

Rooted in Sustainability

Forging a Resilient Future

Sustainability Report
2022-24

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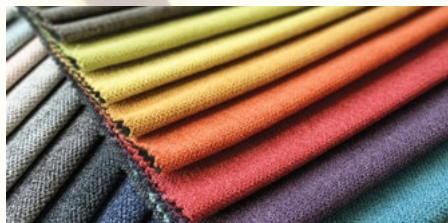
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Assurance Statement



See the report online
at www.arvind.com/sustainability

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Company Profile

Arvind Limited is a beacon of innovation and sustainability in the global textile landscape. With a legacy from 1931, we have evolved into a multifaceted solutions provider, seamlessly integrating every step from fibre to fashion. Headquartered in Ahmedabad, Gujarat, our commitment extends beyond mere production; it encapsulates a profound dedication to environmental stewardship, social responsibility, and cutting-edge governance.



Leading the Way in Textile Innovation

From denim to advanced materials, our portfolio spans a spectrum of textiles, garments, and environmentally conscious solutions. With an annual production capacity exceeding 100 million metres in denim and 150 million metres in woven fabric, our reach spans continents, supplying fabrics to esteemed brands globally. Moreover, with a manufacturing capacity exceeding 50 million pieces annually, our garments division epitomises precision and quality.

Driving Innovation with Purpose

At the heart of our operations lies a relentless pursuit of innovation fuelled by a commitment to sustainability. Our Advanced Materials Division (AMD) symbolises this ethos, pioneering new fibres, technologies, and products that address critical societal challenges across infrastructure, health, safety, energy, and industrial applications. Beyond mere profitability, our purpose is to foster positive change, enriching the lives of communities and safeguarding the planet for future generations.

Empowering Through Sustainability

With a workforce exceeding 24,000 passionate individuals, we are more than just a company; we are a force for transformation. Through collaboration, experimentation, and empowerment, our team endeavours to create novel solutions that transcend conventional boundaries, shaping a more sustainable future for all.

Commitment to ESG Excellence

As a responsible corporate citizen, we prioritise Environmental, Social, and Governance (ESG) considerations alongside financial performance. Upholding the highest standards of governance, we consistently embark on initiatives that positively impact lives and promote planetary health. Our sustainability approach, aptly named "Fundamentally Right", is a guiding beacon, propelling us towards continuous improvement and innovation.

At Arvind Limited, sustainability isn't just a buzzword; it's our core ethos woven into everything we do. As we forge ahead into the future, we remain steadfast in our commitment to creating lasting value for society, the environment, and our stakeholders alike.



Our Strategic Foundations

VISION

We will enable people to a better quality of life by providing, enriching and inspiring lifestyle solutions.



PHILOSOPHY

WE BELIEVE



in people and their unlimited potential; in content and focus on problem-solving; in teams for effective performance and in the power of intellect.

WE ENDEAVOUR



to select, train and coach people to obtain higher responsibilities; to nurture talent and to build leaders for the corporations of tomorrow; to reward, celebrate and activate all intellectual business contributions.

WE DREAM



of excellence in all endeavours; of mutual benefit and prosperity; of making the world a better place to live in.



Highlights of the Financial Performance

₹ 7,738 Cr.

Revenue

₹ 1,250 Cr.

Net Debt

₹ 845 Cr.

EBITDA (excluding
other income)

₹ 5.57 Cr.

CSR Spend

₹ 334 Cr.

PAT

AA-

Ratings (CARE)



Non-Financial Highlights

Environment Highlights

24%

Share of renewable energy

7,597 Megalitre

Total water recycled

86%

Reduction in treated waste water discharge

CDP Leadership Award for Water Security
55%

Percentage of materials sustainably sourced

15,518 Ha

Hectares of land (ha) using regenerative practices for cultivation

87%

Proportion of sustainable cotton sourced

93,000+

No. of farmers engaged for sustainable cotton cultivation

1,65,000+ Ha

Hectares of land supported for sustainable cotton cultivation

A- in Water, B- in Climate Change

CDP Score in 2022-23

Social Highlights

5,65,000

Total hours of training

23

Average hours of training per FTE

36%

People Diversity and Inclusion
Representation of women in total workforce

5.57 Crore

Community Impact – CSR outlay

32,489

Total number of direct CSR beneficiaries

1,62,444

Total number of indirect CSR beneficiaries

0 LTIFR Health and Safety Performance

Governance Highlights

04

Number of Board meetings held

02

Number of ESG Committee meetings held

55.5%

Percentage of independent Board members

2

Partnership with Customers for driving ESG efforts

54%

Input material directly sourced from MSMEs/small producers

98%

Input material sourced directly from within the districts and neighbouring districts



Chairman's Letter



Dear Shareholders,

We are honoured to present our Sustainability Report for 2022-24, which reflects our journey of integrating sustainability and innovation to drive responsible growth. This report highlights how Arvind Limited continues to create long-term value for both the environment and our stakeholders.

As part of our ongoing commitment to global sustainability, we align with key initiatives such as the United

Nations Fashion Industry Charter for Climate Action, which guides textile and fashion companies in reducing greenhouse gas emissions and adopting sustainable practices. In this report, we share our achievements in renewable energy, water stewardship, sustainable sourcing, product innovations, and our dedication to empowering people and communities.

2022-24 has been a progressive period for Arvind. This period has been marked by our ability to adapt and grow in a dynamic global environment. Our financial performance, underpinned by operational excellence, reflects our resilience and the strength of our business strategy. Despite navigating through uncertainties, we remain focussed on aligning our business objectives with the broader purpose of creating a lasting and positive environmental and social impact.



Navigating Climate Change

We recognise that climate-related risks can impact our business both in the short and long term. These risks include physical challenges such as extreme weather events and shifting precipitation patterns, as well as transitional risks like regulatory changes, increased compliance costs, and evolving market demands for sustainable products. To mitigate these risks, we have adopted strategies such as improving water management, investing in new technologies, and aligning with emerging regulations. We also maintain operational flexibility to adapt swiftly to these changes.

We see these challenges as opportunities for growth and innovation. We are enhancing our operational sustainability by improving resource efficiency, reducing water consumption, and transitioning to low-emission energy sources. Our focus on product innovation, driven by R&D, enables us to develop eco-friendly products that meet the evolving preferences of consumers.

Sustainability: A Core Business Imperative

Sustainability is deeply embedded in every aspect of our operations, from product design to stakeholder engagement. Our Fundamentally Right approach is centred around three key pillars: Empowering Communities, Enabling Opportunities, and Enriching Environments. These pillars form the foundation of our sustainability strategy, guiding our efforts towards creating meaningful impact.

Over the years, we have made significant strides in integrating sustainable practices across all areas of our business. This year, we achieved notable progress in our energy transition, with 24% of our energy now sourced from renewable sources. We also commissioned our first biomass-based boiler at our denim plant in Naroda, enabling fossil fuel-free operations and reinforcing our commitment to decarbonisation, in alignment with India's Nationally Determined Contributions (NDCs).

Water conservation remains a key focus for us. This year, we recycled over 7,500 megalitres of water through advanced recycling techniques, reducing wastewater discharge by 86%. These initiatives are crucial in minimising the environmental impact of our water-intensive textile operations.

We have developed a robust supply chain framework with enhanced transparency and

reporting mechanisms, including a supplier code of conduct, identification of critical suppliers, and integration of ESG principles into our supply chain management strategy. We continuously assess supply chain risk exposure and implement strong risk management measures to ensure sustainable sourcing practices. Our responsible sourcing initiatives have yielded positive outcomes, with 87% of the cotton we sourced in 2024 being grown sustainably. By promoting sustainable agricultural practices, we not only secure our supply chain but also empower the farming communities we collaborate with.

Our commitment to circular fashion minimises waste and maximises resource efficiency. We implement design strategies for recyclability, increase the collection and resale of used items, and enhance the use of recycled post-consumer textile fibres.

Innovation as a Catalyst for Growth

Innovation drives our ability to remain competitive and relevant in today's rapidly changing landscape. Our Advanced Materials Division (AMD), which generated ₹387 crore in revenue with strong margins, continues to lead in delivering cutting-edge solutions for sectors such as healthcare and infrastructure.

We have embraced digital printing and energy-efficient processes that significantly reduce water consumption while maintaining high-quality products for global brands. Our partnership with Gap Inc. to establish the Global Water Innovation Centre for Action (GWICA) exemplifies our commitment to promoting water stewardship across the industry. GWICA focusses on advancing and scaling innovations for water stewardship – with a lens of the intersecting benefits across climate, biodiversity, oceans, women's empowerment, and community wellbeing.



This year, we recycled over 7,500 megalitres of water through advanced recycling techniques, reducing wastewater discharge by 86%.



Our commitment to fostering diversity is evident in the fact that 36% of our workforce now comprises women, reinforcing our efforts to create a more inclusive work environment.

Our ability to seize new opportunities has also yielded substantial benefits. A prime example is our entry into the human protection garments sector in 2008, which has since grown into an ₹800 crore business, competing with the world's leading players in this segment. We believe that consolidating our Advanced Materials Division will create synergies that further enhance the growth of our human protection business, leveraging our deep expertise in fibre-to-fabric production and advanced processing.

Empowering Our People and Communities

People are at the core of Arvind's success. This year, we invested over 5,65,000 hours in employee training, ensuring our workforce is well-equipped to meet the challenges of a rapidly evolving industry. Our commitment to fostering diversity is evident in the fact that 36% of our workforce now comprises women, reinforcing our efforts to create a more inclusive work environment.

Beyond our internal workforce, we have continued to drive positive social change through our Corporate Social Responsibility (CSR) initiatives. These programmes have directly benefited over 32,000 individuals and indirectly impacted the lives of more than 1,60,000 people. Our focus on education, healthcare, and sustainable livelihoods has had a meaningful effect on the communities we serve, particularly in rural areas, where our sustainable cotton farming programmes have transformed the lives of thousands of farmers.

Economic Value Generated and Distributed

2023-24 demonstrated our financial resilience and our ability to create and share value. We generated ₹7,738 crore in economic value, driven by strong business performance across all segments. Of this,

₹6,861 crore was distributed to our stakeholders, including employees, shareholders, communities, and business partners, reflecting our commitment to equitable growth and shared prosperity.

A Strong Commitment to Governance

Our governance framework, fundamental to our success, is built on transparency, accountability, and integrity. This year, we convened four Board meetings and two dedicated ESG Committee meetings to ensure continuous oversight of our sustainability performance, risk management, and strategic decisions. With a majority of independent directors, our Board guarantees that diverse perspectives guide the company's future.

We have continued to align our business practices with global best practices in corporate governance. Our focus on ESG is embedded in our strategy, and we remain committed to identifying and mitigating environmental and social risks that could affect our business.

Looking Ahead

As we embark on the next phase of our journey, our focus is on driving responsible growth. The progress we made in 2022-24 establishes a robust foundation for the future. We are confident that our integrated approach to sustainability, innovation, and operational excellence will continue to yield positive outcomes.

Our commitment to setting new benchmarks in sustainable sourcing, manufacturing, expanding our global footprint, and leveraging innovation to create value will propel our future growth. We believe that by remaining true to our values, we will build a business that not only meets the demands of today's market but also contributes meaningfully to a sustainable and inclusive future.

I extend my sincere gratitude to our employees, customers, partners, and shareholders for your continued trust and support. Together, we will propel Arvind Limited to new heights while making a positive impact on society and the environment.

Warm regards,

Sanjay Lalbhai
Chairman, Arvind Limited



Business Profile

Arvind Limited, a stalwart in the textile industry, remains steadfast in its commitment to sustainability across its diverse portfolio. As a publicly listed company, Arvind Limited is an integrated solutions provider in textiles, with strong fibre-to-fashion capabilities. Its sharpened focus extends to sectors such as denim, wovens & knits, garments, water treatment, and advanced materials. Serving both global markets, including Europe and the US, as well as the domestic Indian market, Arvind continues to play a pivotal role in shaping the future of the textile industry through innovation and sustainability initiatives.

Denim

A Legacy of Sustainability

Denim, a cornerstone of Arvind's heritage offerings, has been at the forefront of the company's sustainability journey. With roots dating back to the early 1980s, Arvind has led the denim revolution in India, intertwining design, innovation, and sustainability with customer-centricity. Today, the company powers some of the most iconic denim brands across Europe, the US, and Asia, infusing environmental consciousness into every thread.



Wovens & Knits

Redefining Comfort with Responsibility



Arvind's woven and knit divisions epitomise a harmonious blend of comfort, performance, and responsibility. As a key player in India's textile manufacturing landscape, Arvind's expertise spans ready-to-wear, ethnic wear, and essentials for men, women, and kids. Ethical practices govern this division, ensuring sustainability across all facets of production. Athleisure and performance sportswear drive growth, while our commitment to sustainability remains unwavering.



Other Businesses: Sustainability at the Core

Arvind's commitment to sustainability transcends its core textile divisions, permeating every facet of its operations. From responsible textile manufacturing practices that prioritise water recycling & conservation to cutting-edge water treatment solutions offered by Arvind Envisol, the company leaves no stone unturned in its quest for environmental stewardship. Moreover, Arvind's heritage-rich voile fabrics, rooted in tradition yet evolving sustainably, exemplify the company's dedication to environmental and social impact beyond profit margins.

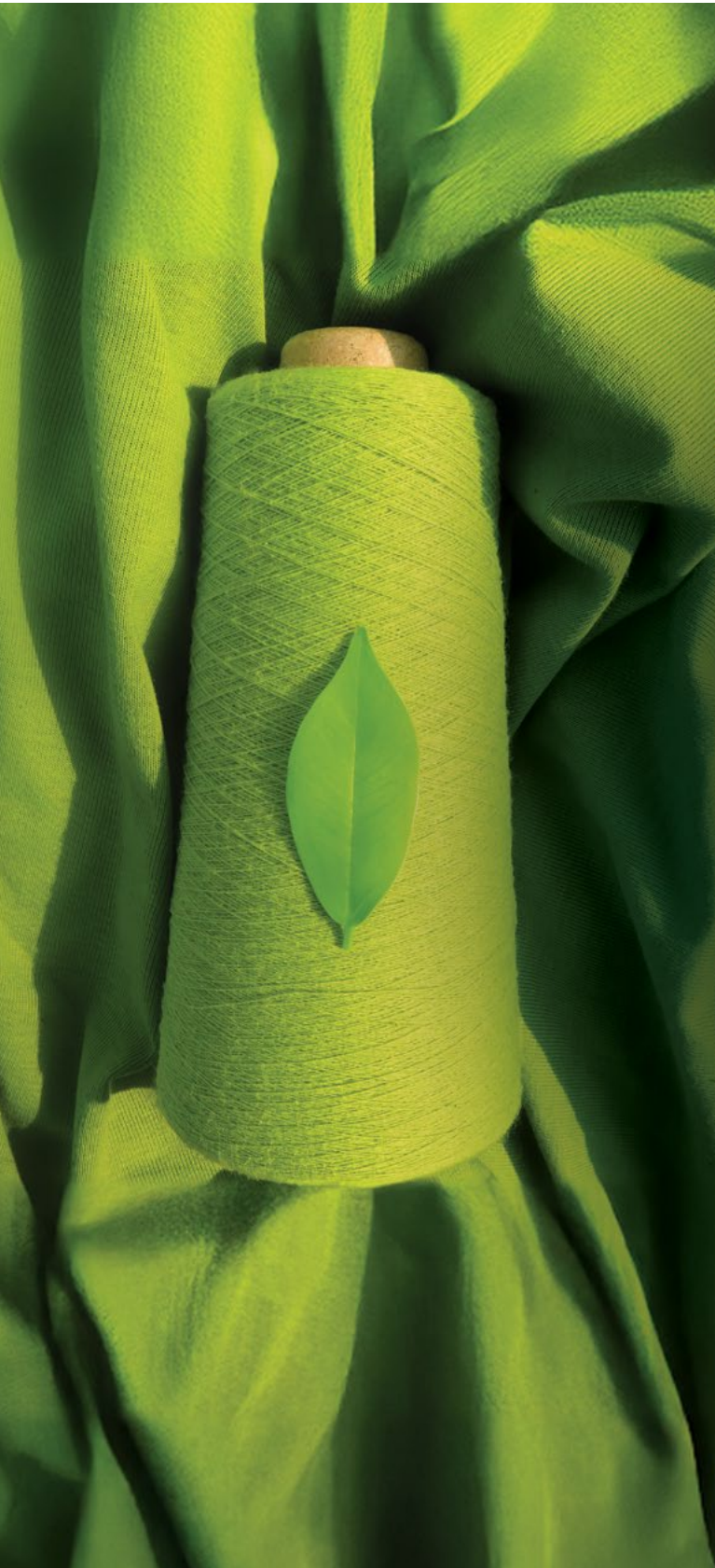


Advanced Materials Pioneering Textile Innovations

Arvind Advanced Materials marks the company's foray into the realm of material science, aimed at addressing pressing societal challenges. With a steadfast focus on infrastructure, health, safety, and energy, Arvind's innovations in new fibres and technologies are poised to drive national growth.



Sustainability at Arvind Limited



Our Unique Sustainability Proposition (USP) lies in the integration of sustainability into every aspect of our operations, enhancing the competitiveness of our products and services while creating enduring value for both customers and stakeholders. This commitment to sustainability drives innovation, fostering a virtuous circle that propels us forward.

Our sustainability approach, termed 'Fundamentally Right', emphasises proactive input management over reactive interventions, addressing issues crucial to both us and our stakeholders at their source. Through meticulously designed policies, processes, and practices, we optimise the utilisation of key input elements, ensuring the sustainability of our products and business practices.

Arvind has long invested in resource-efficient and sustainable technologies, spearheading the development and manufacture of eco-friendly products. Our steadfast dedication to sustainability extends to nurturing strong relationships with stakeholders, fostering resilience, reducing ecological footprints, uplifting communities, and promoting good governance.

Over a decade ago, we embarked on our ESG journey, consolidating our efforts into a framework and publishing our inaugural sustainability report in 2013-14. A decade later, in 2021-22, we expanded our reporting scope, presenting financial and non-financial information to stakeholders through an Integrated Annual Report, showcasing our holistic approach to sustainability.

Central to this journey is our belief that mutually inclusive relationships are essential for holistic value creation, driving comprehensive growth and positively impacting the lives we touch. Our continual engagement with stakeholders is a vital part of this process, as it enables us to align our business objectives with their needs, fostering sustainable business development and creating lasting value for all.

Stakeholder Engagement

Continuous engagement with stakeholders ensures that our actions positively impact socioeconomic and environmental dimensions relevant to their lives.

Stakeholder Identification

Efficient stakeholder management begins with clear identification. In 2013-14, we undertook a structured stakeholder identification process based on parameters such as dependency, responsibility, tension, and influence. This process paved the way for a comprehensive understanding of stakeholder groups and their roles in our sustainability journey.

Our stakeholder engagement mechanisms cater to a diverse range of groups, including



Employees & Workers



Distributors



Customers



Suppliers



Government Agencies



Local Communities



Media



Investors

By actively involving stakeholders in our sustainability efforts, we foster transparency, trust, and collaboration, laying the foundation for enduring sustainable growth.

Materiality

In response to evolving stakeholder expectations, we prioritise environmental and social sustainability alongside economic performance. Through ongoing stakeholder engagements, we reevaluate and validate our material issues, incorporating emerging concerns into our materiality matrix. This matrix, plotted against the impact on business and stakeholder importance, guides our strategic sustainability initiatives.

Materiality Assessment at Arvind Limited

In response to evolving stakeholder demands and global sustainability imperatives, Arvind embraces the concept of double materiality, recognising its intrinsic link between organisational success and environmental and societal well-being. Adopting this approach in 2022-23, we assessed both the impact of organisational activities on the environment and society and the reciprocal impact of environmental and societal factors on the organisation. This comprehensive assessment builds upon our materiality evaluation, which focussed on the intersection of material issues with business impact and stakeholder significance.

Impact Materiality

Arvind commits to understanding and addressing the actual and potential impacts of our operations and value chain on the environment and society. By embracing impact materiality, we ensure transparency and accountability, providing stakeholders with the necessary information to comprehend our environmental and social footprint. Through rigorous assessment and proactive mitigation strategies, we strive to minimize adverse impacts and maximize positive contributions to environmental and societal well-being.

Financial Materiality

Acknowledging the broader implications of socio-environmental factors on financial performance, Arvind Limited emphasises the concept of financial materiality. Through the integration of socio-environmental considerations into financial decision-making processes, we aim to enhance financial stability and growth while advancing sustainability objectives. This synergy between impact and financial materiality enables us to make informed decisions, fostering sustainable business practices and delivering long-term value to stakeholders.



Our Materiality Approach



Key Material Issues



Fibre



Chemicals



Energy



Water



People



Money

Allied Material Issues

Communication
and
Engagement

Policies,
Standards
and Code
of Conduct

Customer
Satisfaction

Regulatory
and Legal
Challenges

Waste
Management

Corporate Governance

At Arvind Limited, corporate governance is foundational to our operations. We adhere to the highest standards of integrity, accountability, and transparency. Our governance framework is designed to ensure the well-being of all stakeholders, with a particular focus on minority stakeholders. This framework includes an experienced Board of Directors, robust risk management and compliance processes, and financial and accounting transparency.

Key Tenets of Governance Philosophy

Our corporate governance philosophy is centred on balancing the enhancement of shareholder value with the needs of various stakeholders. Key tenets of our philosophy include:

Satisfying the Spirit of the Law

We believe in adhering to not just the letter but also the spirit of the law, ensuring that our governance standards exceed legal requirements.

Transparency and Disclosure

We maintain high levels of transparency and disclosure, communicating openly and truthfully about our operations.

Responsible Resource Management

We distinguish between personal conveniences and corporate resources, ensuring responsible utilisation of company assets.

External Communication

We truthfully communicate externally about how the company is managed internally, fostering trust and credibility.

Simplicity and Transparency in Structure

Our corporate structure is designed to be simple and transparent, driven solely by business needs.

Management as Trustees

We recognise that management serves as trustees of shareholders' capital, emphasising stewardship over ownership.





Governance Practices

Our governance practices encompass various aspects, including:

Transparent Board of Directors

We maintain a transparent and accountable Board of Directors, ensuring diversity and expertise.

Committees of the Board

Various committees are established to oversee specific aspects of governance, such as audit, risk management, and compliance.

Code of Conduct

We uphold a comprehensive code of conduct that guides ethical behaviour and decision-making throughout the organisation.

Risk Management

Robust risk management processes are in place to identify, assess, and mitigate risks, safeguarding the interests of stakeholders.

Public Policy Advocacy

We engage in advocacy initiatives to influence public policy in alignment with our corporate values and objectives.



Governance Structure

Arvind prioritises a robust governance framework to guide our commitment to sustainability on the lines of transparency, accountability, and ethical behaviour at all levels. Our Board of Directors reflects this commitment, featuring a diverse range of experienced leaders with a significant portion being independent directors. We have implemented stringent risk management and compliance practices to ensure we operate within all regulatory guidelines. Through our robust structure and policies, we aim to create value for all stakeholders and contribute to building a more sustainable future.

Board of Directors

The Board, composed of experienced and diverse members drives our steadfast commitment to sustained growth. The Boards provides diligent oversight and effective leadership in key areas such as business strategy, innovation, risk management, and sustainable business. The Board is composed of 05 Independent directors and 04 Executive directors. The average tenure of the Board is 14.55 years. The Board is also comprised of 01 female director.

Board Diversity

Arvind Limited is steadfast in its belief that a diverse board catalyses several benefits, including:

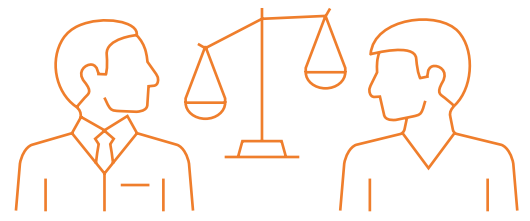
Augmented decision-making quality leading to enhanced business performance.

Cultivation of diverse perspectives fostering creativity and innovation.

Expansion and augmentation of the Board's collective skills, knowledge, and experiences.

Promotion of robust corporate governance practices.

The Company pledges to cultivate a board comprising individuals with varied skills, knowledge, industry expertise, and demographic backgrounds. Board appointments will be merit-based, considering competencies essential for our operational areas, management, and specialised fields such as regulatory affairs, legal matters, business development, human capital management, strategic planning, marketing, and administration. For more details, refer to [Board Diversity Policy](#)



■ 5 Independent Directors
■ 4 Non-Independent (Executive Directors)

Board Diversity - Gender



■ 8 - Male
■ 1 - Female

Board Diversity - Age Group



■ <30 years
■ 30-50 years
■ >50 years

14.55 years
Average tenure of the Board



Name of the Director (Average tenure of Board members in years: 14.55 years)	Category & Board Independence (Executive/Non-executive director/Independent director)	Committee details	Board Attendance in 2023-24 (%)	No. of other Directorships held in Listed Companies (Board mandates)	Areas of expertise (Including Board Industry Experience)
Mr. Sanjay Lalbhai – 45 Year	Chairman	C S	100	3	<p>Strategic thinking.</p> <ul style="list-style-type: none"> Track-record of spotting disruptive opportunities ahead of time. Ability to take calibrated risks. Sales and marketing including an understanding of consumer markets in India, US and Europe. International business experience covering operations in new geographies. Innovation management to ensure continuing relevance of Company's offerings under changing market conditions. Manufacturing and supply chain management skills including running production facilities
Mr. Punit Lalbhai – 12 years	Vice Chairman	E C R	100	3	<p>Expertise in new materials and sustainable technologies.</p> <ul style="list-style-type: none"> Sales and marketing including an understanding of consumer markets in India, US and Europe. International business experience covering operations in new geographies. Innovation management to ensure continuing relevance of Company's offerings under changing market conditions.
Mr. Kulin Lalbhai – 12 years	Vice Chairman	M	75	3	<p>Expert in retail technologies and digital transformation.</p> <ul style="list-style-type: none"> Sales and marketing including an understanding of consumer markets in India, US and Europe. International business experience covering operations in new geographies. Innovation management to ensure continuing relevance of Company's offerings under changing market conditions.
Mr. Jayesh Shah – 22 years	Director & Group CFO	A S C R E	100	0	<p>General management and financial management skills including mergers and acquisitions, legal and regulatory management, industrial relations and overall stakeholder management</p>
Dr. Bakul Dholakia – 14 years	Independent Director	A R S N C	100	2	<p>Expertise in micro and macro – economy, General management and financial management skills including mergers and acquisitions, legal and regulatory management, industrial relations and overall stakeholder management.</p>

Name of the Director (Average tenure of Board members in years: 14.55 years)	Category & Board Independence (Executive/Non-executive director/ Independent director)	Committee details	Board Attendance in 2023-24 (%)	No. of other Directorships held in Listed Companies (Board mandates)	Areas of expertise (Including Board Industry Experience)
Mr. Dileep Choksi – 9 years	Independent Director	A R N	75	4	General management and financial management skills including mergers and acquisitions, legal and regulatory management, industrial relations and overall stakeholder management
Mr. Nilesh Shah – 10 years	Independent Director	A N R	75	1	Expertise in macro-economy. • Shareholder value creation. • General management and financial management skills including mergers and acquisitions, legal and regulatory management.
Mr. Arpit Patel – 5 years	Independent Director	A R E	100	2	General management and financial management skills including mergers and acquisitions, legal and regulatory management, industrial relations and overall stakeholder management
Ms. Ismet Khambatta – 2 years	Independent Director	N	100	0	Proficiency in architecture, urban and furniture design and education.

