriving there. Our team for special initiatives carried out a topographical survey of the surrounding regions, keeping our facility at the center. Results showed a lot of unused land was available on the outskirts as well as within villages.

We selected suitable locations for our Rainwater Harvesting projects and partnered with the local panchayats to develop a total of 10 artificial ponds. A total capacity of 3 million cubic meters was created throughout the Kutch district. Once the rainfall poured, these ponds were filled with freshwater directly from precipitation and surface runoff contributing to ground water table recharge.

Impact created

- Enhanced ground water infiltration and improved aquifer levels.
- Harvested seasonal rainfall for the benefit of the community.
- Improved local micro-climate and biodiversity.

200,000

Kiloliters of Annual Ground Water Recharged.

Given that the textile sector is inherently water-intensive, our approach prioritizes both reducing operational water consumption and enhancing water availability within and around our areas of operation.

During FY 2025–26, we undertook targeted interventions to strengthen groundwater resources across Anjar. This included the development of new borewells as well as the restoration and retrofitting of non-functional ones. In total, 37 borewells were established and revived, supporting water access across approximately 1,100 acres of agricultural land.

These efforts have contributed to improved groundwater levels, enhanced drought resilience for farming communities, and strengthened natural aquifer recharge. By focusing on sustainable water management, the initiative supports long-term agricultural productivity while addressing the broader challenge of water scarcity in the region.



Welspun LIVING

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Sustainable Raw Material Procurement

Sustainable Agriculture Practices, Tracing the sustainable cotton journey

Our sustainability journey begins at the very foundation of textile production — the farm, where our primary raw material, cotton, is cultivated. We prioritize sustainably grown cotton that promotes efficient water use and responsible farming practices, including the use of natural fertilizers.

We have set a clear ambition to achieve 100% sustainable cotton sourcing by 2030, reinforcing our commitment to responsible, transparent, and traceable raw material procurement. In FY 2025-26, we made significant progress toward this goal, by **utilizing 95% sustainable cotton in our manufacturing process.** As our operations continue to scale, the absolute volume of sustainable cotton procured has grown substantially, demonstrating our ability to expand responsibly while advancing long-term sustainability commitments.

Our dedicated Agronomy Team supports farmers by providing training and resources to adopt responsible and sustainable cultivation practices. Through close collaboration, we promote regenerative agriculture focused on soil health, water conservation, and biodiversity protection. These initiatives enhance climate resilience, improve long-term agricultural productivity, and contribute to sustainable livelihoods and community well-being.

We promote the use of preferred raw materials, including Better Cotton, organic cotton, and recycled fibers, supporting environmentally responsible and socially inclusive sourcing practices. Our sustainable cotton initiatives — certified under the Better Cotton program and non-GMO organic cotton standards verified by Control Union — **engaged 24,566 farmers across 120+ villages, covering 74,300 hectares under sustainable and regenerative agricultural practices. Nearly 2000 women farmers actively participate in these programs, strengthening inclusive rural development.**

The BCI initiative has supported farmers in producing over 79,700 MT of cotton, while generating approximately INR 562 million in farmer savings through improved resource efficiency and farming practices. Beyond productivity, the program emphasizes water conservation, reduction in chemical inputs, biodiversity preservation, and soil health improvement. Ongoing pilot projects are assessing soil organic carbon levels and introducing climate-smart agricultural practices to enhance long-term resilience.

Through collaborations with organizations such as GIZ and Solidaridad, farmers are trained in sustainable techniques including Reduced Tillage and Integrated Pest Management (IPM), helping lower the environmental footprint of cotton cultivation. Welspun Foundation of Health and Knowledge (WFHK) also promotes organic cotton farming in regions such as Arvi, Deoli, Samudrapur, Seloo, and Wardha, contributing to a 14.55% increase in organic farmland. By combining technical training, financial incentives, and community partnerships, WFHK empowers farmers to adopt environmentally responsible practices while improving productivity and livelihoods — demonstrating that sustainability and prosperity can grow together.

Bolstering Material Circularity

Packaging plays an important role in protecting textile products during storage and transportation while ensuring product quality reaches customers safely. Recognizing the environmental impacts associated with packaging materials, We are committed to adopting responsible packaging practices that minimize resource consumption, reduce waste generation, and support circular economy principles.

We prioritize environmentally responsible packaging materials across operations. Recycled cartons, corrugated boxes, and paper-based packaging solutions are increasingly utilized to reduce dependence on virgin raw materials.

83% Sustainable Packaging

100% Recycled Carton and boxes





Packaging commitment

With ambitious ESG targets in place, our sustainable packaging journey is well ahead of schedule. In 2023, the target of using 100% recycled or FSC certified paper in secondary packaging was achieved—two years earlier than planned. Vibrant, multi-coloured printed paper from FSC-certified sources now enhances our packaging while ensuring responsible sourcing. Efforts to increase recycled and recyclable plastic content are underway, alongside a decisive shift from single-use plastics to reusable alternatives. The wider adoption of in-house fabric bags for primary packaging has significantly reduced dependence on traditional PVC bags, advancing our circular packaging vision.

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02

CASE STUDY

Investing in Circularity

Out of total textile waste generated in India, 42% is pre-consumer sources. These wastes end up being at landfill sites if not segregated and handled properly, circularity comes into action, it aims to repurpose the wastes either into original product or intermediates for new products.

In FY 2025–26, we commissioned a Pre-consumer Hard Textile Waste Recycling Plant with a capacity of 4.5 tonnes per day to address this growing waste stream across the textile value chain. The plant mechanically recycles hard textile waste generated within our own manufacturing operations, reducing the volume of waste leaving our facilities while strengthening circularity, operational efficiency, and resource security.

The plant is expected to avoid over 1,600 tons of virgin cotton use, delivering an estimated 8,000 tCO_2e in avoided emissions annually, 25 billion litres of fresh water saved, and 800 tonnes of waste generation prevented (direct and indirect combined). Beyond these measurable gains, it also helps prevent soil degradation by reducing reliance on the inorganic fertilizers and pesticides commonly used in cotton cultivation — while protecting farmers from indirect exposure to these hazardous chemicals during spraying.

Each ton of recycled cotton processed represents a ton of virgin cotton not cultivated — translating into water, energy, and land resources conserved at the cultivation stage, at the very origin of the value chain.

1,600 MT
OF COTTON WASTE RECYCLED ANNUALY

800 MT
OF WASTE GENERATION PREVENTED ANNUALLY

8,000
tCO2e EMISSIONS AVOIDED ANNUALLY.

25 Billion
LITERS OF FRESHWATER SAVED ANNUALLY

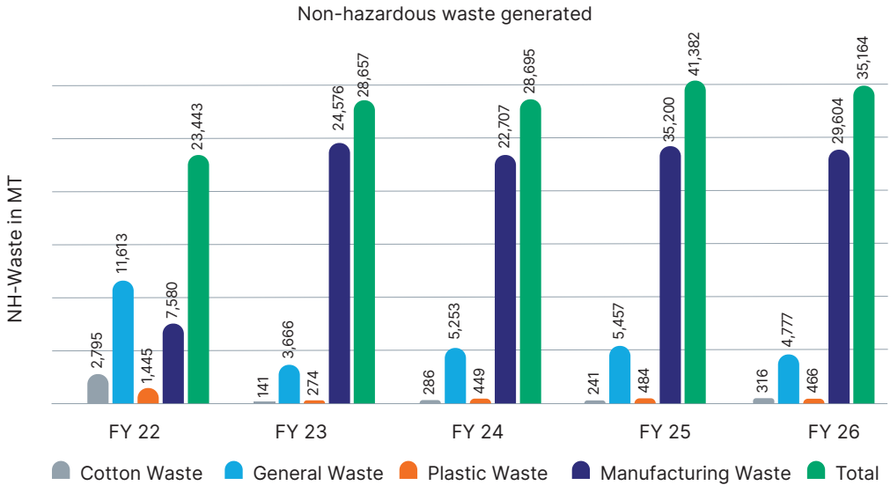
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Waste Management & Circularity

Waste is regarded as a valuable resource at Welspun Living Limited, with the principles of **Reduce, Reuse, and Recycle (3R)** embedded across our manufacturing facilities and corporate offices to enhance waste circularity. We view waste not merely as an output of operations but as a potential raw material that can be reused or recycled, thereby reducing overall waste intensity.

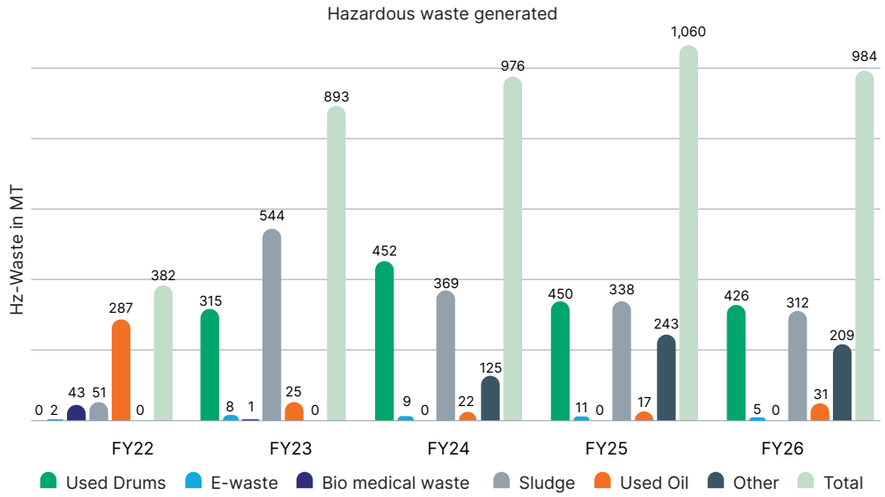
All waste streams are managed responsibly in accordance with established procedures, supported by necessary safety precautions and continuous supervision. Comprehensive records of waste generation, handling, and disposal are maintained at both site and corporate levels to ensure data accuracy, traceability, and reliable reporting.

Non-Hazardous Waste: A total of 35,164 tons of non-hazardous waste was generated across our facilities during the reporting period. The primary components of non-hazardous waste include cotton waste, paper scrap, fabric waste, and plastic waste, arising from routine manufacturing and packaging operations.We achieved **99.75%** recycling and reuse of non-hazardous waste through responsible waste management practices, enabling resource recovery and reducing dependence on certain virgin raw materials, thereby supporting our circular economy objectives.





