PDS Group Sustainability Report 2025

Weaving Threads of Innovation



Weaving Threads of Innovation

We integrate innovation into every stage of our work, to address real-world challenges in a practical and responsible way. By making innovation part of our daily processes, we are creating better outcomes for our partners, communities and the environment. It shapes how we design, how we manufacture and how we collaborate. Innovation drives us to improve continuously, explore new solutions and push boundaries without compromising the planet's resources.

PDS has always believed that real growth nurtures people and the planet too. Our journey spans across borders, connecting over 22 countries. Each of our collaboration is a thread in the global fabric we are building, one that values diversity, respects the environment and strives for inclusion.

This year's theme, Weaving Threads of Innovation, captures the very essence of what drives us forward. It creates a world of ideas, where every thread represents progress; a progress that is thoughtful, responsible and impactful. Through investments in sustainable technologies, we consistently work to align creativity with accountability.

When you look closely at our business, you will see how every effort is connected. Every step we take is guided by the belief that innovation must respect the delicate balance between progress and preservation. As we share our sustainability journey with you, we welcome you to explore how these threads of innovation shape a world that is both inspired and conscientious.

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You can also find this report online: **www.pdsltd.com**

PDS at a glance

Stitching a smarter, sustainable fashion future

With over 25 years of experience, PDS Limited has emerged as a global fashion infrastructure company strengthening the fashion value chain through technology, innovation and responsible practices. With a presence spanning over 24 countries, we have grown from a sourcing platform into a $2 billion enterprise offering comprehensive solutions in design-led sourcing, virtual manufacturing and brand management.

Founded in 1999 with a vision to redefine fashion through collaboration and sustainability, we have steadily expanded our footprint across Asia, Europe, the Americas and beyond. Strategic partnerships, a decentralised entrepreneurial model and continued investments in digital and sustainable solutions have helped us stay agile, scalable and future-ready.

$1,487mn
Revenue

$540mn+
Working Capital Limits

1.3 mn+
Pieces per day production handled

4,400 +
Employees

6,200 +
Associates and factory workers

We serve over 300 global fashion brands across categories including apparel, accessories, home decor and footwear, with a strong focus on ethical sourcing, compliance and operational transparency. With innovation as a key enabler, we integrate AI tools, cloud platforms and traceability technologies to build smarter and more resilient supply chains.

We are certified as a 'Great Place to Work' in India and Sri Lanka and recognised for our sustainable manufacturing practices, including LEED Zero-certified factories. We continue to simplify fashion while building a responsible and inclusive global value chain.

Our business ecosystem

Interwoven for impact

What We Do

Customised Service offerings

Manufacturing	Design-Led Sourcing	Sourcing as a Service	Brands
GIANT TIGER	finisterre	RALPH LAUREN	TED BAKER LONDON
George.	George.	George.	Lilly + Sid
AMERICAN EAGLE OUTFITTERS	AMERICAN EAGLE OUTFITTERS	s.Oliver	GERRY WEBER
PRIMARK	Superdry.	Hanes	ROKSANDA
TESCO	KOHL'S	Sainsbury's	Stan Ray
MATALAN	PRIMARK		UNION WORKS
	Bershka		Silver Cross
	MANGO		

Platform — Strong Leadership | ESG | Financial Strength | Tech Enabled

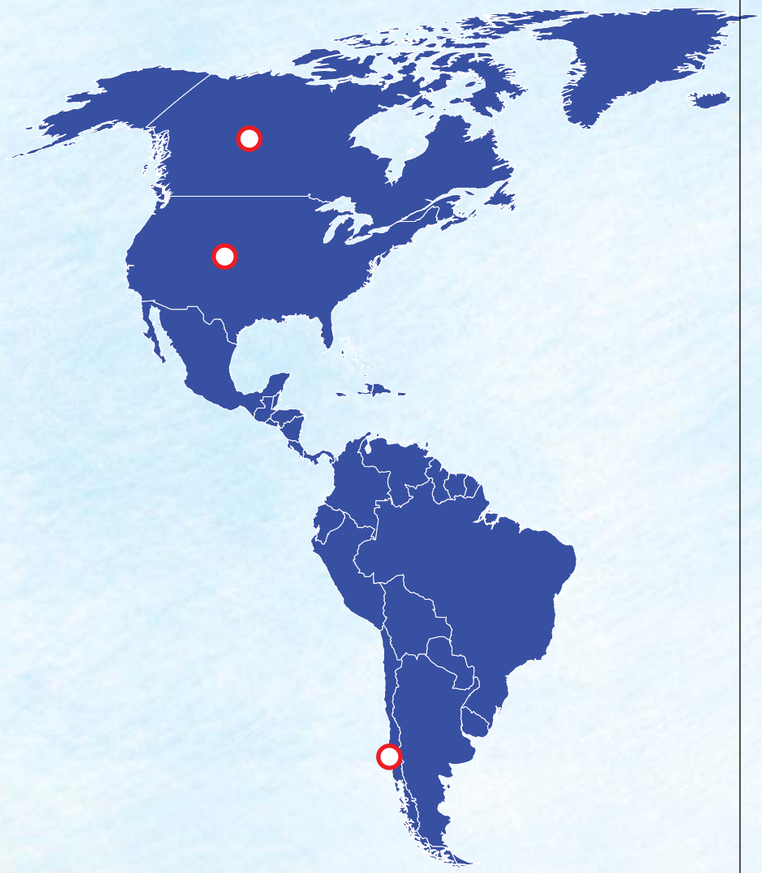
- Governance: 6c's & I | 3 Balance Sheet Focus (Cash, Capability and Credibility)
- PDS Ventures: Feeding innovation

Geographic presence

Our global tapestry

Canada
USA
Chile
Portugal
UK
Norway
Germany
Turkey
South Africa
Egypt
Jordan
Dubai
India
Sri lanka

Bangladesh
China
Hong Kong
Myanmar
Vietnam
Cambodia



Our global tapestry

PDS Manufacturing Facilities



Progress Apparels Bangladesh Ltd., Bangladesh



Norlanka Central Cutting Plant, Sri Lanka





GoodEarth Apparels Ltd., Bangladesh



Norlanka Manufacturing Ltd., Sri Lanka



Knit Gallery India Pvt. Ltd. (KGIPL), India

Creating value for our stakeholders

Value that resonates beyond business

Our mission

To provide our customers outstanding service and innovative designs sourced in the most ethical manner.

Our vision

Be the most admired global enterprise providing innovation fashion solutions in the most ethical and trusted way.

Design-led sourcing

Sourcing as a service

Brand management

Manufacturing

Our integrated ecosystem

Operations across **22+ countries** with **10,000+ employees**

250+ global brand partnerships

AI-enabled sourcing platforms, digital tools and traceability systems

Decentralised, entrepreneur-led model with over 50 business leaders

Asset-light and scalable supply chain architecture

LEED-certified manufacturing facilities in Bangladesh and Sri Lanka

Certified Great Place to Work in India and Sri Lanka

Robust **compliance, audit and quality frameworks**

Strategic investments in **product innovation, circularity and materials R&D**

Strong ESG governance aligned with global best practices

Strategic enablers

Employees and workers

- Focus on well-being, safety and professional growth
- Diversity, equity and inclusion initiatives
- Continuous engagement through surveys, town halls and recognition
- Structured training, induction and leadership development programmes

Customers

- Responsiveness to evolving preferences and market trends
- End-to-end solutions spanning design, sourcing and delivery
- Ethical and compliant production systems
- Engagement through direct interactions, campaigns and feedback

Suppliers

- Long-standing relationships built on mutual growth
- Ethical procurement and supplier performance reviews
- Support on delivery planning, quality and compliance
- Transparent pricing and onboarding

Investors and shareholders

- Regular updates through reports, meets and media releases
- Clear disclosures on ESG, governance and performance
- Strong alignment of strategy with financial and sustainability outcomes
- Focused investments in innovation, digitalisation and efficiency

Government and regulatory bodies

- Compliance with international and local regulations
- Participation in policy advocacy for sustainable fashion
- Engagement through reports, forums and briefings
- Alignment with labour, ESG and product safety standards

Our added value for stakeholders

ESG highlights

Weaving sustainability into the fabric of PDS



Environment

Sustainable practices in action

2.63 million litres

Of rainwater was harvested in FY 2024/25

1.68 million kWh

Clean energy generated from renewable sources

14,376 tons CO_2e

Total Scope 1 and 2 emissions disclosed

Material topics

- Water Management
- Energy Management
- GHG Emissions
- Climate Risk
- Circular Economy

Social

Investing in people and progress

213+ children

Empowered through access to quality education

120+ adults

Upskilled through livelihood training programmes

12,000+ hours

Learning hours dedicated to employee development

Material topics

- Community Relations
- Human Rights
- Labour Relations
- Occupational Health and Safety
- DEI (Diversity, Equity and Inclusion)

Governance

Accountability at the core

620+ partner factories

Compliant with ESG, quality and safety protocols

4,425+ employees

Engaged in compliance, ethics and ESG training programmes

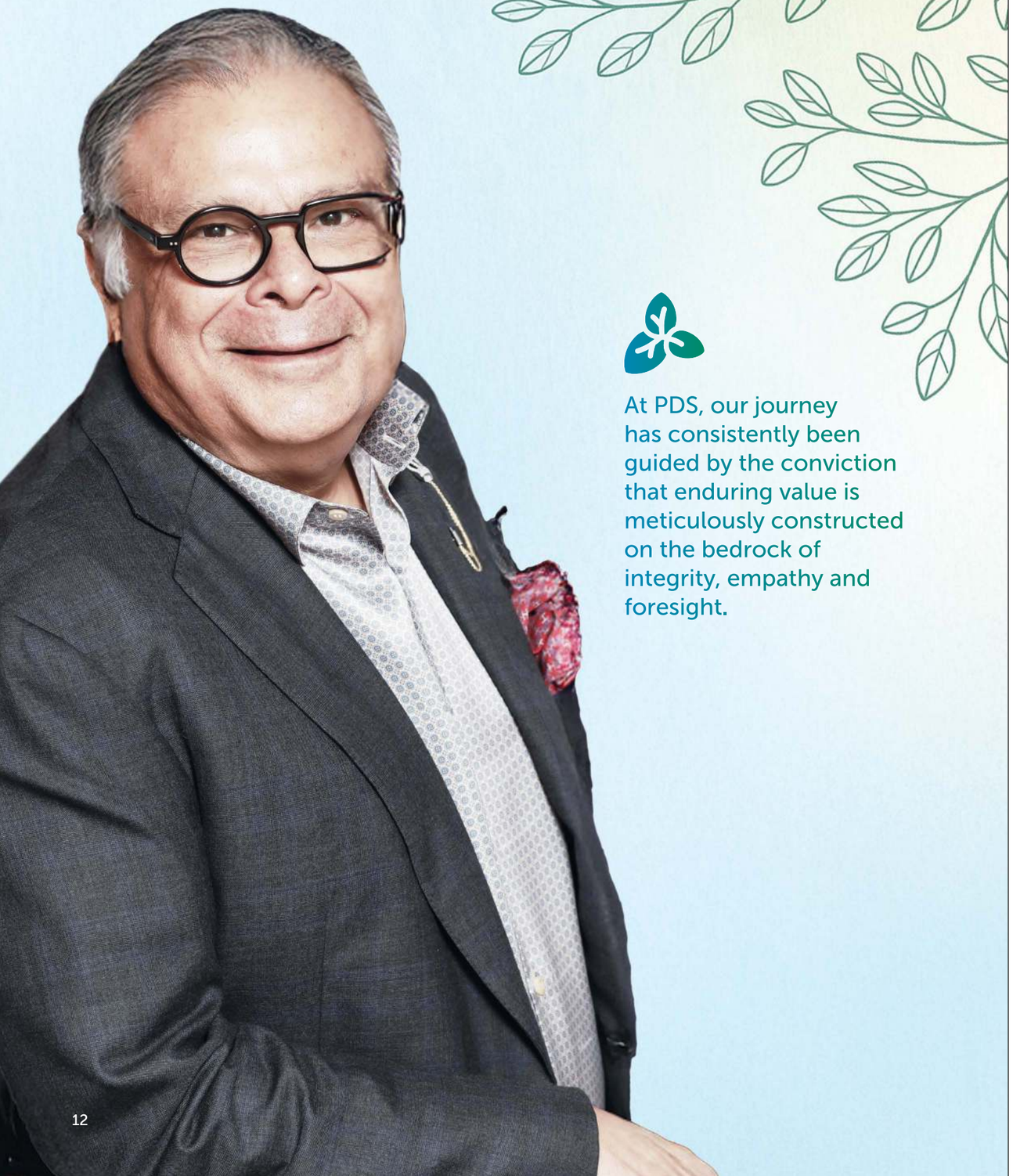
12 countries

Covered under compliance due diligence initiatives

Material topics

- Business Ethics and Integrity
- Supply Chain Management
- Product Quality and Safety
- Industry Collaborations
- Human Rights

Message from Chairman



At PDS, our journey has consistently been guided by the conviction that enduring value is meticulously constructed on the bedrock of integrity, empathy and foresight.

Dear Stakeholders,

The evolving landscape of environmental and social responsibility continues to shape how we engage with the world around us.

At PDS, our journey has consistently been guided by the conviction that enduring value is meticulously constructed on the bedrock of integrity, empathy and foresight.

For us, sustainability transcends just mere words on paper; it embodies a philosophy that influences our decisions, steers our growth trajectory and guides our actions. Our chosen theme for this year, Weaving Threads of Innovation, encapsulates the synergy between creativity and accountability, upholding our ingenuity to craft our future.

Our efforts are anchored in four core pillars, 'Respect Water, Reduce Emissions, Think Circular and Build Community'. These serve as the foundation for our sustainability progress and help us align operational ambition with the broader aim of building an inclusive and environmentally conscious ecosystem. Our 'plug-and-play' model is more than a supply chain solution; it is a strategic ecosystem that integrates creativity, compliance, and sustainability — all in real-time. By removing barriers to entry and creating scalable pathways for growth, we are democratising opportunity in fashion, while staying true to our mission of building a responsible and inclusive industry for the future.

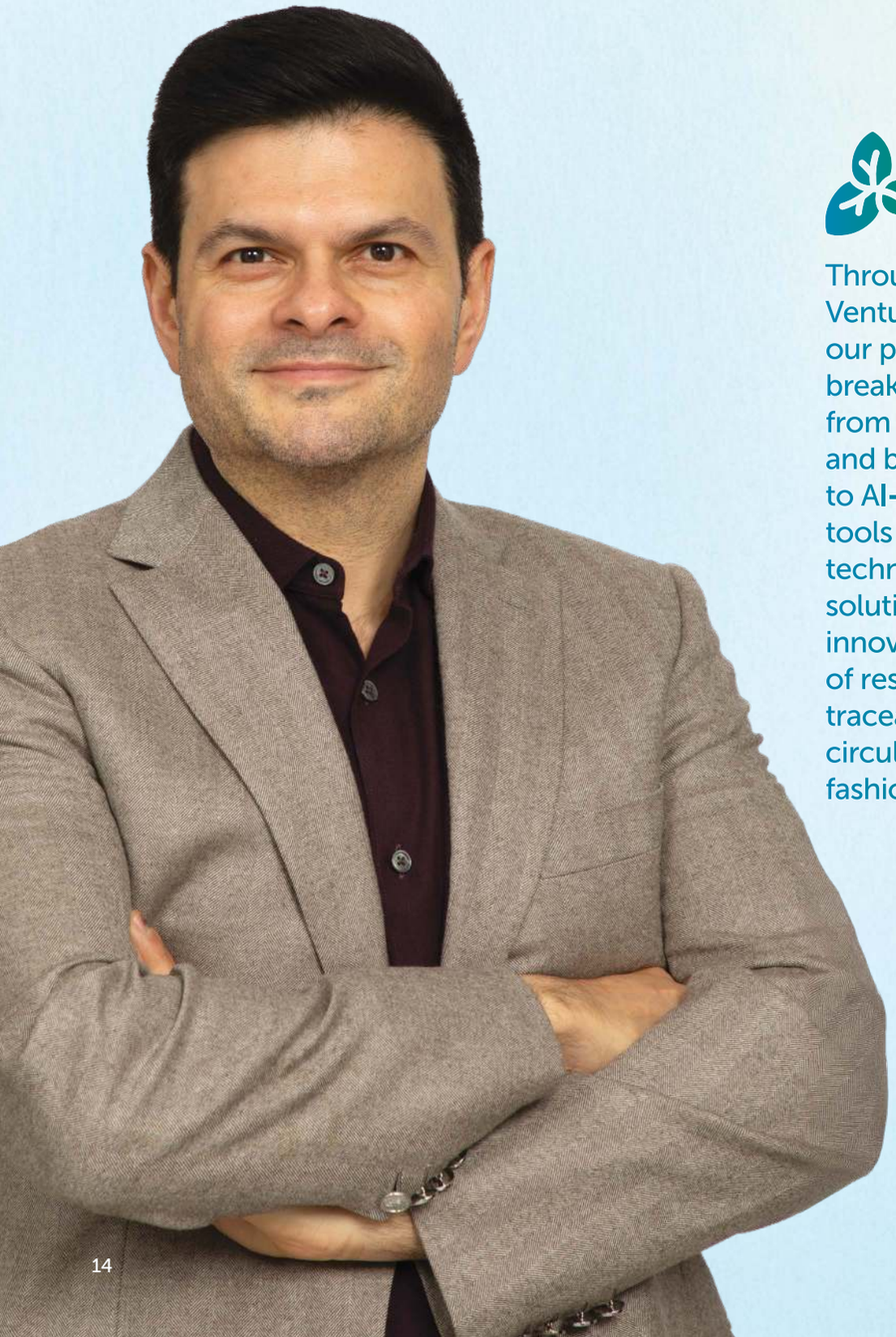
PDS is a global organisation shaped by its people and has more than 10,200 employees and associates over 22 countries. This rich diversity is not merely reflection of our global foot print, but also of our greatest asset. As we move ahead, we strive to build a diverse workforce where diverse perspectives inform operational decisions. In the world that is constantly evolving, our ability to remain agile is rooted in this collective mindset.

As we look to the future, I remain deeply grateful to all those who walk this journey with us —our partners, investors, suppliers and communities whose trust strengthens our resolve. Together, we are advancing toward a future where sustainability becomes part of the way industries operate, and societies thrive. By aligning purpose with performance, and innovation with accountability, we are creating an environment where our business is evolving in harmony with people and planet.

Regards,

Dr. Deepak Kumar Seth
Chairman

Message from Executive Vice Chairman



Through PDS Ventures, we expanded our portfolio with six breakthrough innovators from compostable and bio-based fibres to AI-driven planning tools and circular retail technologies. These solutions are reframing innovation as a driver of resource efficiency, traceability, and circularity across the fashion value chain.

"The best way to predict the future is to create it"

Dear Stakeholders,

The strength of our approach lies in the ability to connect long-term vision with consistent execution. At PDS, sustainability is integrated within the framework of our decentralised model, empowering each business vertical to align growth with responsibility. Our ability to build a greener tomorrow stems from our agility to achieve our objectives through meticulous execution.

Our four-pillar strategy Respect Water, Reduce Emissions, Think Circular, and Build Community continues to guide tangible progress. Over the past year, we strengthened supplier engagement through ESG scorecards, onboarding protocols, and policy explainers, helping partners navigate evolving regulatory landscapes. Initiatives in water efficiency, responsible chemical use, and energy optimisation advanced across multiple supplier sites through shared objectives and sustained collaboration.

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These include innovators like Matereal, developing safer alternatives to polyurethane; Tira, enabling recyclable performance stretch garments; Manny AI, streamlining planning with live supplier data; and Moonsift, transforming product discovery and personalisation. As these ventures progress towards commercial adoption, they are helping reframe innovation as a driver of resource efficiency, traceability and circularity across fashion's global value chain.

We have taken significant strides in addressing Scope 3 emissions, supported by improved systems and coordinated engagement with our suppliers.

I offer my heartfelt appreciation to everyone who has been part of our journey. Your support has strengthened the foundation on which we progress

.Regards,

Pallak Seth
Executive Vice Chairman

Message from Group CEO



I believe that strong corporate governance is the foundation of our sustainable growth. At PDS, governance goes beyond compliance, it is about transparency, accountability, and ethical conduct that build long-term trust with our customers, partners, and investors. We have embed these principles across every level of our organisation, ensuring that our decisions are responsible, our disclosures are credible, and our actions reflect the values we stand for.

Dear Stakeholders,

PDS stands tall as an ethical and entrepreneurial Company deeply focused on sustainability. Sustainability is embedded in our business model enabling every vertical to act with clarity, accountability, and innovation while advancing towards our long-term goals. This year, we prioritised advancing systems that helped us in achieving our sustainability goals with agility and efficiency while maintaining clarity, accountability, and innovation across all levels.

We have also strengthened our environmental performance through cleaner energy adoption, resource efficiency, and enhanced traceability. Our facilities in Bangladesh and Sri Lanka achieved significant milestones in renewable energy integration and secured green building certifications, while our digital platforms including the Higg Index, lifecycle assessments, and digital product passports matured into robust tools for measuring emissions, water use, and material intensity with greater precision.

Our sustainability objectives align with international frameworks such as the Science Based Targets initiative (SBTi), the UN Global Compact and BRSR reporting protocols. We have submitted our Scope 1, 2 and 3 emissions reduction targets to SBTi for validation, which is expected within the year. These frameworks ensure consistency and credibility in disclosures as well as benchmark progress across business units.

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Every step taken this year contributes towards building a responsible, measurable and globally aligned sustainability platform. With continued support from our stakeholders, PDS is poised to advance further

Regards,

Sanjay Jain
Group Chief Executive Officer

Message from Group ESG Director



Social equity remains central to our ESG strategy. We continue to uphold labour rights and compliance standards, ensuring the 'S' in ESG is never overshadowed by environmental efforts. In a labour-intensive industry like ours, we are committed to inclusive progress. We ensure that no one is left behind in the transition to a more sustainable economy, with a focus on gender inclusion. Our long-standing partnerships with some of the industry's leading organisations, along with the introduction of in-house audit capabilities, have strengthened factory-level grievance mechanisms and well-being initiatives.

Dear Stakeholders,

Each year, we look forward to the release of our Sustainability Report, as it provides a valuable opportunity to reflect on our journey and identify new, impactful ways to embed sustainable thinking throughout our expansive business.

Over the past year, we continued to engage with the evolving realities of our time—from intensifying climate risks and shifting policy frameworks to growing scrutiny around supply chain ethics and human rights. These challenges have reinforced our belief that sustainability is not a standalone function, but a shared responsibility that cuts across every role, decision and relationship at PDS.