Following changes occurred in the Board of Directors after March 31, 2024:

- Mr. Dileep Choksi retired as an Independent Director w.e.f May 12, 2024
- Mr. Arpit Patel ceased to be an Independent Director due to sad demise on May 21, 2024
- Mr. Susheel Kaul was appointed as Managing Director & President (Textiles) w.e.f May 6, 2024
- Mr. Nilesh Mehta was appointed as an Independent Director w.e.f May 12, 2024
- Mr. Nagesh Pingre was appointed as an Independent Director w.e.f June 21, 2024

Board Committees

Various committees are established to oversee specific aspects of governance, such as audit, risk management, and compliance, ensuring comprehensive oversight and accountability. Committee meetings are convened by the chairs or company secretary. Minutes are presented to the board for review at each meeting. The following are the various Board committees at Arvind Limited

A	Audit Committee
S	Stakeholder Relationship Committee.
N	Nomination and Remuneration Committee
C	Corporate Social Responsibility Committee
R	Risk Management Committee
E	ESG Committee
M	Management Committee



M Member



C Chairperson

➔ For more details on Committees and their responsibilities, refer to Page 112-124 of Annual Report 2023-24.



Board-Level Oversight on ESG: ESG Committee

Before 2022, the Executive Directors was the Board's champion for sustainability and oversaw the convergence between sustainability and business policy. During the 2022 reporting period, we strengthened this structure by creating a Board-level Environmental, Social and Governance (ESG) Committee. This Committee considers ESG risks & opportunities, while setting up the ESG vision and ambition, and reviewing and guiding the strategy for Arvind.

The establishment of a Board-level ESG Committee marks a significant enhancement in oversight, providing strategic direction on environmental, social, and governance matters, including climate-related risks and opportunities.

Board expertise on sustainability-related issues

Arvind Limited recognises that transitioning a business for success in a sustainable future requires environmental competency within its decision-making bodies. The ESG Committee of the Board, which is central to Arvind's sustainability efforts, exemplifies this by bringing together members with expertise in environmental science and sustainability. With member holding a bachelor's degree in Conservation Biology from the University of California and master's degree in Environmental Science from Yale University, the committee ensures a robust understanding of environmental issues at the Board level. This capability, combined with the practical and academic exposure of the Chief Sustainability Officer, demonstrates Arvind's commitment to maintaining high levels of environmental competency. By embedding this expertise within its leadership, the company is well-equipped to understand and respond to environmental dependencies, impacts, risks, and opportunities, positioning Arvind for long-term sustainable success.

The members of the ESG Committee are listed below:

Mr. Punit S. Lalbhai

Vice-Chairman & Executive Director

Mr. Jayesh K. Shah

Whole Time Director and Chief Financial Officer

Mr. Arpit K. Patel

Independent Director

Board Nomination and Remuneration

Arvind's Board of Directors adheres to a comprehensive Nomination and Remuneration Policy, ensuring a fair and transparent process for Board appointments and director compensation. This policy prioritises the selection of qualified candidates with diverse backgrounds and experiences, fostering a well-rounded Board capable of guiding the company's long-term strategic direction. Compensation for directors is determined based on performance, qualifications, and industry benchmarks, ensuring a balance between attracting and retaining talented individuals while maintaining responsible financial stewardship.

The Nomination and Remuneration Committee has developed a comprehensive policy outlining the process for selecting and appointing directors, key management personnel, and senior management. For more details, [refer to the link](#). The Committee will review the Board's size, the balance of executive and non-executive directors, and the presence of independent directors, ensuring compliance with the Company's Articles of Association, the Companies Act, 2013, Listing Agreements, and other statutory requirements.

Board Performance Evaluation

Arvind's Board of Directors undergoes a rigorous annual performance evaluation process to ensure its effectiveness and continued alignment with company goals. The Nomination and Remuneration Committee plays a key role in establishing clear evaluation criteria. These criteria assess directors based on their industry knowledge, their level of engagement and participation in Board activities, their performance of assigned duties, their capacity for effective oversight, and their commitment to ethical conduct and independence. The outcome of this annual evaluation directly influences decisions regarding director appointments, re-appointments, and continuations on the Board. This approach fosters a culture of accountability and continuous improvement, ensuring the Board remains a strong and strategic asset for Arvind.



Governance Policies

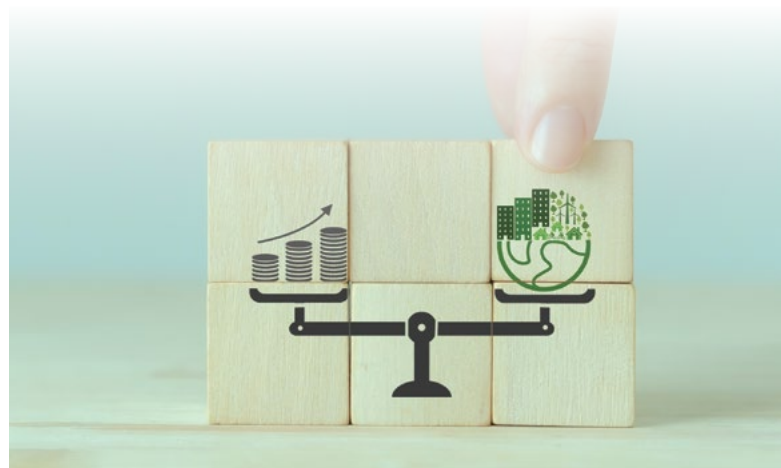
Arvind Limited holds a steadfast commitment to upholding exemplary standards of corporate governance, integrity, and ethical conduct across its operations. We, at Arvind, have implemented a comprehensive suite of policies aligned with global best practices covering diverse areas from board oversight and risk management to environmental stewardship and stakeholder engagement. We aim to bolster stakeholder confidence, fortify resilience, and realise strategic objectives with integrity and ethical conduct at the forefront. The following corporate policies give an overview of key initiatives and commitments that underscore the Board's dedication to governance excellence and corporate citizenship.

Policy for Determination of Materiality of Event

Arvind Limited has established a clear policy for determining the materiality of events. This policy outlines the criteria and thresholds for identifying events that could potentially impact the company's financial performance, operations, or reputation.

ESG Policy

Arvind is committed to integrating environmental, social, and governance (ESG) considerations into its business operations and decision-making processes. The company's ESG policy outlines our commitment towards sustainable practices, ethical conduct, and responsible corporate citizenship. Through this, we aim to create long-term value for shareholders while contributing positively to society and the environment. For more details, [refer to the Link](#).





CEO Compensation Approach

The Company takes a transparent and performance-based approach to CEO compensation. The company's compensation framework is designed to align the CEO's interests with those of shareholders while also reflecting the company's financial performance, strategic objectives, and industry benchmarks. For more details, [refer to Link](#)

Supplier Code of Conduct

Arvind expects its suppliers to adhere to high ethical standards and sustainability principles outlined in its supplier code of conduct. This code emphasises fair labour practices, environmental stewardship, and responsible business conduct throughout the supply chain. For more details [refer to the link](#)

Ethical Marketing and Advertising Policy

Arvind adheres to ethical standards in its marketing and advertising activities, ensuring transparency, honesty, and integrity in all communications. The company's [ethical marketing and advertising policy](#) prohibits deceptive practices, false claims, and exploitation of vulnerable consumers. By promoting responsible marketing practices, Arvind builds trust with our customers and upholds its reputation as a socially responsible brand.

Related Party Transactions Policy

We have established a robust policy for regulating related party transactions to ensure fairness, transparency, and integrity. This policy sets forth procedures for identifying, approving, and disclosing related party transactions in compliance with regulatory requirements and corporate governance standards. This policy aims to safeguard the interests of its shareholders and maintains public trust. For more details, [refer to the link](#)

Code of Conduct

Arvind expects its directors, employees, and business partners to adhere to the highest standards of ethical conduct and integrity. The company's code of conduct provides guidance on ethical behaviour, conflicts of interest, confidentiality, anti-corruption, and compliance with laws and regulations. This policy mobilises to fosters a culture of trust, accountability, and responsibility across our organisation. For more details, [refer to the link](#)

Code of Conduct for Directors and Senior Management Personnel

Arvind Limited's Code of Conduct for Directors and Senior Management Personnel, established in accordance with SEBI's Listing Obligations and Disclosure Requirements, sets forth guidelines for ethical behaviour, integrity, and compliance. It applies to all Board members and senior management, emphasising due care, loyalty, and acting in the best interest of the company. The Code includes provisions for transparency, avoiding conflicts of interest, protecting company assets and confidential information, and ensuring compliance with laws and regulations. Directors are expected to disclose any conflicts of interest, avoid personal benefits at the expense of the company, and ensure that corporate opportunities are not exploited for personal gain. Insider trading is prohibited, and illegal or unethical behaviour must be reported through the company's Vigil Mechanism. Annual compliance with the Code is mandatory, with violations subject to investigation. For more details, [refer to the link](#)



Whistle Blower Policy

We have implemented a whistle-blower policy to encourage employees and stakeholders to report any unethical behaviour, fraud, or misconduct without fear of retaliation. This policy ensures confidentiality and impartial investigation of whistle-blower complaints, enabling the company to address issues promptly and maintain ethical standards. For more details, [refer to the link](#)

Anti-Corruption

At Arvind, we are committed to upholding the highest ethical standards. We provide a safe and confidential platform, the Ethics Helpline Portal, for employees and stakeholders to report any concerns regarding human rights impacts or ethical issues..

Tax Policy

The Company is committed to complying with tax laws and regulations in all jurisdictions where it operates. The company's tax policy

outlines principles of transparency, integrity, and compliance in tax planning and reporting. We have adopted responsible tax practices and engage constructively with tax authorities, fulfilling our tax obligations while creating sustainable value for its stakeholders. For more details, [refer our Tax Policy](#).

Code of Fair Disclosure of Unpublished Price-Sensitive Information

The Company adheres to a code of fair disclosure to ensure equitable and timely dissemination of unpublished price-sensitive information (UPSI). This code outlines guidelines and procedures for disclosing material information to shareholders, investors, and regulatory authorities in a transparent and non-discriminatory manner.



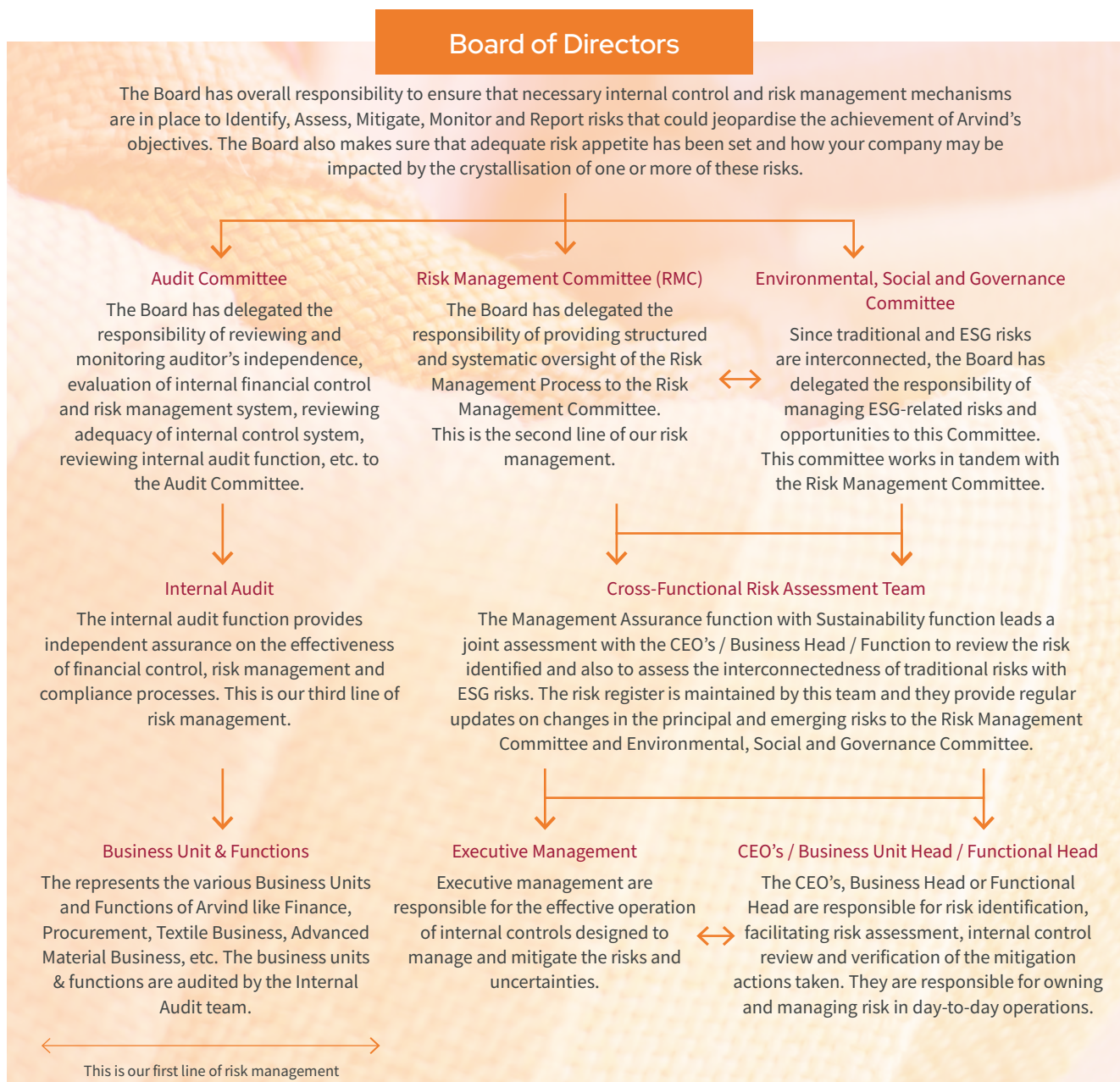


Risk Management Approach & Governance

At Arvind Limited, we maintain a vigilant stance, always prepared to confront emerging risks head-on. Every challenge is viewed as an opportunity to innovate and generate value. Continuously scanning the business landscape, we proactively seek out opportunities, leveraging them strategically to fuel our growth trajectory.

Our Risk Management Governance Framework

Our business operations are subject to a myriad of risks, underscoring the importance of a robust Enterprise Risk Management (ERM) framework. This framework not only empowers us to embrace certain risks to remain competitive and foster growth but also serves as a shield against emerging threats, ensuring the sustainability of our results over time. As per recommendations of TCFD, we have integrated our Climate-related Risk management into our existing ERM framework. Our risk management governance framework is shown below:



➔ For more details refer to our [Risk Management Report](#)

Climate Risk Management

A change in climatic conditions poses substantial risks for businesses worldwide. The rising global temperatures and the increasing unpredictability in weather patterns have triggered myriad challenges for organisations across diverse industries and geographies. Some of those challenges are shown below:



Fundamental Principles of Our Climate Risk Management

We believe it is important to pursue a 'Fundamentally Right' approach towards mitigating climate-related risks and leveraging its prospective opportunities. Our Climate Risk Management is based on the following principles:

Interconnections

Understanding the links between physical and transitional climate and traditional business risks.

Temporal Orientation

Assessing risks based on short, medium, and long-term impacts.

Proportionality

Evaluating the significance and impact of each risk.

Consistency

Maintaining a systematic approach to risk identification and management.





Climate-related Risks for Arvind

Climate change poses both physical and transitional risks to the economy and environment. They can either activate new risks for the business or aggravate traditional risks.

Physical Risks

These risks arise from climate changes that may impact the economy.

Acute

Higher occurrence of extreme weather events like drought, flood, heat wave, heavy precipitation, etc.

Chronic

Changing precipitation patterns and types (rain, hail, snow / ice)

Transitional Risks

These are risks associated with transitioning to a low-carbon economy.

Current and Emerging Regulations

Enhanced emission reporting obligation, Carbon tax, Phasing out of coal, Regulation of existing products and services leading to higher compliance cost

Legal

Exposure to litigation for sustainability claims

Technology

Unsuccessful investment in new technologies, Cost of transitioning to lower emissions technology, and early retirement of existing assets

Market

Increased cost of sustainable raw materials, Changing customer behaviour, Shift in demand and supply of sustainable raw materials

Reputation

Stigmatisation of sector, Increased stakeholder concern

Climate-related Opportunities for Arvind

At Arvind, we constantly seek opportunities in adversities. This approach motivates us to utilise risks and uncertainties as prospects to innovate, improve our efficiencies, and become more sustainable.

Some of the potential opportunities identified by Arvind include:

Improved Resource Efficiency

Use of more efficient production and distribution processes, recycling, reduced water usage and consumption

Responsible Energy Sourcing

Use of lower emission sources of energy, Use of new technologies, Participation in carbon market, Shift towards decentralised energy generation

Sustainable Products and Services

Development of new products and services through R&D and innovation, Development and/or expansion of goods and services with lower emission, better competitive position to reflect shifting consumer preferences

Market Expansion

Access to new markets

Building Resilience

Resource substitution / diversification, Participation in renewable energy programmes, and adoption of energy efficiency measures



Potential Financial Impact of Climate Risks & Opportunities

Our relationship with climate change is reciprocal. We have an impact on climate change, much like climate change has an impact on our operating environment. The potential impact of climate change on our businesses presents a spectrum of risks and opportunities for us to navigate, some of which are listed below:

Risks	Opportunities
<ul style="list-style-type: none"> Reduced revenue from decreased production capacity, e.g. supply chain disruptions Reduced revenue and higher costs from impacts on operations and supply chain Increased capital expenditures and costs to adopt and deploy new practices/processes Increased direct costs due to changing input prices e.g. energy, water, sustainable raw material, etc., and output requirements e.g. wastewater, waste etc. Increased operating cost, e.g. caused by higher compliance cost 	<ul style="list-style-type: none"> Reduced operating costs (through efficiency gains and cost reductions) Reduced exposure to future fossil fuel price increases Reduced exposure to GHG emissions, and therefore less sensitivity to changes in the cost of carbon Increased capital availability (as more investors are favouring lower emission producers or ESG compliant companies) Increased revenue through demand for lower emission products and services Better competitive position to reflect shifting consumer preferences, resulting in increased revenues through access to new and emerging markets Increased reliability of supply chain, and ability to operate under various conditions



Scenario Analysis

To ensure our strategies remain robust, Arvind has conducted a qualitative analysis of two physical climate scenarios (RCP 2.6, RCP 8.5) and two transition scenarios (IEA 2DS, IEA STEPS) to evaluate the resilience of our approach to climate change.

Critical Insights from Climate Scenarios

Our analysis has provided crucial insights into potential impacts:

Temperature Changes

Under various RCP scenarios, the average surface temperature increase for 2016-2035 relative to 1986-2005 is likely to be between 0.3°C and 0.7 °C.

Precipitation Patterns

Changes will be uneven, with mid-latitude and subtropical regions experiencing decreases while others may see increases.

High-Impact Events

Under RCP 8.5, high temperatures and humidity will pose significant challenges by 2100, including threats to food security and human health.

Resilience of Our Approach

At Arvind, we are committed to enhancing our resilience to these future risks. Our investment in sustainable technologies and practices has been a cornerstone of our strategy for decades.

Water and Energy Efficiency

We have pioneered initiatives like Zero Liquid Discharge plants and resource efficient technologies to minimise water use and optimise energy consumption.

Sustainable Agriculture

Promoting sustainable farming practices to ensure a steady supply of eco-friendly fibres and reduce agricultural emissions.

Renewable Energy Investments

Increasing our reliance on renewable energy sources and reducing dependency on fossil fuels.

Green Chemistry

Implementing eco-friendly chemical processes to mitigate environmental impacts.

Innovation and R&D

Continuously investing in research and development to discover new ways to reduce our environmental footprint and enhance sustainability.

Implementing climate-related metrics to track and achieve our sustainability goals.

Metrics and Targets

In today's dynamic environment, effective management hinges on precise measurement. Metrics and targets are essential for tracking progress, assessing impacts, and communicating climate-related information. We have identified key metrics to manage our climate risks and opportunities.

Energy

Percentage of low carbon or renewable energy use in business operations.

GHG Emissions

Reduction in greenhouse gas emissions (Scope 1 and Scope 2) compared to the 2019 baseline.

Water

Percentage of water usage met by recycling or reuse in business operations.

Chemicals

Percentage of chemicals compliant with ZDHC MRSL standards.

Cotton

Percentage of sustainable cotton sourced for business operations.

Our Climate Performance

We are committed to achieving specific targets for these metrics and continuously monitoring and reviewing our performance against them. The table below outlines our targets and performance for 2023-24:

Category	Target	Performance in 2023-24
Energy	40% low carbon or renewable energy consumption by 2025	24%
GHG Emissions	40% reduction in greenhouse gas emissions by 2025 compared to 2019	55% target achieved
Water	85% of water usage met by recycling or reuse by 2025	100%
Chemicals	100% compliance with ZDHC MRSL by 2025	98%
Cotton	50% sustainable cotton sourcing by 2025	87%

Feedback Mechanism

At Arvind Limited, we place great importance on maintaining open channels of communication and ensuring that critical concerns and ethical matters are addressed promptly and transparently. Our feedback mechanism is designed to promote accountability and uphold the highest standards of corporate governance.

Communication of Critical Concerns

We have established several committees that play a vital role in addressing critical concerns related to the company's operations and governance. The Risk Management Committee, ESG Committee, and Audit Committee are responsible for identifying, assessing, and responding to potential risks and concerns. These committees ensure that any significant issues, including those that may affect the company's sustainability and compliance, are communicated and handled with the utmost diligence and care.

Mechanisms for Seeking Advice and Raising Concerns

Arvind Limited is deeply committed to upholding the highest standards of ethics, integrity, and values. To strengthen our corporate governance framework, we have established the Arvind Ethics Portal, with KPMG Ethics Helpline serving as an independent, impartial, and neutral party to handle reports of unethical conduct or violations of our Code of Conduct. The Arvind Code of Conduct serves as a guiding framework for both internal and external stakeholders, ensuring that ethical values and behaviours are practiced throughout their association with us.

Website for Complaints:

<https://www.arvind.ethicshelpline.in/portal/en/home>

Dedicated Email Id: arvind@ethicshelpline.in

Toll Free No: 1800 200 8301





Public Policy Advocacy

Arvind upholds the highest standards of transparency and accountability in our public policy advocacy efforts. As a leading entity in the textile industry, we act as a crucial intermediary between governmental bodies and the sector, collaborating to address industry challenges through policy adjustments and enhancements. Our consistent dedication to public policy advocacy has cemented Arvind's role as a trusted ally for both the government and the industry.

While our engagement with industry and governmental stakeholders remains steadfast, it's important to note that Arvind refrained from contributing to political campaigns, organisations, lobbyists, or any tax-exempt groups during the reporting period. To ensure transparency in political contributions, details of any such contributions made during the reporting period are disclosed in Note 27 of the Consolidated Financial Statements. We maintain a strict policy against contributions to lobbyists, lobbying organisations, trade associations, and other tax-exempt groups whose primary function is to influence public policy.

In our commitment to fostering positive change and industry development, Arvind actively participates in various key industry associations, including:

- The Cotton Textiles Export Promotion Council
- Apparel Export Promotion Council
- Agriculture & Processed Food Products Export Development Authority
- Federation of Indian Export Organisations
- Confederation of Indian Industry
- Gujarat Chamber of Commerce & Industry
- Confederation of Indian Textile Industry
- Denim Manufacturers Association
- Textiles Committee
- Ahmedabad Textile Mills Association
- Cascale (previously Sustainable Apparel Coalition)





Alignment of public policy engagement with sustainability ambition & strategy

Our engagement with these institutions aligns with our sustainability ambitions in the following ways:

Setting Industry Standards

By actively participating in organisations like ZDHC and Cascale, Arvind Limited helps to establish and promote industry-wide standards for sustainable textile manufacturing. These standards can drive innovation, reduce environmental impact, and create a more level playing field for companies committed to sustainability.

Promoting Sustainable Practices

Our engagement with Better Cotton and Organic Cotton Accelerator demonstrates our commitment to sourcing sustainable cotton, a key raw material in the textile industry. By supporting efforts to promote sustainable cotton farming practices, we are contributing to setting up practices that can be adopted by the wider industry at scale. This engagement aligns with global regulatory trends focussed on sustainable agriculture and resource management.

Shaping a Regulatory Environment

Our continued participation in these initiatives ensures we contribute to shaping a regulatory environment that fosters climate resilience and sustainability in the textile industry.

By engaging with these organisations, we are actively contributing to the development of sustainable industry standards, promoting sustainable practices, and advocating for policy changes that support our climate ambitions.





Product Responsibility

At Arvind, designing products in a "fundamentally right" manner is central to our business philosophy. We prioritize material issues and work to integrate sustainability across the entire product life cycle – starting from the raw materials, through product development and manufacturing, to product use and eventual recycling.

We have expanded our sustainability efforts through joint development and collaborations with our customers, fostering growth, innovation, and delivering enhanced value to stakeholders. These partnerships enable us to stay ahead of industry trends, drive innovation, and make a positive impact on both socio-economic and environmental fronts, creating shared value for sustainable growth.

Fibre

Cotton is the key raw material for Arvind and as sustainability advocate, we have put in place a sustainable sourcing strategy to adopt and use more sustainable cotton alternatives as well as alternate natural fibres and recycled fibres. It is our continuous endeavour to drive innovations and investments in sustainable agricultural initiatives in order to make such fibres fit for use.

Some of these initiatives include:

Implementation of regenerative practices

These practices help in improving soil health and support in restoring organic carbon in the soil.

Organic and In-Conversion Organic

- We use non-GM seeds and zero chemical pesticides as well as fertilisers to farm organic cotton, resulting in a huge positive impact on the environment.
- In-conversion organic is a way to become organic, as the land needs time to leech itself of previously used substances. We pledge to expand the ambit of our support in this area to more farmers.



Better Cotton

Through this initiative, we aim to yield better cotton by promoting efficient use of water, approved fertilisers and pesticides. 70,000+ farmers were reached through this initiative in 2023-24.

Sustainable Fibres

We use eco-friendly fibres like Tencel™ Modal, ECOVERO, hemp, linen, and bamboo, which reduce water usage, enhance soil health, and support biodiversity. These fibres, sourced from renewable plants, are integral to our sustainable fabric offerings, contributing to a cleaner environment.