Hazardous Waste: All the 984 tons of hazardous waste generated across our operations during FY2026 were managed in accordance with the guidelines prescribed by the Central Pollution Control Board (CPCB) under the Environment (Protection) Act, 1986, ensuring full regulatory compliance. Stringent safety measures were implemented throughout the storage, handling, and transportation processes to safeguard employees, communities, and the environment.Sludge generated from operations is dried and utilized as an alternative fuel, supporting landfill diversion and resource recovery. Additionally, used drums and waste oil are routed to authorized third-party recyclers, while biomedical waste (BMW) is treated and incinerated at approved biomedical waste treatment facilities. The Company also maintains compliance with applicable



Extended Producer Responsibility (EPR) regulations as part of its commitment to responsible waste management. Comprehensive records, including weighment data and waste manifests, are maintained for all hazardous waste streams to ensure traceability, transparency, and accuracy in reporting.

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Closing the loop

- **Fiber and Fabric Waste Recovery** Cotton lint, yarn waste, and fabric offcuts generated during spinning, weaving, and processing are segregated and redirected for recycling and secondary applications to maximize material utilization.
- **Process Waste Optimization** Continuous improvement in cutting, stitching, and finishing operations to minimize fabric loss and reduce waste generation at source.
- **Circular Utilization of Textile By-products** Textile waste is repurposed into value-added applications such as recycled fibers, industrial use materials, and alternative products, supporting circular economy principles.
- **Responsible Chemical and Sludge Management** Sludge and process residues from effluent treatment are safely handled and utilized through approved recovery pathways to reduce landfill dependency.
- **Sustainable Packaging Waste Management** Paper, cardboard, and plastic waste from packaging operations are segregated and routed to authorized recyclers, promoting responsible material recovery.
- **Traceable Waste Handling Across Manufacturing Units** Digital tracking and standardized record keeping ensure transparency and traceability of waste generated across spinning, processing, and finished product facilities.
- **Shopfloor Engagement and Operational Awareness** Employee training programs focus on waste reduction during production processes, encouraging efficient material usage and responsible waste handling practices.

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Land & Biodiversity Care

Nurturing Nature, Sustaining Life

Our Commitment

We are aligned with the Global Biodiversity Framework and UN SDG- 14 Life below water and UN SDG- 15 Life on Land. We are dedicated to continuously maintaining and improving the natural life across our locations. Our ESG policy gives an imperative focus on protecting and restoring biodiversity across our value chain.

Our Approach

We recognize that thriving ecosystems are essential for sustaining life and long-term business resilience. To conserve and protect nature, we have embedded biodiversity considerations within our ESG Policy, which places strong emphasis on safeguarding and restoring biodiversity across our value chain. Prior to initiating any new project, we conduct comprehensive biodiversity assessments to understand our dependencies on natural resources and evaluate potential impacts on local ecosystems and the biodiversity they support. We further promote and invest in initiatives aimed at restoring and rejuvenating natural ecosystems, contributing to their long-term health and resilience.



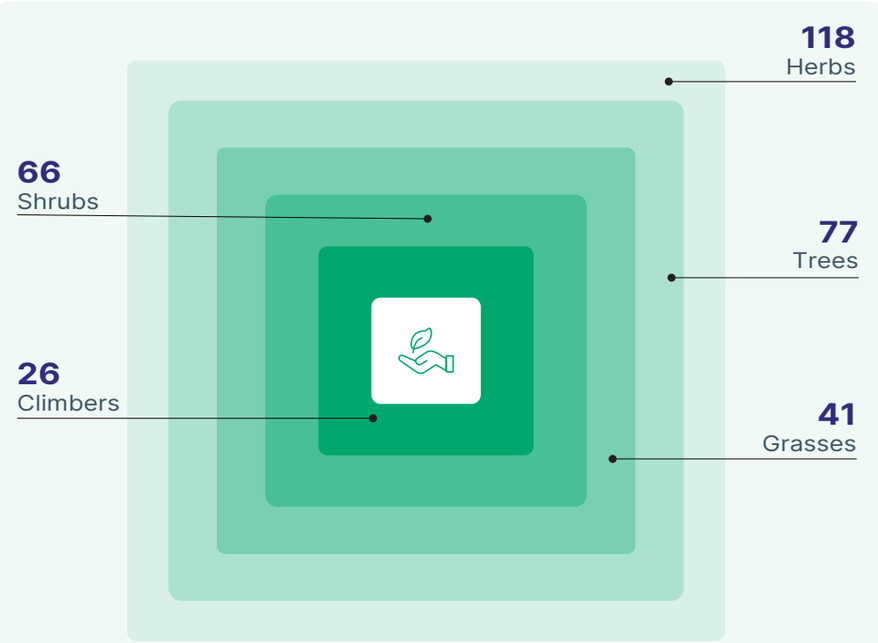
Pyramid of Mitigation Hierarchy

Key steps

Diversify Plantation: Promoting diverse plantation practices by avoiding monoculture and preventing the dominance of a single species, thereby supporting ecological balance and biodiversity enhancement.

Embrace Indigenous Species: Plant species selection for future plantation initiatives prioritizes native and indigenous species due to their vital role in supporting local ecosystems. Unlike exotic species, native vegetation better attracts and sustains wildlife, as it has naturally evolved alongside local fauna. Promoting native species helps enhance biodiversity and contributes to the development of healthier, more resilient ecosystems.

Developing Miyawaki plots: Our manufacturing plants have established dense miyawaki plots and nature parks that promotes local flora and fauna. These plots also improve the flood resistance of nearby areas.



Floral Diversity at Anjar Facility

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7S WORKPLACE MANAGEMENT SYSTEM

This program empowers employees to take personal responsibility for keeping their workspace and surroundings clean, fostering a culture of discipline, accountability, and collective ownership over waste reduction.

IMPACT

Resource Efficiency

Reduced dependence on virgin raw materials through high-volume use of recycled fibers and materials.

Waste Diversion

Significant proportion of waste diverted from landfills, aligning with our long-term Zero Waste to Landfill ambition. 100% non-hazardous waste generated across operations is recycled, ensuring zero contribution to landfill burden.

Cultural Transformation

Swachh Welspun 2.0 has ignited employee engagement, creating a ripple effect of clean, organized, and waste-conscious practices across facilities. The program is reinforced through awareness trainings, inter-departmental cleanliness competitions, hands-on workshops, periodic audits, and practical shop-floor exercises, ensuring that the principles of hygiene, waste segregation, and workplace discipline are embedded in day-to-day operations.

Economic Value Creation

Monetization of waste streams through sale to recyclers and use in secondary manufacturing processes.

Emission Reduction

Lowered carbon footprint by avoiding emissions from waste decomposition and virgin material production.

Community and Ecosystem Benefits

Reduced environmental pollution and increased awareness on responsible consumption and waste segregation. By embedding Waste to Wealth strategies into our operations, and through initiatives like Swachh Welspun, we are driving resource circularity, lowering environmental impact, and creating a culture where every individual plays a role in keeping our spaces and our planet clean.

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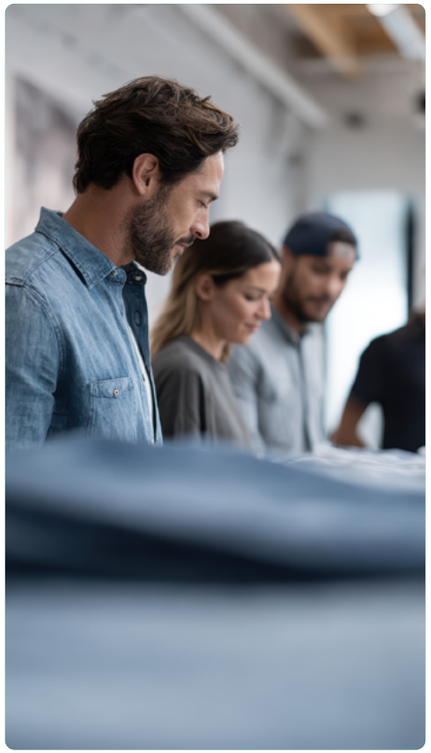
Social Responsibilities

Employee Well-being & Growth
Employee Benefits
SPUN Story
Health & Safety
Jagriti
CSR Initiatives

40 Years of Social Impact

Best Workplaces for Women — Great Place To Work. INDIA 2025

Great Place To Work. Certified 2026 INDIA



Hands behind every Thread

We are a proud family of more than 16,000 united people, of all cultures, races, and nationalities together as one true Welspunite. The forty-year legacy was woven through thousands of people across our facilities. For every person who invested their trust in us, we have invested back — in their growth, their safety, and their future. As we step into an era of transformation, that commitment only deepens. Behind every thread count, every finish, every fold is a person who showed up, paid attention, and took pride in their work. **Our people centric work culture has allowed us to achieve the prestigious Great Place to Work certification along with India's Best Workplace for Women.** We are fostering a workplace where safety is non-negotiable, employees are empowered to grow, and their well-being and retirement security are actively supported.

Social Performance Highlights

Total permanent employee and workers **16,097**	Total women employees **6,392**	Contractual Worker **5,849**
Specially abled workers **128**	Total women workforce % **29%**	Permanent employee turnover % **25%**
Total women directors % **38%**	CSR Volunteers for community initiatives **1,822** 3,600 hours of community engagement	CSR Investment **12.65 Cr**

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Employee Well-being & Growth

Employee Engagement

Every Voice Heard



Being a people driven organisation, we listen to our people's ideas, solutions, innovations, and problems through different forums, focus groups, one-to-one sessions so that nobody is left out. Our engagement extends communities that surround us outside of our operational boundaries through our CSR initiatives, fostering a sense of belonging and responsibility.

We-Listen Amber, our Chief Listening Officer, is an AI-enabled chatbot designed to regularly engage employees to gather feedback, address queries, and capturing suggestions. Acting as an anonymous and trusted ally, Amber ensures employee identities remain confidential, enabling open and honest expression of thoughts, concerns, and ideas while fostering a culture of transparency and continuous improvement.

Workplace Support Hub – A dedicated support hub has been established to enable employees to directly connect with their respective business HR representatives for timely resolution of queries related to the employee lifecycle. The platform ensures accessible support across areas such as onboarding, benefits, policies, career progression, and workplace concerns, fostering transparency, responsiveness, and a positive employee experience.

360-degree Feedback - Institutionalized a 360-degree feedback mechanism for leadership evaluation, fostering a culture of transparency and continuous improvement. This multi-source assessment includes inputs from peers, subordinates, and supervisors, ensuring holistic performance evaluation and alignment with our sustainability-driven leadership competencies.

