



Beyond Fabric
**Our Pledge to
Greener World**

Welspun[®] LIVING


WELSPUN LIVING LIMITED
Sustainability Report 2023-24




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Over the past few years, Welspun has established itself as a leader in the space of sustainability initiatives and also adopting world-class practices in transparent reporting of its performances.

This Sustainability Report serves as a testament to Welspun's unwavering commitment to transparency and progress. It meticulously communicates the progress made in the past fiscal year, offering precise and comparable data encompassing both financial and non-financial aspects. Aligned with our strategy and sustainability roadmap, the report underscores our comprehensive efforts to promote sustainability across our operations, fostering transparency, accountability, and a sense of responsibility towards all stakeholders.



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Reporting Framework

Welspun has been reporting its sustainability performance annually for the past couple of years. Welspun's Sustainability Report 2023-24 has been prepared in alignment with the Global Reporting Initiative (GRI) Standards. Reporting on sustainability topics continues to be on the basis of materiality. The Reporting Principles, Universal Standards, and Topic Standards detailed in the GRI Standards have been considered while preparing the report. It presents a range of financial and non-financial disclosures to inform its stakeholders about how different 'capitals' are being deployed to enable the creation of enduring value.

The report contains disclosures pertaining to Task Force on Climate-related Financial Disclosures (TCFD) recommendations as well. We also disclose its climate change and water security related approach and performance through CDP, a global non-profit that runs the world's leading environmental disclosure platform.

Reporting Boundary

This report presents the performance in Welspun Living's home textile operations of Anjar, Vapi (Gujarat, India), the flooring business operations at Chandanvelly (Telangana, India), and the head office in Mumbai (Maharashtra, India). The ESG data presented covers all these locations, focusing

on environmental indicators such as carbon emissions, energy consumption, water usage, waste management, and biodiversity conservation, along with social responsibilities including employee well-being, diversity, community engagement, and commitment towards ethical governance practices. Unless explicitly indicated otherwise, the report does not include data related to entities external to our organization, such as suppliers.

Reporting Period

The report aims to cover our sustainability journey for the financial year 2023-24 (April 2023 to March 2024). This report is prepared annually to communicate our sustainability journey, promoting transparency to our various stakeholders. Our commitment to annual reporting ensures that stakeholders are consistently informed about our progress, challenges, and initiatives in the realm of sustainability. This frequency allows us to track our performance over time, identify areas for enhancement, and celebrate milestones achieved on our sustainability journey.

Reporting Principles

This report has been prepared in alignment with GRI Reporting Guidelines, featuring a comprehensive content index at the conclusion for easy reference to the disclosed indicators.



Our performance has been correlated with the United Nations' Sustainable Development Goals (SDGs). Furthermore, this Sustainability Report is crafted in accordance with the Business Responsibility and Sustainability Reporting (BRSR) following the National Guidelines for Responsible Business Conduct (NGRBC), SASB.

Double Materiality

Building on our commitment to creating lasting value for our stakeholders, we have taken a significant step forward by incorporating the concept of double materiality into our assessments this year. While we continue to focus on economic, environmental, and social aspects relevant to stakeholder needs and expectations, double materiality enables us to also evaluate the impact of our business on society and the environment.

This broader perspective allows us to better understand both the financial risks and opportunities related to sustainability and the wider implications of our actions.

At the heart of our comprehensive sustainability reporting framework lies our commitment to transparency and accountability, meticulously crafted to unveil the intricate tapestry of our environmental, social, and governance (ESG) endeavors. Through this framework, we systematically unveil our performance, not just in terms of financial metrics but also in fostering a sustainable future for generations to come.

ESG Data Assurance

BDO India LLP, a renowned independent auditing firm, has diligently conducted a limited assurance review on select sustainability indicators. Their Independent Assurance Statement stands as a testament to the rigor and integrity with which we approach our sustainability initiatives, providing stakeholders with the confidence and clarity they deserve as they navigate our sustainability journey.

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. Our forward-looking statements are

based on our present expectations, reasonable assumptions, and assessments of projected trends. However, they are subject to risks, uncertainties, and external factors, which might cause actual results to differ from the projections stated in these statements, and we do not undertake any obligation to update or revise these statements except as required by law.

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Creating an Inclusive Tomorrow,

In a year of transformation and growth, Welspun Living Limited has reaffirmed its commitment to sustainability, transparency, and responsibility. Our vision focuses on driving impactful change while aligning with our long-term goals to foster positive outcomes for both society and the planet. As we navigate the evolving textile industry, we remain dedicated to creating value that **balances economic growth with environmental and social responsibility**.

At the heart of our strategy is a deep commitment to Environmental, Social, and Governance (ESG) principles. This year, we made significant strides in reducing our environmental impact. Our carbon footprint was reduced by **4.34%**, and we achieved key milestones such as commissioning a **30 MW solar plant** and earning **Zero Waste to Landfill certification** at our Anjar site. Our goal is to achieve **carbon neutrality by 2030**, and we are on track to meet this target through continued investments in renewable energy, sustainable practices, and innovative technologies.

We have also initiated monitoring of **Scope 3** carbon emissions and are working closely with our suppliers to develop a comprehensive emissions reduction plan. Additionally, we are committed to becoming water positive by utilizing recycled wastewater and implementing extensive water conservation efforts.

In FY24, we procured **81% sustainable cotton** for our operations, with a target of **100% by 2030**. We are also proud to support gender equality, with **women**

constituting 26% of our workforce. Through our **circularity programs**, we are extending the life of materials by promoting reuse and recycling, reducing waste, and working towards a closed-loop system.

Corporate Social Responsibility (CSR) remains integral to our values. Our initiatives in education (Welshiksha), healthcare (WelShuraksha), and nutrition (WelNetrutva) have positively impacted over **843,960 beneficiaries**, demonstrating our ongoing commitment to the communities where we operate.

Our strong governance framework, built on the LITE principles—Learning, Innovation, Trust, and Endurance—guides us in making ethical decisions and safeguarding stakeholder interests. We are proud to be recognized as one of India's Best Workplaces, emphasizing our commitment to inclusivity, employee well-being, and respect.

Our efforts have earned recognition from global ESG rating agencies. We achieved a **score of 66** in the Corporate Sustainability Assessment by **S&P Dow Jones Indices**, ranking as the highest-rated company in India's Textile, Apparel, and Luxury Goods sector. We were also designated as "**Low Risk**" by Sustainalytics, with a score of **11.5**, secured 16th rank among 211 companies in Textile & Apparel in world.

In essence, Welspun Living Limited exemplifies how economic prosperity can be achieved alongside environmental stewardship and social responsibility. By embracing sustainability as a core value, we have not only secured our place in the textile industry but also paved the way for a more prosperous and sustainable future for all stakeholders

I extend my heartfelt appreciation to our esteemed stakeholders for their unwavering support, and my deepest gratitude to our employees, partners, and collaborators throughout this journey. Your commitment is the driving force behind our continuous pursuit of a greener, more sustainable future.



Regards,

Ms. Dipali Goenka
MD & CEO,
Welspun Living Limited

Together, we are not just envisioning a better world; we are actively creating it—where prosperity is equitably distributed, communities thrive, and the planet flourishes.

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Over the past few years, Welspun has made significant strides in its sustainability journey, embedding sustainable practices across its operations. As we continue to grow, we remain committed to the well-being of our people, planet, and communities, giving us a competitive edge in the market and solidifying our leadership in sustainability.

Building on Progress, Reaching for More: Welspun's sustainability journey.

This report highlights our progress in Environment, Social, and Governance (ESG) over the past year. A key achievement during the period was the achievement of DJSI (CSA) score of 66, making Welspun Living the highest-ranked textile company from India in the Textile, Luxury Goods, and Apparel category, and placing us in the top 3% globally.

To enhance transparency, we've launched the Welspun ESG Compass, an IT platform for real-time ESG data monitoring and reporting across our businesses. This system ensures traceability with a maker-checker framework to maintain accuracy and transparency in the reporting framework. We have also taken a third-party ESG data assurance for the key ESG KPIs from BDO India LLP.

Our commitment to renewable energy has advanced significantly with the establishment of a 30MW solar plant at our Anjar facility, contributing to our goal of 100% renewable energy use by 2030.



With optimism and resolve,
Mr. Alok Mishra
Group Sustainability Head

We've also signed a long-term green power purchase agreement for our Vapi facility. We are also replacing fossil fuels with green sources for thermal heat generation.

At Anjar, we've pioneered a 30 MLD sewage treatment plant in a public-private partnership, treating wastewater from local municipalities for reuse in our operations. This initiative ensures that a wasted resource is utilized in the best possible way and allows communities to have access to municipal fresh water. In addition, our rainwater harvesting lagoons further support our water management efforts and contribute to groundwater recharge.

Our sustainable cotton farming program, involving over 26,000 farmers across Maharashtra, Gujarat, and Telangana, helps reduce water and pesticide use while ensuring high-quality, eco-friendly cotton, strengthening our ethical sourcing.

We promote ethical sourcing throughout our supply chain, ensuring fair labor conditions and responsible material procurement. We also prioritize diversity and inclusion within our workplace, which is reflected in our improved S&P Dow Jones Indices score. Social responsibility is integral to our business, and this creates a ripple effect throughout the industry.

Our commitment to zero waste is unwavering, with our Anjar facility achieving Zero Waste to Landfill certification from Intertek. We actively recycle and

reuse materials, including using recycled content in our packaging.

In the past fiscal year, we've shifted from a reactive to a proactive sustainability strategy, embedding circularity across our value chain—from raw material sourcing to waste recycling. Welspun is committed to continuously improving ESG performance and reducing its environmental footprint.

WLL's Path Aligned with Development Goals

At WLL we strongly believe that our diverse range of products, extensive global presence, and innovative capabilities enable us to make a meaningful difference. By prioritizing the Sustainable Development Goals (SDGs) with a sense of urgency, we concentrate on initiatives where our actions can drive change.

Together, we aim to redefine what's possible and build a more sustainable future. Our determination and optimism fuel our ambition to drive global positive change.



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8,43,960

Beneficiaries impacted through CSR

5,05,088 GJ

Total RE consumed

56,807 tCO₂e

GHG avoided

Reduction in overall GHG emissions: 4.34% compared to previous year



66

DJSI ESG rating

(Welspun placed among the top 3 percentile of Home Textile Companies globally)



42

Inventions filed globally resulting in 250+ patents/patent applications globally



Recycling

7% Nylon and 40% polyester



11.5

Sustainalytics rating

(Low Risk); 16 out of 211 participating companies in textiles industry



₹44.30

Crore

R&D funding



11,43,041

KWH

Electricity saved



26%

Percentage of women workforce



69,648+

Women empowerment through livelihood initiatives



₹12.45

Crore in FY24

Investment on CSR initiatives




Great Place to Work


Certified

Rewards and Recognition

- WLL has been certified as a Great Place to Work
- WLL has been honored with the 'Private Brands Supplier of the Year' award at Macy's Supplier of the Year
- WLL has won the 'Platinum' Award in Corporate Ethics
- WLL has been listed as one of the largest companies in India in Fortune India's annual edition of 'India's 500 Largest Companies'
- WLL has been ranked 42nd among the 'Top 50 Best Companies to Work For' and has also been recognized as one of the 'Best Workplaces in Textile and Textile Products'
- WLL has been honored as the 'Best Managed Company' for 2023 by Deloitte
- WLL has joined the United Nations Global Compact, reaffirming our commitment to sustainable business
- WLL has been recognized at IACE Awards for 'Excellence in Leadership and Skilling and Education' category
- WFL has been named the 'Most Trusted Company of the Year' Award by BrandsCouncil Ratings
- WFL has been awarded the 'Golden Peacock Eco Innovation' Award in building material sector at the 24th international conference by IOD
- WFL has received the 'Safety Excellence Diamond' Award at the Golden Bird National Award 2023
- WLL has received Skoch Gold Award for its 30 MLD STP that treats, recycles, and reuses sewage water for manufacturing
- WFL won the Silver Award in National Award for Manufacturing Excellence 2023-24 Recognition Program under the Manufacturing Competitiveness category




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COMPANY PROFILE

Who we are

Welspun Living Limited (WLL), one of the world's leading manufacturer's of home textiles, operates as a key entity within the esteemed Welspun Group. Welspun World is one of the India's fastest growing global conglomerates with a revenue of \$3.6 Bn. We have a global presence in over 50 countries and a strong team of over 28,890 employees in India spanning varied ethnicities, cultures, and geographies, we have acquired global leadership in home textile products and line pipes. We are also exploring opportunities for expanding our operations within the country as well as outside.

From supplying products for prestigious sporting events like the Wimbledon Championship and partnering with household names such as



to producing towels and sheets engineered to regulate body temperature upon contact with the skin, our commitment to quality and innovation remains unwavering in all facets of our operations.

Throughout our journey, we have not only prioritized our own growth but also endeavored to uplift the communities where we operate and safeguard the environment we inhabit. In addition to our core textile offerings, we have prioritized sustainability, developing products with reduced environmental impact and enhanced health and wellness benefits.

We also crafted our new logo which symbolizes the 'Fearlessly Forward' philosophy we have adopted across the Group and our ventures. The letter 'W' is inspired by two ticks – a representation of our principle of 'Doing things right' and 'Doing the right thing'. It captures the essence of Welspun's growth, innovation, and adaptability in a rapidly changing business landscape.

REVENUE OF \$3.6 BN

GLOBAL PRESENCE IN OVER 50 COUNTRIES

STRONG TEAM OF OVER 28,890 EMPLOYEES

Vision

Home textiles

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

Welspun flooring

"Winning over the world, one room at a time."

ESG vision statement

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

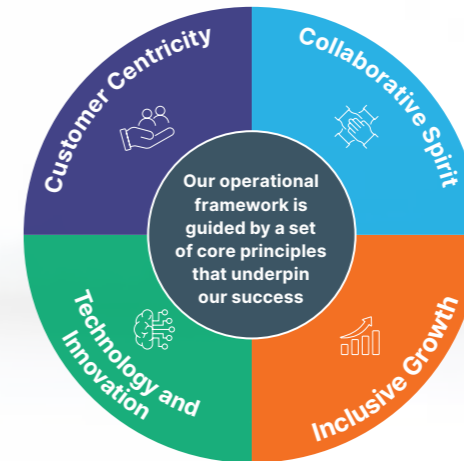
Guiding principles



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



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



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



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

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Our new Identity

Welcoming the new and embracing change are pivotal for driving exponential growth. Achieving growth beyond expectations is seldom a deliberate goal; it typically stems from seizing breakthrough opportunities rooted in a vision crafted for the benefit of individuals, businesses, and the planet. It's not merely about executing tasks correctly but also about prioritizing the right actions.

Our new logo embodies a modern and streamlined representation of our brand identity, reflecting the innovative spirit and forward-thinking vision of the Group and all its businesses. It embodies our Company's fundamental values, vision, and mission, facilitating easier recognition and connection with our customers. At Welspun, we pledge to Anticipate Change Potential, Measure Growth, Assess Value, Expand to Anticipate, Innovate to Equip, and Take Leaps to Surpass. Thus, when tomorrow arrives, we stand prepared to overcome it.

WLL has divided its product into four categories:

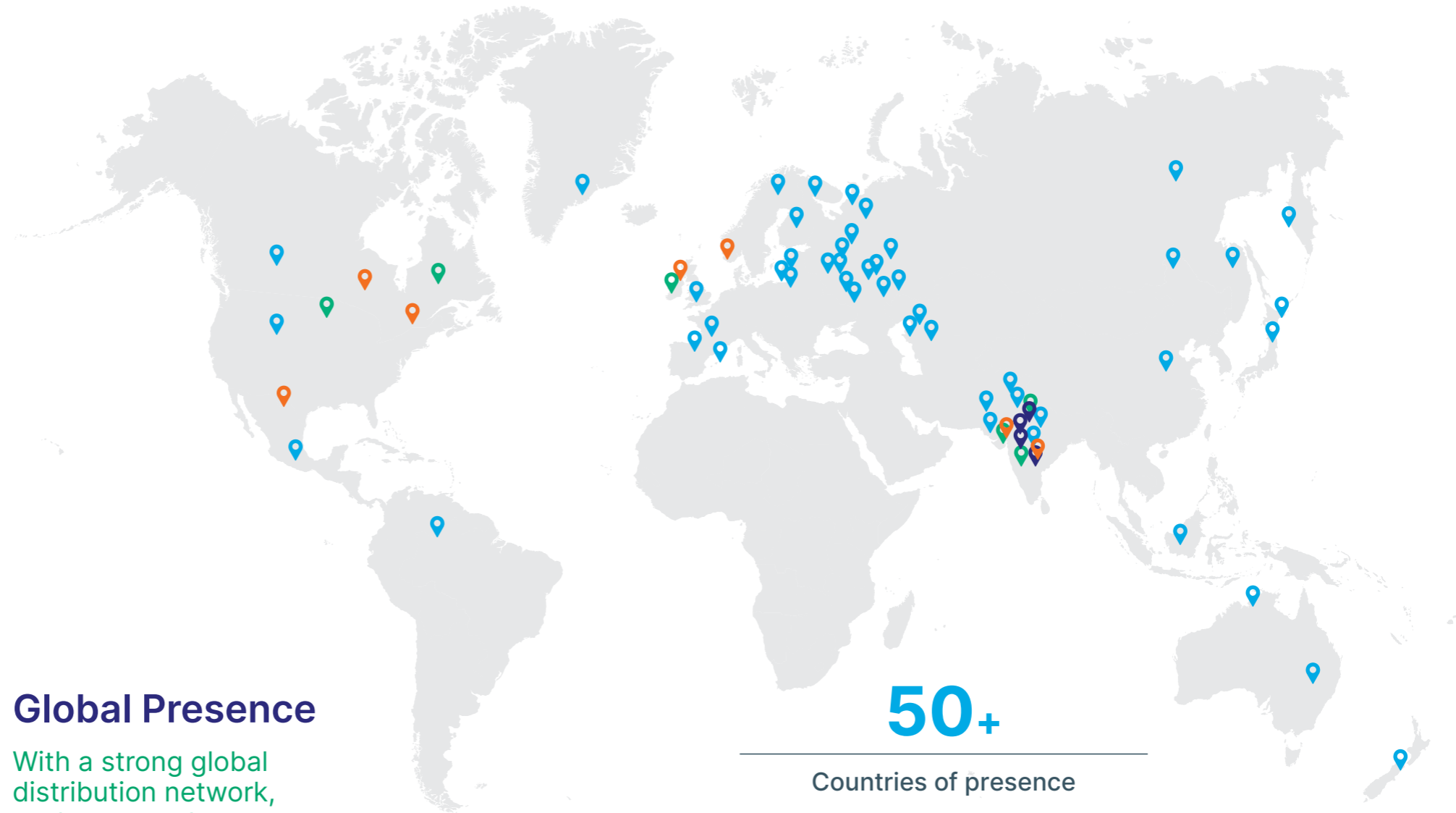


Business Portfolio

Prioritizing consumer welfare, we provide innovative and sustainable solutions leveraging our comprehensive facilities and all-encompassing capabilities. Through our integrated approach, we actualize concepts, delivering superior quality goods that consistently meet global standards.

WLL stands at the forefront of the global home textile industry, renowned for its unparalleled commitment to quality, innovation, and sustainability. With over 37 years of experience, WLL offers a diverse range of premium home textile products designed to elevate everyday living experiences. Let's delve into the product offerings and unique characteristics that define Welspun Living.





Global Presence

With a strong global distribution network, we have warehouses, manufacturing facilities, headquarters, and marketing offices, with a vast reach in over 50 countries.

50+

Countries of presence

- 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>

Home Textile

- Global distribution:**

Welspun Living's products reach over 50 countries worldwide, catering to diverse consumer preferences and international market demands.

Through robust business-to-business (B2B) partnerships with leading retailers such as Walmart, Ikea, Target, Costco, Tesco, and more, Welspun ensures widespread accessibility and availability of its premium home textile solutions.

- Proprietary brands:**

Welspun: The flagship brand embodies the company's ethos of excellence, offering a comprehensive range of home textile essentials that combine functionality with timeless style.

Home Textile	Unit	Annual Capacity	FY23-24
Bath Linen	MT	90,000	78,003
Bed Linen	Mn Mtrs	108	74.5
Rugs & Carpet	Mn sq mtrs	12	10.5

SPACES: Designed for modern lifestyles, SPACES represents contemporary living at its finest, with curated collections that reflect the latest trends in home décor and fashion.

Christy: Renowned for its heritage and craftsmanship, Christy's luxury linens epitomize sophistication and refinement, setting the standard for premium bedding worldwide.

With a focus on continuous innovation, Welspun Living strives to stay ahead of industry trends and consumer preferences, leveraging advanced technologies and design expertise to develop cutting-edge products. Through business-to-consumer (B2C) engagements and direct-to-customer (DTC) channels, Welspun actively engages with its global and domestic audience, fostering brand loyalty and enhancing customer experiences.



Advanced Textile

Advanced Textile provides an extensive range of sustainable and biodegradable non-woven solutions, including custom-spun lace fabrics tailored to specific functional requirements, wet wipes, and cosmetic sheet masks. Utilizing cutting-edge technologies such as Hydro-Entanglement, Needle Punching, and Thermo-Bonding, we manufacture innovative materials for various applications, spanning personal hygiene (femcare, baby care), homecare, medical, industrial (filtration, geotextiles, automotive), and more.

Advanced Textile	Unit	Annual Capacity	FY23-24
Spunlace	MT	27,729	16,483
Needle Punch	MT	3,026	1465
Wet Wipes	Mn packs	100	21



Flooring Solutions

Flooring Solutions, a fully integrated division, specializes in providing a wide array of soft and hard flooring solutions. Our extensive range of products encompasses carpet tiles, rugs, and artificial turf. With a steadfast commitment, we prioritize manufacturing high-quality flooring solutions to cater to a variety of customer requirements.

Flooring	Unit	Annual Capacity	FY23-24
Flooring	Mn sq mtrs	Installed: 27	10.1
		Effective: 18	



Product Profile

Our products:

Bath solutions:

We provide a wide array of products, including towels, bathrobes, and rugs. Our manufacturing processes are guided by innovation, state-of-the-art technology, and a relentless pursuit of high-quality outcomes, catering to the diverse requirements of our global clientele.

Bedding solutions:

As a leading premium bedsheet brand recognized worldwide, we are renowned for our outstanding quality and dedication to enriching lives through the delivery of sumptuous, luxurious offerings. Our broad selection includes a variety of bedding, bath linens, home textiles, and accessories.

Flooring products:

The Company at its Hyderabad facility manufactures a wide array of soft and hard flooring solutions. Our extensive range of products encompasses carpet tiles, rugs, and artificial turf. With a steadfast commitment, we prioritize manufacturing high-quality flooring solutions to cater to a variety of customer requirements.

Advanced textile

Products: We offers advanced textile products that combine innovation with superior quality. Technologies like Needle punch, Spunlace and Thermal bonding are used to create a wide range of innovative products.

Product Innovation

Sustainable and Eco- Friendly Products

There is a growing demand for sustainable and environmentally friendly home textile products. Consumers are increasingly concerned about the environmental impact of their purchases and are seeking products made from organic and recycled materials, as well as those manufactured using eco-friendly processes. This trend presents opportunities for companies to develop and market sustainable home textile options.

In our manufacturing processes, we employ diverse sustainable methods to reduce our environmental impact:

- We utilize recycled materials to craft new textile goods. Our social initiative, 'Spun,' engages women from local villages to transform factory waste into handmade products. Every month, skilled artisans at Spun repurpose 68 tons of factory waste, creating exquisite handcrafted items.
- We use sustainable raw material to make products which are safe as well as have lower environmental footprint. With a consistent increase in the sourcing of BCI (Better Cotton Initiative) Cotton and Organic Cotton, Welspun India aims to achieve 100% sustainable cotton usage by 2030.

- Through Welspun Living's Wel-Trak program, customers can track the journey of cotton raw materials from the farm to the retail shelf. This promotes transparency and accountability throughout the supply chain.

We relentlessly pursue innovative solutions across our major markets and customers in soft home categories such as towels, sheets, rugs, carpets, expand (TOB), and utility bedding. With a holistic approach to wellness and sustainability, we enhance our thought leadership through global collaborations with technology partners and universities. As a regional partner for the 'Fashion for Good' program, we contribute to sustainable innovations and participate in initiatives promoting circularity, including the Sustainable Dyestuff Library and Sorting.