Cotton Recycling

In an effort to recycle both post-consumer waste as well as post-industrial waste, which is primarily sourced from our units, we run a cotton recycling machine. Our partnership with PurFi serves as a great catalyst in this endeavour.

By driving adoption of regenerative agriculture, organic cotton farming, and promoting the use of eco-friendly fibres, we are actively reducing environmental impact while supporting farmers and biodiversity. Our initiatives on sustainable agriculture and cotton recycling, reflect our dedication to circularity and resource conservation. As we continue to invest in these sustainable solutions, we aim to lead the textile industry toward a more responsible and environmentally conscious future. For more details, refer to Fibre section of this report.

Energy & Greenhouse Gas Emission

From fibre production to garment manufacturing, energy use significantly impacts our carbon footprint. Our ongoing efforts include a substantial shift towards renewable energy, demonstrated by our share of renewable energy.

	2021-22	2022-23	2023-24
Share of Renewable Energy (%)	24%	22%	24%

To further minimise our environmental impact, we are constantly scouting the market for new low-carbon emission technologies. We conduct trials for various innovative technologies and, based on the outcomes, adopt those that prove effective. During the year, we introduced digital printing to reduce emissions in our production processes. While the commercialisation period for new technologies can be lengthy, our commitment to sustainability drives us to persistently explore and integrate these advancements.

By prioritising energy efficiency, transitioning to renewable energy, and implementing low-carbon technologies, we are dedicated to achieving our sustainability goals and reducing the product carbon footprint. For more details, refer to Energy & Greenhouse Gas emission section of this report.

Water

We believe that conserving water is not just our responsibility but also a necessity. At Arvind, we take water stewardship very seriously and have deployed various mechanisms to reduce water usage as well as wastage. Water management efficiency in our operations is derived through:

Investment in advanced technology and deploying efficient management practices to reduce, recover and reuse water in our manufacturing operations, especially in wet processing	Sustained focus on eliminating freshwater use by shifting to recycled water sources, either internally by setting up ZLD plants or externally through other water sources like community sewage
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Our continuous efforts over the years have helped completely eliminate the use of freshwater in our manufacturing operations. Even the process loss of recycling water is made up through partnerships with municipality and other organisations. These partnerships help in reusing the waste water generated by other water users and treating it internally to make it fit for manufacturing use. For more details, refer to Water section of this report.

Chemicals

Chemicals, in textile manufacturing, provide a significant opportunity to integrate new ideas and technologies into the final product, better suited to the taste and preferences of modern-day consumers. We have a lifecycle approach for efficient usage and management of chemicals.

On an average, 98% of the used chemicals in our manufacturing facilities were compliant to ZDHC MRSL during 2023-24.

Chemical Management Lifecycle Approach:





People

At Arvind, we believe that by empowering our people, we strengthen the business, creating a cycle of growth that benefits all stakeholders. This holistic approach results in meaningful outcomes that not only fuel business success but also drive empowerment within our workforce and the communities we serve, fostering continuous progress.

Our core focus areas for building an empowering, employee-first culture include:

- Recruitment and Leadership Pipeline
- Diversity and Inclusion
- Learning and Development
- Employee Engagement

Beyond these core areas, we also prioritise the safety, industrial relations, and human rights of our employees. Ensuring a safe work environment is non-negotiable for us, and we are committed to protecting and upholding the rights of all our employees.

Safety

Safety is a top priority at Arvind, and we have implemented various measures to address unsafe conditions and practices. A culture of safety is ingrained through standard operating procedures (SOPs) and regular training for our frontline workers (FLMs) and employees.

Industrial Relations

We uphold fair labour practices by ensuring minimum wage compliance, protecting human rights, preventing child and forced labour, and promoting health and safety best practices across our operations.

Human Rights

We are committed to respecting and protecting human rights throughout our business. Our policies ensure non-discrimination, and we support employees' freedom to join unions or associations to safeguard their interests. Arvind adheres to national and international standards such as the Whistle

Blower Policy, SA 8000, SEDEX, WRAP (Worldwide Responsible Apparel Production), and the Prevention of Sexual Harassment (POSH) Act.

Society

At Arvind, we recognise that a thriving business depends on a thriving society. We strive to leave a positive impact through our Corporate Social Responsibility (CSR) initiatives, which focus on four key areas:

Educational Advancement

Our flagship programme, GYANDA, enhances academic performance and overall development for primary, secondary, and higher secondary students. We also invest in digital education and youth empowerment programmes.

Rural Advancement

Through the Arvind Rural Transformation Initiative (ARTI), we implement long-term programmes that uplift rural communities, focussing on individual development and wellness initiatives.

Environmental Advancement

We actively raise awareness of climate change and promote environmental protection through various initiatives, including tree plantation drives.

Cultural Advancement

Arvind is committed to preserving art and culture by supporting cultural ecosystems.

In all these areas, Arvind continues to play a significant role in driving positive change for people and the planet.

Money

Sustained growth and value creation are essential for any business's success, requiring targeted investments in high-growth areas and a transformational strategy that emphasises both profitability and sustainability.

Our strategic focus is on enhancing stakeholder prosperity and ensuring equitable profit distribution through:

Profit with Integrity

Committing to inclusivity and innovation in our operations.

Flexible Capital Deployment

Investing in equipment upgrades, capacity expansion, R&D centres, local hiring, talent development, and growth initiatives.

Arvind's financial strength is reflected in several key areas:

Strong Balance Sheet

We maintain a robust AA- (CARE) rating, with an EBITDA of ₹845 crore in 2023-24, showcasing our financial stability.

Experienced Management

Our professional management team drives effective transformation, enabling us to seize opportunities and navigate challenges efficiently.

Optimal Capital Structure

We strive to maintain a balanced mix of equity and debt financing to minimise capital costs and enhance market value, monitored through our gearing ratio.

Long-Standing Relationships

Strong ties with suppliers and dealers support innovation and product development, contributing approximately 10% EBITDA predictably.

Prudent Cash Flow Management

We focus on reducing borrowing through financial discipline and minimising unnecessary capital expenditures. As of March 31, 2024, our total borrowings were ₹1,325 crore, a 6% decrease from 2022-23, marking the fourth consecutive year of reduction.

Allied Issues

Communication and Engagement

We prioritise continuous communication and engagement with our key stakeholders, including customers, investors, and employees. For more details refer to Stakeholder Engagement section of this report.

Policies, Standards, and Code of Conduct

Our operations are guided by comprehensive policies, standards, and a code of conduct that govern our business processes, stakeholder engagements, and product manufacturing and services. More information can be found in the corporate governance section of this report.

Customer Satisfaction

We are committed to understanding and anticipating the short-term and long-term needs of our customers. To this end, our design, marketing and sustainability teams engage with customer groups on a regular basis throughout the year.

Waste Management

At Arvind, we acknowledge that our operations contribute to the generation of various types and quantities of waste. As such, all initiatives related to our material issues directly or indirectly impact waste generation, informing our comprehensive approach to waste management. For additional information, please refer to the Waste Management section of this report.

Traceability

Fibre-to-Retail Traceability

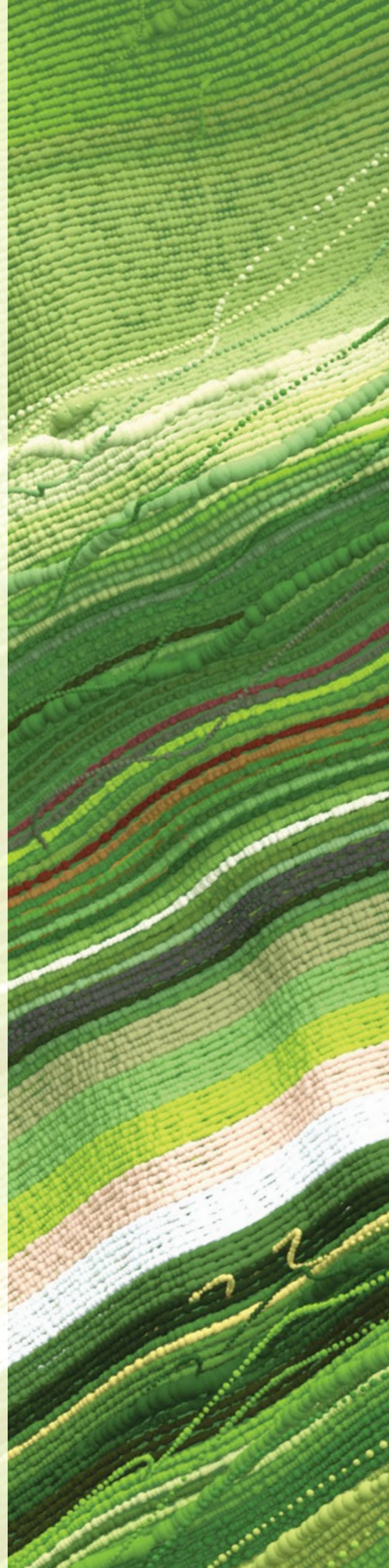
Arvind has strengthened its commitment to transparency and sustainability by implementing robust traceability initiatives across its supply chain. Partnering with TextileGenesis™, a blockchain-based traceability platform, Arvind ensures the tracking and verification of raw materials, including cotton, enhancing the integrity of its sourcing. The company collaborates with sustainable fibre suppliers to promote responsible sourcing while mitigating associated risks. Additionally, Arvind engages directly with farmers to build capacity in sustainable agricultural practices, facilitating group-level farm traceability and reinforcing its commitment to environmentally conscious fibre sourcing. Internally, an SAP-based traceability system enables the company to track input materials, providing full transparency on supplier contributions to each product.

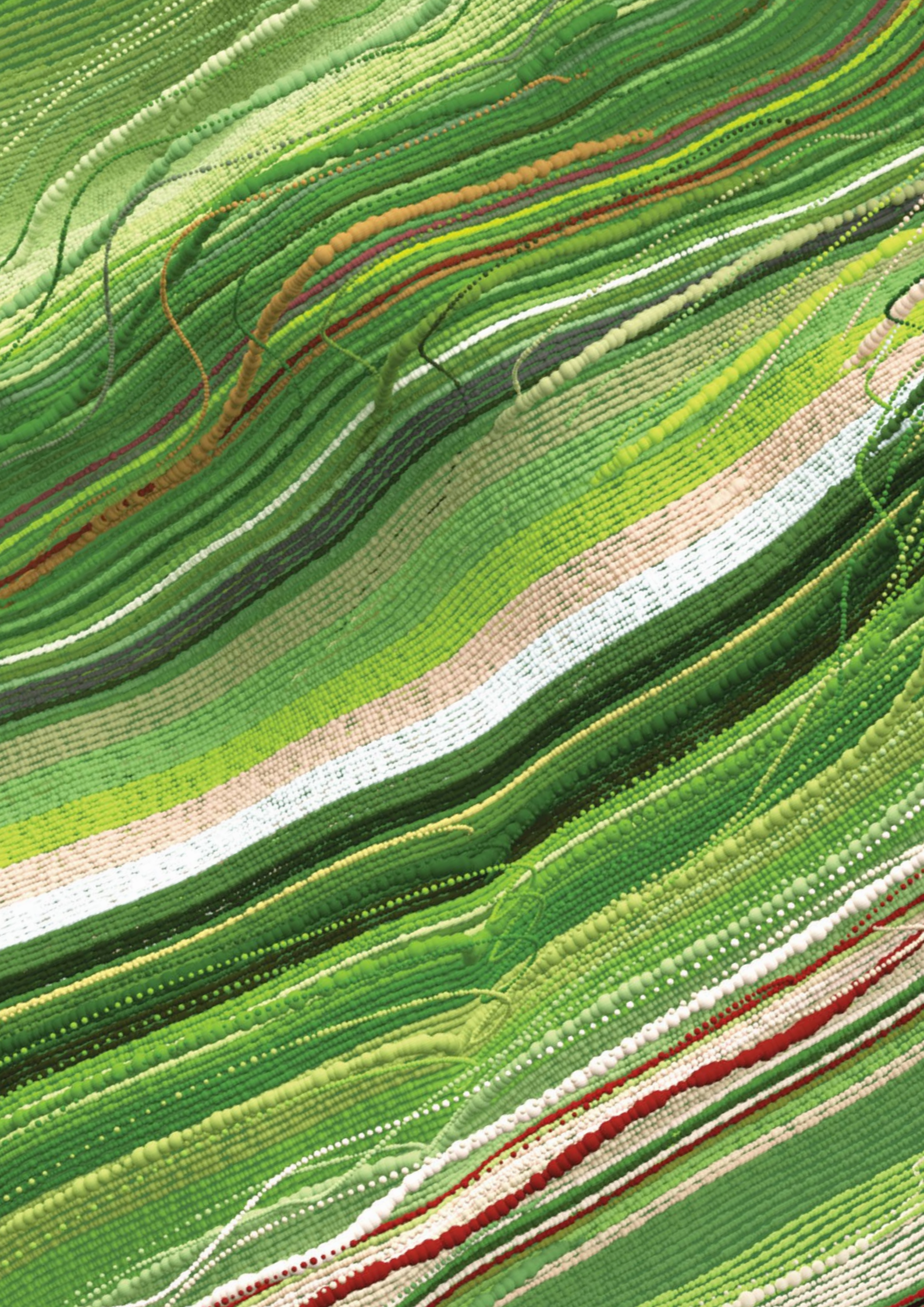
By establishing transparent and traceable supply chain practices, Arvind not only strengthens its sustainability efforts but also future-proofs its operations, ensuring compliance with evolving regulations and consumer expectations for responsible business practices.

01

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Environmental Performance

Fibres



Material Topics

Environmental Impact of Cotton and Other Fibres, Product
Environmental Footprint, Product Quality & Safety, New Markets

The global textile industry is experiencing a transformation driven by eco-conscious consumers and technological advancements. Consumers are demanding transparency in sourcing and production, presenting an opportunity for the industry to align with these values and embrace sustainability. This shift, coupled with government initiatives and investments in sustainable practices, positions the Indian textile sector as a key player in the global market, ready to meet the demands of a responsible future.

Highlights

Sustainable Agriculture Initiatives

39%

Increase in area under cultivation from 1,18,519 ha to 1,65,006 ha between 2021-22 and 2023-24

28%

Increase in the number of farmers involved from 73,278 to 93,478 between 2021-22 and 2023-24

Better Cotton

36%

Increase in area under cultivation from 97,925 ha to 1,33,319 ha between 2021-22 and 2023-24

25%

Increase in the number of farmers from 58,803 to 73,503 between 2021-22 and 2023-24

Regenerative Organic Cotton (ROC)

59%

Increase in area under cultivation from 1,187 ha to 1,883 ha between 2021-22 and 2023-24

20%

Increase in the number of farmers from 2,500 to 3,000 between 2021-22 and 2023-24

Regenagri

344%

Increase in area under cultivation from 3,236 ha to 14,356 ha between 2021-22 and 2023-24

367%

Increase in the number of farmers from 1,500 to 7,000 between 2021-22 and 2023-24

Advancing Sustainable Cotton Initiatives

As a prominent figure in the textile and apparel industry, our trajectory aligns closely with that of the Indian textile and apparel sector. We recognise the imperative for an uninterrupted, transparent, and traceable supply of fibres.

At Arvind, we are committed to ensuring a seamless provision of high-quality fibres without compromising societal or environmental well-being. Our sustainable fibre initiatives centre around establishing a resilient cotton supply chain. **Our approach to sustainable fibres involves increasing the cultivation of various types of sustainable cotton, including Better Cotton, Organic, and Regenerative, as reflected in the following table showcasing the area under cultivation:**

Area Under Cultivation in Hectares	Better Cotton	Organic	Regenerative (ROC and Regenagri)	Total
2021-22	97,925	16,171	4,423	1,18,519
2022-23	97,925	16,171	4,423	1,18,519
2023-24	1,33,319	15,449	16,239	1,65,006

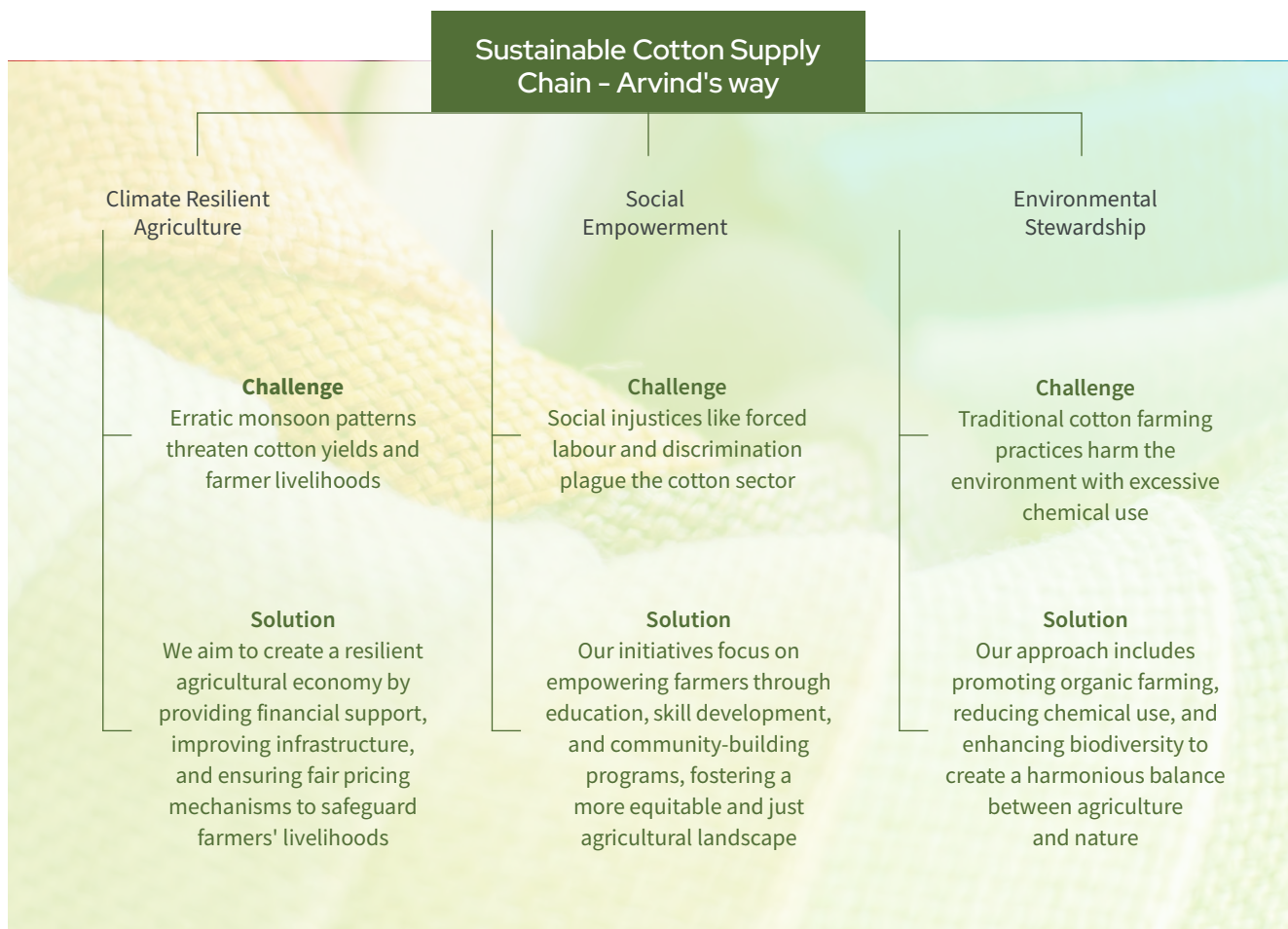
Additionally, we actively scale our engagement with farmers to build their capacity on sustainable agricultural practices, as evidenced by the following statistics:

Farmers Engaged in Numbers	Better Cotton	Organic	Regenerative (ROC and Regenagri)	Total
2021-22	58,803	10,475	4,000	73,278
2022-23	58,803	10,475	4,000	73,278
2023-24	73,503	9,975	10,000	93,478



Sustainable Cotton

As a prominent leader in the textile industry, Arvind is committed to embedding sustainability into the very fabric of our operations. Cotton, our primary raw material, plays a pivotal role in our production, accounting for 80% of our products and a significant share of our revenue. Over the past three years, we have made substantial investments in sustainable cotton, our primary raw material. This has resulted in a tangible increase in both the cultivated area and the number of farmers participating in sustainable farming practices, thereby fortifying our sustainable cotton supply chain.



Regenerative Agriculture

involves implementing practices that restore soil health, increase carbon sequestration, and promote ecological balance. Techniques such as crop rotation, cover cropping, and agroforestry are central to our regenerative efforts



Organic and In-Conversion Organic Cotton

Cotton is grown without genetically modified seeds and synthetic chemicals. Organic farming significantly reduces environmental impact, while in-conversion organic practices transition conventional fields to organic status, paving the way for a fully sustainable future

Better Cotton

This initiative supports farmers in adopting globally recognised standards for the efficient use of water, fertilisers, and pesticides. The BCI framework helps improve yields and quality while protecting the environment and worker welfare

Sustainable Partnerships

We collaborate with numerous local NGOs to extend our sustainable practices across various cotton-growing regions in India. Our initiatives include:

Organising farmer training programmes to enhance sustainable farming techniques.

Establishing demonstration plots to showcase best practices in cotton cultivation.

Providing continuous agricultural advice and support to help farmers maintain and improve their practices.

Our sustainable farm operations now cover approximately 1,65,006 hectares, engaging around 93,478 farmers in sustainable agriculture practices.

Our efforts help position Arvind Limited as a key player in promoting sustainable and responsible cotton farming on a global scale.



Sustainability in cotton farming is fundamental to our mission. We have established one of the largest sustainable cotton farming operations in India, leading the way in responsible agriculture. To ensure a steady supply of sustainable cotton, we have developed an integrated ecosystem that reduces environmental impact, enhances farm productivity, and secures our raw material sources. Our initiatives focus on three core areas:



Better Cotton

Better Cotton (BC) promotes more sustainable practices in cotton farming, emphasising efficient water usage, soil and habitat health, and minimising harmful crop protection methods. Adhering to BC principles, we can significantly reduce the environmental impact of cotton cultivation, ensuring fibre quality while upholding decent work standards.

Better Cotton practices significantly reduce the environmental footprint of cotton farming.

Arvind was the first major textile company to partner with Better Cotton. We collaborate with farmers in Maharashtra and Gujarat to produce and procure Better Cotton. We maintain a resilient supply chain, ensuring that the benefits extend to farmers, communities, and the environment. The advantages of Better Cotton farming are manifold, enhancing both social and environmental outcomes.

Our Focus

Arvind is one of the largest implementers of Better Cotton in India, championing responsible farming. Our strategic goals include:

Farmer Training and Capacity Building

Equip farmers with the knowledge and skills to adopt sustainable practices, improve fibre quality, and handle pesticides safely.

Enhancing Water Efficiency

Implement advanced irrigation techniques to optimise water usage and ensure sustainable water availability.

Promoting Social Welfare

Eliminate child labour and forced labour, uphold decent work conditions, and foster gender equality.

Improving Soil Health

Promote crop rotation, organic fertilisation, and pest management to rejuvenate soil health and enhance biodiversity.

Building Resilient Communities

Facilitate access to affordable finance, skill development, and community health initiatives



Organic Cotton

Organic cotton farming is a sustainable practice that eliminates the use of synthetic agricultural chemicals, such as fertilisers and pesticides, and transgenic technology.

By relying on non-GM seeds and replacing chemical inputs with farm-made organic solutions like compost and neem seed extract, we foster a more environmentally friendly approach to agriculture. Despite the clear benefits, organic farming comes with its own set of challenges that must be addressed:

At Arvind Limited, we are dedicated to supporting farmers in overcoming these challenges. We empower them through education, resources, and financial incentives, enabling them to transition to and thrive in organic farming. Our initiatives include:

Partnering with Non-GM Seed Suppliers

Ensuring a steady supply of quality seeds.

Pre-Financing Seed Provision

Reducing financial barriers for farmers.

Establishing Demonstration Plots and Training Programmes

Showcasing best practices and enhancing farmer skills.





Alternate Fibres

We are committed to exploring and promoting the adoption of alternative natural and recycled fibres. These fibres, sourced from natural materials and processed through eco-friendly methods, significantly reduce environmental impact.

While cotton is an ideal fabric for clothing, it presents environmental challenges, particularly in its cultivation. The increased availability of alternative plant-based fibres offers a sustainable solution for textile products. These fibres are renewable and biodegradable, returning to the soil without harm and often with beneficial effects.

Our focus includes fibres like bamboo, flax, and hemp.

	Bamboo	Bamboo fibre, derived from harvested bamboo plants, is soft, cozy, and absorbent, making it suitable for a wide range of products, from shirts and bed sheets to towels and reusable diapers. Bamboo's fast-growing nature, coupled with responsible management, makes it a highly sustainable and eco-friendly choice.
	Flax	Linen, produced from flax plants, grows without the need for fertilisers or pesticides. As a fast-growing and eco-friendly resource, flax provides a sustainable fabric that can be produced without environmental harm.
	Hemp	Hemp production uses significantly fewer chemicals than cotton, making it a more sustainable option. The completely biodegradable fibre is suitable for people with chemical sensitivities. Hemp's natural light colour requires little to no bleaching, and its durability and breathability make it comparable to polyester.

Our commitment to alternative fibres requires substantial investment in R&D to navigate the environmental, social, and economic challenges involved in establishing a reliable supply chain. However, the benefits of these fibres – sustainability, reduced environmental impact, and social responsibility – are well worth the effort.

Looking Ahead

Arvind is committed to weaving a sustainable future with sustainable fibres. This goes beyond just meeting demand; we are building a holistic ecosystem through farmer education, and initiatives to boost farmer income, fostering social upliftment and a responsible agricultural landscape. At Arvind, fashion and environmental responsibility are seamlessly intertwined.

Recycled Fibres

Objective

This initiative aims to reduce Arvind's environmental footprint associated with textile production by incorporating recycled fibres into our product portfolio.

SDG Impacted



Material Topics

Environmental Impact of Cotton and Other Fibres, Product Environmental Footprint

Initiatives

Post Industrial Waste: The textile industry generates waste throughout the manufacturing process. This includes fabric scraps, damaged materials, leftover fabric from cutting, and even packaging materials. Arvind takes massive efforts to repurpose this post-industrial waste through recycling, significantly reducing our environmental footprint and enhancing resource efficiency within our own operations.

Value Created

Environmental Benefits

Reduced water and energy consumption, minimisation of landfill waste, and decreased reliance on virgin resources.

Product Innovation

The introduction of recycled fibres allows us to develop innovative and eco-friendly products that cater to evolving consumer preferences.



Energy and Greenhouse Gas Emissions

Material Topics: Energy Management, GHG Emissions & Air Pollution, Renewable Energy, Fuel Management & Transportation

Energy efficiency is paramount for reducing greenhouse gas (GHG) emissions and meeting the ever-growing demand for power. The textile industry, from fibre production, spinning, weaving, dyeing, and finishing to garment manufacturing, is highly energy-intensive. The sources and quantities of energy we utilise directly influence our carbon footprint and play a critical role in our organisation's long-term sustainability.