Leadership Fireside Chat – Every quarter, top management engages with employees through scheduled sessions where senior leadership interacts directly with the workforce, sharing organisational updates, addressing key topics, and fostering a sense of unity and connection across all employees.

Anonymous Ally – Enables employees to share concerns, feedback, or suggestions without revealing their identity. Whether it relates to work environment, leadership, ethics, or any other matter, you can use this platform to voice your thoughts securely.

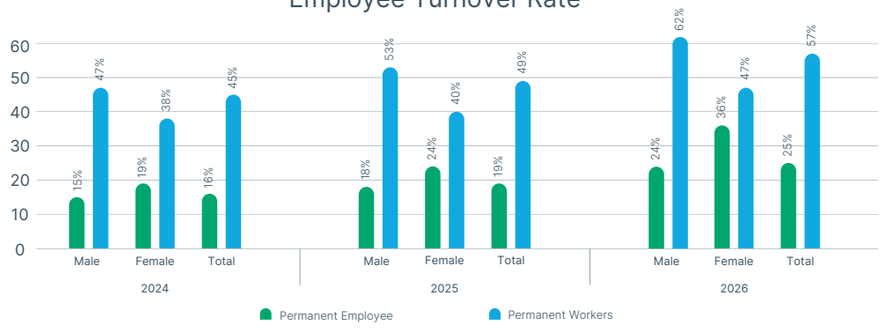
Global Townhalls - These forums offer transparency on business performance and strategic priorities while creating space for employee voice and recognition.

Cultural Diversity

Festivals and Celebrations – Festivals and celebrations help foster an inclusive and engaging workplace by bringing employees together to celebrate diverse cultures and traditions. These occasions promote teamwork, cultural awareness, and a sense of belonging, enhancing employee morale while strengthening a positive and collaborative work environment.

Culture Feed – Through interactive workshops, campaigns, and storytelling, we reinforce the values of LITE (Learning, Innovation, Transparency, Endurance) and the spirit of "Har Ghar Har Dil Welspun".

Employee Turnover Rate



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Employee Benefits



Promoting Work-Life Balance

We are committed to fostering a supportive and inclusive workplace by valuing employee perspectives and promoting work–life balance. Employees get flexible working hours, work-from-home options, and short leave provisions, enabling them to effectively manage personal and professional responsibilities. To support working parents, onsite crèche facilities and essential resources are provided, empowering working mothers and enhancing their confidence and independence. A comprehensive leave policy, including privileged leave, sick leave, and relocation leave, ensures employees can address personal needs while transitioning smoothly within the organisation. Additionally, maternity and paternity leave benefits are extended to support parents during early childcare, promoting the health, well-being, and care of both mother and child.

Building Talent Across Workforce

We actively support employee growth and continuous learning by encouraging higher education and skill development. Scholarships are provided to employees demonstrating exemplary performance, enabling them to pursue academic and professional advancement. Study and examination leave are granted in accordance with course requirements, allowing employees to focus effectively on their learning commitments. Through learning initiatives facilitated with G.D. Goenka University, employees across all levels are encouraged to enroll in executive and part-time programs, fostering knowledge enhancement and promoting a culture of lifelong learning across the organisation.

Diversity and Inclusion

At Welspun Living Limited, diversity and inclusion are integral to building a respectful, equitable, and empowering workplace. The organization promotes gender equality by ensuring fair opportunities and an inclusive environment where employees can thrive regardless of gender, race, ethnicity, religion. Inclusivity is further strengthened by providing employment opportunities for persons with disabilities at manufacturing sites, supported by accessible and enabling working conditions. Through these initiatives, Welspun empowers its workforce, encourages participation, and fosters a culture rooted in respect, equality, and shared growth.

Employee Wellness

Employees receive a comprehensive range of benefits aimed at ensuring financial security, health, and overall well-being. They are covered under life insurance and provident fund schemes, supporting long-term financial stability and social security. Regular annual health checkups are conducted to promote preventive healthcare and employee wellness. Maternity and paternity leave benefits are extended to support parents during early childcare and family responsibilities. In addition, retirement provisions, including gratuity benefits, are offered to help employees plan a secure future, reflecting our commitment to supporting employees across all stages of their professional and personal lives.

'We Care' Initiative

Our We Care initiative reflects a holistic approach to employee well-being, addressing physical, mental, social, spiritual, and financial aspects of life. Through the Employee Satisfaction Index, we regularly assess purpose, happiness, and stress levels to design targeted programs that strengthen workplace culture and enhance job satisfaction. Sometimes, what employees need most is simply to be heard. **Wellness at Welspun**, a key pillar of the **We Care** initiative, creates that space — offering anonymous channels and a confidential listener where team members can speak openly about stress, fears, or workplace challenges, without ever having to reveal who they are. This continuous feedback mechanism enables timely actions, ensuring our workforce remains engaged, motivated, and prepared for the future.



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Labor Practices and Human Rights

Welspun is committed to protecting Labor rights by fostering a safe, fair, and inclusive workplace for all employees and workers. The Company adheres to the provisions of the Companies Act, 2013 and aligns with the principles of the International Labor Organization to ensure ethical employment practices. We maintain a zero-tolerance approach to discrimination and promote equal opportunity, fair working conditions, and respect for every individual across our operations.

Employee Benefits	Percentage of Employees covered
Life insurance	100
Health cover	100
Disability/ accidental coverage	100

Investing in People and & Skills

Learnovate Sessions – sessions bring together subject matter experts to discuss topics focused on workplace skill enhancement, effective communication, and emerging technology trends. The sessions cover practical learning areas such as SAP, Artificial Intelligence, and Power BI, highlighting how digital tools and new capabilities can enhance day-to-day productivity and operational efficiency.

We-Learn Skillup – A structurally designed three-week training module focused on building ownership mindset, understanding digital utilities, strengthening communication, leadership, and collaboration capabilities to enhance workplace skills and support employees in becoming well-rounded professionals.

Campus to Corporate – Freshers participate in a group-level induction and training program designed to support their transition from academic life to the corporate environment. The initiative nurtures young professionals into next-generation team players and future leaders by focusing on business understanding, cultural integration, team building, and leadership interactions.

Knowledgehub Coursera – Through Coursera, employees can upskill in areas such as leadership, digital technologies, and professional development, fostering continuous learning and enhancing future-ready capabilities across the workforce.

Manthan Innovation – A platform that empowers employees to transform innovative ideas into practical solutions. During the year, the Manthan program generated savings of approximately ₹2 crore, with employees recognized and rewarded for their impactful contributions and innovative initiatives.

Nomination and Remuneration

Our employee remuneration policy is designed to attract, motivate, and retain talent while ensuring fairness and competitiveness within the industry. We offer a comprehensive compensation package that includes competitive salaries, performance-based incentives, and benefits tailored to the diverse needs of our workforce. Remuneration is determined based on objective criteria such as individual performance, skills, experience, and contribution to the Company's success, ensuring transparency and equity across all levels. Compensation structures are reviewed regularly to reflect market trends and promote internal fairness, fostering a culture of recognition and appreciation. 100% of our employees are covered under the living wage benchmark analysis ensuring that all employees are having wages equal to or above living wages. For senior management, remuneration is linked to organisational performance and long-term value creation, aligning individual goals with the strategic objectives of the Company. The policy is overseen by the Nomination and Remuneration Committee, ensuring consistency, accountability, and alignment with our values of integrity, inclusiveness, and sustainable growth.



Employee Learning & Development

Embedded in our LITE values is a belief that learning is not a destination but a discipline — one that our people practice daily, and our leaders embody personally. We believe it is equally important to unlearn at certain moments as well because to learn new things the old and obsolete learnings must first be unlearned. Employees have access to different modes of learning, training through on-site experiences, virtual training, and pre-recorded modules for different functions. Mandatory training sessions focused on Cybersecurity, Prevention of Sexual Harassment (POSH), Code of Conduct, Ethics and fair practices are carried out. Specific function-related trainings such as production, quality, SAP, and many more are also provided to build capacity amongst ranks of different functions.

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CASE STUDY

The Spun Story

In 2001, when the Kutch region was struck by a devastating earthquake that disrupted livelihoods and displaced communities, **SPUN** was established with the purpose of creating sustainable livelihood opportunities for women affected by the disaster. The initiative was founded on the vision of empowering communities through meaningful employment while fostering social and environmental responsibility.

SPUN, which stands for **Sustainable, Purpose Driven, Uniting Communities, and Nurturing,** transforms textile waste into opportunities for both people and the planet. Approximately **4–5 tons of fabric waste** generated each month serves as raw material for SPUN designers and artisans. Skilled women artisans creatively repurpose this material into handcrafted products such as cushions, rugs, gift accessories, bedding, and quilts. These products not only generate sustainable income for participating women but also enable responsible waste management by diverting textile waste from disposal pathways.

Through sustained efforts, the initiative has positively impacted the lives of approximately **8,860 individuals** across the region, fostering economic independence, community resilience, and circular use of resources.

8+ SPUN
CENTERS

2,200
WOMEN ARTISANS

4-5 MT
OF FABRIC WASTE RE-PURPOSED MONTHLY



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Performance Management System

Performance evaluations are conducted quarterly for all employees, covering KPIs, measurable goals, alignment with company values, conduct, and teamwork. In FY26, **84%** of employees and **84%** of workers participated in performance and career development reviews. This ensures fair, transparent, and holistic performance assessment.

Equal Opportunities and Fair Treatment

We are committed to being an Equal Opportunity Employer, recognizing and valuing the unique perspectives, experiences, and skills that each individual brings. A zero-tolerance policy against harassment and discrimination ensures a safe, inclusive, and respectful workplace for all employees.

Compensation and career development decisions are based on merit, skills, knowledge, and performance, promoting fairness and transparency across all levels. All employees receive wages above the legally mandated minimum, and equal pay practices are applied irrespective of gender. These measures support a culture of equity, empowerment, and professional growth, aligned with our commitment to human rights and responsible labor practices.

Prevention of Sexual Harassment

To ensure a safe and inclusive workplace, we have implemented a comprehensive Prevention of Sexual Harassment (POSH) policy in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The policy clearly defines procedures, an escalation matrix, and a redressal mechanism. It is accessible on the company's intranet and reinforced through posters, emails, and periodic training sessions to ensure awareness and effective implementation across all levels of the organisation. Mandatory training sessions are arranged for employees and workers of all cadre, assessments are carried out to ensure the effectiveness of the training modules.