42 PATENTS FILED GLOBALLY RESULTING IN 250+ PATENTS APPLICATIONS GLOBALLY



25% SALES CONTRIBUTION FROM INNOVATIVE PRODUCTS IN FY24

Sustainable Products

Some of the best examples of our achievements in developing and introducing sustainable products include:

- Introduced Dreamtec sheets, a novel innovation aimed at enhancing the body's natural cooling system, boasting attributes like cooling, drying, durability, sustainability, and wrinkle resistance, validated by third-party testing.
- Launched Martha Kids, a new line featuring design themes such as travel, world geography, transportation, farming, and camping, extending Martha Stewart's brand into bedding and bath products for elementary school children.
- Unveiled the latest iteration of Hygro Cotton, their signature product, overcoming technical challenges associated with hygro yarn by introducing it in a percale construction. Produced bath rugs exclusively from 100% recycled polyester, showcasing commitment to sustainability in the domain of bath accessories.
- Introduced washable area rugs, designed for convenience with easy-to-carry packaging, available in various constructions and patterns, and offered in store-ready Product Display Quarter pallets (PDQs).
- Launched the Power Core Cotton range of products, including bedsheets and towels with high durability and quick-drying properties.
- Showcased non-woven personal and surface wipes created by Welspun's Advanced Textiles division.
- Utilized a blend of recycled polyester sourced from post-consumer PET bottles in the creation of a diverse range of towels, certified by the Global Recycled Standard (GRS), aiming to reduce environmental burden and energy consumption during drying.
- Substituted synthetic latex with thermoplastic rubber (TPR) for anti-skid properties in various products, offering a more environmentally friendly alternative.
- Introduced SPACES organic bedsheets in the Indian market, manufactured using sustainable processes certified by the Global Organic Textile Standard (GOTS) and featuring biodegradable packaging. Demonstrated dedication to responsible sourcing by incorporating sustainable man-made cellulosic fibers like Tencel and Lyocell within the product range, certified by GOTS.
- Innovated with **Nanocore®** anti-allergen bedding items, certified by the AAFA, tailored for individuals with asthma and allergies.
- Introduced the Good Rest collection, featuring organic sheeting products equipped with **wrinkle-resistant** attributes.

6 Capitals

Financial Capital

Our financial strength gives us a solid foundation to drive innovation, growth, and sustainability

- Net debt: ₹1,354.25 Cr (reduction of ₹180.08 Cr w.r.t FY23)
- Equity: ₹4,515.81 Cr
- Working capital: ₹2,878.49 Cr
- Fixed Assets (Including Intangible Assets): ₹3,861.82 Cr

Manufactured Capital

With three 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: 3

Intellectual Capital

Our intellectual prowess is evident in our dedicated R&D team and a portfolio of 36 patented technologies, positioning us as a leader in our field

- R&D and PD team strength: 80
- Patented technologies owned by WLL: 42

Human Capital

Our team of employees, including a significant representation of women talent, forms the backbone of our success

- Total workforce: 24,056
- Women representation: 26%

Social and Relationship Capital

We believe in giving back to the community and investing in Corporate Social Responsibility (CSR) initiatives

- Investment on CSR initiatives in FY24: ₹12.45 Cr

Natural Capital

Recognizing the importance of sustainability, we are mindful of our environmental impact and are taking steps to conserve natural resources

- Water withdrawal: 61,01,506 KL (Water intensity reduced by 18.95%)
- Energy consumed: 60,69,223 GJ (Energy intensity reduced by 19.45%)

Our resources



Value creation process



Vision

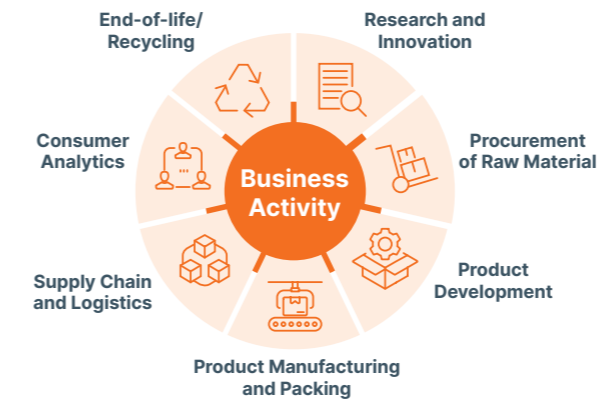
Delight our customers through innovation and technology, achieve inclusive and sustainable growth to remain eminent in all our businesses

Principles

- Consumer centric
- Collaboration
- Technology and innovations
- Inclusive growth

Growth Drivers

Domestic retail Emerging business Christy



Enablers Innovation

Digitalization Mainstreaming sustainability

Outcomes

Financial Capital

Market capitalization: ₹13,372 Cr

- ROCE (pre-tax): 14.6%
- ROE: 15.8%
- Dividend payout recommended for FY24: ₹9.7 Cr
- Total Income: ₹9,825 Cr
- EBITDA: ₹1,515 Cr
- EBITDA Margin: 15.4%
- EPS: ₹7.06

Manufactured Capital

Diverse, innovative products and services

- High value created for customers

Intellectual Capital

Percentage of sales in FY24 from innovation: 25%

Human Capital

Employees with tenure >10 years: 2,715

- Retention rate: 100%
- New recruits: 4,028

Social and Relationship Capital

Lives impacted: 8,43,960

- People benefitted through Wel-Swasthya: 3,17,899

Natural Capital

Energy Intensity: 737 GJ per ₹ Cr

- GHG intensity: 98.3 tCO₂e per ₹ Cr (GHG intensity reduced by 30%)
- Annual sewage water recycled: 7 billion liters
- Recycled cotton consumed: 5,025 MT
- Sustainable cotton procured: 81%



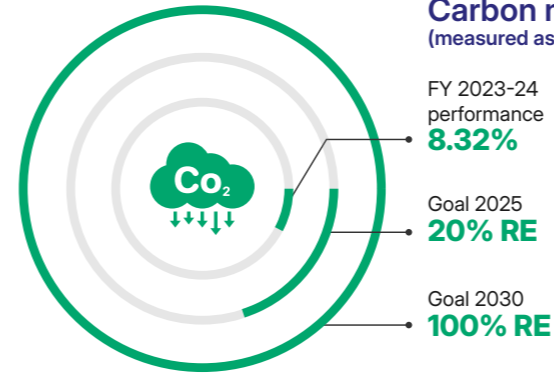


SUSTAINABILITY AT WLL

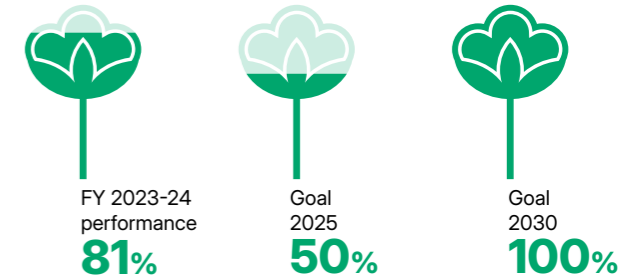
(Our commitment to doing better)

Goals and Targets

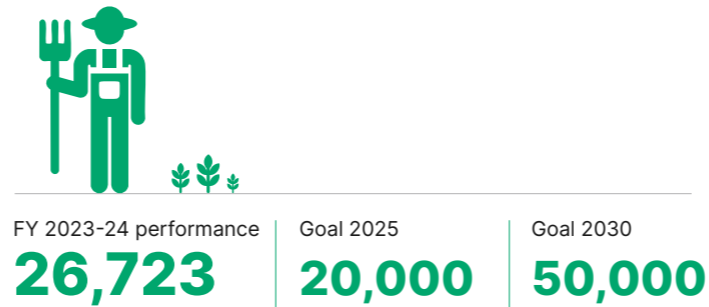
Welspun has made significant progress during the reporting period towards achieving the target of becoming Carbon Neutral by 2030, by being focused on reducing its operational GHG footprint in addition to enhancing resource efficiency and energy conservation. The Company has made progress towards meeting its operational energy requirement through renewable energy sources. Welspun reported an increase in renewable energy consumption in FY 2023-24 to 8.32%. Further, we are committed to use bio-energy to meet its captive energy demand. Welspun's investment in solar dryers for drying ETP sludge aims to replace coal with biomass, contributing to carbon reduction. This technology represents a significant advancement in utilizing waste and converting it to black gold.



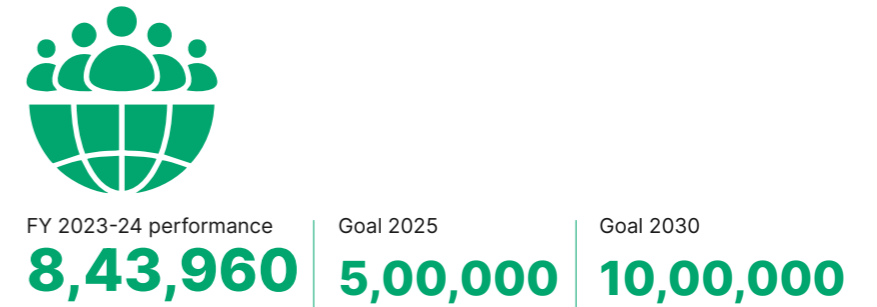
100% sustainable cotton



Farmers in Welspun sustainable farming project



Impacting 1 million lives through CSV





Certifications and frameworks

Our Green Product Certificate

Facility certifications:

- STeP - Sustainable Textile Product
- IGBC Platinum
- Zero Waste Standard
- Integrated Management System (ISO 9001:2015, ISO 14001:2015, 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:



Leadership and Development Initiatives

For the past two years, Welspun Living Limited has been committed to nurturing leadership and development within our workforce. We have implemented targeted initiatives for associates in our textile operations, focusing on the cut-and-sew division of our terry towel and rugs plant. In collaboration with Werner International, a leading management consulting firm in the textile industry, we conducted comprehensive skill gap analyses. These insights have guided us in designing tailored training programs that enhance the skills and capabilities of our associates, driving both individual growth and overall operational excellence



WE HAVE IMPLEMENTED TARGETED INITIATIVES FOR ASSOCIATES IN OUR TEXTILE OPERATIONS

Global Collaborations

Leadership & Development: We prioritize leadership and development initiatives within our organization, particularly in the cut-and-sew division of the terry towel and rugs plant. Through partnership with Werner International, a management consulting practice specializing in the textile industry, we conduct skill gap analyses and initiate tailored training plans to enhance the capabilities of our associates.

1. Fashion for Good: This platform serves as a global hub for innovation, promoting collaboration and community engagement. As an inaugural partner of the South Asia Innovation Platform, we contribute to regional initiatives aimed at advancing sustainability in the fashion industry. Fashion for Good

champions innovations that have transitioned beyond proof-of-concept, addressing sustainability challenges for companies like Welspun India Limited.

- 2. Wadhvani AI:** In collaboration with the Wadhvani Institute for Artificial Intelligence, we employ AI for crop protection, helping cotton farmers increase crop yield through early detection of pests and rationalizing pesticide usage. The AI tool, operating on a basic smartphone, classifies and counts pests based on images and provides relevant advisory support.
- 3. Textile Exchange:** As a member of the Textile Exchange, a global non-profit organization, we actively participate in initiatives to accelerate the adoption of preferred materials across the textile sector as part of our climate strategy.



Stakeholders' Engagement

Overview of Stakeholder Groups and their Interest

At Welspun Living Limited, we strongly believe in the importance of creating value for our stakeholders to fortify our business model and ensure long-term sustainability. Our organizational mission emphasizes the significance of stakeholder partnerships, guiding our commitment to consult

and prioritize their needs. Stakeholders play a pivotal role in shaping our sustainability strategy, with their input serving as the cornerstone of our goal-setting process. We actively engage with our key stakeholders through frequent communication and collaboration, striving to understand their expectations and requirements. By prioritizing our internal and external stakeholders based on their relevance and influence, we ensure tailored communication channels that effectively engage each group. This two-way communication enables

us to gain comprehensive insights into our organizational performance, aiding us in making informed decisions.

At Welspun Living Limited, we value the feedback received from our stakeholders, incorporating it into our ESG and business-related goals and strategies. This robust stakeholder engagement framework empowers us to continuously improve and drive sustainable growth while fostering trust and transparency across all our endeavours.

Mode of engagement and activities	Key aspects/Areas of interest for stakeholders	Stakeholders
<ul style="list-style-type: none"> Stock exchange disclosures Quarterly investor calls Press releases and e-mails Investor relations Investor feedback form on website <p>Frequency: Ongoing</p>	<ul style="list-style-type: none"> Economic value / Sustainable wealth creation Strategy and risk management Capital allocation Financial performance Business outlook Minority shareholder interest Transparency and disclosure <p>Responsibility: Investors relations</p>	Investors
<ul style="list-style-type: none"> Customer satisfaction surveys Visits and meetings <p>Frequency: As needed</p>	<ul style="list-style-type: none"> Product quality Timely delivery Service level Innovation <p>Responsibility: As needed</p>	Customers
<ul style="list-style-type: none"> Need-based participation in industry-level consultation groups Participation in forums Policy advocacy <p>Frequency: Project-based</p>	<ul style="list-style-type: none"> Compliance and good governance Sustainable practices Inclusive growth <p>Responsibility: Marketing</p>	Suppliers
<ul style="list-style-type: none"> Health and safety committee meetings Direct interactions <p>Frequency: Continuous process</p>	<ul style="list-style-type: none"> Minimum wages Working conditions Health and safety <p>Responsibility: HR</p>	Contractual workers

Mode of engagement and activities	Key aspects/Areas of interest for stakeholders	Stakeholders
<ul style="list-style-type: none"> Need-based participation in industry-level consultation groups Participation in forums Policy advocacy <p>Frequency: As needed</p>	<ul style="list-style-type: none"> Compliance and good governance Sustainable practices Inclusive growth <p>Responsibility: As needed</p>	<p>Government & Regulatory agencies</p>
<ul style="list-style-type: none"> Surveys Town halls Workshops Capacity building Appraisals Newsletters and rewards <p>Frequency: Ongoing</p>	<ul style="list-style-type: none"> Professional growth Work-life balance Diversity and equal opportunity Learning and development Organizational culture/ workplace <p>Responsibility: HR</p>	<p>Employees</p>
<ul style="list-style-type: none"> Direct engagement Visits and camps Community needs assessments CSR projects and engagement <p>Frequency: Ongoing</p>	<ul style="list-style-type: none"> Infrastructure development Education and healthcare Environmental protection Employment opportunities <p>Responsibility: CSR</p>	<p>Society, Communities and NGOs</p>
<ul style="list-style-type: none"> Meetings and conferences <p>Frequency: As needed</p>	<ul style="list-style-type: none"> Economic value Compliance and covenants <p>Responsibility: Investor relations</p>	<p>Bankers and lenders</p>
<ul style="list-style-type: none"> Press releases Media events/Interviews <p>Frequency: As needed</p>	<ul style="list-style-type: none"> Financial news Information on business developments <p>Responsibility: Corporate communication</p>	<p>Media</p>
<ul style="list-style-type: none"> Global networking Annual reports, quarterly calls/reports Regular one on one group meetings <p>Frequency: As needed</p>	<ul style="list-style-type: none"> Competitive positioning Compliance Sustainability performance <p>Responsibility: As needed</p>	<p>Peers</p>

Minimizing our Impact with more Materiality Evaluations

Double Materiality

Identification of material sustainability issues

Welspun conducted a materiality assessment in FY 2022-23 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.

Embracing double materiality in our sustainability strategy

This year, Welspun Living Limited has taken a significant step forward by incorporating double materiality into our sustainability strategy. Unlike traditional materiality, which focuses solely on how environmental, social, and governance (ESG) factors impact our business, double materiality broadens the perspective by also assessing how our operations impact society and the environment.

To strengthen our sustainability framework, we implement a thorough double materiality assessment. This approach allows us to analyze 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.

Frequency

The frequency of conducting or reviewing the materiality assessment is defined as at least once every 3 years.

Our double materiality approach

1. 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.

2. 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.

3. 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.

4. Stakeholder engagement

Engaging internal stakeholders is crucial in our first year of the double materiality process. We conducted a workshop to explain the assessed impacts, risks, and opportunities, while gathering their feedback. Stakeholders rated each issue's Scale, Scope, and Remediability for Impact Materiality and assessed Financial Materiality.

5. Finalization of key materiality issues

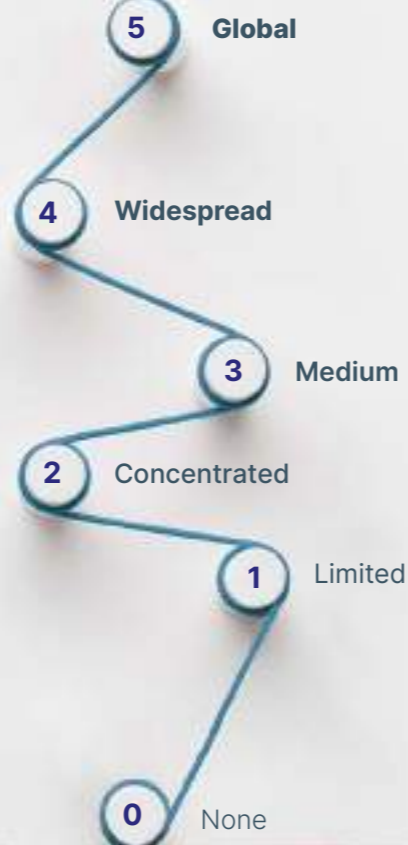
After stakeholders rated the material issues, we calculated average scores for Scale, Scope, and Remediability. We summed these scores to derive Impact Materiality scores. Key material issues were identified by multiplying the Financial and Impact Materiality scores.

6. Final mapping and sharing results with stakeholders

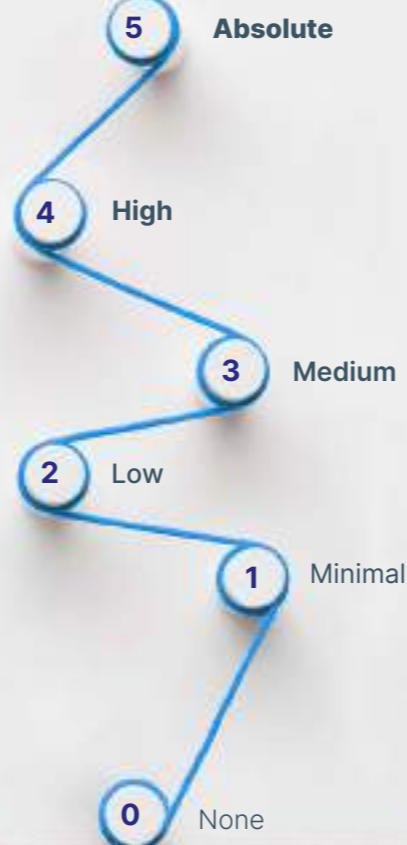
After the completion of the assessment and prioritization, the final results were shared with board level ESG & CSR Committee for their feedback and signoff.

Rating criteria:

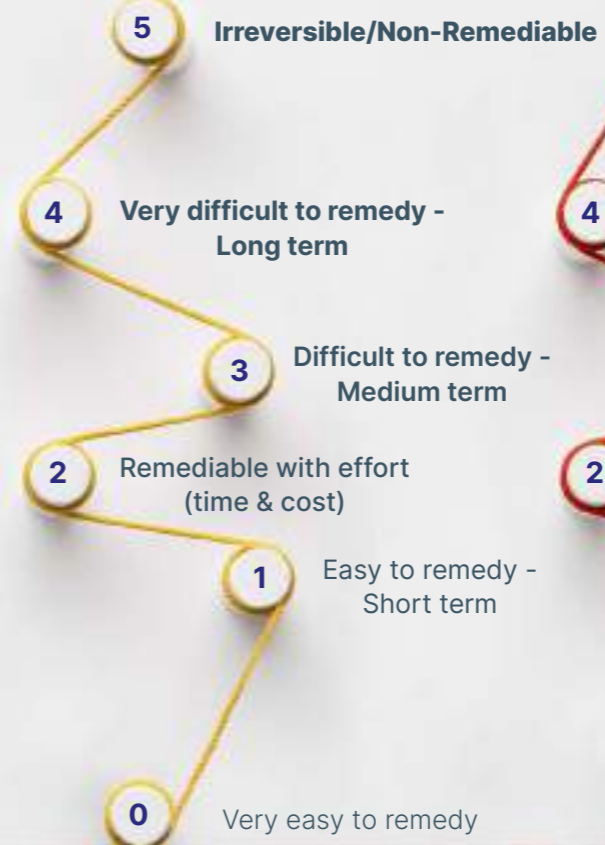
Scope of impact



Scale of impact

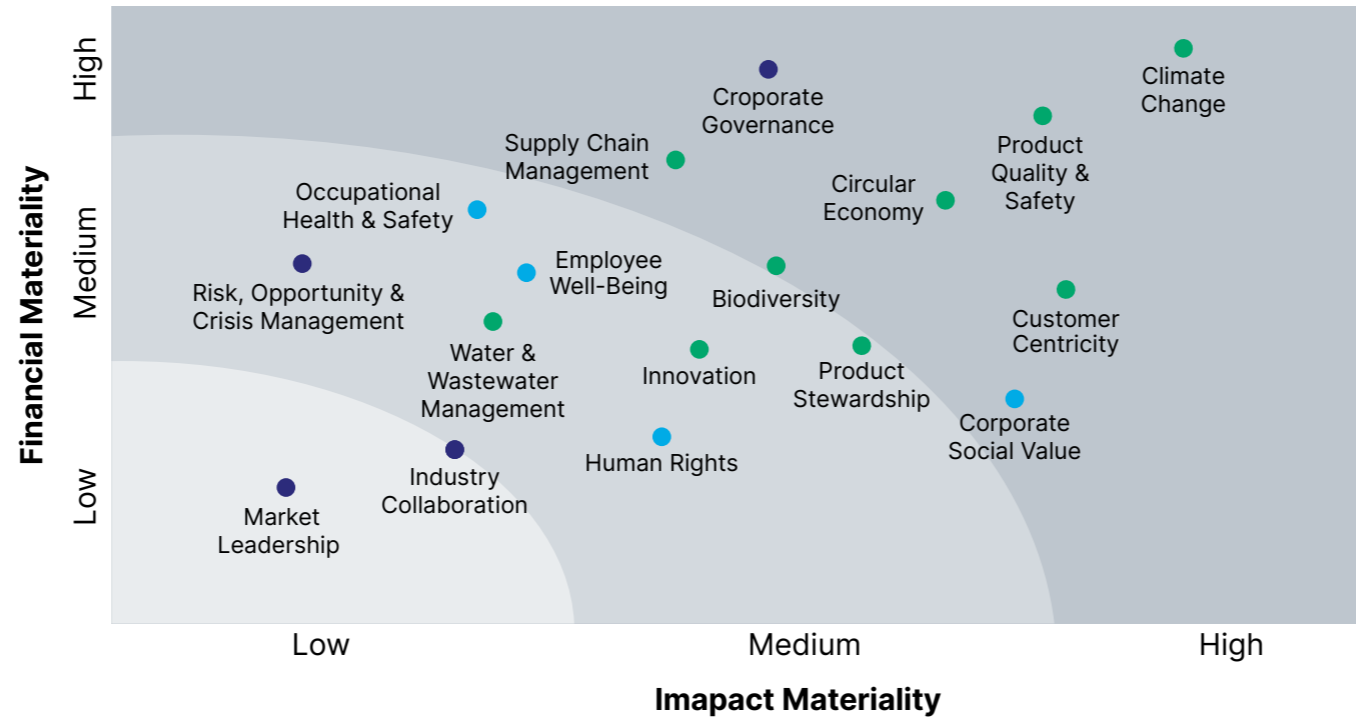


Remediability of impact



Financial materiality





Product Stewardship : Sustainability at every stage

Welspun Living Limited adopts a comprehensive approach to product stewardship and sustainability, prioritizing the entire life cycle of its products. The Company is committed to minimizing its environmental footprint through responsible sourcing, innovative manufacturing processes, and sustainable materials.

By implementing eco-friendly practices, such as water conservation, energy efficiency, and waste reduction, we not only enhance product quality but also contribute to the well-being of communities and ecosystems.

The Company actively engages stakeholders, from suppliers to customers, promoting transparency and accountability in its operations. Through continuous improvement and adherence to international sustainability standards, Welspun Living aims to create long-lasting, positive impacts while delivering value to its customers and preserving resources for future generations.

WLL's key sustainability objectives include:

- 1. Circular Products by 2030:** Transitioning to the production of only circular products, designed for reuse and recyclability.
- 2. Biodegradable Products:** Ensuring all products are biodegradable to minimize environmental impact.
- 3. End-of-Life Solutions:** Implementing innovative recycling and upcycling initiatives to give products a new life at the end of their life cycle.

These objectives aim to promote a sustainable future, reduce waste, and enhance responsible consumption across the supply chain. Below given table highlights key sustainability aspects in product development, focusing on mono fibers, durable and strong products, biodegradable materials, and the use of safe chemicals. By prioritizing mono fibers, we can enhance the recyclability and longevity of products, reducing waste. Durable and strong products contribute to sustainability by minimizing the need for frequent replacements.

Sustainability aspect
Mono fibers
Durable and strong products
Biodegradable products
Safe chemicals

By prioritizing these sustainable design practices, we aim to foster a circular economy and significantly reduce our ecological footprint, ultimately benefiting both our customers and the planet.

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.

Current focus

Identifying Environmental Hot Spots at this stage, the primary focus of our **LCAs** is to identify pollution hot spots across the product lifecycle. By pinpointing the stages that contribute the most to environmental degradation whether it's in raw

Description
Utilize single-fiber materials in product design to enhance recyclability and reduce waste
Design products for enhanced durability and strength to prolong their lifespan
Incorporate biodegradable materials to ensure products break down naturally at the end of life
Use non-toxic, eco-friendly chemicals in the dyeing and finishing processes

material sourcing, energy use during production, or end-of-life disposal, we are gaining a clearer understanding of where improvements can be made.