Our journey towards achieving net-zero emissions continues with unwavering determination. In February 2023, we committed to the Science-Based Targets Initiative (SBTi) and are rigorously pursuing out initiatives to reduce our emissions and set near-term and long-term SBTi-approved carbon targets. Our investments in low-carbon technologies and establishing an Internal Carbon Price (ICP) underscore our dedication to sustainability. We have significantly increased our adoption of clean energy, including operating one of India's largest rooftop solar installations at Santej. We are leveraging biomass to power our operations and have launched a major backward integration project to secure a sustainable biomass supply chain.

Highlights

24% renewable energy sourced in 2023-24

Coal phase out for our Denim business

Scaled up and backward integration of biomass supply chain



Strategic Framework

Our energy and emission management strategy is built on two foundational pillars:

'Less Watt Per Meter' Mantra

We relentlessly focus on reducing energy consumption across all operations. This internal energy efficiency initiative minimises our environmental footprint by curbing energy demand.

Investment in Low-Carbon Technologies

We steadfastly invest in renewable energy technologies, including biomass, solar, and other sustainable alternatives, to phase out direct and indirect fossil fuel use.

Energy

Energy consumption is a significant contributor to greenhouse gas (GHG) emissions within the textile and garment industry. At Arvind Limited, we are committed to leading the way towards a sustainable future by aggressively increasing our share of renewable energy. Our performance is shown below:

Energy Performance

	2021-22	2022-23	2023-24
Renewable TJ	1,331	1,235	1,449
Non Renewable TJ	4,323	4,262	4,573
Total Energy TJ	5,654	5,497	6,022
Share of Renewable Energy (%)	24%	22%	24%
Energy Intensity per rupee of turnover (TJ / Rupee)	7.60E-08	7.12E-08	8.48E-08

Total Direct Energy Consumption

Business Unit	2021-22 (in MWh)	2022-23 (in MWh)	2023-24 (in MWh)
Denim	3,14,108	2,03,117	2,26,173
Wovens	7,62,798	7,94,241	9,33,467
Garments	30,559	70,100	43,950
Others	65,037	76,952	91,867
Total	11,72,503	11,44,410	12,95,457

Direct Energy Consumption: Renewable Energy

Business Unit	2021-22 (in MWh)	2022-23 (in MWh)	2023-24 (in MWh)
Denim	1,58,666	1,30,993	1,28,038
Wovens	1,26,876	83,629	1,26,388
Garments	26,930	65,914	39,577
Others	12,359	15,089	3,904
Total	3,24,831	2,95,624	2,97,907

Total Indirect Energy Consumption

Business Unit	2021-22 (in MWh)	2022-23 (in MWh)	2023-24 (in MWh)
Denim	86,344	66,949	67,824
Wovens	2,74,789	2,69,836	2,62,412
Garments	10,000	13,585	14,137
Others	26,965	32,260	33,102
Total	3,98,098	3,82,630	3,77,475

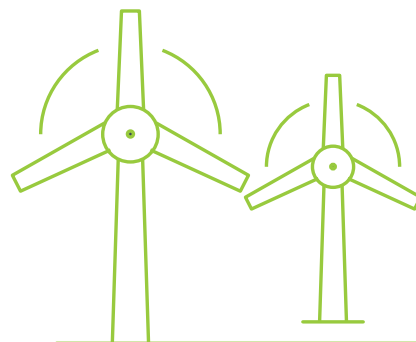
Indirect Energy Consumption – Renewable

Business Unit	2021-22 (in MWh)	2022-23 (in MWh)	2023-24 (in MWh)
Denim	3,203	3,013	18,962
Wovens	40,515	40,129	78,901
Garments	547	3,683	3,350
Others	683	660	3,401
Total	44,968	47,485	1,04,613

Energy Saving Initiatives

Arvind prioritises energy efficiency through a multi-faceted approach: upgrading facilities with energy-saving equipment, optimising production processes to eliminate waste, and fostering a culture of energy awareness among employees. This holistic strategy not only reduces our environmental impact but also contributes to cost savings and a more sustainable future for the textile industry. A total of 13,52,909 kWh was saved due to these energy-saving initiatives in 2023-24. The following initiatives are taken up by Arvind Limited in the reporting period.

- At the Denim Unit, energy efficiency was improved by installing condensate recovery system and energy-efficient pumps and motors, leading to substantial energy savings.
- Arvind Intex Unit achieved notable energy savings through LED lighting upgrades and adjustments to fan blades.
- Ankur Textiles conserved energy by replacing conventional lighting and motor with energy-efficient options.
- Santej unit focussed on reducing energy loss by stopping certain operations, replacing metal halide lamps with LEDs, installing auto drains in air dryers, and incorporating variable frequency drives in boilers, resulting in significant financial and energy savings.





Greenhouse Gas and Air Emissions

Arvind Limited has made significant strides in sustainable energy, in alignment with the nation's emphasis on energy security and the increasing adoption of alternative energy sources. We have progressively scaled up our green energy initiatives, starting with biogas and briquettes in our garment operations in 2012-13. By 2017-18, we had introduced 1.83 MW of solar power and expanded to a 16.2 MW solar rooftop plant in 2019-20. Our commitment to green energy continued with the successful installation of a 47 MW solar-wind hybrid plant, which will further enhance our renewable energy capacity. Increasing our sourcing of renewable electricity has led us to reduce our indirect GHG emission compared to previous years. Our performance on GHG emissions is shown below:

Performance

GHG Emission

	2021-22	2022-23	2023-24
Direct (MTCO₂e)			
2,55,718	2,61,352	3,13,174	
Indirect (MTCO₂e)			
1,94,148	1,69,700	1,39,406	
Total (MTCO₂e)			
4,49,866	4,31,052	4,52,580	
Total Scope 1 and 2 emission intensity per rupee of turnover (MT CO₂e / Rupee of turnover)			
6.05E-06	5.58E-06	6.37E-06	

Revision in Methodology:

In this report, we have revised our Scope 1, 2 and 3 emissions figures in comparison with the earlier reported figures in our Integrated Annual Report. This was done to enhance precision, granularity, and transparency by refining methodologies, addressing supplier errors, and improving renewable energy accounting.

Direct GHG Emissions (Scope 1)

Scope 1 emissions are direct greenhouse gas (GHG) emissions from sources controlled or owned by us. This includes emissions from fuel combustion in boilers, furnaces, turbines, etc. Understanding energy consumption is the first step towards reducing emissions. To ascertain our carbon footprint, we record and analyse emissions across business divisions.

GHG Emissions (Direct)

Business Unit	2021-22 (in TCO ₂ e)	2022-23 (in TCO ₂ e)	2023-24 (in TCO ₂ e)
Denim	46,956	21,598	29,912
Wovens	1,91,018	2,18,475	2,53,410
Garments	877	999	1,024
Others	16,867	19,909	28,405
Total	2,55,718	2,60,980	3,12,751



Indirect GHG Emissions (Scope 2)

Scope 2 emissions are indirectly associated with purchasing electricity, steam, heat, or cooling. Arvind is committed to minimising its environmental footprint throughout the entire value chain. A key area of our focus in Net Zero transition is Scope 2 emissions, which originate from the purchased electricity. We are actively pursuing strategies to reduce our reliance on conventional energy sources. This includes exploring partnerships with renewable energy providers and implementing energy efficiency initiatives within our facilities.

GHG Emissions – Indirect

Business Unit	2021-22 (in TCO ₂ e)	2022-23 (in TCO ₂ e)	2023-24 (in TCO ₂ e)
Denim	45,490	31,860	24,476
Wovens	1,28,940	1,15,197	92,289
Garments	3,235	3,687	4,550
Others	16,483	18,955	18,091
Total	1,94,148	1,69,700	1,39,406

GHG Emissions – Indirect

Category	2021-22 (in TCO ₂ e)	2022-23 (in TCO ₂ e)	2023-24 (in TCO ₂ e)
1. Purchased Goods and Services	5,45,077	3,11,502	2,99,435
2. Capital Goods	1,469	3,434	3,089
3. Fuel and energy-related emissions not included in Scope 1 or 2	81,159	80,713	87,037
4. Upstream Transportation	56,655	54,142	61,414
5. Waste Generated in Operations	5,831	11,191	9,064
6. Business Travel	793	1,821	3,152
7. Employee Commuting	20,381	21,075	21,260
8. Upstream leased assets	-	-	129
9. Downstream Transportation	2,44,889	4,18,868	2,25,970
10. Processing of sold goods	35,901	78,529	16,179
11. Use of sold products	39	57	628
12. End-of-life treatment of sold products	92,588	1,85,262	81,103
13. Downstream leased asset	Not applicable	Not applicable	Not applicable
14. Franchise	-	-	103
15. Investment	-	61,238	38,281
Total	10,84,782	12,27,938	8,46,839

Indirect GHG Emissions from Value Chain (Scope 3)

Arvind is actively working to address Scope 3 emissions, which encompass the emissions generated throughout our entire value chain. This includes emissions from raw material sourcing, transportation, and product use by consumers. We are collaborating with suppliers to encourage sustainable practices throughout their operations, and exploring partnerships to implement innovative solutions like life cycle assessments for our products. We are fostering transparency and collaboration across the value chain, with an aim to minimise our overall environmental footprint and drive positive change within the textile industry.

Our Scope 3 emissions and its scope are detailed below:



Coverage of Scope 3 Emissions

Category 1 Purchased Goods and Services

Extraction, production, and transportation of goods and services purchased or acquired by the Arvind in the reporting year

Category 2 Capital Goods

Extraction, production, and transportation of capital goods purchased or acquired by Arvind in the reporting year

Category 3 Fuel- and energy-related emissions not included in scope 1 or scope 2

Extraction, production, and transportation of fuels and energy purchased or acquired by Arvind in the reporting year, not already accounted for in scope 1 or scope 2

Category 4 Upstream Transportation

Transportation and distribution of products (WTW without RF) purchased by the Arvind in the reporting year between our tier 1 suppliers and own operations (in vehicles and facilities not owned or controlled by Arvind)

Category 5 Waste generated in operations

Disposal and treatment of waste generated in the reporting company's operations in the reporting year (in facilities not owned or controlled by the reporting company)

Category 6 Business Travel

Transportation of Arvind's employees for business-related activities during the reporting year (in vehicles not owned or operated by the Arvind)

Category 7 Employee Commuting

Transportation (WTW without RF) of employees between their homes and their worksites during the reporting year (in vehicles not owned or operated by Arvind)

Category 8 Upstream leased assets

Operation of assets leased by the reporting company (lessee) in the reporting year and not included in scope 1 and scope 2 – reported by lessee. Due to unavailability of data, this is excluded for 2021-23

Category 9

Downstream Transportation

Transportation and distribution of products (WTW without RF) sold by Arvind in the reporting year between the Arvind's operations and customer (in vehicles and facilities not owned or controlled by Arvind)

Category 11

Use of sold products

End use of goods and services sold by the reporting company in the reporting year

Category 10

Processing of sold products

Processing of intermediate products sold in the reporting year by downstream companies

Category 12

End-of-life treatment of sold product

Waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life

Category 13

Downstream leased assets

Operation of assets owned by the reporting company (lessor) and leased to other entities in the reporting year, not included in scope 1 and scope 2 – reported by lessor

Category 15

Investments

Operation of investments (including equity and debt investments and project finance) in the reporting year, not included in scope 1 or scope 2. Due to unavailability of data, investment is excluded for 2021-22

Category 14

Franchises

Operation of franchises in the reporting year, not included in scope 1 and scope 2 – reported by franchisor. Due to unavailability of data, franchises is excluded for 2021-23



Air Emissions

Arvind Limited is dedicated to reducing air emissions as part of our sustainability efforts. We monitor key pollutants such as particulate matter (PM), nitrogen oxides (NOx), sulfur oxides (SOx), and volatile organic compounds (VOCs) across our facilities. Our performance is shown below:

Parameter	2022-23	2023-24
NOx (Tonne)	301	350
SOx (Tonne)	236	359
Particulate matter (PM) (Tonne)	57	80

Verification

Our Scope 1 and 2 inventory has been rigorously verified and assured by Intertek based on ISAE 3000 & 3410 standard, achieving a moderate level of assurance. Our air emission data is also assured following a similar assurance criteria.

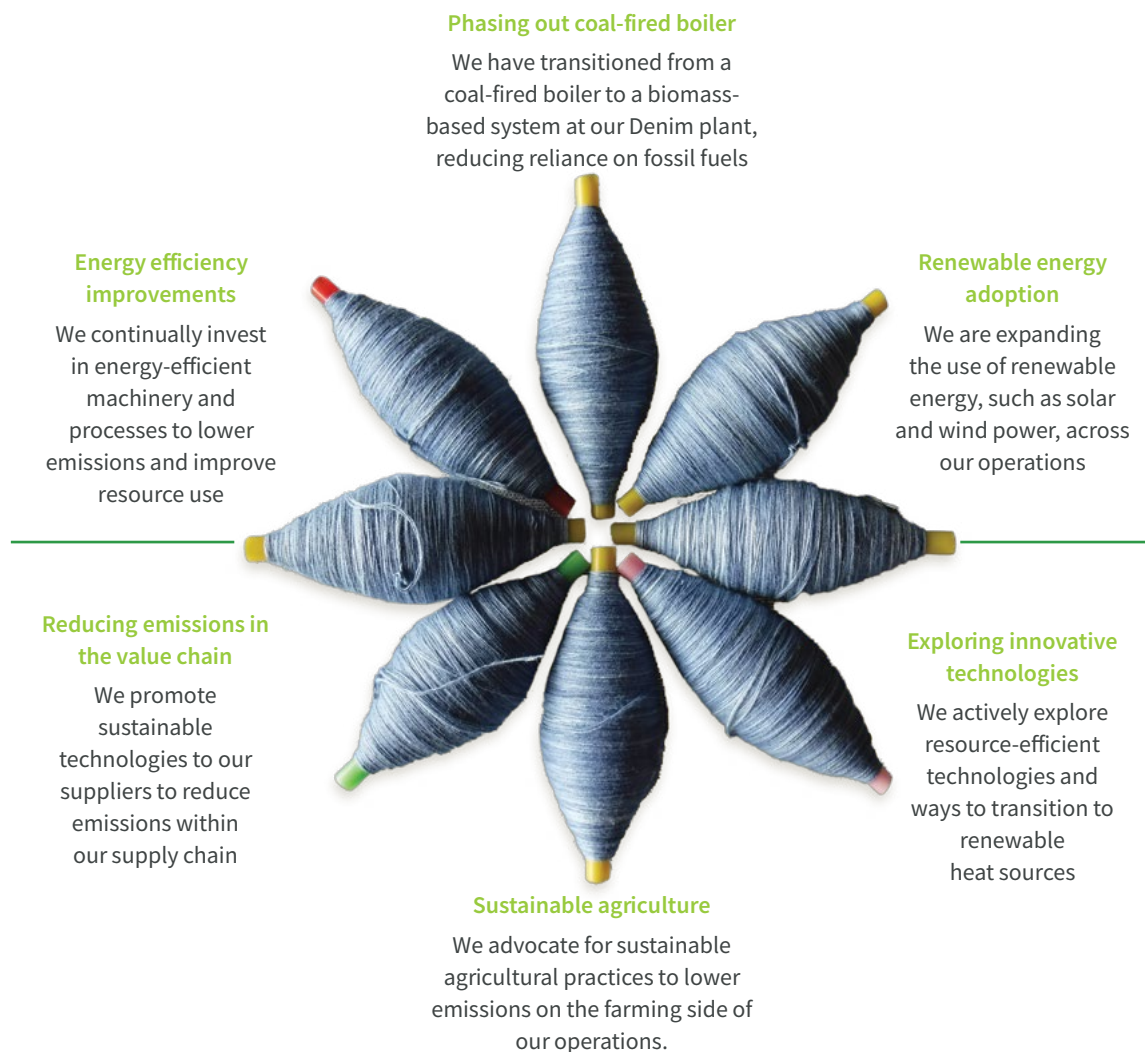
Commitment to SBTi

Arvind is firmly committed to combating climate change and aligning our operations with a low-carbon future. As a testament to this commitment, we have increased our scope of GHG accounting from a few categories of Scope 3 in the previous years to all the categories required in line with SBTi. We are working towards establishing science-based emissions reduction targets that align with the goals of the Paris Agreement. This rigorous process ensures that our emissions reduction efforts are ambitious and contribute meaningfully to global efforts in mitigating climate change.



GHG Emission Reduction Initiatives

At Arvind Limited, reducing greenhouse gas (GHG) emissions is central to our sustainability efforts. Key initiatives include:



Looking Ahead

Arvind remains steadfast in our commitment to combating climate change. We will leverage our participation in the Science Based Targets initiative (SBTi) to set ambitious emissions reduction targets and prioritise investments in renewable energy sources. We are also improving our methodology for GHG emissions calculations and, as we gain more understanding, we will recalculate our emissions to ensure accuracy. Additionally, we will continue optimising our operations through energy efficiency initiatives and explore innovative solutions like carbon capture technologies. Our comprehensive strategy addresses energy consumption and emissions generation, driving a sustainable future for the textile industry.



Water Stewardship

Material Topics: Water Use & Management



Water is a critical resource for all sectors, including the textile and apparel industry. At Arvind, we are committed to sustainable water management practices across our value chain. Our approach spans from promoting sustainable irrigation techniques at the farmer level to implementing water-saving processes in our operations. We continuously seek to reduce consumption, increase reuse and recycling, and share best practices with other stakeholders, including customers and municipal corporations.

Highlights

Naroda

Achieved an 86% reduction in freshwater consumption compared to 2019-20.

Overall

Achieved an 64% reduction in freshwater consumption compared to 2019-20.

Sewage Water Recycling

Recycled and reused 7,529 Mega Litres of water for manufacturing operations



Our Commitment to Sustainable Water Use

We remain dedicated to advancing water efficiency and eliminating freshwater use in manufacturing. By consistently adopting process-efficiency initiatives, smart monitoring, and water harvesting projects, we aim to ensure the equitable use of water resources. Our subsidiary, Arvind Envisol, specialises in water and wastewater solutions, extending our commitment to sustainability across sectors and geographies. Through these efforts, we aim to provide communities with safe water access, help our partners achieve their sustainability goals, and contribute positively to global water conservation challenges.

Water Usage

Water is a vital resource for our manufacturing processes. Recognising the urgent need for sustainable practices, we have implemented several initiatives to reduce our freshwater and groundwater usage drastically. Over the past three years, we have successfully cut our freshwater consumption by nearly 64% from 2019-20 levels. Our freshwater consumption stands at 1,221 Mega Litre, which is mostly for domestic consumption activities.

Freshwater Consumption (in '000 m³)

Business Segment	2021-22	2022-23	2023-24
Denim	619	347	387
Woven	528	541	524
Garments	55	42	42
Others	455	214	269
Total	1,657	1,143	1,221

Water Performance

	2021-22	2022-23	2023-24
Water (in 000 m³)			
Total Fresh Water Consumption	1,600	1,143	1,221
Total Water Treated & Reused in Process	6,863	6,547	7,529
Total Water Treated & Discharged	2,210	152	21

Effluent Management

Effective effluent management is integral to our commitment to environmental sustainability. Through our Zero Liquid Discharge (ZLD) systems, we have minimised wastewater discharge and maximised water recovery. Since 1998, water conservation has been integral to our operations. We initiated the first Zero Liquid Discharge (ZLD) facility at our Santej plant in Ahmedabad, significantly reducing our water footprint. Despite the challenges presented by India's deteriorating freshwater situation, we have remained committed to innovative solutions and collaborative efforts. Over the past three years, we have achieved a 98% reduction in water-treated and discharged volume by all our facilities. In the current year, we recycled and reused 7,529 mega litres of water in our processing operations.

Total Water Treated and Discharged (in '000 m³)

Business Segment	2021-22	2022-23	2023-24
Denim	1,662	0	0
Woven	0	0	0
Garments	254	153	21
Others	455	0	0
Total	2,372	153	21





Water Withdrawal, Consumption and Discharge: Water-Stressed Areas

As per the WRI Aqueduct Water Risk Atlas, all our facilities are in water-stressed region. Our manufacturing operations that contribute above 95% of our turnover i.e., denims, wovens and advanced materials are in Sabarmati basin of Gujarat, whereas our garment manufacturing operation are in Cauvery and Pennar basin. Since all the areas are in water-stress, we have reported a combined figure:

Parameter	2022-23	2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	11,43,848	12,21,756
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others (Municipal wastewater which is recycled in our facilities before using in production)	15,56,629	12,81,942
Total volume of water withdrawal (in kilolitres)	27,00,477	25,03,698
Total volume of water consumption (in kilolitres)	25,47,944	24,82,184
Water intensity per thousand rupee of turnover (Water consumed / turnover)	0.000032	0.000034
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	1.44E-06	1.53E-06
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	
- With treatment – primary and secondary treatment	1,52,533	21,514
(v) Others		
- No treatment	0	0
- With treatment	0	0
Total water discharged (in kilolitres)	1,52,533	21,514

Driving Water Efficiency: Strategic Framework

We are committed to implementing cutting-edge technologies that not only conserve water but also enable its recovery and reuse within our operations.

Our strategies to drive water efficiency include

Leveraging Advanced Technologies

Implementing state-of-the-art technologies to reduce, recover, and reuse water within our manufacturing processes.



Eliminating Freshwater Use

Transitioning to recycled water sources, including internal ZLD plants and external municipal sewage treatment collaborations.

Some of the initiatives where we have leveraged advanced technologies is listed below:

Digital Printing

Traditional textile printing methods can require substantial amounts of water for dyeing and finishing. In contrast, Kornit's digital printing technology that we have adopted minimises water usage significantly, often by over 90% compared to conventional methods. This is achieved through efficient ink application processes that reduce the amount of water needed for both printing and cleaning.

Single Bath Dyeing Process

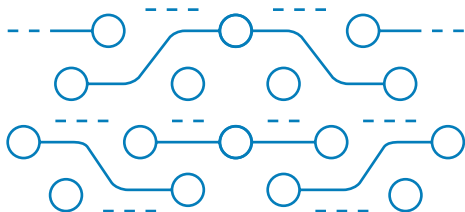
Development of a single-bath yarn dyeing process for cotton/PET blends marks a major milestone in Arvind's sustainable development journey and amplifies our efforts to continually optimise the dyeing process. The process eliminates the need for two separate dyeing baths by using novel dyes which can be applied to both cotton and polyester fibres at once. Aligned with our ESG goals, the innovation reduces water consumption, energy usage, and wastewater production within our facilities.

Rotary Spray Dyeing with Sulphur Colour

Traditional dyeing methods typically drain 1,500 litres of the colour bath after dyeing. In contrast, the Rotary Spray Dyeing technique, especially effective for lighter sulphur shades, significantly reduces this to about 80 litres. This method drastically cuts water usage and minimises colour bath waste, aligning with our sustainability goals.

Ozone Process and Synthetic Stones

Stone washing enhances the softness and flexibility of denim but traditionally relies on pumice stones, which lose 40% of their mass each cycle, generating waste. We have transitioned to using the Wiser Wash method, which utilises ozone (O₃) for bleaching, fading, and wash effects. This process eliminates the need for stones, converting ozone back into oxygen and water and reducing water consumption and effluent loads. We have phased out hazardous chemicals such as potassium permanganate and sodium hypochlorite, which were previously used in stone washing.



Where ozone washing is not feasible, we have replaced natural pumice stones with synthetic stones, which remain intact across multiple cycles, reducing the need for sourcing and transportation. This innovation has contributed to lowering our carbon footprint and minimising solid waste disposal.



Partnerships for Water Stewardship

In partnership with Gap Inc, the Global Water Innovation Centre for Action (GWICA) stands as an open source platform dedicated to advancing and scaling innovation in water stewardship, with a holistic emphasis on climate resilience, biodiversity conservation, ocean health, women's empowerment and community wellbeing.

GWICA will highlight water stewardship efforts that impact the natural world. It will spur action across the industry to help improve resilience across ecosystems and communities affected by apparel manufacturing. It operates through several strategic pillars:



Capacity Building

A comprehensive repository encompassing best practices, case studies, articles, training curricula, technology overviews, and manuals. This initiative offers both digital and physical training, self-paced courses, and fee-based certifications to enhance knowledge and skills.



Laboratory and Testing

This pillar provides access to laboratories for water testing and solution validation, including effluent water analysis for pilot trials and project clients for precise water and effluent analysis.



Advisory, Consultation & Implementation

GWICA supports pilot trials for adopting various technologies, metrics and impacts monitoring, troubleshooting, water audits, scheme optimisation, and operating cost optimisation, alongside upstream watershed management.



Incubation Programme

Engaging with innovators, this programme which is under development assesses the maturity and technical readiness of solutions, tests and validates innovations, and introduces them to key stakeholders.



Tour & Technology Showcase

GWICA organises tours of wastewater technology facilities, including Sewage Treatment Plants, and offers technical demonstrations of new, incubated, and innovative technologies through simulation and interactive models.



Co-working and Meeting Spaces

Providing versatile spaces for hosting events, workshops, or collaborative work, GWICA fosters a conducive environment for innovation and partnership.

Through these initiatives, GWICA fosters a collaborative environment to develop and implement effective water stewardship solutions, advancing global sustainability goals.

A unique feature of GWICA, is the focus on Upstream Watershed Management, which focusses on addressing issues within the textile value chain, extending all the way to the farm level. By managing watershed upstream, we can tackle water-related challenges more effectively, ensuring sustainable water use and conservation throughout the supply chain.

Looking Ahead

We remain steadfast in our commitment to water stewardship. We continuously explore and implement innovative water-saving technologies that aim to further minimise our water footprint. This includes investigating advanced wastewater treatment solutions, optimising water reuse practices throughout our operations, and collaborating with industry partners to spearhead water stewardship initiatives. We are committed to exceeding industry standards and playing a leading role in building a water-secure future for all.



Green Chemistry

Material Topics: Chemical Risks and Management



At our company, we understand that modern consumers desire never-before-seen designs and finishes on their fabrics, but they also desire their clothing to be more environmentally friendly than ever before. This growing awareness fuels the demand for eco-friendly fashion and drives our relentless pursuit of innovative material science and chemistry in the textile and apparel industry.

Chemicals play a pivotal role in defining fabrics' look, feel, and colour. However, their potential environmental harm makes it essential for us to use them responsibly. We, at Arvind, have embraced green chemistry, becoming the first textile mill globally to join the Zero Discharge of Hazardous Chemicals (ZDHC) program. We have also partnered with Levi's, adhering to their Screened Chemistry Framework to eliminate hazardous chemicals from our value chain.