Freedom of Association and Collective Bargaining

The Company upholds the United Nations Universal Declaration of Human Rights and ILO Core Labor Standards, ensuring employees' right to freely form or join trade unions, workers' associations, or employee councils in line with Indian labor laws, without fear of discrimination or retaliation. Workers may elect representatives to engage in dialogue with management, and bipartite committees with both employee and employer representatives may be established through democratic processes. A formal Freedom of Association and Collective Bargaining Policy governs these practices, reinforcing transparent governance, protection of worker rights, and constructive social dialogue



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Health and Safety

Business is first but Health is our Priority

Occupational Health & Safety

Welspun Living adheres to the highest standards of occupational health and safety, with all manufacturing sites certified under ISO 45001:2018. We believe that business growth should never come at the cost of employee health and well-being and therefore go beyond applicable regulations, including the Factories Act and SA 8000, to ensure a safe and healthy working environment for all employees and workers. Occupational health centers equipped with advanced medical facilities enable efficient on-site treatment and timely response to injuries and health concerns. Both permanent and non-permanent employees and workers are covered under the Company's comprehensive safety framework. A dedicated team of trained safety professionals, firefighters and experienced doctors is deployed across facilities to continuously monitor, enforce, and enhance safety standards.

Aspects	Employees	Workers
LTIFR	0	0.02
Fatal	0	0
LTI	0	1
Manhours	31,21,464	4,63,16,980
Total recordable injury	0	1
High consequence work-related injury	0	0

We prioritize continuous Health and Safety (H&S) training for all employees, including permanent, contractual, and new joiners. Each new employee undergoes a structured safety induction program covering EHS policies, workplace hazards, safe operating procedures, lockout–tagout protocols, and preventive controls. To strengthen safety awareness, regular refresher programs are conducted across all facilities, focusing on critical topics such as machine safety, chemical and waste handling, compressed air usage, hot work safety, working at heights, electrical safety, hazard identification, and material handling. Employees are also trained in behaviour-based safety (BBS) practices, encouraging proactive hazard reporting and a culture of shared accountability. Fire safety and emergency preparedness are reinforced through periodic mock drills, evacuation training, and firefighting sessions, equipping employees to respond effectively during emergencies. Specialized training modules also include first aid, personal protective equipment (PPE) usage, and general safety awareness sessions.

No of Employee trained	No of workers trained
1,234	14,738
Total training hours for employees	Total training hours for workers
6,170	21,121
Average training hours per employee	Average training hours for workers
5	1.43

Diversity & Women Empowerment

Women Empowerment – RISE Initiative

Realizing Inclusive and Sustainable Excellence is aimed at reducing gender disparities and empowering women associates to transition into staff profiles. The initiative reflects Welspun's broader commitment to building an inclusive workplace that supports career advancement, equal opportunities, and long-term professional growth for women employees.

We continuously encourage workplace diversity, equity, and inclusion by creating meaningful growth and development opportunities across all levels of the workforce. By actively promoting an inclusive culture supported by employee engagement initiatives and continuous efforts to strengthen diversity within the organisation.

While significant progress has been made, Welspun recognizes the need to further improve gender representation, particularly within staff-level roles. The Company acknowledges the importance of enhancing gender equity by enabling greater participation of women in higher-skilled, better-paying, and leadership-oriented positions.

Total women employees	Women in manufacturing roles
6,392, 29%	4,734, 29%
Maternity & Childcare Support (Creche facilities, return-to-work program)	Maternity leave return rate
100%	100% Staff, 93% Workers

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CASE STUDY

Jagriti

We have conceived Project Jagriti — meaning 'Awakening' — as a transformative initiative dedicated to empowering our female associates to rise into supervisory roles. Through meticulous, multi-dimensional training modules encompassing communication, leadership, people management, and personality development, Jagriti equips women on the shop floor with the capabilities and confidence to take on positions of greater responsibility and influence.

With over 29% of our workforce comprising women, we recognize not just an opportunity, but a deep organizational responsibility — to ensure that their careers remain on an upward trajectory and that their contributions are met with equal access to growth. Jagriti is our commitment to turning that responsibility into action.

The program is directly aligned with UN Sustainable Development Goal 8 — Decent Work and Economic Growth, reinforcing our belief that inclusive workplaces are not only the right aspiration, but a driver of sustainable business performance.

450
WOMEN PROMOTED TO SUPERVISORY ROLES



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CSR Initiatives

All our CSR initiatives are implemented through the Welspun Foundation for Health and Knowledge (WFHK). The Foundation is guided by a vision to serve customers, shareholders, employees, and society at large with dedication and purpose. WFHK drives sustainable community development through focused interventions in key areas such as education—particularly for the girl child—women empowerment, environmental stewardship, healthcare, and promotion of traditional crafts. These initiatives are aligned with the United Nations Sustainable Development Goals (SDGs), contributing toward inclusive growth, social equity, and long-term environmental sustainability.





WelNetrutva

Empowering
23,793 Women

At the heart of WelNetrutva lies a commitment to transforming rural livelihoods from the ground up. As farm incomes grow, women within these households are empowered to develop and scale micro-enterprises — from agri-processing to local trade — creating diversified income streams that reduce household vulnerability and drive sustained women's income generation. Together, these pillars turn subsistence into sustainability and potential into shared prosperity.



WelShiksha

Total Beneficiaries
1,63,928

WelShiksha is dedicated to transforming the educational landscape in underserved communities by digitalizing government classrooms and bridging critical learning gaps through technology. By deploying smart boards and structured e-learning teaching modules, the initiative brings curriculum to life in ways that traditional methods cannot — making lessons more engaging, accessible, and impactful for both students and educators. Interactive learning tools further deepen comprehension and drive attendance, fostering a classroom environment where curiosity thrives. At its core, Wel-Shiksha believes that every child, regardless of geography or circumstance, deserves a quality education — and that empowering young minds today is the most powerful investment in tomorrow's communities.





Welspun Super Sports Women

The Welspun Super Sport Women program champions gender equity in sports by providing elite women athletes with sustained institutional support. Currently benefitting **24 athletes** across 10+ states, the program has enabled participants to earn **140+ medals** at national and international competitions across 10+ sporting disciplines. **Notably, two athletes have been honored with the prestigious Arjuna Award, and several have qualified for and competed at the Paris 2024 Olympics and Paralympics.** The initiative also emphasises personality development, communication training, gender equality, and long-term community engagement, transforming athletes into true ambassadors of social change.



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WelSwasthya

Total Beneficiaries
3,71,286

WelSwasthya anchors its community health mission in the belief that preventive care is the most powerful tool for lasting well-being. Through regularly organised health camps, the initiative brings essential medical screenings, consultations, and wellness support directly to the doorsteps of underserved communities, eliminating barriers of distance and affordability. Special focus is placed on adolescent health — addressing the physical, nutritional, and emotional needs of young individuals at a critical stage of development. Targeted awareness drives on malnutrition and hypertension educate families on the importance of balanced diets, early detection, and lifestyle management, enabling communities to take proactive charge of their own health. By combining grassroots outreach with meaningful health education, WelSwasthya nurtures a culture of prevention, dignity, and long-term well-being.





WelPrakruti

Trees Planted
7,170

WelPrakruti embodies Welspun Living Limited's deep commitment to environmental stewardship by weaving ecological restoration into the fabric of community life. Through dedicated tree plantation drives, saplings are nurtured and planted across community lands, school premises, and public spaces — fostering a sense of collective ownership over the environment while steadily expanding green cover for generations to come. Complementing this, water recharge initiatives through strategically constructed artificial ponds replenish groundwater levels, mitigate the impact of seasonal droughts, and provide communities with a more reliable water supply across the year. At the household level, the introduction of biogas plants transforms organic waste into clean cooking fuel, reducing dependence on firewood, cutting indoor air pollution, and lowering carbon emissions one home at a time. Together, these interlocking efforts reflect a vision of environmental resilience that is not imposed from above but grown from within communities themselves.

Wel-Krishi

Total Beneficiaries
1,13,657

WelKrishi is uplifting rural farmers by building capacity on topics revolving around seeding innovation, modern and climate-resilient farming techniques, providing dedicated plotting assistance to optimise land use and yields, and motivating farmers through peer learning and on-ground support. By further strengthening market linkages, facilitating access to government schemes and financial entitlements, and embedding sustainable land and water management practices at the grassroots level, the initiative builds lasting agricultural confidence and stability.







WeVolunteer

At Welspun Living Limited, volunteerism is not an activity, but a value deeply embedded in the organizational culture. Through the 'We Volunteer' program, employees are encouraged to actively participate in various community-centric activities including education, environment, healthcare, and livelihood development. In FY 2025–26, **1,822 employees** contributed over 3600 hours of service across geographies. These engagements not only address pressing societal challenges but also nurture empathy, purpose, and leadership within the workforce. From mentoring school children to planting trees and supporting health camps, our volunteers exemplify the spirit of service-driven impact.

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CASE STUDY

Waste to Flame

Our efforts are focused on rural development in regions where agriculture and animal husbandry form the backbone of livelihoods. In such communities, a significant portion of waste arises from crop cultivation, cattle rearing, and organic food residues. When left unmanaged, this waste decomposes in open areas, leading to methane emissions, foul odor, and deterioration of the local environment.

To address these challenges, our CSR team identified over 150 households generating sufficient quantities of organic waste and partnered with them to install household-level biogas units, each with a capacity of 2 SCM per day. This initiative enables the effective conversion of agricultural and organic waste into a clean, renewable source of energy.

A key outcome of this program is the reduced dependence on LPG cylinders, which are not only costlier but also associated with higher emissions. By promoting biogas as a viable alternative, the initiative enhances household-level energy security and resilience. In the context of increasing global uncertainties and supply disruptions in fossil fuels, this transition to localized, sustainable energy sources empowers communities while contributing to waste management and environmental safety.