This year marked notable strides across the organisation. We strengthened our data governance systems and improved disclosures in line with global frameworks. We enhanced the granularity of our Scope 3 emissions monitoring and extended support to our suppliers in collecting, reporting and managing their carbon data. We also expanded our supplier engagement framework to go beyond audits, offering capacity-building support in areas such as fair wages, energy efficiency and chemical safety. In parallel, our procurement teams have piloted ESG-linked metrics into vendor evaluation processes, an early but critical step toward integrating sustainability into commercial decision-making.

We are also in the final stages of formalising our Science Based Targets initiative (SBTi) commitments—an effort we initiated a few years ago. By aligning our emissions reduction roadmap with the 1.5°C target, we reaffirm our climate action plan with a scientifically grounded, long-term strategy.

On the product innovation front, we supported the introduction of digital product passports to increase transparency around material sourcing and end-of-life pathways. These tools—becoming regulatory requirements in both the EU and UK—are instrumental in building trust and traceability across our supply chain.

Our global operations also demonstrated tangible environmental impact, particularly in Bangladesh and Sri Lanka, where our eco-efficient facilities supported water conservation and solar energy utilisation.

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We continue to support a values-driven culture by engaging employees at all levels. Internal awareness sessions, leadership briefings and training programmes have helped embed sustainability into business decision-making and day-to-day operations alike.

PDS Ventures continues to back disruptive, sustainability-driven innovation. From biological dyeing with Colorifix that reduces water usage by nearly half, to Smartex's AI-led knitting defect detection that minimises textile waste, our startup investments are enabling measurable climate impact. We also supported Unspun's 3D weaving for on-demand denim, Natural Fiber Welding's plastic-free leather alternative MIRUM® and Evrnu's advanced textile recycling technologies. These partnerships reflect our belief that emerging science and bold innovation are vital to reshaping the future of fashion.

Through our participation in key sustainability forums—such as those hosted by the UN Global Compact and the Global Fashion Agenda—we engaged in meaningful policy discussions around waste, recycling and biodiversity.

Looking ahead, we recognise the need to accelerate our efforts. Our path forward must be anchored in science, driven by data and powered by people. We acknowledge that progress may be uneven and while we don't have all the answers, we remain committed to a transparent and measurable approach to transformation.

As we continue striving for progress and accountability, we extend our gratitude to our employees, partners, auditors, investors and civil society allies who continue to challenge us and hold us accountable.

Warm regards,

Paul Wright
Group Executive Director – ESG
PDS Limited

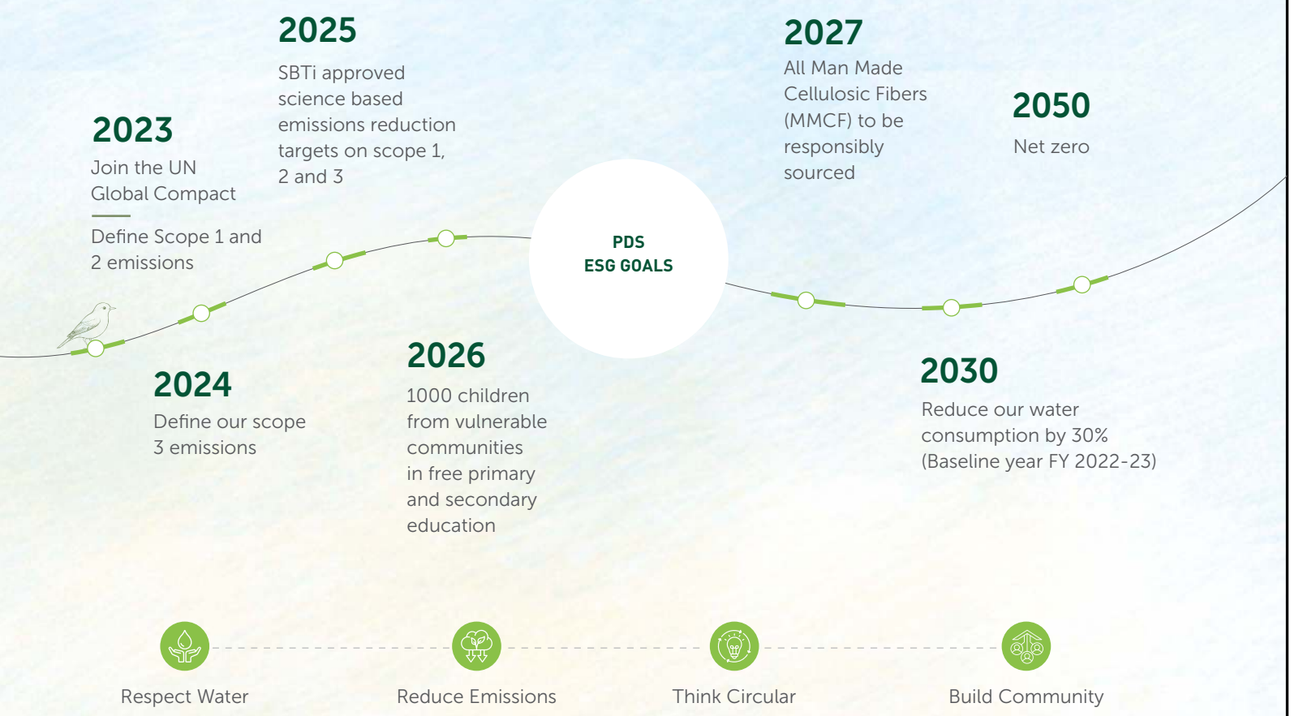
Approach to sustainability

A purpose-driven roadmap for sustainable fashion

At PDS, sustainability is integrated into the core of how we design, source, manufacture and create value across our ecosystem. Our approach is built on the belief that business growth and positive environmental and social outcomes must go hand in hand. Anchored in four strategic pillars—Respect Water, Reduce Emissions, Think Circular and Build Community—we have set a clear and time-bound roadmap to address key challenges in the fashion value chain by setting SBTi targets.

Our 'Sustainability Plan on a Page' outlines milestone targets across environmental stewardship, climate action, responsible sourcing and inclusive development. From aligning with the UN Global Compact to setting science-based emissions targets and investing in circular material innovation, our actions are grounded in data and driven by long-term purpose. Each commitment reflects our dedication to making fashion more responsible, resilient and regenerative.

#PDS4Sustainability
Powered by People, Grounded in Science, Driven by Data



Global sustainability challenge*	PDS solutions	Positive impact
Textile waste crisis **92 million** tonnes of textile waste generated annually, with **87%** ending up in landfill	Circular design practices and post-consumer models through ReFlaunt, Evrnu, Style Theory and upcycling labs	Reduction of end-of-life waste through take-back, resale and recycling programmes integrated within brand ecosystems
High plastic and microplastic pollution **60%** of clothing made from plastic; **42 million** tonnes of plastic waste annually	Adoption of planet-positive and bio-alternative materials via innovators like Fibe and DyeRecycle	Lower material footprint and waste intensity, with demonstrated reductions in virgin plastic usage across selected product lines
Carbon footprint of fashion **8–10%** of global CO_2 emissions from the apparel industry	Implementation of carbon accounting, SBTi-approved reduction targets and lifecycle assessments (LCAs) remains a key focus. Our partnership with Carbon Trail further supports this by helping brands track emissions with greater accuracy and reduce their carbon footprint across the supply chain.	Defined emission baselines across all 3 scopes; long-term decarbonisation path aligned with 1.5°C climate goal; Net Zero by 2050
Excessive water consumption and pollution Second largest consumer of water; **20%** of industrial water pollution from textile dyeing	Water reduction roadmap including responsible dyeing processes and water stewardship in supplier facilities	Water intensity reduction target of 20% by 2030; improved wastewater management and reduced dye-related pollution footprint
Lack of transparency and traceability in supply chains	Rollout of supplier ESG scorecards and blockchain-based traceability pilots is underway across our vertical businesses to improve visibility and accountability. Also, Fabacus from the PDS Ventures portfolio is helping brands aggregate supply chain data and develop Digital Product Passports to support end-to-end transparency.	Greater supply chain accountability and visibility across sourcing, with improved risk assessment and responsible sourcing disclosures
Underinvestment in sustainable innovation	$50M PDS Ventures fund focused on material science, fashion tech and circularity	Accelerated integration of breakthrough solutions like AI-driven planning, 3D sampling and compostable fibre innovations across PDS platforms
Lack of inclusion and access to education	Community development efforts focused on education for vulnerable groups	Educational support for 1,000 underprivileged children by 2027, contributing to long-term social equity and inclusion

*Source: https://theroundup.org/textile-waste-statistics/

Aligning to global standards

Standards that strengthen sustainability

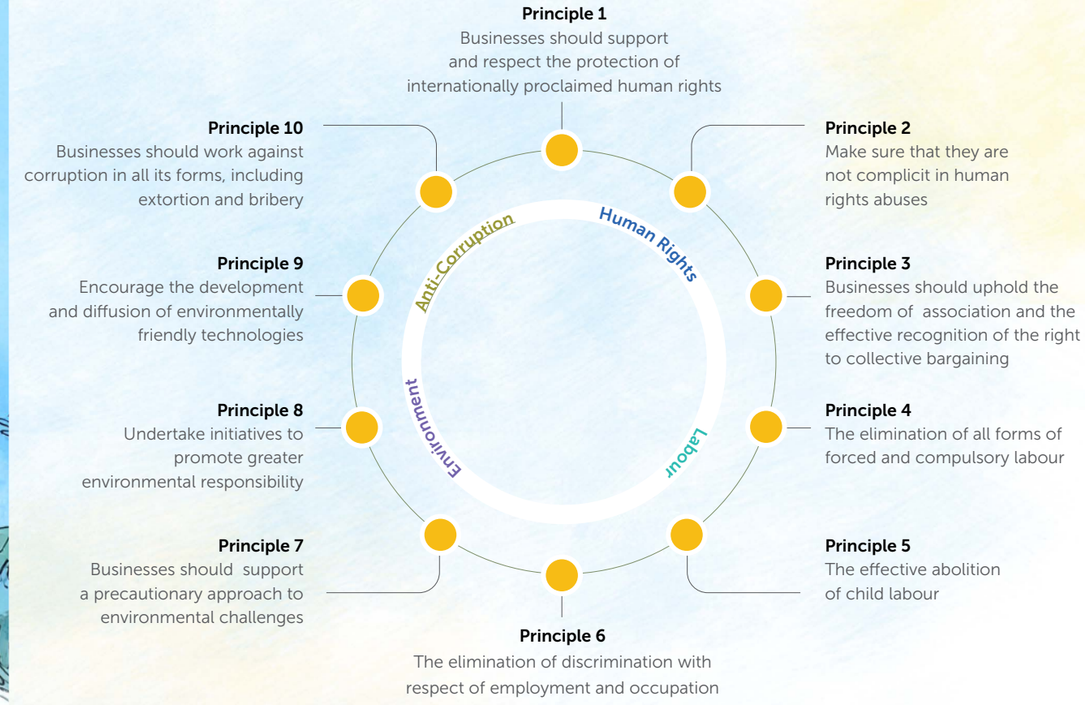
At PDS, our sustainability strategy is grounded in science, supported by data and benchmarked against globally recognised standards. As we advance towards a net-zero future, we are embedding credible frameworks into our environmental impact monitoring, reporting and governance systems.

PDS became a signatory to the UN Global Compact in 2023, reinforcing our commitment to its Ten Principles on human rights, labour, environment and anti-corruption. This framework anchors our approach to ethical and sustainable business practices.



UN Sustainable Development Goals (UN SDGs)

Our sustainability roadmap is designed to contribute meaningfully to the UN SDGs, particularly in the areas of clean energy, responsible consumption, climate action and inclusive growth.





Environmental impact monitoring and reporting

Commitment to environmental transparency

Carbon Accounting and Reporting

We have adopted internationally accepted protocols to measure and disclose Scope 1 & Scope 2 emissions from FY 2022-23 and Scope 3 emissions from FY 2023-24 onwards. This systematic approach enables us to assess hotspots, drive emission reductions and build climate resilience.

Science Based Targets initiative (SBTi)

PDS has committed to validated SBTi targets for Scope 1, 2, and 3 emissions. The SBTi is a globally recognised body that drives ambitious climate action in the private sector by aligning corporate emissions reduction targets with the 1.5°C pathway of the Paris Agreement.

Cascale (formerly Sustainable Apparel Coalition)

As a member of Cascale, we adopt the Higg Index which is a suite of tools that measure environmental, social and labour impacts across the value chain. These metrics allow us to benchmark supplier performance, drive continuous improvement and report responsibly.

LCAs for **core products** with material simulations

Life Cycle Assessments (LCAs)

We conduct LCAs for our core products using advanced material simulations to evaluate environmental performance across the product life cycle. This supports better design, sourcing and circularity decisions.

BRSR Compliance (India)

As part of our regulatory obligations, we adhere to the Business Responsibility and Sustainability Reporting (BRSR) framework introduced by SEBI. This ensures transparency on our ESG disclosures to investors and stakeholders.

Materiality assessment

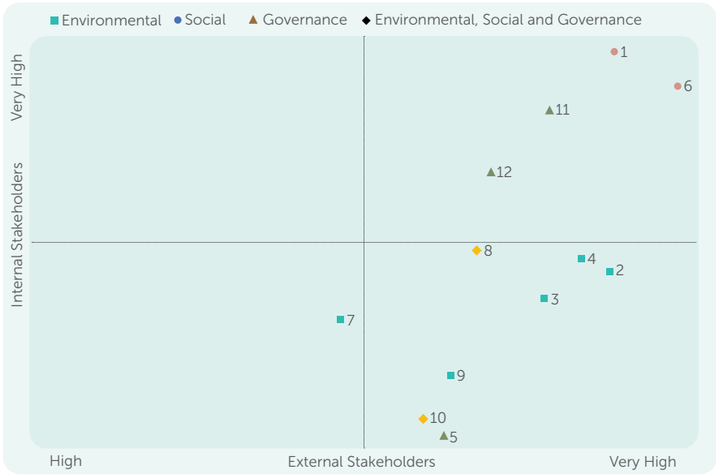
Mapping relevant sustainability priorities

Our materiality assessment enables us to focus on ESG issues that are most relevant to our business and stakeholders. It reflects a balanced evaluation of both internal priorities and external expectations, helping us align our sustainability strategy with the areas of greatest impact.

The materiality process supports smarter resource allocation, clearer target setting and more transparent reporting. It ensures we remain responsive to emerging risks, opportunities and stakeholder concerns as we shape our long-term ESG roadmap.

1. Engaged internal and external stakeholders for input
2. Senior leadership actively contributed to the process
3. Identified 12 ESG topics using ESRS, Codes of Conduct and expert input
4. Refined topic list with feedback from internal Sustainability Champions
5. Mapped and selected a diverse group of stakeholders
6. Conducted a survey with responses rating topic importance
7. Developed a Materiality Matrix based on stakeholder and business relevance
8. Integrated findings into ESG goals and ongoing engagement strategy.

SR No.	
1.	Human Rights
2.	GHG Emissions
3.	Energy Management
4.	Water Management
5.	Community Relations
6.	Occupational Health and Safety
7.	Product Quality, Safety and Sustainability
8.	Supply Chain Management
9.	Circular Economy
10.	Industry Collaborations
11.	Business Ethics and Integrity and Code of Conduct
12.	Labour Relations and Collective Bargaining



Sustainable business growth

Threads that bind growth and purpose

At PDS, sustainable growth is driven by a diversified, agile and customer-centric model. We continue to increase wallet share with existing global brands by deepening partnerships and expanding our portfolio of value-added services. Our Sourcing as a Service platform remains on a strong growth trajectory, enabling clients to access scalable, efficient and transparent supply chain solutions.

Strategically, we are focused on strengthening our presence in key markets such as the US, where demand for integrated sourcing and design-led capabilities continues to rise. We are also investing in expanding our manufacturing footprint to create sourcing synergies, enhance nearshore capabilities and support long-term customer needs. These efforts, aligned with our sustainability commitments, position us to drive resilient and responsible growth.

Three balance sheet approach



Capability
Onboarding the best talent and investing in existing people

Cash
Maintaining Financial Balance Sheet with Positive Net Asset Value

Credibility
Building 'Trust & Transparency' with all Stakeholders (Customers, suppliers, bankers, employees and shareholders)

Mobilising green finance with Sustainability-Linked Loans

In FY2023–24, PDS aligned its sustainability performance with financial decision-making by securing Sustainability-Linked Loans (SLLs) from HSBC and Emirates NBD. These global financial institutions, operating through their GCC branches, have extended credit facilities based on PDS's adherence to specific environmental, social and governance (ESG) parameters. This initiative marks a key step in integrating sustainability into the financial structure of the business. The loans are linked to three core Key Performance Indicators: two environmental and one social, structured within a five-year plan that includes annual progress monitoring.

Unlike traditional financing, SLLs incentivise organisations to embed sustainability into their long-term strategy. For PDS, this signals a strong alignment with international financial standards that prioritise climate resilience and ethical supply chains. Moreover, this also reflects a growing investor and stakeholder interest in businesses that contribute meaningfully to climate and development agendas. By tying finance to tangible sustainability goals, PDS is positioned to access capital more efficiently while continuing to meet its impact-related commitments. As we expand into new markets, including Hong Kong, we aim to replicate this approach in future credit facilities, ensuring sustainability remains integrated into our financial growth journey.





Note:
(1) Excludes HK real estate property used for operating purposes at a book value of $3mn and recently acquired UK property book value of $21mn which is intended for operating purposes

Environment

PDS recognises that a resilient fashion industry must be built on environmental accountability. Across our operations and portfolio, we continue to reduce material impact, decarbonise value chains and scale circular systems. Through investments in regenerative agriculture, low-impact manufacturing and textile-to-textile recycling, we are aligning growth with planetary boundaries while enabling climate solutions across the apparel ecosystem.

Environment

We recognise the significant environmental impact our industry can have, from the resources we consume to the outputs we generate. Environmental stewardship is integral to our strategy, operations and long-term vision. We make a conscious effort to reduce our footprint by encouraging sustainable practices throughout our sourcing, production and logistics processes. We prioritise responsible material choices, enhanced traceability and operational efficiencies that help us meet global sustainability standards and push us to exceed them year after year. By aligning with science-based targets across all three scopes, we are taking a systematic approach to reducing carbon emissions and achieving meaningful climate impact across our value chain. We are also responding to the growing expectations of our partners and consumers, who increasingly demand apparel and fashion solutions that support sustainability goals.



Emissions management

We have implemented targeted strategies to effectively manage and reduce emissions across our operations. We recognise that substantial carbon footprint associated with the fashion supply chain, from sourcing and manufacturing to logistics and are committed to addressing it at every stage.

Our strategy involves transitioning to cleaner energy sources, improving process efficiencies and collaborating with suppliers who share our environmental values. We have also strengthened our emissions data tracking systems to improve transparency and gain better insights into our Scope 1, 2 and 3 emissions. This enables us to take more informed and targeted actions.

Whether it is working with mills to lower energy intensity or optimising transportation routes to reduce fuel consumption, we are investing in solutions that support business growth and climate responsibility. These efforts are central to our ambition to future-proof our operations and contribute to global climate targets.

Scope 1 & 2 GHG Emissions*

8,735 tonnes CO_2e

Scope 1 emission

5,641 tonnes CO_2e

Scope 2 emission

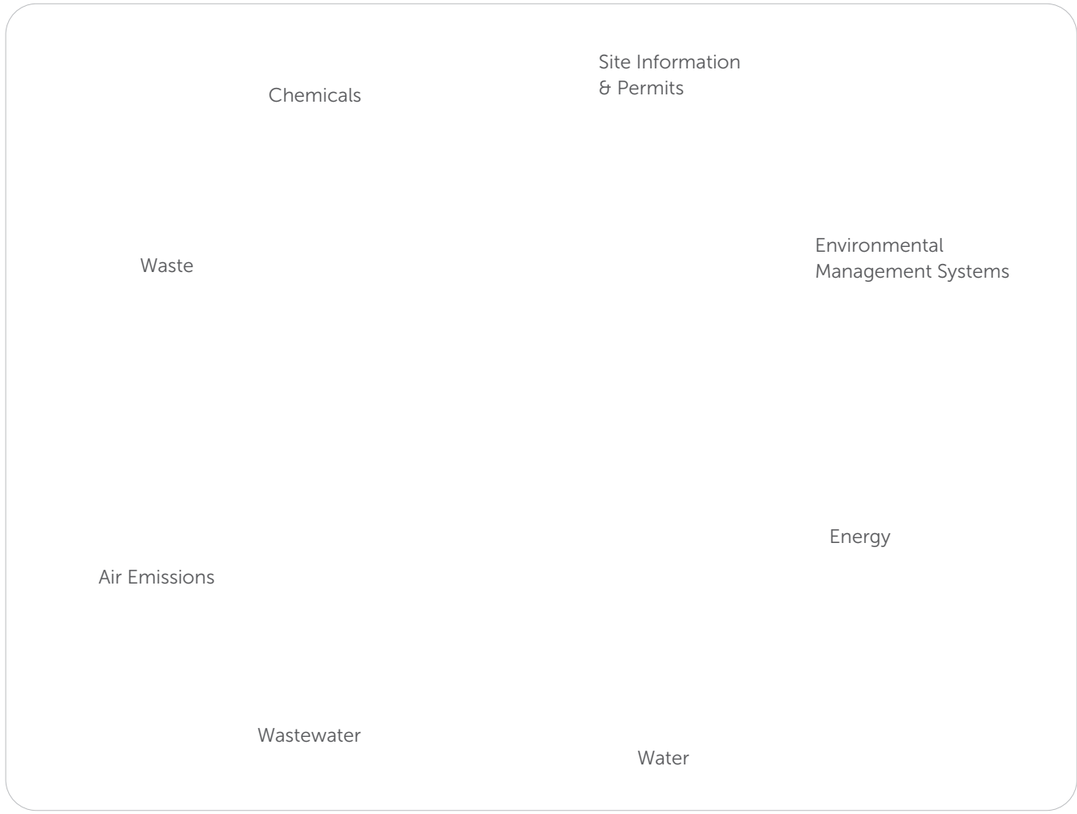
14,376 tonnes CO_2e

Total Scope 1 and 2 emissions

*The disclosure covers three manufacturing units along with the central cutting plant and PDS offices globally

Higg Index

At PDS Limited, we are committed to measuring and improving the environmental performance of our manufacturing units and supply chain partners. As part of this effort, we have adopted the Higg Facility Environmental Module (Higg FEM), a globally recognised tool developed by the Cascale.
The Higg FEM allows us to assess and manage eight key environmental impact areas:



We are actively monitoring our suppliers' Higg FEM assessments to track environmental risks and impacts across the supply chain. By encouraging facilities to complete self-assessments and third-party verifications, we gain valuable insights into current practices and identify opportunities for continuous improvement. This structured and standardised assessment helps us with benchmark performance, support capacity-building initiatives, and align our operations with global sustainability goals.