Certifications:



USDA BIO PREFERRED



GOTS 7.0



ZDHC LISTED



COMPLY TO
GREENSCREEN SILVER



CRADLE-TO-CRADLE
PLATINUM

Our Life-Cycle Approach: Committed to Sustainable Textile Practices

At Arvind, the farm-to-fashion value chain is intricate and multi-faceted. One of the paramount challenges in the textile industry is ensuring sustainability across this entire value chain. To address this, we have implemented a life-cycle approach to chemical management, ensuring that sustainability is embedded at every stage.

Our approach begins with the product concept and continues through its entire life cycle until it is ultimately withdrawn from the market. This method encompasses the complete journey of a product through its five key stages: development, introduction, growth, maturity, and decline. As a leading fabric and apparel manufacturer, we focus on these phases to guarantee that our customers receive high-quality products in the right quantities while also facilitating first-to-market innovations. This life-cycle strategy actively involves all stakeholders, ensuring our fabrics and garments are safe and sustainable for end consumers. Here's how we address various aspects:

Reducing Consumption

We believe effective reduction starts at the beginning of the value chain. We encourage our farming partners to adopt practices that reduce chemical use and promote sustainable cotton cultivation. This includes promoting Better Cotton, Organic Cotton, Regenerative Organic Certified (ROC) Cotton, and Regen-Agri Cotton. Doing so reduces the environmental impact and ensures a safer product for our consumers.

Continuous Improvement

We have established a robust system of policies and practices to manage chemicals continuously and effectively. To maintain meticulous documentation, we use an online repository that is accessible as needed. This secure digital space houses all relevant documents, facilitating a streamlined process. At Arvind, we prioritise responsible chemical management, ensuring our policies are updated annually to reflect the latest industry standards. Our Chemical Management Policy (CMP), embodies best practices to safeguard our operations and products. We have established comprehensive processes and guidelines for procuring, using, storing, and disposing of chemicals. This ensures that every step in our chemical handling process adheres to rigorous safety protocols. We leverage cutting-edge technologies to minimise chemical hazards, positioning us at the forefront of industry standards and innovations.

We are committed to continuously evaluating our chemicals' environmental and human health impacts. This ongoing assessment helps us mitigate risks and ensure safe practices. The factors that shape our chemical management policy and practices are:shape our chemical management policy and practices are:



Safe Handling

At Arvind Limited, we prioritise safety in all aspects of chemical handling. We have a comprehensive spill management policy and robust Standard Operating Procedures (SOPs) to ensure safe chemical use. For special chemicals such as organic materials, alkalis, and acids, we provide clear guidelines on the DO's and DON'Ts for handling spills. Additionally, we conduct regular training for personnel to ensure they are well-prepared to manage chemicals and respond to spills. We are committed to continuous improvement, regularly updating our procedures to stay current with best practices. During the reporting period, there were no significant spills, highlighting the effectiveness of our safety protocols.



Substitution and Safer Alternatives

Whenever possible, we substitute hazardous chemicals with safer alternatives. This approach minimises potential health risks to consumers and workers and reduces our environmental footprint.

Substitution

We are dedicated to eliminating 11 groups of priority substances from our processes. To achieve this, we enforce a stringent Chemical Purchase Policy. Our suppliers must provide thorough documentation to analyse their products' environmental safety, toxicity, and compatibility. Our team is equipped to reject any product that does not meet our stringent safety or suitability criteria. Here's our stage-wise documentation process for chemical management:

Product Name	Documents
TDS/Shade	Required
MSDS	Required
CIL	Required
PSD	Required
PIL	Required
TOE	Required
ZDHC	Required
REACH	Required
OEKO-TEX	Required
COA	Required
PVA	Required
Test report Third Party/ Own NABL Accredited Lab	As per Test Protocol Section 4.1.0
GOTS	As Applicable

Safer Alternatives

Arvind is committed to replacing hazardous chemicals with eco-friendly alternatives, ensuring our processes have minimal environmental impact. During this reporting period, we focussed on increasing our use of dyes with sustainable options, including bio-softeners and recycled silicones, wherever feasible, some of them are listed below:

Avitera Sustainable Dyes

These PCA-free reactive dyes offer excellent sustainability benefits. They significantly lower resource consumption during the processing of cellulose fibres and blends. Avitera SE dyes save over 50% of water and 70% of energy, cut CO₂ emissions by 50%, and dramatically reduce salt creation compared to traditional dyes.

BEZAKTIV GO Sustainable Dye

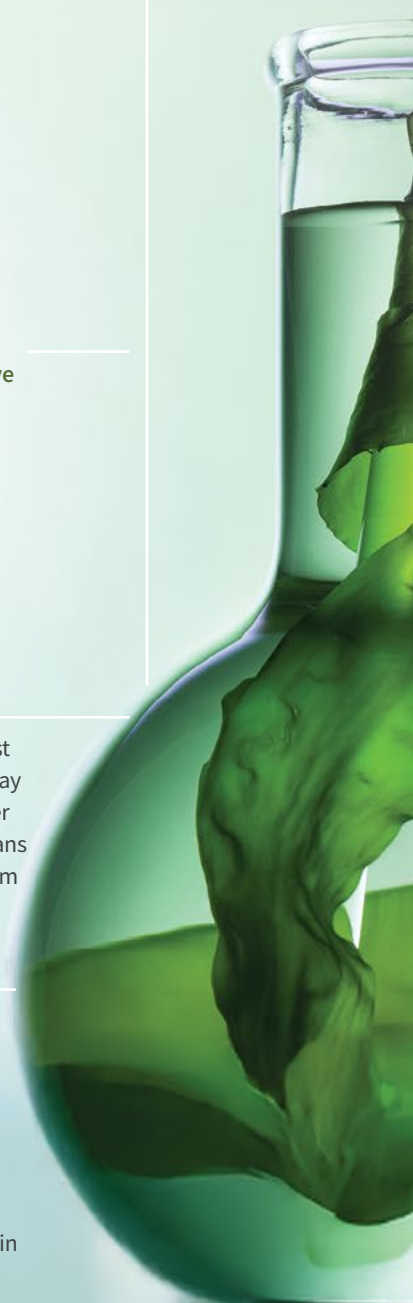
BEZAKTIV GO dyes enable dyeing and rinsing at lower temperatures at just 40° resulting in significant energy savings and CO₂ reduction. These dyes can cut water consumption by up to 30% and reduce carbon dioxide emissions by 50%.

CleanKore for Denim

This innovative method almost eliminates the need for PP spray and neutralisation, saving over 12 litres of water per pair of jeans and reducing the use of Sodium Hydrosulphite by 90%.

Fully Traceable Biosynthetic Dyes

EarthColors® by Archroma uses a patented process to create warm shades from natural waste products of the agricultural and herbal industries. This ensures full traceability and sustainability in our dyeing processes.



Tubingal Rise (Recycled Innovative Silicone Emulsion)

We are increasingly integrating circular economy practices into our operations. Using 60% end-of-life silicones, these recycled materials reduce energy consumption in manufacturing, lower waste generation, and decrease the chemical load in effluents. This waste-to-value product improves the performance of textile fabrics, especially in terms of sewability and tear resistance, making it a superior alternative to virgin products.

Bio Softeners

Nature provides all the solutions; we need to harness them. Using renewable, natural raw materials, the Dori range of bio-based products delivers excellent finishing properties while significantly reducing CO₂ emissions. These bio-softeners cut CO₂ emissions by 60-70% compared to conventional fossil-based chemistry, offering top-tier certifications and approvals.

Microbial Pigment

Natural dyes were widely used in textiles until the 19th century. The advent of synthetic dyes, which replaced natural pigments due to cost and colour consistency, has significant environmental drawbacks. We are now exploring microbial pigments sourced from plants, animals, and microorganisms as a sustainable alternative. This initiative aims to fully realise the potential of natural colours, ensuring environmental safety and economic viability.

Note: All claims of resource saving in this section are in line with those made by our suppliers in public domain for their product or process.

Discharge Management and Salt Recovery

At Arvind, we are dedicated to minimising the discharge of hazardous chemicals and optimising salt recovery from wastewater. Managing chemical discharge and salt recovery is crucial for minimising environmental impact.

Our strategies for managing discharge include advanced treatment processes like Reverse Osmosis, Multi Effect Evaporators, Agitated Thin Film Dryer, etc. that ensure harmful substances do not enter our water systems. Additionally, we focus on recovering and reusing salts to reduce waste further and promote resource efficiency.

Zero Discharge of Hazardous Chemicals

We are also committed to eliminating hazardous chemicals from our value chain, Arvind joined the Zero Discharge of Hazardous Chemicals (ZDHC) programme in 2016. This initiative, a collaboration among leading textile and footwear manufacturers, aims to establish safe chemical practices. Our Naroda facility became the global denim plant to achieve 100% ZDHC level-1 compliance. Currently, 98% of chemicals used in our facilities comply with ZDHC MRSL. Our goal is to reach 100% compliance by 2025.

Looking Ahead

Looking ahead, we remain committed to strengthening our partnerships with leading global brands that prioritise MRSL and RSL compliance to eliminate hazardous chemicals in manufacturing. As regulatory demands evolve and consumer awareness of sustainability increases, we will continue to adapt our processes to meet the rigorous environmental standards set by companies like H&M, Levi's, and Inditex. Our focus will be on enhancing transparency through platforms like CleanChain, ZDHC, and the Higg Index (Worldly), ensuring that our chemical management practices remain aligned with global best practices. By deepening these collaborations, we aim to further reduce our environmental footprint and drive innovation in sustainable manufacturing.



Waste Management

Material Topics: Waste Management & Effluents



Waste generation is an inevitable by-product of our industry. Each input – whether raw materials, dyes and chemicals, capital goods, or ancillary services – results in waste, classified as either hazardous or non-hazardous. At Arvind, we adopt proactive measures to minimise and manage waste effectively. As a responsible corporate entity, we understand the necessity of measuring, reducing, and managing waste at all stages – from generation to retention and, finally, responsible disposal.

Our Waste Management Approach

Our comprehensive waste management strategy is divided into three primary categories:



Quantitative Reduction



Qualitative Shift



Responsible Disposal

Quantitative Reduction

This focusses on reducing the overall quantity of waste generated through innovative practices and efficient resource use.

- We are dedicated to lowering the total volume of waste produced through various initiatives:
- We replace pumice stones in washing with waterless enzymes or synthetic stones.
- We use bulk packaging for dyes and chemicals, replacing smaller, less efficient containers.
- Exploring bulk transport solutions via tankers.
- Storing large quantities of chemicals in massive tanks significantly reduces the need for smaller drums and carboys in our supply chain.
- We are collaborating with Purfi to recover virgin-like recycled fibres (cotton, polyester, etc.) from post-industrial waste and redirect fabrics from landfill or incineration to more sustainable uses.



Qualitative Shift

Transforming waste into less hazardous forms through safer chemical substitutions and advanced treatments. This involves:

- Substituting harmful chemicals with safer alternatives.
- Implementing advanced treatment processes to neutralise hazardous waste.
- Adopting cleaner production technologies to reduce toxic by-products.

Responsible Disposal

We understand our responsibility to manage waste efficiently. We ensure that our waste is disposed of in an environmentally responsible manner is crucial. Our efforts include:

- Strict adherence to environmental regulations and standards.
- Utilising state-of-the-art waste treatment facilities.
- Continuous monitoring and auditing of waste disposal processes.



Waste Management Performance

Below are the quantities of waste generated and disposed of by our various business units:

Non-Hazardous Waste

Solid Waste - Soft (in tonne)

Units	2021-22	2022-23	2023-24
Denim	4,252	2,571	1,992
Wovens	5,380	4,461	3,819
Garments	0	0	0
Others	558	720	448
Total	10,190	7,753	6,260

Solid Waste - Hard (in tonne)

Units	2021-22	2022-23	2023-24
Denim	1,584	1,522	1,256
Wovens	2,451	2,399	2,558
Garments	0	0	0
Others	132	135	107
Total	4,167	4,055	3,920

Solid Waste – Chindi (in tonne)

Units	2021-22	2022-23	2023-24
Denim	668	459	351
Wovens	4,305	3,862	3,417
Garments	1,640	1,665	1,845
Others	1,078	1,281	1,061
Total	7,691	7,267	6,676





Hazardous Waste

Used Oil (Litres)

Units	2021-22	2022-23	2023-24
Denim	26,000	16,800	10,260
Wovens	7,000	17,640	11,508
Garments	695	450	1,242
Others	0	6,930	1,260
Total	33,635	26,700	24,271

Non-Refillable Empty Containers Disposed (In kgs)

Units	2021-22	2022-23	2023-24
Denim	2,31,660	1,50,877	1,23,275
Wovens	4,03,918	5,25,509	5,40,798
Garments	6,460	5,965	4,379
Others	46,320	69,710	74,210
Total	6,88,358	8,05,754	7,82,076

ETP Sludge (in tonne)

Units	2021-22	2022-23	2023-24
Denim	1,010	8,528	3,976
Wovens	1,064	1,341	2,189
Garments	1,668	1,295	1,397
Others	639	1,707	2,004
Total	4,382	12,871	9,565

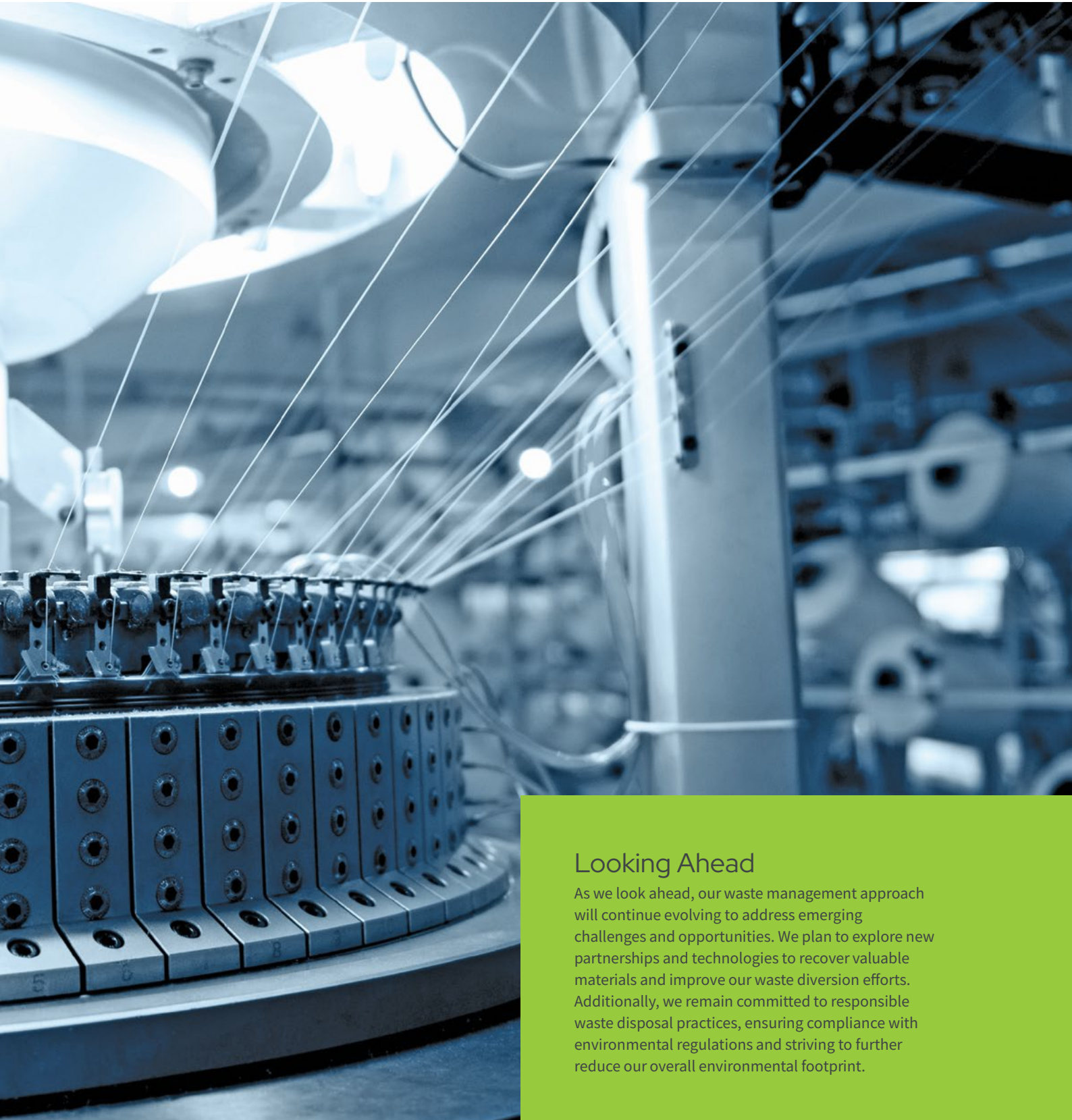
E-Waste (in tonne)

Units	2021-22	2022-23	2023-24
Denim	10	9	4
Wovens	6	1	2
Garments	1	4	1
Others	0	4	1
Total	17	18	9

Recovery & Disposal (in tonne)

Units	Parameters	2021-22	2022-23	2023-24
Recovery	Recycled or Reused	23,651	20,697	18,426
	Other recovery operations	-	-	-
Disposal	Incineration	-	-	-
	Landfilling	4,382	12,871	9,565
	Other disposal operations	-	-	-
Total		28,033	33,568	27,991





Looking Ahead

As we look ahead, our waste management approach will continue evolving to address emerging challenges and opportunities. We plan to explore new partnerships and technologies to recover valuable materials and improve our waste diversion efforts. Additionally, we remain committed to responsible waste disposal practices, ensuring compliance with environmental regulations and striving to further reduce our overall environmental footprint.



Biodiversity: Our Commitment to a Sustainable Future

Material Topics: Loss, Degradation and Fragmentation of Habitat, Overexploitation of Biological Resource, Excessive Nutrient Loads (especially nitrogen & phosphorous) & other forms of Pollution, Invasive Alien Species impacts on Ecosystems



At Arvind, we recognise the vital role biodiversity and ecosystem services play in our operations. Our reliance on natural capital is significant, and we are committed to mitigating our impacts while enhancing positive outcomes across our value chain. We aim to create regenerative opportunities that contribute to a net positive impact on biodiversity. We have identified six crucial material issues: Fibre, Water, Energy, Chemicals, People, and Money. Each is intricately linked to natural systems. Our [Biodiversity Policy](#) outlines our commitment to integrating biodiversity considerations into every aspect of our business, from sourcing to operations.

Principles for Biodiversity Management

Identifying the Business-Biodiversity Nexus

We map impact of our activities and their interactions with nature. This involves analysing biodiversity-dependent processes, the richness of natural systems we rely on, and potential vulnerabilities arising from our operations.

Understanding Impacts and Dependencies

We comprehensively assess both our reliance on natural capital and biodiversity throughout our value chain, along with the short, medium, and long-term impacts of our operations on these resources.

Risk and Opportunity Assessment

We proactively identify and analyse biodiversity-related risks and opportunities across our business and geographical footprint.

Management of Risks and Opportunities

Based on the assessments, we implement nature-positive strategies in our decision-making processes. This includes building employee and stakeholder capacity on biodiversity issues, setting measurable targets for natural capital, and leveraging opportunities to create a positive impact.



Impact & Dependencies

The table below provides a description of the impact and dependencies of the value chain stages on the five direct pressures to biodiversity:

Value Chain		Direct Pressures on Biodiversity			
	P1: Loss, Degradation and Fragmentation of Habitat	P2: Overexploitation of Biological Resource	P3: Excessive Nutrient Loads (especially nitrogen & phosphorous) & other forms of Pollution	P4: Climate Change including Acidification of Oceans	P5: Invasive Alien Species impacts on Ecosystems
Raw material for natural fibre (sourced from farmed crops) Main material used: Cotton Other sources of material used: flax, hemp	Cotton: Area expansion could result in the loss, degradation and fragmentation of natural habitats. Expansion of cotton production can also negatively impact food security, particularly where it may compete with food crops in food insecure regions - but as a cash crop it can also create additional income for farmers.	Not applicable for farmed crops	Cotton: Cotton is typically a chemically intensive crop and grown using fertilisers, herbicides and pesticides. In spite of occupying 2.4% of global cropland, cotton accounts for 22.5% of the world's insecticides and 10% of all pesticide use (WWF 2015).	Sources of GHG emissions include: Fossil fuels used in the production and use of agrochemicals for farming, the distribution of raw materials, and land use change from expansion of land for cultivation.	Cotton, linen and hemp are not considered invasive alien species as per the Global Invasive Species Database (GISD 2015) which focusses on species that threaten native biodiversity and natural ecosystems.
	Flax and Hemp: Represent a small proportion of both fibre and global cropland and typically use far less water compared to cotton, so generally has limited direct impacts on habitats compared to cotton (SEI 2005; NRDC 2011).		Flax and Hemp: They use fewer chemicals compared to cotton, and cultivation occupies less land area globally, so limited pollution impacts in general (SEI 2005; NRDC 2011).	Limited climate change impacts in terms of GHG emissions, compared to other more energy-intensive parts of the value chain.	



Value Chain		Direct Pressures on Biodiversity			
	P1: Loss, Degradation and Fragmentation of Habitat	P2: Overexploitation of Biological Resource	P3: Excessive Nutrient Loads (especially nitrogen & phosphorous) & other forms of Pollution	P4: Climate Change including Acidification of Oceans	P5: Invasive Alien Species impacts on Ecosystems
Raw material for natural fibre (sourced from trees): Viscose, Bamboo	Trees from both natural and plantation forests (for example, Eucalyptus, Bamboo) to produce ‘dissolving pulp’ to produce rayon fabrics such as tencel, viscose, modal, and cupro. Increase in demand of dissolving pulp could result in loss, degradation and fragmentation of habitat	Overexploitation of a particular species is unknown, but if endangered forests are being converted, some globally threatened species could well be negatively impacted.	Plantation forests can utilise agrochemicals which can pollute waterways and soil if unsustainably managed. Pulp mills can discharge many pollutants in surrounding water bodies including persistent toxic chlorine compounds like dioxin, organic materials that consume oxygen during decomposition, sulphur dioxide that contributes to lake acidification, air-polluting nitrogenous compounds and phosphates that boost algae growth	Loss of forests, particularly old growth forests, can result in significant GHG emissions. Also, the manufacturing of man-made cellulosic fibres releases GHG emission.	Dissolving pulp can be sourced from plantations which are often based on Eucalyptus (several species are used for commercial purposes and are known to be invasive species that negatively impact local wildlife).
Raw material for natural fibre (based on recycled material)	Use of recycled materials that would have gone to landfill reduces pressure on existing landfills – thereby reducing pressure on conversion of natural habitats.	Not applicable as specific species is not exploited.	The recycling of synthetic fibres can be either mechanical, chemical or thermal. The recycling process can also result in emissions to air, ground and water. The risk depends on how the production process is being managed with respect to environmental pollution.	Use of recycled materials can reduce GHG emissions, provided lifecycle emissions profiles clearly demonstrate this.	Not applicable as specific species is not exploited.

Value Chain		Direct Pressures on Biodiversity			
	P1: Loss, Degradation and Fragmentation of Habitat	P2: Overexploitation of Biological Resource	P3: Excessive Nutrient Loads (especially nitrogen & phosphorous) & other forms of Pollution	P4: Climate Change including Acidification of Oceans	P5: Invasive Alien Species impacts on Ecosystems
Raw materials for synthetic fibres (derived from petroleum-based fibres)	Polyester and synthetic rubber is derived from petroleum. Mining for non-renewable resources that create polyester (coal and petroleum) can destroy natural habitats during the process. The degree of risk depends on whether the demand for polyester is increasing pressure on natural habitats or if it is met from existing fossil fuel sources as a by-product.	Not applicable as specific species is not exploited.	The raw materials i.e. chemicals, water etc. used for manufacturing operations can potentially cause damage to the environment.	The manufacturing of synthetic fibre requires energy, thus releasing greenhouse gas during the manufacturing process.	Not applicable as specific species is not exploited.
Raw materials for synthetic fibres (based on recycled material)	Use of recycled materials such as plastic bottles or used clothes that would have gone to landfill saves petroleum, reduces dependency on oil, and reduces pressure on existing landfills – thereby reducing pressure on conversion of natural habitats.	Not applicable as specific species is not exploited.	The recycling of synthetic fibres can be either mechanical, chemical or thermal. The recycling process can also result in emissions to air, ground and water. The risk depends on how the production process is being managed with respect to environmental pollution.	Use of recycled materials can reduce GHG emissions, provided lifecycle emissions profiles clearly demonstrate this.	Not applicable as specific species is not exploited.
Manufacturing	Manufacturing typically takes place in industrial areas, but an assessment for any biodiversity risks of the manufacturing site must be conducted.	Not applicable as manufacturing takes place in industrial areas.	Large amounts of energy, water and chemical uses in the manufacturing stages, makes it an extremely resource-intensive industry. Use of these resources result in pollutants being released in air, ground and water supply.	Large amounts of energy is used in the manufacturing of textiles. The major source of energy used is fossil fuel derived, which lead to high GHG emissions.	Not applicable as manufacturing does not uses any species



Drivers of Biodiversity

The table below provides a description of the risks and opportunities in the value chain stages based on impact and decencies of Arvind on biodiversity

Value Chain		Direct Pressures on Biodiversity			
	P1: Loss, Degradation and Fragmentation of Habitat	P2: Overexploitation of Biological Resource	P3: Excessive Nutrient Loads (especially nitrogen & phosphorous) & other forms of Pollution	P4: Climate Change including Acidification of Oceans	P5: Invasive Alien Species impacts on Ecosystems
Raw material for natural fibre (sourced from farmed crops) Main material used: Cotton Other sources of material used: flax, hemp	The probability of impact is Medium, whereas the magnitude of impact is High. In case the area is near high conservation value areas the magnitude will become Very High.	Not applicable for farmed crops	The probability and magnitude of impact is High in case of conventional agriculture practices. In case conventional agriculture is being practiced near areas of high conservation value the magnitude will become very high. However for sustainable agriculture practices the magnitude and probability of impact is Low.	The impact on climate change from the production using conventional agriculture practices is High. However, for sustainable agriculture practices the impact is Low. On the other hand the impact of climate change on production is High.	The crops farmed for natural fibres are not considered invasive species.
Raw material for natural fibre (sourced from trees): Viscose, Bamboo	The probability and magnitude of impact is High if unsustainable harvesting methods are followed. If sustainable harvesting is followed the probability and magnitude of impact could be Low. In case the area is near high conservation value areas the magnitude will become Very High.	Unsustainable exploitation of species i.e. above the maximum sustainable yield will leads to high magnitude of impact. The probability of this is high where the regulations are not strong.	The probability and magnitude of impact is High if the fibre production processes uses hazardous chemicals. If the production is near high conservation value areas the magnitude will become Very High.	The impact from and to climate change is High. Due to clearing of forests, the carbon stored will them will be released causing GHG effect, on the other hand changing climatic patterns will negatively impact the growth of trees.	The probability and magnitude of the impact is very low unless plantations with invasive tree species are done.