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 fibers. Additionally, we are committed to maintaining a fully cruelty-free production process, ensuring that no animal-derived materials are used at any stage of manufacturing, from raw material sourcing to the final product.
- **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.

Product design improvement

While identifying pollution hot spots through LCA is crucial in our sustainability journey, we recognize

Benefits
Simplifies recycling processes and reduces contamination
Decreases frequency of replacement, reducing overall waste
Minimizes environmental impact and landfill waste
Protects the health of workers and consumers while reducing environmental harm

that we haven't yet fully advanced to the stage of utilizing this data for improving product designs. Our current efforts are focused on refining our operational processes to mitigate the impact at these critical stages. However, the insights gained are invaluable stepping stones toward designing better products in the near future, and we are committed to evolving this practice as part of our larger sustainability strategy.

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 Welspun products minimize their environmental footprint from conception through disposal.

The background features a blurred bar chart with a small green plant growing from the tallest bar. The chart is overlaid with large, semi-transparent geometric shapes in shades of blue and green. The text 'ECONOMIC PERFORMANCE' is positioned on the left side of the image.

ECONOMIC PERFORMANCE

Economic Sustainability Measures

Supply Chain Management

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

We are dedicated to enhancing economic sustainability through effective cost management and operational efficiency. We regularly evaluate our production processes, supply chain operations, and overhead costs to pinpoint areas for optimization. By embracing lean manufacturing methods, maintaining optimal inventory levels, and incorporating energy-efficient technologies, we aim to reduce operational costs while improving productivity. These strategies enable us to achieve long-term financial stability and create value for our stakeholders through efficient and sustainable business practices.

Innovation and Technology Adoption

Innovation and technology are key drivers of sustainable success in the textile industry. At Welspun Living Limited (WLL), 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 has invested in specialized equipment on the shop floor.

Our facilities conform to the highest quality standards and compliance norms. Welspun has achieved a series of awards and accreditations for quality and service from customers as well as independent bodies.

In FY24, Welspun Living Limited achieved its highest ever annual revenue from operations, growing by 19.6% YoY to reach

₹9,679.24 crore.

This remarkable growth was driven by initiatives across various segments, including the Flooring Business, which saw a 31.4% YoY increase, generating

₹926.90 crore.

The Innovation Business also exhibited impressive performance, with a 65% YoY growth, reflecting the Company's focus on advanced technologies and products.

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R & D Investment (in ₹ crore)



Financial assistance received from the government (in ₹ crore)

Financial year	2023-24	2022-23	2021-22	2020-21	2020-19
Financial incentives	927.82	853.76	865.62	673.13	665.98
Other financial benefits	82.85	81.15	98.88	86.94	146.32

Financial performance

Economic value retained (in ₹ crore)

Financial year	2024-25	2022-23	2021-22	2020-21	2019-20	2018-19
Economic value generated (A)						
Revenues	9,825.07	8,215.10	9,377.31	7,407.95	6,836.18	6,608.44
Economic value distributed (B)						
Operating costs	7,664.97	6,973.14	7,492.81	5,607.67	5,219.78	5,171.78
Employee wages and benefits	1,027.4	794.35	866.7	822.77	778.14	711.43
Payment to providers of capital	153.41	129.88	131.25	197.51	177.7	159.28
Payment to government	121.56	67.96	222.98	202.62	1,61.91	89.66
Community investments	12.45	15.87	13.71	11.37	9.59	4.31
Economic value retained (A-B)	845.28	233.9	649.86	566.03	489.066	461.98

Economic value retained includes Welspun Global Brands Limited (WGBL) data also, as all WLL's products are getting sold through WGBL

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 favorable 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.

Working Capital:
2,878.49 Cr.

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.

Net Debt:
1,354.25 Cr.

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 investment and capital expenditure decisions are fundamental to ensuring the long-term economic sustainability of Welspun Living Limited. We meticulously evaluate each investment opportunity to ensure it aligns with our broader growth strategy, technological advancements, and the evolving demands of the market. Our approach focuses on identifying projects that not only promise a positive return on investment (ROI) but also enhance operational efficiency and improve productivity. Additionally, we prioritize investments

that strengthen our competitive position, such as adopting cutting-edge technologies, expanding production capabilities, and upgrading infrastructure. By carefully balancing short-term costs with long-term benefits, we maximize the impact of our capital expenditures and secure sustainable growth for the future.

Capex investment for environmental impacts

FY	FY23-24	FY22-23
Investment (crore)	275.4 Cr	0.41 Cr



Climate Risk Assessment

Welspun Living Limited recognizes the critical importance of addressing climate-related risks and opportunities, aligning with the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This framework provides a comprehensive approach to assessing and mitigating risks associated with climate change, including extreme weather events, regulatory shifts, and the transition to a low-carbon economy. As a company committed to sustainability, we are proactively integrating climate considerations into our governance, strategy, risk management, and performance metrics. Our efforts include evaluating climate risks across our supply chain, particularly in cotton sourcing, manufacturing, and logistics, ensuring that we are prepared for the challenges posed by changing weather patterns and regulatory environments. By adhering to TCFD recommendations, Welspun Living aims to enhance resilience, ensure long-term business sustainability, and transparently communicate our climate-related strategies and targets to stakeholders.

Governance

We have outlined our organization's framework for overseeing and communicating our approach to climate-related risks and opportunities. This framework prioritizes transparency and accountability, ensuring that stakeholders are informed about our strategies and actions. Our leadership is actively engaged in climate governance, fostering a culture of responsibility and inclusivity. By regularly updating our policies and practices, we demonstrate our commitment to addressing climate challenges effectively and integrating sustainability into our core operations.

Strategy

We have provided insights into how climate-related risks and opportunities shape our operational strategies, decision-making processes, and financial planning, especially when these factors are of significant importance. By integrating climate considerations into our strategic framework, we ensure that our responses are proactive and aligned with long-term sustainability goals. This approach enables us to identify new opportunities for innovation and growth while effectively managing potential risks, thereby reinforcing our commitment to resilience and responsible business practices.

Risk Management

We have presented a thorough overview of our methodologies for identifying, assessing, and mitigating climate-related risks, highlighting our proactive approach to risk management within the organization. This comprehensive framework allows us to systematically evaluate potential threats and vulnerabilities while implementing targeted strategies to reduce their impact. By continuously monitoring evolving climate scenarios and adjusting our practices accordingly, we strive to enhance our resilience and safeguard our operations against climate-related challenges.

Metrics and Targets

We have disclosed the specific metrics and objectives employed to evaluate and tackle relevant climate-related risks and opportunities, especially when these factors are critical to our company's operations. By establishing clear, measurable targets, we can effectively track our progress and hold ourselves accountable for our commitments. This approach enhances our understanding of our environmental impact and drives continuous improvement in our sustainability initiatives, ensuring alignment with our broader organizational goals.

To manage risks effectively, we have implemented scenario analysis using the IEA World Energy Outlook 2021 and the net-zero emission scenario as integral components of our risk management strategy. Among the various risks our company faces, physical risks are particularly significant,

FOUR PILLARS ON WHICH WE ASSESS THE CLIMATE RISKS

GOVERNANCE

STRATEGY

RISK MANAGEMENT

METRICS AND TARGETS

impacting our operations and supply chains. By analyzing these scenarios, we aim to identify vulnerabilities and develop strategies to enhance our resilience in the face of climate-related challenges.

Scenario Analysis for Climate Risk Assessment

The physical risks were studied across three distinct scenarios: SSP 1-2.6, SSP 2-4.5, and SSP 5-8.5, providing a comprehensive scenario analysis for climate risk assessment. In an era of escalating climate change urgency, understanding and managing these risks is crucial for our long-term sustainability. Our analysis focuses on assessing the physical risks associated with each scenario, which represent different trajectories of future greenhouse gas emissions and their impacts on global warming.

Scenario 1:

SSP 1-2.6 (Sustainability Pathway) outlines a future where decisive actions lead to significant reductions in greenhouse gas emissions, keeping global temperature rise below 2°C, in line with the Paris Agreement goals.

Scenario 2:

SSP 2-4.5 (Stabilization Pathway) envisions moderate mitigation efforts, resulting in a more moderate temperature increase of 2.6°C to 4.8°C by century's end.

Scenario 3:

SSP 5-8.5 (High-Emissions Pathway) depicts a future characterized by high emissions, minimal sustainability initiatives, and low global cooperation, potentially leading to a temperature rise exceeding 4.8°C above pre-industrial levels by 2100. Through rigorous analysis of these scenarios, we have identified a spectrum of risks and opportunities that could impact all our manufacturing sites.



Scenario Analysis Methodology

1. Climate modeling

We used advanced climate models, specifically general circulation models (GCMs), to simulate temperature changes, precipitation patterns, and extreme weather events across three scenarios (SSP 1-2.6, SSP 2-4.5, SSP 5-8.5). This approach allowed us to project future climatic conditions and their implications for our operations.

2. Sector-specific impact assessment

We assessed climate change impacts across key sectors, including agriculture, where we analyzed effects on crop yields and pest prevalence. For water resources, we evaluated changes in availability and quality. Infrastructure vulnerabilities to extreme weather were examined, along with risks related to sea-level rise in coastal regions. Each sector was evaluated for vulnerability, exposure, and sensitivity to climate risks.

3. Quantification of Risks

We quantified the magnitude and probability of physical risks under each scenario, including flooding, droughts, and heat waves. We also assessed potential sea-level rise and trends in extreme weather events. This quantification helped us prioritize risks based on their likelihood and potential impact, guiding our risk management strategies.

Transition Risk

As global efforts focus on adopting sustainable practices and combating the effects of climate change, businesses are likely to face various challenges and uncertainties during this transition. These changes have the potential to impact a company's financial performance, market position, and overall sustainability. The journey towards a lower-carbon economy involves navigating through policy adjustments, legal frameworks, technological advancements, and shifts in market dynamics. These changes bring about both risks and opportunities for organizations.

Policy and Legal Risk

Policy measures aimed at limiting activities that contribute to the negative impacts of climate change and those focused on facilitating climate change adaptation. These may lead to heightened legal risks as these measures transform into legislation.

Market Risk

These risks may result in shifts in the supply and demand of particular commodities, goods, and services driven by growing climate change-related concerns.

Reputation Risk

These are risks arising from changing consumer attitudes towards companies based on their actions that contribute to mitigating or negatively impacting climate change.

Technology Risk

Advances in technology solutions and innovations that accelerate the transition to energy-efficient and lower-carbon economies will create new risks for organizations.



Impact Assessment of Climate Risks and Opportunities Based on TCFD Recommendations

Climate-related Physical Risk

Risk/Opportunity description	Impact description	Financial implications	Methods to manage	Costs of actions taken
Extreme weather events	Climate change is increasing the frequency and intensity of extreme weather events such as hurricanes, floods, and storms	<ul style="list-style-type: none"> Reduced revenues from decreased production capacity and decreased consumer demand Supply chain disruptions Increased operational cost 	Develop climate-resilient infrastructure <ul style="list-style-type: none"> Implement emergency preparedness plans Invest in real-time weather monitoring systems 	The cost of constructing climate change resilient infrastructure is certainly higher than the conventional construction cost
Rising sea levels	Melting glaciers and ice caps contribute to rising sea levels, posing significant risks to coastal areas and low-lying regions	Property and infrastructure damage <ul style="list-style-type: none"> Increased insurance costs Disruption of operations Decreased property value 	Invest in seawalls and flood barriers <ul style="list-style-type: none"> Relocate vulnerable assets Develop adaptive strategies for coastal management 	The cost of such actions can vary widely based on the complexity of the different projects and other factors. Costs can range from thousands to millions of dollars
Heatwaves	Increased temperatures can lead to severe heatwaves, affecting human health and operational efficiency	Increased energy costs <ul style="list-style-type: none"> Equipment failure and maintenance costs Reduced workforce productivity Higher liability costs 	Implement energy-efficient cooling systems <ul style="list-style-type: none"> Develop employee heat stress management programs Schedule outdoor work during cooler hours 	By taking measures to address the challenges posed by heat waves, we can minimize potential disruptions, protect our assets, and ensure the well-being of our workforce
Ecosystem Disruption	Climate change can disrupt local ecosystems, affecting biodiversity and resources	Loss of ecosystem services <ul style="list-style-type: none"> Increased operational costs for resource sourcing Potential reputational damage 	Engage in sustainable resource management <ul style="list-style-type: none"> Invest in biodiversity conservation efforts 	Costs for conservation projects can range from thousands for small initiatives to millions for large-scale restoration efforts

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Climate-related Opportunity

At Welspun, we believe in decarbonizing our operations and contributing to India's net-zero goals by developing more sustainable products. We have outlined our endeavors to tap relevant climate-related opportunities below:

Risk/Opportunity description	Impact description	Financial implications	Methods to manage	Costs of actions taken
Adoption of emerging technologies in the production process	Rapid advancements in clean energy and sustainable technologies can disrupt existing industries	Reduced demand for outdated products; companies may need to invest heavily to transition operations, impacting financial performance	Continuous investment in carbon-efficient technologies; establishing a renewable energy generation plant at Anjar	Early retirement of existing assets; R&D expenditures for new technologies; Capital investments in technology development
Products and Services	Developing and expanding portfolio of sustainable products with lower carbon footprint	Increased demand for sustainable products can lead to new revenue streams; potential cost savings through efficient resource use Long-term cost savings through resource efficiency; potential for market differentiation in a competitive landscape	Our R&D endeavors propel the development of more sustainable products Collaborate with industry partners and stakeholders to enhance recycling processes and product design	R&D expenditures for developing sustainable products; costs associated with sourcing and processing recycled materials Investment in technology and infrastructure for recycling processes; marketing costs to promote sustainable products
Market	Broadening access to new markets	Opportunity for higher profit margins as consumers are willing to pay a premium for sustainable options	Heightened awareness about climate change has the potential to influence customer preferences, leading them to buy products or services with low climate impact from companies they trust and perceive as leaders in this domain	Costs associated with marketing and promotional activities; potential investments in training sales teams on sustainability Research costs for understanding consumer preferences; costs for developing eco-friendly packaging and branding
Resource efficiency	Deploying higher efficiency production and distribution processes	We can capitalize on this by developing and using renewable fibers, like organic cotton, hemp, bamboo, and recycled polyester	These materials have a lower environmental footprint than traditional ones and can appeal to environmentally conscious consumers	Cost of cultivation of new organic and sustainable cotton <ul style="list-style-type: none"> Cost of training to farmers on sustainable farming Cost of purchasing other sustainable raw materials

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Resilience	The textile industry can embrace circular economy principles, where products promote longevity, reuse, and recycling	Successful implementation of circular economy principles requires a comprehensive assessment of the existing business model, collaboration with stakeholders, and careful planning to balance environmental, social, and financial considerations	We are implementing take-back programs, developing innovative recycling technologies, and creating new business models that prioritizing product life extension and material recovery. SPUN and waste heat recovery are the two major initiatives we have taken to bring circularity in our processes	Implementing circular economy principles can help us reduce costs in the long run <ul style="list-style-type: none"> By shifting from the traditional linear model (take-make-dispose) to a circular model (reduce-reuse-recycle) We can optimize our resource use, minimize waste generation, and lower production costs
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Climate Change Transition Risk

Risk/Opportunity description	Impact description	Financial implications	Methods to manage	Costs of actions taken
Higher investment costs in new carbon capture technologies	Manufacturing infrastructure reliant on high-carbon technologies becomes economically unviable or obsolete	Stricter carbon regulations and a focus on renewable energy create significant challenges for traditional fossil fuel investments, particularly coal-fired power plants and oil reserves. As governments implement tougher climate policies, these high-carbon assets risk becoming economically obsolete, leading to substantial financial losses for companies that fail to adapt. This shift emphasizes the urgent need for industries to pursue sustainable alternatives to mitigate risks and align with changing market demands	Careful planning and proactive measures to minimize stranded asset risk	Costs incurred from investing in new technology and potential downtime during transition. Comparatively, textile manufacturing machineries are expensive when replaced with new technologies

PAT Mechanism and Regulatory Obligations	Changes in climate-related policies and regulations can create transition risks for businesses	Financial losses from non-compliance, increased costs from carbon pricing, and potential loss of market share	Proactive monitoring of regulatory changes; investment in compliance systems and sustainability reporting	Costs associated with compliance training; expenses for technology upgrades to meet new standards Return on investment (ROI) for compliance initiatives; Number of successful audits; Emission reductions achieved
Adoption of Emerging Technologies	Rapid advancements in clean energy and sustainable technologies can disrupt existing industries and shift market demand	Reduced demand for outdated products; potential need for significant capital investments to transition operations	Continuous investment in R&D for sustainable technologies; establishing partnerships with technology providers	R&D expenditures; capital investments for new technology adoption; costs related to early retirement of existing assets

Climate Change Transition Risk and Opportunity

Risk/Opportunity description	Impact description	Financial implications	Methods to manage	Costs of actions taken
Water stress and conservation	Climate change exacerbates water scarcity, making water conservation crucial in textile production	Financial implications of water conservation strategy include: <ul style="list-style-type: none"> Reduced cost of freshwater consumption Reduced cost of energy use in fetching water for process Reduced cost of compliances and regulations 	<ul style="list-style-type: none"> We have set up STP and ETP plants for water processing We are conserving water through rainwater harvesting We have optimized our processes to make them more water efficient 	<ul style="list-style-type: none"> Capital investment: Setting up STPs and ETPs requires a significant upfront capital investment Operational costs Compliance and regulatory costs

ENVIRONMENTAL STEWARDSHIP

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Towards Greener Tomorrow

Environmental stability is essential for fostering economic growth and societal well-being. This principle underscores the importance for businesses to integrate sustainable practices into their operations and value chains to mitigate the negative impacts of their activities. Companies are increasingly expected to address critical environmental challenges, including climate change, emissions, biodiversity loss, water conservation, and waste management, with fairness and systematic approaches. At Welspun Living Limited, we are committed to these principles, striving to implement comprehensive sustainability strategies that align with our goal of minimizing our environmental footprint while contributing positively to the communities we serve.

Welspun Living Limited is at the forefront of addressing climate change through its proactive comprehensive initiatives which are integral to fostering a sustainable future. The Company is committed to significantly reducing its environmental impact and has set a proactive comprehensive initiative which are integral to fostering a sustainable future. To reach this target, Welspun Living Limited is actively implementing a range of concrete measures and innovations. Their comprehensive Environment Policy outlines a strategic approach to tackling key environmental issues, reflecting the company's dedication to both stakeholder interests and broader societal concerns. Through these efforts, Welspun Living Limited is contributing to a greener future and reinforcing its role as a responsible and forward-thinking industry leader.

FY23-24 Key Highlights

Reduction in overall GHG emissions:

4.34%

compared to previous year

Waste circularity:

75%

Energy intensity:

27.91 GJ/MT

Plastic waste recycle:

448.86 MT

Water intensity:

28 L/Kg

Sustainable packaging:

77%

Beneficiaries impacted through CSR:

8,43,960

Total RE consumed:

5,05,088 GJ

GHG avoided:

56,807 tCO₂e

Total waste recycled:

22,203 MT



Accelerating The Green Transformation

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Introduction

Pivotal to our strategy lies inclusive growth, reflecting the core values of the Welspun Group and emphasizing environmental stewardship. While we've made strides in sustainability, our journey continues. We are dedicated to integrating responsible environmental practices seamlessly into our operations, always prioritizing excellence and customer focus. Recognizing the interconnectedness of these goals, we are committed to pushing boundaries and enhancing our environmental stewardship efforts.

- Sustainability rating is **11.5 (Low Risk); 16 out of 211 participating** companies in textile industry
- DJSI ESG rating of **66 (Welspun placed among the top 3 percentile)** of Home Textile companies globally
- **64 CRISIL's** textile category ratings (Welspun was placed **first in India**)

Climate Change and Energy

GHG Emission

In pursuit of our climate-positive objective, it's imperative to reassess our energy consumption, water usage, chemical practices, and raw material sourcing. Through the reduction of our environmental footprint and the adoption of sustainable practices, we're actively striving to mitigate the adverse impacts of climate change and pave the way for a more sustainable future in our industry.

In our GHG calculation, we meticulously consider the presence and impact of three distinct gases: carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). WLL is actively tackling climate change by monitoring and minimizing its overall carbon footprint, which encompasses Scope 1, 2, and 3 emissions. We have made considerable progress in reducing our Scope 1 and 2 emissions since 2022 and are committed to achieving the goal of using 100% renewable energy by 2030. We are committed to become Net Zero by 2040.

Roadmap to achieve Carbon Neutral (Scope 1 & 2)



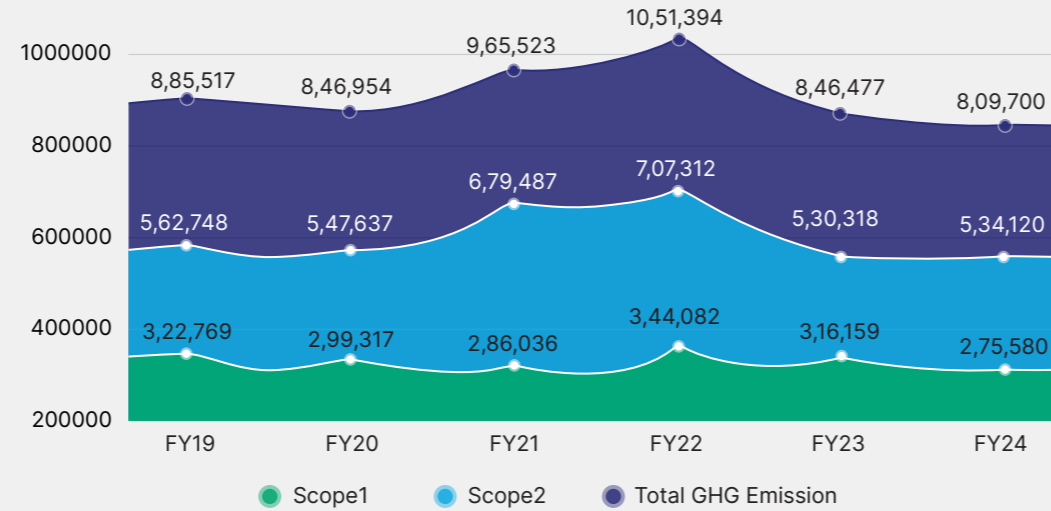
Emission reduction roadmap to achieve Net Zero (Scope 1, 2 & 3)



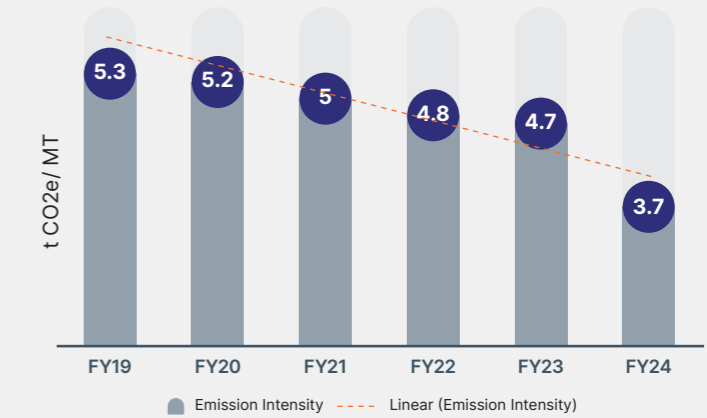
Baseline for emission reduction target to achieve Net Zero is FY23-24

Performance Dashboard

GHG Emission



GHG Intensity



We are witnessing a consistent reduction in our GHG emission intensity metric, which has improved from **4.7 to 3.7 tCO₂e** per metric ton of production. This year, we achieved a 4.34% **reduction** in overall GHG emissions (CO₂, N₂O, and CH₄) compared to the previous year. These results highlight our capacity to maintain efficient emissions levels relative to our production, showcasing effective resource utilization.

Scope 1, Scope 2, and Scope 3

Taking a conscious and innovative approach, We've implemented a technology-driven tool ESG-Compass to monitor our Scope-3 emissions across 5 different categories. This forward-looking initiative involves meticulous tracking of vital elements. Committed to consistently improving our emissions database, the Company remains resolute, diligently enhancing its tracking capabilities in the

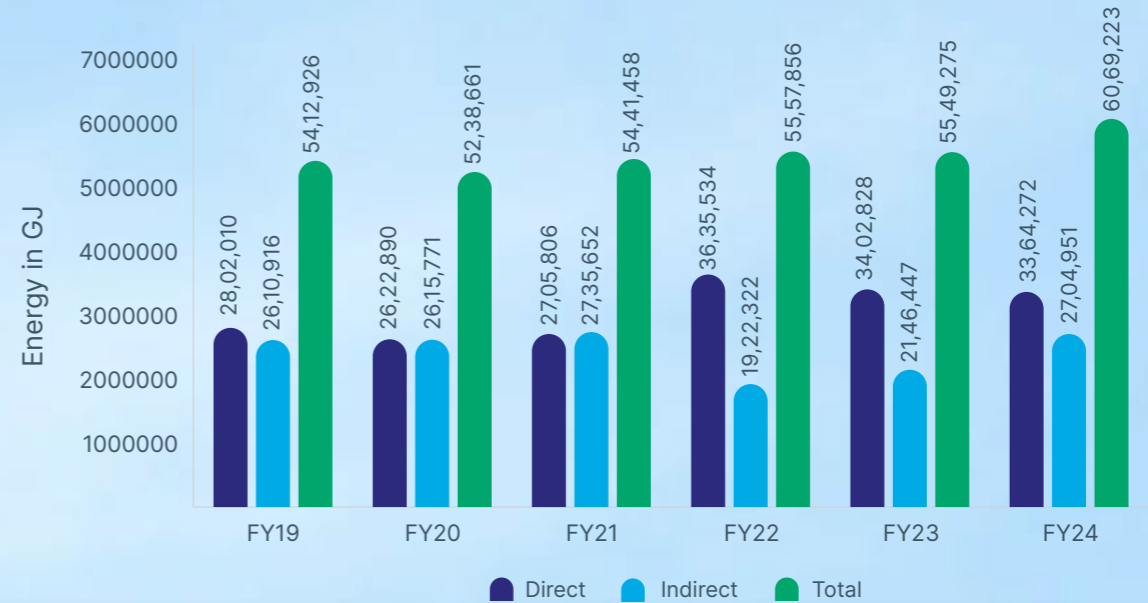
future. For WLL, 12 categories are applicable and we have calculated Scope 3 emission of Ten categories. Calculations for balance three categories are in progress. Below, we outline the Scope 3 emissions for different Ten categories.