PDS Manufacturing Units completed HIGG FEM Core Verification for 2024

75+

Average points scored

550+

PDS Tier 1 Suppliers using Higg FEM

200+

PDS Tier 2 Suppliers using Higg FEM

Mapping Our Scope 3 Impact

While we continue to manage our direct emissions, a substantial portion of our environmental footprint stems from indirect emissions, classified as Scope 3. These emissions occur across our entire value chain, including raw material sourcing, manufacturing, distribution, product use and end-of-life disposal. Although more complex to measure and manage, addressing Scope 3 emissions is essential to achieving our broader climate objectives.

To align with international standards and meet the evolving brand expectations, we have undertaken a comprehensive mapping of our Scope 3 emissions across all relevant categories, with a particular focus on those with the highest material impact. This detailed analysis enables us to prioritise high-impact interventions, strengthen collaboration with our supply chain partners and integrate emissions reduction strategies into our daily business operations.



738,699 tonnes CO_2e

Scope 3 emissions

85%

Revenue covered

93%

Headcount covered

Relevance of Scope 3 Emissions Categories

Aligned with the Greenhouse Gas Protocol, we have incorporated 10 of the 15 Scope 3 categories into our emissions analysis. This wide-ranging approach enables us to better understand and manage the indirect emissions that occur beyond our direct operations but are critical to our overall environmental impact.

Emissions category covered for Scope 3 Emissions:

NORLANKA

RESPONSIBLE SOURCING • DESIGN • INNOVATION

Integrating Clean Energy and Ecosystem Restoration

Our on-site solar photovoltaic (PV) system in Norlanka is designed to operate in a fully grid-connected model, supplying clean electricity directly to the national grid. This initiative not only decreases our reliance on conventional energy sources but also supports broader renewable energy adoption across the region.

617,277 kWh

Solar electricity generation

100%

Electricity exported to the grid

GOODEARTH APPARELS LIMITED

Achieving LEED Zero Certification



Overview

Good Earth Apparels has been awarded the prestigious LEED Zero certification by the U.S. Green Building Council, recognising the facility's ability to generate as much renewable energy as it consumes on an annual basis.

Key Enablers

- Installation of a 1 MW solar power system, significantly reducing reliance on grid electricity
- Adoption of high-efficiency equipment and LED lighting to lower overall energy demand
- Integration of green building design principles to optimise energy performance
- Implementation of real-time monitoring systems for enable continuous tracking and performance improvement.

Integrated Sustainability Initiatives

- Rainwater harvesting, low-flow water fixtures and an on-site STP to enable water conservation and reuse
- Launch of the ReNuwaste Project to convert textile waste into reusable material to support our zero-waste goals
- Adoption of a sustainable construction to lower the facility's baseline environmental footprint.

Outcomes

- Recognition as a LEED Zero certified manufacturing facility
- Demonstrated excellence in environmental performance, energy efficiency and circular resource use
- Strengthened operational resilience and a significantly reduced carbon footprint.

Water and chemical management

We are taking steps to manage our water footprint through responsible usage, conservation and circular practices. As water is a critical resource within the fashion and textile industry, we aim to minimise our impact on freshwater and groundwater reserves. Our approach prioritises efficient water use, treatment and reuse, ensuring operational requirements are met while upholding long-term environmental sustainability.

GOODEARTH APPARELS LIMITED

At Good Earth Apparels, water stewardship is embedded into operational planning through a combination of conservation, recycling and responsible discharge. The facility houses an advanced STP with a treatment capacity of 10 m^3/hour. This system ensures that all domestic wastewater is effectively treated and either safely discharged or repurposed within the facility.

This closed-loop system reduces reliance on external freshwater sources, enhances workplace hygiene and supports broader water security in the surrounding community.

12%

Of treated water repurposed for toilet flushing





Responsible Chemical Management

The presence of chemicals in wastewater streams can pose serious risks to both the environment and surrounding communities if not properly managed. Improper disposal also threatens the health and safety of workers as well as contributes to long-term ecological harm. To mitigate these concerns, we adopt a precautionary approach, limiting the use of hazardous substances throughout our supply chain and utilising industry-standard tools to monitor compliance and performance.

Prioritising Safety and Compliance

We enforce a limited chemical use policy, allowing only approved and verified chemicals in our manufacturing processes. All chemicals are stored in clearly designated areas with proper labelling and adherence to strict storage protocols, including the segregation of hazardous materials to prevent accidental mixing or contamination.

Restricting Chemical Use

We enforce a strict limited chemical use policy, ensuring that only approved and necessary substances are permitted in our processes. This reduces environmental impact and enhanced the safety profile of our operations.

Safe Storage Practices

All chemicals are stored in designated, secure areas following established chemical storage protocols. Each container is clearly labelled and storage systems are designed to prevent leaks, spills or cross-contamination.

Segregation of Hazardous Substances

Hazardous chemicals are clearly segregated from non-hazardous materials, ensuring appropriate handling and reducing the risk of accidental exposure or unsafe reactions.

Access to Safety Information

We maintain and regularly update Material Safety Data Sheets (MSDS) for every chemical used on-site. These documents provide essential information on hazards, safe handling, storage and emergency procedures.

Training and Capacity Building

We conduct regular training and awareness programmes for employees and facility personnel, covering chemical safety, emergency response and regulatory compliance.

Emergency Response Readiness

Spill kits and emergency response equipment are strategically placed across our facilities. Dedicated teams are trained in emergency response protocols to ensure prompt and effective action in the event of chemical incidents.

Regulatory Compliance

Our chemical management practices fully comply with local and international regulations and we undergo regular audits and inspections to ensure adherence to the highest standards.

Safe and Certified Disposal

All chemical waste is disposed through authorised third-party vendors with the necessary certifications and disposal capabilities. This guarantees responsible and safe waste management in line with environmental and health regulations.

Personal Protective Equipment (PPE)

The use of Personal Protective Equipment is mandatory for all personnel involved in chemical handling. This includes gloves, safety eyewear and protective clothing to safeguard health and safety.



Reducing environmental footprint with Clean by Design (CbD)

In FY2023–24, Progress Apparels participated in the Apparel Impact Institute's (AII) Clean by Design programme in Bangladesh, an initiative that focuses on improving environmental performance in apparel manufacturing. The programme supports factories in identifying practical, cost-effective ways to reduce their environmental footprint. Through the support of AII's nominated third party organisation, we conducted an initial assessment at one of our facilities to identify areas for improvement in energy consumption, water utilisation and resource efficiency.

Based on this assessment, Progress Apparels created an actionable improvement plan that included upgrades across key utility areas such as ironing systems, steam lines and wastewater reuse. These upgrades are being implemented and will be validated through a follow-up audit to measure actual environmental benefits.

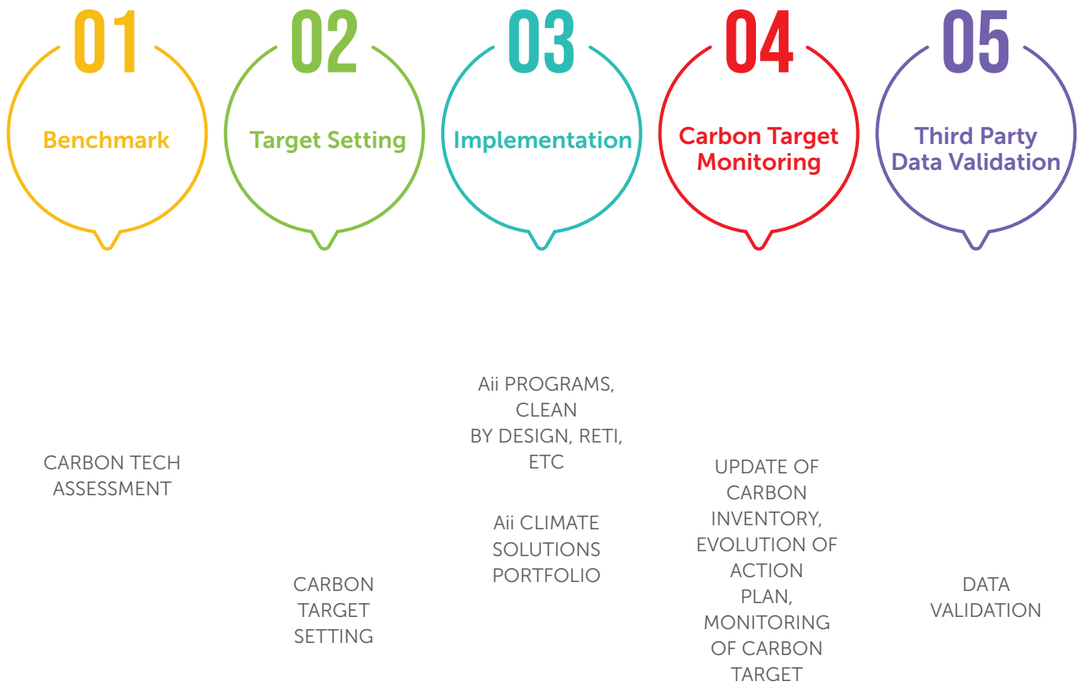
The Clean by Design programme is significant because it brings third-party expertise into factory operations and offers a clear roadmap for environmental improvements that are both feasible and scalable. It also reflects a broader shift in the industry, where manufacturers are expected to adopt more responsible practices at the operational level.

The initiative provides a platform to engage in meaningful change, reduce resource consumption, and improve the environmental efficiency of production processes through collaboration and technical insight.

The Aii Carbon Leadership Program

Aii's collective action roadmap for factory decarbonization

The objective of Aii's Carbon Leadership Program is to put the industry on a collective action roadmap to factory decarbonization.



Waste Management

We recognise that responsible material use is fundamental to creating a more sustainable and circular fashion ecosystem. Guided by our 5R approach -- Rethink, Reduce, Reuse, Recycle and Repurpose, we manage waste more efficiently across our operations.



Our Environmental certification

We have earned a range of globally recognised certifications that reflect our commitment to sustainable sourcing, ethical manufacturing and responsible environmental practices. These certifications validate the rigour and integrity of our operations, from raw material selection and chemical safety to energy efficiency and product traceability. By aligning with international standards and best practices, these credentials reinforce our dedication to transparency and accountability as well as enhance stakeholder confidence.

Style for Change Clothes Donation Program

In October 2024, we launched the Style for Change Clothes Donation Program in Hingurana, Ampara, with the dual objective of encouraging textile reuse and supporting underprivileged commmunities. The initiative saw over 600 gently used garments, donated by employees from our Head Office, distributed to more than 300 beneficiaries.

By extending the life cycle of clothing and reducing textile waste, the programme not only addressed local community needs but also aligned with our environmental and social sustainability objectives. The initiative was executed with minimal costs, limited to travel and meals, demonstrating how significant impact can be achieved in a cost-efficient manner.



Driving knowledge-led impact

Spring Near East undertook two major sustainability education initiatives during the year, aimed at building capacity and catalysing action both within the PDS Group and across its brand partnerships. The first was a tailored Customer Sustainability Education Programme delivered to partners including John Lewis and TU Clothing. These in-person workshops focused on regenerative materials, MMCF innovation, sustainable supply chain strategies, and circular design. Conducted in collaboration with brand design and buying teams, Canopy, and the PDS Sustainability team, the sessions reached over 200 stakeholders. As a direct outcome, four brand collections integrated recycled or Canopy-aligned MMCFs, with enhanced material KPIs built into customer briefs.

The second initiative was a series of Group Educational Webinars designed to upskill internal teams across 40+ PDS business units. These sessions addressed key topics such as MMCF sourcing, EPR and legislation readiness, and featured insights from Canopy and next-gen innovator Evrnu. The webinars raised the baseline of sustainability knowledge across the organisation and enabled greater collaboration and alignment in adopting shared sustainability tools.

Driving Circularity Across Fashion Ecosystems

From sourcing to end-of-life, we are working with partners, innovators and startups to develop solutions that extend the life of materials, reduce waste and regenerate natural resources. Whether through textile recycling, reuse models or digitally enabled resale technologies, our focus is on closing the loop in scalable, commercially viable ways that address both environmental imperatives and evolving consumer expectations.

One of the most impactful platforms advancing this vision is our Trailblazer Programme by Global Fashion Agenda (GFA), designed to identify, support and invest in future-ready startups that are driving meaningful change across the fashion value chain. In 2025, the programme introduced three strategic pillars to sharpen its focus and recognise innovation across critical domains, i.e., working with nature, closed loop pathways and tech powered transformation.



Closed Loop Innovation Through the Trailblazer Programme by GFA

The Closed Loop Pathways pillar highlights circular-first business models that reduce material waste and promote textile regeneration. This category includes innovations in areas such as sorting technologies, garment disassembly, fibre recovery and resale platforms, each aimed at transforming waste into value and extending product lifecycles.

The 2025 edition of the programme recognised three standout startups under this category:

Refiberd

Refiberd combines hyperspectral imaging combined with artificial intelligence to accurately detect fibre composition in post-consumer garments. This enables large-scale sorting of blended textiles, a long-standing challenge in textile recycling and unlocks new potential for fibre recovery and closed-loop production systems

Resortecs

Resortecs has developed a heat-dissolvable thread technology that allows garments to be disassembled quickly and efficiently. By simplifying material separation during recycling, it drastically improves recovery rates and supports scalable circular design strategies for brands and manufacturers.

Tern

Tern is a technology enabler that helps retailers implement and manage white-label trade-in, resale and upcycling programmes. Their software provides backend infrastructure for circular retail models, empowering brands to take greater responsibility for product afterlife while engaging directly with circular-conscious consumers.

Why It Matters

The Closed Loop Pathways category underscores the importance of addressing waste at every stage of the fashion lifecycle, from product design to post-use systems. By supporting these startups, PDS Ventures is not only advancing next-generation circular solutions but also facilitating collaboration between startups, brands and manufacturers.

This initiative reflects our belief that building a circular future for fashion will require more than good intention, it demands robust infrastructure, sustained investment and collective action across the industry.

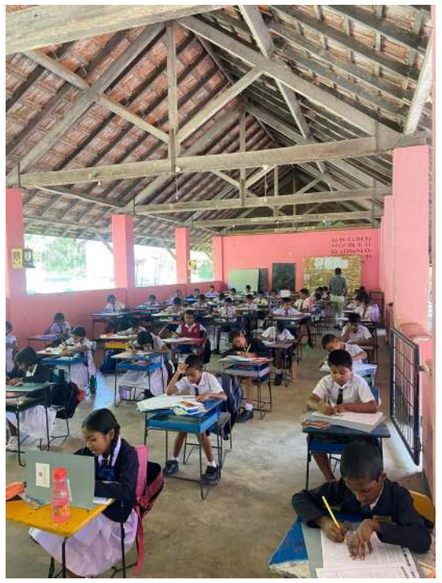
Social

Creating shared value for people across our ecosystem is central to how PDS operates. We are committed to building an inclusive, safe and engaging workplace for our employees through structured learning, career growth, wellness initiatives and a culture that values diversity. Across our supply chain, we partner with vendors to uphold ethical sourcing, promote worker wellbeing and expand access to upskilling and digital inclusion. Through community initiatives like Soham for India and Soham for All (Bangladesh), we further extend our impact by supporting education, livelihoods and social equity beyond the workplace

Communities

At PDS, we believe lasting business success is inextricably linked to the social progress of the communities in which we are embedded. We direct our focus on vulnerable groups, especially children, women and economically disadvantaged households. Through our efforts, we aim to reduce intergenerational poverty, strengthen social inclusion and enhance human capital across our ecosystem. In partnership with subsidiaries, grassroots organisations and community stakeholders, we design programmes that are attuned to the local realities and are globally scalable.





Abinta Kabir Foundation

Partnering to remove barriers to learning

Poeticgem extends support to the Abinta Kabir Foundation School, located in Bhadam, Ashulia. The school provides free primary education to underprivileged children in the local community, along with essential support such as daily meals, uniforms, school supplies and transportation. It is operated by the Abinta Kabir Foundation with the aim of making quality education accessible to those who need it most.

Poeticgem contributes toward the school's running expenses, helping ensure continuity in learning for the students. The assistance supports operational needs, allowing the Foundation to offer a structured academic curriculum alongside extracurricular activities, health check-ups and personal development programmes.

By supporting this initiative, Poeticgem contributes to improving education access and outcomes in its surrounding community, aligning with PDS's broader focus on social development through locally relevant partnerships.

A shared vision for community-centred education

Access to structured, quality education offers children a ladder out of intergenerational poverty by equipping them with the knowledge, confidence and life skills needed to participate meaningfully in society and the economy. This is especially crucial in marginalised areas where systemic inequality, household instability and cultural norms often limit children's opportunities.

For families living at the edges of economic and social stability, education shields them against vulnerabilities. It provides literacy and a safe, nurturing environment where children can grow intellectually and emotionally. The role of the school in such contexts extends beyond pedagogy to encompass health, nutrition, psychosocial support and safety. Recognising this, the Soham initiative functions as a transformative education and welfare model. It operates across India (Soham for Kids) and Bangladesh (Soham for All). Designed to deliver multi-dimensional social value, Soham combines academic access with emotional wellbeing, preventive healthcare and community participation.

200 +

Students enrolled

Soham Vision

To eliminate extreme poverty by harnessing the power of quality education

Soham Mission

To bring smiles to children in the poorest areas by giving them access to education

Each Soham school is directed by inclusive pedagogy, community-rooted programme design and a strong focus on continuity of learning. Regular parent-teacher meetings (PTMs) nurture intergenerational trust and encourage active parental involvement. Nutrition programmes encompassing mid-day meals, fruit distribution and seasonal health kits are designed to address and reduce the incidence of malnutrition and enhance learning outcomes. Hygiene awareness, structured assessments and socio-emotional learning modules are incorporated in the school ecosystem to promote holistic development.



Beyond the Classroom



Education as a tool for gender transformation

The gender gap in education continues to mirror broader inequalities in society. In times of economic hardships or familial transition, girls are often the first to be withdrawn from school. The Soham initiative addresses this through intentional inclusion by engaging mothers in classroom events, training girls in self-defence, celebrating the International Day of the Girl Child and conducting awareness sessions on menstrual and reproductive health.

These efforts reposition girls not just as learners, but as leaders in their own futures. Education also serves as a critical intervention point to interrupt cycles of child marriage, early motherhood and underemployment.

Reinforcing learning through family and community systems

The role of family and community is vital in sustaining a child's educational journey. PDS strengthens this ecosystem by engaging parents in regular PTMs, nutrition briefings, health awareness drives and sessions on child safeguarding and gender equity. These touchpoints encourage shared accountability for a child's development and help to establish environments at home that reinforce the lessons taught in schools.

Furthermore, schools are often the first institutions to identify stress points in a child's life whether it be food insecurity, domestic violence, or health risks. The multi-disciplinary support offered by Soham Centres enables early detection and prompt intervention, converting schools into trusted community anchors.

Communities

Soham for Kids - India

Operating from Mallapur, Hyderabad, Soham for Kids offers free of cost, English-medium education to children from marginalised families. The school functions as an integrated learning environment offering a blend of classroom teaching, digital enablement, creative expression and psychosocial support.

With a curriculum rooted in experiential learning, the school equips students with cognitive and life skills necessary for social and advancements. Each initiative aligns with the broader goals of social mobility and skill-building for future livelihoods.



This year, students participated in a spectrum of academic and extracurricular activities including:

Experiential learning trips to Gandipet Lake to explore physical geography through real-world observation

Formative assessments focused on sustained learning and adaptive teaching

Cultural observances such as Independence Day, Republic Day and Green Day that build social and national awareness

Health-focused initiatives including regular check-ups and free eye camps

The growth of students was complemented by teacher training, digital enablement (with donated laptops) and classroom innovations such as goal-setting sessions and active-learning methods. Parental engagement remained strong, with regular PTMs and outreach to ensure that the development of each child is holistic.

Nargis Noorie finds her voice

A bright 13-year-old from Mallapur, Nargis is passionate about Mathematics and aspires to become a teacher. Her father, a vendor and her homemaker mother struggled to keep the family afloat. Things changed for the better after she enrolled in Soham school. Her parents, once unable to afford rent or books, now witness their daughter thrive in an English-medium environment that nurtures her dreams.

Samreen reclaims her future

Once trapped in an abusive household, Samreen found refuge and purpose at Soham School. Currently, she is excelling in the classroom, especially in Mathematics while demonstrating leadership skills. Additionally, her mother is employed as a school cook. Samreen's journey symbolises the school's broader impact on not just on children but entire families.

Indu Priya begins her journey

Indu, a 7-year-old first-grader, lives in a rented home with her auto-driver father and homemaker mother. Financial struggles were unable to dampen her spirit. With free access to quality education and meals at Soham, Indu dreams of becoming a teacher, just like the women who are now shaping her life.



Communities

Soham for All - Bangladesh

In Savar, Dhaka, Soham for All provides an integrated educational model that engages children, parents, educators and local stakeholders. The centre's curriculum encompasses life skills, gender awareness, early childhood development and preventive health practices.

Inclusive participation is emphasised with cultural observances, creative activities and health initiatives forming the backbone of holistic learning. Families are involved in regular health discussions, literacy programmes and parental orientation events to co-own the learning journey.



Highlights from FY25 include:

Thematic celebrations such as Victory Day, International Mother Language Day, Children's Day and Bengali New Year, blending cultural learning with civic pride

Focused awareness campaigns on uterine and breast cancer, gender equality and child labour prevention

Skill-building activities like the GEN competition, computer training graduation and karate belt certification

Study tours and Fun Days to extend learning beyond the classroom

Special Events such as the International Day of the Girl Child, Teacher's Day and World Environment Day to promote inclusion, respect and environmental awareness

This year, the school's co-curricular calendar further included a Science Fair, Cub Scout achievements, storytelling sessions with Vikram Sridhar and an energetic Sports Day. These activities created a nurturing, joyful ecosystem enabling holistic and inclusive learning, which is deeply rooted in real-world relevance.

Sumi Sarkar breaks the cycle

Sumi, who was once under pressure to enter child marriage, resisted to stay in school. With support from Soham's Girls' Education Programme, she completed her studies and now works as a Junior Teacher at the same centre. Her journey from resistance to resilience embodies the transformational power of education.

My dream was to become a teacher. Today, I help other girls believe in theirs." - Sumi Sarkar

Amarnath finds his purpose

Following the death of his father, Amarnath's mother struggled to support his education. When Amarnath enrolled at Soham, he found not just academic support but a platform for his dreams. He now aspires to become a police officer and serve society with integrity.

Aliya's resilience in crisis

Aliya's life was upended when her sister suffered a traumatic injury and the family lacked proper facilities to support her recovery. Soham School became their sanctuary that provided education, food, healthcare and emotional security. Today, Aliya with a smile on her face, is excelling at school.