140+ tCO2e
EMISSIONS AVOIDED ANNUALLY

8,000+ MT
BIOFERTILIZER PRODUCED ANNUALLY



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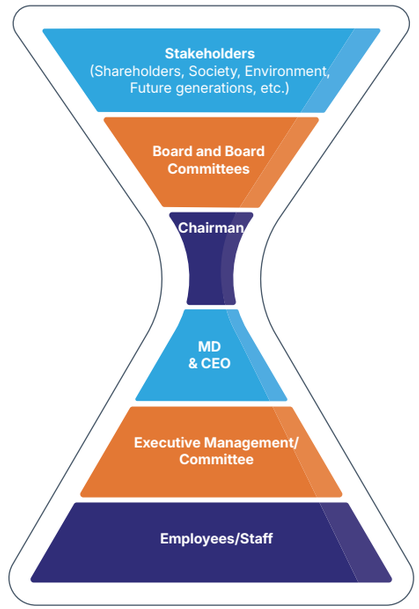


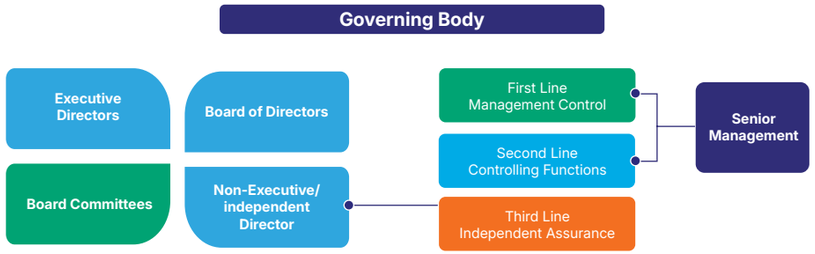
Corporate Governance Structure

The Board structure is designed to support sustained and stable growth while upholding the highest standards of ethical conduct, transparency, and accountability across all business operations. Our governing structure is aligned with Regulation 17 of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR), comprising a balanced and diverse Board of eight directors, including three female directors and five male directors, with half of the Board constituted by independent directors. This composition ensures strong oversight, diversity of perspectives, and objective decision-making. The Board provides strategic guidance while maintaining robust supervision over risk management practices, enabling the organization to proactively identify and mitigate emerging risks and strengthen operational resilience. Particular emphasis is placed on maintaining robust data privacy and information security frameworks to safeguard critical information and uphold stakeholder trust in an evolving digital landscape. Through transparent disclosures, responsible leadership, and well-defined governance mechanisms, the Board fosters a culture of integrity and compliance throughout the organization. By embedding sustainability considerations into strategic and operational decision-making, the Board reinforces a balanced approach to growth that advances financial performance alongside environmental and social responsibility, driving sustainable and future-ready value creation.

Board Hierarchy and structure







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Board Evaluation and Incentives

We follow a structured and objective performance evaluation framework that applies across all levels of the organization, including the CEO, reinforcing accountability and performance excellence. The CEO's remuneration is aligned with long-term organizational performance and is guided by clearly defined Key Responsibility Areas (KRAs), which are systematically monitored through a centralized performance management system. This framework ensures clarity of expectations, performance transparency, and alignment between leadership responsibilities and the Company's strategic objectives. As climate action remains a strategic priority, measurable progress on initiatives such as renewable energy adoption and sustainability-driven operational improvements forms an integral part of the KRAs of relevant senior leaders, including the CEO.

To further strengthen ESG accountability, incentives, promotions, and leadership progression for the CEO and the Sustainability Head are directly linked to ESG performance outcomes, encouraging responsible decision-making and advancing sustainable and inclusive organizational development. We maintain high standards of transparency through clear disclosures on executive remuneration, promotion of executive shareholding to align leadership interests with long-term stakeholder value, and transparent reporting of major shareholdings. Together, these measures demonstrate a strong commitment to ethical governance, independence, diversity, and sustained long-term performance, while embedding sustainability into leadership priorities and organizational culture.



Governance and Leadership

Sustainability team is responsible for all the technical and on-ground efforts in imparting operational sustainability, but the accountability behind every decision is held by the Board of Directors. Our Board of Directors are highly skilled when it comes to Sustainability, Finance and Operational Excellence, allowing the blend of all into a strategic decision-making authority. Having 50% Board independence further enhances the transparency and accountability of each step taken, aligning it with the needs of current and future stakeholders.

Board Age
60.5
Years

Diversity
38%



Diversity within the organization

EMPLOYEE LEVEL

Board of Directors	Senior Management	Employees and Permanent Workers
62% 38%	91% 9%	69% 31%
TOTAL 8	TOTAL 65	TOTAL 16,097

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Board Committees

Each committee fulfills a crucial role in managing key aspects of corporate governance, including financial oversight, executive appointments and compensation, stakeholder relations, risk management, and Environmental, Social, and Governance (ESG) considerations, encompassing Corporate Social Responsibility (CSR). Operating as separate entities, these committees promote transparency, reinforce governance standards, and enhance the overall effectiveness of the organization.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder's Relationship, Share Transfer, and Investor's Grievance Committee
- Risk Management Committee
- ESG and CSR Committee



Audit Committee

To ensure the accuracy, sufficiency, and dependability of the financial statements, the Welspun's Audit Committee oversees upholding Welspun Living Limited's reporting practices and the disclosure of its financial data. The committee is composed of Independent Directors, including the chairperson. The chairperson is non-executive and independent.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee contributes to the development of the standards for evaluating a director's qualifications, positive qualities, and independence and suggests to the Board a policy governing the compensation of directors, key managerial personnel, and other employees. This committee is comprised of majority independent Directors, including the chairperson.

Stakeholder's Relationship, Share Transfer, and Investor's Grievance Committee

Committee reviews all matters relating to Welspun Living Limited's securities, grievance redressal for stakeholders, including complaints regarding the transfer of shares, non-receipt of balance sheets, and non-receipt of cleared dividends, as well as improvement plans for the standards of services provided to investors. The committee has an Independent Director as its chair.

Risk Management Committee

The Risk Management Committee oversees developing the business continuity plan, risk management guidelines, and risk mitigation plans, including those related to cyber security risks. The committee is chaired by an Independent Director.

ESG and CSR committee

At Welspun Living Limited, our Environment, Social and Governance (ESG) policy and Corporate Social Responsibility (CSR) policies are guided by a dedicated ESG & CSR Committee, which advises on the implementation of our initiatives and oversees all expenses and disclosures related to our ESG and CSR efforts. This committee also plays a crucial role in recommending and approving the ESG and CSR budget to ensure that our contributions align with our broader sustainability goals and create meaningful social impact. To further enhance our focus on sustainability, the ESG & CSR Committee was established in FY 2021-22. Composed of Directors, with the chairperson being an Independent Director, this committee addresses critical sustainability issues and provides strategic direction to the management. Its primary objective is to leverage Welspun's core competencies to develop innovative solutions for long-term resource management, reduce environmental impact, and actively contribute to climate change mitigation. The committee's efforts drive our commitment to building a more sustainable future while creating value for all stakeholders, including the communities in which we operate.

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Board oversight on Sustainability

Board Oversight

88% of the Board members possess expertise in ESG implementation and performance tracking, enabling comprehensive and informed oversight of the organization's sustainability performance and strategic direction.



The Board plays a pivotal role in establishing measurable targets and monitoring progress against key commitments, including Science Based Targets initiative (SBTi)-aligned Net-Zero goal, as well as internally defined targets on water conservation, waste management, sustainable raw material, gender diversity, and supplier engagement across the value chain. These structured targets enhance accountability and provide a clear framework for tracking performance, identifying improvement opportunities, and developing actionable plans that support continuous improvement and the achievement of long-term sustainability objectives.

Knowledge Building

Learn, unlearn, & relearn is the first of our LITE values, followed by our Board members and senior management as well through dedicated training sessions by experts of respective domains. Core topics include expanding CSR, operational resilience, sustainability regulations, and integrating responsible AI. The training programmes are reviewed and developed, keeping the evolving landscape in mind.



Policies

We have established a comprehensive framework of policies that guide ethical conduct, regulatory compliance, and responsible business practices across all operations. These policies provide clear direction on key areas such as governance, risk management, data privacy, environmental stewardship, human rights, and workplace conduct, ensuring consistency in decision-making and accountability at every level of the organization.



Compliance and Internal Controls

We place the highest importance on ethical, social, and environmental responsibility across all aspects of our operations. Our strong commitment to legal and regulatory compliance is evident in our strict adherence to health, safety, marketing, and labelling standards. In FY 2025-26, we recorded zero instances of unfair practices, corruption, or discrimination. We addressed shareholder concerns promptly and operated without incurring any fines—highlighting our dedication to compliance. This commitment not only ensures transparency and integrity but also supports broader goals of societal well-being and environmental sustainability.

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Ethics, Integrity, Transparency and Accountability

We have strengthened our ethical governance by appointing a Chief Ethics Officer and establishing a robust whistleblower framework. The policy clearly outlines roles and responsibilities, ensuring that employees and workers are well-informed and empowered to act with integrity. It provides a comprehensive definition of "Improper Practices" arising from unethical conduct, along with a structured and transparent reporting procedure supported by clear contact channels for the Ethics Team.

To foster a culture of trust and accountability, the framework guarantees strict confidentiality and protection for whistleblowers, safeguarding them against any form of retaliation or harm. Additionally, a 24/7 support mechanism is in place to ensure that all concerns are promptly addressed, reinforcing our commitment to ethical conduct and responsible business practices.

Code of Conduct

We have established a robust policy framework that promotes ethical behavior, transparency, and compliance across all operations. Applicable to Board members, employees, and third-party partners, the policy reinforces honest conduct, fair dealings, protection of confidential information, and adherence to legal and regulatory requirements. Supported by policies on anti-corruption, human rights, equal opportunity, workplace safety, and anti-harassment, the framework fosters a culture of integrity, accountability, and responsible business practices across the organization

Whistle-Blower Policy

Our Whistle-Blower Policy provide strong frameworks for reporting and addressing actual or suspected breaches of laws, regulations, and the Company's Code of Conduct by employees and stakeholders. The policy is readily available on the Company's website, enabling swift and easy reporting. WLL's whistle blower protection covers all individuals who make protected disclosures, enabling them to report concerns through email, telephone, or directly to the POSH Committee, without fear of retaliation. We have appointed an independent third party to facilitate reporting through a toll-free helpline number, 24×7, promoting transparency and fairness.

Anti-Bribery and Anti-Corruption Policy

As a responsible organization, We have proactively taken steps to combat bribery and corruption. To strengthen existing governance framework, we have implemented a robust Anti Bribery Management System (ABMS). This systematic framework of policies and processes is designed to support current



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governance mechanisms with the goal of preventing, detecting, and addressing bribery risks. Mandatory E-learning courses are rolled out to equip employees with the necessary knowledge and skills to effectively prevent, identify, and respond to bribery and corruption risks. Corruption risk assessments are carried out on a periodic basis, and the outcomes inform the ongoing strengthening and enforcement of anti-corruption measures across the organisation.