Scope 3:
6,86,182 tCO₂e

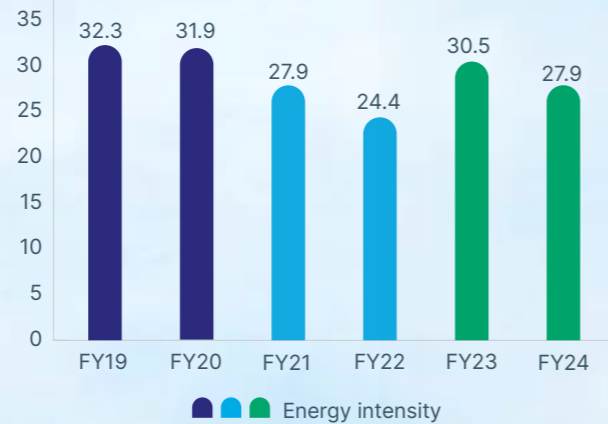
Categories	tCO ₂
Category 1: Purchased goods and services	1,35,359
Category 3: Fuel and energy related	26,655
Category 4: Upstream transportation and Distribution	18,935
Category 5: Waste	629
Category 6: Business travel	803
Category 7: Employee commuting	3,748
Category 9: Downstream transport	54,749
Category 11: Use of sold products	92,359
Category 12: End-of-life treatment of sold products	63,602
Category 15: Investment	2,89,343

Energy Performance

We recognize the impact of our operations on natural resources and are committed to use technology to enhance energy efficiency across our processes. This commitment drives us to improve both energy generation and utilization within our facilities. To achieve this, we have adopted a two-pronged energy strategy. First, we focus on generating clean energy by integrating renewable sources such as solar and wind power into our operations, reducing our reliance on non-renewable resources. Second, we prioritize optimizing energy consumption through advanced technologies, including energy-efficient equipment and smart systems that monitor and reduce unnecessary energy use. By combining these approaches, we aim to minimize our environmental footprint and contribute to a more sustainable future.



Energy Intensity (GJ/MT)



Biogenic Emissions

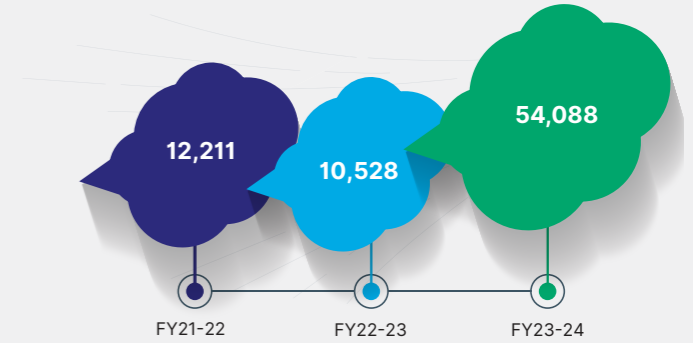
Biogenic emissions refer to greenhouse gases released from natural biological processes, such as methane from wetlands or nitrous oxide from soil. These emissions are distinct from anthropogenic (human-caused) emissions but are crucial to monitor and manage in sustainability efforts.

Our approach to biogenic emissions involves a thorough understanding of these natural processes and their contributions to our overall carbon footprint. We employ advanced monitoring

and measurement techniques to accurately quantify biogenic emissions from our operations, ensuring transparency and accountability in our sustainability reporting.

We are consuming biomass which include agri waste, agri pallets and wood waste, also utilizing ETP sludge as biomass. We have accounted emission from these biomass as Biogenic emission. We are exploring opportunities for carbon offset projects that effectively capture and store emissions, further enhancing our carbon neutrality goals.

Biogenic Emission



(Sludge, biomass and rice husk are included in biogenic emission)

54,088 tCO₂e Biogenic Emission

Fuel Optimization

Through rigorous fuel optimization strategies, we aim to reduce carbon emissions associated with our operations. This includes optimizing fuel efficiency in transportation and logistics, investing in low-emission vehicles, and exploring alternative fuels that align with our sustainability objectives.

Biomass

In our commitment to sustainable practices, we have implemented an innovative approach to biomass utilization by incorporating agri-briquettes and cotton pallets into our energy strategy. Agri-briquettes, derived from agricultural residues such as rice husks and other biomass wastes, serve as a renewable and low-carbon alternative fuel

source. Through advanced processing techniques, we transform these residues into high-density briquettes that efficiently generate heat and power in our operations.

Simultaneously, we have innovatively repurposed cotton pallets, a byproduct of our manufacturing processes, as a valuable biomass resource. In FY24, we introduced 32,944 MT of biomass, effectively replacing 29,320 MT of coal in our operations. This transition has reduced the reliance on coal – a major source of GHG emissions—and transformed waste into a valuable fuel resource, diverting it from landfills and minimising environmental impact. This approach towards carbon management has yielded environmental benefits, including the avoidance of approximately 53,629 MT tCO₂e in greenhouse gas emissions.

Through continuous research and development, alongside partnerships with suppliers and stakeholders, we strive to optimize the efficiency and sustainability of our biomass utilization practices.



Harnessing Energy from Agricultural Waste

Since its inception, Welspun Flooring has embraced a greener approach to energy by utilizing a rice husk-based boiler for steam production in its operations. This environmentally conscious choice has decreased the site's Scope 1 GHG emissions. In FY24, the facility used 6,830 MT of rice husk in its boilers. This initiative has mitigated the need for burning coal or other fossil fuels for steam generation. This initiative has replaced 6,079 MT of coal and saved the emission of 11,119 MT of CO2 equivalent into the environment.

Renewable Energy

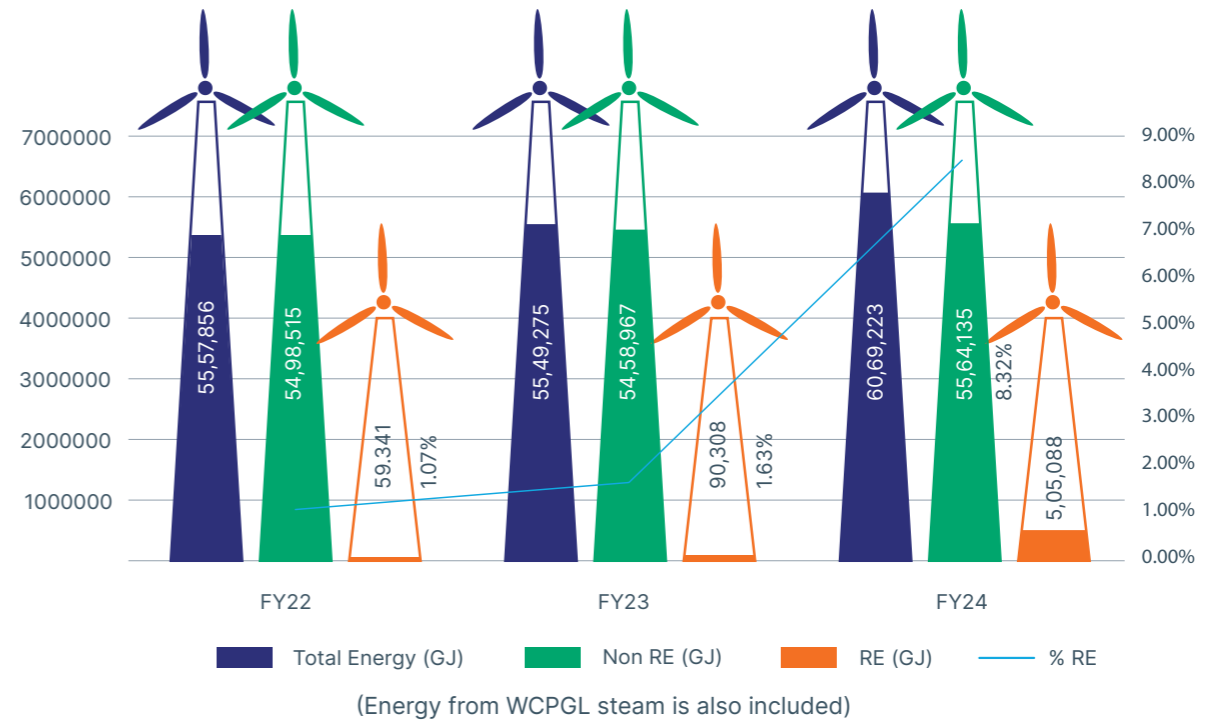
We have made substantial strides in our renewable energy endeavors, exemplified by the establishment of a 30 MW ground mounted and floating solar power plant at our Anjar facility. This cutting-edge initiative harnesses the natural power of the sun to generate clean, sustainable electricity, significantly reducing our carbon footprint. We are aiming to achieve 100% of our total consumption from sustainable sources by 2030. In the fiscal year 2023-24, we solidified strategic partnerships with two respected renewable energy developers, marking significant progress towards our clean energy objectives. Additionally, for our operations in Vapi, we have solidified a long-term partnership with a leading renewable energy developer.

This collaboration involves the construction of an offsite facility dedicated to producing renewable

energy, ensuring a stable and eco-friendly power supply for our operations. These initiatives underscore our firm commitment to environmental stewardship and sustainable business practices, driving us forward in our journey towards a greener future.

Our renewable energy use reflects a strong upward trend, with a 6.69% point increase compared to last year, underscoring our commitment to growth and sustainability. This increase is driven by our focused initiatives in renewable energy consumption, as we continue to prioritize green energy solutions in our operations.

Renewable Energy



Initiatives and Impacts

Energy management plays a crucial role in reducing GHG emissions and decreasing our reliance on conventional energy resources. Our approach includes increasing the use of renewable energy and implementing energy efficiency initiatives to lower overall energy consumption. These initiatives have led to a reduction in overall energy consumption, saving over 1,62,044 GJ and preventing about 15,588 MT of CO2 emissions, thus contributing to a more sustainable future.

11,43,041 KWH
Energy saved by energy-saving initiatives

Energy Management

Welspun has conducted a thorough energy audit with the help of a third-party organization to identify opportunities for enhancing energy performance across its operations. These audits are a critical part of the company's Energy Management Program, providing detailed insights into areas where energy efficiency can be improved.

Goals and objectives of Energy Management Program

Integrate energy management into all operations by adopting advanced technologies, promoting renewable energy use, ensuring energy-efficient purchases, and fostering employee participation through training and awareness.

Scope of mandatory Energy Audit

Includes site measurements, evaluating energy consumption trends, assessing machine performance (boiler, turbine, auxiliaries), analyzing utility systems (pumps, compressors, fans), and providing recommendations with cost analysis for energy-saving measures.

Methodology Adopted

Collected plant details through a questionnaire, verified energy consumption data, studied opportunities for improving energy efficiency in key equipment, and presented findings and improvement suggestions to top management.

Measures suggested for the plant

Optimize air generation pressure, segregate instrumentation air, and fix air leakages to save 247,579 units per year.

Reduce auxiliary power consumption in CPP from 13.59% to 10% through suggested measures. Replace air conditioners over 10 years old and 3-star ACs in phases, with a 4- to 5-year payback period.

We prioritize energy and conservation management. We've embraced solar energy with panel installations, generating clean power. We also prioritize regular maintenance and HVAC upgrades to ensure efficient cooling while reducing emissions.



Energy Mangement

Energy Type	Energy Source	Quantity(GJ)
Indirect Energy	Electricity	13,94,518
	Steam	13,10,433
Direct Energy	Coal	27,42,033
	Sludge	9,101
	Bio-mass	4,56,004
	Furnanc Oil	4,113
	Natural Gas	1,45,670
	Diesel	7,351

Some of the Energy Efficiency measures implemented at our sites:

1. Process improvements and technology upgrades

In our ongoing commitment to sustainability, we've introduced various process improvements and technology upgrades to boost energy efficiency across our operations. By integrating advanced heat recovery systems and embracing state-of-the-art technologies, we've markedly reduced energy consumption while sustaining operational excellence. These enhancements not only advance our environmental objectives but also yield substantial cost savings and resource optimization. Through our focus on innovation and efficiency, we're dedicated to reducing our environmental impact while maximizing stakeholder value. Hence, incorporating process improvements, heat recovery systems, and new technologies to enhance energy efficiency.

2. LED Lighting

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.

3. Employee Engagement

We actively engage employees in energy-saving practices within office environments. Through awareness campaigns, training sessions, and incentivized programs, we empower our workforce to adopt energy-efficient behaviors and contribute to our environmental goals. By fostering a culture of sustainability among employees, we're



driving meaningful change and collectively advancing towards a more environmentally responsible future.

4. EV Transportation

Being committed to reducing carbon footprint by actively engaging employees in sustainable transportation initiatives. The company promotes the use of Electric Vehicles (EVs) for



daily commutes, encouraging employees to switch to cleaner and more energy-efficient modes of travel. As part of this initiative, EV charging stations have been installed at the workplace to facilitate easy adoption. Additionally, Welspun advocates for increased use of public transportation, organizing awareness campaigns and incentives to motivate employees to choose mass transit options over individual car travel.

5. Solar Dryer for ETP Sludge

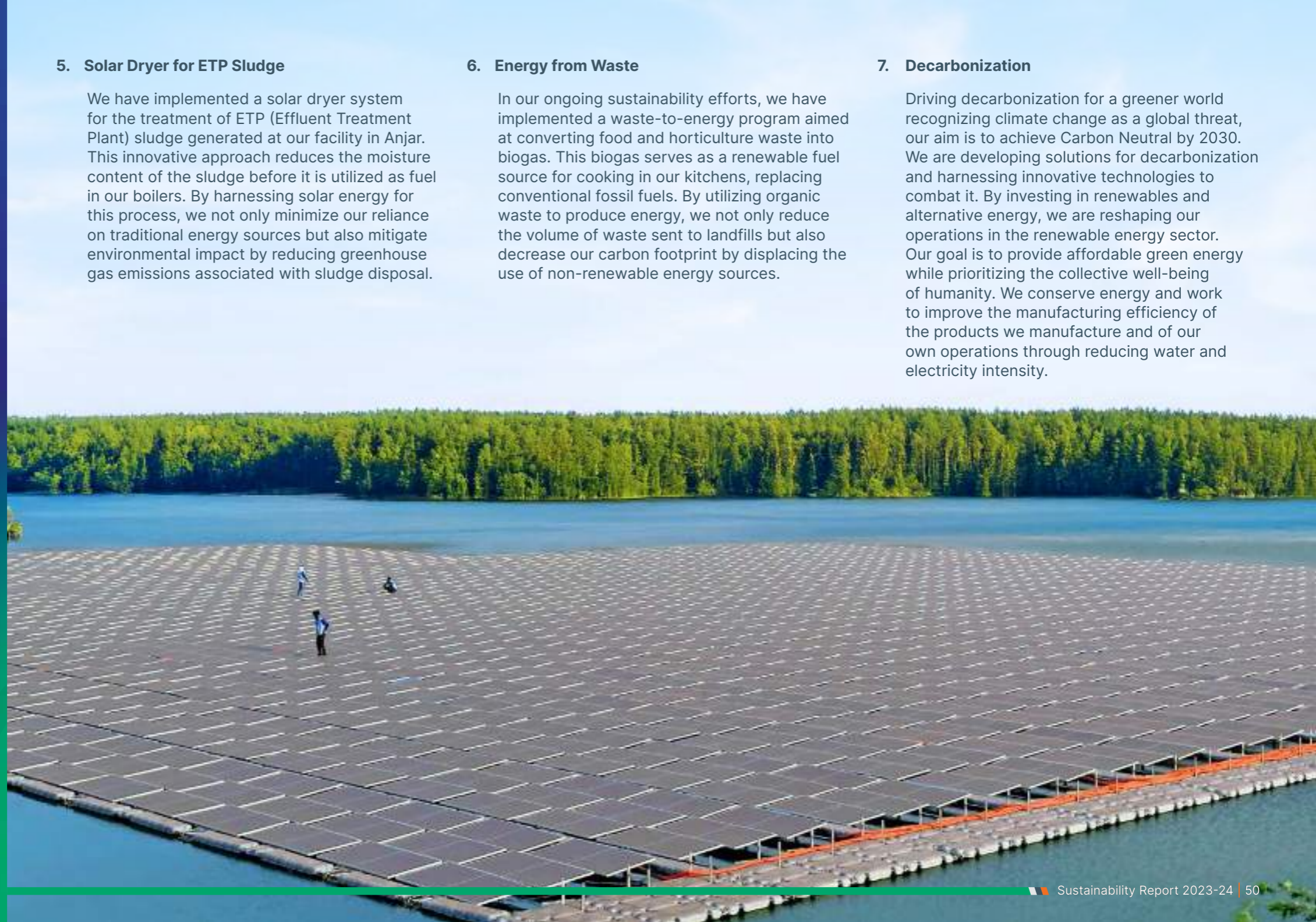
We have implemented a solar dryer system for the treatment of ETP (Effluent Treatment Plant) sludge generated at our facility in Anjar. This innovative approach reduces the moisture content of the sludge before it is utilized as fuel in our boilers. By harnessing solar energy for this process, we not only minimize our reliance on traditional energy sources but also mitigate environmental impact by reducing greenhouse gas emissions associated with sludge disposal.

6. Energy from Waste

In our ongoing sustainability efforts, we have implemented a waste-to-energy program aimed at converting food and horticulture waste into biogas. This biogas serves as a renewable fuel source for cooking in our kitchens, replacing conventional fossil fuels. By utilizing organic waste to produce energy, we not only reduce the volume of waste sent to landfills but also decrease our carbon footprint by displacing the use of non-renewable energy sources.

7. Decarbonization

Driving decarbonization for a greener world recognizing climate change as a global threat, our aim is to achieve Carbon Neutral by 2030. We are developing solutions for decarbonization and harnessing innovative technologies to combat it. By investing in renewables and alternative energy, we are reshaping our operations in the renewable energy sector. Our goal is to provide affordable green energy while prioritizing the collective well-being of humanity. We conserve energy and work to improve the manufacturing efficiency of the products we manufacture and of our own operations through reducing water and electricity intensity.



Water

Protecting a Vital Resource for Future Generations

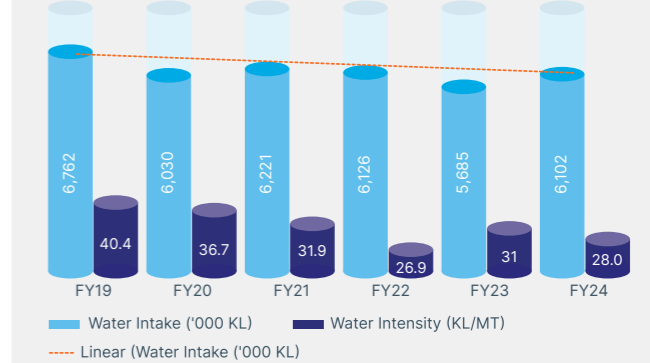


Water holds immense importance in textile production, making its management a critical priority. In this context, we are intensifying our efforts towards water stewardship, sustainable material sourcing, and partnering with supply chains to promote responsible water management practices.

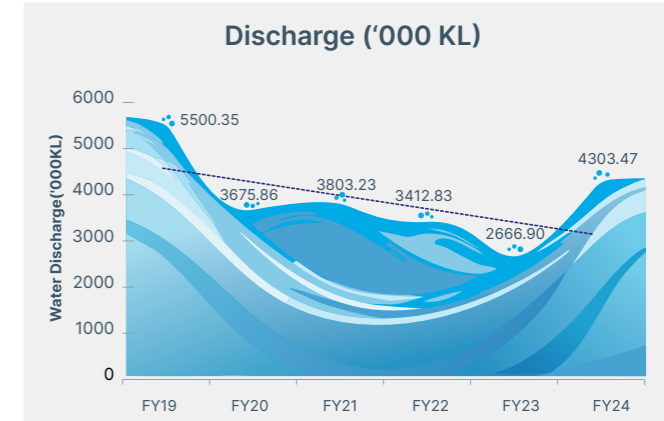
Through the adoption of innovative technologies and industry best practices, we are dedicated to decreasing our water footprint and safeguarding this invaluable resource. Acknowledging water's vital role for both our operations and the broader community, we are steadfast in our commitment to reducing freshwater consumption. To achieve this goal, we are implementing circular systems that foster sustainable water management practice.



Water Intake & Intensity



Water Discharge



FY	Water intake ('000 KL)	Discharge ('000 KL)
FY19	6,762	5,500.35
FY20	6,030	3,675.86
FY21	6,221	3,803.23
FY22	6,126	3,412.83
FY23	5,685	2,666.90
FY24	6,102	4,303.47

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Performance in 2023-24

The organization's dedication to water efficiency and sustainability is evident in the notable achievement of a **9.61% reduction in water intensity** compared to the previous year. This reduction in water intake reflects our commitment to environmental conservation and potential cost savings. In the fiscal year 2023-24, our total water intake was

61.02 lakh kiloliters, including 34.6 lakh kiloliters of recycled water sourced from our STP and ETP plants.

Initiatives and Impacts

We strongly advocate for the adoption of circular economy principles as a crucial strategy in addressing the global water crisis and preserving our water resources. Through the implementation of innovative practices, our aim is to manage water within closed loops, maximizing its value and minimizing waste.

At the core of our approach is the establishment of wastewater treatment plants, allowing us to recycle and reuse water effectively. This initiative significantly reduces our freshwater consumption and underscores our commitment to sustainability. Additionally, we surpass local regulatory requirements by adhering to the stringent guidelines set forth by the Zero Discharge of Hazardous Chemicals (ZDHC) initiative. Effluents generated in operations are treated completely to meet discharge norms. Adequate monitoring and controls ensure no damage happens to the surrounding ecosystems.



Parameter	Quantity in megalitres
Third Party Water	2,641.0
Others (STP Recycled water)	3,460.5
Total volume of water withdrawal	6,102.0
Total volume of water consumption	1,798.0
Water discharge Value	4,303.5

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Water Efficient Programs at Welspun

1. Zero Liquid Discharge (ZLD) systems

We are implementing Zero Liquid Discharge technology to ensure that all wastewater generated during production is treated, purified, and recycled back into the process, preventing any liquid waste from leaving the facility.

2. Advanced Water Recycling and Reuse

We are installing state-of-the-art water recycling systems to treat and reuse greywater from processes like dyeing, washing, and rinsing, minimizing the need for fresh water. Treated wastewater will be reused for non-potable applications such as cooling systems, landscape irrigation, and industrial cleaning.

3. Smart Water Metering and Monitoring

We are deploying smart water meters and real-time monitoring systems to track water usage across different sections of the manufacturing process. Utilizing data analytics, we can identify areas of high water consumption and develop strategies to reduce usage and improve efficiency.

4. Eco-friendly Dyeing and Finishing Techniques

We are adopting water-efficient dyeing methods such as low-liquor ratio dyeing, air dyeing, and digital printing to drastically reduce water consumption. Closed-loop dyeing systems will be utilized to reuse water multiple times, further reducing the overall demand for fresh water.

5. Rainwater Harvesting systems

We are implementing comprehensive rainwater harvesting systems across our facility to capture and store rainwater, which can be used in non-potable applications or integrated into

the production process. Additionally, we are constructing lagoons or artificial lakes on-site to store harvested rainwater and support groundwater recharge.

6. Chemical Management and Substitution

We are transitioning to eco-friendly and waterless chemical treatment processes that require minimal water usage. Safe chemical management practices will be implemented to reduce the need for excessive water in rinsing and processing, ensuring that any chemicals used do not pollute the water supply.

7. Process Optimization and Lean Manufacturing

We are optimizing manufacturing processes to reduce water use at every stage, including improved washing cycles, efficient rinsing techniques, and innovative fabric treatments. Lean manufacturing principles will be adopted to eliminate inefficiencies, minimize water waste, and continuously enhance water conservation measures.

8. Employee Training and Engagement

We are conducting regular training sessions and awareness programs for employees to educate them on effective water-saving techniques and promote responsible water usage in their daily activities. Employees are actively engaged in water conservation initiatives, with opportunities to contribute their own suggestions for water-saving ideas. To foster a culture of sustainability, we incentivize these contributions and recognize employees for their efforts in advancing the company's sustainability goals. Through these initiatives, we aim to create a more environmentally conscious workplace that values and prioritizes water conservation.