Suppliers

Suppliers are the bedrock of our ability to deliver responsibly produced, high-quality apparel at scale. As the interface between our commitments and on-ground implementation, they influence outcomes across labour rights, environmental integrity and material sustainability. At PDS, we consider our suppliers as long-term partners in cultivating a more ethical and transparent fashion ecosystem. By collaborating under common standards, open dialogue and aligned objectives, we strengthen resilience, improve traceability and ensure expedite compliance amid evolving global regulatory landscape. This collaborative approach underpins every aspect of our supplier engagement strategy.



Supplier compliance

It is imperative that all our suppliers adhere to PDS's Supplier Code of Conduct, which outlines expectations on human rights, labour conditions, business ethics and environmental stewardship. This Code serves as the foundation for building trust and accountability across our global value chain.

Monitoring and verification

We work in close quarters with our supply chain partners to maintain adherence oversight through audits, assessments and remediation. Suppliers are supported through guidance, training and tools that enable sustained improvement. In cases of non-compliance, we work towards corrective action and escalation, wherever necessary.

Enabling compliance through education

Acknowledging the increasing complexity of global due diligence requirements, we maintain active engagement with our suppliers through regular policy briefings, training sessions and capacity-building efforts. These initiatives are designed to support our partners in understanding and aligning with dynamic international regulations and growing customer expectations. In line with the PDS Group's core value of 'People First', we delivered 38 ESG learning and development sessions during FY 2024–25. These sessions covered key topics such as anti-corruption, human rights, labour standards, environmental responsibility and governance practices. The trainings were conducted through both in-person and virtual formats, ensuring broad participation from ESG associates and vendors across the supply chain.

35+ Sessions

ESG learning and development sessions

Supply chain responsibility

We invest in technologies and partnerships that support fibre-level traceability and manufacturing transparency. We aim to reduce risks associated with fibre blending and mislabelling through scientific verification and credible monitoring frameworks.

Driving sustainable outcomes

With evolving sourcing models, we continue to explore ways to reduce environmental impact, improve efficiency and contribute to circularity goals. Responsible supply chain management remains at the foundation of how we create value across our brands and partnerships.

Apparel Suppliers Guide

PDS partners with suppliers who share its vision for a responsible, ethical and resilient fashion ecosystem. In a dynamic regulatory environment, we bolster our supplier network through tools, frameworks and guidance that promote transparency, safety and sustainable progress.

We are aligned with global expectations on human rights and environmental due diligence. We believe that policy literacy is instrumental to building sustained supplier readiness. In line with this, PDS contributed to the development of the Apparel Supplier Guide 2.0, published on the Asia Garment Hub, through its verticals Poetic Gem and Simple Approach. This industry-aligned resource outlines key legislative developments in major sourcing regions and offers practical insights to help suppliers navigate evolving compliance landscapes.

Both Poeticgem and Simple Approach played a vital role in grounding the guide in supplier realities. By drawing on their sourcing experience and regional understanding, they helped translate complex regulatory shifts into accessible guidance for apparel manufacturers, as part of our commitment to responsible and informed supply chain partnerships.

An Apparel Supplier's Guide

Key Sustainability Legislation in the EU, US and UK

- EU Corporate Sustainability Due Diligence Directive
- EU Corporate Sustainability Reporting Directive
- New York Fashion Act
- EU Forced Labour Regulation & Guide
- US Uyghur Forced Labor Prevention Act
- EU Ecodesign for Sustainable Products Regulation
- EU Packaging & Packaging Waste Directive & Proposal
- EU Microplastics Regulation
- UK Plastic Packaging Tax
- EU Product Environment Footprint Guide
- EU Textile Regulation
- EU Taxonomy

Man Made Cellulosic Fibre (MMCF)

Man-Made Cellulosic Fibres (MMCF), such as viscose, modal and lyocell, are increasingly recognised as a preferred alternative to synthetic and conventional cotton fibres due to their biodegradability, lower fossil-fuel dependence and potential for circular production. However, their sustainability impact is heavily dependent on how and where they are sourced, particularly with regard to deforestation, chemical management and labour conditions.

At PDS, we are targeting 100% responsibly sourced MMCF by FY2027. This goal is underpinned by clear supplier expectations on environmental safety, fibre traceability and worker protections. Every fabric supplier is evaluated for risk exposure and must demonstrate alignment through recognised certifications, on-site audits and independent verification. By embedding these controls, we aim to ensure that the MMCF we source contributes to ecosystem preservation, ethical manufacturing and long-term supply chain resilience.

People

Our people drive our global success. Our people are more than contributors to the business, they are the architects of our global impact. With a presence in over 24 countries and more than 90 offices, our workforce embodies a vibrant mosaic of cultures, skills and ideas. We are committed to promoting a workplace where every individual is empowered to grow, connect and thrive. This focus nurtures personal and professional development, along with long-term organisational resilience.

Diversity and inclusion

At PDS, we view diversity and inclusion not just as ethical imperatives, but as strategic advantages. We are dedicated to nurturing an environment where all individuals feel welcomed, respected and valued for who they are. Our inclusive policies and practices promote equal opportunity across all levels, actively remove barriers to advancement and celebrate the contributions of individuals from diverse backgrounds, culture and identities. By cultivating a culture of inclusion, we empower our people to be their authentic selves, encourage innovation, collaboration and personal growth.



58%

Women in workforce

5000

Women at manufacturing facilities

40+

Nationalities



	Objective	Actions taken	Outcomes
Equal opportunity policy	To cultivate a workplace grounded in fairness, meritocracy and respect by eliminating all forms of bias and discrimination.	Implemented formal zero-tolerance policies against discrimination and harassment, with inclusive hiring practices and transparent career progression frameworks.	D&I principles embedded across key touchpoints such as hiring, retention and performance management.
Talent mobility policy	To ensure equitable access to growth opportunities by encouraging internal job movement across verticals and geographies.	Enabled employees to take cross-functional roles to enhance career development, build new skills and support talent retention.	Improved employee engagement and collaboration and strengthened the leadership pipeline through broader exposure.
POSH awareness campaign	To promote a workplace culture where employees feel safe, respected and protected against harassment through enhanced awareness and accountability.	Organised targeted training sessions for employees covering legal rights, redressal mechanisms and ethical workplace conduct.	Participants are trained to enhance their sensitivity and awareness regarding workplace safety.
Code of conduct training	To strengthen ethical conduct and reinforce organisational values across our global operations.	Conducted ethics and values workshops for people managers across • **Bangladesh** (250 participants) • **Sri Lanka** (65 participants) • **UK** (50 participants)	Improved ethical awareness and strengthened policy adherence across leadership tiers, ensuring consistency in ethical decisions aligned with our values .
International Women's Day 2025	To celebrate women's contributions and promote gender equality across leadership and teams.	Organised events themed 'Accelerate Action', recognising women leaders across teams and sharing inspiring stories.	High engagement across locations and strengthened gender inclusion narrative.

People

Learning and development

In an evolving global landscape, continuous learning is essential for staying relevant and resilient. At PDS, we invest in the growth of our employees through structured learning pathways that combine classroom training with hands-on, experiential development. From functional upskilling and cross-role exposure to leadership development, our programmes are thoughtfully tailored to align individual career aspirations with organisational priorities. We believe that our success is built on the growth and development of our people.

	Objective	Actions taken	Outcomes
PDS learning academy	To cultivate a workplace grounded in fairness, meritocracy and respect by eliminating all forms of bias and discrimination.	• Applied 70-20-10 framework (70% on-the-job, 20% peer learning and 10% formal training) • Introduced Harvard Business School case-based training, targeted skill-building workshops and functional upskilling programmes.	**12,000+** learning hours delivered **3,500+** employees **6,000+** workers upskilled across regions
Senior leadership coaching [a) Plan Coaching]	To enhance the capabilities of senior leaders in strategic decision-making, team development and business execution.	• Phased coaching for 40+ senior leaders • Focused on delegation, coaching and performance enablement	• Better strategic alignment across leadership • Greater leadership accountability • Improved team satisfaction and effectiveness



People

Employee engagement

We recognise that a connected and engaged workforce is essential to our long-term success. Our approach to engagement is rooted in mutual respect, encouraging open feedback and collaboration. We offer meaningful platforms for employees to share their ideas, voice concerns and contribute to shaping our workplace culture. By celebrating achievements and encouraging open communication, we build trust and strengthen relationships across the organisation. Through our engagement surveys, continuous feedback loops and community-driven initiatives, we cultivate a culture where employees feel valued and supported.

	Objective	Actions taken	Outcomes
Annual employee engagement survey	To capture authentic employee sentiment and drive data-backed insights to enhance organisational culture, policies and engagement.	• Conducted survey across 49 verticals in 14 countries • Measured trust, pride, leadership alignment and inclusion	**93%** response rate **2800+** employees participated **12%** YoY increase in participation Trust Index: **74** Sentiment Score **75**



Communication and transparency

At PDS, we believe that open and honest communication is the foundation of a healthy organisational culture. We strive to ensure that every employee is aligned with our vision, understands our strategic direction and feels empowered to voice their perspectives. Our communication efforts go beyond one-way messaging; they are designed to be interactive and inclusive. Through regular touchpoints, open forums and transparent updates, we aim to build trust, encourage collaboration and deepen employee engagement throughout the organisation.

	Objective	Actions taken	Outcomes
Virtual townhall	To enhance transparency by offering employees a direct platform for employees to hear from leadership and voice their concerns.	• Hosted a global virtual townhall featuring business and regional representation • Facilitated interactive Q&A, vision-sharing and employee recognition	**1400+** employees attended • Enhanced employee trust and business alignment

Recognition and celebration

Recognising people for their contributions is fundamental to building a motivated and inspired workforce. At PDS, we go beyond traditional performance reviews by celebrating the values that truly drives our success—innovation, collaboration, creativity and culture. From formal awards ceremonies to global talent showcases, our recognition initiatives highlight the incredible passion and potential of our people, boosting morale and nurturing a sense of belonging.

PDS annual awards 2024

Objective

To honour high-performing individuals and teams who exemplify excellence, innovation and collaboration.

Actions taken

- Awards presented across **14** categories
- Recognised outstanding contributions from **19** business verticals

Outcomes

- Boosted employee morale
- Highlighted cross-functional excellence

PDS group talent hunt

Objective

To promote camaraderie, joy and connection by celebrating the creative talents of our people.

Actions taken

- Hosted globally for PDS Group, with participation from 19 business verticals
- Categories included singing, dancing, poetry and instrumental performances

Outcomes

- **100+** entries received
- Three winners announced during the June 2025 Townhall







People

Health and well-being

At PDS, we believe that people perform at their best when they feel their best. That is why our approach to employee wellbeing extends beyond healthcare, it encompasses mental wellness, work-life balance and a culture grounded in mutual care and support. Through dedicated campaigns, proactive leadership engagement and supportive workplace practices, we promote a sustainable lifestyle that empowers people to prioritise self-care while contributing meaningfully at work.

PDS wellness month

Objective

To embed mental wellness as a fundamental component of the employee experience, in alignment with global health awareness campaigns.

Actions taken

- Observed during October 2024, coinciding with World Mental Health Day
- Theme: 'It's time to prioritise mental health in the workplace'
- Hosted wellness workshops, games, mindfulness breaks and peer-led activities

Outcomes

- Strong cross-location participation across teams
- Increased awareness around work-life balance and reduced stigma around mental health



Governance

Strong governance anchors our business and guides decision-making across PDS Group. Our frameworks emphasise transparency, compliance and board oversight, supported by a culture of accountability across all subsidiaries and joint ventures. With clear ESG integration into risk management, executive KPIs and reporting, we continue to uphold the trust of our stakeholders while setting robust standards for responsible business.

Strategic governance for business resilience

We are upholding accountability through structured oversight, ethical leadership and responsible business conduct. At PDS, corporate governance is a core enabler of responsible decisions and sustainable growth. Our governance model is designed to uphold accountability across the organisation, protect stakeholder interests and ensure that environmental and social considerations are integrated into the enterprise-level strategy.

We apply a structured, principles-led approach to governance that reinforces transparency, strengthens board and committee effectiveness and embeds ethical conduct throughout the value chain.

Board composition and function

Our Board of Directors comprises members with extensive industry knowledge, functional experience and geographic exposure. The Board is structured to ensure:

- A mix of executive and non-executive directors
- Independence in oversight, particularly across risk, audit and remuneration matters
- Balanced representation to support fair, inclusive and effective leadership

Each director brings distinct value in areas, such as financial stewardship, supply chain governance, sustainability, compliance and stakeholder engagement. Board members convene at regular intervals to review strategic plans, risk profiles, ESG performance and regulatory developments.

The following committees support the Board in discharging its responsibilities:

Audit Committee

Oversees financial controls, internal audits and integrity of disclosures

Risk Management Committee

Monitors enterprise-level risks, including ESG-related risks

CSR Committee

Guides community initiatives, impact programmes and resource allocation

Nomination and Remuneration Committee

Reviews board composition and performance and evaluates executive compensation

Stakeholder Relationship Committee

Ensures responsible and transparent communication with shareholders and other key stakeholders

Each committee operates under a defined charter and meets regularly to ensure responsiveness, compliance and effective governance practices.

Governance of sustainability and ESG integration

At PDS, sustainability governance is implemented through a robust, multi-level structure that connects strategic intent with operational oversight across geographies and verticals. Our ESG and compliance ecosystem is driven by an international cohort of subject matter experts who guide the Group's social, environmental and technical compliance functions. The team ensures consistency, transparency and measurable impact across all regions. This team works closely with vertical heads and regional compliance officers to uphold shared policies, audit standards, supplier assessments and social responsibility benchmarks.

Global ESG Team

Pallak Seth
Founder / Vice Chairman

Sanjay Jain
Group CEO

Paul Wright
Group ESG Director



Adam Ogiliev
Global Compliance Executive Director, PGI Customer



Julia Rowlands
Global Compliance Executive Director, New Lobster Group



Rajeev Sharma
Global Compliance Executive Director, Global Compliance



Buddhi Paranamana
Director Sustainability & Innovation



Newton Gomes
General Manager-Compliance, Simple Approach



Mahamud Faruque
General Manager-Compliance, Governance and ESG L&D



Pakistan



Turkey



Sri Lanka



China



Bangladesh



Vietnam



India

Key elements of our governance structure include

- Central coordination of ESG performance indicators and reporting requirements
- Regional alignment through country-specific compliance officers in Bangladesh, India, Sri Lanka, Turkey, China, Pakistan, Vietnam, UAE and the UK
- Category-based governance models for supplier engagement and risk prioritisation, ensuring that interventions are proportionate and scalable across vendor types
- A Global Compliance Governance Taskforce composed of over 80 compliance professionals, with strong representation from sourcing regions such as Bangladesh and India

This structure ensures uniformity in policy deployment while accounting for regional variations in law, labour practices and operational complexity. It also enables real-time issue escalation, responsive mitigation and alignment with evolving sustainability expectations.

Vertical-level compliance and accountability

As a global platform managing diverse verticals and partnerships, we place a strong emphasis on ensuring that each business unit aligns with the Group's governance and compliance expectations. Each vertical is responsible for ensuring local execution of Group-level policies while maintaining visibility over operational practices. Compliance teams at vertical level are supported through:

- Training sessions focused on evolving governance and ESG requirements
- Shared digital resources, including policy repositories and self-assessment tools
- Periodic group-level compliance reviews and performance discussions

The alignment of all verticals under a unified governance philosophy helps PDS maintain consistency, manage reputational and legal risks and garner the trust of global customers, partners and investors.

Internal controls and assurance systems

We are strengthening integrity through control frameworks and audit oversight. We maintain a structured internal control environment to ensure accuracy, accountability and compliance across all operating levels. Our internal audit framework reviews:

- Adherence to policy and procedural controls
- Reliability of ESG-related data and disclosures
- Compliance with labour laws, trade practices and vendor management norms

Internal controls are reviewed annually and refined to incorporate emerging risks, new regulatory expectations and organisational learnings. All disclosures—financial and non-financial—are reviewed for accuracy and supported by clear evidence trails and data ownership responsibilities.

In addition to internal reviews, PDS engages third-party assurance partners for validation of key ESG disclosures, providing an added layer of credibility and transparency.

4 pillars of due diligence

PILLAR 1
3RD PARTY AUDIT

01 Semi- Announced audits <6 months old

02 Acceptable audits - BSCI,SMETA,WRAP,SAB000, ICS

03 Assessment of NC'S and CAP monitoring

PILLAR 2
Internal AUDIT

01 Semi- Announced audit, based on PDS Code of Conduct

02 CAP progress monitoring

03 Capacity building & based on internal audit findings

PDS Supplier Code of Conduct*

1 Child labour	2 Forced labour & modern-day slavery	3 Working hours	4 Wages and benefits	5 Disciplinary practices	6 Legal requirements
7 Ethical standards	8 Freedom of association	9 Discrimination	10 Health & safety	11 Environment	12 Dormitories
13 Unauthorised subcontract	14 Data privacy	15 Performance contingencies	16 Unauthorised subcontract	17 Data privacy	18 Performance contingencies
19 Unauthorised subcontract	20 Data privacy	21 Performance contingencies	22 Financial integrity	23 Business gifts	24 Annual compliance survey
25 Prohibition of insider trading	26 Conflict of interest				

PDS Internal Audit ZTV's

ZERO TOLERANCE

- Child Labor
- Forced Labor
- Harassment and Abuse
- Discrimination
- Unauthorised subcontracting
- Any unethical practice
- Shared building with different owner
- Access denied to auditor
- Factory building not approved for industrial purpose
- Financial Integrity

PILLAR 3

Customer Specific Due Diligence

01 Conduct ethical audit based on customer CoC

02 Vendor management on SEDEX & BSCI platform as per customer requirement

03 Capacity building training & SAQ completion

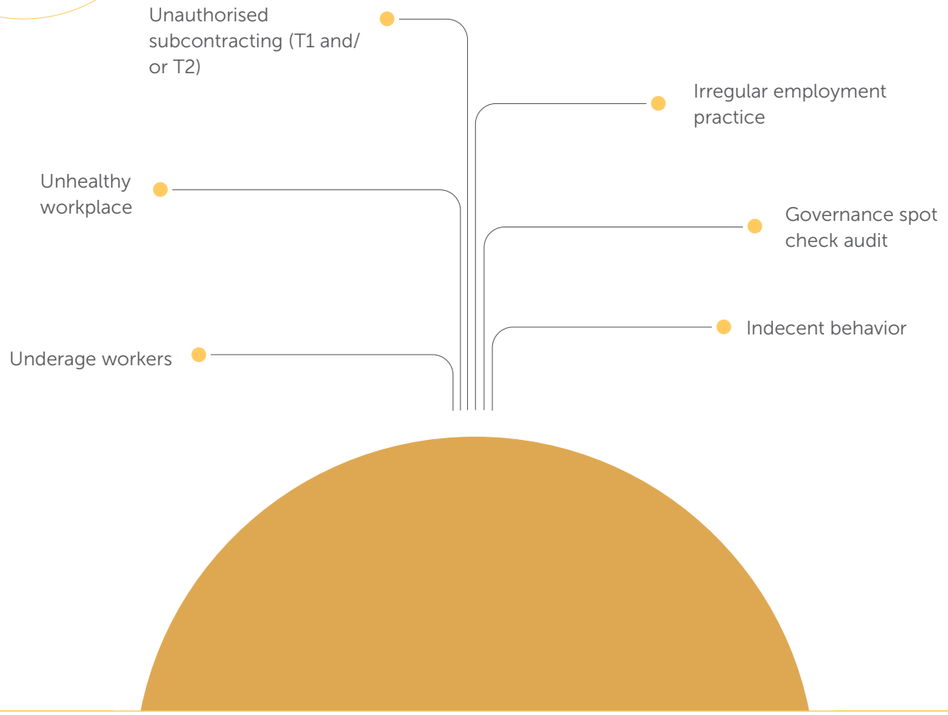
PILLAR 4

Compliance Governance Audit

01 Unannounced Audit based on ZT, BC and traceability protocol

02 Operate independent of any business vertical

03 Develop Guidance Document and Facilitate Learning Sessions



PDS Compliance Governance

Oversight

Compliance governance refers to the processes, policies and rules that ensure the organisation is adhering to government regulations, internal policies and industry requirements, as well as internal standards and ethical principles.

Aim

The goal of compliance governance is to minimise risks and prevent violations that could harm the organisation's reputation, finances, or legal standing.

Function

Compliance governance is essential for organisations to manage legal and ethical risks, mitigate potential project risks and build trust with stakeholders.

Consequences

- Monetary penalty
- Factory termination, may be its for lifetime
- Business termination with supplier, permanently
- Employees termination, Immediately
- Potential Legal action against employees
- Issuance of warning letter & financial implications



Responsible conduct across the value chain

We strive to promote fairness, transparency and ethical conduct globally as we operate in diverse markets and jurisdictions and expect the highest standards of ethical conduct across all stakeholders. Our governance framework mandates:

- A unified Code of Conduct applicable to employees, suppliers and senior management
- Zero tolerance for corruption, forced or child labour, discrimination, or retaliatory practices
- Supplier audits and due diligence protocols conducted in collaborations with globally recognised audit bodies
- Responsible sourcing aligned with local labour laws, social safeguards and contractual clarity

All business partners are required to acknowledge and align with PDS's Supplier Code of Conduct, which outlines specific expectations related to human rights, working hours, health and safety, environmental management and ethical business behaviour. The Code also reinforces the right to freedom of association and collective bargaining and prohibits harassment, unlawful wage deductions and unsafe working conditions. It is regularly reviewed periodically to reflect industry developments and stakeholder expectations.

*Refer to page xx for more on Supplier compliance

Policies, monitoring and continuous improvement

We have a robust policy ecosystem that supports accountability and ethical culture. We have developed a comprehensive suite of governance policies.

- Code of Conduct
- Anti-Bribery and Anti-Corruption Policy
- Sustainable Supply Chain and Responsible Procurement Policy
- Human Rights Policy
- Environment and Occupational Health and Safety Policies
- Equal Opportunity and Sexual Harassment Policies
- Vigil Mechanism and Whistleblower Policy
- Risk Management and Information Security Policies
- Stakeholder Engagement Policy

All policies are supported by periodic training, internal audits and review mechanisms to ensure alignment with evolving expectations. They are reviewed regularly by relevant board committees to maintain consistency and accountability across verticals.

For the complete list and details, refer to our Corporate Governance portal:

Whistleblower protection and ethics escalation

We are enabling transparent reporting mechanisms that empower stakeholders to raise concerns without fear of retaliation. Our Whistleblower Policy enables employees, suppliers and other stakeholders to report unethical conduct, violations, or misuse of authority through secure and confidential channels. Reports are handled by an independent ethics committee, with protections in place to prevent retaliation.