Quality Management System for Product Distribution Networks

We have established a comprehensive Quality Management System (QMS) data manual to strengthen product distribution networks and uphold our commitment to customer satisfaction. Guided by ISO 9001:2015 standards, our QMS ensures consistency, compliance, and reliability across all channels. Customer engagement surveys, consistently scoring above 90%, validate the effectiveness of these efforts. To minimize risks, we conduct regular evaluations and equip distributors with documentation, workshops, and training. In FY25, over 85% of distributors participated in formal training programs, enhancing their understanding of our quality processes and standards. Continuous feedback loops with distributors further drive improvements, fostering a culture of excellence across the supply chain. By prioritizing quality management, we ensure customer satisfaction while reinforcing the integrity and reliability of our brand in the marketplace.

Rooted in Transparency

We are utilizing Wel-Trak 2.0 an updated version of our blockchain technology where all the data is being recorded in a secured, tamper proof server. This strengthens our transparency. Wel-Trak gives the details of where the cotton is being purchased from, its owner, sustainably sourced or not.

We leverage Wel-Trak 2.0, the enhanced version of our blockchain-enabled traceability platform, to securely capture and manage supply chain data on a tamper-proof system. This significantly strengthens transparency, accountability, and data integrity across our operations.

The platform enables end-to-end and batch-level traceability, offering real-time visibility into cotton sourcing, including origin, ownership, and sustainability attributes. By integrating data across suppliers and internal systems, Wel-Trak ensures seamless information flow and reliable record-keeping.

It further supports our sustainability goals by tracking certified and responsibly sourced materials, while enabling better monitoring of environmental and social parameters. The system is audit-ready, enhances compliance, and mitigates risks related to data manipulation or misreporting.

With user-friendly dashboards and potential stakeholder interfaces, Wel-Trak empowers informed decision-making, strengthens supplier engagement, and builds trust with customers through transparent and traceable product journeys.

Risk Management & Opportunities

We strongly support the importance of a robust risk management framework to ensure resilient business operations. Through our thorough risk management process, we gain the insights needed to make well informed decisions by identifying and assessing risks inherent to our business and proactively taking steps to mitigate their impact. At the same time, we aim to seize emerging opportunities. Our risk assessment procedures help us recognize both internal and external risks and opportunities, which guide our strategic initiatives.

Risk Governance and Mitigation Action

At Welspun Living Limited, we have implemented a systematic and comprehensive process for identifying and managing significant risks. Oversight of this process is entrusted to our Risk Management Committee (RMC), which includes select Board members, and our Chief Financial Officer (CFO). The RMC consistently monitors, evaluates, and reviews the identified risks. Responsibility for assessing and identifying risks related to specific operations is delegated to individual departments, each with clearly defined roles and responsibilities. The Board regularly reviews the risk management process to ensure its effectiveness and alignment with our organizational goals.

The primary goal of our Risk Committee is to capitalize on opportunities while effectively managing and mitigating risks through strong governance structures and thorough review processes.



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We have successfully incorporated Environmental, Social, and Governance (ESG) risks into our overall business risk management framework, with the Chief Manufacturing Officer (CMO) responsible for overseeing these matters. Every quarter, we conduct a detailed threat and vulnerability assessment to identify potential risks that may affect our business. Ongoing communication and regular reviews of our risk management practices ensure the continued effectiveness of our risk management programs.

Risk Management

Our proactive risk management approach highlights our dedication to responsible practices, protecting stakeholder interests, and fostering sustainable growth. We understand that effective risk management is crucial for our continued growth and operational excellence. To stay ahead in identifying and mitigating potential risks, we have developed a comprehensive framework that includes regular reviews of our risk exposure. This enables us to remain aligned with the changing business environment and adjust our strategies as needed.

Guided by our Risk Management Committee, which comprises the Board of Directors, we emphasize strong risk management through our Enterprise Risk Management (ERM) framework. This framework helps us identify and mitigate a broad spectrum of risks, including financial, environmental, and strategic. After conducting a climate risk and opportunities assessment, we have incorporated environmental concerns into our ERM, acknowledging ESG risks as critical to our business.

The Chief Financial Officer (CFO) acts as the Chief Risk Officer, overseeing the tracking and management of both existing and emerging risks. We perform internal and external audits of our risk management processes, which offer independent assessments that help us identify areas for improvement and strengthen our governance framework. Our internal audit team reviews the risk identification and mitigation procedures and presents their findings to the audit committee, which in turn reports to the Board's Risk Management Committee.

We also prioritize continuous education for our non-executive directors on risk management practices, ensuring they are well-equipped to make strategic decisions with risk considerations in mind. Targeted training on risk management principles is provided across the organization, promoting a culture of awareness and encouraging employees at all levels to embed these practices into their daily work. Additionally, we have integrated risk criteria into our product development process and consistently measure and innovate our risk culture to keep it strong and effective. Audit of the risk management process upholds transparency, accountability, and risk awareness in line with our commitment to responsible and sustainable business practices. Additionally, we incorporate risk criteria into the development of our products and services, evaluating potential



risks during the design phase to ensure our offerings meet market demands while staying aligned with our risk appetite. To strengthen this commitment, we have introduced financial incentives tied to risk management metrics, aligning employee interests with the company's goals and fostering shared responsibility for risk mitigation.

Through these initiatives, Welspun Living Limited aims to cultivate a robust risk management culture that supports our strategic goals and safeguards the interests of our stakeholders. By continuously improving our practices, we position ourselves to navigate challenges effectively and seize new opportunities in a dynamic market environment.

Emerging Risk

Emerging risks include data security threats, evolving regulatory requirements, and supply chain disruptions. These risks span cyber vulnerabilities from digitalization, changing ESG compliance mandates, and raw material or geopolitical instability affecting sourcing continuity.

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Risk	Impact	Opportunities	Mitigation Strategy
Climate Change	Increased frequency of natural calamities leading to operational disruptions and rising operating costs.	Investment in green technologies and enhancement of operational efficiency to reduce environmental impact and long-term costs.	Development and implementation of a comprehensive climate change mitigation and adaptation plan, including renewable energy adoption and resource efficiency initiatives.
Regulatory Changes	Evolving and stringent regulatory requirements may create compliance complexities and increase reporting obligations.	Strengthening governance through improved transparency, data management, and proactive compliance practices.	Establishment of a dedicated compliance function and continuous monitoring of national and international regulatory developments to ensure timely alignment.
Geopolitical Conflicts / International Wars	Disruptions in raw material supply, logistics challenges, and increased tariffs impacting cost structures and delivery timelines.	Diversification and strengthening of supply chain resilience and strategic global partnerships.	Building a robust and diversified supply chain while maintaining strong relationships with international retailers, suppliers, and logistics partners.
Changing Consumer Preferences	Rapid shifts in consumer demand may result in inventory imbalances and reduced product relevance.	Innovation-driven product development aligned with sustainability and evolving market trends.	Dedicated design and R&D teams continuously analyzing consumer insights and market trends to develop responsive and future-ready product offerings.
Data Security Risks	Potential breach of confidential or sensitive information leading to operational and reputational risks.	Strengthening digital governance and enhancing stakeholder trust through secure systems.	Implementation of a robust cybersecurity framework, including secure IT infrastructure, dedicated internal servers, and regular monitoring protocols.
Misuse of Artificial Intelligence	Unauthorized or unethical use of AI leading to data misuse, misinformation, or compliance risks.	Development of responsible and efficient AI-driven solutions to improve operational effectiveness.	Development of in-house AI capabilities and establishment of a responsible AI governance framework supported by AI and ML specialist teams to ensure ethical deployment and monitoring.

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Robust Cybersecurity Framework

Welspun Living Limited ensures robust data security and system resilience through regular daily, weekly, and monthly backups using advanced backup solutions, safeguarding critical data against risks such as cyberattacks, system failures, or physical incidents like fire. Strict access controls are in place, with only authorized personnel permitted to use IT systems, reinforced by strong password protocols requiring periodic changes, complexity standards, and automatic lockouts after multiple failed login attempts. All access activities, including invalid login attempts, are monitored and reviewed by the IT team. Immediate actions are mandated in case of suspected password breaches, and system access is promptly revoked for employees upon exit. Additionally, policies prohibit unauthorized device usage, software downloads, and any misuse of IT resources, with violations subject to disciplinary action. Employees are also encouraged to report any security vulnerabilities or incidents, fostering a culture of accountability and proactive cybersecurity management.



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06

CASE STUDY

Enabling Responsible AI

The fabric of time is being rewoven by technology — and Welspun Living is at the loom. We embrace new-age innovation as an integral thread in our sustainability story, embedding the most relevant technological advances into our workflows through rigorous expert training and deliberate leadership engagement. From responsible AI to Industry 4.0, our commitment is not simply to keep pace with change — it is to be among those who define it. At Welspun Living, technological readiness is not an aspiration. It is already part of how we work, lead, and grow.

In our technology transformation journey, our people are at the center of it, learning, growing, implementing the AI in their daily activities and boosting productivity. Our focus is to help our employees develop a strong foundation for the coming future where AI will be the heart of every major technology, that is why it is more imperative for us to educate our employees on responsible AI use. Our learning and development function partnered with IT function and external AI experts to build capacity among all ranks of employees on usage of AI for daily activities as well as the risks associated with AI technology.

Focus points

- Anatomy of a great prompt
- Complex problem solving
- Demand Forecasting & Inventory Planning
- Pristine documentations and Dashboard summary
- Embedding Automation
- Continuous Improvement



AI Explained Learning Series

06
WORKSHOPS CONDUCTED

125
MANHOURS OF TRAINING



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Monthly and quarterly review meetings are held with the Chief Technology Officer (CTO) and the head of cybersecurity to ensure alignment on strategic initiatives and risk management. We conduct regular internal and statutory audits to evaluate cybersecurity risks and assess the effectiveness of our mitigation measures, including thorough cybersecurity assessments. IT Risk assessment is carried out periodically and its findings are presented to a dedicated committee composed of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and Data Protection Officer (DPO), ensuring top-level oversight of our cybersecurity strategies.

Cybersecurity Breaches

Effective governance thrives on collaboration. Hence, our IT security and cybersecurity governance initiatives bridge organisational silos, fostering collaboration between IT professionals, business units, legal teams, and external stakeholders. This holistic approach fortifies our defences and empowers every individual within our ecosystem to be a custodian of security. We have established a central security operation center (SOC) managed by third party.