Value Chain		Direct Pressures on Biodiversity			
	P1: Loss, Degradation and Fragmentation of Habitat	P2: Overexploitation of Biological Resource	P3: Excessive Nutrient Loads (especially nitrogen & phosphorous) & other forms of Pollution	P4: Climate Change including Acidification of Oceans	P5: Invasive Alien Species impacts on Ecosystems
Raw material for natural fibre (based on recycled material)	The probability and magnitude of impact is very low as the waste material which was getting disposed in the environment will be re-used thus reducing negative impacts from disposal into environment.	Not applicable as specific species is not exploited.	The probability and magnitude of impact is Low to Medium depending on the production process used for recycling.	The impact on climate change is low since recycling of material eliminates the emission in the end-of-use phase. The impact from climate change is unknown.	Not applicable as specific species is not exploited.
Raw materials for synthetic fibres (derived from petroleum-based fibres)	Manufacturing generally takes place in industrial areas, so the probability and magnitude of impact is Low. However, if the manufacturing operations are in areas that faces water issue and the water is consumed unsustainably, the probability and magnitude of impact can be High. Also, if the manufacturing operations happen near high conservation value areas specially areas rich in aquatic biodiversity the magnitude can become Very High.	Not applicable as specific species is not exploited.	The probability and magnitude of impact is High since the production process use hazardous chemicals and fossil fuel based raw materials. Also, the water discharge after processing can cause high impact due to toxic load, micro plastics, etc. The severity and probability of impact can decrease if sustainable practices are adopted for manufacturing.	The impact from and to climate change is Very High, since the raw material for the production of fibre is fossil fuel based. The impact to climate change can become High or Medium depending on the sustainability practices adopted by the manufacturer of synthetic fibres.	Not applicable as specific species is not exploited.



Value Chain		Direct Pressures on Biodiversity			
	P1: Loss, Degradation and Fragmentation of Habitat	P2: Overexploitation of Biological Resource	P3: Excessive Nutrient Loads (especially nitrogen & phosphorous) & other forms of Pollution	P4: Climate Change including Acidification of Oceans	P5: Invasive Alien Species impacts on Ecosystems
Raw materials for synthetic fibres (based on recycled material)	The probability and magnitude of impact is very low as the waste material which was getting disposed in the environment will be re-used thus reducing negative impacts from disposal into environment.	Not applicable as specific species is not exploited.	The probability and magnitude of impact is Low to Medium depending on the production process used for recycling. The magnitude of recycling is much less compared to virgin synthetic fibre production.	The impact on climate change is low since recycling of material eliminates the emission in the end-of-use phase. The impact from climate change is unknown.	Not applicable as specific species is not exploited.
Manufacturing	Manufacturing generally takes place in industrial areas, so the probability and magnitude of impact is Low. However, if the manufacturing operations are in areas that faces water issue and the water is consumed unsustainable the probability and magnitude of impact can be High. Also, if the manufacturing operations happen near high conservation value areas the magnitude can become Very High.	Not applicable as manufacturing takes place in industrial areas.	The probability and magnitude of impact is High since the production process use hazardous chemicals and fossil fuel based raw materials. The severity and probability of impact can decrease if sustainable practices are adopted for manufacturing.	The impact to climate change is high if the manufacturing operations uses fossil fuels for energy. The impact from climate change is high, in case the company has adopted resilience measures the impact can reduce.	Not applicable as manufacturing does not use any species

Taking Action

From our biodiversity assessment, we concluded that the impact and magnitude of the risk varies according to the geographic location as well as the value chain stage. To mitigate the risks and leverage the potential opportunity we decided to use the AR3T Framework. It is a step-by-step framework which is in line with the best available environmental science. Our potential actions as per this framework is listed below:

Stages	Potential Actions
Avoid Impacts	Move to deforestation-free supply chains i.e. raw materials sourced from existing managed landscapes for agriculture or forestry activities.
	Avoid using conventional cotton or substitute with a material with lower impact
	Avoid purchasing cotton where traceability cannot be established
	Avoid discharge of wastewater
Minimise Impacts	Reduce the environmental footprint by promoting sustainable agriculture practices.
	Increase the traceability of supply chain to ensure that production areas does not overlap areas with high conservation value
	Reduce the use of freshwater for textile manufacturing processes
	Substitute hazardous chemicals with less hazardous one
	Reduce the use of non-renewable sources for energy
Restore & Regenerate	Restore the productivity of agricultural land using regenerative agriculture practices, thus reducing the need to expand to newer areas.
	Encourage certification which focus on restoration and regeneration
Transform	Work with organisations in the textile sector to identify innovations that reduce the impact caused on biodiversity and environment.
	Work with certification standards to include biodiversity related criteria's as part of the standards.
	Promote landscape restoration by joining or developing initiatives

Looking Ahead

We, at Arvind, understand the challenges of assessing biodiversity impact and as the science behind biodiversity impact strengthens we will continue to update and align our strategy and targets with the best available science.



02

Social Performance

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Social Performance

Empowering People



Material Topics

Recruitment and Retention, Collective Bargaining and Social Dialogue, Freedom of Association, Health & Safety, Child Labour, Gender Equality and Equal Pay for Work of Equal Value, Forced Labour, Training and Skill Development, No Discrimination (Employment and Inclusion of Persons with Disabilities)

At Arvind, we recognise that a thriving organisation is built on the foundation of a dynamic and dedicated workforce. Our employee-first culture is designed to foster an environment that nurtures growth, empowerment, and well-being. Our practices around flexible working hours, work-from-home arrangements, part-time working options, maternity leave of 26 weeks for two surviving children and paternity leave of 3 working days, and on-site support through crèche and canteen facilities provide the much-needed balance between professional and personal life to our employees. Investing in human capital is central to our strategic vision for 2023-24 and beyond.





Sharpening the People Edge

Our relationship with our employees is based on mutual trust and collective responsibility. We empower employees with utmost commitment, performance, and stakeholder value. Key people strengths identified as enablers of our progressive journey include:



Proficient

A team of domain experts in various fields, including finance, R&D, design, product development, sales & marketing, sustainability, and more.



Empowered

Employees have autonomy in decision-making and a larger sense of purpose. Workers are referred to as Front Line Managers (FLMs).



Promoters of Ideas

Employees are seen as promoters of new ideas, with support to explore and even fail in their pursuits.



Open to Possibilities

We support our employees' ideation processes by encouraging innovation and experimentation.



Limitless Creativity

Nurturing a start-up culture, challenging conventions, and fostering creativity.



Encompassing

Celebrating diversity in all forms, ensuring an inclusive work environment.



Cultivating a Culture of Collaboration

Diversity and collaboration are embedded in our Human Resource (HR) philosophy. We endeavour to nurture an environment where people from different backgrounds, culture, ethnicity, experiences, skills, and expertise can freely collaborate to explore, experiment, innovate and cultivate their talents, contributing to shared success as well as organisational growth.

This strategy is centred around four key focus areas:



Recruitment and Leadership Pipeline

Identifying the right talent, acquiring it at the right time, and ensuring a right role fit forms the basis of an effective HR strategy. It lays the foundation for a successful organisation. At Arvind, we are well-equipped to source quality talent from diverse recruitment avenues and nurture it to build a strong leadership pipeline. We deploy strategic mechanisms for succession planning, coupled with our prowess in building a well-defined career path for our employees.



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Fresh graduates hired from diverse specialisations during 2023-24

Our recruitment methods

- **Internal Job Postings (IJPs)**, giving internal talent preference in filling a vacancy
- **Referrals**, from employees of people known to them, underscoring their strong credentials
- **Focussed Internships**, to gauge the knowledge and skills of the candidates
- **Campus Connect Programmes**, bringing fresh talent and new ideas into the organisation
- **Social Media**, providing a captive target audience of young professionals

Our leadership pipeline creation mechanisms

- Identifying next-generation leaders
- Ensuring succession planning for critical positions based on the 9-Box Grid
- Developing leaders around the 70:20:10 model of 3Es - Experience, Exposure and Education
- Nurturing leaders by identifying learning areas based on function, role and career stage
- Providing necessary coaching to unlock potential and boost performance

Talent Retention and Acquisition

At Arvind, we believe in attracting and retaining top talent to fuel our growth. We implement a strategic talent acquisition process that prioritises diversity and seeks out individuals who align with our values. To foster a culture of engagement and loyalty, we offer competitive compensation and benefits packages, combined with opportunities for professional development and career advancement. This comprehensive approach ensures we build a strong and motivated workforce that contributes to Arvind's long-term success.

Hiring

One of the most significant intangible assets for businesses is its workforce. For an organisation to succeed, it is essential to be able to recruit bright and qualified personnel as well as to keep and develop internal talent. A total of 801 new hires were done in 2023-24, the breakup of our employment information for 2023-24 below:

New Hires					
Percentages of total new hires					
Year	Nationality	Gender	Management Level	Age Group	
				18 to 25	26 to 45
				46 and above	
2023-24	Indian	Male	Executive	0%	0%
			Management	2%	23%
			Non-Management	13%	35%
		Female	Executive	0%	0%
			Management	1%	4%
			Non-Management	7%	5%

Of these new hires, there were no internal hiring, and our average hiring cost for 2023-24 was ₹ 444.4, reflecting an increase from ₹ 142.9 in 2022-23.

Employee Turnover

We are committed to creating a workplace where all employees feel valued and supported. We understand that employee turnover is a costly and disruptive problem, and we are committed to

reducing it. We are taking a number of steps like creating a positive work environment, providing opportunities for growth and development, etc. Our performance on Employee Turnover for 2023-24 is shown below:

Total Employee Turnover					
Nationality	Gender	Management Level	Age Group		
			18 to 25	26 to 45	46 and above
Indian	Male	Executive	0	0	0
		Management	40	16	15
		Non-Management	36	20	6
	Female	Executive	0	0	0
		Management	67	20	13
		Non-Management	22	30	10



Training and Development: Learn Leap and Lead with Gurukul

Arvind's Learning and Development (L&D) initiatives aim to unleash the potential of its people, empowering them to deliver their best performance and steer sustainable growth. Our comprehensive training and development programmes empower employees to grow their skills and advance their careers. From leadership development to technical upskilling, we invest in our people to drive organisational success. Arvind values employee talent and prioritises skill development. Gurukul is a tailored learning and development platform empowering employees to shape their learning journey based on individual needs and goals, offering innovative solutions aimed at inspiring continuous improvement among employees.

Our five programs are shown below:



Training Snapshot	2021-22	2022-23	2023-24
Total participants	73,674	73,272	1,78,113
Total hours	5,36,876	5,26,172	5,66,321
Hours per FTE	23	18	23

Shikhar - Nurturing Top Team Leadership

In the dynamic landscape of organisational growth, our Shikhar programme stands as a beacon for developing toptier leadership. Spanning nine months, Shikhar focusses on instilling key competencies, such as Leading Change, fostering a Growth Mindset, nurturing Agile Team Building, and cultivating Synergy. This programme equips participants to champion our organisation's vision through comprehensive development and strategic leadership training.

Pragati - Unleashing High Potential Leaders

Man cannot discover new oceans unless he has the courage to lose sight of shore. Pragati is a 6-month high potential leadership development programme, embodying the spirit of exploration and leadership excellence. Centred around Leading Self, Leading Teams, and Leading Change, Pragati empowers emerging leaders to navigate complexities and drive transformative outcomes. Both the programmes are anchored by psychometric assessments and personalised coaching sessions. They accelerate personal and professional growth, enabling leaders to chart new paths and inspire innovation.

Udaan - Empowering Supervisors as Leaders

Supervisors are pivotal figures within organisations, bridging the gap between management and frontline employees. Udaan is a dedicated awareness programme designed to underscore the crucial role of supervisors and enhance their effectiveness in fostering positive employee attitudes and performance. In 2023-24, Udaan successfully built capacity for 215 shop floor supervisors in the garmenting business. The programme covers comprehensive training modules including: Role & Responsibility of Supervisors, Planning & Resource Management, Employee Management, Developing Workers, Communication Skills, Interpersonal Relations & Teamwork, Exemplifying Leadership and Mentoring, and Self-development. Udaan equips supervisors with the necessary skills and knowledge to excel in their roles, fostering a supportive and productive work environment essential for organisational success.

Eklavya

Recognising the transformative impact of advanced education on individual capabilities and organisational success, our Eklavya initiative empowers high-performing employees to pursue higher professional studies. This initiative is designed to foster capacity building, personal growth, and enhanced contributions to our organisation.

Key objectives of the Eklavya programme include:

- Creating a high-quality talent pool through targeted educational opportunities.
- Upgrading technical and management capabilities to align with industry standards.
- Building a robust succession plan and leadership pipeline for sustainable growth.
- Enhancing employee retention and employability through continuous development.

Sankalp: Cultivating Ethical Champions

At Gurukul, our Sankalp initiative is dedicated to fostering Ethical Champions through specialised programmes focussed on cultivating a culture of integrity and compliance. These programmes encompass comprehensive annual training on Prevention of Sexual Harassment (POSH), Code of Conduct (COC), Anti-Bribery, Anti-Corruption Practices, etc. By equipping our teams with essential knowledge and skills, Sankalp reinforces our commitment to ethical standards, ensuring a workplace where values and accountability thrive. Our performance for the trainings conducted in 2023-24 is shown below:



38% | 45

Executive Employees

41% | 561

Management Employees

36% | 478

Non-Management
Employees

■ Coverage ■ Trained Personnel



Performance and Career Development Review

At Arvind, our performance management approach is built around a set of fundamental Performance Principles that guide our pursuit of excellence. These principles are not merely words on paper; they are the essence of how we operate and thrive as an organisation. Our approach to performance management is Agile and Responsive to the dynamic nature of today's marketplace.

Performance Management Process

We understand that both "What" we achieve and "How" we achieve it are crucial. The four pillars that define and drive the success of our performance plans are transparent assessments, structured discussions, relevant training, and a system-driven platform providing ease of access to the entire workforce. Starting in 2024, we are adopting a more structured and stringent approach to performance management.

Employees are categorised into two groups based on their roles: one group assessed on Management By Objectives and the other on Job Attributes, which includes parameters such as Job Knowledge, Work Quality, Efficiency, Risk Management, Governance, and Safety.



	Functional Heads & Strategic Leaders*	All other Roles
Assessment	Based on MBOs	Based on Job Attributes
Structured Discussion	Twice a Year (Mid Year & Year end)	Twice a Year (Mid Year & Year end)
Agile Conversations	Throughout the year – Check in available on HRMS	Throughout the year – Check in available on HRMS
Potential Assessment	Annually	Annually

* These roles are being covered in 2024. In 2025 more roles will get added to Assessment by MBOs



Primary Parameters for Assessment

Our performance and potential assessment encompasses not only the successful attainment of goals but also the demonstration of values and competencies that drive our organisation forward. These are defined as:

Quality of Work

Emphasising the importance of consistently meeting targets and continually raising the bar for performance.

Teamwork

Highlighting the value of collaboration and support within teams.

Openness to Change

Recognising the necessity of being open to new opportunities and committed to continuous learning in our dynamic environment.

Risk Management

Achieving effective risk management by adhering to policies, practices, codes of conduct, and applicable laws and regulations.

Stakeholder Management:

Building and maintaining strong relationships with all stakeholders.

Unwavering Commitment to Ethics and Values

Upholding a firm commitment to doing the right thing, without compromising our ethics and values.

Additionally, we align objectives across the pillars of Strategic Growth, Financial Stewardship, Operational Enhancement, Governance, and Talent Centricity.

Our performance on career development review is shown below:

Category	2022-23			2023-24		
	Total	Number	%	Total	Number	%
Employees						
Male	2,291	2,050	89%	2,462	2,203	89%
Female	200	157	79%	265	209	79%
Total	2,491	2,207	89%	2,727	2,412	88%
Workers						
Male	6,393	6,066	95%	13,117	12,596	96%
Female	8,148	6,915	85%	8,755	8,755	100%
Total	14,541	12,981	89%	21,872	21,351	98%

Diversity and Inclusion

At Arvind, we believe our strength lies in the vibrant tapestry of our people. We are passionate about creating an environment where every individual feels not just included, but truly celebrated for who they are. We are dedicated to providing equal opportunities for all, regardless of age, gender, race, ethnicity, religion, sexual orientation, disability, or any other factor not related to job qualifications. This commitment extends throughout the recruitment, selection, and career development process.

We actively strive to build a workforce that reflects the rich diversity of the communities we operate in. We actively seek out talent that reflects the diverse tapestry of the communities we serve, partnering with organisations that share our dedication to inclusion. Within our walls, we foster a culture where everyone's voice matters, where differences are not just accepted, but embraced.

We understand and celebrate the critical role women play in our success. In 2023-24, we're proud to have achieved a 29% diversity ratio across our workforce. However, in white-collared roles, we're at 10%, and we're determined to raise this to 30% by 2030, a milestone we affectionately refer to as **"30 by 30"**.

We champion a zero-tolerance policy against discrimination based on any factor unrelated to job qualifications. We are proud to report no incidents of discrimination in 2023-24. Our robust policy and system serves as a guiding framework, enabling us to embrace diverse talent and celebrate

individuality. We are also committed to ensuring equal pay for equal work, regardless of gender, race, ethnicity, sexual orientation, or any other personal characteristic. This is achieved through a transparent performance-based pay approach.

Our performance on the diversity front for 2023-24 is shown below:

Workforce Breakdown: Gender

Category	Total	Male	Female
Employees	2,727	90%	10%
Permanent	2,727	90%	10%
Other than Permanent	0	0%	0%
Workers	28,661	69%	31%
Permanent	21,872	60%	40%
Other than Permanent	6,789	99%	1%

Gender Diversity Performance

Diversity Indicator	Percentage (0 - 100%)
Share of women in total workforce (as % of total workforce)	29
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	10
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	9
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	6
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	15
Share of women in STEM-related positions (as % of total STEM positions)	4



Workforce Breakdown: Race/Ethnicity & Nationality

Our company has operations in India, and the Indian society is very diverse, with many different ethnic and racial groups. It can be difficult to define and track these groups. Thus, we are not able to track this information and report our performance on nationality, which is shown below:

Nationality	Share in total workforce	Share in all management positions including junior, middle and senior management	Share in all senior management
India	99.999%	99.998%	99.999%
Sri Lanka	0.001%	0.002%	0.001%

Gender Pay Indicators

Gender pay indicators are an important tool for understanding and addressing gender pay inequality. Additionally, our Annual Total Compensation Ratio for 2023-24 is 48.74. Our performance on gender pay front for 2023-24 is shown below:

Employee Level	Average Women Salary	Average Men Salary
Executive level (base salary only)	59,28,454	60,75,403
Executive level (base salary + other cash incentives)	74,01,670	80,15,318
Management level (base salary only)	11,37,338	12,30,542
Management level (base salary + other cash incentives)	12,52,477	13,67,589
Non-management level (base salary only)	4,61,386	4,76,780

Gender Pay Indicator: Minimum Wage

At Arvind Limited, we are committed to fair and equitable compensation practices that align with local labour regulations. This disclosure allows us to assess and address potential wage disparities, ensuring that both men and women are compensated fairly at entry-level positions in comparison to the prevailing local minimum wage. Our performance is shown below:

Category	2022-23					2023-24				
	Total	Equal to Minimum Wage		More than Minimum Wage		Total	Equal to Minimum Wage		More than Minimum Wage	
Employees										
Permanent Employees										
Male	2,291	0	0%	2,291	100%	2,462	0	0%	2,462	100%
Female	200	0	0%	200	100%	265	0	0%	265	100%
Other than Permanent Employees										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Permanent Workers										
Male	6,393	1,039	16%	5,354	84%	13,117	5,771	44%	7,346	56%
Female	8,148	4,510	55%	3,638	45%	8,755	3,064	35%	5,691	65%
Other than Permanent Workers										
Male	7,942	2,163	27%	5,779	73%	6,728	2,069	31%	4,659	69%
Female	99	95	96%	4	4%	61	52	85%	9	15%

Employee Engagement

Engaged employees are motivated and willing to go an extra mile to achieve results. They contribute actively to direct and positive impact on the Company's productivity, morale and overall success.

At Arvind, our employee engagement initiatives foster a sense of belonging, enthusiasm and commitment by involving our people in our mission, values and goals. Besides creating a culture of positivity, they contribute to enhanced retention, lower employee turnover costs, and long-term organisational success. Our initiatives for employee engagement are listed below:

Abhiviyakti

Continuous engagement with employees helps in understanding their aspirations and challenges, and taking timely actions to address them. Abhiviyakti is focussed on this aspect of employee engagement, thus serving as the foundation for a strong and motivated workforce. An important step towards building a more engaged and transparent culture was the introduction of Amber. It's a confidential channel to not only stay in touch with the Employee Pulse but also get honest and constructive feedback from every employee. It's a step towards collaborating with employees to create a culture that is not only conducive or inspirational but exemplary as well.

The initiative empowers Arvind to:

Stay connected with the ground reality

Get real-time and continuous feedback

Build trust and credibility among employees

Empower employees with a VOICE

Develop an understanding of the unique needs, aspirations, experiences & challenges of every employee

Address employee concerns across life cycles & scenarios

Enable decisions and create impact through timely planning and action

Our performance for 2023-24 is show below:

83

Engagement Score

55.5%

of employees responded to survey



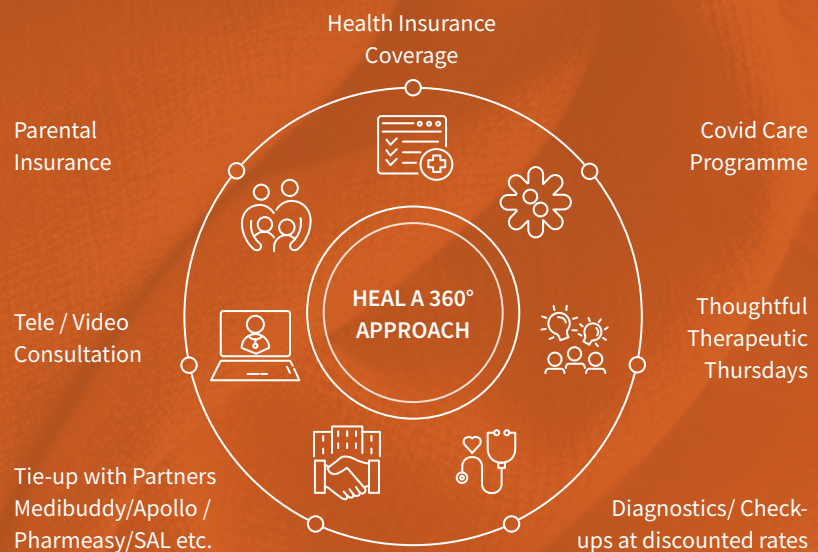


HEAL

Employee well-being transcends the limitation of physical health, extending to social, mental and emotional aspects. HEAL is a programme focussed on all aspects of health, and aims to improve the overall well-being of our employees.

Benefits of HEAL for employees include:

- Improved focus at work
- Reduced stress
- Increased job satisfaction and positive outlook
- Physically healthier and improved general well-being
- Better relationships with colleagues and managers



Benefits of HEAL for the organisation include:

- Higher levels of performance and increased productivity
- Reduced absenteeism
- Attracting and retaining top talent
- Be seen as a great place to work

HEAL covers the following aspects of employee well-being:



Retirement Benefits

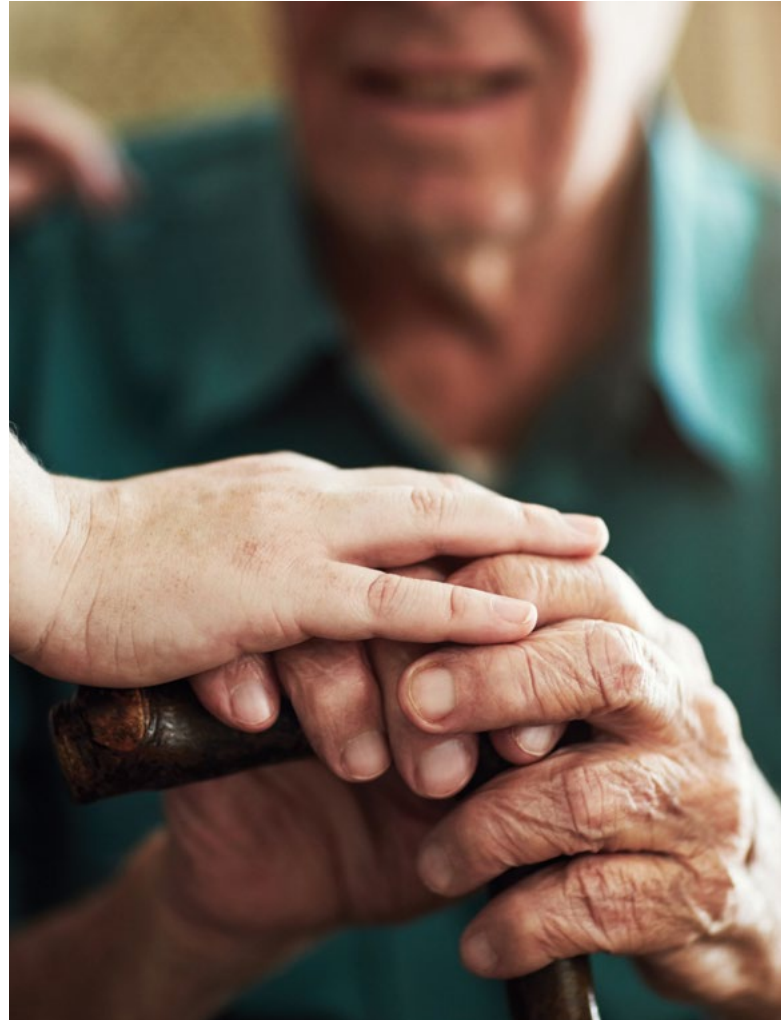
At Arvind Limited, we provide comprehensive retirement benefits in accordance with the statutory regulations of India, ensuring that all eligible employees are covered under the Provident Fund (PF), Gratuity, and the Employee State Insurance Corporation (ESIC) schemes.

The Provident Fund (PF), governed by the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, is a long-term savings scheme where both the employee and employer contribute 12% of the employee's basic salary each month. This ensures financial security for employees post-retirement.