All complaints are documented, investigated and escalated to the Audit Committee if necessary. We continue to train internal teams on responsible reporting behaviour and ethics compliance.

Risk governance

We manage risks through a comprehensive framework that integrates both operational and sustainability-linked risks. These include:

- Supply chain disruptions and vendor non-compliance
- Labour-related risks and reputational exposure
- Climate and environmental risks, particularly in sourcing and manufacturing
- Data privacy, cybersecurity and digital platform integrity

Our materiality assessment process further strengthens our risk governance by mapping stakeholder concerns and business impacts. This enables us to prioritise governance focus areas that are characterised by elevated risks and significant potential impact.

Cybersecurity and data privacy

Safeguarding information assets is an essential part of responsible business conduct at PDS. As a global enterprise operating in diverse digital environments, we recognise that information security is a governance priority with implications for business continuity, stakeholder trust and regulatory compliance.

PDS has adopted a formal Information Security Policy, applicable to all employees, contractors and third-party partners who access company systems and data. This policy outlines protocols for protecting physical and digital information assets against unauthorised access, disclosure, modification and destruction.

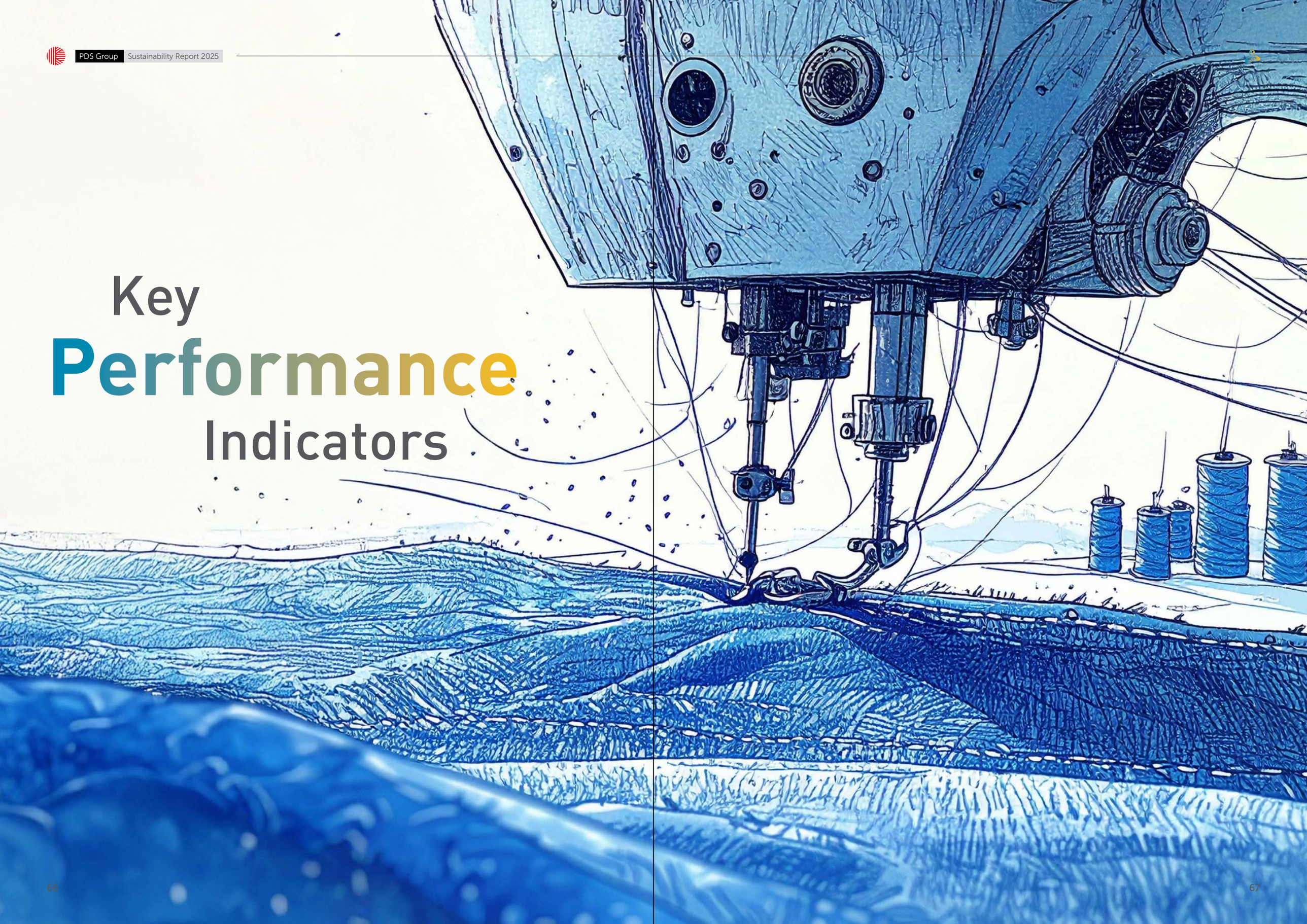


All users are required to sign an Information Security Agreement and routine awareness sessions are held to reinforce secure digital behaviour, phishing risk recognition and password hygiene.

In alignment with evolving data privacy laws across operating geographies, PDS ensures that personal data is processed lawfully, transparently and for legitimate business purposes. Vendor contracts include clauses on data protection responsibilities and appropriate technical safeguards are implemented when handling customer, employee, or financial data.

Through periodic policy reviews and system upgrades, we maintain a resilient, compliant and secure information environment across our global network.

Key Performance Indicators



CSS Collaborative Sourcing Services FZCO

COLLABORATIVE SOURCING SERVICES

At CSS, we believe that sustainability is not just a responsibility, it is integral to our identity and the way we operate. As we navigate the challenges of a rapidly changing world, our commitment to environmental stewardship, social responsibility and ethical governance remain unswerving.

We recognise that the choices we make today will shape the world we leave for future generations. Therefore, we are investing in cleaner technologies, reducing our carbon footprint and making our supply chains more resilient and responsible. From minimising waste to maximising energy efficiency, every step reflects our vision of a more sustainable future.

Sustainability is not a journey we can walk alone. It calls for collaboration—with our employees, our partners, customers and communities.

Together, we are building a culture of innovation and accountability that empowers us to make a meaningful impact.

As we move forward, we will continue to set ambitious goals, measuring progress transparently and upholding the highest standards of integrity. At CSS, we do not just want to do well—we want to do the best.

Kabir Ahmed
Director

Sustainability is more than just a goal; it is a critical responsibility for any business committed to resilience and long-term, ethical growth.

Product sustainability plays a vital role in reducing our environmental and social impact across the product life cycle, from raw materials sourcing to end-of-life. We are committed to sourcing sustainable materials like Better Cotton, Recycle Materials, MMCF from FSC, European Flax and Responsible Wool & we are ensuring traceability of sustainable materials.

Our aim is to advance energy efficiency, reduce greenhouse gas emissions, optimise water use and minimise waste generation. We conduct business in a way that respects people, planet and progress. This is realised today through our alignment with globally recognised sustainability frameworks such as Higg FEM, ZDHC, EIM and EcoVadis. We require all suppliers to maintain comprehensive chemical inventories using tools like Bhive, Bve3, Clean Chain and ToxClaer, ensuring our chemical management practices meet the safety and environmental standards.

We understand that it takes collaboration, innovation and shared responsibility across all levels of organisation and supply chain partners to stride towards a better tomorrow. We arrange training and awareness sessions with our suppliers & to empower collective action and drive meaningful change.

We develop apparel that is environmentally responsible as well as economically viable.

Mazharul Islam
Fabric Technical Manager

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	100%	We are committed to sourcing 100% of our cotton as Better Cotton	100%	Product	12
		% of Recycle Polyester	30%	% of Recycle Polyester	30%		
		% of sustainable Man made cellulousic fibers	100%	% of sustainable Man made cellulousic fibers	100%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	100%	% of self-assessment	95%	Emissions, Water, Chemical, Waste	17
		% of verification	95%	% of verification	95%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	13
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Renewable energy	Total capacity of Solar PV System in kWp	11,234	Total capacity of Solar PV System in kWp	12,000	Emissions	7
7	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	6
8	"Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers"	% of suppliers Foundational treatment limits achieved	100%	% of suppliers Foundational treatment limits achieved	100%	Chemical	12
9	George ASDA partnership with EcoVadis to manage risk, track performance and drive progress.	Number of suppliers added in the programmeme	1	Number of suppliers added in the programmeme	2	Product, Environment, Social	12, 13

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development programmes	No. of students enrolled	250	No. of students enrolled	NA	
		No. of adults in vocational programmes	351	No. of adults in vocational programmes	NA	
		Funds allocated to programme (USD)	1,59,490	Funds allocated to program (USD)	NA	

At Design Arc, we uphold a strong commitment to operating in a socially responsible and ethically sound manner. Our initiatives support local communities and advance environmental stewardship through the adoption of innovative technologies and the implementation of waste reduction strategies.

We systematically assess our environmental footprint and are dedicated to achieving year-on-year reductions across all aspects of our operations and supply chain network. Our design and product development teams are consistently engaged in the integration of sustainable materials, while our production teams collaborate closely with manufacturing partners to adopt responsible manufacturing practices and upgrade infrastructure.

These concerted efforts are aligned with our broader sustainability objectives, forming part of our long-term strategic vision.

Rakesh Chadha
Managing Director and CEO

Sustainability is at the heart of everything we do. We focus on reducing our environmental impact through responsible sourcing, waste reduction and collaboration with our manufacturing partners. Our design and product teams actively incorporate sustainable materials, while we embrace advanced into technology to support our long-term environmental goals. These efforts reflect our commitment to making meaningful progress and building a more responsible future. We are proud to serve as the Sustainability Champion, leading by example and integrating responsible practices across every level of our business.

Emily Tsang and Terezia Milosovic
HR Team

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	88% BCI Cotton, Recycled Cotton 8%,Cotton 4%	We are committed to sourcing 100% of our cotton as Better Cotton	95% BCI Cotton 5% recycled cotton	Product	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
		% of Recycle Polyester	90%	% of Recycle Polyester	>90%		
		% of sustainable Man made cellulousic fibers	74%	% of sustainable Man made cellulousic fibers	>75%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	70%	% of self-assessment	75%	Emissions, Water, Chemical, Waste	17 PARTNERSHIPS FOR THE GOALS
		% of verification	70%	% of verification	75%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	13 CLIMATE ACTION
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Setting target for carbon reduction by implementing initiatives within the supply chain for driving meaningful progress towards a more sustainable and low-carbon business operation	No of initiatives taken:	1	No of initiatives taken:	1	Emissions	13 CLIMATE ACTION
		Reduction %:	5%	Reduction %:	10%		

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development programs	No. of students enrolled	150	No. of students enrolled	150	4 QUALITY EDUCATION
		No. of adults in vocational programs	160	No. of adults in vocational programs	170	
		Funds allocated to program (USD)	68,000	Funds allocated to program (USD)	68,000	
2	Advancing health and well-being for all ages by initiatives that improve access to quality healthcare, strengthening healthcare infrastructure and R&D and prioritising healthcare education and awareness with a special focus on maternal and child health.	No. of people benefitted from healthcare programs/ camps	Office base: 160 Factory base: 14,000	No. of people benefitted from healthcare programs/ camps	Office base: 160 Factory base: 14,000	3 GOOD HEALTH AND WELL-BEING
		% increase in no. of individuals gaining access to healthcare services	Office base: 21%	% increase in no. of individuals gaining access to healthcare services	Office base: 25%	
		Funding allocated to healthcare initiaatives (USD)	Office base: 28,000	Funding allocated to healthcare initiaatives (USD)	Office base: 30,000	
		No. of individuals benefitting from healthcare education/ awareness programs	Office base: 160 Factory base: 10,000	No. of individuals benefitting from healthcare education/ awareness programs	Office base: 160 Factory base: 10,000	
		No. of healthcare awareness programs/ sessions conducted	Office base: 5 Factory base: 13	No. of healthcare awareness programs/ sessions conducted	Office base: 5 Factory base: 13	
3	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	Office base: 7:3 Factory base: 11:01	Ratio of men:women in senior leadership positions	Office base: 7:3 Factory base: 10:01	5 GENDER EQUALITY
		No. of women enrolled in leadership development initiatives	Factory base: 5,000	No. of women enrolled in leadership development initiatives	Factory base: 5,000	
		No. of gender empowerment/diversity/ inclusion initiatives/ policies	Office base: 3 Factory base: 9	No. of gender empowerment/ diversity/ inclusion initiatives/ policies	Office base: 3 Factory base: 9	

GOODEARTH APPARELS LIMITED

GOOD EARTH APPARELS

This year, we are proud to have been recognised as a LEED Zero certified factory, a significant milestone in our journey towards carbon neutrality and responsible manufacturing.

With real-time carbon tracking powered by our in-house platform, (www.greenscan.info), and smarter supply chain choices. This continuous monitoring allows us to actively reduce our environmental footprint at every level of operations. reducing our environmental footprint across all scopes.

These achievements reflect our core belief **"Sustainability must be embedded in every aspect of our business"** and I am grateful to our teams and partners for turning this vision into reality.

Manoj Dimri
Chief Executive Officer

Sustainability has always been more than a buzzword, it is a deeply embedded responsibility. We begin with small yet meaningful changes— transitioning to organic and recycled materials, investing in energy-efficient manufacturing processes and advocating for energy-efficient practices. Over time, these small steps have evolved into systemic initiatives that support our long-term environmental goals. I have led cross-functional teams in implementing waste reduction programmes, supported the transition to renewable energy sources and helped introduce a green procurement policy that aligns our operations with environmental stewardship.

This year, we received our first sustainability certification, a milestone that reflects the collective effort of many dedicated individuals. However, this is just the beginning. True sustainability is about continuous learning and improvement, listening to fresh ideas and inspiring action, no matter how small.

Together, we can create a culture where responsible practices are part of every decision. I am excited to continue championing this mission and collaborating with others to build a resilient, sustainable future.

Sabuj Hossain
Senior Executive, Compliance and Sustainability

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	46.07%	We are committed to sourcing 100% of our cotton as Better Cotton	55%	Product	
		% of Recycle Polyester	0.07%	% of Recycle Polyester	50%		
		% of sustainable Man made cellulousic fibers	12.00%	% of sustainable Man made cellulousic fibers	52%		
2	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	
3	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
4	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
5	Renewable energy	Total capacity of Solar PV System in kWp	1,000	Total capacity of Solar PV System in kWp	1,000	Emissions	

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development programs	No. of students enrolled	24	No. of students enrolled	30	
		Funds allocated to program (USD)	750	Funds allocated to program (USD)	1,150	
2	Advancing health and well-being for all ages by initiatives that improve access to quality healthcare, strengthening healthcare infrastructure and R&D and prioritising healthcare education and awareness with a special focus on maternal and child health.	No. of people benefitted from healthcare programs/ camps	No	No. of people benefitted from healthcare programs/ camps	No	
		No. of individuals benefitting from healthcare education/ awareness programs	4,970 workers & Staff internaly trained (Including refresher training)	No. of individuals benefitting from healthcare education/ awareness programs	All Employee (3,000)	
		No. of healthcare awareness programs/ sessions conducted	162	No. of healthcare awareness programs/ sessions conducted	180	
3	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	10:01	Ratio of men:women in senior leadership positions	10:03	
		No. of women enrolled in leadership development initiatives	N/A	No. of women enrolled in leadership development initiatives	We plan to implement the leadership development program for women	
4	Promotion of a better environment reality by initiatives that restore degraded forests, reduce pollution and protect and conserve biodiversity	No. of trees planted/ hectares of land afforested	15	No. of trees planted/hectares of land afforested	25	
		No. of environmental awareness programs conducted	13	No. of environmental awareness programs conducted	15	
		Man hours dedicated for such programs	300	Man hours dedicated for such programs	400	

KRAYONS

At Krayons, our purpose is to create a positive and lasting impact through our operating practices as well as the products and solutions we bring to market. As a forward-looking apparel sourcing company, we are deeply committed to advancing sustainability across the entire value chain. From responsible sourcing to eco-conscious product development, we are actively working to reduce our carbon footprint and drive the transition towards sustainable fashion.

Our CSR initiatives are an extension of this mission, aimed at enhancing community living and promoting environmental stewardship. We continually adopt industry-leading best practices to ensure that our efforts not only meet global sustainability standards but also deliver long-term value for our stakeholders. For us, purpose and performance go hand in hand, what is good for the planet is good for business and good for our stakeholders.

Rajnish Kapoor

Director

We are pleased to highlight the significant strides in our sustainability journey at Krayons Sourcing Limited for the fiscal year 2024/25. Sustainability remains a cornerstone of our corporate culture and values, influencing all strategic decisions and operational practices.

Moving forward, our commitment to sustainability is unwavering. We plan to further these goals by transitioning to sustainable and traceable raw materials. Additionally, we are dedicated to increasing the participation of our esteemed suppliers in different training and development programs. This initiative aims to cultivate skilled and responsible leadership, effectively strengthening our internal capabilities. Through continuous innovation, strategic collaborations, and robust stakeholder engagement, we endeavor to generate mutual value for all parties involved and contribute meaningfully to a more sustainable future.

We extend our sincere appreciation to our employees, partners, and stakeholders for their steadfast support and dedication throughout our sustainability endeavors. Collaboratively, we will continue to demonstrate leadership and create a possible global impact.

Tahsin Uz Zaman

Assistant Manager - Sustainability

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	73%	We are committed to sourcing 100% of our cotton as Better Cotton	75%	Product	
		% of Recycle Polyester	1%	% of Recycle Polyester	2%		
		% of sustainable Man made cellulousic fibers	26%	% of sustainable Man made cellulousic fibers	28%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	100%	% of self-assessment	100%	Emissions, Water, Chemical, Waste	
		% of verification	98%	% of verification	100%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Setting target for carbon reduction by implementing initiatives within the supply chain for driving meaningful progress towards a more sustainable and low-carbon business operation	No of initiatives taken:	1	No of initiatives taken:	2	Emissions	
		Reduction %:	0.54%	Reduction %:	1.50%		
7	Renewable energy	Total capacity of Solar PV System in kWp	1,790	Total capacity of Solar PV System in kWp	1820	Emissions	
8	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	
		Fresh water consumption reduction%:	0.67%	Fresh water consumption reduction%:	1.50%		
9	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers	% of suppliers Foundational treatment limits achieved	100%	% of suppliers Foundational treatment limits achieved	97%	Chemical	
		% of suppliers Progressive treatment limits achieved	0%	% of suppliers Progressive treatment limits achieved	2%		
		% of suppliers Aspirational treatment limits achieved	0%	% of suppliers Aspirational treatment limits achieved	1%		
10	Acknowledging the pivotal role of Sustainability Data Management, BGMEA's Responsible Business Hub, in collaboration with GIZ, is poised to orchestrate an extensive training initiative on ESG Data Management and Data Disclosure Platform.	No. of supplier enrolled in 'ESG Data Management and the BGMEA ESG Data Disclosure Platform' training	5	No. of supplier enrolled in 'ESG Data Management and the BGMEA ESG Data Disclosure Platform' training	15	Sustainability Data Management	
		No. of people benefitted from 'ESG Data Management and the BGMEA ESG Data Disclosure Platform' training	12	No. of people benefitted from 'ESG Data Management and the BGMEA ESG Data Disclosure Platform' training	45		

Additional KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Fabric has made with repreve polyester what stated as recycled ocean plastic bottles where garment also being labelled 64 % Cotton, 34% repreve Polyester and 2% Elastane. Similarly, we use another fabric with 54% repreve and 46% polyester to save the ocean from plastic bottles.	Shipped Quantity	No order has been received in this year.	Shipped Quantity	Already received order for less than 1 million units (accurate quantity: 967000 pcs).	Product	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
		Shipped Quantity	Order closed.	Shipped Quantity	Order closed.		
2	Amid the rising importance of sustainability and ESG data management in the RMG sector, the Responsible Business Hub (RBH) at BGMEA is dedicated to nurturing adept and conscientious leadership to bolster in-house capacity effectively. Acknowledging the pivotal role of Sustainability Data Management, BGMEA's Responsible Business Hub, in collaboration with GIZ, is poised to orchestrate an extensive training initiative on ESG Data Management and Data Disclosure Platform.	No. of supplier enrolled in 'ESG Data Management and the BGMEA ESG Data Disclosure Platform' training	5	No. of supplier enrolled in 'ESG Data Management and the BGMEA ESG Data Disclosure Platform' training	15		
		No. of people benefitted from 'ESG Data Management and the BGMEA ESG Data Disclosure Platform' training	12	No. of people benefitted from 'ESG Data Management and the BGMEA ESG Data Disclosure Platform' training	45		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Sustainability is no longer a goal, it is our way of doing business. This year, we advanced bold initiatives in clean energy, circular design and biodiversity restoration, transforming environmental responsibility into a competitive strength.

We believe that progress comes from purpose. By empowering our teams, aligning with global best practices and remaining accountable to our stakeholders, we are not merely reacting to change—we are leading the way towards a sustainable future that benefits our business, communities and society at large.

We are leading the way towards a sustainable future that benefits not only our businesses but also the communities and ecosystems we serve. By fostering innovation and collaboration, we aim to inspire others to join us in this vital journey, ensuring a healthier planet for generations to come."

Chandana Ranathunga
Chief Executive Officer

Sustainability is deeply embedded in Norlanka's purpose and operations. As we navigate an evolving global apparel landscape, our responsibility to minimise harm, maximise value and build lasting positive impact has never been more urgent.

This year, we continued to take meaningful action towards reducing our carbon footprint, improving resource efficiency and enhancing transparency across our operations. We have strengthened community engagement, embraced, inclusive practices and focused on sustainable innovation to ensure long-term value for all stakeholders.

While challenges remain, our achievements underscore our deep-seated commitment towards sustainability. Looking ahead, we strive to accelerate our impact, guided by science, values and a shared purpose—to build a more sustainable and a better tomorrow for all.