9. Sustainable Supply Chain Practices

We are working closely with suppliers and partners to encourage sustainable water use practices across the entire supply chain. Water usage guidelines are being established for suppliers, along with regular audits to ensure compliance with water-efficient standards.



1 Case Study

Through water use, assessment has been conducted to identify opportunities for improving water efficiency. This assessment has revealed numerous areas where water consumption can be optimized, leading to actionable insights and targeted strategies for reduction. For instance, the company has implemented various resource-efficient technologies that have substantially decreased water intensity in production processes.

16% Reduction per kilogram

Specifically, Welspun's water intensity for production has been **reduced by 16% per kilogram**,

In terms of specific actions to reduce water consumption, Welspun has introduced several innovative practices. One significant development is the **Smart Washing process in yarn dyeing at our Vapi location** which has streamlined the washing process from four water baths to just three, each using 6,800 liters per batch.

Additionally, the **removal of one hot wash in the PVA Hygro Quality process** has achieved a water saving of **4.5 liters per kilogram**. The re-use of softener through solution processes has also contributed to water savings, reducing the need for **2 kilograms of softener per batch**. Furthermore, the recycling of salt and soda from dust collectors exemplifies the company's commitment to minimizing waste and conserving water.

Welspun has set clear targets for water use reduction, underscoring its commitment to continual improvement in water efficiency.

5 KL/MT by 2025

The goal to achieve a water intensity of **5 KL/MT by 2025** reflects the company's dedication to minimizing its environmental footprint and contributing to sustainable water management practices.

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2 Case Study

Pioneering water conservation for enhanced community impact

At our Anjar plant, we have taken bold strides towards achieving zero freshwater dependency, thereby making significant contributions to the availability of water resources for the surrounding communities. A pivotal achievement in this endeavor is the establishment of a cutting-edge sewage treatment plant (STP) boasting a capacity of 30 million liters per day (MLD).

This innovative facility plays a crucial role in the treatment and recycling of sewage wastewater sourced from neighboring areas such as Adipur, Gandhidham, and Anjar. Remarkably, we have achieved an impressive recovery rate of 80-90% from the input sewage water, demonstrating our commitment to sustainable water management and environmental stewardship.

Waste

Transforming Waste into Resources

Roadmap to Zero Hazardous waste to landfill

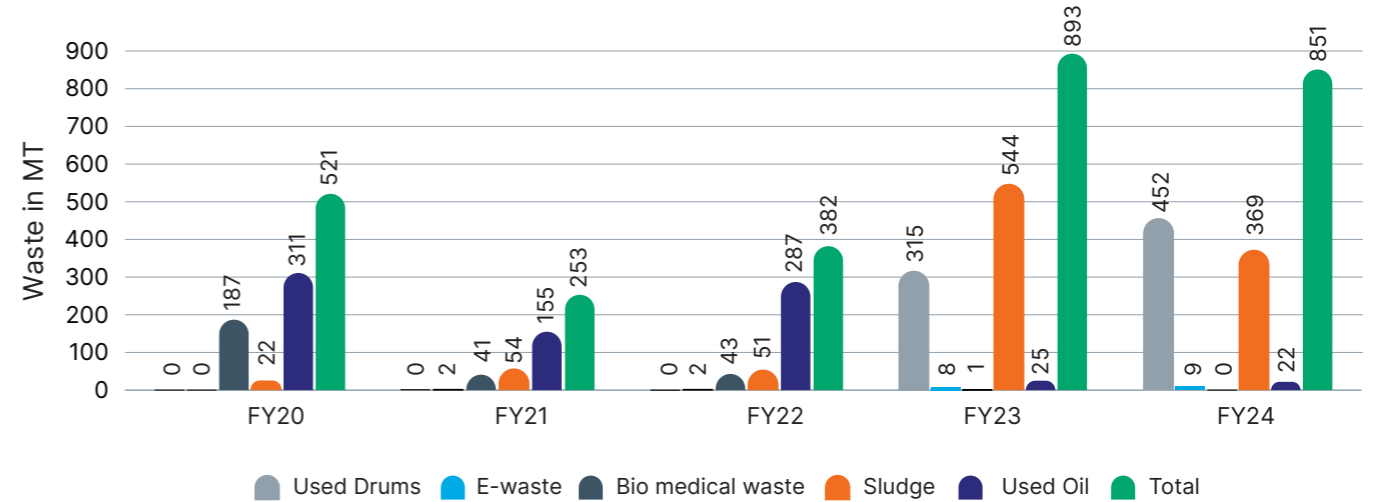


Hazardous Waste

By integrating circular economy principles into our waste management practices, we aim to mitigate the global waste crisis and enhance material efficiency. Our approach ensures that materials are maintained in continuous loops, preserving their highest value during use, and reintegrating them into the economy, thus preventing them from becoming waste.

To transition from linear to circular systems, we address both pre-consumer and post-consumer wastes. Our hazardous waste includes items such as used drums, used oil, sludge, and biomedical waste.

The data in the graph above reflects a general pattern of decreasing hazardous waste generation and a steadfast commitment to proficient waste management procedures. 4.7% reduction in total generation of hazardous waste. This reduction likely stems from the implementation of efficient waste management procedures, such as improved recycling processes, safer disposal methods, and the adoption of cleaner production techniques.

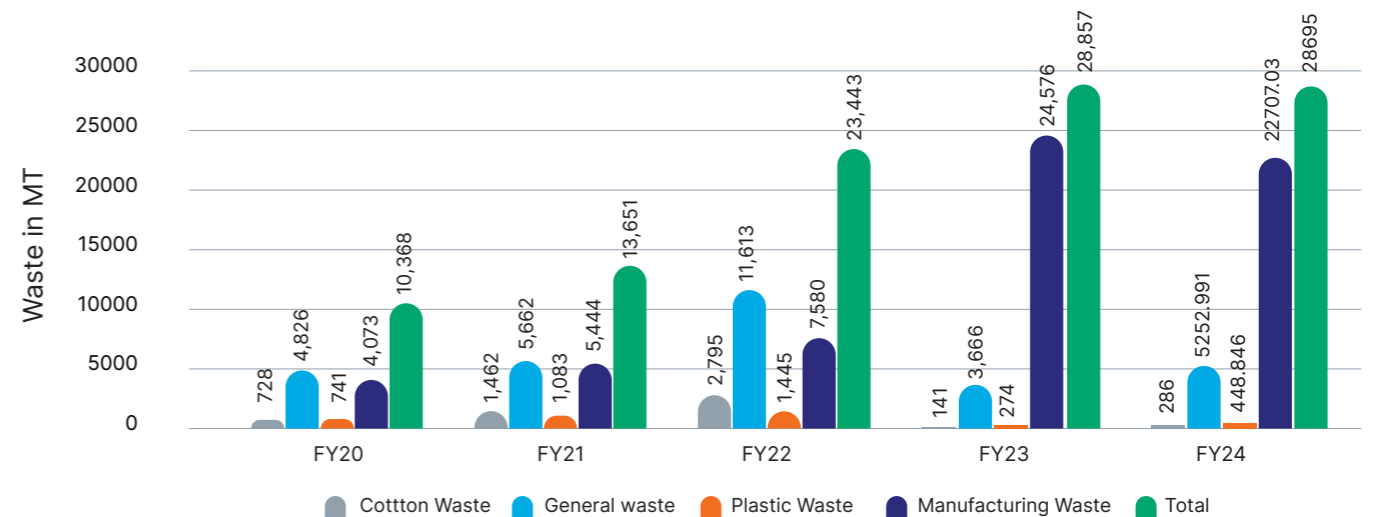


Non-hazardous Waste




Non-hazardous waste primarily consists of process waste and packaging material waste. A substantial portion of non-hazardous waste is either recycled and reused within our facilities or processed externally for recycling. 0.56% reduction in total generation of Non-hazardous waste.


Waste Recycled - 22,204 MT

Waste Reused - 7,405 MT



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Recycling of Non-hazardous Waste

We have established agreements with authorized recycling firms to ensure responsible waste management, particularly under the Extended Producer Responsibility (EPR) scheme. The plastic waste generated in quantities equivalent to the plastic used in our domestic products is collected and recycled by these certified recyclers, who provide certificates confirming the amount recycled and its subsequent reuse. Additionally, we manage two categories of electronic waste: IT and Non-IT. IT-related e-waste is returned to the supplier for appropriate disposal or recycling, while Non-IT e-waste is transported to authorized recycling firms to ensure safe and environmentally sound processing. This is done through a range of initiatives, including:

Segregation, Packaging, and Waste Labeling:

We diligently undertake these measures to align with our long-term objective of integrating waste into the circular economy. General waste categories: paper scrap, electric scrap, miscellaneous, bags, garbage, STP sludge.

Manufacturing Waste: Process, wooden, metal, LDPE, HDPE, uncut sweeping chips, recycled cotton, yarn waste, production bailing waste, lumps, gallon (IGBC), fly ash, carpet tiles, rolls, tufted waste.

Sustainable Packaging: We have embraced FSC-certified paper packaging and introduced LDPE packaging containing 30-50% recycled LDPE content derived from in-house plastic packaging scrap.

Recycling Packaging Waste: Our waste is sent to nominated recycling companies, effectively reintegrating it into the system. We successfully recycled 488 MT of plastic waste in the past year.

Metal and Paper Waste Management: Metal waste from the factory goes to a group company, and paper waste is sent for recycling.



3 Case Study

Achieving “Zero Waste to Landfill” at Anjar Facility. Our Anjar facility set out to achieve “Zero Waste to Landfill” certification as part of our commitment to sustainability.

99.98%

The goal was to divert 99.98% of waste from landfills by adopting innovative waste management solutions, minimizing environmental impact, and supporting a circular economy.

Key challenges included effective waste segregation, building infrastructure to monitor waste, and ensuring compliance with regulations. Identifying certified recycling partners capable of responsibly handling various waste streams also presented difficulties. To tackle these challenges, we implemented comprehensive waste segregation processes, training employees to sort waste into recyclable, reusable, and hazardous categories. Certified recycling partners were engaged to process materials like plastics, metals, and paper.

Additionally, we found opportunities to repurpose certain waste materials within our operations, reducing the need for virgin resources. Non-recyclable waste was managed through energy recovery, turning waste into power for our facilities. Through these strategies, Anjar successfully diverted 99.98% of its waste from landfills, earning the “Zero Waste to Landfill” certification. This achievement highlights our commitment to reducing our environmental footprint and sets a benchmark for sustainability across the industry.

Waste Management

Circularity

Our journey towards circularity begins with innovative product design that emphasizes durability and recyclability. We focus on using sustainable materials that can be easily recovered and repurposed, ensuring that our products have a minimal environmental impact throughout their life cycle.



4 Case Study

Pre- and Post-consumer Waste Recycling: Closing the Loop

We aimed to adopt a circular economy model by implementing a post-consumer waste collection program. The initiative focused on retrieving used bedsheets from its properties and reusing the fiber strands to produce new products, such as towels and linens. The goal was to reduce textile waste and promote sustainability within the hotel chain's operations.

Process

- **Collection of bedsheets:** Used bedsheets were collected from various Hospitality properties after reaching the end of their life cycle in the rooms
- **Fiber recovery:** The collected bedsheets were sent to a facility where the fibers were extracted for reuse in the production of new textiles
- **Reprocessing:** The recovered fibers were intended to be woven into new products like towels, robes, and fresh linens

Challenges faced:

Quality degradation: The major hurdle in reusing the fibers was the degradation in quality. After multiple washes, the fibers of the bedsheets lost their strength, softness, and durability. As a result, the extracted fibers were not of sufficient quality to create high-end products that matched Luxury standards of Hospitality partners.

Contamination and sorting: The used bedsheets often contained stains, varying levels of wear, and contamination, which made the sorting and cleaning process labor-intensive and costly. Ensuring consistent fiber quality across different batches of collected textiles was difficult.

Limited fiber longevity: Natural wear and tear from repeated use of the bedsheets over time reduced the longevity of the fibers. When these fibers were reused, the resulting products did not last as long as those made from virgin fibers, compromising the durability of new products.

Logistics and collection costs: Collecting post-consumer waste from multiple hotel properties required significant logistical planning. The costs associated with transportation, sorting, and recycling operations outweighed the financial benefits of the circular model, making the initiative economically unsustainable in the long run.

Lack of consumer acceptance: Customers of luxury hotels like Taj expect high-quality textiles, and products made from reused fibers were perceived as inferior. This perception hindered the market acceptance of these products, limiting their success and lifespan within the brand.

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Packaging

Sustainable Packaging

In the realm of textile manufacturing, the adoption of sustainable packaging practices has emerged as a pivotal strategy to minimize environmental impact and promote responsible consumption. One such approach involves prioritizing plastic recycling initiatives and transitioning towards biodegradable alternatives. By integrating recycled materials into our packaging solutions, Welspun is not only reducing the environmental footprint associated with our operations but also actively contributing to the broader sustainability agenda. Through these conscientious efforts, we are paving the way for a new era of packaging innovation in the textile industry—one that aligns with ecological imperatives while upholding the quality and integrity of our products throughout the supply chain.

Performance



PERCENTAGE OF RECYCLED PACKAGING: 77%

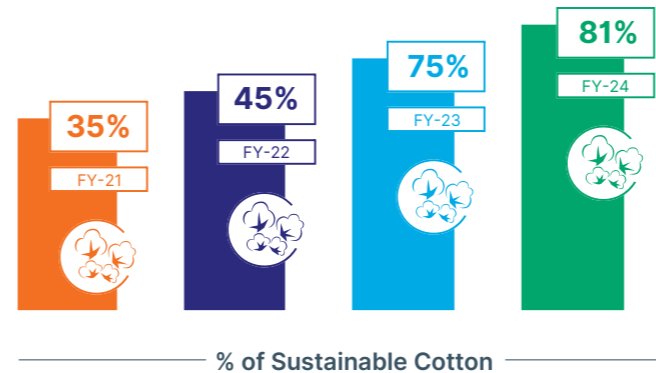


100% OF CARTONS USED FOR PACKAGING ARE MADE UP OF RECYCLED OR FSC CERTIFIED PAPER

We use FSC-certified paper packaging and have introduced LDPE packaging containing 30-50% recycled content (rLDPE), recovered from in-house plastic packaging scrap.

Packaging Commitment

At Welspun, we have developed a detailed ESG policy and defined clear targets for our sustainable packaging goals. We already accomplished one of our objective by utilizing 100% recycled or FSC certified paper in secondary packaging in year 2023, exceeding our initial commitment to achieve this by 2025. In our commitment to sustainable packaging, we're incorporating vibrant, multi-colored printed paper items made up from FSC-certified paper. This step ensures that our materials are responsibly sourced. Additionally, we're actively working to increase the proportion of recycled and recyclable plastic in our packaging. In our ongoing effort to reduce single-use plastics, we've significantly increased the use of our own fabric bags for primary packaging, replacing the traditional PVC bags.



Rethinking Green: Welspun's Journey in Sustainable Farming

We emphasize the use of sustainable materials, including Better Cotton, organic cotton, and recycled fibers. Our sustainable cotton farming initiatives, certified by BCI and non-GMO organic cotton certified by Control Union, now cover over 2,50,000 acres and involve more than 26,000 farmers, nearly 2,000 of whom are women, across 390+ villages. To ensure full traceability from farm to fabric, we've upgraded our Wel-Trak® 2.0 system with blockchain technology. Our ongoing commitment to innovation allows us to create products that exceed the expectations of eco-conscious consumers, setting a new standard for sustainability in the industry.

We not only champion organic cotton production but also actively expand our Sustainable Cotton Project. Our dedicated Agronomy Team plays a vital role, empowering farmers through training and resources needed to adopt responsible RTRS (Round Table on Sustainable Soy) cultivation. This ensures not just sustainable farming practices but also a path to long-term financial security.

We collaborate closely with farmers to implement regenerative agriculture practices that prioritize soil health, water conservation, and biodiversity preservation. Through partnerships and stakeholder engagement, we promote sustainable farming techniques that enhance resilience to climate change while fostering long-term agricultural productivity and community well-being. At WLL, we embrace change by leveraging the Better Cotton Initiative (BCI) and organic cotton. We actively collaborate with organizations like BCI and RTRS

to create a domino effect of positive change throughout the agricultural sector. We believe that by working together, we can cultivate a future where environmental responsibility and economic prosperity become two sides of the same coin.



BCI Farming

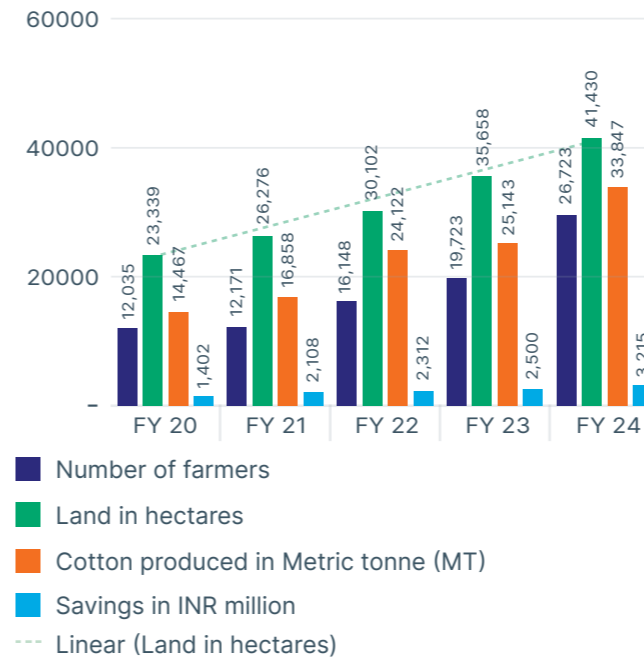
In a remarkable display of environmental consciousness, the Welspun Foundation for Health & Knowledge (WFHK) has been weaving a greener narrative into the tapestry of Indian cotton farming. Since 2017, their transformative partnership with the Better Cotton Initiative (BCI) has empowered over 26,000 farmers across 390+ villages. This impactful initiative goes beyond just cotton – it's a brushstroke of positive change for the environment and the economic well-being of rural communities.

WFHK's approach is a unique blend of expertise and collaboration. By leveraging their knowledge as a leader in home textiles, they've fostered partnerships with global entities like GIZ and Solidaridad. This strategic collaboration brings valuable resources and knowledge directly to farmers. The initiative champions sustainable practices like Reduced Tillage and Integrated Pest Management (IPM), effectively reducing the environmental footprint of cotton production. But the impact goes beyond the soil. Farmers are empowered with financial incentives, ensuring their long-term participation and economic well-being. This financial security allows them to invest in sustainable techniques, creating a virtuous cycle for both the environment and their livelihoods.

WFHK has been actively sowing the seeds of organic cotton cultivation in select regions like Arvi, Deoli, and Samudrapur, Seloo, and Wardha talukas. This commitment to organic practices has resulted in a staggering 448% increase in cultivated organic land, showcasing the program's remarkable growth trajectory. Farmers are not only reaping the benefits of environmental stewardship, but also experiencing significant cost savings and impressive growth in cotton production.

The data on sustainable farming reflects substantial progress, with 26,723 farmers actively involved in sustainable practices across 41,430 hectares of land. These farmers produce 33,847 metric tons of cotton, resulting in savings of 3,215 million INR.

% of Sustainable Farming



Key achievements

- Increased organic cotton production in target areas
- Significant water savings due to efficient irrigation practices
- Improved soil health and fertility
- Enhanced livelihoods for farmers through increased income and improved working conditions

Sustainable Cotton Farming

Sustainability and resilience are core to our supply chain operations. Our Supplier Code of Conduct sets clear expectations for our partners. Through supplier assessments, we ensure partners share our sustainability values. We engage with raw material suppliers to reduce carbon emissions and support a low-carbon economy. Additionally, we optimize logistics with our partners to decrease GHG emissions, focusing on strategies like fuel switching and route optimization.



During FY 2023-24, we sourced 81% of cotton from sustainable sources.

By 2030, we aspire to use 100% sustainable raw material.

5 Case Study

Correcting the underrepresentation of women farmers in India and launching EqualStock

In India, despite women constituting approximately 75% of the farming workforce, their visibility and recognition in the agricultural sector remain disproportionately low, both online and offline. This underrepresentation sparked a transformative initiative by Welspun World, culminating in the launch of EqualStock.

EqualStock: A visionary initiative

EqualStock emerged from a profound realization within Welspun World regarding the stark disparity between the significant role played by women farmers in India's agriculture and their negligible representation in online visual media. This campaign aimed not just to rectify this imbalance but to redefine societal perceptions and empower women through visibility.

Strategy and implementation

Guided by its commitment to gender equality and empowerment, Welspun World embarked on a comprehensive strategy to capture and distribute authentic images of women farmers. Leveraging the support of **2,400 courageous** women farmers who volunteered for the cause, EqualStock conducted photo shoots across key agricultural regions like Vidarbha, Telangana, and Anjar.

Impact and outreach

The images captured were meticulously curated and disseminated across prominent free stock image platforms. This ensured that these authentic portrayals of women farmers were accessible globally, free of charge. By flooding these platforms with diverse images of women farmers, EqualStock sought to catalyze a paradigm shift in how society perceives and represents Indian agriculture.

Challenges and overcoming them

One of the primary challenges faced was the entrenched algorithms of search engines and image repositories that favored male-centric visuals of farmers. Recognizing the need for sustained effort, EqualStock called upon a collective effort from individuals and organizations alike to prioritize the use of EqualStock images, thereby influencing algorithmic changes over time.

Results and future prospects

While immediate results included heightened visibility and recognition for women farmers online, the true impact of EqualStock lies in its potential to inspire systemic change. By encouraging widespread adoption of #EqualStock images and fostering conversations on gender representation, Welspun World aims to see a balanced depiction of Indian farmers by the next Women's Day.

EqualStock is not merely an initiative but a testament to Welspun World's enduring commitment to inclusivity and empowerment. By championing the cause of women farmers through tangible actions and strategic partnerships, EqualStock has set a precedent for other organizations to follow. Together, we can rectify the underrepresentation of women farmers online and propel them into the forefront of the narrative surrounding Indian agriculture. Join us in amplifying the visibility of women farmers by adopting #equalstock images in your communications. Together, let's pave the way for a future where equality in representation is the norm, not the exception.

Biodiversity

We have conducted our biodiversity risk assessment, employing a location-specific approach tailored to the unique environmental contexts of our operations. This assessment referenced established methodologies and frameworks, ensuring a thorough and rigorous evaluation of biodiversity impacts. It has been integrated into our multi-disciplinary company-wide risk management processes, providing a comprehensive view of potential risks.

In this assessment, we considered both dependency-related biodiversity risks, examining how our operations rely on ecosystem services, and impact-related biodiversity risks, focusing on how our activities may affect local ecosystems. Through this evaluation, we aim to enhance our understanding of biodiversity risks and develop effective strategies for mitigation and conservation moving forward.

As a responsible provider of sustainable textiles, we have diligently worked to enhance the green cover in and around our plants. At our Anjar facility, we have planted over **3,50,000** trees across **120** varieties, enhancing local biodiversity and attracting local wildlife. The water lagoon also draws regional birds. Our efforts have resulted in the planting of **17,00,000** shrubs. We found the species diversity is higher by **50%** in Welspun city, **328** Floral and **105** diversity found in Welspun city.

In our commitment to preserving biodiversity, we have conducted comprehensive assessments utilizing established ecological survey methods.

To evaluate bird populations, we employed the line transect method, a widely recognized technique in ecological studies. This involved systematically walking along designated transects and recording bird sightings and distances from the line, enabling us to estimate abundance and distribution across our study area.

Additionally, for assessing plant populations and vegetation characteristics, we utilized the quadrat method. By strategically placing square or rectangular plots, known as quadrats, we sampled and analyzed plant communities to gain insights into their composition and structure. Furthermore, our biodiversity study adopted a location-specific approach, tailoring our methods and conservation strategies to the unique ecological characteristics of each area. This targeted approach ensures that our conservation efforts are effectively aligned with the specific needs and challenges of each ecosystem, enhancing our overall biodiversity management practices.

At our facilities, we implement biodiversity action plans that include measures such as native species planting, and habitat enhancement projects. These efforts not only mitigate our environmental impact but also contribute to broader conservation goals, fostering biodiversity-rich landscapes that support thriving ecosystems. Through continuous research, monitoring, and stakeholder engagement, we aim to innovate and adapt our practices in harmony with nature's diversity. By safeguarding biodiversity, we uphold our responsibility to future generations, ensuring ecosystems remain vibrant and resilient amid global environmental challenges.

The Company formalized its biodiversity policy, demonstrating a clear testament of its commitment to protecting and preserving biodiversity within its operations. Recognizing the importance of raising awareness among its internal stakeholders, Welspun conducts annual employee training programs and awareness campaigns focused on critical aspects of biodiversity conservation. Importantly, in the current reporting year, the Company did not incur any fines, or penalties related to violations of biodiversity regulations, reaffirming its commitment to responsible environmental practices.