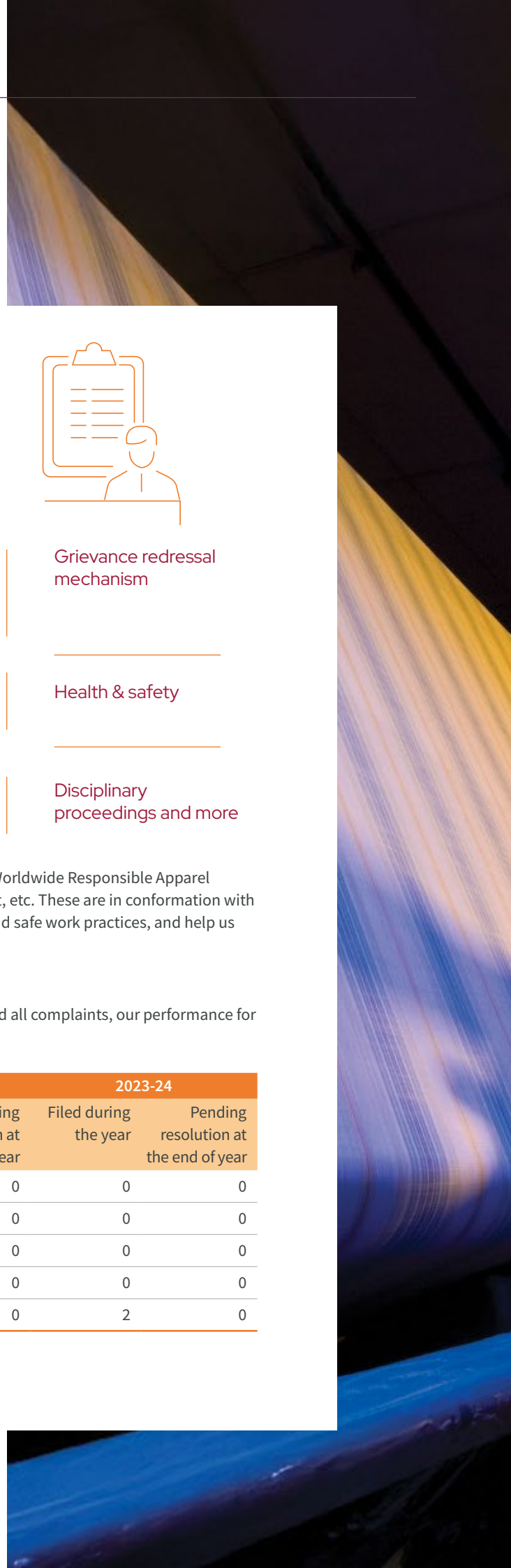
Gratuity, as per the Payment of Gratuity Act, 1972, is paid to employees who have completed at least five years of continuous service. It is a lump-sum payment made upon retirement, resignation, or termination, calculated based on the last drawn salary and years of service.

The Employee State Insurance (ESIC) scheme, administered under the Employee State Insurance Act, 1948, provides medical, maternity, and disability benefits to employees earning up to ₹ 21,000 per month. The employer contributes 3.25% of the employee's salary, while the employee contributes 0.75%.

At Arvind, we are committed to making timely employer contributions to these schemes, ensuring that our workforce enjoys robust retirement and social security benefits in compliance with Indian laws. Our contribution for the reporting period is shown below:



Employment Benefit (In Crores)	2022-23	2023-24
Provident Fund	31.85	31.03
Pension Fund	12.24	17.91
Superannuation Fund	1.51	0.71
Employees' State Insurance	6.44	11.05
National Pension Scheme	1.16	1.35
Total	53.2	62.05



Adhering to Fair Labour Practices

Our HR strategy promotes fair labour practices, which include:

Prohibition of
employment of
children and forced
labour

Freedom of
association and
right to collective
bargaining

Grievance redressal
mechanism

Fair working
hours

Remuneration

Health & safety

Non-discrimination

Engagement &
welfare initiatives

Disciplinary
proceedings and more

We also have in place the Whistle Blower Policy, SA 8000, WRAP (Worldwide Responsible Apparel Production), and the Prevention of Sexual Harassment (POSH) Act, etc. These are in conformation with the national and international policies and standards for better and safe work practices, and help us deliver on our commitment to fair labour practices.

Labour Practices Complaints

During the reporting period, Arvind Limited successfully addressed all complaints, our performance for the reporting period is shown below:

Particulars	2022-23		2023-24	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual harassment	3	0	0	0
Discrimination at workplace	0	0	0	0
Child labour	0	0	0	0
Forced labour/Involuntary labour	0	0	0	0
Wages	0	0	2	0





Securing Human Rights


Every human is entitled to certain fundamental rights and freedom, regardless of their nationality, ethnicity, gender, religion, or any other characteristic. At Arvind, we uphold and respect human rights across our businesses and all aspects of operations.

Our human right protection guidelines are in alignment with the fundamental principles of human rights, such as those enumerated in the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work ("ILO Declaration"). We also follow a human rights due diligence framework, which covers vulnerable groups such as our own employees, workers, women, children, migrant workers, indigenous people and local communities. The

framework aligns with the OECD Due Diligence Guidance for Responsible Supply Chains. Issues that fall under the ambit of this framework include forced labour, child labour, discrimination, health & safety, working conditions, freedom of association, right to collective bargaining, and equal remuneration.

The details of employees and workers (including security personnel) who have received training on human rights issues and company policies are provided in the table below:

Category	2022-23			2023-24		
	Total	Participants	Coverage %	Total	Participants	Coverage %
Employees						
Permanent	2,491	775	31%	2,727	1,797	66%
Other permanent	0	0	0%	0	0	0%
Total Employees	2,491	775	31%	2,727	1,797	66%
Workers						
Permanent	14,541	8,707	60%	21,872	11,865	54%
Other permanent	8,041	3,127	39%	6,789	2,887	43%
Total Workers	22,582	11,834	52%	28,661	14,752	51%



Human

Collective Bargaining Agreement

At Arvind, we believe in upholding the principles of mutual respect and collaboration, ensuring that our workforce feels supported and valued. Through structured negotiations between management and employee representatives, the Collective Bargaining Agreement ensures that the rights, benefits, and working conditions of our workforce are clearly defined and upheld. This agreement covers key areas such as wages, working hours, health and safety measures, and other employment terms, providing a transparent framework for maintaining harmony and productivity.

15% of our workforce is unionised, allowing them to actively participate in the collective bargaining process, thereby contributing to a balanced and equitable working environment.

Occupational Health and Safety (OHS)

Arvind is committed to ensuring the highest occupational health and safety standards across all its operations. We aim to create a safe and healthy working environment for all employees and stakeholders. We have a robust system for Occupational Health & Safety Management, certified by international standards like SEDEX, WRAP, OHSAS, SLCP, etc. This system is designed to identify work-

related hazards and assess risks on both routine and non-routine bases, applying the hierarchy of controls to eliminate hazards and minimise risks effectively.

Hazard Identification and Risk Assessment

We are committed to a proactive approach to hazard identification, risk mitigation, and adherence to strict safety protocols, with various internal mechanisms to ensure continuous improvement in our occupational health and safety (OHS) systems.

Routine and Non-routine Risk Assessments:

We conduct comprehensive hazard identification and risk assessments for both routine and non-routine tasks. These assessments are recorded in our Impact Aspect Register, which allows us to manage risks systematically. The safety team raises alerts internally to process teams on safety-related issues, ensuring that actions are taken promptly to mitigate risks.

Right to Remove from Hazardous Situations

Workers are encouraged to remove themselves from situations they believe pose a risk to their health or safety. Our Safety Policy explicitly states that safety overrides production targets, ensuring that all workers can prioritise their well-being without fear of reprisal.





Prevention and Mitigation of OHS Impacts

At Arvind Limited, we prioritise the prevention and mitigation of occupational health and safety (OHS) impacts through the use of industry-grade personal protective equipment (PPE), robust work permit systems, and regular safety training programmes. Our commitment is reinforced by adherence to internationally recognised certifications such as SEDEX, WRAP, OHSAS, and SLCP. More details on our initiatives and performance are provided below:

Use of Personal Protective Equipment (PPE)

Industry-grade PPE, such as safety shoes, helmets, harnesses, and masks, is mandatory to protect workers during these tasks. These measures significantly reduce the risks associated with hazardous work.

Work Permit Systems

A work permit system is in place for high-risk activities, ensuring that hazardous tasks are only carried out under controlled and monitored conditions. This adds an extra layer of safety by ensuring proper precautions are taken before any hazardous work is initiated.

Safety Training and Awareness

A series of safety training programmes are conducted regularly to emphasise the importance of safety for everyone involved. These trainings ensure that all workforce, especially those on the production line i.e. workers, understand safety protocols, assess on-ground situations, and address risks in a timely manner. We have also implemented additional initiatives, such as celebrating Safety Week and incorporating safety training into our campus development programmes for new hires. Our performance for training workers is shown below:

Safety Training Performance

Workers	2022-23			2023-24		
	Total	Number	%	Total	Number	%
Male	6,393	3,603	56%	13,117	4,629	35%
Female	8,148	6,941	85%	8,755	6,616	76%
Total	14,541	10,544	73%	21,872	11,245	51%

Certifications and Audits

Arvind Limited's certifications under SEDEX, WRAP, OHSAS, and SLCP demonstrate our strong commitment to upholding high standards in occupational health and safety (OHS). These certifications help us prevent and mitigate OHS impacts by establishing a robust framework of safety practices and compliance requirements. Regular

audits conducted by assessment agencies assigned by brands and retailers ensure that our safety protocols are rigorously evaluated and aligned with industry best practices. These audits not only help us identify and address potential risks but also drive continuous improvement in maintaining a safe and healthy work environment, ensuring we meet both regulatory standards and stakeholder expectations.

OHS Impacts Linked to Business Relationship

To prevent and mitigate significant negative occupational health and safety impacts linked to our operations, products, or services, we implement a supplier code of conduct for our suppliers to follow. In addition to the code of conduct, we actively pursue and uphold internationally recognised social certifications such as WRAP, SEDEX, SA8000, and SLCP.

By engaging suppliers who meet these rigorous standards, we ensure that occupational health and safety risks are minimised, not only within our own operations but also in the extended network of partners who contribute to our products and services.

Worker Participation and Communication

We provide access to relevant information on occupational health and safety through various channels, including training sessions, safety meetings, and accessible documentation. This open communication fosters a culture of safety awareness and empowers workers to take an active role in maintaining their health and safety at the workplace.

Safety Committee

The Safety Committee is a vital element of our occupational health and safety strategy. Led by decision-makers from our facilities, this committee is instrumental in identifying safety issues, evaluating risks, and formulating effective safety measures. By incorporating insights from both management and workers, the committee ensures that safety policies are practical, comprehensive, and aligned with the experiences of those engaged in day-to-day operations.

Comprising equal representation of management and workers, our Safety Committee convenes at least once every quarter to discuss and address health, safety, and well-being concerns throughout all operations. Regular meetings and discussions facilitate continuous improvement in our safety practices, enhancing our commitment to creating a safe and healthy work environment for all employees and workers.





Incident Investigation and Emergency Preparedness

At Arvind Limited, safety is a top priority. We have a structured incident investigation process to identify hazards, assess risks, and implement corrective actions. Our Emergency Response Plan, supported by regular drills, ensures readiness for emergencies, while our fire protection systems, PPE, and safety infrastructure provide robust safeguards for our workforce.

Incident Investigation

In the event of a work-related incident, we follow a structured investigation process that identifies hazards and assesses risks. This process applies the hierarchy of controls to determine corrective actions and areas for improvement in the OHS management system.

Emergency Response Plan

Our Emergency Response Plan includes prominently displayed emergency contact numbers (fire, ambulance, security) and clearly marked emergency exits across our facilities. We conduct regular mock drills and safety training sessions to ensure all personnel are prepared to act swiftly in emergencies.

Fire Protection and Safety Infrastructure

To mitigate fire-related hazards, we have pressurised fire protection systems placed at strategic locations. Our safety infrastructure also includes fire extinguishers, clear emergency exits, assembly grounds, and PPE to ensure that employees and workers are protected in case of an emergency.

Grievance Handling

We have a well-established grievance handling system, supported by confidential suggestion boxes placed at various locations within our facilities. This ensures that concerns raised by employees and workers, including those related to safety, are addressed promptly and effectively. Additionally, both employees and workers can utilise our Ethics Helpline portal to report any health and safety complaints.

Promotion of Worker Health

At Arvind Limited, we are deeply committed to the health and well-being of our workforce, offering comprehensive healthcare services that cover both occupational and non-occupational needs. Our facilities feature an Occupational Health Centre staffed by qualified professionals with recognised accreditations, ensuring full compliance with legal and industry standards. To further safeguard our employees and workers, we provide health and accidental insurance coverage, enhancing their overall protection.

Our occupational health services include on-site medical support during working hours, 24-hour ambulance availability, and basic paramedical care within our operational premises, fostering a safe and healthy work environment. For non-occupational healthcare, we facilitate access to medical services by arranging transport to health clinics and expediting care when necessary. Information about these services is communicated in languages easily understood by workers, ensuring accessibility for all. This balanced approach to both occupational and non-occupational

healthcare reflects our strong commitment to the well-being of our workforce.

In addition, Arvind Limited upholds strict confidentiality measures to protect workers' personal health-related information. All health data is securely stored, with access limited to authorised personnel only, ensuring full compliance with privacy regulations and internal policies. We take every step to protect the privacy of our employees and workers, preventing unauthorised access to their personal health information.

Moreover, we ensure that workers' health-related information and their participation in any healthcare services or programmes are never used to influence favourable or unfavourable treatment. Our policies explicitly prohibit the use of such information for decisions related to employment, promotions, or any form of discrimination, ensuring that participation in health programmes is voluntary and without impact on the workers' status or opportunities within the organisation.

Performance Metrics

Our commitment to safety is reflected in our performance metrics and coverage of OHS systems below:

Safety Incident/Number	Category	2022-23	2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	2.64	0
Total recordable work-related injuries	Employees	0	0
	Workers	165	210
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0
Total work hours	Employees	58,18,976	63,70,272
	Workers	6,24,95,588	13,58,57,655

Description	2023-24
Total Number of Employees and Workers Controlled by the Organisation	31,388
Covered by the Occupational Health and Safety Management System	100%
Covered by a System that has been Internally Audited	100%
Covered by a System Audited or Certified by an External Party	100%

For external party we have considered third-party auditors assigned by brands, GOTS, SA8000, SEDEX, WRAP, OHSAS and SLCP.



Community Development

Material Topics



Education



Culture

SDGs Alignment



Arvind recognises its responsibility to extend its positive impact beyond the factory walls. We are committed to Corporate Social Responsibility (CSR) initiatives that create lasting value for the communities where we operate. Our focus areas include education, healthcare, and rural development. We work collaboratively with local communities and NGOs to implement impactful programmes that address their specific needs. These CSR efforts are not just about giving back; they are about fostering a more inclusive and equitable future for all.

CSR Vision

Arvind is committed to improving people's quality of life through comprehensive initiatives encompassing social, economic, educational, infrastructural, environmental, health, inner well-being, and cultural advancement. Our vision is deeply rooted in the company's ethos and reflects the intrinsic values of the Lalbhai Group. The focus is on creating a positive societal impact that fosters sustainable development and enhances community well-being.

Approach to CSR

We employ a structured approach to CSR, targeting four broad areas: Educational Advancement, Rural Advancement, Cultural Advancement, and Environmental Advancement. The company's CSR philosophy is based on the belief that businesses can only flourish in a healthy society. Consequently, business leaders at Arvind are dedicated to making a positive societal impact, ensuring that their actions contribute to the greater good of the communities they serve.

CSR Policy and Implementation

Arvind Limited has established a comprehensive CSR policy delineating the core focus areas: education, rural transformation, livelihood promotion, art and heritage preservation, women empowerment, health, and inner well-being. The company's CSR Committee, comprising top management team members, regularly meets to monitor progress, review ongoing projects, and allocate funds to ensure the achievement of CSR goals.



Rural Advancement

The Arvind Rural Transformation Initiative (ARTI) focusses on long-term integrated programs in Gujarat, primarily in Kalol (Gandhinagar), Garudeshwar (Aspirational District Narmada), and other regions. ARTI's rural advancement strategy revolves around three pillars: Education, Environment, and Earning. The company also undertakes Health & Nutrition initiatives based on community needs.

Environment

- **Plantation Drives:** Nearly 1,00,000 plants were planted in individual homes, schools, crematoriums, and panchayat plots across Gujarat. Over 3,500 students participated in planting trees on school campuses as part of the school greening program.
- **Partnerships:** Environmental clubs were established in schools. Additionally, plantations were conducted in Jamnagar and Vadnagar areas in collaboration with the Heartfulness Institute.

Earning & Income

- **Dairy Initiatives:** A Credit Support Program for Animal Loan was launched in partnership with Shree Mahila SEWA Bank and other local banks to increase family income. Over 200 dairy farmers attended training programmes for livestock management. The company facilitated 109 buffalo loans, boosting family income and empowering women.
- **Tribal Homestay Project:** Located near the Statue of Unity, this project has created 47 homestay rooms to generate income for tribal families. Plans to expand the project with 12 more homes are underway.

Health

- Health camps are organised in rural areas, including Eye Check-up Camps, Community Health Camps, and School Dental Health Camps. These camps, attended by over 3,500 people, provided glasses to 2,100 individuals and identified 92 cataract cases, which were treated through surgeries.

Digital Literacy

- The Digital Literacy Program is conducted in partnership with Hewlett-Packard (HP) and Arvind Foundation. The HP CLAP van, equipped with 120 laptops, operates in Kalol Taluka, benefiting 6,700 students across 16 schools. Additionally, the HP WOW Bus delivers digital literacy programmes to 600 tribal students near the Statue of Unity.

Supplementary Education

- Rural students are also exposed to science through study tours to Science City, and various competitions and summer camps are organised to motivate them to continue their education.

Inner Wellbeing

- Arvind conducts an Inner Wellbeing Program in Gujarat and Rajasthan, offering Heartfulness Meditation to over 9,000 people across 700 villages. Weekly sessions are held in 200 villages to promote mental and emotional health.





Environmental Advancement

Arvind Limited places a strong emphasis on environmental sustainability through various initiatives:

Tree Plantation Drives:

Close to 1,00,000 trees were planted in homes, schools, drives through school greening programmes.

Environmental Clubs:

Schools have established environment clubs, encouraging young students to become stewards of their surroundings.

Heartfulness Institute Partnership:

Arvind collaborates with the Heartfulness Institute for plantation activities in Jamnagar and Vadnagar drives through school greening programmes.

Cultural Advancement

Through its collaboration with Lalbhai Dalpatbhai Bhartiya Sanskriti Vidya Mandir (LDBSVM), Arvind supports the preservation and digitisation of ancient manuscripts. The company has contributed to upgrading the manuscript archive and data management systems and expanding the institution's outreach to the public through online and offline methods.

Educational Advancement

Arvind's efforts in education focus on promoting digital literacy and improving academic outcomes for underprivileged children:

Gyanda Program

This supplementary education initiative supports more than 800 students from municipal schools in Ahmedabad. It helps students complete basic education while focussing on personality development and employability. The program has expanded to rural areas with two rural centres and over 300 students.

The company also collaborates with institutions like Open Links Foundation and TagHive Foundation to integrate technology into education. The Class Saathi app and clicker-based assessments help teachers evaluate student proficiency.

Higher Education Support

Arvind offers financial assistance and scholarships to underprivileged students studying in higher education institutions. This includes support to Ahmedabad University, enabling bright students to pursue their education despite financial challenges.



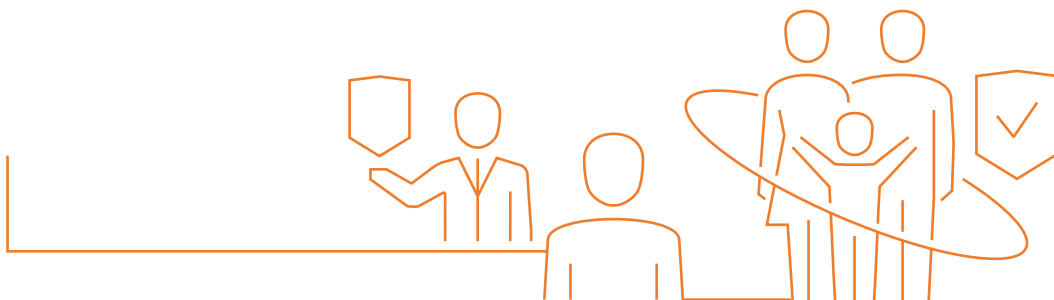
Impact Measurement

Arvind Limited places significant emphasis on measuring the impact of its CSR interventions. An internal team conducts both quantitative and qualitative assessments annually, complemented by third-party evaluations to provide an external perspective. Benchmarks are set for monitoring program progress, and any deviations are promptly addressed. The company uses a management information system (MIS) to facilitate data-driven decision-making, ensuring the effectiveness and efficiency of its CSR activities.

Customer Health & Safety

At Arvind Limited, we prioritise the health and safety of our customers by implementing stringent measures throughout our product lifecycle. We operate state-of-the-art in-house laboratories dedicated to screening our input materials and testing the products we sell, ensuring that they meet the highest safety standards. Our commitment to health and safety is further reinforced by adhering to benchmarks set by our customers, which align with international standards such as ISO and ASTM.

Additionally, we follow the Zero Discharge of Hazardous Chemicals (ZDHC) guidelines, incorporating their Manufacturing Restricted Substances List (MRSL) and Restricted Substances List (RSL) requirements into our processes. This proactive approach allows us to ensure that our products do not pose any health or safety risks to consumers. We are pleased to report that there have been no incidents of non-compliance concerning the health and safety impacts of our products and services during the reporting period. Through these rigorous assessments and compliance measures, we are dedicated to delivering safe, high-quality products that meet the needs of our customers while safeguarding their well-being.





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Governance Performance



Material Topics

Long-term Viability of Core Business, Risk Governance and Culture, Supplier Relationship Management, including payment practices)

Financial success is integral to our broader objectives, seamlessly aligning with our social and environmental goals. We remain dedicated to enhancing people's lives by providing enriching and inspiring lifestyle solutions. These solutions translate into business gains, which drive our purpose: promoting the well-being of both people and the planet. Our financial achievements align with the economic value added to all our stakeholders. Thus, our success is directly linked to our commitment to generating positive social and environmental impacts.

Leveraging Strategic and Financial Strengths

At Arvind, we exemplify sound financial management through a strategic approach to resource allocation and financial planning. This approach ensures sustainable growth and profitability by maintaining a robust balance sheet and optimising operational efficiencies. We employ a disciplined budgeting process, rigorous cost control measures, and prudent capital investment strategies to maximise returns. We focus on maintaining a healthy liquidity position, which provides resilience against market fluctuations and economic uncertainties. This strategic financial oversight fortifies our market position and instils confidence among investors and stakeholders.

Other strategic and financial strengths include:



A Strong Balance Sheet With AA- Rating



Professional Management



Optimal Capital Structure



Strong & Valuable Relationships



Prudent Cash Flow Management

Economic Value Generated and Distributed

Particulars (In Crores)	2021-22	2022-23	2023-24
Economic Value Generated (A)	8,084	8,382	7,738
Operating Costs	4,334	4,011	3,476
Other Expenses	2,106	2,155	2,128
Employee Benefits and Wages	809	868	964
Payment to Provider of Capital	176	164	159
Payment Direct to Govt of India	26	100	129
Community Investments	3.8	5	6
Economic Value Distributed (B)	7,455	7,303	6,861
Economic Value Retained (A-B)	629	1,080	876

The full-year revenue amounted to ₹ 7738 crore, attributable to the subdued demand environment in the first half of the fiscal year. We exhibited commendable improvement of 10.9% in margin in 2023-24. Despite the challenges posed by the soft demand phase, we achieved a PAT of ₹ 334 crore during 2023-24. RoCE showcased an improvement, reaching 12% for the entire year, indicating our adeptness in utilising capital to generate returns.

Financial Incentive Received from Government

During 2023-24, Arvind Limited received financial assistance from the government. This includes an export incentive of ₹127.11 crore, which supports our efforts to promote exports and maintain competitiveness in global markets. Additionally, we received a government grant of ₹86.23 crore, contributing to the company's operations. These financial supports are disclosed in accordance with GRI standards, reflecting our commitment to transparency and responsible reporting.

Indirect Economic Impacts

Arvind Limited is committed to enhancing economic opportunities across the regions where we operate.

In the fiscal year 2023-24, our wage distribution reflected a focus on diverse geographic areas, with 39% of the total wage cost allocated to employees in rural locations, 58% to those in urban areas, and 3% in metropolitan regions. This ensures that our economic impact reaches a wide range of communities, contributing to their development.

Apart from this, our initiatives in sustainable agriculture and community development also generate significant economic impacts, particularly in rural areas. These initiatives enhance livelihoods, promote sustainable practices, and contribute to long-term economic resilience in rural communities. Through these combined efforts, Arvind creates indirect economic benefits that extend far beyond our immediate operations.



Procurement Practices

Arvind Limited places a strong emphasis on sustainable sourcing as part of our procurement strategy. In the fiscal year 2023-24, 54% of our input materials were procured directly from Micro, Small, and Medium Enterprises (MSMEs) and small producers. This practice supports small-scale industries, enabling them to thrive and contributing to the economic empowerment of local businesses. Additionally, 98% of our input materials were sourced from within districts and neighboring areas, further reinforcing our commitment to local procurement. By prioritising regional sourcing, we help stimulate economic activity in surrounding communities, fostering local development and strengthening economic resilience.

Driving Sustainable Innovation through Financial Allocation for R&D



Advanced R&D Infrastructure:

Our state-of-the-art R&D facilities in Naroda, Santej, Khatraj, and Pune are equipped with cutting-edge technologies like a Washing Lab for denim and a Micro Spinning Plant, supporting rapid development and efficiency improvements.



Significant Intellectual Property Development:

The Company has been granted five patents in the reporting period, with an additional nineteen patents currently under review, highlighting our innovative prowess.



Focus on Circular Fashion:

We allocate significant resources towards circular fashion and collaborate with platforms such as Fashion for Good, Cradle to Cradle, and Jeans Redesign, emphasising our leadership in sustainable textile manufacturing.



Adoption of Industry 4.0 Technologies:

Integrating IoT and blockchain technologies in our operations exemplifies our commitment to modernising our processes, enhancing transparency, and improving overall operational efficiency.

Recognition and Rankings

Arvind's robust ESG ratings showcase our commitment to sustainability, ethical governance, and social responsibility. These ratings highlight our dedication to creating long-term value while driving positive environmental and social impact. The various reporting and disclosures that we are part of are listed below:

Corporate Sustainability Assessment (DJSI)

Arvind's participation in the Corporate Sustainability Assessment (DJSI) underscores our commitment to transparency and disclosure. In CSA 2023, we attained 96 percentile in the S&P Global Corporate Sustainability Assessment, with 97 percentile in the Governance and Economic Dimension, 96 percentile in the Environment Dimension and 95 percentile in the Social Dimension. This is a testimony to our long-standing commitment towards corporate responsibility and ethical business practices.

Carbon Disclosure Project (CDP)

Arvind's CDP responses reflect our unwavering commitment to transparency and climate action. By disclosing comprehensive data on our emissions, energy use, and sustainability initiatives, we ensure accountability and align our efforts with global climate goals. Our CDP Scoring stands at A- in Water. This surpasses both the Asia regional average of C and the Textiles & Fabric Goods sector average of C whereas our score in Climate Change stands at B, surpassing the regional and global average of C.