Yashinth Wijerathne
Manager – ESG

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	32%	We are committed to sourcing 100% of our cotton as Better Cotton	40%	Product	12
		% of Recycle Polyester	57%	% of Recycle Polyester	60%		
		% of sustainable Man made cellulousic fibers	100%	% of sustainable Man made cellulousic fibers	100%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	Tier 1 = 85% Tier 2 = 50%	% of self-assessment	Tier 1 = 90% Tier 2 = 60%	Emissions, Water, Chemical, Waste	17
		% of verification	Tier 1 = 76% Tier 2 = 46%	% of verification	Tier 1 = 80% Tier 2 = 50%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	13
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Setting target for carbon reduction by implementing initiatives within the supply chain for driving meaningful progress towards a more sustainable and low-carbon business operation	Reduction %	1.5% YoY reduction	Reduction %:	1.5% YoY reduction	Emissions	13
7	Renewable energy	Total capacity of Solar PV System in kWp	630	Total capacity of Solar PV System in kWp	630	Emissions	7
8	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	6
		Fresh water consumption reduction%:	2% YoY reduction	Fresh water consumption reduction%:	2% YoY reduction		
9	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers	% of suppliers Foundational treatment limits achieved	58.34%	% of suppliers Foundational treatment limits achieved	60%	Chemical	12
		% of suppliers Progressive treatment limits achieved	8.34%	% of suppliers Progressive treatment limits achieved	10%		
		% of suppliers Aspirational treatment limits achieved	8.40%	% of suppliers Aspirational treatment limits achieved	10%		

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development programs	No. of students enrolled	242	No. of students enrolled	250	4
2	Advancing health and well-being for all ages by initiatives that improve access to quality healthcare, strengthening healthcare infrastructure and R&D and prioritising healthcare education and awareness with a special focus on maternal and child health.	No. of people benefitted from healthcare programs/ camps	241	No. of people benefitted from healthcare programs/ camps	250	
		% increase in no. of individuals gaining access to healthcare services	A reduction of 5.8% compared to last year	% increase in no. of individuals gaining access to healthcare services	5%	3
		No. of individuals benefitting from healthcare education/ awareness programs	241	No. of individuals benefitting from healthcare education/ awareness programs	300	
		No. of healthcare awareness programs/ sessions conducted	2	No. of healthcare awareness programs/ sessions conducted	5	
3	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	2.8:1	Ratio of men:women in senior leadership positions	02:01	5
4	Promotion of a better environment reality by initiatives that restore degraded forests, reduce pollution and protect and conserve biodiversity	No. of trees planted/ hectares of land afforested	36	No. of trees planted/ hectares of land afforested	500	
		No. of environmental awareness programs conducted	4	No. of environmental awareness programs conducted	5	15
		Man hours dedicated for such programs	3,900	Man hours dedicated for such programs	4,000	
5	Identify opportunities and make available for our employees, to contribute their talent and time to their communities, in an easy and accessible format	No. of employees participating in volunteer programs	380	No. of employees participating in volunteer programs	500	17
		No. of cumulative hours dedicated to volunteering	1,230	No. of cumulative hours dedicated to volunteering	1,500	

PDS ASIA STAR

At its core, PDS Asia Star operates as a supply-chain management company—and crucially, as a driver of transformative sustainability across interconnected global operations.

We believe in making a real impact and building trust with our stakeholders through comprehensive audits, transparent goal-setting and active engagement from every employee in environmentally responsible actions.

Every member of our team is encouraged to:

1. Promote circular economy to reduce carbon footprint.
2. Strengthen collaboration with customers and suppliers to ensure continuity.
3. Advocate for ethical practices to advance social justice.
4. Develop comprehensive risk management (6 Cs) to resilience in VUCA (volatile, uncertain, chaotic, ambiguous) situations.
5. Explore production clusters and near-sourcing strategies to reduce environmental impact.
6. Learn and adopt innovation to remain prepared for future changes.

Mr. Alex Feng
Managing Director

We remain committed to embedding ethical practices, material traceability and transparency throughout our global supply chain.

In FY 2025, we took a decisive step forward by integrating performance-based KPIs and initiating reporting across Scope 1, 2 and 3 emissions.

Our approach is collaborative and future-focused, fostering innovation and accountability across all levels of our value chain. By strengthening regional oversight and advancing data integrity, we aim to accelerate our transition towards a more sustainable, low-carbon and circular operating model.

We are extending PDS Asia Star Sustainability monitoring and emissions reporting to operations in China, India and Turkey as during the current financial year.

Avijit Paul
Compliance & Sustainability Co-ordinator

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	52%	We are committed to sourcing 100% of our cotton as Better Cotton	70%	Product	
		% of Recycle Polyester	4%	% of Recycle Polyester	4%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	68%	% of self-assessment	68%	Emissions, Water, Chemical, Waste	
		% of verification	50%	% of verification	50%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes (Only BD Office)	Scope 3 emissions:	Yes (Only BD Office)	Emissions	
6	Renewable energy	Total capacity of Solar PV System in kWp	72	Total capacity of Solar PV System in kWp	80	Emissions	
7	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	
8	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers	% of suppliers Foundational treatment limits achieved	100% (We have two washing T2 Factory)	% of suppliers Foundational treatment limits achieved	100% (We have two washing T2 Factory)	Chemical	

PDS FAR.EAST

PDS FAR EAST

At PDS Far East, sustainability guides our pursuit of self-defined environmental and social goals. We have made substantial progress across key areas, including the adoption of sustainable raw materials, enhancement of supply chain traceability and effective management of energy, water and waste.

Gaurav Pandey
CEO

The past year marked a significant milestone in our commitment to monitoring and reporting our self-defined sustainability objectives. We have made notable progress across sustainable raw material usage, eco-friendly packaging, supply chain accountability andcircular practices.

We are pleased to share that through our rigorous approach to timely and accurate sustainability data reporting, PDS Far East has attained Giga Guru status on both the Higg Index and Project Gigaton sustainability platforms—an achievement that reflects our dedication to transparency, accountability and continuous improvement.

Vivek Sonwalkar
Director - Merchandising

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	100%	We are committed to sourcing 100% of our cotton as Better Cotton	100%	Product	
		% of Recycle Polyester	85%	% of Recycle Polyester	95%		
		% of sustainable Man made cellulousic fibers	75%	% of sustainable Man made cellulousic fibers	85%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	100%	% of self-assessment	100%	Emissions, Water, Chemical, Waste	
		% of verification	100%	% of verification	100%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Setting target for carbon reduction by implementing initiatives within the supply chain for driving meaningful progress towards a more sustainable and low-carbon business operation	No of initiatives taken:	4	No of initiatives taken:	4	Emissions	
		Reduction %:	4%	Reduction %:	4%		
7	Renewable energy	Total capacity of Solar PV System in kWp	451 KWp (In supply Chain)	Total capacity of Solar PV System in kWp	451 KWp (In supply Chain)	Emissions	
8	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	
9	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers	% of suppliers Foundational treatment limits achieved	100%	% of suppliers Foundational treatment limits achieved	100%	Chemical	

PDS FASHION USA LTD.

PDS FASHIONS USA LTD.

At PDS Fashion USA, we believe that innovation and accountability are essential to achieve sustainability. We prioritise the design, engineering and application of materials and processes that minimise environmental impact while maximising resource efficiency. Our DNA-based cotton tracking system ensures ethical sourcing and reduces carbon emissions. We also encourage our business partners to increase the use of recycled fibers to promote a circular, waste-free future and align with the SDGs.

By conserving water and energy, we not only reduce our supply chain's environmental impact but also redefine what responsible business means.

Moin

Executive Director

We are guided by our sustainability pillars: Respect Water, Build Community, Think Circular and Reduce Emissions. For FY 2025, we have established meaningful goals that are both clear and impactful. Every step we take is measured and For us, every effort is intentional, as it upholds our commitment to the planet and society.As we move forward, we will keep these commitments at the center of our actions, ensuring that our progress is not only SMART (Specific, Measureable, Achievable, Relevant, Time-bound), but also sustainable for the long term. We are making every action count—for our communities, our environment and our world.

Mahbub Al Hasan

Global Compliance-US

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	100%	We are committed to sourcing 100% of our cotton as Better Cotton	100%	Product	
		% of Recycle Polyester	28%	% of Recycle Polyester	40%		
		% of sustainable Man made cellulousic fibers	26%	% of sustainable Man made cellulousic fibers	50%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	100%	% of self-assessment	100%	Emissions, Water, Chemical, Waste	
		% of verification	100%	% of verification	100%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Setting target for carbon reduction by implementing initiatives within the supply chain for driving meaningful progress towards a more sustainable and low-carbon business operation	Reduction %	1.5% YoY reduction	Reduction %:	1.5% YoY reduction	Emissions	
7	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	
		Fresh water consumption reduction%:	5%	Fresh water consumption reduction%:	5%		
9	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers	% of suppliers Foundational treatment limits achieved	75%	% of suppliers Foundational treatment limits achieved	70%	Chemical	
		% of suppliers Progressive treatment limits achieved	25%	% of suppliers Progressive treatment limits achieved	30%		

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	10:01	Ratio of men:women in senior leadership positions	10:01	
2	Responding to disasters with emergency relief and aid and working closely with communities on rehabilitation and resilience building to prevent future impacts	Amount of aid dsitributed (USD)	1,274	Amount of aid dsitributed (USD)	2,000	
3	Improving acces to clean water and sanitation through community water and sanitation projects	Funds allocated to water and sanitation programs (USD)	0	Funds allocated to water and sanitation programs (USD)	1,000	

Progress Apparels reflects a well-articulated pathway towards sustainability, and I am delighted to share our recent achievements as we deliver on the ambitious targets we set for ourselves. PABL achieved 100% of its FY 2025 sustainability goals, strengthening our confidence and furthering our commitment to pursuing even more progressive objectives moving forward.

Beyond our accomplishments in the environmental sphere, we have also focused intently on improving the well-being of our workforce and supporting the communities in which we operate. We have introduced a number of employee engagement initiatives that support a positive work-life balance and encourage individual development. Additionally, we have made contributions to various social projects that empower women, expand access to jobs and healthcare, support education and promote personal growth.

Looking ahead, we have set our sights on further SMART targets aligned with the UN SDGs. For FY 2025, our commitments will include Good Health and Well-Being, Quality Education, Gender Equality, Life on Land and Partnerships for the Goals.

As a CEO, I am proud of the progress we have made and the dedication of our team in driving these sustainability efforts.

Rajeev Dubey
CEO

In business, sustainability represents the ethical conduct required for long-term value creation and resilience; it has evolved as a foundational ethos spanning all stakeholder interactions.

- Under UN SDG 12 (Responsible Consumption and Production), our product diversification efforts are advancing significantly: we aim to make 45% of our total production sustainable from FY 2025.
- Our current performance aligns well with SDG's 6, 7, 12, 13 and 17, and we are developing enhanced projections to deepen impact in areas such as waste management awareness, tree plantation and health.
- We are broadening our SDG alignment to include UN SDG 3, 4, 5, 15, 11, and 17.
- We are prioritising women's leadership, targeting 85% female leadership empowerment across the workforce and aiming for 30% of mid-level management roles to be held by women by 2026.
- We are committed to nurturing the next level of social, economic and environmental stewardship across our community through various project. Our impact is steadily gaining traction with each passing year.

These efforts establish the foundation for a sustainable future and a safer environment for generations to come.

Abu Sayed Nazim
Asst. General Manager – Sustainability

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	100%	We are committed to sourcing 100% of our cotton as Better Cotton	100%	Product	
		% of Recycle Polyester	35%	% of Recycle Polyester	38%		
		% of sustainable Man made cellulousic fibers	10%	% of sustainable Man made cellulousic fibers	12%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Setting target for carbon reduction by implementing initiatives within the supply chain for driving meaningful progress towards a more sustainable and low-carbon business operation	No of initiatives taken:	1	No of initiatives taken:	1	Emissions	
		Reduction %:	1%	Reduction %:	1%		
7	Renewable energy	Total capacity of Solar PV System in kWp	30	Total capacity of Solar PV System in kWp	30	Emissions	
8	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	
		Fresh water consumption reduction%:	18%	Fresh water consumption reduction%:	2%		

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development programs	No. of students enrolled	21	No. of students enrolled	22	
		Funds allocated to program (USD)	4,860	Funds allocated to program (USD)	5,000	
2	Advancing health and well-being for all ages by initiatives that improve access to quality healthcare, strengthening healthcare infrastructure and R&D and prioritising healthcare education and awareness with a special focus on maternal and child health.	No. of people benefitted from healthcare programs/ camps	3,920	No. of people benefitted from healthcare programs/ camps	3,950	
		% increase in no. of individuals gaining access to healthcare services	100%	% increase in no. of individuals gaining access to healthcare services	100%	
		Funding allocated to healthcare initiaatives (USD)	45,420	Funding allocated to healthcare initiaatives (USD)	46,000	
		No. of individuals benefitting from healthcare education/ awareness programs	3,920	No. of individuals benefitting from healthcare education/awareness programs	3,950	
		No. of healthcare awareness programs/ sessions conducted	7	No. of healthcare awareness programs/ sessions conducted	8	
3	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development progra	Ratio of men:women in senior leadership positions	7.5:1	Ratio of men:women in senior leadership positions	7.4:1	
		No. of women enrolled in leadership development initiatives	2	No. of women enrolled in leadership development initiatives	4	
		No. of gender empowerment/diversity/ inclusion initiatives/ policies	2	No. of gender empowerment/ diversity/inclusion initiatives/policies	2	

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
4	Promotion of a better environment reality by initiatives that restore degraded forests, reduce pollution and protect and conserve biodiversity	No. of trees planted/ hectares of land afforested	220	No. of trees planted/ hectares of land afforested	240	
		No. of environmental awareness programs conducted	2	No. of environmental awareness programs conducted	3	
		% improvement in air/ water/soil quality after intervention	18% water improved from previous year. -Helping to absorb approximately 5250 kg carbon di oxide by reducing global heat. -Approximately 29483 kg oxygen added in our air. -More natural carbon sinks and reduced greenhouse gases. -Healthier soil and natural humidity control."	% improvement in air/water/soil quality after intervention	2%	
		Funds allocated for all aforementioned programs (USD)	1,000	Funds allocated for all aforementioned programs (USD)	2,000	
		Man hours dedicated for such programs	155	Man hours dedicated for such programs	160	
5	Identify opportunities and make available for our employees, to contribute their talent and time to their communities, in an easy and accessible format	No. of employees participating in volunteer programs	10	No. of employees participating in volunteer programs	12	
		No. of cumulative hours dedicated to volunteering	80	No. of cumulative hours dedicated to volunteering	96	
6	Improving acces to clean water and sanitation through community water and sanitation projects	No. of individuals gaining access to clean water and sanitation as a result of the project	3,920	No. of individuals gaining access to clean water and sanitation as a result of the project	3,950	
		No. of individuals reached and benefitted from hygiene education campaigns	2,000	No. of individuals reached and benefitted from hygiene education campaigns	2,500	
		Funds allocated to water and sanitation programs (USD)	2,000	Funds allocated to water and sanitation programs (USD)	3,000	

We are proud of the progress we have made by using eco-conscious practices throughout our operations. By incorporating sustainable materials and energy-efficient technologies—such as ozone washing machines, low water liquor ratios and high-efficiency dryers—we are reducing our environmental footprint. Our design and development unit now operates on over 70% renewable energy, with an effluent treatment plant, with sludge responsibly processed by an EPA-certified laboratory that converts waste into building blocks—supporting the principles of a circular economy. We are also engaging our vendors to follow similar sustainable practices. In line with evolving global standards, we are adopting the Digital Product Passport for the EU market to enhance transparency.

Yet, this is just the beginning. I encourage everyone to reduce waste, promote recycling, circular economy and support responsible sourcing. By embedding sustainability into daily operations, we strengthen our brand and contribute to a more resilient resilient and future-ready industry. Together, let's embrace this challenge with creativity and purpose, setting new standards for a brighter future. Our integrated approach to sustainability is not just an operational imperative, it is a strategic differentiator in a rapidly evolving global market.

Imran Rath
CEO

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	% of BCI & Sustainable Cotton	100%	% of BCI & Sustainable Cotton	100%	Product	12
		% of Recycle Polyester	15%	% of Recycle Polyester	25%		
		% of sustainable Man made cellulousic fibers	12%	% of sustainable Man made cellulousic fibers	25%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	60%	% of self-assessment	80%	Emissions, Water, Chemical, Waste	17
		% of verification	50%	% of verification	70%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	13
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Setting target for carbon reduction by implementing initiatives within the supply chain for driving meaningful progress towards a more sustainable and low-carbon business operation	No of initiatives taken:	2	No of initiatives taken:	3	Emissions	13
		Reduction %:	15%	Reduction %:	25%		
7	Renewable energy	Total capacity of Solar PV System in kWp	101	Total capacity of Solar PV System in kWp	200	Emissions	7
8	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	6
		Fresh water consumption reduction%:	10%	Fresh water consumption reduction%:	20%		
9	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers	% of suppliers Foundational treatment limits achieved	37%	% of suppliers Foundational treatment limits achieved	20%	Chemical	12
		% of suppliers Progressive treatment limits achieved	47%	% of suppliers Progressive treatment limits achieved	55%		
		% of suppliers Aspirational treatment limits achieved	16%	% of suppliers Aspirational treatment limits achieved	25%		

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development programs	No. of students enrolled	12	No. of students enrolled	18	4
		No. of adults in vocational programs	12	No. of adults in vocational programs	50	
		No. of devices donated (computers/IT equipment)	0	No. of devices donated (computers/IT equipment)	10	
		Funds allocated to program (USD)	2,060	Funds allocated to program (USD)	3,000	
2	Advancing health and well-being for all ages by initiatives that improve access to quality healthcare, strengthening healthcare infrastructure and R&D and prioritising healthcare education and awareness with a special focus on maternal and child health.	No. of people benefitted from healthcare programs/ camps	177	No. of people benefitted from healthcare programs/ camps	200	3
		% increase in no. of individuals gaining access to healthcare services	14	% increase in no. of individuals gaining access to healthcare services	25	
		No. of individuals benefitting from healthcare education/ awareness programs	90	No. of individuals benefitting from healthcare education/ awareness programs	100	
		No. of healthcare awareness programs/ sessions conducted	1	No. of healthcare awareness programs/ sessions conducted	3	
3	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	3:01	Ratio of men:women in senior leadership positions	02:01	5
		No. of women enrolled in leadership development initiatives	9	No. of women enrolled in leadership development initiatives	12	
		No. of gender empowerment/ diversity/inclusion initiatives/policies	4	No. of gender empowerment/ diversity/inclusion initiatives/policies	6	

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
4	Promotion of a better environment reality by initiatives that restore degraded forests, reduce pollution and protect and conserve biodiversity	No. of trees planted/ hectares of land afforested	9,000	No. of trees planted/hectares of land afforested	12,000	15 LIFE ON LAND
		No. of environmental awareness programs conducted	8	No. of environmental awareness programs conducted	20	
		% improvement in air/ water/soil quality after intervention	50	% improvement in air/water/ soil quality after intervention	70	
		Funds allocated for all aforementioned programs (USD)	5,000	Funds allocated for all aforementioned programs (USD)	10,000	
		Man hours dedicated for such programs	3,248	Man hours dedicated for such programs	4,000	
5	Identify opportunities and make available for our employees, to contribute their talent and time to their communities, in an easy and accessible format	No. of people benefitted from aid and rehabilitation efforts	0	No. of people benefitted from aid and rehabilitation efforts	100	11 SUSTAINABLE CITIES AND COMMUNITIES
		Amount of aid dsitributed (USD)	0	Amount of aid dsitributed (USD)	10,000	
		No. of critical infrastructures (homes, schools, hospitals, roads etc. rebuilt or restored)	0	No. of critical infrastructures (homes, schools, hospitals, roads etc. rebuilt or restored)	10	
6	Identify opportunities and make available for our employees, to contribute their talent and time to their communities, in an easy and accessible format	No. of employees participating in volunteer programs	2	No. of employees participating in volunteer programs	10	17 PARTNERSHIPS FOR THE GOALS
		No. of cumulative hours dedicated to volunteering	40	No. of cumulative hours dedicated to volunteering	100	
7	Improving acces to clean water and sanitation through community water and sanitation projects	No. of individuals gaining access to clean water and sanitation as a result of the project	90	No. of individuals gaining access to clean water and sanitation as a result of the project	150	6 CLEAN WATER AND SANITATION
		No. of new sanitation facilities constructed	5	No. of new sanitation facilities constructed	10	
		No. of individuals reached and benefitted from hygiene education campaigns	90	No. of individuals reached and benefitted from hygiene education campaigns	100	
		Funds allocated to water and sanitation programs (USD)	2,463	Funds allocated to water and sanitation programs (USD)	3,500	

At Spring Near East, sustainability is embedded across our operations, customer relationships and innovation approach. In FY 2025, we strengthened our material sourcing strategy, delivered hands-on educational workshops to both customers and internal teams and supported the scale-up of circular product development. We are enablers of change, and we are pushing the limits of possibilities to uphold transparency, circularity and low-impact production, aligned with the SDGs and the vision of the PDS Group.

Safak Kipik
CEO

This year has been a pivotal in embedding sustainability more deeply into our customer relationships and internal culture. Through in-person workshops, company policy and strategic material guidance, we have helped our partners integrate more environmentally-responsible fibres, improve traceability and stay ahead of evolving legislation. We have also led educational sessions across the Group to demystify topics such as MMCFs, digital passports and next-gen innovation. I am proud of our team's passion, adaptability and tangible impact – and enthusiastic to continue weaving sustainability into every stage of the value chain.