SOCIAL RESPONSIBILITIES



Social Responsibilities

Empowering Resilient and Sustainable Society

Our business is built on a foundation of collaboration, empathy, and inclusive dialogue, driving us toward a shared vision of a world rooted in equality, justice, and compassion. As we navigate an increasingly complex global landscape, our commitment to sustainable practices has never been stronger. This year, we are more dedicated than ever to addressing the urgent need for sustainability, strengthening our partnerships with local communities, and fostering meaningful connections. By working together, we aim to create lasting, positive impact and contribute to a future where both people and the planet can thrive.

WLL has been recognized and certified as a **Great Place to Work by the GPTW Certification Agency.**

We have been ranked among the top 100 companies in India across all parameters. We are also honored to rank 42nd among 'India's 50 Best Companies to Work For' and as 'India's Best Workplaces in Textile & Textile Products'. These accolades speak volumes about our efforts to ensure employee satisfaction and our dedication to creating a culture of respect and integrity across our organization.

Our Company's foundation is built upon our people, who are central to our achievements. We make it a priority to cultivate a positive workplace environment that promotes both professional growth and the well-being of our employees. Furthermore, we are actively involved in CSR initiatives that align with our brand's values, aiming to make a positive

impact on the communities we serve. Through strong partnerships with our suppliers and vendors, we seamlessly integrate sustainability into our business practices, reinforcing our commitment to ethical conduct. Our approach to development is comprehensive, aiming not only to address social issues but also to create lasting social value that goes beyond surface-level solutions.



Investment on CSR initiatives: **FY2023-24 - ₹12.45 Cr**

Total permanent employees:
21,929











Total women employees:
6,028

Contractual workers:
6,961

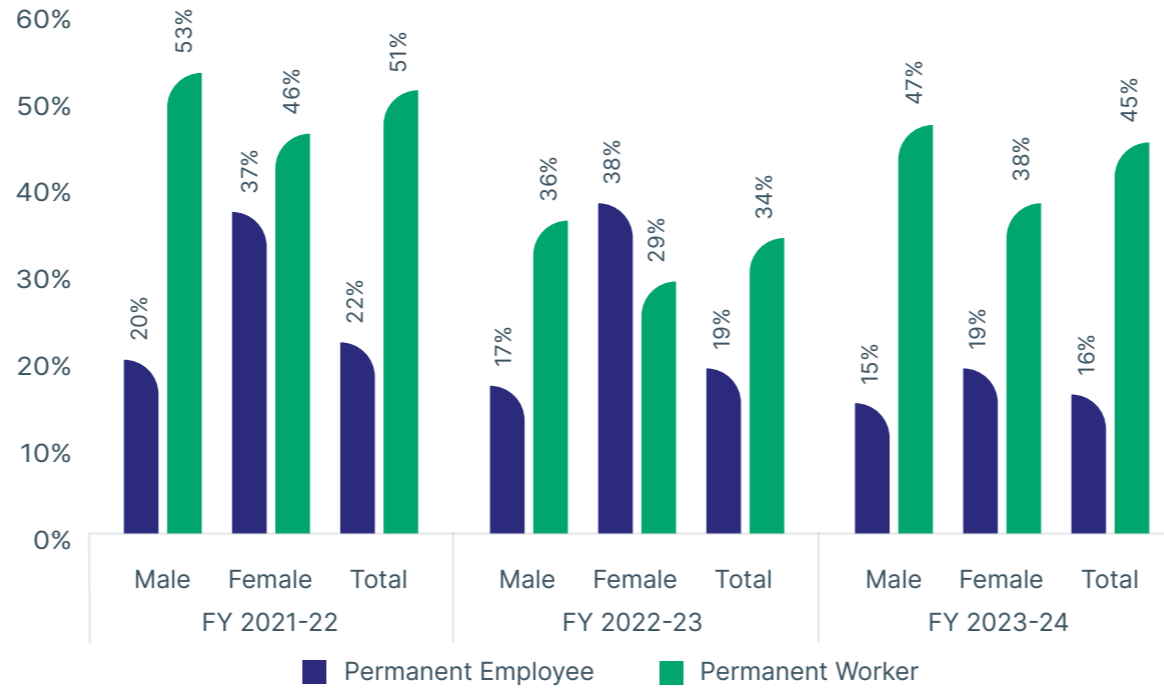
Specially abled worker:
175

Employees hired:
9,712

Employee's turnover:
16%

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Employee's Turnover Rate



Diversity and Inclusion

Diversity and inclusion are essential pillars of a thriving and innovative organization. By embracing a wide range of perspectives, backgrounds, and experiences, companies can create a dynamic workplace that fosters creativity and problem-solving. For us inclusion ensures that every individual, regardless of their race, gender, ethnicity, religion, or identity, feels valued and empowered to contribute fully. It's about more than representation—it's about cultivating a culture of belonging where differences are respected and celebrated. We strive to create an inclusive environment that values diversity, conducting our business practices impartially and without discrimination. Our commitment to advancing diversity, equity, and inclusion is reflected across all our sites, ensuring every group of employees and stakeholders feels included.

Employees participating in CSV initiatives: **4,567** for local community engagement for **9,264** hours

Total workforce: **28,890** | Total women workforce: **26%**

Percentage of women directors on the board: **25%**

Women Empowerment

RISE initiative at Welspun

Welspun, a leading global player in the textile industry, has long championed workplace diversity, equity, and inclusion. The Company's commitment to providing growth and development opportunities at all levels is well-documented, with active volunteering efforts and a focus on fostering a diverse and inclusive work environment.

Although Welspun has made strides in promoting diversity and inclusion, there remains a significant imbalance in gender representation, especially within the Staff Cadre. The Company acknowledges that further actions are needed to enhance gender equity, particularly by increasing the number of women in higher-paying and more dignified roles.

In response to this challenge, Welspun launched the RISE initiative, aimed at addressing the gender disparity within its workforce. RISE stands for **"Realizing Inclusive and Sustainable Excellence,"** and its primary objective is to create more opportunities for women associates to advance into staff profiles. This initiative is part of a broader commitment to create a more inclusive workplace where women can access better roles and career advancement opportunities.

Objectives

- 1. Increase Gender Representation:** To improve the gender ratio in the Staff Cadre by identifying and promoting talented women associates
- 2. Enhance Career Development:** To provide women with opportunities for dignified, rewarding, and better-paying roles
- 3. Foster a Culture of Inclusion:** To build a workplace where women feel they belong and are valued for their contributions

Implementation

1. Actionable Ally Workshops

Welspun conducted "Actionable Ally Workshops" for male allies within the organization. These workshops were designed around the concept of "Stronger Together" and aimed at engaging male allies as agents of change in the pursuit of gender equality. The workshops focused on:

- Raising awareness about gender bias and its impact
- Educating male allies on how to support and advocate for women colleagues
- Encouraging actionable behaviors that promote gender equity

2. Identifying Opportunities

The RISE initiative involves identifying specific roles and responsibilities within different verticals where women from the associate cadre can be promoted into staff profiles. This involves:

- Conducting a skills assessment to match women associates with suitable roles
- Providing training and development programs to prepare them for new responsibilities
- Setting up a mentorship program to guide women through their transition into staff roles

3. Measuring Success

To track the effectiveness of the RISE initiative, Welspun will:

- Monitor the number of women promoted into staff positions
- Assess improvements in gender representation and overall job satisfaction
- Collect feedback from participants to refine and improve the program

The RISE initiative is expected to yield several positive outcomes:

- 1. Improved Gender Balance:** A more balanced gender representation within the Staff Cadre
- 2. Career Advancement for Women:** Enhanced opportunities for women to advance into higher roles with better compensation
- 3. Strengthened Workplace Culture:** A more inclusive and supportive environment where women feel a sense of belonging

The RISE initiative reflects Welspun's ongoing commitment to fostering a diverse and inclusive workplace. As the initiative progresses, it will serve as a model for other organizations striving to enhance gender equality and inclusivity in the workplace.



Community Development

Management Approach:

At WLL, we recognise our influential role as a catalyst for positive change. We empower millions, and we are grateful for our stakeholder's contributions. Our robust CSR policy, supervised by the esteemed ESG and CSR committee, aligns

with the Companies Act, 2013. Guided by our compass of care, our social endeavours run along two significant threads: weaving vibrant connections within communities and crafting a sustainable support system for our employees.

Community Engagement

We acknowledge the critical global demand for sustainable practices and the necessity of cultivating strong connections within our communities. Our commitment to enhancing education, environmental health, and overall well-being drives us to collaborate with neighboring villages, aiming to uplift their quality of life. In every initiative, we strive to find a balance between addressing the needs of the present and safeguarding the future for generations to come.



Women Empowerment

At WLL, our dedication to women empowerment is integral to our sustainability efforts. We are committed to advancing gender equality and increasing women's representation while prioritizing education, health, safety, and leadership opportunities. We uphold fair pay, prohibit discrimination, and actively support women's representation through inclusive hiring and leadership development programs. By prioritizing women's health and safety and fostering their advancement into leadership roles through mentorship and skill-building initiatives, we reinforce our commitment to creating a diverse and equitable work environment.



WelNetrutva

Focused on holistic community development, WelNetrutva is committed to empowering women in rural areas by creating sustainable farm and non-farm-based livelihood opportunities. WelNetrutva is actively working to strengthen backward and forward linkages, connecting beneficiaries with markets and providing essential inputs and technical assistance to improve production efficiency and quality. Our approach under the WelNetrutva project is all about empowerment through collaboration and innovation. We prioritize capacity building, fostering partnerships, and embracing adaptability to uplift beneficiaries' livelihoods sustainably.

Women empowerment in agriculture has become a beacon of hope, driving positive change and progress in rural communities worldwide.

Across the globe, women are at the forefront of agricultural activities, from sowing seeds to harvesting crops. Their dedication and hard work are instrumental in ensuring food production, yet they often face numerous challenges and disparities in accessing resources, land, education, and financial support.

Their involvement leads to increased agricultural productivity, improved nutrition, and economic growth. Furthermore, by empowering women, the Welspun Foundation For Health and Knowledge (WFHK) strengthen the social fabric of rural



Total beneficiaries:
69,648+ and **90+** Villages reached

communities as women reinvest their income into their families and education, ultimately breaking the cycle of poverty.

By recognizing and supporting the role of women in agriculture, WFHK is sowing the seeds of a brighter, more equitable, and sustainable world.

Wel-Shiksha

Our Wel-Shiksha initiative is a cornerstone of our commitment to enhancing education in underserved communities. Through this program, we aim to digitize over 500+ classrooms in government primary schools, transforming the traditional learning environment into an engaging and interactive space. By integrating modern technology into classrooms, we empower educators with innovative teaching tools and create dynamic learning experiences for students.

Wel-Shiksha is supported by a broader community-driven effort, where we actively involve local stakeholders to foster a shared appreciation for education. By securing wide-ranging community support, we ensure that the initiative resonates deeply and becomes a collaborative effort.

This partnership helps building a strong foundation for sustainable educational growth, where the community plays an integral role in the success of its schools and students. Our aim is to create long-lasting positive change, empowering both educators and students for a brighter future.



Total Beneficiaries:
1,80,000+



Welspun Super Sport Women

This initiative specifically targets female athletes from challenging backgrounds, offering them the resources, training, and support they need to realize their athletic potential and pursue their dreams. By nurturing their talent, we aim to help these women excel in sports and break barriers in traditionally male-dominated arenas, transforming them into role models and agents of change.

With **17** athletes currently benefiting from the program, their determination and hard work have already led to the remarkable achievement of **141** medals across various national and international competitions. These victories are not only a testament to their dedication but also serve as

a powerful statement about the potential of women in sports. By fostering an environment of encouragement and opportunity, we hope to inspire future generations of female athletes and contribute to a more inclusive and diverse sports world.



17
athletes currently benefiting

141
medals across various national and international competitions

Wel-Swasthya

Wel-Swasthya initiative is dedicated to improving healthcare access and promoting overall wellness for the broader community. Through this program, we focus on enhancing both preventive and curative healthcare services, ensuring that individuals receive timely medical attention while also encouraging healthier lifestyles. Our efforts range from providing health camps, screenings, and vaccinations to raising awareness about preventive care, nutrition, and hygiene practices. By doing so, we aim to create a healthier, more resilient community.

Wel-Swasthya, we are proud to have reached over **3,17,000** beneficiaries, making a meaningful impact on the lives of people who previously had limited access to essential healthcare services. Through Wel-Swasthya, we continue to drive sustainable healthcare solutions that strengthen communities and improve quality of life.



We are proud to have reached over **3,17,000+** beneficiaries



Wel-Prakruti

Through our comprehensive program, we focus on watershed expansions, tree planting, beach clean-ups, and the development of community gardens, all with the goal of fostering a healthier environment. By planting over **20,500** trees, we not only contribute to carbon reduction and biodiversity enhancement but also help restore vital green spaces that benefit both the planet and local communities.

Each of these efforts is part of a broader strategy to drive lasting, positive environmental change, ensuring a sustainable future for generations to come. Through these initiatives, we continue to build on our vision of creating a greener, cleaner world.

By planting over **20,500** trees



Wel-Krishi

Designed to support the farming community, Wel-Krishi focuses on boosting crop productivity, improving access to vital resources, and facilitating connections to government schemes that provide much-needed financial and technical support. By offering on-field assistance, including expert guidance on farming techniques and the adoption of modern agricultural practices, we help farmers enhance their yields while promoting environmentally sustainable methods.

The initiative has positively impacted over **1,19,000** individuals, transforming the lives of farmers and their families. Wel-Krishi not only aims to improve crop outcomes but also to build resilience within the farming community by making them aware of government schemes designed to support their livelihood. This holistic approach ensures that farmers are equipped with the knowledge and tools to adapt to changing agricultural conditions, ultimately contributing to their long-term success and stability. Through Wel-Krishi, we continue

The initiative has positively impacted over **1,19,000** individuals



to strengthen the backbone of rural economies while promoting sustainable agriculture for a more prosperous future.

For more information refer Pg.58-59

We Volunteer

Through our “We Volunteer” program, we foster a culture of service, empowering our employees to contribute their time and skills for the betterment of the community. Volunteering not only allows our team members to make a meaningful impact on the lives of others but also promotes personal growth, broadening their perspectives and enhancing their sense of purpose.

With over **9,264** hours dedicated to volunteer work, by our **4,567** employees have engaged in various community-driven initiatives, from educational support and environmental conservation to healthcare and social welfare projects. By encouraging volunteering, we aim to create a positive ripple effect—empowering individuals, enriching communities, and fostering a culture of compassion and shared responsibility.

9,264 hours dedicated to volunteer work

4,567 employees have engaged in various community-driven initiatives

Sustainable Supply Chain

We are dedicated to establishing a sustainable supply chain that prioritizes transparency and accountability. 95% of our critical suppliers have been on boarded onto the Sedex platform, which enables us to enhance our supply chain management through improved visibility and ethical practices. This commitment is part of our broader

strategy to partner with value chain stakeholders to promote Environmental, Social, and Governance (ESG) principles throughout our operations.

Our ambitious goals include assessing **50% of our suppliers by 2025** and achieving **100% assessment by 2030**. We are currently on track,

with **98% of our Tier 1 suppliers** being evaluated for social and environmental aspects. This thorough auditing process ensures that we hold our suppliers to the highest standards of sustainability and ethical behavior. By committing to these goals, we aim to ensure that all our critical and total suppliers are fully assessed by 2025 and 2030, respectively.





WLL's Supplier Code of Conduct

Our supplier code of conduct embodies our vision for a sustainable and responsible supply chain. This comprehensive code is universally applicable, extending its reach to all suppliers, contractors, subcontractors (through principal contractors), logistics partners, service providers, business collaborators, and any entity providing goods and services to us, regardless of geographical location.

This code adheres to international standards and aligns with regulatory requirements, the principles of the United Nations Global Compact (UNGC), the United Nations Guiding Principles on Human Rights, and the relevant conventions of the International Labour Organization (ILO). Additionally, it emphasizes the importance of anti-competitive practices and resource efficiency, ensuring that our

suppliers and partners not only commit to social and environmental responsibility but also promote fair competition and optimal resource utilization.

By fostering these shared values, we aim to strengthen our partnerships and drive collective progress towards a more sustainable and equitable future.

Supplier Sustainability: Procurement and Sourcing

At WLL, our dedication to sustainability goes beyond our internal operations and products. We understand the significant influence our supplier network has on the environment, society, and the overall value chain. To promote a responsible and cohesive approach to procurement, we have developed a robust framework that prioritizes supplier sustainability, ethical practices, and accountability. This comprehensive approach

ensures that we collaborate with suppliers who share our commitment to fostering positive environmental and social outcomes, ultimately enhancing the integrity of our entire supply chain.

Sustainable Procurement and Responsible Sourcing Policy

We actively encourage our suppliers to significantly reduce their environmental and social footprint, reinforcing our commitment to sustainable practices. This dedication aligns with the core principles of our sustainable procurement and responsible sourcing policy, which emphasizes transparency and collaboration.

We invite our suppliers to share their initiatives aimed at mitigating environmental and societal impacts, fostering an environment of mutual growth and accountability. In the rare event of non-compliance, we expect suppliers to promptly document and communicate their progress in addressing any deficiencies. This proactive approach enables us to collaboratively establish a corrective action plan to be implemented within an agreed-upon timeline.

By working together, we can ensure that our procurement practices contribute to a more sustainable future while upholding our shared values of responsibility and ethical sourcing.

Our Supplier Code of Conduct addresses the following key areas

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Human Rights and Labor

- Fair Pay
- Workplace Diversity
- Job Security
- Employee Well-being
- Training and Development
- Right to Privacy
- Grievance Mechanisms
- Discrimination and harassment
- Freedom of association and collective bargaining



Environment

- Water Management
- Sustainable Sourcing
- Climate Resilience
- Renewable Energy
- Eco-friendly Packaging
- Soil Conservation
- Sustainable Land Use Practices



Business Ethics

- Transparency
- Fair Competition
- Supplier Integrity
- Consumer Rights
- Corporate Social Responsibility
- Data Protection and Privacy
- Ethical Marketing Practices



Water Risk Assessment for the Suppliers

We have conducted a comprehensive water risk assessment for our suppliers to identify potential vulnerabilities and ensure responsible water management throughout our supply chain. This assessment evaluates various factors, including water availability, quality, regulatory compliance, and the impact of climate change on water resources. By analyzing these elements, we aim to understand the specific water-related challenges faced by our suppliers and their operational environments.

The insights gained from this assessment enable us to develop targeted strategies for mitigating water risks and promoting sustainable water practices. We actively engage with suppliers to encourage them to implement water-saving technologies, improve water efficiency, and adopt best practices for wastewater management. Our commitment to water stewardship not only supports the sustainability of our suppliers but also contributes to the overall resilience of our supply chain and the communities in which we operate.

Out of the 63 suppliers assessed, 2 are classified as very high risk, reflecting significant water stress challenges due to their operations being closely linked to high-pressure basins such as the Sutlej and Godavari.

The insights gained from this assessment enable us to develop targeted strategies for mitigating water risks and promoting sustainable water practices. We actively engage with suppliers to encourage the implementation of water-saving technologies, improve water efficiency, and adopt best practices for wastewater management. Our commitment to water stewardship not only supports the sustainability of our suppliers but also contributes to the overall resilience of our supply chain and the communities in which we operate.



Measures related to Supplier ESG Programs

We are dedicated to effectively overseeing the implementation of supplier ESG programs. Our executive management serves as the primary

decision-making body responsible for ensuring that our suppliers adhere to our supplier code of conduct and meet our ESG requirements. Suppliers who fail to comply with our minimum ESG standards within a specified timeframe may be excluded from future contracting opportunities.

Furthermore, we prioritize suppliers with strong ESG performance by assigning a minimum weight to ESG criteria during the supplier selection and contract awarding processes. This includes evaluating factors such as sustainability practices, labor conditions, and ethical governance. To support this initiative, we provide training for our buyers and internal stakeholders, ensuring they understand their roles in the supplier ESG program and the importance of fostering sustainable partnerships.

Supplier Screening

Our supplier screening process comprehensively evaluates environmental, social, governance, and business relevance factors. We assess risks that are specific to the country, sector, and commodity, including potential human rights violations, environmental impacts, and regulatory compliance challenges. By integrating these considerations into our screening process, we aim to mitigate risks and build a resilient, responsible supply chain that aligns with our commitment to sustainability.

Supplier Assessment and Development Process

Our publicly available supplier assessment and development process includes:

Supplier Manual: Elevating performance through accountability

Our supplier manual emphasizes operational standards by requiring each supplier to undergo regular third-party audits or inspections. These assessments are designed to ensure compliance with the operational benchmarks set by regulatory authorities and our supplier code of conduct. Additionally, the manual serves as a tool for ongoing improvement in supplier performance, fostering continuous alignment with our sustainability objectives and guiding principles. By holding supplier's accountability, we reinforce our commitment to quality, ethical practices, and a sustainable supply chain.

Supplier Assessment using the Welspun Supplier Manual

We successfully completed assessments for 86 of our tier-1 suppliers, involving thorough audits that evaluated their social practices, occupational health and safety, environmental performance, chemical management, and overall environmental management systems. For all critical suppliers, we conducted periodic assessments and developed corrective action plans as needed, followed by follow-up evaluations to ensure compliance. We also facilitated annual training sessions

focused on our supplier business code of conduct. We required our suppliers to create improvement action plans, which we verified during the annual assessments. A comprehensive supplier performance dashboard was established, with our business continuity strategy increasingly reliant on the ESG performance of our suppliers. These audits provided crucial insights into the ESG practices of our suppliers and clarified our expectations regarding sustainability.

A well-structured supplier manual is a key resource in this endeavor. It clearly outlines the expectations, standards, and criteria that suppliers must meet, enabling a consistent and transparent evaluation process. By detailing aspects such as product specifications, delivery timelines, quality control measures, and sustainable and ethical practices, the supplier manual provides a comprehensive framework for assessing both potential and existing suppliers. This systematic approach not only supports informed decision-making during supplier selection but also promotes ongoing monitoring and improvement, ultimately fostering a strong and mutually beneficial relationship between suppliers and our organization.

Suppliers	No. of Suppliers
Total tier-1 suppliers	153
Total number of critical suppliers in tier-1	67
% of total spend on critical suppliers in tier-1	80%
Total number of suppliers (tier-1 and non-tier 1)	153

Supplier Development

Supplier Information and Training on Our Company's Supplier ESG Program, Process, and Requirements

- **Access to ESG Benchmarks:** Suppliers receive insights into ESG benchmarks, allowing them to evaluate their performance relative to their peers in the industry
- **Comprehensive Support:** We provide both remote and on-site assistance to help suppliers implement corrective and improvement actions effectively
- **Capacity-Building Programs:** We offer in-depth technical support programs designed to enhance suppliers' capabilities and boost their overall ESG performance
- **Ongoing Training Sessions:** Regular training opportunities are provided to ensure suppliers remain informed about the latest ESG practices and our program requirements
- **Resource Library:** Suppliers have access to a dedicated resource library containing tools, guidelines, and best practices to support their ESG initiatives
- **Feedback Mechanisms:** We establish channels for suppliers to receive feedback on their ESG efforts, fostering continuous improvement and collaboration



Quality Management system for Product Distribution Networks

We have established a comprehensive quality management system (QMS) data manual to ensure the quality of our product distribution networks, reflecting our unwavering commitment to customer satisfaction. Customer engagement surveys play a crucial role in assessing satisfaction levels, consistently achieving a score of over 90%, which demonstrates the effectiveness of our quality management and distribution network efforts in maintaining product quality compliance.

Our robust QMS, aligned with ISO 9001 standards, is integral to ensuring consistency and reliability in customer service across all distribution channels. We actively evaluate our distribution network's exposure to risks and employ various tools,

including documentation, workshops, and formal training programs, to educate distributors about our quality standards and expectations.

In the last fiscal year, we conducted formal training programs for distributors, with over 85% of them participating. These programs are designed to enhance their understanding of our quality management processes and ensure they are well-equipped to meet our standards.

Our commitment to quality is central to our mission, ensuring exceptional consistency and customer satisfaction. We also engage in ongoing feedback loops with our distributors to identify areas for enhancement, promoting a culture of excellence throughout our supply chain. By prioritizing quality management, we not only meet customer expectations but also reinforce the integrity and reliability of our brand in the marketplace.

SPUN Story

Crafting Change:

SPUN is more than just an initiative—it's a comprehensive program that bridges the gap between tradition, community empowerment, and environmental responsibility. By taking an integrated approach to sustainability, economic upliftment, and cultural preservation, SPUN demonstrates how modern business practices can be aligned with social good and environmental conservation.

Empowerment Through Economic Independence:

SPUN focuses on uplifting women from rural communities by providing vocational training through the program enabling them to acquire valuable skills which are essential for creating SPUN's handcrafted products. This empowerment enhances their social standing, confidence, and decision-making power within their families and communities, thereby fostering gender equity.



Revitalizing Craftsmanship and Cultural Heritage:

SPUN is dedicated to preserving India's rich artisanal traditions, which are often at risk of disappearing in the face of industrialization and mass production. By reviving age-old weaving techniques and showcasing them through SPUN's product line. This cultural preservation goes hand in hand with SPUN's commitment to innovation, blending traditional designs with contemporary tastes to ensure that these crafts remain relevant in today's global marketplace.