United Nations Global Compact (UNGC)

Arvind's commitment to the UN Global Compact (UNGC) principles is at the core of our sustainability journey. Through our active participation, we uphold the tenets of human rights, labour, environment, and anti-corruption, embedding them across our operations. Our UNGC responses highlight our dedication to responsible business practices, transparency, and global collaboration. By aligning with these principles, we drive meaningful change, contributing to a sustainable and equitable future for all.





Compliance with Laws and Regulations

During the reporting period, Arvind Limited had no significant instances of non-compliance with laws and regulations, and no fines were incurred or paid. This determination of significance is based on our Policy for Determination of Materiality of Events and Information, which is available on our corporate website in the Corporate Governance section. This outcome reflects our commitment to maintaining high standards of compliance and integrity in our operations.

Anti-Corruption & Anti-Competitive Behaviour

At Arvind Limited, our commitment to ethical business practices is embedded in our Code of Conduct and ESG Policy, which address both anti-corruption and anti-competitive behaviour. In the fiscal year, there were no confirmed incidents of corruption, nor were there any legal actions related to anti-competitive behaviour, anti-trust, or monopoly practices. As part of our ongoing efforts, we conduct annual Code of Conduct training, which includes communication and education on our anti-corruption policies and procedures. Additionally, corruption is recognised as a risk factor in our overall risk assessments, ensuring that we proactively address and mitigate potential risks associated with unethical practices.

Our performance is shown below, highlighting our focus on ensuring that all employees are well-informed about these critical issues.

Communication about Anti-Corruption Policies and Procedures	Coverage	Number
Executive Employees	100%	120
Management Employees	100%	1,353
Non-Management Employees	100%	1,254
Governance Body Members	100%	9

Responsible Supply Chain

SDGs Alignment



At Arvind Limited, our supply chain is comprised of key partners, including ginners, yarn suppliers, chemical suppliers, and fibre suppliers. We prioritise long-term relationships with our suppliers to maintain consistency and quality, with the majority of our sourcing taking place within India.

On the downstream side, we collaborate with brands and garment manufacturers, including nominated garment manufacturers, with a strong focus on fostering lasting partnerships. These relationships, both upstream and downstream, are essential to upholding the high standards and reliability of our products and services.

Material Topics

Supply Chain Standards & Selection, Supply Chain Engagement and Transparency

Our commitment to sustainability extends across every stage of our supply chain, from raw material sourcing to product innovation, manufacturing, and waste recycling. Through our initiatives addressing key material issues, we aim to be both environmentally and socially responsible. Importantly, our dedication to responsible practices goes beyond our own operations, encompassing our supply chain partners as well. Our goal is to ensure transparency, mitigate risks, and continuously enhance the sustainability performance of our entire supply chain.





Supplier Code of Conduct

At Arvind, we believe in creating a positive impact on the environment, society, and the communities we operate in. This commitment is reflected in our comprehensive approach to Environmental, Social, and Governance (ESG) practices. We recognise that a sustainable business ecosystem hinges on responsible practices throughout the supply chain. Our Supplier Code of Conduct outlines the core principles expected from our partners. These principles encompass:

Labour & Human Rights

We uphold fair labour practices, prohibiting forced or child labour, promoting equal opportunities, and ensuring minimum wage compliance. Our suppliers are required to adhere to Arvind's Human Rights Statement and Policy.

Business Integrity:

We foster ethical business practices, prohibiting bribery, conflicts of interest, and unfair trade practices. Transparency and fair competition are cornerstones of our supplier relationships.

Intellectual Property

Confidentiality of Arvind's intellectual property is paramount. Suppliers must take appropriate measures to safeguard this information

Health, Safety & Environmental Sustainability

We prioritise a safe and healthy work environment for all employees. Suppliers must comply with environmental regulations and actively pursue initiatives to reduce greenhouse gas emissions, conserve energy, minimise waste, and promote resource efficiency.

Reporting & Grievance Redressal

Suppliers are required to establish effective grievance procedures and report any unethical activity or discrimination. Arvind maintains a robust whistleblowing policy to address concerns.

➤ For more details, refer to the Supplier Code of Conduct available at our website.







Supply Chain Engagement

Arvind's supply chain engagement strategy is built on collaboration, innovation, and sustainability. By working closely with our suppliers, we are driving transformative practices that reduce emissions and enhance resource efficiency across our value chain. As part of our ongoing efforts to align with global sustainability standards, we have implemented a structured approach to supplier screening, assessment and development. This process allows us to prioritise our engagement and systematically engage with our suppliers, particularly those that have the most significant environmental, social, and governance (ESG) impacts.

Aspects of Supplier Screening

We have adopted a data-driven approach to identify our significant suppliers which focusses on four core aspects: **Environmental, Social, Governance, and Business Relevance**.

 <h4>Environmental Aspects</h4> <p>The screening evaluates the risk for negative environmental impacts, including but not limited to:</p> <ul style="list-style-type: none"> • Greenhouse gas emissions • Energy • Water • Pollution and Waste • Biodiversity protection 	 <h4>Social Aspects</h4> <p>We assess the risk of negative impacts related to social topics, including but not limited to:</p> <ul style="list-style-type: none"> • Human rights and labour rights violations, such as child labour, forced labour, discrimination • Freedom of association and the right to collective bargaining • Working hours, remuneration, and occupational health and safety • Rights of local communities 	 <h4>Governance Aspects</h4> <p>On the governance aspects, we assess potential negative impacts in areas including but not limited to:</p> <ul style="list-style-type: none"> • Corruption and bribery • Conflicts of interest • Anti-competitive practices • Transparency • Ethics 	 <h4>Business Relevance</h4> <p>On the business relevance aspect, we assess various areas including but not limited to:</p> <ul style="list-style-type: none"> • Share in Spend • Substitutability of Product • Timely Delivery • Quality • Collaboration Potential
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Supplier Screening Assessment Results:

Based on this, the results of our screening assessment is given below:

8,723

Total number of Tier-1 suppliers

100

Total number of significant suppliers in Tier-1

82

% of total spend on significant suppliers in Tier-1

0

Total number of significant suppliers in non-Tier-1

2023-24

Supplier Screening

Looking Ahead

Arvind plans to leverage advanced technologies to strengthen supplier engagement through capacity-building programs. We will advocate for collective action on responsible sourcing and continuously improve based on data-driven insights. This multi-pronged approach positions Arvind to be a leader in driving a more responsible and sustainable future for the textile industry.

[Click here to read more details of our Supplier Sustainability Program](#)

Tax Transparency

Arvind is committed to operating with transparency and integrity in all business operations, including taxation. This Tax Transparency Report outlines our approach to taxation, tax contribution, and commitment to compliance and responsible tax practices.

Tax Governance

We maintain robust processes to ensure compliance with all relevant tax laws and regulations. Our tax governance framework is overseen by the Board of Directors, with oversight provided by the Audit Committee. We have established clear policies and procedures to guide our tax practices and ensure adherence to applicable laws and regulations.

Tax Strategy

Our tax strategy is aligned with our broader business objectives and corporate values. We seek to fulfil our tax obligations responsibly while also optimising our tax position within the boundaries of the law. Our tax strategy focusses on:

Compliance

Ensuring full compliance with all applicable tax laws and regulations.

Transparency

Providing transparent and comprehensive disclosure of our tax practices and contributions

Ethical Conduct

Conducting our tax affairs with integrity and honesty, avoiding aggressive tax planning or practices that may be perceived as tax avoidance.

Collaboration

Maintaining open and constructive relationships with tax authorities and other stakeholders.





Tax Contribution

During 2023-24, we made significant tax contributions to support the economies and communities we operate. The tax payment made by us during 2023-24 is ₹ 99.15 crore.

Tax Risk Management

We recognise the importance of effectively managing tax risks to safeguard the interests of our stakeholders and maintain our reputation as a responsible corporate citizen. Our tax risk management approach includes the following:

Risk Identification

Regularly assess and identify tax risks associated with our business activities.

Risk Mitigation:

Implementing appropriate controls and procedures to mitigate identified tax risks and ensure compliance with tax laws and regulations.

Continuous Monitoring:

Monitoring changes in tax laws, regulations, and interpretations to proactively address emerging tax risks.

Tax Transparency and Disclosure

We are committed to transparency and disclosure regarding our tax practices and contributions. In addition to this Tax Transparency Report, we comprehensively disclose our tax affairs in our annual financial statements and sustainability reports. We believe that transparent communication fosters trust and accountability among our stakeholders. Our tax expense for the reporting period is shown below:

Total tax expense

Tax Expense (In Crores)	2022-23	2023-24
Current tax	90.88	112.39
Short provision of earlier years	9.13	4.03
Deferred tax credit	(37.78)	(1.27)



Information System Management

Arvind's IT operates in close collaboration with the core business objectives to drive organisational success. IT plays a pivotal role in fostering synergies and creating value through the innovative application of technology.

Arvind's IT has established deep-rooted connections within each of our businesses, empowering them to harness cutting-edge technology for the enhancement of operational outcomes. IT has been the cornerstone of our Group's growth trajectory, continually injecting innovation and transformative elements into the ever-evolving landscape of business platforms and Digital Business Ecosystems.

The Board has delegated the responsibility of providing structured and systematic oversight of the Cybersecurity Governance Process to the Risk Management Committee. At the Management level, the Chief Information Officer (CIO) is responsible for overseeing Cyber Security for Arvind Limited. The current CIO is Mr. Nitin Parmar.

We pledge to uphold the highest standards of data privacy and protection. Arvind's IT Security system is dedicated to ensuring the resilience of

our systems against evolving cybersecurity threats. We will continuously invest in advanced security technologies and methodologies to fortify our digital defences. We believe that education and awareness are vital in the fight against cyber threats. Our commitment extends to empowering users with knowledge and resources to maintain a secure online presence.

We are conscious of our environmental impact and will strive to reduce it through responsible IT management practices. Our efforts will include energy-efficient infrastructure and responsible e-waste disposal.

Customer Privacy

At Arvind Limited, we prioritise the privacy and security of our customers' data. We maintain robust policies and practices to protect customer information and ensure compliance with applicable regulations. We continuously review and improve our data management practices to mitigate risks and enhance the security of customer information, demonstrating our dedication to responsible stewardship of sensitive data. Our performance is shown below:

Complaints Performance:

Particulars	2022-23		2023-24	
	Complaints Received during the year	Complaints Pending resolution at end of year	Complaints Received during the year	Complaints Pending resolution at end of year
Data privacy	0	0	0	0
Advertising	0	0	0	0
Cyber-security	0	0	0	0
Restrictive trade practices	0	0	0	0
Unfair trade practices	0	0	0	0
Data Breach	0	0	0	0
Other	0	0	0	0



Marketing and Labelling

At Arvind Limited, we uphold the highest standards of ethical marketing and advertising, ensuring that all communications regarding our products and services are grounded in transparency, accountability, and integrity. We commit to providing accurate and balanced information by collecting relevant documentation from our suppliers and maintaining our own records to substantiate any claims made to our customers. This comprehensive approach involves rigorous supplier audits, third-party certifications, and thorough internal reviews to verify the credibility of our claims, thereby building trust with our consumers.

We are particularly cautious about making sustainability claims, ensuring that we avoid exaggerated assertions regarding the social and environmental impacts of our products. Effective mechanisms are in place to support these claims, including adherence to industry standards, impact assessments, and lifecycle analysis that align with recognised Environmental, Social, and Governance (ESG) metrics.

In our marketing efforts, we recognise and protect vulnerable and disadvantaged market segments, such as children and individuals with limited access to information. We strive to understand these segments through market research and stakeholder consultations to ensure our marketing practices are inclusive and responsible.

Furthermore, we are committed to fair competition and refrain from disinformation tactics that could harm or discredit our competitors. This includes avoiding practices such as creating negative reviews or disseminating unfounded claims about rival products, and we enforce this principle through internal policies and employee training.

We are pleased to report that there have been no incidents of non-compliance concerning product and service information, labelling, or marketing communications during the reporting period. As the landscape of ethical marketing continues to evolve, we will remain proactive in monitoring industry changes and updating our policies to align with global best practices, ensuring that our marketing and labelling efforts reflect our core values and commitment to sustainability.

Contribution & Other Spending

At Arvind Limited, our commitment to sustainability goes beyond mere words; we actively engage in initiatives that support responsible practices in the textile and apparel industry. The management has made a strategic decision to refrain from contributing to political campaigns, organisations, lobbyists, or other tax-exempt groups primarily focussed on influencing public policy. Instead, we channel our efforts and resources into meaningful partnerships that align with our sustainability goals, particularly in the areas of climate and water stewardship.

As members of various trade associations, we are dedicated to advancing sustainability in our industry. In the financial year 2023-24, Arvind Limited made the following contributions:

Cascale / Sustainable Apparel Coalition (SAC):

We contributed ₹ 27,62,712 in membership fees. Through the Higg Index, we are committed to driving transparency and sustainability across the fashion industry, fostering smarter choices for people and the planet.

Zero Discharge of Hazardous Chemicals (ZDHC):

Our contribution of ₹ 10,04,623 in membership fees supports ZDHC's efforts to eliminate hazardous chemicals from the global supply chain. Together, we promote responsible production practices and protect precious water resources.

Textile Exchange (TE): Arvind Limited contributed ₹ 2,51,156 as membership fees, backing TE's mission to promote preferred fibres and sustainable practices. By embracing innovation, we aim to reduce our carbon footprint and lead the way toward a more ethical and sustainable fashion industry.

Through these contributions, Arvind Limited is not only investing in our own sustainability journey but also playing a pivotal role in fostering a collective movement toward responsible and sustainable practices within the textile sector.

Reporting Scope

Arvind Limited's sustainability reports stand as a testament to our unwavering commitment to sustainable development. Through these reports, we voluntarily communicate our performance and impact across Environmental, Social, and Governance (ESG) and other material issues with full transparency. This serves as one of the ways we remain accountable to our diverse stakeholders, including investors, employees, market regulators, suppliers, government, civil society, and customers. This is the fourth edition of our sustainability report, and it reflects our core "Fundamentally Right" philosophy, highlighting how innovation in our six key inputs is driving sustainability, which, in turn, continues to inspire new innovations.

We have aligned this report with the Global Reporting Initiative (GRI) Standards guidelines. The GRI content index at the end of the report provides the definition of each disclosure element and its respective location within the report. The performance data in this report covers the period from April 1, 2022, to March 31, 2024, as we remain committed to consistently reporting on our triple bottom line performance.

Reporting Boundary

The performance data, approach, and initiatives within this report are limited to the standalone operations of Arvind Limited, which include sites such as Naroda & Intex for Denim, Santej for Wovens, and various garment facilities including Arsikere Sewing & Washing, Bommassandra, Chitradurga, Electronic City, Mysore Road, and Yeshwantpur. The report also covers operations at Ankur and Kolhapur in other categories.

The Community Development section outlines the Corporate Social Responsibility (CSR) initiatives undertaken by the Strategic Help Alliance for Relief to Distressed Areas (SHARDA) Trust and the Narottam Lalbhai Rural Development Fund (NLRDF) under the Arvind Foundation's guidance.

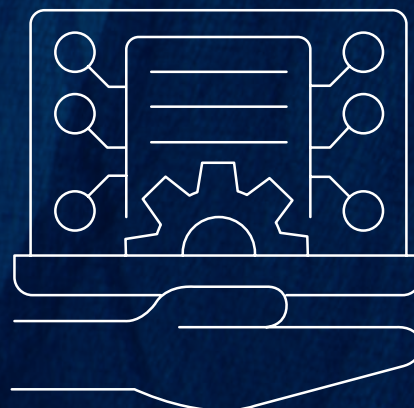
No other entities, such as subsidiaries, associates, joint ventures, or vendors, are included in the reporting boundary unless explicitly specified.

You can access this report and previous editions on our website at www.arvind.com/sustainability.

We welcome your feedback to help us assess the effectiveness of our sustainability communications and enhance future reports. Please share your thoughts with us at sustainability@arvind.in.

Restatements of information

In our previous sustainability report, we included data from some of our subsidiaries. However, for this year's report, we have refined the scope to focus exclusively on standalone reporting for Arvind Limited, aligning with our approach for other public disclosures such as the Integrated Annual Report, CDP submissions, and the DJSI Corporate Sustainability Assessment. While we are making progress toward incorporating the environmental and social performance of all our subsidiaries and joint ventures, at present, their information is included only in our GHG accounting. This shift reflects our commitment to maintaining clarity and consistency in our reporting framework.





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GRI 3: Material Topics 2021	3-3 Management of material topics	Not Reported	Not Reported
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not Reported	Not Reported
	301-2 Recycled input materials used	Not Reported	Not Reported
	301-3 Reclaimed products and their packaging materials	Not Reported	Not Reported
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy	48-55
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy	48-55
	302-2 Energy consumption outside of the organisation	Energy	48-55
	302-3 Energy intensity	Energy	48-55
	302-4 Reduction of energy consumption	Energy Saving Initiatives	48
	302-5 Reductions in energy requirements of products and services	Energy	48-55
Water and effluents			
GRI 3: Material Topics 2021	3-3 Management of material topics	Water Stewardship	56-61

GRI Standard	Disclosure	Location	Page
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Stewardship	56-61
	303-2 Management of water discharge-related impacts	Effluent Management	57
	303-3 Water withdrawal	Water Withdrawal, Consumption and Discharge: Water-Stressed Areas	58
	303-4 Water discharge	Water Withdrawal, Consumption and Discharge: Water-Stressed Areas	58
	303-5 Water consumption	Water Withdrawal, Consumption and Discharge: Water-Stressed Areas	58
Emission			
GRI 3: Material Topics 2021	3-3 Management of material topics	Greenhouse Gas & Air Emissions	48-55
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas & Air Emissions	48-55
	305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas & Air Emissions	48-55
	305-3 Other indirect (Scope 3) GHG emissions	Greenhouse Gas & Air Emissions	48-55
	305-4 GHG emissions intensity	Greenhouse Gas & Air Emissions	48-55
	305-5 Reduction of GHG emissions	Greenhouse Gas & Air Emissions	48-55
	305-6 Emissions of ozone-depleting substances (ODS)	Air Emissions	54
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Emissions	54
Spills			
GRI 3: Material Topics 2021	3-3 Management of material topics	Safe Handling	63
GRI 306: Effluents and Waste 2016	306-3 Significant spills	Safe Handling	63
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Management	66-69
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	66-69
	306-2 Management of significant waste-related impacts	Waste Management Approach	66
	306-3 Waste generated	Waste Management Performance	67
	306-4 Waste diverted from disposal	Waste Management Performance	67
	306-5 Waste directed to disposal	Waste Management Performance	67
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Supply Chain	113
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier Screening Assessment	116
	308-2 Negative environmental impacts in the supply chain and actions taken	Not Reported	Not Reported



GRI Standard	Disclosure	Location	Page
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Performance	80-105
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Hiring	83
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social Performance	80, 81
	401-3 Parental leave	Social Performance	80, 81
Labour/management relations			
GRI 3: Material Topics 2021	3-3 Management of material topics	Not Reported	Not Reported
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Not Reported	Not Reported
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety (OHS)	97-98
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety (OHS)	97-98
	403-2 Hazard identification, risk assessment, and incident investigation	Hazard Identification and Risk Assessment, Incident Investigation and Emergency Preparedness, Prevention and Mitigation of OHS Impacts, Grievance Handling	97-98
	403-3 Occupational health services	Promotion of Worker Health	100
	403-4 Worker participation, consultation, and communication on occupational health and safety	Worker Participation and Communication	99
	403-5 Worker training on occupational health and safety	Safety Training and Awareness	98
	403-6 Promotion of worker health	Promotion of Worker Health	100
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Prevention and Mitigation of OHS Impacts	98
	403-8 Workers covered by an occupational health and safety management system	Performance Metrics	101
	403-9 Work-related injuries	Performance Metrics	101
	403-10 Work-related ill health	Performance Metrics	101
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	Training and Development	84-87
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Development: Learn Leap and Lead with Gurukul	84-87
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Training and Development: Learn Leap and Lead with Gurukul	84-87
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance and Career Development	86

GRI Standard	Disclosure	Location	Page
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity & Inclusion	89
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Corporate Governance	17
	405-2 Ratio of basic salary and remuneration of women to men	Diversity & Inclusion	89
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Performance	80-105
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Labour Practices Complaints	94
Freedom of association and collective bargaining			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social performance	80-105
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Responsible Supply Chain, Supplier Code of Conduct	113, 24
Child labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social performance	80-105
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Responsible Supply Chain, Supplier Code of Conduct	113, 24
Forced or compulsory labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social performance	80-105
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Responsible Supply Chain, Supplier Code of Conduct	113, 24
Security practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social performance	80-105
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Securing Human Rights	96
Rights of Indigenous Peoples			
GRI 3: Material Topics 2021	3-3 Management of material topics	Not Reported	Not Reported
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	None	None
Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Development	102-103
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Community Development	102-103
	413-2 Operations with significant actual and potential negative impacts on local communities	Not Reported	Not Reported



GRI Standard	Disclosure	Location	Page
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Supply Chain	113
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Supply Chain	113
	414-2 Negative social impacts in the supply chain and actions taken	Not Reported	Not Reported
Public policy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Contribution & Other Spending	120-121
GRI 415: Public Policy 2016	415-1 Political contributions	Contribution & Other Spending	120-121
Customer health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Health & Safety	105
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Customer Health & Safety	105
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Health & Safety	105
Marketing and labelling			
GRI 3: Material Topics 2021	3-3 Management of material topics	Marketing and Labelling	120
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Marketing and Labelling	120
	417-2 Incidents of non-compliance concerning product and service information and labelling	Marketing and Labelling	120
	417-3 Incidents of non-compliance concerning marketing communications	Marketing and Labelling	120
Customer privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Privacy	119
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy	119

ASSURANCE STATEMENT



Independent Limited Assurance Statement to Arvind Limited on Sustainability Report FY 2024

To the Management of Arvind Limited, Gujarat, India

Introduction

Intertek India Private Limited ("Intertek") was engaged by **Arvind Limited ("Arvind")** to provide an independent limited assurance on its Sustainability Report for FY 2024 ("the Report"). The scope of the Report comprises the reporting period of 1st April 2023 to 31st March 2024. The Report is prepared by Arvind based on Global Reporting Initiative (GRI) Standards 'in-accordance' option for sustainability reporting.

The assurance was performed in accordance with the requirements of International Federation of Accountants (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Objective

The objectives of this limited assurance exercise were, by review of objective evidence, to confirm whether any evidence existed that the sustainability-related disclosures, as declared in the report, were not accurate, complete, consistent, transparent and free of material error or omission.

Intended Users

This Assurance Statement is intended to be a part of the Sustainability Report FY 2024 of Arvind Limited.

Responsibilities

The management of Arvind is solely responsible for the development of the Report and its presentation. 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.

Intertek's responsibility, as agreed with the management of Arvind, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

Assurance has been provided for selected sustainability performance disclosures presented by Arvind in its Report. The assurance boundary included data and information for the operations in Pan India in accordance with GRI standards. Our scope of assurance included verification of data and information on selected disclosures reported as summarized in the table below:

Materiality assessment

- GRI 3-1 Process to determine material topics
- GRI 3-2 List of Material topics

Topic Specific Disclosures



Governance Disclosures

- GRI 405 Diversity and Equal Opportunity 2016: 405-1, 405-2
- GRI 406 Non-discrimination 2016: 406-1
- GRI 418 Customer Privacy 2016: 418-1
- GRI 207 Tax 2019: 207-1, 207-2

Environmental Disclosures

- GRI 302 Energy 2016: 302-1, 302-3, 302-4
- GRI 306 Waste 2020: 306-2, 306-3, 306-4, 306-5
- GRI 305 Emission 2016- 305-1, 305-2
- GRI 303 Water and Effluents 2018: 303-1, 303-3, 303-4, 303-5

Social Disclosures

- GRI 403 Occupational Health and Safety 2018: 403-1, 403-2, 403-8, 403-9, 403-10
- GRI 401 Employment 2016: 401-1, 401-2
- GRI 413 Local Communities 2016: 413-1
- GRI 408 Child Labor 2016: 408-1
- GRI 409 Forced or Compulsory Labor 2016: 409-1
- GRI 410 Security Practices 2016: 410-1
- GRI 404 Training and Education 2016: 401-1
- GRI 308 Supplier Environmental Assessment 2016: 308-1
- GRI 414 Supplier Social Assessment 2016: 414-1
- GRI 204 Procurement Practices 2016: 204-1

Assurance Criteria

Intertek conducted the assurance work in accordance with the requirements of 'Limited Assurance' procedures as per the following standard:

- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.
- International Standard on Assurance Engagements (ISAE) 3410 for 'Assurance Engagements on Greenhouse Gas Statement

A limited assurance engagement comprises of limited depth of evidence gathering including inquiry and analytical procedures and limited sampling as per professional judgement of assurance provider. A materiality level of 10% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Methodology

Intertek performed assurance work using a risk-based approach to obtaining the information, explanations and evidence that was considered necessary to provide a limited level of assurance. The assurance was conducted by desk reviews & stakeholder interviews with regards to the reporting and supporting records for the fiscal year 2024 at Arvind office Jaipur. Our assurance task was planned and carried out in the month May-Jun and December 2024. The assessment included the following:

- Assessment of the Report that was prepared in accordance with the GRI standards.
- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available at corporate offices and digitally.
- Conducted interviews with key personnel responsible for data management.
- Assessment of appropriateness of various assumptions, estimations and thresholds used by Arvind for data analysis.
- Review of GRI disclosures on sample basis for the reporting period of 1st April 2023 to 31st March of 2024 for Arvind was carried out by desktop review.
- Appropriate documentary evidence was obtained to support our conclusions on the information and data reviewed and details would be provided in a separate management report.

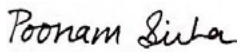
Conclusions

Intertek reviewed selected sustainability disclosures provided by Arvind in its Report. Based on the data and information provided by Arvind, Intertek concludes with limited assurance that there is no evidence that the sustainability data and information presented in the Report is not materially correct. The report provides a fair representation of GRI disclosures and is in accordance with the GRI Standards to the best of our knowledge.

Intertek's Competence and Independence

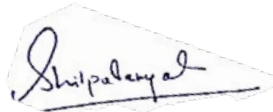
Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included Competent Sustainability Assurance Professionals, who were not involved in the collection and collation of any data except for this Assurance Opinion. Intertek maintains complete impartiality towards any people interviewed.

For Intertek India Pvt. Ltd.



Poonam Sinha
Manager-Sustainability
Intertek India

09 January 2025



Shilpa Naryal
Head of Sustainability
Intertek South Asia & MENAP

10 January 2025

SANDEEP VIG

Sandeep Vig
Director – Business Assurance
Intertek South Asia & MENAP

14 January 2025

Digitally signed
by SANDEEP VIG
Date: 2025.01.14
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No member of the verification team (stated above) has a business relationship with Arvind Limited stakeholders beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

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