Lisa McAlinden
Product & Sustainability Director

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Spring Near East partners with Better Cotton to improve cotton farming globally	We are committed to sourcing 100% of our cotton as Better Cotton	84%	We are committed to sourcing 100% of our cotton as Better Cotton	100%	Product	
2	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	% of Recycle Polyester	28%	% of Recycle Polyester	40%		
		% of sustainable Man made cellulousic fibers	80%	% of sustainable Man made cellulousic fibers	90%		
		% of responsible certified wool	96%	% of responsible certified wool	98%		
3	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	94%	% of self-assessment	100%	Emissions, Water, Chemical, Waste	
		% of verification	88%	% of verification	90%		
		% increase in verification performance compared to base year (FEM2020).	39%	% increase in verification performance compared to base year (FEM2020).	40%		
4	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	
5	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
6	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
7	Coal elimination program	No of facilities phased-out	7	No of facilities phased-out	3	Emissions	
8	Setting target for carbon reduction by implementing initiatives within the supply chain for driving meaningful progress towards a more sustainable and low-carbon business operation	No of initiatives taken:	3	No of initiatives taken:	3	Emissions	
9	Renewable energy	% Usage of IREC-certified renewable energy at Spring own operations	100%	% Usage of IREC-certified renewable energy at Spring own operations	100%	Emissions	
		% Usage of renewable energy within the supply chain	6.20%	% Usage of renewable energy within the supply chain	10%		
		% Usage of solar energy within the supply chain	2%	% Usage of renewable energy within the supply chain	4%		
10	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	
		Fresh water consumption reduction%:	8%	Fresh water consumption reduction%:	10%		
		% of recycled water usage across key factories	4%	% of recycled water usage across key factories	6%		
11	Eliminating the discharge of hazardous chemicals	% of suppliers ensure zero discharge of hazardous chemicals	95%	% of suppliers ensure zero discharge of hazardous chemicals	95%	Chemical	
		% of suppliers use chemical inventory management solutions	100%	% of suppliers use chemical inventory management solutions	100%		
12	Circularity and Sustainability Workshop in collaboration with stakeholders	No of conducting workshops	2	No of conducting workshops	4	Circularity	
13	Customer Briefs with Sustainability Elements	% of customer briefs received that included a sustainability element (demonstrating demand shift).	56	% of customer briefs received that included a sustainability element (demonstrating demand shift).	70	Customer Engagement	

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development programs	No. of intern from universities	4	No. of intern from universities	4	
		No. of participation in skill development programs	42	No. of participation in skill development programs		
		Funds allocated to program (USD)	14.000	Funds allocated to program (USD)	N/A	
2	Advancing health and well-being for all ages by initiatives that improve access to quality healthcare, strengthening healthcare infrastructure and R&D and prioritising healthcare education and awareness with a special focus on maternal and child health.	No. of people benefitted from healthcare programs/ camps	110	No. of people benefitted from healthcare programs/ camps	110	3 GOOD HEALTH AND WELL-BEING
		Funding allocated to healthcare initiaatives (USD)	86,260	Funding allocated to healthcare initiaatives (USD)	90,000	
		No. of individuals benefitting from healthcare education/ awareness programs	121	No. of individuals benefitting from healthcare education/ awareness programs	120	
		No. of healthcare awareness programs/ sessions conducted	2	No. of healthcare awareness programs/ sessions conducted	2	
3	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	22:04	Ratio of men:women in senior leadership positions	22:04	5 GENDER EQUALITY
		No. of gender empowerment/ diversity/inclusion initiatives/policies	4	No. of gender empowerment/ diversity/inclusion initiatives/policies	4	
4	Promotion of a better environment reality by initiatives that restore degraded forests, reduce pollution and protect and conserve biodiversity	No. of trees planted/ hectares of land afforested	31	No. of trees planted/ hectares of land afforested	50	15 LIFE ON LAND
		No. of environmental awareness programs conducted	2	No. of environmental awareness programs conducted	5	
5	Identify opportunities and make available for our employees, to contribute their talent and time to their communities, in an easy and accessible format	No. of employees participating in volunteer programs	2	No. of employees participating in volunteer programs	3	17 PARTNERSHIPS FOR THE GOALS
		No. of cumulative hours dedicated to volunteering	200	No. of cumulative hours dedicated to volunteering	250	
		No. of cumulative hours dedicated to NGOs/webinars/ meetings	34	No. of cumulative hours dedicated to NGOs/webinars/ meetings	34	
		No. of cumulative hours dedicated to NGOs/webinars/ meetings	2	No. of cumulative hours dedicated to NGOs/webinars/ meetings	2	
6	Promotion of safe and secure working environments for all workers, including those in global supply chains	% of Tier 1 suppliers with valid social audits.	100%	% of Tier 1 suppliers with valid social audits.	100%	17 PARTNERSHIPS FOR THE GOALS

Our sustainability strategy focuses on putting people first at every stage of our supply chain. We are committed to sourcing products in ways that uphold the highest standards of sustainability, compliance and quality. This means not only adhering to regulations but going beyond them, embedding responsible practices into how we operate and who we choose to partner with.

Our customers continue to raise the bar when it comes to sustainability expectations by demanding transparency, ethical practices and real environmental impact. To meet these expectations, we work together with our factory partners, offering support, guidance and capacity building to help them align with our goals. This collaboration is essential, to ensure that positive change is not only implemented but sustained. I am immensely proud of the progress we have made this year. It reflects not only our teams' dedication but also the commitment of our partners. These efforts mark a significant step forward and give us the momentum and confidence to push even further in the years ahead.

Sunny Malhotra

CEO

In FY 2024, we focused on tracing our supply chain at the order level to gain a clear understanding of our suppliers. Building on that, in FY 2025, we expanded our efforts to assess the environmental impact of sites within our supply chain by collecting Higg Facility Environmental Module (FEM) data. We mandated FEM completion at all Tier 1 sites. While aiming for full compliance, we achieved 92% completion across our target supplier group.

The data collected through FEM assessments has been evaluated and will underpin the development of factory-level KPIs to support targeted environmental improvement action plans. While it will take time to ensure all Tier 1 and Tier 2 sites have robust improvement plans in place for water, carbon and chemical management, our long-term goal is to drive measurable reductions across all three areas.

Rachel Franklin

Director of ESG

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	79% conversion to Preferred cotton sources, PCP, Better Cotton, Organic, Recycled	We are committed to sourcing 100% of our cotton as Better Cotton	81% conversion to Preferred cotton sources, PCP, Better Cotton, Organic, Recycled.	Product	12
		% of Recycle Polyester	43%	% of Recycle Polyester	46%		
		% of sustainable Man made cellulousic fibers	35%	% of sustainable Man made cellulousic fibers	59%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	T1: 65% T2: 12%	% of self-assessment	T1: 92% T2: 52%	Emissions, Water, Chemical, Waste	17
		% of verification	T1: 65% T2: 10%	% of verification	T1: 75% T2: 45%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	13
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Renewable energy	Total capacity of Solar PV System in kWp	15%	Total capacity of Solar PV System in kWp	73,399	Emissions	7
7	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	T1 85% T2 45%	Water	6
		Fresh water consumption reduction%:	NA	Fresh water consumption reduction%:	T1 47% T2 12%		
8	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers	% of suppliers Foundational treatment limits achieved	T1 19% T2 17%	% of suppliers Foundational treatment limits achieved	T1 85% T2 85%	Chemical	12
		% of suppliers Progressive treatment limits achieved	T1 54% T2 63%	% of suppliers Progressive treatment limits achieved	T1 60% T2 65%		
9	Partnering with T1 and T2 suppliers to support their Incheck report generation via CleanChain/BVE3/Bhive or any other standard membership in support of improved chemical management and transparency	Partnering with T1 and T2 suppliers to support their Incheck report generation via CleanChain/BVE3/Bhive or any other standard membership in support of improved chemical management and transparency	T1 58% T2 63%	Partnering with T1 and T2 suppliers to support their Incheck report generation via CleanChain/ BVE3/Bhive or any other standard membership in support of improved chemical management and transparency	T1 65% T2 65%	Chemical	12

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	02:01	Ratio of men:women in senior leadership positions	02:01	5
		No. of women enrolled in leadership development initiatives	0	No. of women enrolled in leadership development initiatives	1	
		No. of gender empowerment/ diversity/ inclusion initiatives/ policies	0	No. of gender empowerment/ diversity/ inclusion initiatives/ policies	1	

Poeticgem
INTERNATIONAL LTD

POETICGEM

We are pleased to share an update on Poeticgem's sustainability journey through the year under review. This year's progress is a result of the continued efforts of all our teams—particularly the ESG team—who have worked tirelessly to embed responsible practices across our business.

For the second consecutive year, we have measured Scope 3 emissions and expanded our overall coverage of primary data, fostering closer collaboration with our customers and supply chain partners. We will utilise this emission data to support PDS Limited on its SBTi emission reduction strategy. We have begun consolidating our supply chain to access higher quality raw materials with improved sustainability credentials. Additionally, we are mapping complete supply chain transparency for some of our strategic customers' product ranges. We continue to support our pledge to provide holistic, quality education through partnerships with the Abinta Kabir Foundation and Grameen Shikkha in Bangladesh, upholding our dedication to social impact and community empowerment.

Through dedicated training and consistent efforts, our teams remain aligned with our ESG priorities and responsible sourcing practices. As we look ahead, I am confident in our ability to build on this foundation and drive further progress. Together, we remain committed to progress, partnership and purpose.

Anuj Banaik
Managing Director

This past year has been one of stabilising and embedding our ESG commitments into the very core of our operations. Building on the step changes of 2023, we have focused on standardising our processes and ensuring that robust systems are in place to deliver consistent, verifiable data across our value chain. This has allowed us to identify where our efforts can deliver the greatest impact, both environmentally and socially.

We have strengthened our data collection and reporting frameworks, allowing us to confidently measure progress and drive targeted improvements in material sourcing, emissions reduction and circularity. By aligning our internal practices with internationally recognised standards, we are enhancing transparency and enabling our teams and partners to make informed, data-backed decisions.

As we continue our transition from commitment to sustained action, we remain dedicated to collaborating closely with our customers and suppliers, supporting their sustainability objectives while progressing towards our own science-based targets. The year under review has set a solid foundation for accelerating meaningful change in the years ahead.

Buddhi Paranamana
Director Sustainability and Innovation

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	100%	We are committed to sourcing 100% of our cotton as Better Cotton	100%	Product	12
		% of Recycle Polyester	52%	% of Recycle Polyester	60%		
		% of sustainable Man made cellulousic fibers	98%	% of sustainable Man made cellulousic fibers	100%		
2	Ensuring the partner garment factories to have registered, self assessed and be verified for HIGG FEM as per customers requirement Tier 1	% of self-assessment	56%	% of self-assessment	75%	Emissions, Water, Chemical, Waste	17
		% of verification	45%	% of verification	60%		
3	Ensuring the partner garment laundries to have registered, self assessed and be verified for HIGG FEM as per customers requirement Tier 2	% of self-assessment	44%	% of self-assessment	55%		
		% of verification	40%	% of verification	45%		
4	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	13
5	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
6	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
7	Sustainable Wash Program	EIM Green Score Software Laundries to measure and reduce Chemical and water use.	Across the board (Garment Washed Programs): Denim at EIM Score: Green/Low Impact :95 % Amber/Moderate Impact: 5 % Water Impact Score at : Green/Low Impat: 95% Anber/Moderate: 5% Non -Denim at EIM Score: Green/Low Impact : 85 % Amber/Moderate Impact:15% Water Impact Score at : Green/Low: 87 % Anber/Moderate: 13 %"	EIM Green Score Software Laundries to measure and reduce Chemical and water use.	"Across the board (Garment Washed Programs): Denim at EIM Score: Green/Low Impact :95 % Amber/Moderate Impact: 5 % Water Impact Score at : Green/Low Impat: 95% Anber/Moderate: 5% Non -Denim at EIM Score: Green/Low Impact : 90 % Amber/Moderate Impact:10% Water Impact Score at : Green/Low: 90 % Anber/Moderate: 10 %"	Emissions	17

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
8	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. We are focussing on our T1 and T2 Key Garment Laundries that have the most impact on water and the Envirinment	% of suppliers Foundational treatment limits achieved	68%	% of suppliers Foundational treatment limits achieved	70%	Chemical	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
		% of suppliers Progressive treatment limits achieved	11%	% of suppliers Progressive treatment limits achieved	12%		
9	Partnering with our T3 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T3 means: For all washing, printing, wet processors	% of suppliers Foundational treatment limits achieved	90%	% of suppliers Foundational treatment limits achieved	95%	Chemical	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Committed to promoting holistic and quality access to education for underserved communities through providing school education, building suppportive educational infrastructure and promoting lifelong learning through vocational and skill development programs	No. of students enrolled	160	No. of students enrolled	165	4 QUALITY EDUCATION
		Funds allocated to program (USD)	$2,527	Funds allocated to program (USD)	$4,500	
	Provision of scholarships to children from underserved communities	Funds allocated to program (USD)	$18,054	Funds allocated to program (USD)	$22,000	
		No. of students directly impacted	146	No. of students directly impacted	190	
2	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	23:13	Ratio of men:women in senior leadership positions	3:2	5 GENDER EQUALITY
		No. of women enrolled in leadership development initiatives	14 – UK 2 - BD	No. of women enrolled in leadership development initiatives	20 – UK 3 - BD	
		No. of diversity/ inclusion initiatives	20 - UK	No. of diversity/ inclusion initiatives	22 - UK	
		No. of gender empowerment/ diversity/inclusion initiatives/policies	3 - UK 2 - China & India 2 - BD	No. of gender empowerment/ diversity/inclusion initiatives/policies	3 - UK 2 - China & India 2 - BD	

zamira Fashion Limited

At Zamira, transparency and traceability are integral to our approach. We ensure that every step of our product's journey is visible and accountable. Our product journey starts with fabric sourcing and material selection, prioritising ethical and sustainable sourcing, ensuring safe-to-wear products and transparent supply chains. Zamira leads the way in auditing its core supply chains through Oeko-tex© STeP and incorporating Okeo-tex© Made in Green. Since 2020, we have eliminated the use of Potassium Permanganate while maintaining authentic denim looks. Embracing new garment finishing technologies like o-Bleach, Laser, Ozone, e-Flow, NoStone, we have established a state-of-the-art development centre - 'The Lab'. Our wash and sustainability experts continuously innovate garment finishing recipes. And we currently provide core denim programs with an EIM Green Score. Our commitment to a decarbonised future led us to a net zero supply chain journey in 2021. Partnering with BluWin accelerates our carbon emission reduction, aided by digitising product design, near-shoring fabric suppliers, and investing in eco-efficient machinery and renewable energy solutions.

Thomas Mueller
Managing Director

I am proud to reflect on Zamira Fashion Ltd.'s sustainability journey in FY 2025.

We embraced cleaner technologies, such as o-Bleach, laser finishing, ozone and e-flow systems, to significantly reduce our water, energy and chemical consumption across our production processes. Looking ahead we are committed to going even further. Our goals include

- Increasing the use of recycled materials and sustainable manmade fabrics.
- Expanding renewable energy adoption across our supply chain factories.
- Encouraging the implementation of water-saving technologies, wastewater recycling and reuse practices.

Through industry platforms such as WORLDLY and ZDHC, we are driving continuous improvement and transparency in environmental performance.

Together with our valued partners, we are building a cleaner, smarter and more responsible future for denim.

Bala M
GM – Fabric Sourcing, Sustainability and Merchandising

Environment KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	Impact Area	SDG
1	Use of preferred materials in fabrics being used in Garment production within the supply chain to reduce the environmental impact	We are committed to sourcing 100% of our cotton as Better Cotton	99%	We are committed to sourcing 100% of our cotton as Better Cotton	100%	Product	
		% of Recycle Polyester	61%	% of Recycle Polyester	80%		
		% of sustainable Man made cellulousic fibers	74%	% of sustainable Man made cellulousic fibers	100%		
2	Ensuring the partner factories throughout our supply chain to have registered, self assessed and be verified for HIGG FEM as per customers requirement	% of self-assessment	100%	% of self-assessment	100%	Emissions, Water, Chemical, Waste	
		% of verification	95%	% of verification	100%		
3	Have you calculated scope 1 emissions?	Scope 1 emissions:	Yes	Scope 1 emissions:	Yes	Emissions	
4	Have you calculated scope 2 emissions?	Scope 2 emissions:	Yes	Scope 2 emissions:	Yes	Emissions	
5	Have you calculated scope 3 emissions?	Scope 3 emissions:	Yes	Scope 3 emissions:	Yes	Emissions	
6	Renewable energy	Total capacity of Solar PV System in kWp	947 kWp (In Supply Chain)	Total capacity of Solar PV System in kWp	1,500 kWp (In Supply Chain)	Emissions	
7	Monitoring fresh water consumption & reduction targets within the supply chain	Are the suppliers tracking fresh water consumption?	Yes	Are the suppliers tracking fresh water consumption?	Yes	Water	
8	Partnering with our T2 supply chain to comply with ZDHC (Zero Discharge of Hazardous Chemicals) wastewater treatment limits toward promoting environmentally responsible practices. NB: T2 means: For all washing, printing, embelishments and fabric suppliers	% of suppliers Foundational treatment limits achieved	93%	% of suppliers Foundational treatment limits achieved	100%	Chemical	

Social KPI

Sr. No	Description	FY 2025	KPI value	Plan for FY 2026	KPI value	SDG
1	Contributing towards advancing gender equality and women's empowerment initiatives that promote women's full and effective participation and equal opportunities for leadership at all levels of decision-making in the workplace	Ratio of men:women in senior leadership positions	6:3	Ratio of men:women in senior leadership positions	6:3	
		No. of women enrolled in leadership development initiatives	3	No. of women enrolled in leadership development initiatives	3	
2	Promotion of a better environment reality by initiatives that restore degraded forests, reduce pollution and protect and conserve biodiversity	No. of environmental awareness programs conducted	1	No. of environmental awareness programs conducted	5	
		Man hours dedicated for such programs	4	Man hours dedicated for such programs	25	

Message from Director of Sustainability and Innovation



Dear Stakeholders,

At PDS, innovation and sustainability continue to be the dual engines driving our response to the evolving needs of the fashion industry. Over the past year, we have focused our efforts on designing more responsible products, improving environmental performance across operations and working in close partnership with our supply chain to deliver measurable, impactful progress.

In FY 2025, we advanced on several critical fronts. A major milestone is nearing the completion of our Science Based Targets initiative (SBTi) commitments, a process initiated several years ago. Finalising these goals will align our emissions reduction strategy with global climate science and the 1.5°C pathway, turning ambition into actionable, science based targets.

We also made significant strides in improving energy efficiency and optimising production processes across our facilities. Leveraging Life Cycle Assessment (LCA) data, we identified high-impact areas and partnered with suppliers to implement targeted improvements. Notably, our facilities in Bangladesh and Sri Lanka expanded solar energy deployment and enhanced water reuse systems, reinforcing our commitment to environmental stewardship.

With respect to materials, we strengthened collaborations with early-stage ventures and innovation partners to explore sustainable alternatives—ranging from biodegradable fibres and low-impact dyes to advanced recycled inputs. Though these technologies are still developing, we view early adoption as an essential step toward scalable solutions. Through PDS Ventures, we continue to support startups that are pioneering material innovation and circular business models.

Material Science Innovation

Our work in material innovation prioritised reducing environmental impact from the outset of the product lifecycle. Materra advanced regenerative cotton farming through hyper-traceability, offering a seed-to-bale perspective aligned with evolving global standards for supply chain transparency. Shellworks introduced Vivomer—a plastic-free, home-compostable material—transforming sustainable packaging practices. Meanwhile, Natural Fiber Welding (NFW) continued to scale MIRUM®, its plastic- and petrochemical-free leather alternative, offering a compelling substitute for conventional leather. These partnerships are redefining material foundations for the industry.

Manufacturing Process Solutions

In manufacturing, we sharpened our focus on clean and intelligent production solutions. Colorifix demonstrated the potential of biological dyeing, reducing water use by nearly 50% and lowering emissions, enabling suppliers to adopt more sustainable practices without sacrificing performance. Smartex embedded AI into circular knitting machines, offering real-time defect detection and significantly reducing production waste. Our continued collaboration with Unspun expanded the adoption of 3D weaving technology for made-to-order denim, eliminating excess inventory and setting a new benchmark for custom-fit, low-impact fashion.

Post-Consumer Circularity

Circularity remained a key priority. Evrnu advanced textile-to-textile recycling through regenerated fibres, now in use by leading global brands such as Zara. Reflaunt enabled brands to embed resale and recycling into their digital platforms, making circular fashion accessible to consumers and driving behavioural change around consumption and waste.

Transparency and Traceability

Recognising the increasing importance of traceability, we accelerated efforts to prepare for upcoming EU digital product passport requirements. Collaborations with Fabacus provided scalable traceability tools, while Sheep Inc. built a fully carbon-negative knitwear supply chain—integrating end-to-end emissions transparency. These innovations support both compliance and trust across the value chain.

Fashion Tech Enablement

We also supported technologies bridging physical and digital fashion. Bigthinx led AI-driven body scanning and virtual try-ons, enhancing fit accuracy and reducing returns—addressing customer satisfaction while minimising waste. Meanwhile, Love The Sales applied AI to help brands manage excess stock more sustainably, aligning commercial outcomes with environmental responsibility.

Transparency has remained a cornerstone of our approach. In addition to compliance readiness, digital product passports were also used to enhance consumer awareness around material sourcing, product composition and end-of-life options. This work is central to building a future-ready, accountable supply chain.

Our circularity agenda expanded to include textile recycling pilots, upcycling initiatives and material sorting programmes, each designed to extend product lifecycles and divert waste from landfills.

Looking Ahead

Finalising and operationalising our SBTi targets remains a top strategic priority. These goals will provide structure and discipline to our decarbonisation efforts, further aligning our operations with international climate objectives. We recognise that complex challenges demand long-term thinking, experimentation and humility— acknowledging that not every solution will scale or deliver immediate results. But we remain committed to transparency, continuous learning and accountable progress.

As we reflect on the progress I want to take a moment to acknowledge those who make it all possible. On behalf of the entire sustainability and innovation team, I extend sincere thanks to our employees, supply chain partners, innovators and community collaborators. Your dedication, ideas and feedback are essential to our journey.

Regards,

Buddhi Paranamana
Director of Sustainability and Innovation

PDS Ventures

PDS Ventures, the corporate venture capital arm of PDS Limited, advancing early-stage innovation to rearchitect the global fashion value chain for greater resilience and sustainability. Anchored by a US$50 million fund, it strategically backs ventures across material science innovation, supply chain technology, traceability and transparency, circular solutions and fashion tech enablers.

Through a confluence of financial investment, R&D collaboration and operational integration, PDS Ventures delivers far more than financial backing. It links emerging solutions with the infrastructure and expertise of the broader PDS ecosystem to expedite practical deployment and commercial growth. Its investment model is based on the foundation of identifying scalable technologies that address real-world challenges, such as waste, emissions and inefficiencies across the fashion value chain.

Innovate

Through PDS Ventures we aim to feed upcoming disruptive technologies and innovations into our PDS ecosystem.

Operate

Providing sourcing & manufacturing solutions for leading brands & retailers (PDS Platform).

Invest

We develop new partnerships and invest in businesses that fit the PDS vision.

- Material science innovation
- Manufacturing and process solutions
- Transparency and traceability in the supply chain
- Post-consumer / circular solutions
- Fashion tech enablers



Partnerships and platforms

PDS Ventures works in close collaboration with a network of global partners to identify early-stage ventures, advance pilot innovations and cultivate cross-sector synergies in technology and sustainability.

Trailblazer Programme with Global Fashion Agenda (GFA)

PDS Ventures engages with the Trailblazer Programme by Global Fashion Agenda (GFA), an industry-facing platform that scouts and supports breakthrough start-ups advancing climate action, social equity and circularity in fashion. In 2025, the programme attracted over 200 applications from 44 countries spanning six continents. A jury comprising representatives from GFA, PDS Ventures, Ralph Lauren, Fashion for Good, MIT and Zalando selected nine finalists based on their alignment with three core themes: Working With Nature, Closed Loop Pathways and Tech-Powered Transformation.

PDS Ventures awards catalytic funding of up to US$200,000 to one standout innovator, following joint due diligence.

refiberd

Refiberd was selected as the winner of the Trailblazer Programme 2025. Refiberd was recognised for its innovative use of hyperspectral imaging and AI to accurately identify the material composition of textiles, unlocking critical advancements in textile recycling, resale authentication and traceability.