Sustainability as a Core Principle: One of SPUN's standout features is its unwavering focus on sustainability. The textile industry is known for its waste generation, but SPUN addresses this challenge head-on by adopting a circular economy model. Every month, approximately 4-5 metric tons of fabric scraps are saved from disposal, significantly reducing the environmental footprint of the production process.

Creation of a Global Ethical Brand: As SPUN continues to grow, its goal is to position itself as a global brand that exemplifies authenticity, sustainability, and ethical production. Today's consumers, particularly those who value ethical fashion and sustainability, are seeking brands that reflect their values, and SPUN is poised to meet that demand by offering handcrafted, eco-friendly products.



Holistic Impact on Community and Environment:

The ripple effect of SPUN's work extends far beyond its immediate participants. The program's impact is particularly significant in rural areas, where job opportunities are limited, and traditional gender roles often restrict women's access to paid work. In parallel, SPUN's environmental initiatives help minimize waste, reduce the use of raw materials, and lower the overall carbon footprint of the production process.

Promoting Conscious Consumption and Ethical Production:

The products created by SPUN are not just environmentally friendly and also symbol of ethical production. Every item is handcrafted, which means that the people behind the products are paid fairly and work in humane conditions. SPUN encourages buyers to make thoughtful choices about what they purchase, highlighting the importance of supporting brands that prioritize ethics, sustainability, and craftsmanship.

SPUN's products are likely priced to reflect their handcrafted nature, the use of sustainable materials, the fair wages for artisans, and the brand's social and environmental commitments. While priced higher than mass-produced alternatives, these products cater to a growing segment of consumers who value ethical production, cultural preservation, and sustainability.

Employee Engagement

Employee Engagement and Feedback: A pillar of our sustainability commitment

For us, our employee's insights and satisfaction are integral to fostering a thriving, productive work environment. We are dedicated to continuously improving our organizational culture and practices, which is why we actively seek and value employee feedback through various channels. The voices of our employees are invaluable in shaping our sustainability journey. We are committed to listening, learning, and evolving based on their feedback, ensuring that our organizational practices are continually aligned with their needs and aspirations.

Comprehensive Feedback Channels

To ensure we fully understand and address the needs and concerns of our employees, we have established a multi-faceted approach to gathering feedback:

Regular employee surveys: We conduct periodic surveys, such as our WeLissen surveys, to gauge overall job satisfaction, identify potential areas for improvement, and measure employee engagement. These surveys provide us with actionable data on job satisfaction, purpose, happiness, and stress levels. Each component is rated on a scale from 0 to 5, contributing to a comprehensive satisfaction index that helps us track our progress over time.

Focus groups and forums: We organize focus groups and open forums to facilitate meaningful dialogue and collaboration. These gatherings allow employees to voice their opinions and share their ideas in a supportive environment, fostering a sense of community and engagement.



Anonymous feedback mechanisms: To promote honest and unfiltered input, we offer anonymous feedback options. This approach helps us uncover genuine concerns and suggestions that employees might be hesitant to share openly. In our ongoing commitment to fostering an inclusive and supportive workplace, we launched an anonymous survey - **ElevateHER**, designed specifically to capture the experiences and perspectives of our women employees at Welspun. By encouraging all women at WLL to share their insights, we aim to build a workplace where recognition and support are integral, thereby advancing our mission of sustainability and empowerment. Your feedback is essential for driving meaningful change and reinforcing our dedication to an equitable and thriving workplace for everyone.

Utilizing Feedback for Continuous Improvement

The insights derived from our feedback mechanisms are crucial for driving continuous improvement.

Our commitment to regular assessments and adjustments reflects our dedication to creating a positive work environment. Through these efforts, we aim to not only improve job satisfaction and happiness but also to build a sustainable, supportive culture that drives our collective success. We believe that a satisfied and engaged workforce is essential to achieving our long-term sustainability goals and fostering a thriving organizational ethos.



Employee Benefits

Health and Well-being

We are dedicated to fostering a supportive work environment through initiatives like inner wellness sessions that focus on stress management and improving work-life balance. To promote physical activity and boost morale, we organize various sports tournaments on our premises, including cricket, volleyball, football, kho-kho, and badminton. These activities not only enhance employee productivity but also encourage camaraderie among team members. Our commitment to work-life balance is further reflected in our flexible working hours, work-from-home arrangements, and the provision of two short leaves of two hours each month. Additionally, we offer childcare facilities, including a crèche and lactation breaks for new mothers, ensuring that our employees can manage their professional and personal responsibilities effectively. By prioritizing health and wellness, we aim to cultivate a thriving workforce that can excel both personally and professionally.

Labor Practices and Human Rights Policies

We believe that every employee deserves a safe, inclusive, and respectful workplace where their rights are protected and their voices are heard. Our policies are designed to ensure fair treatment, equitable opportunities, and freedom from discrimination, harassment, and

exploitation. By fostering an environment that values diversity and promotes well-being, we empower our employees to thrive both personally and professionally. Through ongoing training, open communication, and robust grievance mechanisms, we strive to create a culture of accountability and respect, ensuring that the principles of human rights are upheld throughout our organization.

Human Rights Mitigation and Remediation

We have formal procedures for human rights mitigation and remediation. In line with our SOP, we have assessed various human rights risks and implemented targeted remediation actions for each identified risk. Additionally human rights mitigation processes across all three manufacturing sites and at every business locations including business location of supplier is being implemented. Our human rights risk assessments cover multiple criteria, and we have established comprehensive remediation plans.

Cultivating Inclusion: Enhancing Workplace Diversity (Inclusive and Equality)











Our social initiatives, led by Welspun, are empowering communities. We are ensuring equal opportunities for all through digital inclusion. Consumer empowerment lies at the heart of our efforts, championing fair practices and customer centricity. Our focus on energy access is lighting up lives, fueling progress, and paving a brighter future. Together, we are rewriting the script of social change.



Our **'We Care'** initiative ensures a nurturing and supportive environment for our employees and their families. It encompasses physical, mental, social, spiritual, and financial wellness. Our Employee Satisfaction Report utilizes a detailed approach to evaluate various aspects of job satisfaction, including purpose, happiness, and stress levels. Each aspect is rated on a scale from 0 to 5, which contributes to an overall satisfaction index. The insights derived from this report inform strategic initiatives aimed at creating a positive work environment, mitigating stress, and improving overall job satisfaction and happiness.

Our Anjar facility is spearheaded by a dedicated team of women, exemplifying our broader commitment to gender equality. Through programs such as SPUN and various CSR efforts, we have expanded opportunities for women in the region, enabling them to achieve financial independence from their homes. Additionally, the **Women of Welspun (WoW)** platform provides a prominent space for our female workforce to share experiences and gain inspiration, with seasoned leaders offering mentorship to cultivate future women leaders. In our Anjar and Vapi facilities, we embrace a specially abled workforce in our spinning department, supported by inclusive safety measures and quarterly sign language training, ensuring a welcoming environment that celebrates the diverse and vibrant life within our organization.



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Initiatives for employee welfare and growth



Remuneration Policy

Our employee remuneration policy is designed to attract, motivate, and retain top talent while ensuring fairness and competitiveness within the industry. We believe in offering a comprehensive compensation package that includes competitive salaries, performance-based incentives, and benefits tailored to meet the diverse needs of our workforce. Our policy emphasizes transparency and equity, ensuring that remuneration is based on individual performance, skills, and contributions to the Company's success. Additionally, we regularly review and adjust our compensation structures to reflect market trends and promote internal equity, fostering a culture of recognition and appreciation for the hard work and dedication of our employees.



Equal Opportunity and Fair Treatment

Our Company policies, practices, and business principles reinforce our commitment to being an Equal Opportunity Provider. We capitalize on what is unique about individuals and draw on their different perspectives/experiences which adds value. We firmly believe that every employee has the right to work in an environment free from any form of harassment or discrimination and hence practice a policy of zero tolerance towards the same. We strive for absolute non-discrimination in pay and provide a fair level of compensation and career development opportunities that reflect knowledge, skills, abilities, performance and professional experience. We promote living wages and all our employees and workers are compensated above the minimum wages mandated by law. We have also established equal pay criteria irrespective of gender for all cadres across the organization.

Prevention of Sexual Harassment

As part of our commitment to foster a safe and inclusive work environment for all individuals, we have implemented a robust Prevention of Sexual Harassment (POSH) policy in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The policies, guidelines

for communication, escalation matrix and redressal mechanism are clearly outlined and available on the company intranet, and are frequently communicated via posters, email and periodic training.

Freedom of Association and Collective Bargaining

The organization supports the United Nations Universal Declaration of Human rights and Principle 3 of the United Nations Global Compact which includes Freedom of Association and Collective Bargaining. The members have a right to freely form and join worker's organizations, such as trade unions, worker associations, and worker councils or committees for the promotion and defense of occupational interests, in accordance with Indian regulations, without any fear of discrimination or retaliation. Workers may elect representatives to engage in dialogue with the employer, and/or facilities may establish bipartite committees, which include both workers' representatives (union or non-union) and employer representatives through democratic elections without any interference from the company. The organization has developed a policy on Freedom of Association and Collective Bargaining to govern itself in a better way and support Collective Bargaining which is among the founding principles of ILO.

Training Programme

We support and encourage the continued development and training of our workforce to help them reach their full potential. With an emphasis on training to foster a skilled and motivated environment in the workplace, we have implemented comprehensive employee engagement and development programs, aimed at enhancing the technical skills, leadership capabilities, and overall professional growth of our workforce. The programs include on-the-job training, workshops, and e-learning modules on our learning management system (LMS). In the reporting year, we undertook a significant step towards the development of our training protocols, aligned with our longstanding values of Agility, Federalism, and Digital Innovation. We have digitized our learning management system (LMS) and are moving towards a one stop learning and development solution. All networked employees have access to LMS, providing E-Modules on mandatory trainings that are part of our compliances and commitment to our external



stakeholders. By embracing digital solutions for training, we reaffirm our commitment to leveraging technology to drive efficiency and effectiveness across our operations. We have partnered with various agencies to curate appropriate content and going forward we aim to transition towards 100% digitization in training and development.

Performance Management

Our individual-based performance management system evaluates employee performance quarterly, with data being captured monthly through the Success Factors Performance Module. The number of employees participating in the appraisal process is shared in our Annual Report for FY 2023-24.

For all salaried employees in the management category, we have implemented a holistic appraisal system that assesses performance based on a range of inputs, including role-specific KPIs, measurable goals set collaboratively, alignment with the Company's vision and values, learning orientation, the ability to challenge assumptions,



conduct, and team spirit. This multifaceted evaluation ensures a well-rounded approach to performance management.

Through these systems, we emphasize the importance of Human Capital Development and remain committed to the ongoing growth and success of our workforce.

Type of performance appraisal	% of all employees
Management by objectives: Agreed measurable targets	10%
Multidimensional performance appraisal (360-degree feedback)	NA
Formal comparative ranking of employees within one employee's category	10%

Performance and career development reviews of 97% employees and 64% workers covered in FY23-24

Occupational Health and Safety

We prioritize the health and safety of our employees and are committed to maintaining a workplace that upholds the highest standards of Occupational Health and Safety (OHS). Guided by ISO 45001:2018, our comprehensive OHS management system ensures compliance with both international standards and legal requirements. Our manufacturing sites are ISO 45001:2018 certified and undergo regular internal evaluations and third-party audits to ensure adherence to safety protocols. We cover all employees, both permanent and non-permanent, under our safety framework, emphasizing worker involvement through consultation, participation, and equal representation in safety committees. Regular risk assessments, mandatory safety training, incident reporting, and an active emergency response plan form the foundation of our proactive approach to safety.

	Employee	Workers
High consequence work-related injury	0	0
LTIFR	0	0.058
Fatalities	0	0
LTI	0	3
Man-hours	36,35,460	5,13,40,509
Total recordable injuries	0	3

H&S Training

Ensuring a safe and secure work environment is a core part of our commitment to employee well-being. We have implemented a comprehensive Health and Safety Training program across all our facilities. For every new employee, both permanent and non-permanent, we conduct a thorough health and safety orientation, providing an overview of our EHS policies, workplace hazards, and safety protocols. New employees also receive job-specific training, covering standard operating procedures (SOPs), operational controls, potential risks, preventive maintenance schedules, and Lockout-Tagout procedures. To reinforce safety awareness, we conduct regular refresher training sessions for employees at all levels across all our facilities, ensuring they are well-versed in identifying and mitigating workplace risks.

Additionally, we organize regular Fire Safety and Evacuation Training sessions, mock drills, equipping employees with the skills and knowledge required to effectively respond to emergencies. Through these initiatives, we strive to foster a strong safety culture, empowering our workforce to prioritize safety in every aspect of their work.

No. of employee Trained

1,329

No. of Workers Trained

11,504

Total Training Man hours for Employees

52,552

Total Training Man hours for workers

2,38,512

Avg. Training Hours per Employee

29.91

Avg. Training Hours per worker

11.82



GOVERNANCE, COMMITMENTS, AND ENGAGEMENT

(Building Success through Governance)

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At Welspun, integrity, excellence, and care form the cornerstone of our Corporate Governance philosophy. Rooted in the ethical acumen, moral conduct, and business acumen of our founders and leaders, these principles drive our organization's strategic vision.

Corporate Governance Structure

Leading with Prudence

We firmly believe that strong leadership is indispensable for sustained growth, reflected in our prudent year-on-year economic performance. Led by visionary leaders, our business operations, strategies, and growth initiatives are propelled forward. The tone for our corporate ethos and culture is set by our Board and Senior Management, adhering closely to our Code of Conduct, Policy on Ethics, and Fair Business Practices.

Board of Directors



The Board of Directors is dedicated to upholding robust corporate governance principles, which are essential for ensuring accountability across economic, environmental, and social aspects of our operations. Acting as stewards, the Board diligently protects the interests of the Company, its members, and all stakeholders. It offers strategic guidance, oversight, and direction to management to align with our cultural values and ethical standards while achieving our strategic goals. As of March 31, 2024,

our Board consists of eight members, each bringing a wealth of experience in areas such as finance, legal affairs, general management, ESG integration, and business strategy, which enriches our decision-making processes.

We place significant importance on governance and diversity within our Board structure. Acknowledging that transparency and a diverse perspective are vital for sustainable success, our Board includes four Independent Directors, ensuring that more than 50% of our members are independent. This structure strengthens our Board's objectivity. We have set clear targets for independence and prioritize impartial governance in our corporate practices. Additionally, our Non-executive Chairperson clearly delineates governance from management functions, further bolstering the Board's independence.

Board Diversity Achieved: 25%

Diversity within the Organization

Employee Level	Male (%)	Female (%)	Total no.
Board of Directors	75%	25%	8
Senior Management	91.60%	8.40%	107 (9 Females)
Employees and Permanent workers	72.5%	27.5%	21,929

Governance and Leadership

Welspun's Board of Directors bears the ultimate responsibility for overseeing the organization's impact on the economy, environment, and people, and approving the strategic sustainability goals. It strengthens its engagement in sustainability by establishing the Board Sustainability Committee to dedicate more time to strategic reflections on sustainability, and to prepare for emerging regulations. The group sustainability team owns the group's sustainability agenda and takes responsibility for managing the implementation of sustainability actions within their respective areas. The CEO and the Board of Directors review and approve the policies, primary sustainability initiatives, and targets.

Board Evaluation

We have established an objective performance evaluation system applicable to all employees, including the CEO, aligning compensation with long-term performance. This system encompasses clearly defined key responsibility areas (KRAs) monitored through a centralized performance management system. Integrating ESG performance as a critical component, our evaluation process includes key performance indicators (KPIs) related to environmental, social, and governance aspects. Notably, climate action initiatives, such as the implementation of renewable energy projects, are incorporated into the KRAs of relevant senior team members, including the CEO. Upholding transparency, we disclose CEO and executive salaries, actively encourage shareholding among executives, and disclose major shareholders. These practices reflect our commitment to transparency, independence, diversity, and long-term performance.

Committees of Board

The Board has established a variety of committees tasked with ensuring accountability and effective oversight. Our committees play a pivotal role in diligently overseeing and promptly communicating key business operations and significant decisions made by the Board. Led by their respective heads, each committee comprises of Independent Directors and is tailored to focus on specific areas of strategic importance. Ensuring a rigorous governance structure, we conduct annual reviews of all Board Committee charters, reaffirming our commitment to clarity, effectiveness, and alignment with best practices. This proactive approach underscores our dedication to robust oversight and transparent communication within our organization. These committees are entrusted with specific responsibilities delegated by the Board. They convene regularly throughout the year to oversee and evaluate performance, providing essential recommendations to the Board on a wide range of matters.



Audit committee

To ensure the accuracy, sufficiency, and dependability of the financial statements, the Welspun's Audit Committee oversees upholding WLL'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

The Stakeholder Relationship Committee reviews all matters relating to Welspun'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

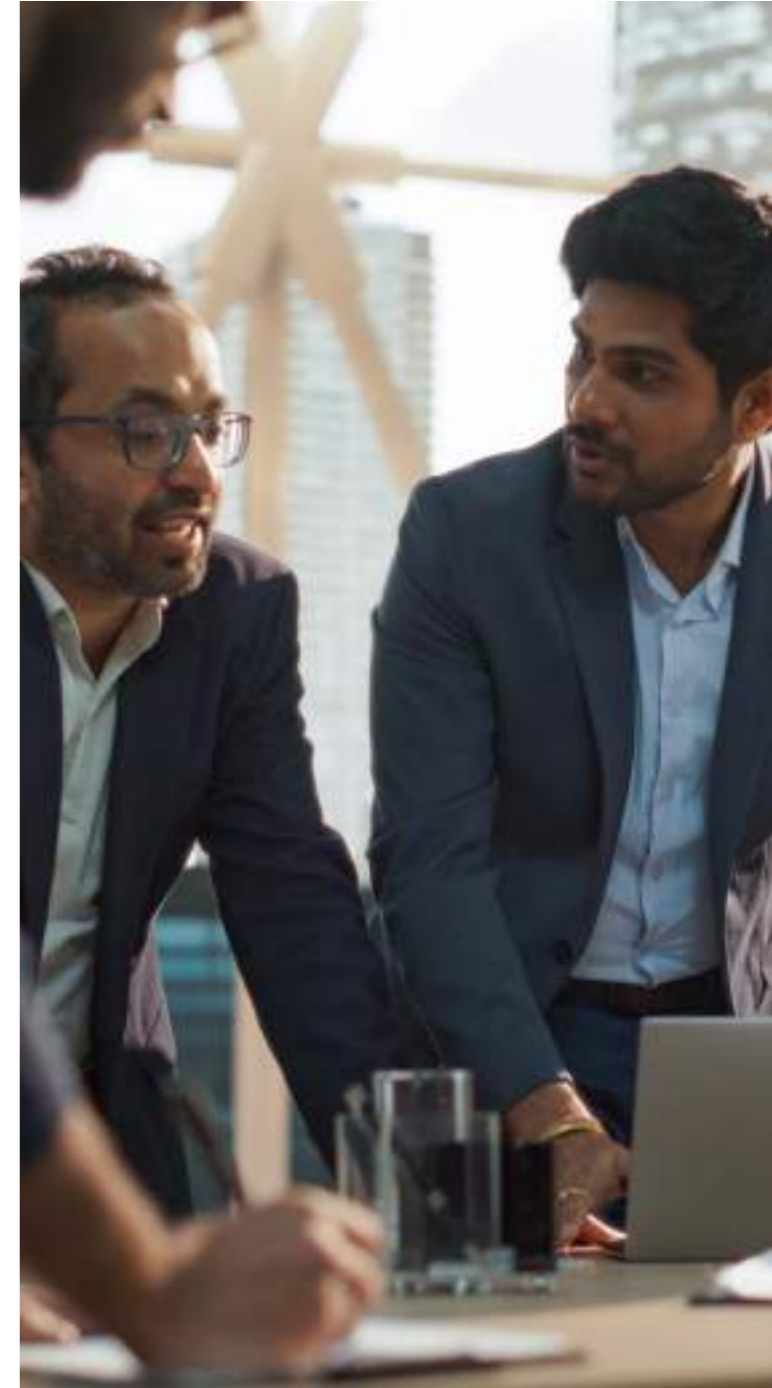
The Risk Management Committee oversees developing the business continuity plan, risk management guidelines, and risk mitigation plans, including those related to cyber security risks. The committee is chaired by an Independent Director.

ESG and CSR committee

At Welspun Group, our Corporate Social Responsibility (CSR) policies are guided by a dedicated CSR Committee, which advises on the implementation of our initiatives and oversees all expenses and disclosures related to our CSR efforts. This committee also plays a crucial role in recommending and approving the 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.

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.





Welspun's Sustainability & Environment Governance and Management Framework

At Welspun Living Limited, sustainability is a fundamental pillar of our values and operational framework. Our Board of Directors are committed to staying well-informed about the latest developments in ESG trends, frameworks, and the broad spectrum of economic, social, and environmental factors that shape our business landscape. This proactive approach ensures that we are consistently ahead in adopting best practices for sustainable growth.

We foster a culture of continuous dialogue within our Board to keep pace with the evolving sustainability landscape. This collaborative environment supports the development and implementation of strategic sustainability initiatives that align with our long-term vision of creating a positive impact on both society and the environment.

Leading our sustainability efforts is a dedicated ESG & CSR, serving as the highest governance body within Welspun Living Limited. This committee

receives robust support through comprehensive guidance, training programs, and awareness initiatives facilitated by the organization. Empowered with the tools and knowledge to drive ESG initiatives effectively, the committee plays a vital role in embedding sustainability deeply into our core operations, solidifying our unwavering commitment to a sustainable and responsible future.

Board Oversight and Management Responsibilities

Our empowered and diverse Board oversees climate-related risks shaping up of our strategy. Through regular engagement and structured discussions, it guides our transition initiatives, ensuring a comprehensive approach to tackle climate change. This strong governance structure reinforces Welspun's commitment to sustainability and environmental stewardship.

The Board comprising of **eight** Directors acts as a coordinating body between stakeholders and the Company's management team. The Board's primary responsibilities include providing strategic direction to the Company, reviewing performance against set parameters, providing oversight and vigil mechanisms, and imparting corporate leadership.



25% WOMEN BOARD MEMBERS



50% INDEPENDENT DIRECTORS

Capacity Building and Performance Evaluation of Board

At Welspun, we prioritize continuous learning and development for every individual. Tailoring our training programs to meet individual needs and adapt to evolving global landscapes is central to our approach. In FY 2023-24, we provided comprehensive training to our Board of Directors on industry nuances, including Business Overview and Trends, Sustainability, and our Business Model, such as Strategic Roadmap and Risk Management. Additionally, our Key Management Personnel (KMPs) received training on various topics like CSR, Project Management, Leadership Skills, and more.

Recognizing the critical role of Board evaluation in driving continuous improvement, we conduct annual evaluations as per regulatory requirements. These evaluations assess the performance of the Board, its committees, and individual directors, focusing on aspects like composition, independence, decision-making, and dynamics. Feedback from these evaluations guides our efforts to enhance Board effectiveness and strengthen corporate governance practices.

Board development

The knowledge and skills of the Board of Directors are enhanced by involving the members in different initiatives and projects, for example, in the Science Based Targets setting and strategy updates. The Board of Directors evaluates its own performance yearly with a self-evaluation, in which the board members evaluate the work they've done with one another and in relation to the operational management within the framework of the strategy. The evaluations are reviewed in the meeting and development actions are agreed upon if needed.