Cybersecurity Process and Infrastructure

In today's world, where digital landscapes are as crucial as physical infrastructures, our IT security and cybersecurity governance acts as a shield that not only strengthens our operations but also ensures the sustainability of our organization and the trust of those we serve. Through vigilant governance, we embark on a sustainable journey that protects the present and secures the future.

Welspun GCC, a sister company of Welspun Living, has been providing IT services and infrastructure to Welspun Living Limited. Welspun GCC is certified with ISO 27001:2022, having a systematic framework for identifying, managing and continuously reducing IT risks. It enforces the continual improvement of the IT infrastructure to make it more resilient to data security.

Effective Implementation of Data Privacy Policy

Ensuring the privacy and data protection of our customers is a core commitment of our Company, supported by a comprehensive framework for effective policy implementation. Our data privacy policy, readily accessible on our corporate website, clearly outlines our practices concerning the collection, use, retention, and processing of personal data. This privacy policy serves as an electronic record and contract, compliant with the Government of India's Information Technology Act, 2000, and its associated regulations. In FY 2025-26, no disciplinary actions were necessary, as we recorded zero cases of customer privacy breaches. A dedicated privacy compliance team oversees the policy implementation, and all employees undergo regular privacy training, with documentation of these programs publicly available. We conduct Data Protection Impact Assessments (DPIAs) and maintain a publicly accessible incident response plan to address privacy breaches. Company Profile Sustainability at WLL Economic Performance Environmental Stewardship Social Responsibilities Governance Driving Ethical and Responsible Leadership Annexure Currently, we are aligning with the Digital Personal Data Protection Act, 2023. We proactively inform customers about various privacy protection matters, including the nature and use of collected information, customer rights and control, data access, retention, protection measures, third-party disclosure policies, and monitoring of secondary data use. This reflects our strong commitment to transparency and accountability in data management.

zero cases
of customer privacy breaches



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Supply Chain Sustainability

We are committed to building a sustainable and responsible supply chain through robust supplier audits, assessments, and third-party verifications. As part of this effort, 95% of our critical suppliers have been onboarded to the SEDEX platform, enabling enhanced visibility into supplier environmental, social, and governance (ESG) practices and strengthening transparency across our value chain.

We have set clear targets: assess 50% of our suppliers by 2025 and reach 100% assessment by 2030. We are progressing steadily toward these goals, having already evaluated 100% of our Tier 1 suppliers for environmental and social performance. Through rigorous audit processes and continuous supplier engagement, we strive to ensure our partners uphold the same high standards of sustainability, ethics, and accountability that guide our own operations.

Supplier Code of Conduct

Welspun Living Limited reinforces responsible business conduct across its supply chain through the implementation of a comprehensive Supplier Code of Conduct. The Code is aligned with applicable regulations, the United Nations Global Compact (UNGC), United Nations Guiding Principles on Business and Human Rights, and International Labor Organization (ILO) conventions. Suppliers are expected to uphold ethical Labor practices, including prohibition of child and forced Labor, non-discrimination, fair wages, freedom of association, and safe working conditions. Environmental responsibility is emphasized through requirements related to energy efficiency, water and waste management, emissions control, climate action, biodiversity protection, and responsible handling of hazardous materials. The Code further promotes transparency, anti-corruption practices, data privacy, stakeholder engagement, and strong grievance mechanisms. Compliance is ensured through periodic assessments and audits, reinforcing accountability, and embedding sustainability principles throughout the supply chain.

01 **HUMAN RIGHTS & LABOUR PRACTICES**

- Fair wages & compensation
- Safe working conditions
- Diversity & equal opportunity
- Job security & fair employment
- Employee well-being
- Training & skill development
- Privacy & data protection
- Grievance mechanisms
- No discrimination or harassment
- Freedom of association
- No child or forced labour
- Respect for indigenous rights

02 **ENVIRONMENTAL STEWARDSHIP**

- Water conservation
- Sustainable sourcing
- Energy efficiency
- Renewable energy use
- Waste management
- Eco-friendly packaging
- Biodiversity protection
- Responsible land use
- Carbon reduction
- Environmental compliance

03 **BUSINESS ETHICS & GOVERNANCE**

- Transparent operations
- Anti-bribery & corruption
- Fair competition
- Supplier integrity
- Ethical marketing
- Consumer rights protection
- CSR & community support
- Cybersecurity & data privacy
- Conflict-free sourcing
- Global standards compliance

Sustainable procurement and Responsible Sourcing

Our **Sustainable Procurement and Responsible Sourcing Policy** integrates sustainability across its value chain by promoting responsible sourcing practices and encouraging suppliers to adopt ethical, environmental, and social standards. The

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policy focuses on sustainable raw materials, support for sustainable agriculture, low-carbon logistics, biodiversity protection, and improved energy and water efficiency, while setting clear expectations on business integrity, labor standards, human rights, and environmental compliance. Continuous supplier audits and assessments enable us to ensure that our supply chain operates responsibly while maintaining strong sustainability standards.

In alignment with our Sustainable Procurement and Responsible Sourcing Policy, we have adopted a comprehensive approach to integrating sustainability principles into procurement and supplier management practices. We promote the use of responsibly sourced and certified raw materials while encouraging suppliers to adopt sustainable business practices throughout the value chain. The approach focuses on minimizing environmental and social risks, improving resource efficiency, and fostering long-term partnerships based on shared ESG values.

We collaborate closely with suppliers, contractors, and logistics partners to promote fair labor practices, human rights protection, safe working conditions, and environmentally responsible operations. Supplier due diligence, audits, and third-party assessments are conducted to evaluate compliance with regulatory requirements and internal standards, supported by corrective action plans and continuous improvement initiatives. The Company also emphasizes sustainable agriculture, low-carbon logistics, local sourcing, and transparency across the value chain, while strengthening supplier capabilities through engagement and training programs to advance collective progress toward sustainability goals.

Suppliers	No of Suppliers
Total tier-1 suppliers	582
Total number of critical suppliers in tier-1	67
% of total spend on critical suppliers in tier-1	85%

Supplier Water Risk Assessments

We carried out a detailed water risk assessment across our supplier base to identify potential vulnerabilities and promote responsible water management throughout our supply chain. The assessment evaluated critical factors including water availability, water quality, the regulatory environment, and the impacts of climate change on local water resources. Through this analysis, we gained deeper insights into the specific water-related risks and challenges faced by our suppliers across different operating geographies.

Over **90%** participation

The outcomes of the assessment help guide the development of targeted strategies to mitigate water-related risks and strengthen sustainable water management practices. We actively engage with suppliers to encourage the adoption of water-efficient technologies, improved water-use practices, and effective wastewater treatment solutions. Our focus on water stewardship enhances the environmental performance of suppliers while building long-term resilience across our supply chain and the communities where we operate. Among the 67 suppliers assessed, two were identified as very high risk, primarily due to their presence in severely water-stressed regions, including river basins such as the Sutlej and Godavari. These findings further emphasize the importance of focused interventions and ongoing collaboration with suppliers to address location-specific water challenges and strengthen collective sustainability performance.

The insights derived from this assessment enable us to design focused action plans to manage water-related risks and advance sustainable water practices. We continue working closely with suppliers to promote water-efficient technologies, improve water-use efficiency, and implement advanced wastewater management systems aligned with best industry practices.

Supplier Manual

Through our Supplier Manual, we set transparent expectations for operational excellence and ethical conduct. Every supplier is subject to regular third-party audits or inspections, ensuring adherence to both regulatory norms and our own sustainability standards. The manual acts not only as a compliance framework but also as a catalyst for continuous progress, enabling suppliers to align with our vision for quality, integrity, and sustainable growth. By embedding accountability at every stage, we reinforce our commitment to building a responsible and future-ready supply chain.

Supplier Assessment using the Welspun Supplier Manual

In FY26, we completed assessments for 67 tier-1 suppliers through detailed audits covering social practices, occupational health and safety, environmental performance, and chemical management. Critical suppliers were evaluated periodically, with corrective action plans and follow-up reviews to ensure compliance. Annual training on our Supplier Code of Conduct was conducted, while improvement action plans were monitored through annual assessments. A supplier performance

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dashboard was introduced, linking business continuity to ESG performance. Supported by a well-structured Supplier Manual, this framework ensures consistent evaluation, transparency, and continuous improvement, fostering responsible and resilient supplier partnerships.

Supplier Sustainability Through Shared Learning

Critical suppliers were provided with training on decarbonization and sustainable practices that can be implemented at the site level to enhance environmental performance. The sessions covered key topics including greenhouse gas (GHG) emissions, methodologies for measurement and reduction, and the long-term benefits of investing in sustainability initiatives. Suppliers also received one-on-one guidance on projects related to GHG reduction technologies and practical implementation approaches. Through these engagement efforts, we achieved over 90% participation, reflecting strong collaboration and commitment from our supplier partners toward advancing sustainability across the value chain. In addition, suppliers are provided access to a comprehensive repository of resources, including tools, guidelines, and best practices to support their sustainability journey. Structured feedback mechanisms further enable suppliers to understand their ESG performance, fostering collaboration, transparency, and continuous improvement across the value chain.



Creating a Ripple Effect across Sectors

Our engagement with suppliers equips them with the knowledge and tools required to further cascade sustainability practices across their own value chains, fostering a culture of continuous learning and shared responsibility. Through this collaboration, critical suppliers have developed the capability to calculate product carbon footprints and share this information with us, creating a reliable and transparent data pool that supports informed decision-making and targeted action planning. These insights enable us to guide suppliers toward effective emission reduction strategies, contributing to the development of a decarbonized supply chain. Additionally, suppliers are able to identify emission-intensive processes within their operations, unlocking opportunities not only for carbon reduction but also for improved operational efficiency and cost optimization in manufacturing activities.

Supply Chain Compliance

Suppliers are required to adhere to a comprehensive Supplier Code of Conduct, which outlines expectations on environmental stewardship, human rights, fair labour practices, and anti-corruption. All our suppliers have signed the Supplier Code of Conduct, which is aligned with globally recognized frameworks such as the UN Global Compact, ILO conventions, and OECD Guidelines. Compliance is verified through document checks, certifications (e.g., ISO 14001, SA8000), and periodic audits. By enforcing these standards, companies ensure that their supply chain partners operate responsibly and contribute to broader ESG goals.

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07

CASE STUDY

Supplier Transition & Emissions Pathway to ZERO

We recognize that true sustainability leadership extends beyond own operations. STEP-ZERO — our flagship supply chain sustainability programme — reflects this conviction, embedding structured governance, accountability, and capacity building across our critical supplier base.