Fashion for Good (FFG)

PDS Ventures serves as an innovation partner to Fashion for Good, a globally recognised collaborative platform for sustainable fashion innovation. Through this alliance, PDS engages in innovation selection workshops, pilot support processes and cross-functional working groups. Portfolio companies gain access to collaborative R&D, material testing and visibility through the Fashion for Good network. Positive Materials, PDS's integrated material development platform, continues to work in tandem with this ecosystem to introduce scalable new materials to the market and contribute to flagship programmes.

Did you know?

Through its engagement with PDS Ventures, PDS contributes to global innovation ecosystems by nominating early-stage solutions for the H&M Foundation Global Change Award and The Earthshot Prize, both of which spotlight transformative ideas focused on climate action and circularity.



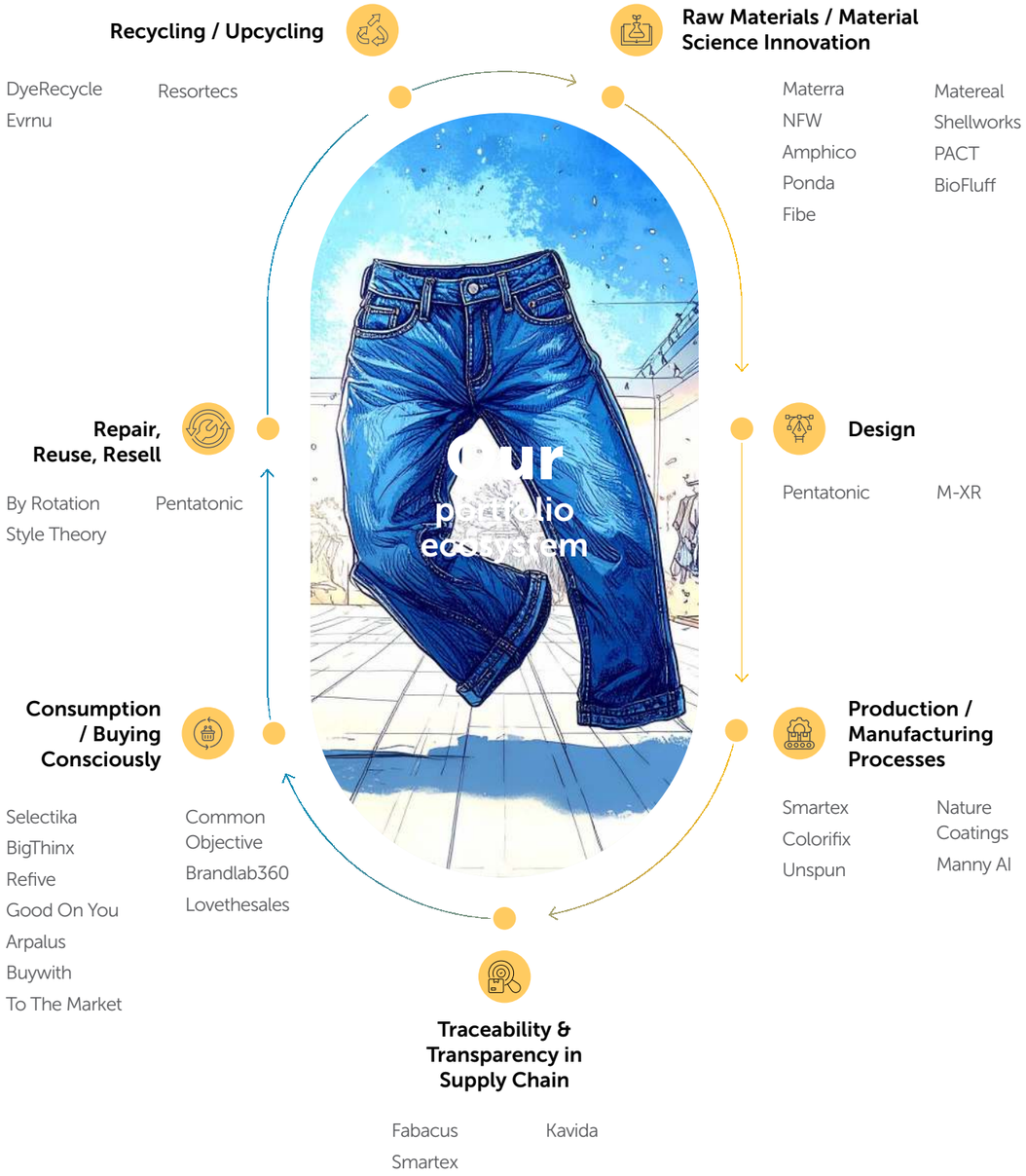
THE EARTHSHOT PRIZE

Industry Participation

At Bharat Tex 2025 in New Delhi, PDS showcased five ventures at its innovation booth: Materra, Smartex.ai, Nature Coatings, Fabacus and Carbon Trail. These companies represent critical inflection point across the circular value chain, from regenerative agriculture to digital traceability. The event was complemented by a panel discussion with dialogue on AI integration in manufacturing, digital product passports and the conditions necessary to embed innovation across complex supplier networks.

During the Best of Bangladesh 2025 event in Amsterdam, PDS Ventures spotlighted Smartex.ai and Positive Materials within the PDS booth. The event was centred around sustainable manufacturing transformation and celebrated Bangladesh's leadership in garment production. The event served as a platform to build visibility and facilitate knowledge-sharing between European stakeholders and value chain actors from Bangladesh.





Expanding the portfolio with new investments

PDS Ventures broadened its portfolio with the addition of six companies, which are developing scalable solutions spanning material innovation, supply chain intelligence and next-generation retail experiences.

MATEREAL

Matereal

Determined to phase out conventional plastics, this materials innovator is developing bio-based and non-toxic materials. Its first product, Polaris, is a renewable alternative to polyurethane, eliminates toxic isocyanates and petrochemicals. Through Polaris, Matereal is offering a safer and decarbonised alternative for fashion and consumer goods applications.

Tira

Aiming to solve the separation and recyclability challenge in stretch garments, Tira is engineering fully bio-based, recyclable performance fibres to replace Spandex and petrochemical sewing threads. Initial trials with Positive Materials have validated product readiness and are working with Tira to support scaling the technology.

Manny AI

Manny AI enhances supply chain responsiveness through real-time production planning tools that connect brands with their Tier 1 and Tier 2 suppliers. Its platform centralises live fabric inventory, predicts supplier fit and streamlines workflows from sketch to delivery. This improves visibility, minimises delays and minimises overproduction risk across fast-moving supply chains.

MOONSIFT

Moonsift

Enhancing the digital commerce experience, Moonsift enables users to save, organise and share products from any online store into a single, universal wishlist. Powered by vision-language AI, it aids brands to tap into intent-rich consumer data and improves and simplifies the process of discovery for the consumers.

SELECTIKA AI

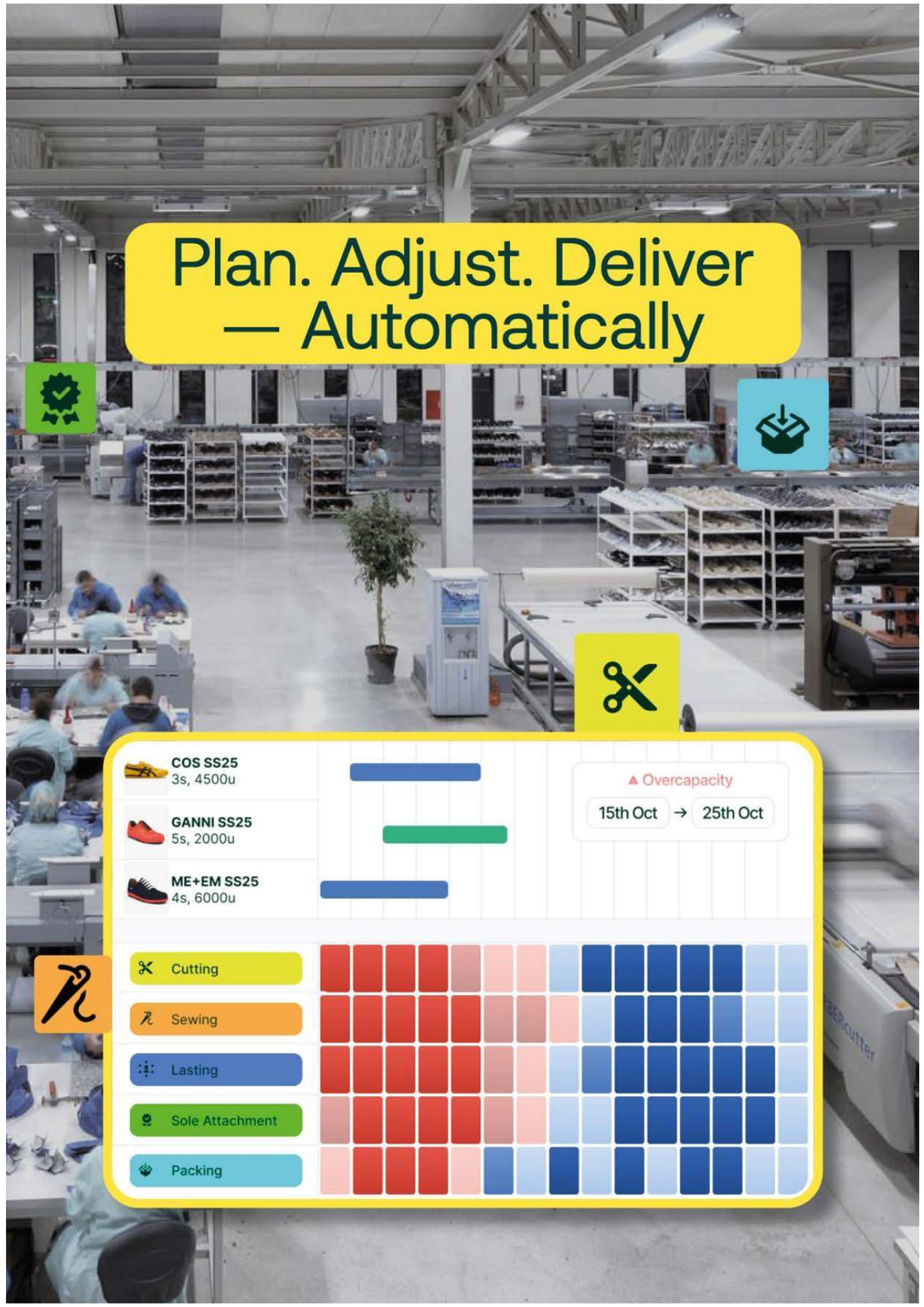
Selectika

Bringing greater precision to digital fashion retail, Selectika utilises visual AI to personalise sizing and anticipate style trends. Its 'Find My Size' tool notably reduces return rates, while its TrendAI engine interprets social signals to help retailers plan assortments more accurately. Together, these tools help retailers reduce emissions and align stock with real-time consumer requirements.

NFW

NFW (Natural Fiber Welding)

NFW is providing oil-free, all-natural materials designed for longevity and industrial scale. Its high-performance platforms are being incorporated across global fashion and automotive supply chains. Through its platform, NFW is paving plastic-free pathway to decarbonisation and circularity.



Material science innovation

POSITIVE MATERIALS

Positive Materials

Catalysing next-gen textile innovation from lab to market

Positive Materials is a sustainable textile development centre in Portugal accelerating next generation materials innovation whilst delivering commercial responsible textiles to a range of high profile brand partners. Positive Materials is a PDS Group Vertical which was launched in February 2023 and has gone on to establish itself as a key innovation partner for brands and innovators alike. This has resulted in several development agreements, 8 brand driven innovation projects and (15) new innovator capsule collections with emerging and established innovators such as Octarine Bio from Denmark and Spiber from Japan showcasing the global reach of Positive Materials. These projects include some in collaboration with a number of PDS Ventures portfolio companies such as Dye Recycle, Sparxell and Colorifix which have been showcased at key textile trade shows such as Premiere Vision, Future Fabrics Expo and Performance Days.

Whilst establishing the research and development arm of the business, Positive Materials has also gone on to secure working relationships with 20 new brands from a range of sectors including luxury, premium lifestyle, high street and sporting goods showcasing the versatility of the Positive Materials development capabilities. The majority of the production for these brands has been focussed on sustainable fibre transitions to either organic or regenerative cotton. For regenerative cotton we've been able to produce approximately 20 tonnes of fabric with an average greenhouse gas emission reduction of 45% compared to conventional cotton fabrics. This clearly highlights the benefit of our focus to shift to a more regenerative future and the effect that a move to more sustainable fibres and technologies can have across the fashion industry.

Sparxell

Sparxell

Redefining colour with nature-inspired pigments

Sparxell is transforming the global colourant industry with a synthetic-free, scalable alternative to traditional dyes and pigments. Emerging from research at Cambridge University Sparxell's proprietary platform harnesses plant-derived cellulose to produce vibrant structural colour. This entirely eliminates petrochemical dyes, metals or minerals from the process. Drawing on inexpensive and abundant resources that can be sourced from waste streams, Sparxell meets the dual imperatives of performance and sustainability in colour application.

PDS Group Vertical, Positive Materials, is the official launch partner for Sparxell's first commercial product, a dye-free ink for textiles. The launch encompasses several high-profile branded capsule items, reinforcing the shift towards safer, cleaner and future-ready colour systems in fashion.

Tira

Bio-based elastic fibres for circular apparel systems

Tira is at the frontier of next-generation elastic fibres that support true circularity in fashion. Its platform includes BioStretch, a biobased alternative to conventional elastane and Biostitch, a wholly biobased thread for sewing application. Both innovations are designed to parallel the performance of petrochemical-derived materials while facilitating scalable garment disassembly and textile recycling.

Successful development, knitting and dyeing trials of BioStretch were completed in collaboration with Positive Materials. This milestone signals the technical viability and expanding market demand for Tira's solutions and how these materials are poised to address a key bottleneck in fibre-to-fibre recycling systems.

Fibe

Scaling regenerative fibres from agricultural waste

Fibe is developing a scalable textile platform by transforming agricultural residues into premium fibres suited for mainstream fashion and home applications. Through proprietary mechanical and biochemical processes, it is producing fibres that phase out the requirement of arable land and consume up to 99% less water than cotton and can achieve a carbon-negative footprint.

Following successful industrial trials validating fibre performance, Fibe has developed a comprehensive suite of fabric swatches and yarns. Fibe has signed a Joint Development Agreement with with a global brand and is in active discussions with others for launch collections in 2025. Backed by a multidisciplinary team of fibre scientists, biochemists and engineers, Fibe is positioned to double the global supply of natural fibres without environmental trade-offs.

Manufacturing and process solutions

Smartex.ai

AI-enabled fabric inspection driving operational excellence

Smartex.ai is modernising textile manufacturing through real-time AI-driven fabric inspection systems that reduce defects, curb overproduction and enhance transparency in opaque manufacturing environments. By automating quality control and delivering shareable and real-time insights, Smartex.ai empowers manufacturers to augment margins, elevate quality and expedite production while staying aligned with sustainability benchmarks.

In 2024–25, Smartex concluded successful pilots with H&M and Fakir Fashions. These pilots validated the platform's ability to streamline workflows, reduce waste and contribute to traceability objectives. These partnerships illustrate Smartex's role in building data-integrated factories across global supply chains.

DyeRecycle

Closed-loop colour and fibre recovery at scale

DyeRecycle is addressing critical inefficiencies in the sustainable fashion supply chain by enabling fibre and chemical circularity. Born out of research at Imperial College London, the company has developed proprietary green chemistry capable of recovering both synthetic dyes and high-value fibres from end-of-life textiles.

Its two core innovations include the decolourisation of polyester and polycotton blends, enabling the production of fully recycled polyester and a reclaimed dye portfolio that meets commercial colour-matching requirements. Together, these breakthroughs advance scalable textile-to-textile recycling, reduce the need for virgin resources and aid brands in achieving their climate and waste reduction objectives.

Manny AI

Real-time production planning for connected supply chains

Manny AI brings dynamic intelligence to fashion production through a real-time, AI-powered platform that seamlessly connects internal teams with Tier 1 and Tier 2 suppliers. By replacing static calendars with responsive, data-informed workflows, the platform allows brands to optimise processes right from design through to delivery.

The platform offers consolidated fabric and trim inventory views, predictive supplier matching and automated tech pack creation. With tools customised for buyers, designers, sourcing and quality teams, Manny AI helps brands to reduce lead times, improve collaboration and increase visibility across their extended manufacturing networks. By digitising planning and execution, Manny AI is ushering in a smarter, more agile production model for the fashion industry.



Transparency and traceability in the supply chain

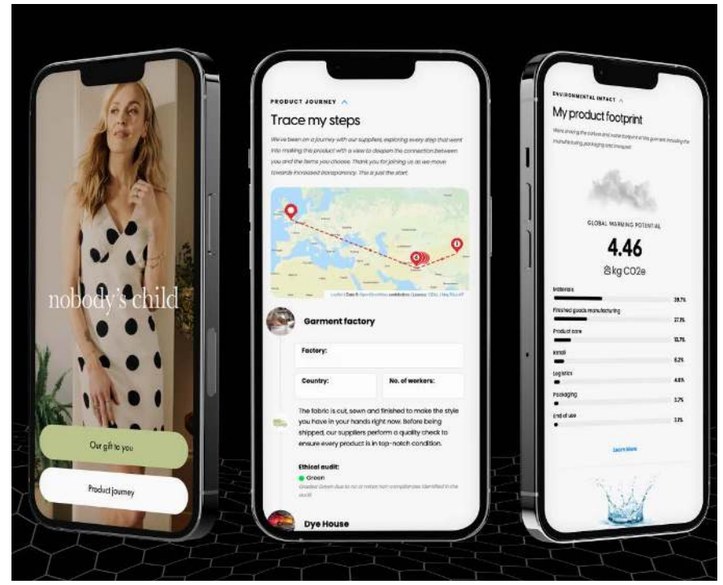
Fabacus

Powering digital product passports through compliant data infrastructure

Fabacus, a global Data-as-a-Service provider is laying the foundation for transparent, traceable and data-enriched product journeys through its proprietary Xelacore platform. Fabacus helps brands and suppliers to build authenticated and digitally verifiable product catalogues. These catalogues serve as the infrastructural backbone for Digital Product Passports (DPPs) and support compliance with the EU's forthcoming Ecodesign for Sustainable Products Regulation.

By consolidating data across the value chain into a single platform, Fabacus eliminates redundancies, minimises manual input and augments accuracy. It utilises a simple QR code scan to provide consumers the access to product-level insights, such as origin, materials, impact metrics and care guidance. In partnership with PDS Ventures, Fabacus is facilitating direct supplier integration into Xelacore, simplifying the widespread adoption of DPP.

Fabacus has achieved the milestone launch of the first DPP-enabled homeware range with Pure Table Top and is scaling pilots with two of the UK's leading supermarkets. Fabacus is also collaborating with fashion brand Nobody's Child to embed DPPs across its entire clothing line by the end of 2025.



Post-consumer / Circular solutions

Yellow Octopus Circular Solutions

Plug-and-play infrastructure for circular fashion

Yellow Octopus, a joint venture between PDS Ltd and circular-economy pioneer Jack Ostrowski since 2006, offers a comprehensive suite of post-retail and post-consumer services. Its services range from seamless take-back schemes, repair centres, excess inventory redistribution, zero-waste recycling and end-to-end data tracking. Every offering is deployable without disrupting existing retail operations.

With nearly two decades of experience and operations spanning over 25 countries, Yellow Octopus supports major brands, including Primark, Lululemon, Urban Outfitters, Amazon, ASDA/George and Footasylum by narrowing waste streams and generating new revenue through reused and recycled product lines.

Their patented zero-waste material science process transforms unrecoverable fashion and beauty waste into new items, such as home décor, store fittings and branded fixtures. Notably, Yellow Octopus was honoured with the Drapers Award for Best Store Design 2024 for showcasing an upcycled store kiosk for Lululemon's Paris pop-up constructed from 75% repurposed fashion waste.



By Rotation

Scaling fashion rental through platform partnerships

By Rotation is rethinking consumption in the fashion industry by enabling peer-to-peer clothing rental through a digital platform that promotes accessibility and circularity. By connecting users to rent and lend garments, the platform extends product lifespans and reduces the need for new production.

In a recent collaboration with designer label Roksanda (part of the PDS Group through PDS Radius Brands), By Rotation debuted a curated rental capsule that brought high-fashion pieces to a wider audience without compromising on environmental objectives.

This partnership validated the potential of circular models in the premium segment of the market and reinforced the growing cultural relevance of rental models as a sustainable lifestyle choice.

Fashion tech enablers

Pentatonic

Infrastructure for scalable, brand-led circularity

Pentatonic serves as the operational backbone for brands and retailers seeking to launch and scale second-life business models. Its offering spans software, hardware, reverse logistics and advisory services that together enable take-back, resale, repair, rental and recycling services.

By integrating these capabilities directly into brand ecosystems, Pentatonic empowers companies to regain ownership of their post-consumer footprint. It strengthens customer relationships and helps companies tap into new revenue streams. The result is a comprehensive approach to circularity that aligns operational sustainability with commercial performance.

From instore collection systems to digital resale plug-ins, Pentatonic's infrastructure supports long-term product stewardship and modern retail innovation.

Refive

Digitising retail engagement with low-impact, high-insight tools

Refive is enabling retailers to transition to paperless, data-driven operations through a plug-and-play platform for digital receipts and in-store customer engagement. Requiring no app downloads or personal data, the platform provides instant receipt access and unlocks valuable zero- and first-party data at the point of sale.

By utilising this data, retailers are able to deliver personalised offers, gather real-time feedback and simplify loyalty programme enrolment. This results in improved customer retention and operational efficiency. In 2024, Refive processed upwards of 20 million digital receipts across 20 countries, cutting CO_2 emissions by an estimated 24 to 30 tonnes annually. The rollout of its AI-powered customer engagement suite and deeper POS integrations has further strengthened its value proposition for the fashion and specialty retail sectors.

Selectika

Reducing returns and overproduction through AI-powered retail insights

Selectika is a visual AI platform tackling two of fashion retail's most persistent inefficiencies: incorrect sizing and overbuying. Its 'Find My Size' feature assigns each product precise fit attributes and provides personalised size recommendations based on a shopper's body profile. In live retail environments, this technology has reduced return rates by 5 to 12%, cutting reverse logistics and associated emissions.

Complementing its fit solution, Selectika's TrendAI module analyses millions of social and search signals to forecast demand patterns before they peak. Merchandising teams use these insights to adjust assortment strategies, improve buy accuracy and reduce overproduction. By aligning product planning with real-time consumer behaviour, Selectika is supporting a more demand-responsive, lower-impact retail model.

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