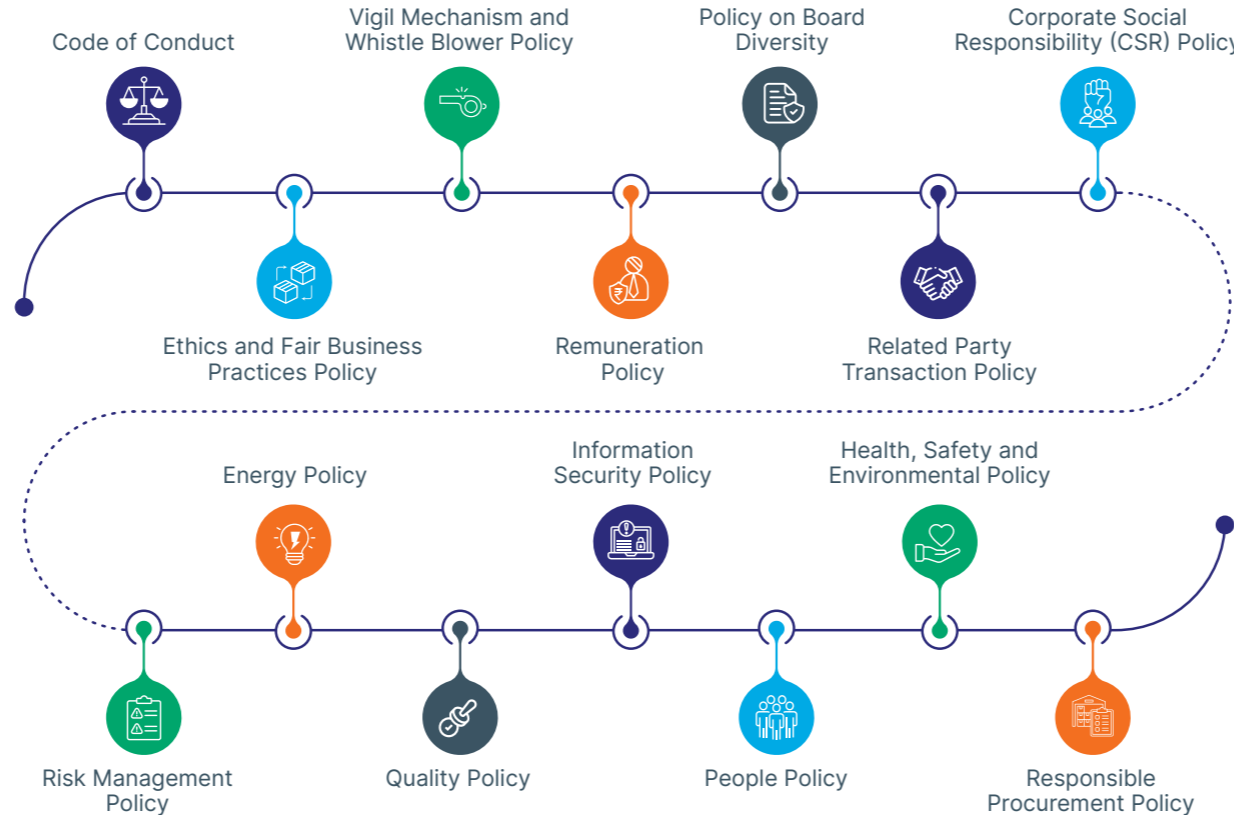
ESG governance

Business sustainability is a crucial element of business strategy. We have adopted a 'top-driven' approach to achieve this objective. The Chairman is directly accountable for sustainability and ESG initiatives and performance. The board reviews the performance on ESG issues quarterly. It further guides in the formulation of our policies and mandated strict implementation. We have integrated sustainability into core business operations. It has incorporated qualitative and quantitative Key

Performance Indicators based on sustainability parameters into the annual performance management of all levels of employees.

ESG policies

Our ESG policies are well-defined policies and frameworks are the backbone of Welspun's system and processes. We have implemented a range of board level policies to ensure effective governance and mitigate risks. Our ESG policies emphasizes key areas such as ethical labor practices, environmental stewardship, diversity, safety, transparency in reporting, and stakeholder engagement. Regularly reviewed and updated, these policies ensures that we mitigate risks, uphold high governance standards, and foster long-term value for our shareholders, employees, and communities. Our policies help take proactive measures to ensure compliance with the regulatory norms at all times. The following policies and documents are available.



Compliance

At Welspun, we uphold ethical, social, and environmental responsibility as paramount across all our operations. Our unwavering commitment to compliance with laws and regulations is reflected in our adherence to health, safety, marketing, and labelling standards. In the fiscal year 2023-24, we maintained a record free from instances of unfair practices, corruption, or discrimination. Promptly addressing shareholder complaints and avoiding fines underscores our dedication to compliance. Our adherence not only ensures transparency and integrity but also contributes to societal well-being and environmental preservation.

Policies, Code of Conduct, and Commitments Related to Sustainability

Welspun's Code of Conduct defines the behavior expected from all the employees and stakeholders and lays down the policies and systems for effective implementation. These guidance documents enable employees to operate with ethics, integrity, and transparency at all times. The HR Leadership periodically evaluates the people policies to keep them relevant to changing regulatory and market requirements.

Code of Conduct

Welspun's Ethical Code serves as a guiding framework that delineates expected behavior for all employees and stakeholders, ensuring adherence to high standards of conduct. Central to this code is the unequivocal commitment to upholding human rights, not only within the organization but also within the communities it operates in. Welspun has meticulously crafted a suite of policies, codes, and guidelines that govern the conduct of its directors, senior executives, officers, and employees, regardless of employment status. Moreover, these standards extend to suppliers and business partners, fostering a culture of integrity and respect throughout Welspun's ecosystem.

Vigil Mechanism and Whistle-Blower Policy

Our Vigil Mechanism and Whistle-Blower Policy serve as robust frameworks for reporting and addressing actual or suspected violations of laws, regulations, and the Company's Code of Conduct by employees and stakeholders. This mechanism, termed as 'Reportable Matters', ensures that individuals can report violations without fear of retaliation. The policy is easily accessible on the Company's website, facilitating prompt reporting.

WLL's whistle-blower protection extends to all individuals making protected disclosures, allowing them to report concerns via email, telephone, or directly to the POSH Committee, without fear of reprisal.

Anti-Bribery and Anti-Corruption Policy

Being a responsible organization, Welspun has proactively taken measures in combating bribery and corruption. As an additional pillar to support existing governance mechanism, we have established a robust Anti-Bribery Management

System (ABMS). ABMS is a systematic framework of policy and processes set up by us in support of existing Governance mechanism with an aim to help prevent, detect, and respond to bribery risks. Welspun has in place a mandatory e-learning course which aims to equip its employees with the required understanding and knowledge to effectively prevent, identify, and respond to bribery risks. So that it helps vendors understand Welspun's ABMS better and also create the right levels of awareness about WLL's expectations of ethical conduct of business.



Risk and Opportunities

Navigating Risks and Seizing Opportunities

We firmly advocate for the necessity of a strong risk management framework to uphold resilient business operations. Through our meticulous risk management process, we equip ourselves with the insights needed to make informed decisions, identifying and evaluating risks inherent to our business while proactively implementing measures to minimize their impact. Simultaneously, we strive to capitalize on emerging opportunities.

Our risk assessment procedures enable us to discern both internal and external risks and opportunities, guiding our strategic initiatives.

Risk Governance and Mitigation Action

At Welspun Living Limited, we have established a systematic and thorough process for identifying and mitigating our significant risks. Oversight of this process falls under the purview of our Risk Management Committee (RMC), comprising our Chairman, other esteemed Board members, and our Chief Financial Officer (CFO). The RMC diligently monitors, evaluates, and reviews identified risks on a regular basis. Accountability for assessing and identifying risks pertaining to specific operations is delegated to individual departments, each assigned with distinct roles and responsibilities. Regular reviews of our risk management process are conducted by the Board to ensure its effectiveness and alignment with our organizational objectives.

Our overarching objective within the Risk Committee is to seize opportunities while concurrently managing and mitigating risks through



robust governance structures and thorough review mechanisms. We have successfully integrated Environmental, Social, and Governance (ESG) risks in our overall business risk management framework, with the Chief Manufacturing Officer (CMO) overseeing the management of these issues. We conduct a comprehensive threat and vulnerability assessment on a quarterly basis to evaluate potential risks that could impact our business. Consistent communication and review of our risk management practices ensure the effectiveness of our risk management programs.

Risk Management

Our proactive risk management approach underscores our commitment to responsible practices, safeguarding stakeholder interests and promoting sustainable growth. We recognize that effective risk management is essential for our sustained growth and operational excellence. To ensure we remain proactive in identifying and mitigating potential risks, we have established a comprehensive framework. This includes regular

reviews of our risk exposure, allowing us to stay aligned with the evolving business landscape and adapt our strategies accordingly.

Led by our Risk Management Committee, which includes the Board of Directors, we prioritize robust risk management through our Enterprise Risk Management (ERM) framework, identifying and mitigating a wide range of risks—from financial to environmental and strategic. Following a climate risk and opportunities assessment, we have integrated environmental concerns into our ERM, recognizing ESG risks as significant.

The Chief Financial Officer (CFO) serves as the Chief Risk Officer, responsible for tracking and managing both existing and emerging risks. We conduct both internal and external audits of our risk management processes, providing independent evaluations that help us identify areas for improvement and enhance our governance framework. Our internal audit team evaluates the risk identification and mitigation processes, presenting findings to the audit committee, which reports to the Board's risk management committee.

We also prioritize ongoing education for our non-executive directors on risk management practices, ensuring they are well-informed and capable of making strategic decisions with risk implications in mind. Focused training on risk management principles is provided throughout the organization, fostering a culture of awareness and encouraging employees at all levels to incorporate these practices into their daily operations. We have also integrated risk criteria into product development, and we continuously measure and innovate our risk culture. Audit of the risk management process upholds transparency, accountability, and risk awareness in line with our commitment to responsible and sustainable business practices

Moreover, we integrate risk criteria into the development of our products and services, assessing potential risks during the design phase to create offerings that meet market demands while aligning with our risk appetite. To further reinforce our commitment, we have established financial incentives linked to risk management metrics, aligning employee interests with the company's objectives and promoting 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 Risks

Robust corporate governance forms the foundation of our operations, ensuring transparency, accountability, and effective risk management. By adhering to rigorous governance practices, we are well-equipped to navigate challenges and seize emerging opportunities. Our proactive risk management strategies enable us to identify and mitigate potential risks while capitalizing on new avenues for growth. This commitment to strong corporate governance reinforces our position as a reliable and forward-thinking business entity.

Emerging Risks	Challenges	Opportunities	Mitigation Strategies
Data Security	<p>Increasing cyber-attacks, data breaches, and ransomware threats</p> <p>Evolving tactics of cybercriminals demand constant vigilance</p> <p>Strict regulations require adherence to data protection laws</p>	<p>Investing in advanced security technologies and training enhances cyber resilience</p> <p>Collaboration with cybersecurity experts and threat intelligence sharing improves defense</p>	<p>Implement robust cybersecurity measures and continuous monitoring of sensitive data access</p> <p>Conduct regular security audits and employee training on data protection protocols</p> <p>Develop a comprehensive data security policy and compliance framework</p>
Regulatory Changes	<p>Rapidly evolving regulations can create compliance challenges</p> <p>Non-compliance may result in significant fines and reputational damage</p>	<p>Staying ahead of regulatory changes can enhance reputation and trust with stakeholders</p>	<p>Establish a dedicated compliance team to monitor and adapt to regulatory changes effectively</p> <p>Conduct regular training and audits to ensure compliance across the organization</p>
Technological Displacement	<p>Automation and AI may displace jobs, leading to workforce challenges</p> <p>Organizations must adapt to new technologies or risk falling behind competitors</p>	<p>Embracing technology can lead to improved efficiency and innovation</p>	<p>Invest in employee retraining and upskilling programs to prepare the workforce for technological advancements.</p> <p>Foster a culture of continuous learning and adaptation within the organization</p>

Emerging Risks	Challenges	Opportunities	Mitigation Strategies
Supply Chain Challenges	<p>Disruptions due to natural disasters, geopolitical tensions, and logistical challenges</p> <p>Over-reliance on just-in-time inventory practices increases vulnerability</p> <p>Environmental factors such as climate-related events and resource scarcity complicate logistics</p>	<p>Diversifying supplier networks and establishing alternative sourcing options can strengthen resilience</p> <p>Investing in technologies like blockchain and real-time tracking enhances transparency and traceability</p> <p>Opportunities to optimize supply chains through sustainable practices and resource management</p>	<p>Craft comprehensive resilience plans and risk mitigation strategies for supply chain disruptions</p> <p>Implement flexible inventory management practices and develop contingency plans for supply chain interruptions</p> <p>Engage in proactive supply chain risk assessments and scenario planning to identify potential vulnerabilities</p>

Understanding emerging risks as opportunities for advancement is fundamental to our business approach. We diligently confront issues related to data security, market evolution, technological displacement, and supply chain robustness, positioning ourselves to succeed in a rapidly shifting landscape. By committing to innovative technologies and cultivating a culture of flexibility and creativity, we enable ourselves to effectively manage these challenges and drive transformative success in our sector.



Ethics and Integrity

We understand the critical significance of upholding business ethics, and our dedication is evident in our pursuit of membership in the United Nations Global Compact (UNGC). To reinforce our ethical framework, we have appointed a Chief Ethics Officer tasked with promoting and implementing ethical practices throughout the organization. Our unwavering commitment to maintaining the highest standards of ethical, moral, and legal business conduct underscores our resolve to foster integrity in all our operations.

UNGC Membership

We are on the brink of a significant advancement by becoming a member of the UNGC. This move emphasizes our strong dedication to the UNGC's principles, which encompass human rights, environmental sustainability, anti-corruption initiatives, and labor standards. Our choice to join reinforces our commitment to upholding global ethical standards and promoting responsible business practices.

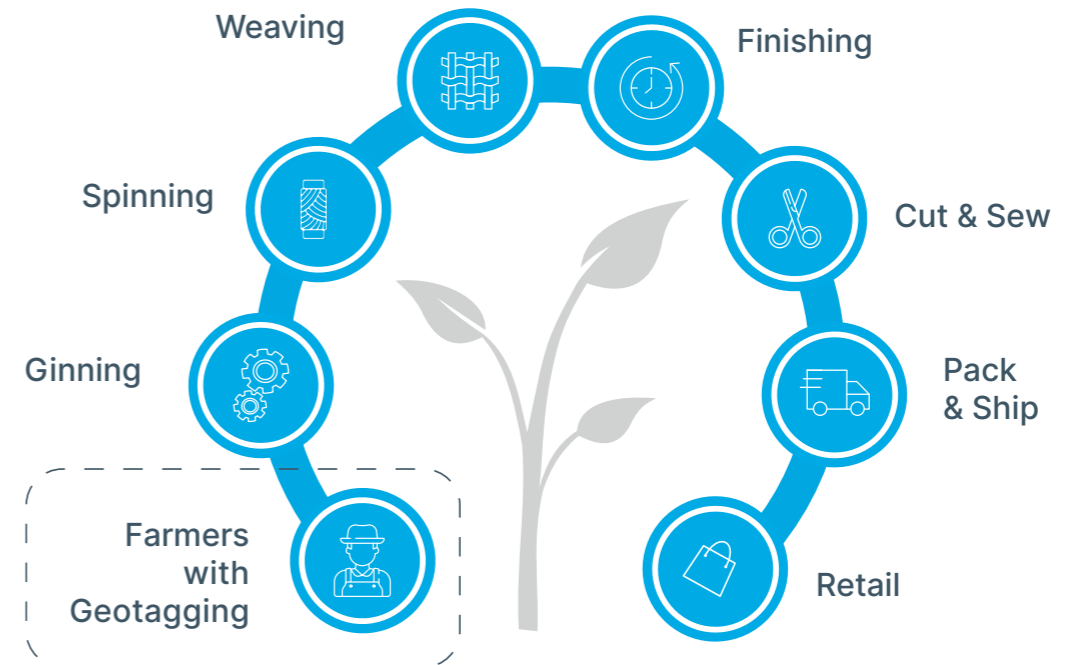
Traceability

At Welspun, traceability is a fundamental aspect of the Company's dedication to transparency, sustainability, and ethical sourcing. Recognizing the growing demand for accountability in the textile industry, Welspun has developed **Wel-Trak 2.0**, an advanced traceability system designed to track raw materials, like cotton, through every step of the supply chain. By integrating cutting-edge block chain technology with chemical fingerprinting, the system ensures that each batch of cotton is assigned a unique digital identity, which can be traced from the farm to the final

textile product. This provides consumers, retailers, and stakeholders with real-time, tamper-proof information on the origin, processing, and quality of materials used in Welspun's products.

The system also supports ethical business practices by ensuring that the cotton used in production adheres to rigorous environmental and social standards, including responsible labor practices and fair trade principles. Through automated quality checks and certifications using smart contracts, Wel-Trak 2.0 ensures that only cotton meeting high-quality standards proceeds through the supply chain. This not only enhances product integrity but also mitigates risks such as counterfeiting and unethical sourcing. Additionally, by streamlining documentation and verification processes, the system improves efficiency while reducing administrative bottlenecks.

With **Wel-Trak 2.0**, Welspun sets a new benchmark in the global textile industry for traceability, aligning with its sustainability goals and fostering greater trust among consumers and business partners alike. By ensuring that every material is sourced responsibly and tracked transparently, Welspun drives positive change toward a more ethical and sustainable future.



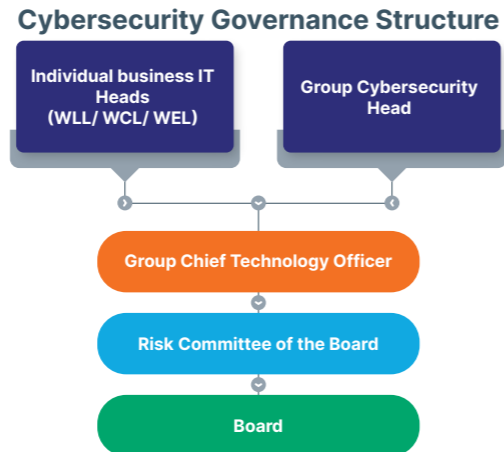
Safeguarding the Digital Landscape: A Commitment to Cybersecurity

Data security and privacy

In the era of growing digitalization, cybersecurity breaches are becoming more common worldwide. At Welspun, driven by our vision to achieve excellence and shape the future, we are actively undertaking a journey of digital transformation. Leveraging cutting-edge technologies and innovative solutions, we aim to mitigate our vulnerability to cyber-attacks and safeguard our critical information systems. This strategic approach will fortify our resilience and ensure a more secure future for Welspun.

Information Security Governance

Our Information Security governance is anchored by a comprehensive policy that directs our Data Privacy, Cybersecurity, and Digitalization practices. This strategic framework delineates roles, responsibilities, and decision-making processes, ensuring a comprehensive defense for our sensitive



resources. Our governance strategy integrates risk assessment, compliance, and continuous monitoring, aligning security initiatives with our business objectives.

The Board exercises vigilant oversight of IT governance, understanding its critical role in our strategic operations. Board members actively participate in shaping IT policies, aligning technology endeavors with business goals, and ensuring robust cybersecurity protocols. Under the leadership of the Chief Information Officer (CIO), we have established an IT Leadership team to drive our Information Security efforts. Information Security governance serves as our guiding principle, enabling informed decision-making, efficient resource allocation, and the implementation of measures to safeguard our sensitive data.

Cybersecurity Performance Monitoring

Monthly and quarterly review meetings are conducted with the Chief Technology Officer (CTO) and the head of cybersecurity to ensure alignment on strategic initiatives and risk management. We carry out periodic internal and statutory audits to evaluate cybersecurity risks and assess the effectiveness of our mitigating mechanisms, including comprehensive cybersecurity assessments. Risk assessments are presented to a dedicated committee comprising the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and Data Protection Officer (DPO), ensuring high-level oversight of cybersecurity strategies.

We maintain a rigorous reporting structure for exceptions and instances of non-compliance at all organizational levels, including the audit committee, to promote transparency and

accountability. Our commitment to IT security and cybersecurity governance is supported by a clear oversight mechanism. The IT team, consisting of cybersecurity experts, is tasked with safeguarding IT assets across the various business entities of the group. This team ensures adherence to the highest standards of security protocols, aligning with global best practices, industry standards, and regulatory requirements.

Key Actions Implemented Include:

- Evaluation of group-level cybersecurity measures by a third party for an objective assessment of our defenses
- Development of a comprehensive group-level IT security roadmap based on the findings from the assessment, outlining strategic initiatives for future improvements
- Establishment of robust IT security policies, standards, processes, and frameworks to guide our cybersecurity efforts
- Implementation of advanced access controls, including single sign-on and Active Directory Federation Services (ADFS), to enhance security measures

In addition, we recognize the importance of integrating sustainability into our cybersecurity framework. By ensuring our digital infrastructure is resilient and secure, we contribute to the overall sustainability of our operations, safeguarding sensitive data and maintaining trust with stakeholders. This holistic approach underscores our commitment to responsible governance and the protection of both our technological assets and the environment.

Risk assessment and mitigation

Our governance strategy places a strong emphasis on proactive risk assessment and mitigation. We conduct regular assessments to identify vulnerabilities and potential threats. These assessments are the foundation for crafting robust mitigation strategies that we promptly execute to prevent potential security breaches.

- Ongoing maintenance and circulation of the risk register
- Regular vulnerability assessment and penetration testing (**VAPT**) for both infrastructure and application landscape
- Implementation of a comprehensive data leak prevention (**DLP**) system for a specific user group, utilising tools like **Forcepoint, Klassify, and Seclore**
- Enhancement of endpoint browsing security via the **Zscaler** tool
- Comprehensive security coverage encompassing endpoints, e-mails, servers, and networks using **TrendMicro's** complete suite
- Implementation of **firewalls** at all levels to fortify network and web security

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 a central security operation centre (SOC) managed by Deloitte

Transparency and reporting

Transparency is the cornerstone of our governance framework. We commit to timely reporting on our IT security and cybersecurity measures, breaches, and remediation efforts. This open dialogue ensures that our stakeholders are informed, empowered, and confident in our approach to managing potential risks.

- Thorough reporting of exceptions and instances of non-compliance at all levels, including the audit committee

Cybersecurity process and infrastructure

In an era where digital landscapes are as vital as physical infrastructures, our IT security and cybersecurity governance is a shield that not only fortifies our operations but ensures the sustainability of our organisation and the trust of those we serve. Through our vigilant governance, we embark on a sustainable journey that secures today and safeguards tomorrow.

- End-to-end patch management encompassing endpoint, server, and network tiers - Ensuring the integration of the latest security patches across all systems
- Deployment of backup and encryption systems
- Implementation of **ISO 27001** and **ISO 27701** guidelines for IT security
- Full cybersecurity operations are overseen by Microland (our infrastructure management partner)

Effective implementation of Data Privacy Policy

Ensuring the privacy and data protection of our customers is a fundamental commitment of our Company, supported by a comprehensive set of mechanisms for effective policy implementation. Our data privacy policy is easily accessible on our corporate website, detailing our practices regarding personal data collection, use, retention, and processing. This privacy policy is an electronic record created as an electronic contract in compliance with the Government of India's Information Technology Act, 2000 and its accompanying regulations. No disciplinary actions were needed in 2023-24 since we had received zero cases reported on customer privacy breaches. A dedicated privacy compliance team oversees policy implementation, and all employees receive regular privacy training, with evidence of these programmes available publicly. We conduct data protection impact assessments (DPIAs) and maintain a publicly accessible incident response plan for privacy breaches. We are working on the Digital Personal Data Protection Act, 2023. We inform customers extensively on various privacy protection issues, including the nature and use of captured information, customer control, data access, retention, protection, third-party disclosure policies, and monitoring of secondary use, demonstrating our commitment to transparency and accountability in data handling.

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SDG's Goal 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 1,80,000+ 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

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SDG's	Goals and Targets	Initiatives and its impact	Reference
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
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, Commitment
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.	Engagement
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, Commitment
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."	Engagement
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

SDG's	Goals and Targets	Initiatives and its impact	Reference
15	Life on land	<p>*Tree Plantation & Biodiversity: Planted over 3,50,000 trees across 120 species at the Anjar facility, enhancing local biodiversity and attracting wildlife. In total, 1.7 million shrubs have been planted, contributing to richer ecosystems. *Ecological Surveys: Conducted comprehensive ecological assessments using line transect and quadrat methods to study bird populations and plant diversity, increasing species diversity by 50% in Welspun City.</p> <p>*Biodiversity Action Plans: Implemented habitat enhancement projects and native species planting, supporting ecosystem restoration and contributing to broader conservation goals.</p>	Social Responsibility
17	Partnerships for the Goals	<p>*Collaborating globally with universities, technology firms, and industry associations, we aim to create lasting value through cutting-edge technologies.</p> <p>*Our partnerships include affiliations with Fashion for Good, Wadhvani AI and Textile Exchange"</p>	Sustainability at WLL

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Independent Assurance Statement

The Palm Springs Plaza
Office No. 1501-8, 15th Floor
Sector-54, Golf Course Road
Gurgaon-122001, Haryana
INDIA

To,

Welspun Living Limited
Welspun House, 6th Floor,
Kamala City, Senapati Bapat Marg,
Lower Parel (W), Mumbai 400013

Independent Assurance Statement to Welspun Living Limited on select non-financial disclosures in the Sustainability Report for the financial year 2023-24.

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 LLP (BDO) was engaged by the Company to provide independent limited assurance on select non-financial information in the Report for the financial year 2023-24.

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's responsibilities

BDO India LLP responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope & boundary of Assurance' 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 Standards Board. We applied the criteria of 'Limited' assurance.

Scope & boundary of assurance

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 2023 through 31st March 2024. The indicators under the scope of assurance are listed in Appendix 1.

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:

- Evaluate and assess the appropriateness of the quantification methods used to arrive at the non-financial sustainability information of the select GRI indicators in the Report;

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- Review of consistency of data/information within the Report as well as between the Report and 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.
- Verification of non-financial/sustainability performance data, on sample basis, based on our professional judgement, was done for Anjar and Vapi locations only.

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 2023 to 31st March 2024)
- 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 of assurance';
- The Company's statements that describe qualitative/quantitative assertions, expression of opinion, belief, inference, aspiration/targets, expectation, aim or future intention.

Our observations

The disclosures of the Company, covered under the 'Scope and boundary of assurance', are fairly reliable. However, the process and methodology for accounting water data may be strengthened.

Our conclusions

Based on the procedures performed and evidence obtained as defined under the 'Scope & boundary of assurance', nothing has come to our attention that causes us not to believe that the disclosures of the Company is presented fairly in accordance with the relevant reporting guidelines/standards.

Our assurance team and independence

BDO India LLP 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 LLP 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 LLP

Indra Guha
Partner | Sustainability & ESG
Business Advisory Services

Gurugram, Haryana | 12 December 2024



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 organization
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

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