At its core, STEP-ZERO operates through a formal Supplier ESG Assessment framework that evaluates suppliers across three dimensions: environmental performance (energy, water, waste), social responsibility (diversity, equity, human rights), and governance maturity (audit readiness, ESG policies, disclosure frameworks). Based on the ESG data received through assessments, critical suppliers are ranked through a Sustainability Risk Analysis Framework into low, moderate, and high-risk suppliers. This structured approach transforms supplier sustainability from a one-time compliance exercise into a continuous, measurable improvement cycle tracking performance year-on-year, identifying laggards through gap analysis, and celebrating leaders who demonstrate consistent progress.

The programme is guided by a clear and ambitious vision: to build a climate-resilient supply chain anchored in Science-Based Targets, robust decarbonization roadmaps, and transparent disclosure setting a standard that goes beyond regulatory expectation.

Over two completed assessment cycles (FY24 and FY25), Welspun Living has assessed more than 100 critical suppliers and delivered 48 hours of targeted training in carbon accounting, target-setting, and ESG integration — equipping suppliers not just to comply, but to lead.

STEP-ZERO is a demonstration of Welspun Living's belief that governance leadership means taking responsibility for the entire value chain, not just the boundaries of its own operations.

STEP ZERO

100
CRITICAL SUPPLIERS ASSESSED



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SDGs Mapping

SDG's	Goals and Targets	Initiatives and its impact	Reference
1	No Poverty	The Wel-Netrutva programme enhances women's economic independence, while Wel-Krishi promotes sustainable cotton cultivation to increase farmers' income. Additionally, the SPUN initiative enables rural women to create handcrafted textile products from waste, providing them with livelihood opportunities and contributing to poverty reduction.	Social Responsibility
2	Zero Hunger	The Wel-Netrutva programme not only supports women's income generation but also provides health benefits, including malnutrition testing for women and children. Meanwhile, the Wel-Krishi initiative focuses on educating farmers in sustainable farming practices, enhancing agricultural productivity, improving soil fertility, and increasing crop yields, contributing to food security and reducing hunger.	Social Responsibility
3	Good health and Well-being	The Wel-Netrutva initiative focuses on enhancing healthcare access in rural India by providing preventive and curative treatments through community health clinics and a mobile medical unit. Welspun prioritizes employee well-being by maintaining a safe work environment that supports their health, productivity, and overall welfare.	Social Responsibility
4	Quality Education	The Wel-Shiksha initiative aims to digitize over 500 classrooms in government primary schools, enhancing learning through technology and empowering educators with innovative tools. Involving local communities, it fosters sustainable educational growth, benefiting over: 1,63,928 students and creating lasting positive change.	Social Responsibility
5	Gender Equality	We foster gender diversity through various empowerment programs and adherence to laws supporting women's rights. The Wel-Super Sport Women initiative champions the growth of women athletes, while the Rise initiative empowers women in rural areas with skill development and financial independence. We are also addressing the underrepresentation of women farmers in India through the EqualStock program, which provides women farmers with equal access to resources, training, and market opportunities.	Social Responsibility
6	Clean water and sanitation	We integrate circular economy principles in our water management approach. Our plants are equipped with Effluent Treatment Plants (ETPs) to treat and recycle water, minimizing waste. Additionally, our 30 MLD Sewage Treatment Plant (STP) processes sewage from three local municipalities, providing treated water for industrial use and enhancing community sanitation.	Environmental Stewardship
7	Affordable and Clean Energy	We have established a 30 MW Renewable Energy hybrid unit at our Anjar plant, marking a significant step toward achieving complete reliance on renewable energy across our operations. In addition, we utilize alternative fuels such as biomass (rice husk), recycled waste (Luwa waste), and wood briquettes for power and steam generation. Through our Green Anjar Project, we are advancing sustainability efforts and are committed to meeting RE100 by 2030, ensuring that all energy used in our operations is sourced from renewable energy.	Environmental Stewardship

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SDG's	Goals and Targets	Initiatives and its impact	Reference
8	Decent Work and Economic Growth	In addition to offering health and safety training, skill development programs, and technological innovations, we ensure equal pay for equal work and uphold stringent policies against forced labor, child labor, and human rights violations. *We are committed to a "Zero Harm Policy", prioritizing the well-being of our employees and fostering a safe, respectful work environment.	Governance
9	Industry, Innovation and Infrastructure	Welspun Living Limited invests in resilient infrastructure at its Anjar, Vapi, and Telangana facilities, enhancing sustainability and operational efficiency. Continuous technological upgrades and innovations drive the development of new products and processes, supporting sustainable industrial growth.	Environmental Stewardship
10	Reduced Inequality	We promote inclusive growth to ensure social, economic, and political inclusion for all, regardless of age, gender, disability, race, ethnicity, or economic status. We advocate for gender diversity and provide skill development opportunities to marginalized communities, enabling equitable access to resources and career advancement.	Governance
12	Responsible Consumption and Production	Circularity in Operations: Integrates sustainable practices across production, using recycled materials and efficient waste management. Sustainable Raw Materials: Sources sustainable raw materials and shifts to renewable energy in production. Product Stewardship: Focuses on the entire lifecycle of products, ensuring recyclability and minimal environmental impact. Innovation for Sustainability: Invests in sustainable technologies to reduce waste and enhance product lifecycle.	Environmental Stewardship
13	Climate Action	Aligned with TCFD (Task Force on Climate-related Financial Disclosures), we conduct comprehensive climate risk assessments to evaluate and address the financial risks related to climate change, ensuring proactive measures to mitigate impacts.	Economic Performance
15	Life on land	Over 7,170 trees plantation were planted, contributing to carbon sequestration, biodiversity enhancement, and the rejuvenation of green spaces. These activities were deeply integrated with community participation and employee volunteering, with over 1,822 employees contributed over 3,600 hours to environmental efforts.	Social Responsibility
17	Partnerships for the Goals	Collaborating globally with universities, technology firms, and industry associations, we aim to create lasting value through cutting-edge technologies. Our partnerships include affiliations with Fashion for Good, and Textile Exchange, United Nations Global Compact.	Sustainability at WLL

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BDO

Independent Assurance Statement

To,

Welspun Living Limited
Welspun House, 6th Floor
Kamala City, Senapati Bapat Marg,
Lower Parel (W), Mumbai 400 013

BDO India Services Private Limited
Magnum Global Park, Floor 21
Sector 58, Golf Course Extension Road
Gurugram, Haryana 122011

Independent Assurance Statement to Welspun Living Limited on select non-financial sustainability disclosures in the Sustainability Report for the financial year 2025-26.

Introduction and objective of engagement

Welspun Living Limited (the 'Company') has developed its Sustainability Report (the 'Report') based on the Global Reporting Initiatives (GRI) Standards and UN Sustainable Development Goals (UNSDGs). The reporting criteria have been derived from the GRI Standards (Core) and Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard.

BDO India Services Private Limited ("BDO India") was engaged by the Company to provide independent limited assurance on select non-financial information in the Report that includes the Company's performance for the period 1st April 2025 through 31st March 2026.

The Company's responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error.

BDO India's responsibilities

BDO India's responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope, boundary & assurance criteria' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

Assurance standard

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and ISAE 3410, "Assurance Engagements on Greenhouse Gas Statement" issued by the International Auditing and Assurance Standards Board (IAASB). We applied the criteria of 'Limited' assurance.

Scope, boundary & assurance criteria

We have assured the select indicators in the Report pertaining to the Company's non-financial performance covering its operations for the period 1st April 2025 through 31st March 2026. The indicators under the scope of assurance are listed in Appendix 1.

Verification of non-financial sustainability performance data, based on our professional judgment was conducted at Anjar (physical) and Vapi (virtual).

Assurance methodology

Our assurance process entails conducting procedures to gather evidence regarding the reliability of the disclosures covered in the assurance scope. We conducted a review and verification of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review process included

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- Evaluation and assessment of the appropriateness of the quantification methods used to arrive at the non-financial sustainability information of the select GRI indicators in the Report;
- Review of consistency of data/information within the Report as well as between the Report and the source;
- Engagement through discussions with personnel at the corporate level who are accountable for the data and information presented in the Report;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and management procedures, and related internal controls.

Limitations and exclusions

There are inherent limitations in an assurance engagement, including, for example, the use of judgement and selective testing of data. Accordingly, there are possibilities that material misstatements in the Report may remain undetected.

The assurance scope excludes

- Data and information outside the defined reporting period (1st April 2025 through 31st March 2026);
- Review of the 'economic and/or financial performance indicators' included in the Report or on which reporting is based; we have been informed by the Company that these are derived from the Company's audited financial records;
- The Company's statements and claims related to any topic other than those listed in the 'Scope, boundary & assurance criteria';
- The Company's statements that describe qualitative/quantitative assertions, expression of opinion, belief, inference, aspiration/targets, expectation, aim or future intention.

Our observations

We have reviewed the disclosures in the "Report" for the reporting period from 1st April 2025 through 31st March 2026. The disclosures of the Company, covered under the 'Scope, boundary & assurance criteria', are fairly reliable.

Our conclusions

Based on the scope of our review, we conclude that nothing has come to our attention that causes us not to believe that the disclosures of the Company are presented fairly, in material respects, as per the 'limited' assurance criteria of the applied Assurance Standard.

Our assurance team and independence

BDO India Services Private Limited is a professional services firm providing services in Advisory, Assurance, Tax, and Business Advisory Services, to both domestic and international organizations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organization. This team is comprised of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems, and processes across sectors and geographies. As an assurance provider, BDO India is required to comply with the independence requirements set out in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For BDO India Services Private Limited



Indra Guha

Partner | Sustainability & ESG
Business Advisory Services

Gurugram, Haryana
09 September 2026

BDO

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Appendix 1 (to be read as part of 'Scope, boundary & assurance criteria')

The sustainability indicators/disclosures considered during the engagement are presented below:

Sr. No.	Indicator Reference	Indicator Description
1	2-7	Employees
2	2-8	Workers who are not employees
3	302-1	Energy consumption within the organisation
4	303-3	Water withdrawal
5	303-4	Water discharge
6	305-1	Direct (Scope 1) GHG Emissions
7	305-2	Energy indirect (Scope 2) GHG emissions
8	306-3	Waste generated
9	306-4	Waste diverted from disposal
10	401-1	New employee hires and employee turnover
11	403-9	Work-related injury
12	405-1	Diversity of governance bodies and employees
13	301-2	Recycled input materials used

Welspun LIVING

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